

Senate Committee on Ways and Means

Fiscal Year 2017 Budget Recommendations



Executive Summary

The Senate Committee on Ways and Means Fiscal Year 2017 budget makes targeted investments to build resilient children, families and communities to better position the Commonwealth for future success, strength and leadership. These recommendations incorporate Senate priorities and ongoing initiatives to foster shared prosperity and growth statewide, while maintaining the Commonwealth's responsibility to sound fiscal management policies.

The Committee's budget focuses on cultivating resilience in our residents and communities, recognizing that we can create a stronger society by treating our neighbors with compassion and care. It is our goal that those who are offered a hand up in tough times will gain the skills and support networks necessary to better care for themselves and others in the future. The result will be stronger, more productive individuals, adaptable and resilient communities and a Commonwealth in which more of its members contribute to its success than rely upon it for help.

The Committee's budget invests in programs and policy initiatives related to early education and care, K-12 education and children's health and welfare to reflect our commitment to planting the seeds of resilience early in life. This budget encourages resilience in families by investing in housing, low income families, public health and services for seniors and individuals with disabilities. Communities are bolstered by local aid investments, support for our environment, transportation and efforts to improve access to justice. In addition, this budget builds a resilient Commonwealth by investing in higher education, workforce training, economic development and intergovernmental collaboration. Finally, this budget encourages good governance policies, reducing reliance on one-time revenue sources and protecting the state's Rainy Day Fund.

Financial Overview

The Senate Committee on Ways and Means FY 2017 budget spends responsibly and maximizes state and federal revenue opportunities and efficiencies. This budget recommends a total of \$39.497B in spending, an increase of 2.9% over FY 2016 funding. This spending recommendation is based on the Consensus Revenue forecast of \$26.86B in total tax revenue for FY 2017, representing 4.3% growth over FY 2016 tax revenue. The Committee's budget relies on \$16.82B in federal reimbursements, departmental revenues and operating transfers. In

addition, this budget directs \$211M to the Rainy Day Fund to build the state's financial safety net to a total of \$1.47B.

Resilient Children

Research by the Harvard Center for the Developing Child points to supportive relationships and skill building opportunities as key factors for developing resilience in children.¹ Supportive relationships with family, teachers, mentors or other caring adults plant the seeds for resilience, helping children of all backgrounds develop the social and emotional skills necessary to overcome adversity and succeed. The Committee's budget takes a holistic approach to early childhood education and care and elementary and secondary education, with a focus on building family and community relationships. This budget also invests in children's mental health, safety and welfare in an effort to ensure all children grow up in a supportive environment. These investments and policy proposals include some of the preliminary recommendations of the Senate's multi-year Kids First initiative to identify innovative strategies to invest in Massachusetts children.

Education

Early Education and Care

Overwhelming scientific evidence suggests that healthy brain development in the first five years of a child's life is critical to future academic, health and social outcomes. High quality early education is also a key factor in reducing income and racial achievement gaps. In order to lay the foundation for healthy development and growth and provide all children with the opportunity to enter school with essential academic skills, this budget invests in a range of early education and care programs and services.

- \$252.8M for childcare services for families whose incomes are at or below 50% of the poverty line.
- \$15.7M for the Children's Trust Healthy Family Programs, which provide a range of neo-natal and post-natal home-visiting support and parenting education programs to help young children grow up in healthy, nurturing families.
- \$10M for reimbursement rate increases to early education providers to increase the quality of care and programming and support this vital workforce.
- \$9.1M for the early education Head Start program to support salaries of early educators and strengthen the program to best prepare children for school.

¹ Center on the Developing Child at Harvard University (2015). *Supportive Relationships and Active Skill-Building Strengthen the Foundations of Resilience: Working Paper No. 13*. www.developingchild.harvard.edu.

The Committee's budget also includes a new \$2M investment in preschool expansion grants to expand high-quality preschool programs that prepare young children for future educational success. These funds will allow communities to begin serving children at a younger age.

In order to help parents gain economic self-sufficiency and improve educational outcomes for children, this budget includes \$500K for a new two-generation pilot program to embed parent mentors and support services into existing early education and after school programs.

Elementary and Secondary Education

Thriving schools create stronger, more resilient children who will grow up to contribute to a productive and prosperous Commonwealth. The Committee's budget makes significant investments in elementary and secondary education to fund public schools across the state and provide excellent education for all of our children. This budget also invests in mentoring and other programs to foster social and emotional learning, positive relationship-building and thoughtful decision-making.

- \$4.63B for the Chapter 70 education funding formula to provide each school district sufficient aid to meet its foundation budget, the baseline funding level needed to adequately educate each student. This \$116.1M increase over the FY 2016 funding level allows for a minimum increase of \$55 per pupil aid and 85% effort reduction to bring school districts closer to their spending targets. Every school district receives an increase.
- \$281.1M to fully fund the Special Education Circuit Breaker to reimburse school districts for high costs of educating students with disabilities at the full 75% reimbursement rate.
- \$8.9M for the Safe and Successful Youth Initiative, which funds youth violence prevention programs including outreach, trauma counseling and employment programs.
- \$2M for Youth At-Risk Matching Grants to community youth organizations, including Boys & Girls Clubs and YMCAs providing mentoring, skill development, academic support and healthy living programs for vulnerable young people.
- \$750K for the Mentoring Matching Grant program, a \$250K increase to serve an additional 500 children in empowering youth-adult relationships.
- \$500K for the Safe and Supportive Schools grant program to foster safe, positive, healthy and inclusive learning environments in schools across the state.

In the first step to implement the recommendations of the Foundation Budget Review Commission (FBRC), the Committee's budget increases Chapter 70 funding rates for low income students and uses a progressive system to direct more assistance to the school districts that educate higher percentages of low income students. This budget also establishes a new interagency task force to recommend ways to more accurately count low income students.

In addition, this budget requires the Secretary of Administration and Finance and the House and Senate Committees on Ways and Means to set an implementation schedule to fulfill the FBRC's other recommendations to improve funding fairness and adequacy for all school districts.

The Committee's budget also creates a new partnership to bring school breakfasts to more low income children across the state to help children begin the school day ready to learn.

Children's Health and Welfare

A safe, supportive and loving environment is critical for a child's emotional, educational and physical development. In line with this budget's focus on building and sustaining supportive family and community relationships, this budget boosts funding for the safety, health and well-being of all children. The Committee's budget includes investments in children's mental health programs and a total of \$934.4M for the Department of Children and Families (DCF), a \$31.7M increase over FY 2016 spending levels.

- \$265.1M for Congregate Care Services, a \$14.7M increase over the FY 2016 level to support high level supervision and care for abused and neglected children.
- \$223.5M for DCF Social Workers, a \$19.6M increase over the FY 2016 funding level to allow DCF to hire an additional 100 social workers and 125 social worker technicians, moving closer to achieving an 18:1 caseload ratio.
- \$88.1M for Children's Mental Health Services, including \$3.6M for the Massachusetts Child Psychiatric Access Program (MCPAP), a national model for pediatric behavioral health consultations, and \$500K for the MCPAP for Moms program to address mental health needs in pregnant and postpartum women.
- \$12.5M for Family Resource Centers (FRCs), a \$2.6M increase over the FY 2016 funding level, to expand FRCs to additional communities, giving more families the opportunity to receive crucial services, including mental health, substance abuse treatment and family support, in their own communities.
- \$6M for DCF Lead Agencies, which provide DCF services at the local and regional level, key for connecting children and families with community-based services.

The Committee's budget also strengthens the Office of the Child Advocate by increasing its independence and investing \$1M to further its mission to protect the health, safety and well-being of children under the care of the Commonwealth and ensure they receive the highest quality services.

Resilient Families

Adults who have the emotional tools and community support they need to deal with unexpected stresses and difficult life experiences serve as better role models for their children, strengthen

their families and contribute to better educational, health and economic outcomes. Investing in resilient families means targeting resources to connect individuals and families with affordable, permanent housing, help low income families become self-sufficient and improve access to high quality, affordable health care. The Committee's budget also invests in programs and services for individuals with disabilities, seniors and other vulnerable groups that are often under-served.

Housing

Stable, safe housing is critical for family wellbeing and the physical, emotional and educational success of children. In line with the mission of the Special Senate Committee on Housing, this budget invests \$441M in low income and homelessness programs to help connect individuals, families and vulnerable populations with housing and supportive services, key foundations for resilience at all ages.

- \$100M for the Massachusetts Rental Voucher Program, including additional funding to allow for 350 to 400 new rental assistance vouchers.
- \$199.5M for families struggling with housing instability through the Emergency Assistance Family Shelters, HomeBASE short-term rental assistance and Residential Assistance for Families in Transition programs.
- \$44.3M for the Homeless Individuals Assistance programs.
- \$6.2M for the Alternative Housing Voucher Program to provide nearly 200 additional vouchers for low income people with disabilities and help them transition from nursing homes to stable, independent housing.
- \$2M for housing and supportive services for unaccompanied homeless youth.

As recommended by the Special Senate Committee on Housing, this budget requires the Executive Offices of Housing and Economic Development, Health and Human Services, Labor and Workforce Development and Education to enter into a memorandum of understanding to identify cross-agency solutions to the challenges faced by low income Massachusetts residents at risk of homelessness.

Assistance for Low Income Families

Benefits provided by the Department of Transitional Assistance (DTA) are an essential source of support for low income families working toward self-sufficiency and economic security. The Committee's budget helps families access affordable childcare, transportation, food and other basic needs while connecting them with education and job training to develop the skills they need to join and succeed in the workforce. These investments and initiatives reflect the Senate's ongoing Work First initiative to create more opportunities for people to transition from public assistance to work, as well as research showing that economic security is a key indicator of a child's future success.

- \$12.4M for the Employment Services Program, which provides a range of education and employment services for benefit recipients.
- \$4M for new vouchers for childcare assistance for families who may decline or delay Transitional Aid to Families with Dependent Children (TAFDC) benefits, helping parents pursue economic opportunities without the barrier of high childcare costs.
- \$2.6M for a new transportation benefit for approximately 10,000 participants in the Supplemental Nutrition Assistance Program (SNAP) Employment and Training Program to help them overcome a common barrier to maintaining employment and reaching self-sufficiency.
- \$258K for a new Promoting Responsible Parenting initiative within the Employment Services Program to provide education and training for 100 non-custodial parents who are legally liable for children receiving TAFDC benefits.

The Committee's budget also notably helps families to secure basic needs by increasing the clothing allowance to \$250 per child and maintaining the transportation reimbursement for working TAFDC clients at \$80 per month.

Given that food security, nutrition and high quality health care lead to better outcomes for children and families, this budget includes a \$1M investment to create a new common application portal to help low income families enroll in both MassHealth and SNAP nutrition benefits, as well as an additional \$1.9M for 60 new caseworkers to assist in this enrollment. Many families are eligible for multiple types of assistance, yet they have difficulty navigating several separate application processes and end up without key benefits.

The Committee's budget includes a new grant program to develop Low Income Taxpayer Clinics that would help families file their taxes and maximize benefits from the Earned Income Tax Credit (EITC), an incredibly effective anti-poverty measure increased by the Senate last year, and other appropriate tax credits and deductions.

Health

MassHealth

MassHealth provides health care coverage for 1,800,000 low income and disabled Massachusetts residents. The Committee's budget invests a total of \$15.4B in MassHealth, including efforts to control cost increases while ensuring all Massachusetts families can access high quality, affordable health care. The Committee's budget maintains funding levels to allow MassHealth to continue to provide services to members as the system moves in the direction of an accountable care model under the federal Medicaid waiver.

- \$30M to allow nursing homes to provide higher wages for their critically important workers.

- \$15M to offset the costs incurred by safety net hospitals in covering under-insured and uninsured residents.
- \$600K to preserve chiropractic services for MassHealth members.
- \$200K to support MassHealth efforts to pursue innovative federal funding opportunities available under the Affordable Care Act.

Substance Abuse Prevention and Treatment

Every community in the Commonwealth is impacted by the opioid crisis in some way, and recent Department of Public Health data indicate that opioid-related overdose deaths are rapidly increasing. The prevention and treatment investments in this budget are part of the Senate's ongoing effort to fight the opioid epidemic, following comprehensive legislation signed into law this year to aid in substance abuse education and prevention and a 2014 law to boost treatment options. The Committee's budget includes \$135M for a range of substance abuse prevention and treatment services, an increase of \$19.4M over FY 2016 estimated spending, allowing for 150 new residential treatment beds and other lifesaving programs.

- \$131.2M for detox, clinical stabilization, residential treatment, outpatient treatment and counseling for individuals with substance use disorders.
- \$3.1M for existing Recovery High Schools and one new school, providing academic support and recovery services for students with substance use disorders.
- \$1M to continue to fund the Narcan Pilot Expansion Program, which supports the purchase of the overdose reversal drug Narcan and training for first responders and potential bystanders in some of the cities and towns most impacted by the opioid crisis.
- \$500K for the Academic Detailing program to reduce inappropriate opioid prescriptions and encourage evidence-based chronic pain management.
- \$500K to continue the accreditation of Sober Homes to ensure that individuals who are recovering from addiction have access to supportive and nurturing environments.
- \$100K to fund the administration of the Municipal Naloxone Bulk Purchase program, created by the Senate in FY 2016 to allow municipalities to purchase overdose reversal drugs at a discounted rate.

Public Health

Public health prevention and education programs are crucial to promoting the health and wellness of families and communities and improving quality of life. The Committee's budget invests in a range of public health programs to protect and empower all individuals in the Commonwealth, particularly the most vulnerable.

- \$33.1M for HIV/AIDS treatment and prevention.
- \$30.6M for Domestic Violence Prevention services and \$1.4M for domestic violence specialists at all DTA offices across the Commonwealth.

- \$4.6M for the Sexual Assault Nurse Examiner (SANE) and the Pediatric SANE Programs, with \$750K allocated for Children’s Advocacy Centers, to support rape crisis centers statewide.
- \$3.9M for smoking prevention and cessation programs to prevent youth from starting tobacco product use, protect the public from secondhand smoke exposure, help people stop smoking and identify and eliminate health disparities related to tobacco use.
- \$2.6M for Pediatric Palliative Care, an increase of \$800K over FY 2016 funds to meet the needs of terminally ill children and their families and eliminate the wait list for these critical services.
- \$2M for dental health care for individuals with developmental disabilities, including \$300K for the Forsyth Kids community-based dental care program.

Individuals with Disabilities

The Committee’s budget invests in a range of programs that seek to promote independence and help individuals with disabilities to live comfortably, safely and productively in their communities. The Committee’s budget funds the Department of Developmental Services (DDS) at \$1.81B, an increase of \$44.1M over the FY 2016 funding level, and invests in a range of housing, job training and health initiatives.

- \$13.9M to fully fund Turning 22 Services for the Massachusetts Commission for the Blind (MCB) and Massachusetts Rehabilitation Commission (MRC), and \$8M for the DDS Turning 22 program, a \$1M increase, to help young people with disabilities transition to the adult services system.
- \$12.4M for Adult Autism Services to provide support for adults with developmental disabilities and continue to serve individuals newly eligible through Chapter 226 of the Acts of 2014.
- \$6.5M for services for children with autism, ages 0 to 8.
- \$3M to continue the transition of individuals from sheltered workshops to integrated employment opportunities.
- \$1.3M for MRC’s assistive technology services to provide individuals with physical disabilities the technology to continue to live independently.
- \$250K for an employment program for young adults with disabilities.

In addition, this budget provides \$250K to continue a program initiated by the Senate last year to identify best practices and improve services for aging individuals with intellectual and developmental disabilities.

Seniors

Too many of our seniors face stressful situations, from health challenges to financial difficulties to emotional strain. By 2030, 1 in 4 Massachusetts residents will be over the age of 60. The

Committee's budget provides a total of \$287.7M, a \$4.3M increase over the FY 2016 funding level, for specialized support services and community-based care for our seniors across the state.

- \$209.6M for Home Care services for low income seniors at local aging service access points, including personal care, home delivered meals, chores and social day care.
- \$28.1M for the Protective Services Program, a \$5M increase from FY 2016, to enhance efforts to investigate cases of elder abuse or neglect.
- \$14.1M for local Councils on Aging, increasing the formula grant to \$10 per senior per year and strengthening local senior center community programming and services.
- \$5.7M for the Supportive Senior Housing Program in semi-assisted living facilities and \$642K for Naturally Occurring Retirement Communities (NORCs) that offer services to areas with a high proportion of seniors aging in place.
- \$750K for the Meals on Wheels program to address hunger and isolation among seniors who remain in their communities.
- \$150K for the Home and Community-Based Services Policy Lab, an innovative Department of Elder Affairs program that uses data and predictive analytics to prevent negative events like falls and health problems.

Resilient Communities

Communities provide necessary public safety, transportation, infrastructure, recreation and cultural support for children, families and individuals, increasingly important in times of economic uncertainty or emergencies. By providing social supports for individuals and families, healthy communities also serve as the bridge connecting residents to a strong and productive Commonwealth. This budget invests in the 351 cities and towns across the Commonwealth to strengthen local services and build healthy and resilient communities.

Local Aid

The Committee's budget reflects a strong commitment to our cities and towns, directing funds to boost local aid for education, infrastructure and other community needs, especially necessary as many municipalities cope with the effects of rising costs.

- \$4.63B for Chapter 70 education funding, a \$116.1M increase over FY 2016 education funding.
- \$1.02B for Unrestricted General Government Aid (UGGA) to bolster municipal capacity, an increase of \$42.1M over the FY 2016 funding level to support community investments in education, public safety, roads and bridges and health care.
- \$281.1M to fully fund the Special Education Circuit Breaker to reimburse school districts for high costs of educating students with disabilities at the full 75% reimbursement rate.

- \$87.5M to mitigate the financial impact on school districts when students leave to attend charter schools.
- \$59M for Regional School Transportation reimbursements to offset 70% of the costs to school districts of providing transportation for their students.
- \$9M for municipal libraries across the state.

In addition, the Committee's budget supports arts and tourism in Massachusetts, a key economic engine for communities across the state. Tourism generates approximately \$1.2 billion in state and local taxes and over \$18.5 billion in direct spending, as well as over 130,000 jobs. This budget reconfigures the tourism formula adopted in 2014 by dedicating \$10M to the Massachusetts Tourism Trust Fund each year, allocating \$6M for Local Tourist Councils working to promote and attract visitors to our communities and \$4M, plus \$344K in addition to the trust fund allocation, to support the Massachusetts Office of Travel and Tourism. This budget also invests \$13M in the Massachusetts Cultural Council to support the state's thriving creative economy.

Environment

Resilient communities must be equipped to withstand the pressures of environmental stresses and climate change. Green space and access to recreation are also vital to the health and wellbeing of our residents. This budget invests \$231.4M in environmental agencies to protect our environment, preserve our natural resources, ensure public health and enhance climate change preparedness.

- \$15.3M to support the Department of Conservation and Recreation State Park system and keep the parks open throughout the summer.
- \$13.6M for the Department of Public Utilities to expand important environmental oversight and utilities planning work.
- \$10.5M for the Environmental Police, which enforces a wide variety of laws and regulations to ensure the responsible use of Massachusetts environmental resources.
- \$5.4M for the Department of Agricultural Resources, including support for local apiary inspectors, the Buy Local Program, the Farm to School Project and other programs to keep the Massachusetts agriculture industry growing.
- \$250K for Climate Change Adaptation and Preparedness programs to address the threat of climate change through improved data analysis, municipal assistance and enhanced planning.
- \$150K for a new State Climatologist to continue efforts to manage the risks of climate change in Massachusetts.

The Committee's budget includes a new initiative directing the Registry of Motor Vehicles to sell seasonal State Park passes at their locations at a discounted price, in an effort to increase

access to the Commonwealth's green spaces, encourage use and enjoyment of these natural resources and bring in more revenue for the state.

Transportation

Safe, well-maintained roads and bridges and reliable, accessible public transportation strengthen the fabric of our communities, allowing people to pursue educational and employment opportunities, access health care and support services and strengthen community ties. In addition to local aid investments that support transportation infrastructure, the Committee's budget provides \$608.9M for transportation, including \$187M for the Massachusetts Bay Transportation Authority (MBTA) and \$84.1M for Regional Transit Authorities, which serve as lifelines for many people in communities across the Commonwealth.

Public Safety

Resilient communities depend on a robust approach to public safety. The Committee's budget encourages innovative and data-driven solutions to public safety issues to ensure physical and emotional security for all residents.

- \$593.4M for the Department of Correction, with a focus on substance abuse treatment, recidivism reduction and data-driven best practices.
- \$572.1M for the Sheriffs' offices across the state, including initiatives to improve spending efficiency while maintaining important public safety and re-entry services.
- \$338.7M to fully fund the Department of State Police and increase troop strength.
- \$6M for the Shannon Grants gang violence prevention and intervention program.
- \$1.4M for a new interagency initiative to combat high-level heroin trafficking.

Access to Justice

The Committee's budget takes a comprehensive approach to criminal justice to promote efforts to innovate and modernize within the court system and improve access to justice for all Massachusetts residents. The Senate is actively involved in the state's Criminal Justice Reform Task Force, working with the Council of State Governments Justice Center, and these budget investments and initiatives share their goals.

- \$643.5M for the Trial Court, an increase of \$12M over the FY 2016 funding level to support operations, employees and key programming at the state's trial courts.
- \$179.3M for the Committee for Public Counsel Services (CPCS), including continued support for public defenders' FY 2016 salary increases.
- \$138.7M for the Office of Probation, supporting efforts to reduce recidivism and better incorporate a pre-trial risk assessment tool into the court system.

The Committee's budget also authorizes CPCS's Chief Counsel to lift the billable hours cap for Child and Family Law and care and protection cases. There is often limited availability of qualified counsel to handle these complicated and time sensitive cases. Lifting the cap on the number of cases and hours lawyers are allowed to take on will provide more families with effective legal representation.

In addition, this budget includes a new \$1.2M investment to expand the Housing Court to serve all residents across the Commonwealth. The Housing Court, which provides specialized legal support for landlord and tenant issues, currently serves only 80% of the state geographically, leaving nearly one third of Massachusetts residents without access to these important services.

Resilient Commonwealth

Resilient children, families and communities will help ensure that our state continues to grow and prosper, regardless of the hardships that arise. While a truly resilient Commonwealth depends on our people, financial stability and diverse sources of revenue are also necessary. The Committee's budget makes a concerted effort to enhance intergovernmental collaboration, good governance measures and fiscally responsible practices. In addition, it makes substantial investments in workforce training, economic development and our public higher education system, a valuable asset for preparing the next generation to continue to lead and innovate here.

Higher Education

Our highly educated, highly skilled and creative workforce is critical for the Massachusetts knowledge-based economy to continue to grow and lead. In order to best prepare students to succeed and compete in the global marketplace, Massachusetts must continue to maintain our excellent system of public higher education. The state's higher education system is one of the Commonwealth's largest employers, and the majority of the students who study here remain in the state after they graduate. This budget therefore makes substantial investments in higher education programs to prepare students to join the workforce, keep our economy growing and keep our state colleges and universities strong.

- \$521.3M for the University of Massachusetts, our world-class public research university system, a \$20.5M increase in funding over FY 2016, in addition to the new flexibility provided by tuition retention.
- \$281.7M for the fifteen community colleges and \$258.4M for the nine state universities across the Commonwealth, reflecting a combined increase of \$24.4M over FY 2016 funding levels.
- \$4.8M for Foster Care and Adopted Child Fee Waivers at institutions of public higher education, a \$512K increase to fully fund the need for these waivers, and \$1.1M for

Foster Care Financial Aid, ensuring vulnerable youth are able to access higher educational opportunities.

- \$2.6M for State University Incentive Grants to promote the goals of the Department of Higher Education's Vision Project, including efforts to increase enrollment, retention and graduation rates.
- \$750K for Community College Workforce Grants for career training programs to help students develop vocational skills opportunities and connect them with local employers.
- \$350K for a new public-private partnership matching grant program to establish college savings accounts for children in grades 7 through 12, a key way to encourage low income students to pursue higher education and help close income and racial educational attainment gaps.

Workforce Training and Economic Development

Helping workers update their skills and find meaningful employment are key factors in boosting resilience and economic security. This budget invests in workforce training and also supports sectors of the Massachusetts economy that are driving innovation and growth.

- \$11.5M for wages for the Youth-At-Risk Summer Jobs program, providing valuable work experience and structured work-readiness training for low income students.
- \$4M for Workforce Competitiveness Grants, a \$1.8M increase over the FY2016 funding level, to invest in both the current and long-term workforce needs of the Massachusetts economy by training and educating unemployed and under-employed workers for high-demand, well-paying jobs.
- \$3M for the Innovation Institute at the Massachusetts Technology Collaborative (MassTech), which works to foster a favorable environment for the development, growth and retention of technology and innovation clusters across the state.
- \$1.5M for the Precision Manufacturing Program, which trains and educates unemployed and underemployed individuals for necessary skills in the precision manufacturing field.
- \$1M for the Massachusetts Technology Transfer Center for the Innovation Commercialization Seed Fund to provide grants and mentoring to bring promising inventions out of research labs and into the marketplace.
- \$600K for Regional Economic Development Grants providing business development services at up to 12 regional sites.

The Committee's budget also invests \$2M in a new trust fund to provide stipends for Digital Health Internships through MassTech. This sector is a leading area of the Massachusetts innovation economy, yet the industry faces a talent shortage as it continues to grow. Building on other technology internship incentive programs, the Digital Health Internship fund will prepare college and graduate students for careers in digital health fields such as e-health, cyber and IT security and integrated photonics.

Intergovernmental Affairs and Good Governance

Collaboration and collective efforts are required on many fronts to ensure our children, families and communities are best equipped to adapt to future challenges and social change. To accomplish this goal, this budget focuses on several policies in line with the Senate's ongoing Intergovernmental Affairs initiative to maximize state and federal revenue opportunities and enhance interagency and intergovernmental collaboration.

The Committee's budget invests \$500K to establish a new Tax Expenditure Review Audit Unit within the Office of the Inspector General to evaluate the administration and fiscal impact of all tax expenditures and make recommendations to the Legislature on modifying, eliminating or maintaining these credits and other expenditures.

In an effort to improve spending transparency for cities and towns, this budget directs the Department of Revenue (DOR) to study a way to more clearly and accurately notify municipalities of state municipal aid. Currently, DOR issues a Cherry Sheet to municipalities and school districts outlining estimates of selected state aid to be paid and charges to be assessed for the next fiscal year. This budget directs DOR to determine the feasibility of updating or supplementing these lists to include other sources of state support for municipalities that are currently omitted from the Cherry Sheets.

The Committee's budget also creates a new Sheriffs' Working Group to identify ways to reduce operating expenses while maintaining public safety, including consolidating vendor services, enhancing federal revenue opportunities, reducing overtime costs and formulating equitable staffing ratios.

Other intergovernmental affairs efforts include the interagency collaboration to address housing and homelessness issues and the development of a common application portal for MassHealth and SNAP benefits, as well as other benefits provided by the Commonwealth. This budget also maximizes federal revenue opportunities for MassHealth as the agency transitions to an accountable care model of service.

Investing in a Resilient Commonwealth

Just as our residents must be prepared for the unexpected, our Commonwealth as a whole must be on solid financial footing to adapt and recover from unexpected future events. To that end, the Committee's budget does not draw funds from the Stabilization Fund, but rather directs \$211M to it, bringing our state's biggest insurance policy against future economic downturns to a total of \$1.47B. Building up our state's financial safety net has been a consistent Senate priority, and this budget continues this commitment to fiscal responsibility, so critical for a truly resilient Commonwealth.