



The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
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Chairman
House Committee on Ways and Means

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To the Members of the Massachusetts House of Representatives:

With this document, the House Committee on Ways and Means presents its recommendations for the Fiscal Year 2020 General Appropriations Act. The Committee's proposal makes fiscally responsible decisions and targeted investments that allow the Massachusetts economy to continue to grow and diversify. This is a budget that funds the commitments of our present and invests in the promise of our future.

For much of FY 2019, the Commonwealth's tax collections have varied considerably. In November of 2018 the State's returns were \$400 million above the benchmarks agreed to during the Consensus Revenue process. By the end of February of 2019 the State's returns were nearly \$300 million below benchmarks. This swing is likely due to volatility in the stock market, the 24 day shutdown of the Federal government, and recent changes to the Federal tax code. While our economy remains strong and our overall fiscal situation is strong, going into Fiscal Year 2020 we must remain cautious with the understanding that the revenue picture remains unclear.

This budget delivers on our shared commitment to the cities and towns we represent. It provides a \$29.6 million increase to Unrestricted General Government Aid (UGGA) and over \$235 million in increased funding for Chapter 70 education aid. This is also a budget that recognizes that local aid goes beyond those two accounts, and continues to make investments in funding for Regional School Transportation and the state's share of the Special Education Circuit Breaker.

This budget would also reform the way that local school districts receive transitional aid as a result of students who switch to a charter school. These reforms will result in quicker, more reliable funding from the State with no loss in actual funds.

Under the leadership of Speaker Robert A. DeLeo, Massachusetts has prioritized the field of early education and care, investing in both access and quality. This budget continues these historic investments, including another \$20 million rate reserve for early educators, which will help to raise salaries allowing education providers to recruit and retain high quality staff. This funding ensures Massachusetts's youngest residents will receive the best possible care from experienced teachers during their most formative years.

The Committee's proposal prioritizes housing and homelessness needs and builds on previous investments to support individuals, families, and youth. This budget provides for an additional \$25.1 million over FY 19 for housing and homelessness. Some of these investments include the Massachusetts Rental Voucher Program (MRVP), which will see its funding increased to historically high levels and create hundreds of new vouchers that will be utilized to keep at risk families in their homes. Other housing programs and homeless shelters for both individuals and families will also see significant investments.

Our investments in healthcare comprise a significant portion of the budget. This budget provides \$16.57B for MassHealth so that we can continue our commitment to our most vulnerable residents. In an effort to control the rising costs of prescription drugs, this budget includes provisions that would allow MassHealth to directly negotiate with drug manufacturers in order to contain costs and offer the best price for both the Commonwealth and its citizens. We also provide significant new investments for developmental services, including, \$5.1 million for Family respite services, and \$9.4 million in new funding for Autism services. The House Ways and Means proposal prioritizes vital services and protections to our most vulnerable citizens.

The House remains committed to expanding treatment options and providing resources for those struggling with substance use and mental health issues. We have focused on prevention, intervention, and long term recovery. This budget will invest \$20 million more than FY 19 into the Substance Use Disorder Trust Fund, allowing individuals across the addiction spectrum the services they need. We also continue to support step-down recovery services, jail diversion programs, and expanded access to medications such as Narcan and Vivitrol.

The Committee's budget makes targeted investments in environmental programs, understanding the role they play in protecting public health and in making climate resiliency investments for the Commonwealth. The House Ways and Means FY 2020 budget includes \$45 million for State Parks and Recreation, \$61 million for the Department of Environmental Protection to help conduct environmental compliance, and \$1.5 million for Watershed Protection. This funding will allow agencies to hire new inspectors, permit writers, park rangers, and scientists to protect and enhance Massachusetts' air, water, and land.

I would like to thank all members of the House, including members of the House Committee on Ways and Means, for their input during the budget process. I extend a special thank you to our Vice-Chair, Representative Denise C. Garlick of Needham, and our Assistant Vice-Chair, Representative Elizabeth A. Malia of Boston, for their advice and assistance in creating this budget proposal.

I look forward to working closely with all the members of the House of Representatives in the upcoming debate. I know that we will work together to produce a fiscally responsible budget that reflects our shared priorities.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Michlewitz". The signature is fluid and cursive, with a long horizontal stroke at the end.

Aaron M. Michlewitz
Chairman