



Senate Ways and Means Releases FY 2019 Budget Recommendations

BOSTON – May 10, 2018– The Senate Committee on Ways and Means today announced a \$41.42 billion budget for Fiscal Year 2019. The budget recommends targeted investments to create opportunities and ensure access to the tools that individuals, children and families need to succeed in the economy and in their communities.

“Massachusetts has long been a leader in so many areas, from education and health care, to economic innovation and protecting the vulnerable. Our budget continues in this long tradition and invests in our strengths, while confronting obstacles to continued success,” said **Senator Karen E. Spilka (D-Ashland), Chair of the Senate Committee on Ways and Means**. “We boost funding for school districts and empower regions across the state to provide local services. We provide tools to support full engagement in the economy, recognizing that access to opportunities and support services benefit our people and our Commonwealth as a whole.”

“There are many needs and demands throughout the Commonwealth to be considered during the budget creation process each and every year. Unfortunately, each budget year our needs far outweigh the resources that are available,” said **Senator Joan B. Lovely (D-Salem), Vice Chair of the Senate Committee on Ways and Means**. “I am proud of the dedicated work of the committee to recommend a sound and fiscally responsible FY19 budget while also strategically investing in the key areas of education, health and human services, and housing. This budget supports our local communities and reflects the shared priorities of the Senate.”

“This Senate budget makes significant investments in building opportunity and empowering communities,” said **Senator Sonia Chang-Diaz (D-Boston), Assistant Vice Chair of the Senate Committee on Ways and Means**. “From increased funding for adult basic education and workforce development, to a new high water mark in reimbursements to school districts for charter school transitions, to a major new investment in access to housing opportunities, this budget shows the Senate’s strong commitment to progress. I commend Chairwoman Spilka on her incredibly hard work and attention to detail in developing this budget – as a result, we have a budget that recognizes the needs of so many across the Commonwealth.”

The FY 2019 budget includes \$41.42B in total spending, an increase of 3% over the FY 2018 General Appropriations Act, and invests in key areas related to education, local aid, health and human services, housing and tools for low income families. The Committee’s budget limits the use of one-time revenue sources and directs \$88.5M to the state’s Stabilization Fund.

The Committee’s budget invests significantly in education for people of all ages and backgrounds and focuses in particular on elementary and secondary education, including \$4.91B for the Chapter 70 education formula, its highest level ever. This funding allows for a minimum aid increase of \$30 per pupil for every school district across the state and 100% effort reduction to bring all school districts to their target local contribution. The

budget also continues to phase in the Foundation Budget Review Commission (FBRC) recommendations to more adequately fund school districts across the state and ensure high quality education for all students.

- \$4.91B for Chapter 70 education funding
- \$518.7M for the University of Massachusetts, \$282.6M for community colleges and \$259M for state universities
- \$318.9M to fully fund the Special Education Circuit breaker, reimbursing school districts for the high cost of educating students with disabilities
- \$100M to reimburse school districts for costs incurred when students leave to attend charter schools
- \$8.7M for Childcare Resource and Referral Centers to boost salaries and decrease caseloads for caseworkers helping parents, childcare providers, employers and community groups navigate the state's early education landscape
- \$4.7M for the School Breakfast program and a policy change to ensure that free and reduced-price breakfast is served after the start of the school day

The Committee's budget continues Massachusetts' leadership in providing health and human services, investing in health care for low income residents and vulnerable populations, services for people struggling with mental illness and substance misuse and resources for children, seniors, veterans and individuals with disabilities.

In line with the Senate's continued efforts on health care cost containment, the budget provides MassHealth with new tools to tackle the rising cost of pharmaceutical drugs, setting an annual spending target and permitting the Secretary of Health and Human Services to pursue rebates from pharmaceutical manufacturers. This policy change allows for savings without changing eligibility standards, reducing access to certain pharmaceuticals or compromising access to comprehensive health coverage.

- \$141.8M for a range of substance abuse treatment, intervention and recovery support services, including funding to open five new recovery centers
- \$92.2M for children's mental health services, including \$3.7M for the Massachusetts Child Psychiatric Access Program
- \$25M to fully fund Department of Developmental Services Turning 22 services to help young people with disabilities transition to adulthood
- \$15.5M for Family Resource Centers to expand to new communities and meet increased demand for services from families displaced by last fall's hurricanes
- \$4M to increase salaries of providers of mental health services for both children and adults and improve access to this critical care

The Committee's budget invests in programs and advances policies to encourage self-sufficiency and economic mobility for low income families, providing them with the tools to secure their essential needs and develop skills to join the workforce. Policy changes include raising the Earned Income Tax Credit (EITC) state match to 30% of the federal credit, eliminating the failed state policy that denies Department of Transitional Assistance benefits to children conceived while the family was receiving assistance and increasing the clothing allowance to \$350 per child to help families secure their basic needs.

The budget also continues to invest in initiatives that connect Massachusetts workers with economic opportunities and boost thriving sectors of our economy.

- \$31M for adult basic education services to improve access to skills and tools necessary to join the workforce
- \$10.3M for summer jobs and work-readiness training for at-risk youth.
- \$5M for the Workforce Competitiveness Trust Fund to connect unemployed and under-employed workers with higher paying jobs
- \$2.5M for the Massachusetts Technology Collaborative Innovation Institute
- \$1M for the Learn to Earn initiative to decrease the skills gap in high demand sectors
- \$1M for Regional Economic Development Organizations to support economic growth and innovation in all regions of the state

The Committee's budget invests \$449.1M in low income housing and homelessness services to increase access to quality, affordable housing, a necessary foundation for people seeking to climb the economic ladder.

- \$155.9M for Emergency Assistance Family Shelters
- \$97.5M for the Massachusetts Rental Voucher Program (MRVP)
- \$18.5M for Residential Assistance for Families in Transition (RAFT), including \$3M to expand eligibility to include persons with disabilities, seniors, unaccompanied youth and individuals
- \$6.5M for nearly 160 new rental subsidies for individuals with mental health challenges
- \$5M for the Alternative Housing Voucher Program providing rental assistance to people with disabilities and \$2.7M for a new grants program to improve or create accessible affordable housing units
- \$3.3M for housing and supportive services for unaccompanied homeless youth

Recognizing that each community and region of the Commonwealth has unique assets and needs, the Senate Ways and Means budget directs significant investments to local aid and community services and empowers municipalities to provide vital education, public safety and infrastructure services.

- \$1.1B for unrestricted general government aid to support community investments in education, health care, public safety and roads and bridges
- \$88M for Regional Transit Authorities, along with policy changes to tie future transfers to inflation and create a Task Force on RTA Performance and Funding to recommend reforms to service standards and finances
- \$26.6M for the Board of Library Commissioners, including \$10.3M for regional library local aid, \$9.4M for municipal libraries and \$2.6M for technology and automated resources.
- \$15.7M for local Councils on Aging to strengthen programs and services in senior centers in communities across the state
- \$14M for the Massachusetts Cultural Council to support local arts, culture and creative economy initiatives

Senators can file amendments to the Senate Ways and Means recommendations until Monday at 12 p.m. The full Senate will then debate the Fiscal Year 2019 budget in formal session beginning Tuesday, May 22nd. The FY 2019 Senate Ways and Means Budget Recommendations are available on the Massachusetts legislature's website: <https://malegislature.gov/Budget/SenateWaysMeansBudget>.

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