

Massachusetts Gov. Baker's administration files Fiscal Year 2022 Supplemental Budget

Supports continued COVID-19 response, provider stabilization and other immediate needs.

The Baker-Polito Administration today filed a Fiscal Year 2022 (FY22) supplemental budget proposal that supports the Commonwealth's ongoing response to COVID-19 and invests in other priority areas with immediate need, including child care, human services, housing, climate change preparedness and local infrastructure. The bill recommends \$2.4 billion in supplemental appropriations, at a net state cost of \$1.6 billion, relying on surplus revenues realized through the first half of FY22.

"Massachusetts remains in a strong fiscal position, which enables us to use surplus Fiscal Year 2022 revenues to sustain our efforts to respond to COVID-19 and invest in areas like early education, human services, housing and more," said Governor Charlie Baker. "Thanks to our careful management of state finances in partnership with the Legislature and the resilience of our economy, revenues continue to exceed projections, making Massachusetts well-positioned to make these investments."

"This supplemental Fiscal Year 2022 spending plan expands on our efforts to support the Commonwealth's families and communities, including resources for counseling, advocacy and intervention services to fill an important gap in federal funds for victims of crimes," said Lt. Governor Karyn Polito. "We look forward to partnering with the Legislature to make these and other critical investments through this spending plan."

The spending bill proposes a significant investment to stabilize child care providers, special education schools and human service providers to ensure that the critical services that they provide remain available to all who need them, despite enrollment and utilization fluctuations caused by the pandemic. The legislation includes \$450 million to extend Commonwealth Cares for Children (C3) stabilization grants for child care providers through fiscal year 2023 (FY23). It also includes \$140 million for special education schools to continue support through FY23 that will help address direct care and clinical staffing needs and ensure that these schools are able to safely provide residential and day education services to approximately 7,000 children between the ages of 3 and 21. The bill further proposes \$401 million to extend rate enhancements for human service providers and support other investments in Home & Community Based Services; \$346 million of this spending is supported by federal funding provided through the American Rescue Plan Act (ARPA), for a total of \$55 million in net state cost.

The bill increases support for children and families, with a focus on those whose lives have been significantly disrupted by the pandemic. It recommends \$100 million for matching grants to youth-focused nonprofits that will support the construction and renovation of new facilities for children across the state. It provides \$60 million to maintain access to rental assistance through the Rental Assistance for Families in Transition (RAFT) program as the federal Emergency Rental Assistance program begins to wind down. Additionally, the bill includes \$8.4 million to continue additional short-term assistance to families fostering children during the pandemic, which will benefit approximately 4,500 foster families caring for 6,700 children.

The Administration's supplemental budget also includes \$700 million dedicated to the public health response to COVID-19, such as providing rapid tests and surveillance testing in

congregate care settings, administering monoclonal antibody treatments, maintaining vaccination sites and ensuring sufficient staffing in health care facilities. After anticipated FEMA reimbursements, these initiatives are expected to have a net cost of \$439 million. These funds will complement the \$101 million supplemental budget signed into law last week to support COVID-19 response.

“The surplus we’ve realized in FY22 thus far reflects the continued strength of the Massachusetts economy and gives us the opportunity to address additional critical areas of need across the state,” said Administration and Finance Secretary Michael J. Heffernan. “The Baker-Polito Administration is pleased to propose a spending plan that will redirect surplus revenues to high-impact investments in human services, childcare, education, local infrastructure and more that will continue the Commonwealth’s recovery from COVID-19.”

The Administration also recommends supporting a range of infrastructure and climate-related needs in local communities. It proposes \$100 million for a supplemental Chapter 90 distribution, \$100 million to help municipalities repair roads from winter damage and \$150 million in supplemental grants to fund climate change resiliency initiatives, including the Municipal Vulnerability Preparedness (MVP) program.

A number of other initiatives are supported in the supplemental budget proposal, including:

- \$60 million to stabilize and support counseling, advocacy and intervention services for victims of crime through FY25 until federal Victims of Crime Act (VOCA) resources are restored;
- \$50 million to support the guardian ad litem expansion proposal – described more fully below;
- \$14 million to fully fund service improvements for men who are civilly committed for substance use treatment under

Section 35;

- \$10 million to ensure Emergency Aid to the Elderly, Disabled and Children (EAEDC) payments are uninterrupted through caseload volatility;
- \$5 million to expand STEM teacher professional development, materials and technology;
- \$5 million to support the implementation of the new 988 emergency call line;
- \$5 million for Department of Mental Health (DMH) housing repairs and additional housing vouchers;
- \$2 million to optimize government services for hybrid work models;
- \$1.8 million to support behavioral health services for Haitian and Afghan evacuees;
- \$1.1 million for Safe Water Initiative Massachusetts (SWIM) grants and other summer water safety investments.

The legislation also includes several policy proposals, including:

- A section that will mandate the appointment of a guardian ad litem (GAL) in every alleged child abuse or neglect case through the Juvenile Court – GALs will provide children in the custody of the Department of Children and Families (DCF) an independent advocate responsible for considering only the child's best interests; an accompanying appropriation is filed in the bill to support the recruitment, training and compensation of additional GALs;
- A proposal that will exempt payments received through the Commonwealth's COVID-19 Essential Employee Premium Pay program from the Massachusetts income tax;

- Sections that make corrections to previously signed legislation related to COVID-19 response that will improve implementation of spending priorities;
- Sections to extend certain COVID-19 state of emergency provisions, including the eviction provision that is currently set to expire on April 1, 2022 and will be extended until January 1, 2023.

To read the Governor's filing letter, [click here](#).

Governor Baker Announces Plan to Begin Distributing Payments to Low-Income Workers

The Baker-Polito Administration today announced plans to begin distribution of \$500 payments to 500,000 low-income workers as part of the COVID-19 Essential Employee Premium Pay program. These payments represent the first round of funds to be distributed as part of the \$460 million program, which was enacted in December when Governor Baker signed a \$4 billion spending plan for American Rescue Plan Act (ARPA) funds. These payments, worth \$250 million, will be mailed to 500,000 people by the end of March.

"I was pleased to sign the COVID-19 Essential Employee Premium Pay program into law in December, and our Administration has worked quickly to design the parameters for the program with plans to efficiently begin distribution of these payments by the end of March," said Governor Charlie Baker. "This program

will support those workers who served our communities, especially early in the pandemic.”

“This first round of payments to low-income workers will provide meaningful support for individuals who continued to work despite the global pandemic,” said Lt. Governor Karyn Polito. “We are pleased that our Administration has been able to quickly design this program to get funds out the door to those workers who the program is intended to support.”

Click here to learn more about the program:
www.mass.gov/premiumpay

The law provided for the Administration to design the program and develop eligibility parameters that will ensure this critical support is provided quickly to deserving workers across the Commonwealth. Based on filed 2020 Massachusetts tax returns, individuals will be eligible for payments if their income from employment was at least \$12,750 and their total income put them below 300% of the federal poverty level.

The lower bound of this range equates to working 20 hours a week for 50 weeks at minimum wage as of 2020 (\$12.75). The federal poverty level is set by the federal government and increases with household or family size. For example, the maximum total income for a single filer with no dependents will be \$38,280; a resident who files with a spouse and two dependents, or with no spouse and three dependents, could be eligible with a household income up to \$78,600. Married filers can each be eligible, provided each independently qualifies. Based on these parameters, the below chart indicates eligibility for these payments by household size:

Household / Family Size	2020 Total Income @ 300% of FPL
1	\$38,280
2	\$51,720
3	\$65,160
4	\$78,600
5	\$92,040
6	\$105,480
7	\$118,920
8	\$132,360

Individuals who received unemployment compensation in 2020 will not be eligible for the first round of payments, nor will Commonwealth executive branch employees who received or will receive a one-time payment from the state as their employer.

The legislation creating the Premium Pay program included \$500 million for low-income essential workers; this \$460 million program comprises the majority of those funds, and \$40 million was allocated to fund previous agreements with state employee unions. Additional information on plans to disburse subsequent rounds of funds after March will be released in the future.

Massachusetts Gov. Baker's administration files fiscal year 2023 budget and tax relief proposals

\$48.5 billion budget filed alongside comprehensive tax relief plan.

The Baker-Polito Administration today filed its Fiscal Year 2023 (FY23) budget proposal, a \$48.5 billion plan that continues to support economic growth across Massachusetts and sustains efforts to address the COVID-19 pandemic, while fully funds the Student Opportunity Act, and making key investments in other critical areas, including housing and health care.

Alongside this fiscally responsible and balanced budget proposal, submitted as House 2, the Baker-Polito Administration is filing a comprehensive tax proposal to provide relief for housing and childcare costs, eliminate the income tax for hundreds of thousands of low-income taxpayers, and maintain Massachusetts' competitiveness. The proposed changes would allow nearly \$700 million to remain in the hands of taxpayers on an annual basis starting immediately in tax year 2022.

"Our Fiscal Year 2023 budget will help position Massachusetts strongly for the future by making key investments to support economic growth, sustain our nation-leading educational system, and support the health and wellbeing of our residents," said Governor Charlie Baker. "At the same time, we are able to grow our reserves to historic levels and offer a tax relief proposal that will provide substantial relief for low-income seniors and working families. We look forward to working with our legislative colleagues to adopt a spending plan for FY23 that supports a strong and equitable economic recovery across the Commonwealth."

"The FY23 budget recommendation maintains our Administration's strong support for cities and towns with another increase in local aid consistent with tax revenue growth alongside other substantial investments to help the economic growth and development of Massachusetts communities," said Lieutenant Governor Karyn Polito. "This plan takes advantage of our strong fiscal position to increase opportunity for individuals and families and continues our work in priority areas including treatment and prevention of substance addiction,

sexual assault and domestic violence, promoting equality and diversity, and increasing access to education, job skills training, and high-value careers.”

“The Baker-Polito Administration is proud to submit an FY23 budget that is fiscally responsible, brings the Rainy Day Fund to record levels, and makes significant investments to support those who need it most, all while affording tax cuts that will help hundreds of thousands of taxpayers across the Commonwealth,” said Administration and Finance Secretary Michael J. Heffernan. “We look forward to collaborating with the Legislature in the coming months to finalize a spending plan that continues to support growth, opportunity, and recovery across the state while limiting future budgetary risk.”

Tax Relief Proposal

The comprehensive tax relief plan filed today alongside the FY23 budget includes proposals that will provide \$700 million in tax relief to low-income families and residents and maintain Massachusetts’ competitiveness. With a strong revenue picture and the budget projecting a significant deposit in to the Stabilization Fund, the Commonwealth can afford to provide this relief for working families and seniors. The plan proposes to:

- Double the maximum Senior Circuit Breaker Credit to lower the overall tax burden for more than 100,000 lower-income homeowners aged 65+
- Increase the rental deduction cap from \$3,000 to \$5,000, allowing approximately 881,000 Massachusetts renters to keep approximately \$77 million more annually
- Double the dependent care credit to \$480 for one qualifying individual and \$960 for two or more, and double the household dependent care credit rate to \$360 for one qualifying individual and \$720 for two or more to benefit more than 700,000 families

- Increase the Massachusetts adjusted gross income (AGI) thresholds for “no tax status” to \$12,400 for single filers, \$24,800 for joint filers, and \$18,650 for head of households, which will provide direct relief to more than 234,000 low-income filers
- Double the estate tax threshold and eliminate the current “cliff effect” that taxes the full amount below the threshold
- Change the short-term capital gains tax rate to 5% to align the Commonwealth with most other states

House 2 Fiscal Overview

The proposed FY23 budget is based on the \$36.915 billion consensus tax revenue estimate, which anticipates a 2.7% growth in total collections over revised FY22 tax estimates. House 2 recommends a total of \$48.5 billion in authorized spending and transfers, excluding the Medical Assistance Trust Fund transfer, which is approximately 0.5% above Fiscal Year 2022 (FY22).

Through fiscally responsible policies and in close collaboration with the Legislature, the Baker-Polito Administration has brought the budget into structural balance and built up financial reserves to historic high levels. With a current balance of \$4.64 billion, the Stabilization Fund is already more than four times greater than its balance at the start of the Administration.

The House 2 budget includes a \$749 million increase to the Stabilization Fund, which, in combination with projected FY22 transfers, will grow the fund to an all-time high of \$6.64 billion by the end of FY23.

Providing Record Investments in Massachusetts Students

In the House 2 budget, an increase of \$591.4 million is recommended to fully fund the Student Opportunity Act, including \$485 million in Chapter 70 funding, with a focus on school districts serving low-income students, for a total of

\$5.989 billion. The FY23 proposal also includes a \$41 million increase over FY22 for special education circuit breaker reimbursement for cities and towns, and a \$64.8 million increase in charter school reimbursement funding.

House 2 recommends \$31.1 million to scale up college and career pathway programs for high school students with a focus on equity and recruitment of high-need student populations. This funding will allow over 17,100 students, representing 6% of all Massachusetts high schoolers, to enroll in these programs.

The FY23 budget proposal also includes a \$1.45 billion investment for college readiness, affordability, and degree completion. This funding includes more than \$155 million in financial aid grants, including \$18 million to support an expansion of the MASSGrant Plus program that will enable all low-income, in-state undergraduate students to attend public higher education without incurring debt for mandatory tuition and mandatory fees – the largest increase in financial aid in over two decades.

Investing in Housing Stability

The COVID-19 pandemic has intensified the state's existing housing challenges and brought further economic instability for many across the Commonwealth. In House 2, the Administration proposes historic reforms and investments in rental assistance, re-housing benefits, and housing vouchers to expedite recovery and create long-lasting improvements in housing stability and access to homeownership. Building on the Eviction Diversion Initiative (EDI), which has distributed more than \$500 million in state and federally funded rental assistance to individuals, families, and landlords in crisis, House 2 significantly expands state funding and eligibility for the Residential Assistance for Families in Transition (RAFT) and HomeBASE programs, with the goal of reducing evictions and homelessness.

The budget recommends \$80 million for RAFT, an increase of \$58 million (264%) above FY22, which will support a permanent benefit limit increase to \$7,000 over 12 months, versus \$4,000 pre-pandemic, and serve an estimated 15,000 households, up from 5,000-6,000 previously. \$56.9 million is recommended for HomeBASE, a \$30.9 million (119%) increase above FY22, to serve more than 4,100 families in FY23, versus a projected 1,885 in FY22. It will also support an increase to the maximum benefit from \$10,000 over one year to \$20,000 over two years, which will allow for more extensive and flexible support to households.

House 2 also proposes reforms to the Massachusetts Rental Voucher Program (MRVP) to maximize utilization of mobile vouchers and align benefits with federal rental assistance programs operated by the same local housing authorities. \$145.6 million is projected to be available for MRVP in FY23, an increase of 223% since FY15, which will support a reduction in tenant rent share from 40% to 30%, projected to benefit more than 9,000 households across the Commonwealth, and a shift to a new payment model to give families more housing choice and flexibility.

Expanding Affordable Childcare Options

House 2 provides \$802 million in funding for the Department of Early Education and Care (EEC), an increase of \$273.9 million (52%) since 2015. This funding includes \$693.7 million in funding for income-eligible and DCF- and DTA-related childcare, which incorporates \$53.9 million to annualize the implementation of a more equitable parent fee scale that improves childcare affordability. The updated fee scale will result in virtually all subsidized families paying a fee that is 7% of their income or less in FY23.

Expanding Health Care Services for the Most Vulnerable

The House 2 budget proposal protects core programs and builds

on investments made over the last seven years with meaningful health care reforms that will expand services for and reduce the burden on the most vulnerable, while improving the accessibility of equitable, world class care for all Massachusetts residents.

The budget recommends \$17.811 billion gross / \$7.169 billion net for MassHealth, which includes \$115 million to expand outpatient and urgent behavioral health services informed by the Roadmap for Behavioral Health Reform, a multi-year blueprint that incorporates feedback from hundreds of individuals, families, providers, and other behavioral health stakeholders. The MassHealth budget recommendation also incorporates an increase of \$21 million to expand the Medicare Savings Program, which will reduce out-of-pocket health care spending and prescription drug costs for approximately 34,000 low-income seniors and disabled individuals.

The Administration is also proposing new investments to support families that are fostering children in the care of the Department of Children and Families and encourage recruitment of additional foster parents, including \$13.4 million that will support approximately 4,500 families who provide care for 6,700 children.

Promoting Diversity and Opportunity

The FY23 budget proposal builds on the Administration's longstanding commitment to promoting equality and opportunity for communities of color with more than \$20 million invested in targeted DESE college and career pathway programs, including Early College, Innovation Pathways, and Dual Enrollment programs. It also maintains over \$30 million for other initiatives aligned with the recommendations of the Governor's Black Advisory Commission (BAC) and Latino Advisory Commission (LAC). This funding includes support for YouthWorks Summer Jobs, small business development, financial literacy, and workforce training.

House 2 provides \$3.9 million to the Supplier Diversity Office (SDO) to continue its work to ensure accountability and compliance with diversity goals, oversee agency diversity spending, and audit and review spending data.

Encouraging Economic Growth and Development

House 2 continues the Baker-Polito Administration's focus on promoting economic growth, opportunity, and equity for communities across the Commonwealth. The proposal includes \$4 million for the Small Business Technical Assistance Grant Program to support an estimated 1,500-2,000 entrepreneurs and small businesses, especially those owned by women, immigrants, veterans, and people of color. House 2 proposes \$7.5 million for the Community Empowerment and Reinvestment Grant program.

This budget maintains support for the Career Technical Initiative, providing \$17.9 million in total funding across the Executive Office of Labor and Workforce Development (EOLWD) and DESE. The initiative is designed to address the worker shortage and skills gap in the trades and technical fields, including plumbing, HVAC, manufacturing, and robotics, and it offers industry-recognized credentialing and career pathways with training aligned to apprenticeships and post-secondary degrees.

These investments build on the Administration's work through the COVID-19 pandemic to support more than 15,400 businesses across the Commonwealth with over \$700 million in relief. This program – the largest per capita state-sponsored business relief program in the nation – prioritized aid for specific economic sectors and demographics known to be the most impacted by the COVID-19 pandemic and worked with a wide range of partners to ensure businesses that needed it most applied to the program.

Addressing Sexual Assault and Domestic Violence

The impacts of the COVID-19 pandemic have created additional

challenges for survivors of sexual assault and domestic violence. The Governor's Council to Address Sexual Assault and Domestic Violence, chaired by Lieutenant Governor Polito, has continued to work closely with community partners and stakeholders to ensure that survivors and their families have access to necessary services and supports.

House 2 furthers these efforts by recommending \$123.4 million in total funding for services dedicated to the prevention and treatment of sexual assault and domestic violence, a 91% increase in funding since FY15.

Substance Addiction Treatment and Prevention

The Administration, working closely with the Legislature, has nearly quadrupled funding for substance addiction treatment and prevention since taking office. These efforts have helped the Commonwealth add more than 1,200 patient treatment beds, including more than 800 beds for adults at varying treatment levels. House 2 proposes \$543.8 million in total funding across multiple agencies for a wide range of harm reduction, treatment, and recovery programs that support individuals struggling with substance addiction and programs that work to prevent substance addiction through education, prescription monitoring, and more.

THE BAKER-POLITO ADMINISTRATION'S FY23 BUDGET HIGHLIGHTS BY NUMBERS

Supporting Local Government

- Increases the Unrestricted General Government Aid (UGGA) investment by \$31.5 million compared to the FY22 budget, consistent with the expected 2.7% growth in tax revenue and keeping a promise made by Governor Baker and Lt. Governor Polito at the outset of their administration
- Total UGGA investment of \$1.2 billion to local cities and towns across the Commonwealth
- Under the Baker-Polito Administration, total annual UGGA has

increased by \$253.9 million

- \$6 million in funding for Community Compact related programs including best practices and regionalization and efficiency grants, an increase of \$2.4 million (66%) above FY22
- \$4.8 million for the Public Safety Staffing Grant Program managed by the Executive Office of Public Safety and Security
- \$3 million for district local technical assistance

K-12 Education

Fully funds the landmark Student Opportunity Act, adding a total of \$591.4 million in new spending.

- \$485 million in Chapter 70 funding, for a total Chapter 70 investment of \$5.989 billion
- \$41 million increase for special education circuit breaker reimbursement for local cities and towns
- \$64.8 million in additional funding for charter school reimbursement

In addition to Chapter 70, provides \$952.8 million for the Department of Elementary and Secondary Education, including \$31.1 million to scale up proven programs that will develop and expand college and career pathways for more than 17,100 high school students, a \$12 million increase above FY22 funding

Early Education and Childcare

- \$802 million for Early Education and Care (EEC), an increase of \$273.9 million (52%) since FY15. The recommendation includes:
 - \$53.9 million to annualize the implementation of a more equitable parent fee scale that improves childcare affordability across the Commonwealth
 - \$9.2 million across the Department of Transitional Assistance (DTA) and EEC that would provide childcare subsidy access for individuals participating in Supplemental Nutrition

Assistance Program (SNAP) Employment and Training programming

- \$5.5 million across the Department of Children and Families (DCF) and EEC to increase enrollment of DCF-involved children in childcare and expand a temporary childcare program to reach more children and provide additional wraparound services

Higher Education

- \$1.45 billion for the Department of Higher Education, University of Massachusetts, and state universities and community colleges, which includes:
 - More than \$155 million in financial aid grants, including \$18 million to support an expansion of the MASSGrant Plus program that will enable all low-income, in-state undergraduate students to attend public higher education without incurring debt for mandatory tuition and mandatory fees
 - \$22 million in financial aid for Massachusetts students attending private institutions
 - \$8.8 million for foster care financial aid and fee waiver programs to maintain support for over 1,400 students attending private and public campuses who are currently or were previously in DCF custody and care, or who have been adopted through DCF

Housing and Homelessness

- \$716.5 million for the Department of Housing and Community Development, a \$132.4 million (23%) increase above FY22, including:
 - \$213.2 million for the Emergency Assistance family shelter system
 - \$145.6 million for MRVP to support more than 9,000 vouchers in FY23, an increase of 223% since FY15
 - \$85 million in funding for Local Housing Authorities
 - \$83.3 million, a \$25.4 million (44%) increase above the FY22 GAA, for Homeless Individual Shelters

- \$80 million for Residential Assistance for Families in Transition (RAFT), an increase of \$58 million (264%) above FY22
- \$56.9 million for HomeBASE Household Assistance, a \$30.9 million (119%) increase above FY22
- \$12.5 million for the DMH Rental Subsidy Program, a collaborative program through which DMH provides mental health services and DHCD provides rental assistance
- \$8.2 million for Housing Consumer Education Centers to help renters and homeowners secure and maintain stable housing
- \$5 million to continue an innovative model to create new housing opportunities with wraparound services for chronically homeless individuals

Economic Development

- \$10 million for a new direct appropriation supporting the Massachusetts Life Sciences Center, a quasi-public agency tasked with building the life sciences community in Massachusetts
- \$7.5 million for the Community Empowerment and Reinvestment Grant program to support development in socially and economically disadvantaged communities
- \$4 million for the Small Business Technical Assistance Grant Program for entrepreneurs and small businesses, especially those owned by women, immigrants, veterans, and people of color
- \$2.5 million for Advanced Manufacturing Training

Labor and Workforce Development

- \$440.1 million for workforce development programs and initiatives across a wide range of state agencies, a \$191.3 million (77%) increase since the Administration took office
- \$16.9 million in total funding to continue transforming vocational high schools into Career Technical Institutes running three shifts per day to provides pathways to high-

demand vocational trade careers, including plumbing, HVAC, manufacturing, and robotics

- \$16.2 million for the YouthWorks Summer Jobs Program to subsidize summer job opportunities and provide soft job skills education for youths
- \$600,000 for a new appropriation to expand research and analytics capabilities to enhance data-driven workforce development strategies

Health and Human Services

- \$230 million for Chapter 257 human service provider funding under the new rate methodology that better reflects the cost of benchmarking direct care and clinical staff wages
- \$115 million to expand outpatient and urgent behavioral health services
- \$21 million to expand the Medicare Savings Program, reducing out-of-pocket health care spending and drug costs for approximately 34,000 low-income older adults and disabled individuals
- \$10 million in grants to local health departments to support municipalities' capacity to respond to the COVID-19 pandemic
- \$671.9 million for the Executive Office of Elder Affairs, a \$400.1 million (147%) increase since FY15
- \$84.1 million to fully fund the Turning 22 program at DDS
- \$1.191 billion for the Department of Children and Families, an increase of \$363.6 million (44%) since 2015, including \$13.4 million to support families that are fostering children in DCF care and to encourage recruitment of new foster families
- \$49.3 million for the Chelsea Soldiers' Home, a \$13.2 million (37%) increase above FY22, which supports the Fall 2022 opening of a new 154-bed state-of-the-art Community Living Center.

Substance Addiction Prevention and Treatment

- \$543.8 million provided in FY23 across a variety of state

agencies, an increase of \$424.5 million (356%) since FY15. Funding includes:

- \$184.1 million for a variety of treatment and prevention services at the Department of Public Health
- \$260 million through a Section 1115 Substance Use Disorder (SUD) waiver from the federal government
- \$31 million for inpatient treatment beds operated by the Department of Mental Health
- \$65.9 million across public safety and law enforcement agencies, primarily for the provision of medication-assisted treatment

Sexual Assault and Domestic Violence

• \$123.4 million across the budget, a 91% increase since FY15, which includes:

- \$56.1 million in funding for the Department of Public Health to carry out domestic violence and sexual assault prevention and survivor services, as well as emergency and transitional residential services for victims and their children
- \$42.9 million for providing shelter, services, and housing assistance for individuals and families who are victims or at risk of domestic abuse in their current living situations
- \$7.9 million for statewide sexual assault nurse examiner (SANE) programs for adults and adolescents in hospital settings and pediatric SANE programs in child advocacy centers
- \$2 million to expand services for survivors of human trafficking, including \$1 million through the Safe and Successful Youth program and \$1 million in a new appropriation in the Executive Office of Public Safety and Security

Promoting Equality and Opportunity

• More than \$50 million supporting the recommendations of the Black Advisory Commission (BAC) and the Latino Advisory Commission (LAC), including:

- \$23.1 million to support higher education and career pathways for high school students in underserved communities through the Early College, Innovation Pathways, and Dual Enrollment programs
- \$4.8 million for the STEM Starter program across 15 community colleges
- \$4.5 million to support the YouthWorks Summer Jobs program
- \$5.9mMillion for Adult Basic Education (ABE)
- \$2.5 million for the Urban Agenda program
- \$1.9 million for the Workforce Competitiveness Trust Fund
- \$3.9 million for the Supplier Diversity Office (SDO)

Transportation

- \$1.512 billion in total budget transfers for the MBTA
- \$456 million for the Massachusetts Department of Transportation (MassDOT), including \$95 million for snow and ice operations and \$3.4 million to support implementation of new funds provided through the Infrastructure Investment and Jobs Act
- \$94 million for Regional Transit Authorities
- \$11.6 million for the Merit Rating Board

Energy and the Environment

- \$4 million for the Summer Nights program, an increase of \$2.7 million (208%) versus FY22 funding
- \$30.5 million for the Massachusetts Emergency Food Assistance Program, which will provide more than 27.4 million nutritious meals for individuals and families
- \$3.7 million for climate change and adaptation preparedness
- \$1.3 million to expand the Swim Safe Massachusetts program to enhance and promote water safety

Criminal Justice and Public Safety

- \$14.3 million to support for the 87th and 88th Massachusetts State Police Recruit Training Troops, which are expected to bring on 175 new troopers each

- \$78.3 million in total funding for re-entry and diversion programming across the Commonwealth, a \$42.6 million (120%) increase since 2015
- \$12.3 million in funding for the Shannon Grant program to fund anti-gang and youth violence prevention efforts
- \$10.4 million to fully fund tuition and fee waivers for National Guard members
- \$8 million for the Municipal Police Training Commission to implement bridge academies, expand training capacity, and annualize training requirements such as de-escalation and school resource officer trainings

\$5.8 million is also provided for new appropriations supporting the Peace Officer Standards and Training (POST) Commission and four other commissions created in the Police Reform bill.

Securing and Modernizing Government IT

- \$164.1 million for the Executive Office of Technology Services and Security to support:
 - Management of Cyber Security Operations Center (SOC)
 - Continued migration of applications and infrastructure to cloud, third-party on-premise, and Software as a Service (SaaS)
 - Continuation of EOTSS customer engagement initiative to enhance IT and security service offerings across Commonwealth agencies
 - IT strategy consulting services in support of priority state agency and cross-secretariat initiatives
 - Business intelligence (BI) and data analytics support for state agencies
- Centralized software and IT contract compliance program

To access the Governor's filing letter, budget message, and specific account information click [here](#).

Massachusetts Gas Prices Not Falling as Fast as Elsewhere

Chris Lisinski
State House News Service

Gasoline prices in Massachusetts have been ticking downward over the last month, but the pace of change has been slower than the national average and Bay Staters continue to pay more at the pump than drivers in many other states.

The average price for a gallon of gasoline in Massachusetts is now \$3.38, AAA Massachusetts reported Monday. That's down 1 cent from the average price a week ago and 4 cents from the average price one month ago. Compared to last year, gas prices are still elevated, landing \$1.19 higher than the \$2.19 per gallon average price on Dec. 27, 2020, AAA Massachusetts said.

"Gasoline prices fluctuated over the past few days as fears of an omicron-driven economic slowdown were countered by news of a severe fire at a major oil refinery in Texas," said AAA Massachusetts Director of Public and Government Affairs Mary Maguire.

The state's average price is 10 cents higher than the national average of \$3.28 per gallon Monday, which itself is down 2 cents from last week and 11 cents from a month ago but still \$1.03 more than this time last year.

Massachusetts Gov. Baker's administration awards \$3.5 million for local technology infrastructure

Lieutenant Governor Karyn Polito today announced \$3.5 million in grants to 70 municipalities through the Community Compact Cabinet Information Technology grant program. The Baker-Polito Administration has now issued 749 grants through this program worth \$19.2 million to help Massachusetts communities become more efficient and innovative while improving their technology infrastructure.

"Technology systems support so many of the critical services that Massachusetts cities, towns and school districts provide to residents," said Governor Charlie Baker. "We are proud that our Administration, through the work of the Community Compact Cabinet, is continuing its partnership with local communities to enable another round of innovative IT improvement projects."

"Since the beginning of the grant program, our collaboration with cities and towns across the Commonwealth has led to hundreds of transformative technology investments, from public safety systems upgrades to establishing online permitting," said Lt. Governor Karyn Polito. "As the Chair of the Community Compact Cabinet, I am pleased to announce and congratulate the 70 municipalities receiving awards in this year's round of grants."

Pittsfield will receive \$99,750 to build a downtown public Wi-Fi network in this round of funding – the third award that the city has received through the Community Compact IT Grant program in last five years. The city received \$95,000 in

Fiscal Year 2019 for the implementation of wireless infrastructure for internal and public use and \$40,000 in Fiscal Year 2017 for switching infrastructure to enable telephone system consolidation.

Other examples of Community Compact IT Grant program awards this year include:

- \$114,503 for East Longmeadow to bolster their cybersecurity infrastructure and improve disaster recovery capabilities
- \$100,000 for Plymouth to implement an online permitting system
- \$73,478 for Athol to implement network security across all town buildings
- \$60,000 for Hopkinton to implement a records management system
- \$48,615 for Revere for network systems integration
- \$25,000 for Leicester for cloud-based software for EMTs and paramedics

“We are proud to continue supporting a wide range of impactful IT initiatives that will undoubtedly improve the efficiency and reliability of government services,” said Administration and Finance Secretary Michael Heffernan. “We appreciate the continued commitment and partnership of our local community leaders in identifying and undertaking these projects to better serve their businesses, residents, and visitors.”

“The Baker-Polito Administration has long recognized the importance of modernizing the Commonwealth’s IT and cybersecurity infrastructure, as well as improving the constituent digital experience,” said Technology & Security Secretary Curt Wood. “Now, more than ever, it is essential that municipalities are able to deliver the critical services that government provides through a secure digital environment.”

The application period for the new Municipal Fiber Grant

program will run from March 15 to April 15, 2022. This competitive grant program through the Community Compact Cabinet is designed to support closing critical gaps that exist in municipal networks, which allows for the central management of IT infrastructure, improves cybersecurity, and can provide overall network cost savings.

About the Community Compact Cabinet

Formed in January 2015, the Community Compact Cabinet is chaired by Lt. Governor Polito and is composed of the Secretaries of Housing and Economic Development, Education, Transportation, Energy and Environmental Affairs, and Technology Services and Security, along with the Senior Deputy Commissioner of Local Services and the Assistant Secretary of Operational Services. The Community Compact Cabinet elevates the Administration's partnerships with cities and towns, and allows the Governor's Office to work more closely with leaders from all municipalities. The Cabinet champions municipal interests across all executive secretariats and agencies, and develops, in consultation with cities and towns, mutual standards and best practices for both the state and municipalities. The creation of Community Compacts creates clear standards, expectations and accountability for both partners.

**BREAKING: Massachusetts Gov.
Baker signs \$4 Billion
Federal COVID-19 Relief**

Funding Spending Bill

Governor Charlie Baker today signed a \$4 billion spending plan to support continued recovery across key priority areas, making substantial investments in housing and homeownership, healthcare, workforce development, premium pay for essential workers and infrastructure. The funding, first proposed by the Baker-Polito Administration in June of 2021, will put to work a portion of the Commonwealth's direct federal aid from the American Rescue Plan Act (ARPA).

"The pandemic has had a significant impact on Massachusetts workers, families, communities, and businesses for nearly two years, and today's signing directs billions of dollars in relief toward those hardest hit across the Commonwealth," said Governor Charlie Baker. "While this package falls far short of the investment I called for to address the housing shortage, the important investments included in this bill will help to accelerate Massachusetts' economic recovery and provide long-lasting benefits to infrastructure, healthcare, education systems, and small businesses."

"The funding allocated in this bill addresses critical areas of need across the Commonwealth, from addiction services to housing availability to environmental infrastructure," said Lieutenant Governor Karyn Polito. "This relief will play a crucial role in the ongoing recovery of our residents and communities, especially those disproportionately impacted by COVID-19, and we are eager to put it to work."

The bill authorizes up to \$2.55 billion in spending from the \$5.286 billion ARPA Coronavirus State Fiscal Recovery Funds provided to Massachusetts in May 2021. This direct federal aid is intended to support urgent COVID-19 response efforts, replace lost revenue, support immediate economic stabilization for households and businesses, and address unequal public health and economic challenges in Massachusetts cities and

towns. After accounting for spending in this bill and previously announced commitments, approximately \$2.3 billion of the Coronavirus State Fiscal Recovery Funds will remain to be further appropriated.

“The Commonwealth has worked diligently over the past two years to deploy billions worth of federal support to strengthen our economic recovery, support those in disproportionately impacted communities, and get people back to work,” said Secretary of Administration and Finance Michael J. Heffernan. “We appreciate the collaboration of our colleagues in the Legislature on this bill to invest in healthcare, housing, and the Massachusetts workforce and look forward to even more critical investments in 2022 with the remaining ARPA funds.”

Coupled with the authorized ARPA dollars, \$1.45 billion in spending is appropriated from the Transitional Escrow Fund, made up of state fiscal year 2021 surplus funds. The bill assigns the Secretary of Administration and Finance the responsibility of matching expenditures to the most appropriate funding source, which provides important flexibility in recognition of the significant federal rules and regulations associated with federal funds.

Highlights of the plan include:

Housing

- \$150 million to finance the statewide production of housing for various populations, including seniors and veterans;
- \$150 million for public housing maintenance;
- \$115 million for rental housing production and to provide increased housing options to residents of disproportionately impacted communities;
- \$115 million to support housing production in disproportionately impacted communities through MassHousing’s Commonwealth Builder Program and similar efforts;

- \$65 million to support expanded homeownership opportunities, focused on first-time homebuyers who are residents of disproportionately impacted communities.

Health Care

- \$400 million for addiction treatment and related behavioral health services, workforce, and infrastructure;
- \$260 million for fiscally stressed hospitals in disproportionately impacted municipalities;
- \$200 million for local and regional public health, including local boards of health staffing, technology, and training;
- \$50 million for workforce retention and capital improvements at nursing facilities and \$30 million to support loan repayment, retention, and recruitment programs for human service workers;
- \$37.5 million for grants to reduce juvenile delinquency, youth homelessness, and summer jobs.

Workforce Development

- \$500 million to support the Unemployment Compensation Trust Fund;
- \$500 million for premium pay for low-income essential workers;
- \$107.5 million for workforce and career technical skills training;
- \$24.5 million for workforce development and capital grants to YMCAs and Boys & Girls clubs.

Economic Development

- \$135 million to support cultural facilities and tourism assets throughout Massachusetts;
- \$75 million for grants to small businesses, \$50 million of which will go to businesses reaching underserved markets and minority, women, and veteran owned businesses. \$25 million will be reserved for small businesses that did not qualify for prior programs.

Infrastructure Investment

- \$100 million to fund grants for water and sewer infrastructure improvements;
- \$100 million to improve culverts, dams, and other environmental infrastructure;
- \$90 million for marine port development;
- \$50 million to close the digital divide and increase broadband internet access;
- \$44.8 million for food security;
- \$25 million for greening gateway cities.

Education

- \$105 million for a variety of education supports, including recovery grants to state universities and community colleges, workforce support for special education schools, and support for recruiting educators of color;
- \$100 million for public school district HVAC grants;
- \$100 million for capital grants to vocational high schools and career technical education programs.

The Governor vetoed language in seven line items containing requirements that would cause delays in putting funds to use.

Of 88 outside sections included in the bill, the Governor signed 86, including one that excludes federal Paycheck Protection Program (PPP) loans, Economic Injury Disaster Loan (EIDL) advances, Shuttered Venue Operators grants, Restaurant Revitalization Fund grants, and SBA loans from taxable income for individual taxpayers for all applicable tax years, creating parity with corporate taxpayers.

Governor Baker returned one outside section to the Legislature with proposed amendments and vetoed one outside section. Notably, while signing outside sections that establish and fund a \$500 million COVID-19 Essential Employee Premium Pay Fund for one-time payments to frontline workers, the Governor vetoed a section setting up administrative obstacles that

would interfere with the efficient distribution of payments, including the requirement to consult with an extensive 28-member advisory panel on program design. Vetoing this section will allow the administration to immediately get to work on the process to distribute these funds.

New Bedford's Mayor Mitchell outlines investment priorities for City's federal ARPA funds

Elise Rapoza of UMD's Public Policy Center Named ARPA Director.

Mayor Jon Mitchell has outlined investment priorities for more than \$80 million in federal American Rescue Plan Act (ARPA) funding, focusing on transformational projects and programs that will leverage additional sources of capital, maximize the funding's impacts and improve the lives of city residents for generations.

"The opportunities now before New Bedford are perhaps greater than at any point in the past century," he said. "These investments will be instrumental to launching the city out of the pandemic and promoting long-term growth that is sustainable and equitable."

The outline sets approximate allocations for the \$64.7 million that ARPA directly allocates to New Bedford, plus \$16.7 million the city will receive in ARPA funds through Bristol County. The outline does not include the \$46.5 million

received under a separate ARPA provision by the New Bedford School Department, which is finalizing plans for those funds.

Mayor Mitchell shared his outline with New Bedford City Council this week. He emphasized the criteria placed on ARPA spending by the federal Department of the Treasury, which does not allow for direct spending on road construction or the lowering of taxes, for example.

Extensive public input into investment priorities has included hearings, surveys, stakeholder meetings, written submissions and media coverage. In his letter to City Councilors, Mayor Mitchell also emphasized the need to avoid spending the city's ARPA dollars on uses that could be funded from other sources, such as from the \$5.3 billion in ARPA dollars coming to the Commonwealth—which state officials have indicated could fund water and wastewater projects, port infrastructure and cultural facilities—or federal infrastructure spending recently signed into law by President Biden.

Bearing those principles in mind, Mayor Mitchell focused on seven key investment priorities:

- Health, safety and well-being – \$8 million
- Neighborhood stabilization and housing support – \$13 million
- Small business support – \$8 million
- Enhancements to open spaces in qualified census tracts – \$11 million
- Non-state share of water, wastewater and stormwater projects – \$6 million
- Arts, culture, hospitality and tourism – \$18 million
- Matching funds for strategic investments – \$14 million

At least \$1.2 million for revenue replacement – ARPA criteria allows for restoring operating funds lost due to COVID-19 – and \$1.5 million for administration round out the priorities.

Mayor Mitchell said that ultimately, prospective ARPA projects should be evaluated based on their potential return on

investment.

“The more matching funding a project receives from private or public sources, the greater the return on the City’s investment will be,” he said. “The most favored projects would be those that confer new benefits to the City; that is, those that grow the pie, as opposed to those that entail the replacement of an existing asset.”

To navigate ARPA criteria and regulations, collaborate with potential funding recipients, track outcomes, document how spending meets ARPA goals, and more, the city has named Elise Rapoza its ARPA Director. Rapoza comes to the role from UMass-Dartmouth, where she spent four years as the senior research associate for the recently closed Public Policy Center and served as the university’s first assistant director of corporate engagement. Both roles were deeply embedded in regional demographics, workforce needs, and opportunities such as maritime industries and offshore wind development.

“I’m very excited about collaborating with all the people in the community who I already know and love, and getting to meet the people who I don’t already know,” she said. “There’s a lot of good things coming.”

“Elise will bring to her new role a wealth of talent, economic development expertise, and knowledge of the City,” Mayor Mitchell said. “She is the right person to activate this infusion of federal resources.”

Massachusetts Gov. Baker’s

administration announces over \$66 million in MassWorks funding

Administration Highlights First-Year Success of One Stop for Growth Program.

Today, Governor Charlie Baker, Lt. Governor Karyn Polito and Housing and Economic Development Secretary Mike Kennealy were joined by state and local officials from Lowell to announce \$66.5 million in 2021 MassWorks awards to 50 communities. The Administration also kicked off the first series of grant awards made through the Community One Stop for Growth program, which total a combined \$88 million for projects in 122 communities across the Commonwealth, including MassWorks awards.

First launched in January 2021, the Community One Stop for Growth replaced multiple application processes for separate grant programs that support local economic development initiatives with a single application portal that includes a streamlined, collaborative review process. The Administration also announced \$1 million for 16 communities through the Department of Housing and Community Development's Community Planning Grant Program, one of the many programs available through One Stop.

In One Stop's inaugural round, the Executive Office of Housing and Economic Development received 267 Expressions of Interest from 178 communities through the new, simplified process. For this year's awards, 196 grant applications received a total of \$88.7 million for projects in 122 communities. Of the 196 projects awarded, nearly one-third were located in a rural or small town, half were located in a Housing Choice Community; and one-third were located in a Gateway City. Learn more about

the programs that are part of the Community One Stop for Growth application process here.

“MassWorks and the programs accessed through One Stop support local infrastructure projects that spur housing, workforce development and private investment,” said Governor Charlie Baker. “We appreciate the partnership with the Legislature and local leaders to make these investments possible and look forward to our continued collaboration.”

“One Stop has transformed the Commonwealth’s role from simply a patchwork of funding sources into a true partnership that puts the economic and community development goals for more cities and towns within reach,” said Lt. Governor Karyn Polito. “By enhancing access to key programs like MassWorks, One Stop allows us to bring a heightened sense of urgency to our efforts to rebuild the economy.”

“In addition to a single application portal, the One Stop’s collaborative review process involves multiple agencies and direct referrals to programs across a number of agencies, all in an effort to get more communities closer to their economic development goals, faster,” said Housing and Economic Development Secretary Mike Kennealy. “As well, cities and towns can now submit Expressions of Interest, which opens up a dialog allowing communities to work with members of our team to refine and improve upon their ideas.”

“Locally driven planning efforts are critical for communities to take charge of their growth and meet the needs of diverse cities and towns,” said Housing and Community Development Undersecretary Jennifer Maddox. “We are thrilled to be part of the One-Stop program, which better coordinates our expansive programming to support community development, affordable and market-rate housing development, and resilient neighborhoods.”

MassWorks, a competitive program that offers cities and towns flexible capital funding to support and accelerate housing

production and job growth, is the largest program among the One Stop portfolio. This year, the Administration is awarding 56 grants from the infrastructure program – the largest number of awards in a single year in six years – totaling \$66.5 million to 50 communities.

Among this year's MassWorks' projects, 29 are reactivating underutilized sites, 27 are supporting transit-oriented developments, 29 have a mixed-use component. Additionally, 14 communities are receiving their first ever MassWorks award.

Including this year's round, the Baker-Polito Administration has awarded 326 MassWorks grants to 181 communities, investing over \$608 million in public infrastructure projects throughout the state. These grants have directly supported the creation of 21,000 new housing units, tens of thousands of construction and new permanent jobs, while also leveraging over \$13 billion in private investment.

At today's event, Administration officials announced that Lowell, which applied for several grants through One Stop, is receiving a \$1.72 million MassWorks Infrastructure Program grant to support the design and construction of sidewalks, lighting, and landscaping that will improve vehicular and pedestrian travel in the area adjacent to a private development known as Acre Crossing.

Lowell's MassWorks award will support Acre Crossing, which is a mixed-use development, consisting of over 34,000 square feet of office and retail space, and parking. The project also includes 32 condominiums for sale to first-time homebuyers with household incomes ranging from 70 to 100 percent of the Area Median Income. The project is a result of a \$27 million private investment, supporting approximately 200 jobs throughout construction, and 40 full-time jobs once fully built out.

"The Merrimack Street corridor between City Hall and

University Crossing is the major link connecting the UMass campus to the Lowell Central Business District. As such, it presents many opportunities for economic development and rejuvenation such as the Acre Crossing Project,” said State Senator Ed Kennedy. “The Governor’s announcement of the Mass Grants award today will help provide a big step in that direction.”

“The MassWorks grant for the Acre Crossing development and the Community Planning grant to support Lowell’s new TOD Overlay District are both vital to the expansion of affordable housing and job creation in Lowell,” said State Rep. Rady Mom. “I would like to thank Governor Baker and Lieutenant Governor Polito for their continued efforts to improve our city and the Commonwealth.”

“The City of Lowell is thrilled to receive a \$1,720,000 MassWorks Infrastructure Program Grant for Acre Crossing,” said State Representative Thomas A. Golden, Jr. “This generous funding will allow us to make the area around the new development easier to navigate for both pedestrians and vehicles and will also help us to make the area safer and more beautiful with the addition of lighting, landscaping and a small park. The city of Lowell is also grateful to receive a \$75,000 Community Planning Grant, which will allow the city to increase opportunities for new housing near the Gallagher Terminal.”

“Thank you, Governor Baker and Lt. Governor Polito, for your invaluable assistance in securing these vital funds to support the continued economic development for the City of Lowell and throughout our Commonwealth,” said State Rep. Vanna Howard. “The MassWorks Infrastructure funding will help support our commitment to job creation, which will benefit the entire community for years to come. I am proud to support this economic development bill for the future good of our Commonwealth.”

“The investments that the Baker-Polito Administration continues to make through the MassWorks Infrastructure Program enabled cities and town across the Commonwealth to overcome financial hurdles standing in the way of development,” said City Manager Eileen Donoghue. “We are confident that the Acre Crossing project will mark a continuation of the high-quality development that has been supported in Lowell through MassWorks.”

“Acre Crossing represents a transformative project that will expand Jeanne D’Arc Credit Union’s presence in The Acre, create new jobs, provide adequate parking, and offer homeownership to those that may not otherwise be able to fulfill that dream,” said Mark S. Cochran, President and Chief Executive Officer at Jeanne D’Arc Credit Union. “We are honored to be chosen as a recipient of the MassWorks Grant to help support our efforts.”

The full list of this year’s MassWorks grant recipients can be found [here](#).

In addition to MassWorks funding, today the City of Lowell was also awarded two additional grants through the One Stop process.

As a designated Housing Choice community, Lowell was awarded a \$250,000 grant to update its 2012 Master Plan to address housing affordability issues in the City and assess how new policies can be aligned with the sustainable growth of the City.

In addition to receiving MassWorks and Housing Choice awards, Lowell was one of 16 communities that were awarded a combined total of \$1 million through the Department of Housing and Community Development’s Community Planning Grant Program. This program, also new this year, is one of the multiple programs in One Stop and provides technical assistance for activities related to land use, including: assisting communities in the

development of a Master Plan, Housing Production Plan, Zoning Review and Updates, Urban Renewal Plan, Land Use Plan, Downtown Plan, Parking Management Plan, Feasibility Study, or Other Strategic Plan.

Lowell's \$75,000 grant through the Community Planning Grant Program will assist in the creation of a new transit-oriented development district for the area surrounding the Gallagher Terminal which serves as Lowell's central transportation hub with connections to MBTA commuter rail service to and from Boston, and bus service through 19 local and regional bus routes. The City's goal is to further the recommendations of the Lowell Gallagher Terminal TOD Study by modifying the zoning code to increase opportunities for new housing near the Gallagher Terminal.

The full list of Community Planning Grant Program awards can be viewed [here](#).

###

Massachusetts Gov. Baker files legislation to invest \$750 Million in clean energy innovation, workforce development

Bill Includes Key Policy Changes to Offshore Wind Procurement Process.

BOSTON – Today, Governor Charlie Baker announced that the Baker-Polito Administration will file legislation to direct \$750 million to support the continued growth and development of the Commonwealth's clean energy industry. The legislation, An Act to Power Massachusetts' Clean Energy Economy, would establish a new Clean Energy Investment Fund, totaling \$750 million, that would support innovation, research and development, and job training in the clean energy sector, significantly expanding Massachusetts's national leadership on clean energy and climate change.

Additionally, the legislation refines the current offshore wind procurement process to increase efficiency, emphasize the importance of economic development and the creation of a diverse, equitable and inclusive workforce, and remove the price cap provision for future procurements of offshore wind projects to allow projects to offer greater investments in energy storage, reliability, and economic development.

"This legislation includes a historic, once-in-a-generation \$750 million investment to spur the next phase of clean energy innovation and will help advance critical priorities in the offshore wind industry by making key policy changes to the procurement process, lifting the price cap on project proposals and transferring authority for selecting bids to DOER," said Governor Charlie Baker. "Massachusetts continues to be a national leader for climate action and by utilizing federal funding through the American Rescue Plan Act, we can capitalize on this opportunity and strengthen our nation-leading clean energy industry."

"Clean energy is an engine for economic growth and job creation in cities and towns across the Commonwealth, and this significant investment will kickstart a new era in this vibrant sector of Massachusetts's innovation economy," said Lieutenant Governor Karyn Polito. "By leveraging the unique assets we have here in the Commonwealth, including our educational institutions and regional employment boards, we

can work together to create new job opportunities for Massachusetts residents and make sure our workers have the skills and training they need to meet the needs of emerging industries like offshore wind.”

To meet the nation-leading climate targets established by comprehensive climate legislation signed by Governor Baker in March 2021 – including a target of Net Zero emissions in 2050 – and to ensure Massachusetts remains a leader in the clean energy economy, the legislation creates a \$750 million Clean Energy Investment Fund to be administered by the Massachusetts Clean Energy Center (MassCEC). The fund, which will utilize federal recovery funding Massachusetts received through the American Rescue Plan Act, represents the single largest investment in the clean energy economy in Massachusetts to date, and will be used to:

- Fund grants, loans, equity investments, contracts and other forms of economic support for the advancement of clean energy technologies to commonwealth-based investors, entrepreneurs and institutions that are involved in the clean energy industry;
- Support the formation, growth, expansion and retention of Massachusetts’ leading clean energy businesses, institutions, and projects;
- Support public higher education institutions and vocational-technical education institutions as they create and enhance workforce development and technical training programs;
- Provide assistance to regional employment boards and ensure that clean energy is a key strategy as part of their workforce development blueprints;
- Put the Commonwealth in position to help secure significant future federal funding support;
- Support research and development, including the interrelationship between clean energy infrastructure and existing natural habitats, ecosystems, and dependent species; Support the long-term coexistence and sustainability of the

fishing and clean energy industries.

“Massachusetts has built a nation-leading clean energy sector on the strength of forward-thinking policies, bold investments, and dynamic partnerships, and this far-reaching legislation doubles down on those assets and sets the industry on a path for long-term success,” said Energy and Environmental Affairs Secretary Kathleen Theoharides. “In order to achieve our ambitious target of Net Zero emissions by 2050, we will need to foster the next generation of clean energy innovators and build a skilled, diverse, and equitable workforce, and this legislation offers the historic, urgent investment the Commonwealth needs.”

In order to maximize the potential for clean energy and economic development in the existing federal lease areas south of Martha’s Vineyard, and to attract significant investment and job creation in the Commonwealth the legislation outlines key changes to the offshore wind procurement process to promote objectivity, emphasize economic development, and ensure equity, certainty, and speed in future solicitations.

To provide an additional level of independence and to ensure an open, fair, and transparent solicitation and bid selection process, the legislation would transfer the authority to select the winning bidder of the Commonwealth’s offshore wind solicitations from the electric distribution companies to the Department of Energy Resources (DOER). The electric distribution companies would remain as participants in the evaluation and can provide technical advice to DOER. The legislation also provides DOER the authority to make the final determinations on the design aspects of future RFPs. Additionally, the legislation outlines changes to emphasize equitable employment and economic development, mitigation and avoidance of environmental and socioeconomic impacts, and benefits to environmental justice communities when reviewing project proposals.

The legislation also removes the original price cap established by energy legislation in 2016, allowing future bids to provide additional benefits by incorporating energy storage, optimizing interconnection points, and providing significant economic development. To provide greater regulatory certainty, the legislation sets a standard rate of remuneration for electric distribution utilities at 2.5 percent, reducing costs to ratepayers and providing enhanced clarity in the procurement process.

“Climate action requires unprecedented levels of innovation, entrepreneurship, and deployment of clean energy and energy efficiency, and Massachusetts has been a leader in catalyzing the technology advancements that lead to global solutions,” said Department of Energy Resources Commissioner Patrick Woodcock. “This historic investment will build on the Commonwealth’s climate leadership and foster the innovation that leads to new industries, new economic opportunities, and ultimately in cost-effective clean energy technologies.”

“Through our continued investments in education, innovation and entrepreneurship, Massachusetts has established itself as a leader in clean energy,” said MassCEC Interim CEO Jennifer Daloisio. “This legislation will accelerate innovative clean energy and climate solutions at an unprecedented pace, putting us on a path to meeting our Net Zero emissions goals by 2050 and creating critical job opportunities for all residents of the Commonwealth.”

In March of 2021, Governor Baker signed comprehensive climate change legislation that increased the Administration’s authorization to solicit an additional 2,400 Megawatts of offshore wind, bringing the state’s total commitment to 5,600 Megawatts. On December 30, 2020, the Administration released two reports – the Massachusetts 2050 Decarbonization Roadmap Report and an interim 2030 Clean Energy and Climate Plan (CECP) – that detail policies and strategies to equitably and cost-effectively reduce emissions and combat climate change.

In May 2021, the Baker-Polito Administration and the Commonwealth's electric distribution companies released the RFP for the third round of offshore wind energy solicitations under the Section 83C process, allowing bids up to 1600 Megawatts, doubling the size of previous procurements. In this solicitation, for the first time, the Administration required bidders to submit diversity, equity and inclusion plans that includes a Workforce Diversity Plan and Supplier Diversity Program Plan.

The plans will outline bidders' commitment to promoting employment and procurement/contracting opportunities for minority, women, veterans, LGBT and persons with disabilities. The RFP also includes an enhanced criteria for economic benefits, including workforce development, local supply chain investments, and research and innovation. Bids were due on September 16, 2021 and a winning bid will be selected on December 17, 2021.

In June 2021, the Baker-Polito Administration re-filed its plan to immediately put to use part of Commonwealth's direct federal aid from the American Rescue Plan Act to support key priorities including housing and homeownership, economic development and local downtowns, job training and workforce development, health care, and infrastructure. As part of the Administration's proposal to jump-start the Commonwealth's economic recovery and support residents hardest-hit by COVID-19, such as lower-wage workers and communities of color, Governor Baker would direct \$900 million to key energy and environmental initiatives, including \$100 million to invest in port infrastructure to support the offshore wind industry.

In September 2021, the Administration announced the release of a new report assessing the workforce strengths, gaps, and opportunities in Massachusetts for the emerging offshore wind industry. The report analyzes offshore wind workforce development in the Northeast with a specific focus on Massachusetts, including an overview of the existing, relevant

regional training programs, including grantees awarded under MassCEC's 2018 and 2020 workforce development awards. The analysis also examines the workforce needed to achieve Massachusetts' ambitious offshore wind goals, and the state's ability to supply the necessary workers.

SouthCoast Chamber's Job Fair Scheduled for September 15

The SouthCoast Chamber, Lifestream, Lafrance Hospitality, MassHire Greater New Bedford Career Center and the Bristol Workforce Board present the 2021 "SouthCoast Job Fair."

The event will take place on Wednesday, September 15, 2021 from 10:00AM – 3:00PM at White's of Westport (66 State Road, Westport, MA).

The "SouthCoast Job Fair" will showcase over one-hundred of the area's most dynamic firms and businesses, looking to hire you.

Come dressed for success! Admission and professional headshots are free.

Oh and don't forget your résumés!

For more information or questions, please contact Ian Abreu, Business Development Director at the Chamber at: (508) 999-5231.

One SouthCoast Chamber is committed to a safe environment for our members. We request that any non-vaccinated members and guests continue to wear masks and maintain social distancing. The Chamber abides by all guidance from the CDC and the

Commonwealth.