

FY2027 HWM Budget Summary

H.5500 HWM Budget

For questions: Leah Robins (lrobins@mapc.org), Norman Abbott (nabbott@mapc.org), and Georgia Barlow (gbarlow@mapc.org)

On April 15th, the House Committee on Ways and Means released their [FY27 budget recommendations](#). The Committee's proposal is a \$63.33 billion package, which is a \$33 million decrease from the Governor's proposal in H.2 ([MAPC summary available here](#)) and a 3.6% increase over the FY26 budget.

The budget includes level funding for the [District Local Technical Assistance program](#) and the Senator [Charles E. Shannon Community Safety Initiative](#). It also reestablishes funding to the Community Mitigation Fund for the first time since FY24 at 4%. On the following pages, there is a summary of several key line items and outside sections that impact MAPC communities.

FY27 is the fourth year that **Fair Share funding**, which established a 4% surtax on annual personal income over \$1 million, is available to support education and transportation. In FY27, the consensus spending figure is \$2.7 billion in funding that will be allocated to the Education and Transportation Fund where transportation proposals receive \$975 million, and education proposals receive \$1.14 billion. Additionally, surplus FY25 Fair Share funds are proposed to be spent via a supplemental budget that is currently before a Conference Committee which will likely right-size the split between education and transportation.

What comes next: The budget now heads to the full House for debate the week of April 27th. The Senate's budget is expected in May. The FY27 fiscal year begins on July 1st, so it is anticipated that a final bill will be signed into law by that date or soon after.

Key MAPC Line Items

line item		<u>FY26 Final Budget</u>	<u>MAPC's FY27 - Request</u>	<u>FY27 - Governor Budget</u>	<u>HWM Budget</u>
8100-0111	Senator Charles Shannon Community Safety Initiative	\$10.08 million	\$13.4 million	\$10.08	\$10.08 million
1599-0026	District Local Technical Assistance	\$3 million	\$4 million	\$3 million	\$3 million
	Community Compact Grants	\$0	\$2 million	\$2 million	\$0
Outside Section	Community Mitigation Fund Contribution	0%	6.5%	3%	4%

Local Aid

- **UGGA** (Unrestricted General Government Aid) (1233-2350) is proposed at \$1.33 billion, a slight increase over the \$1.32 billion allocated in FY26 but \$23 million below the Governor's proposal.
- **Chapter 70** (7061-0008) is proposed at \$7.055 billion, a 2.8% increase over FY26 and \$20 million over the Governor's proposal. Minimum aid is proposed at \$160 per student, a \$10 increase over FY26 and \$85 more than the \$75 per student the Governor proposed.
- **Chapter 70 Pothole Account** (1599-0008): The House Ways and Means budget includes \$10 million for a reserve to offset reductions in state aid distributed to cities and towns under chapters 70 of the General Laws due to unexpected reductions in English language learners.
- **Education:** The special education circuit breaker (7061-0012) is proposed at \$653 million, in line with the Governor's proposal and \$169 (35.2%) million more than in FY26. Regional school transportation reimbursements (7035-0006 and 1596-2451) are proposed at \$119 million, a 14.8% increase over FY26 and the same as the Governor's proposal. McKinney-Vento homeless student transportation (7035-0008) is funded at \$35 million, a \$6.5 million (23%) increase over FY26 but level with the Governor's proposal. Charter school reimbursements (7061-9010) are proposed at \$200 million, in line with FY26 and the Governor's proposal.

Transportation

- **MBTA** (1595-6369) is proposed at \$470 million, level funding with FY26 and the Governor's proposal. The supplemental budget in Conference Committee includes additional funding for the MBTA.
- **RTAs** (1595-6370) are proposed to be funded at \$217 million, in line with the Governor's proposal and \$8 million (4%) more than FY26. Included in this line item are the same earmarks from FY26: \$66 million for operational enhancements and improvements including expanded service, \$35 million for fare equity programs, \$10 million on regional connectivity grants, and \$4 million to support the Community Transit Grant Program.
- **MassDOT** (1595-6368) is proposed at \$604 million, \$32 million (5.6%) more than FY26 but \$40 million (-6.2%) less than the Governor's proposal.

Housing

- **MA Rental Voucher Program (MRVP)** (7004-9024) is proposed at \$281 million, a 1% increase over Governor's proposal and \$28 million (11%) over FY26.
- **Residential Assistance for Families in Transition (RAFT)** (7004-9316) is proposed at \$207 million, nearly \$6 million (3%) more than the Governor's proposal but still below FY26.
- **HomeBASE** (7004-0108) is proposed at \$82 million, level with the Governor's proposal and \$25 (43.6%) million over FY26.
- **Emergency Assistance Family Shelters and Services** (7004-0101) is proposed at \$258 million, a 6% decrease from FY26 and level with the Governor's proposal.
- **Right to Counsel** (0321-1800) is proposed at \$3 million, which is \$500,000 (20%) above FY26 and the Governor's proposal.

Environment

- **Department of Environmental Protection** (2200-0100) is proposed at \$51.1 million, a \$2.5 million (4.9%) decrease from FY26 and a \$1 million (1.9%) decrease from the Governor's proposal.

- **Climate Adaptation and Resiliency** (2000-0101) is proposed at \$4.28 million, below both FY26 and the Governor’s proposal.

Public Health and Safety

- **Healthy Incentives Program (HIP)** (4400-1004) is proposed at \$20 million, level with FY26 but \$9.7 million (-32.6%) less than the Governor’s proposal.
- **SNAP and DTA:** The DTA operations budget (4400-1000) is proposed at \$108 million, a \$1.8 million (2.1%) increase over FY26, but \$2.2 million (2%) decrease over the Governor’s proposal. The SNAP Participation Programs (4400-1001) are proposed at \$5 million, level with the Governor’s proposal and FY26.
- **Universal School Meals** (7053-1925 and 1596-2422) is proposed at \$202 million, in line with the Governor’s proposal and an \$18.6 million (10.4%) increase over the previous year.
- **SAPHE** (4512-2022) is proposed at \$12 million, \$3 million (-20%) less than the Governor’s proposal but still above FY26.
- **Childcare and Early Education Programs** (3000-4060, 1596-2452, 1596-2410) are proposed at \$983 million.
- **Immigration Legal Services** (4003-0124) is proposed at \$7 million, an increase of \$2 million over last year’s budget.

Fair Share Funding Overview

Notable transportation proposals include:

- \$220 million operating transfer to the MBTA (not included in Gov’s proposal)
- \$134 million operating transfer to RTAs (not included in Gov’s proposal)

Notable education proposals include:

- \$550 million for expansion of the Student Opportunity Act (same as Gov’s proposal)
- \$365 million for Childcare Grant to Providers (1596-2410) (\$5 million more than Gov’s proposal)
- \$127 million for free community college (1596-2700) (\$10 million less than Gov’s proposal) and \$36 million for SUCCESS grants (\$22 million more than Gov’s proposal)

Revenue Transfers:

- **Disaster Relief Fund Transfer** \$14 million (\$20 million in H.2)
- **Stabilization Fund Transfer** (from Excess Capital Gains)..... \$128 million (\$100 million in H.2)
- **Transfer to the MBTA** (from dedicated sales tax)\$1.44 billion (same as H.2)

Priority Outside Sections

- **Workforce Investment Trust Fund and Economic Development Trust Fund (Sections 7 –10):** Reduces the amount of Sports Wagering Fund dollars set aside for Workforce Investment Trust Fund to 10% from 17.5%. The remaining 7.5% is allocated to the Sports and Entertainment Events Fund. The Governor’s budget sent these dollars to the Economic Development Trust Fund (7.5%).
- **Casino Mitigation Dollars (Section 63):** This section restores a 4% contribution rate to the Community Mitigation Fund, a 1% increase over the 3% the Governor recommended. Prior to FY25, the fund received 6.5% of revenue the state received from category 1 casinos. Eligible

municipalities use these dollars for regional transportation, economic development, and public safety projects that mitigate the impacts of gambling on local communities.

Other Noteworthy Outside Sections:

- **Stabilization Fund and Long-Term Liability Financing Task Force and Budget Stress Test (Section 15):** This section requires ANF & DOR to conduct a multiyear budget forecast to evaluate for potential economic stress for the next three fiscal years. The Governor had a similar provision in her budget.
- **Special Education Transportation (Sections 31 – 33, 51):** These sections add requirements for schools that provide out of district special education transportation to include a detailed breakdown of cost components in both the school’s solicitations and vendor’s submissions. EOE will keep a database of procurements and contracts for all out of district transportation and will develop and annually update best practices for municipalities. EOE, OSD, and DPU and RMV will study areas to improve the marketplace.
- **HIV Prevention Drug Coverage (Section 28, 36, 38, 40, 44, 45, 46):** Several sections in the budget require coverage of HIV prevention drugs by insurers.
- **Preserving Rape Kits (Section 29):** Requires police departments to preserve rape kits for 15 years after collection.
- **Commission on Acupuncture & Wellness (Sections 35 & 74):** Creates a Commission on Acupuncture and Wellness to study the potential for greater integrated use of acupuncture services in health care services.
- **Connector Care Expansion Pilot (Sections 48 and 49):** Extends the Connector Care Pilot for one additional year. This is similar to the Governor’s budget.

Outside Sections from H.2 Not included in H.5500:

- **Speed Camera Enforcement:** Allows MassDOT and municipalities to establish a speed camera enforcement program to allow DOT and municipalities to enforce posted speed limits through speed cameras in construction zones and school zones, respectively.
- **Ends some drivers license suspensions due to fines and fees:** Would end the practice of suspending drivers' licenses and vehicle registrations due to unpaid fines and fees in certain circumstances.
- **40A Electronic Notifications:** Allows for notification of hearings on zoning ordinances and bylaws to be sent electronically as well as physically.