

## FY27 Senate Ways and Means Budget Summary (S.4)

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On April 29<sup>th</sup>, the House passed [their \\$63.4 billion FY27 budget](#) after three days of debate where they considered over 1,700 amendments and added approximately \$81 million in additional spending. They also added several new policy sections including expanding the MassDOT Board, changes to the state's vaccine and immunization programs, and a studying the expansions of public transportation to Concord, among others.

Just a week later, on May 5<sup>th</sup>, the Senate Committee on Ways and Means (SWM) [released their FY27 budget](#). Their budget proposal is a \$63.3 billion package, a \$2.3 billion (3.5%) increase over [the final FY26 budget](#) that was signed into law in July in 2025 and it is roughly in line with the budget the Governor proposed and what the House passed. This is the fourth year that Fair Share surtax revenue is available, which is split between education (\$1.7 billion or 64%) and transportation (\$975 million or 36%).

**What comes next:** Senate members have until 3pm on May 8<sup>th</sup> to file amendments, and the membership is expected to debate the bill beginning on May 19<sup>th</sup>. Following passage in the Seante, a conference committee will be appointed to resolve the differences in the two chambers' bills. 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	Program	<u>FY26 Final Budget</u>	<u>MAPC's FY27 - Request</u>	<u>FY27 - Governor Budget</u>	<u>House Budget</u>	<u>SWM Budget</u>
8100-0111	<a href="#">Senator Charles Shannon Community Safety Initiative</a>	\$10.08 million	\$13.4 million	\$10.08	\$10.08 million	\$10.08 million
1599-0026	<a href="#">District Local Technical Assistance</a>	\$3 million	\$4 million	\$3 million	\$3 million	\$3 million
	Community Compact Grants	\$0	\$2 million	\$2 million	\$0	\$0
Outside Section	Community Mitigation Fund Contribution	0%	6.5%	3%	4%	3%

### Local Aid

- **UGGA** (Unrestricted General Government Aid) (1233-2350) Senate Ways and Means (SWM) proposed funding UGGA at \$1.37 billion, which is \$53 million (4%) higher than last year, \$43 million (3.2%) higher than the House's proposal and \$20 million (1.5%) more than the Governor's proposal. However, the Senate's additional \$53 million will be allocated based on each municipality's share of the population. The most that any municipality can receive of these additional funds is \$2.12 million (4%).
- **Chapter 70** (7061-0008) SWM proposed the largest amount of funding for aid to schools at \$7.66 billion. This is \$793 million (11.5%) higher than FY26, and \$605.3 million and \$602.8 million (8.5%) higher than the Governor and House's proposals, respectively. In both the House and Senate Ways and Means version, 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) Neither SWM nor the Governor included money for a reserve to offset reductions in state aid distributed to cities and towns under Chapter 70 of the General Laws due to unexpected reductions in English language learners. The House provided \$10 million for this line item in their proposal.
- **Education:** The special education circuit breaker (7061-0012) is proposed at \$652.6 million, in line with the Governor's budget, but \$750,000 less than the House's proposals and \$168 million (35%) more than FY26. Regional school transportation reimbursements (7035-0006) are proposed at \$114 million, a 10% increase over FY26, but \$10.4 million (4%) less than the House and Governor's proposal. McKinney-Vento homeless student transportation (7035-0008) is funded at \$35 million, a \$6.5 million (23%) increase over FY26 and level with the Governor's and House's proposals. Charter school reimbursements (7061-9010) are proposed at \$200 million, in line with FY26 and Governor's proposal.

### Transportation

- **MBTA** (1595-6369) SWM, the House, and Governor all proposed \$470 million, level funding with FY26. A supplemental budget under consideration by a conference committee includes additional MBTA funding.
- **RTAs** (1595-6370) are proposed to be funded at \$217 million, in line with the House and Governor's proposals 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, \$40 million (\$35 million in H.2 and the House Budgets) for fare equity programs, \$10 million for regional connectivity grants, and \$4 million to support the Community Transit Grant Program.
- **MassDOT** (1595-6368) is proposed at \$604 million in line with the House's budget. This is \$32 million (5.6%) more than FY26 but \$40 million (-6.2%) less than the Governor's proposal.
- **Red Line Transportation Study** (1595-6369): House debate led to the inclusion of a \$50,000 amendment to study the feasibility of either extending the Red Line and/or creating a Bus Rapid Transit (BRT) line from Alewife to the Concord Rotary. This provision was not included in H.2 or the proposal that Senate Ways and Means released.

### Housing

- **MA Rental Voucher Program (MRVP)** (7004-9024) is proposed at \$278 million, in line with the Governor's proposal but a \$3 million (1%) decrease over the House proposal and \$25 million (9%) over FY26.

- **Residential Assistance for Families in Transition (RAFT)** (7004-9316) is proposed at \$201 million, in line with the Governor's proposal in H.2 but nearly \$9 million (-4.1%) less than the House's proposal and \$6.2 million (3%) below FY26.
- **HomeBASE** (7004-0108) is proposed at \$82 million, level with the House and Governor's proposal and \$25 million (43.6%) over FY26.
- **Emergency Assistance Family Shelters and Services** (7004-0101) is proposed at \$258 million, a 6% decrease from FY26 and level with the House and Governor's proposal.
- **Right to Counsel** (0321-1800) is not included in the SWM budget. It was proposed at \$3 million in the House, and \$2.5 million in the Governor's proposal.

### Environment

- **Department of Environmental Protection** (2200-0100) is proposed at \$50.4 million, which is slightly less than the \$51.1 million, the House suggested. However, it is a \$3.2 million (6%) decrease from FY26 and a \$1.7 million (3.4%) decrease from the Governor's proposal.
- **Climate Adaptation and Resiliency** (2000-0101) is proposed at \$4.25 million, slightly below both the House and Governor's proposal and \$826,620 less than FY26.

### Public Health and Safety

- **Healthy Incentives Program (HIP)** (4400-1004) is proposed at \$29.7 million, in line with the Governor's proposal but \$9.7 million (32.6%) more than FY26 and the House's budget.
- **SNAP and DTA:** The DTA operations budget (4400-1000) is proposed at \$108 million, in line with the House's budget. This is 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 \$5.7 million, level with the House and Governor's proposal and slightly more than FY26.
- **Universal School Meals** (7053-1925 and 1596-2422) is proposed at \$184 million, which is \$17.3 million (8.58%) less than the \$202 million proposed by the Governor and the House.
- **SAPHE** (4512-2022) is proposed at \$15 million, in line with the Governor, and \$5.7 million (63%) more than FY26. This is also \$3 million (25%) more than the House's proposal.
- **Childcare and Early Education Programs** (3000-4060) are proposed at \$623.5 million.
- **Immigration Legal Services** (4003-0124) SWM and the Governor proposed funding this line item at \$5 million, \$2 million (29%) less than the House and roughly in line with the final FY26 budget.

### Fair Share Funding Overview

#### **Notable transportation proposals include:**

- \$220 million of the total \$470 million of the operating transfer to the MBTA is using Fair Share dollars (similar to the House, but was not in Gov's proposal)
- \$134 million of the total \$217 million of the operating transfer to the RTAs is using Fair Share dollars (similar to the House, but was not in Gov's proposal)
- \$70 million of a total \$604 million of the operating transfer to MassDOT is using Fair Share dollars (similar to the House, but was not in Gov's proposal)

#### **Notable education proposals include:**

- \$375 million for Childcare Grant to Providers (1596-2410/3000-1045) (\$10 million more than the House and \$5 million more than Gov's proposal)
- \$127 million for free community college (1596-2700/1596-2501) (\$10 million more than the House and in line with the Gov's proposal)

- \$180 million for school meals (\$18 million less than the House and Gov's proposals)
- \$575 million of \$7.6 billion of Chapter 70 funding is utilizing Fair Share dollars in the Senate Ways and Means proposal.

#### Revenue Transfers:

- **Disaster Relief Fund Transfer** .....\$20 million (\$14 million in House proposal and \$20 million in H.2)
- **Stabilization Fund Transfer** (from Excess Capital Gains) ..... \$51.2 million (\$128 million in House and \$100 million in H.2)
- **Transfer to the MBTA** (from dedicated sales tax) .....\$1.44 billion (same as House and H.2)

#### Priority Outside Sections

- **Workforce Investment Trust Fund and Economic Development Trust Fund (Sections 9 -14):** Reduces the amount of Sports Wagering Fund dollars set aside for Workforce Investment Trust Fund to 10% from 17.5%. SWM and the Governor's budget sent these dollars to the Economic Development Trust Fund (7.5%), while the House allocated it to the Sports and Entertainment Events Fund.
- **40A Electronic Notifications (Sections 18, 19, 24 and 25):** Allows for notification of hearings on zoning ordinances and bylaws to be sent electronically as well as physically. This was included in the Governor's budget, but not the House's budget.
- **Casino Mitigation Dollars (Section 52):** This section restores a 3% contribution rate to the Community Mitigation Fund, which is in line with the Governor's proposal. However, it is a 1% decrease over the 4% the House 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.

#### Notable New Outside Sections

- **Foundation Budget Review Commission (Section 27 & 38):** Creates a commission to review the current education funding formula and explore how to best allocate resources to adequately and fairly reflect the needs of all school districts in urban, suburban and rural communities. The commission will reconvene at least every 10 years.
- **Massachusetts School Building Authority Commission (Section 39):** Creates a commission to make recommendations around the capacity of the authority to meet current and future needs and will also evaluate the equity of the grant funding formula.
- **Housing Production (Sections 20 -23):** Makes several changes to the statute governing variances. These sections make it easier for owners of existing properties to receive a variance by lowering the bar of compliance from substantial hardship to practical difficulty. It also extends the window of time that a project can begin construction under an existing permit without conforming to new ordinances or by laws from one year to two years.

#### Notable Outside Sections in the SWM & House or Governor's Budgets

- **Stabilization Fund and Long-Term Liability Financing Task Force and Budget Stress Test (Section 15):** This section requires ANF & DOR to conduct a multi-year budget forecast to evaluate

potential economic stress for the next three fiscal years. The Governor had a similar provision in her budget. Similar policy was also included in the House's budget.

- **Preserving Rape Kits (Section 26 and 36):** Like language in the House's budget, these sections require law enforcement to preserve rape kits for 15 years after collection, among other things.
- **Simplified Service Cancellation (Section 28):** Requires that the method for cancelling subscription agreements is as simple as signing-up and makes it unlawful to charge the consumer a price higher than the amount previously disclosed to the consumer without consent or written notice. This language was also included in the Governor's budget.
- **Dental Coverage (Section 42):** Allows HHS to determine the extent of services covered for the federally optional dental services that are included in state and Mass Health coverage. HHS may impose coverage caps, changes, exclusions or limitations on these plans if they do not result in any cap of less than \$1,750. This was also included in the House's budget.

**Noteworthy Outside Sections in the House's Budget but NOT in SWM budget:**

- **Mass DOT Board Seats (Section 3A):** Increases the number of Mass DOT board members from 11 to 13 but it does not specify specific background. Board members are appointed by the Governor.
- **Health Care Study (Section 6A):** Requires CHIA to study the impact of programs developed to assist the uninsured, underinsured, and geographically isolated on the role of employers in assisting their employees in affording health insurance.
- **Stabilization Fund and Long-Term Liability Financing Task Force and Budget Stress Test (Section 15):** This section requires ANF & DOR to conduct a multi-year budget forecast to evaluate for potential economic stress for the next three fiscal years. The Governor had a similar provision in her budget.
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- **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.
- **School Nutrition Advisory Council (Section 30A):** Added by amendment, this section establishes a school meal nutrition standards advisory council to advise the commissioner on nutrition standards for meals served in schools. The Council will be made up of 11 members with 6 appointed by the Governor and members from Project Bread, School Nutrition Association of Massachusetts, Massachusetts Healthy School Lunch Coalition, Massachusetts Farm to School Project and from the Massachusetts Food System Collaborative.
- **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.

- **Immunization Program Changes (Sections 49A & 73A):** This amendment makes three changes to the state's vaccine and immunization programs: including updating the process for setting the annual surcharge that health insurers pay into the Vaccine Purchase Trust Fund and allows providers participating in state immunization programs the choice of any FDA-licensed or CDC-recommended vaccine brand or formulation, including combination vaccines.
- **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.
- **Kendall Square Transportation Study (Section 51B):** This amendment would require Mass DOT to conduct a feasibility study of bus rapid transit between Kendall Square, the Allston and North Brighton and the Longwood area.

**Outside Sections from H.2 Not included in House or SWM Budgets**

- **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.

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