

Analyzing the House Budget for FY 2018

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The House largely follows the recommendations of its Ways and Means (HWM) Committee in crafting its budget proposal. The state budget is how we as a Commonwealth determine how much we will spend in the coming year to educate our children, provide local services, ensure access to health care, protect public safety, and accomplish everything else we do through our government. In two days of debate the House adopted amendments to the Fiscal Year (FY) 2018 budget that increased funding by just under two tenths of one percent from the levels its budget committee proposed last month.

This *Budget Monitor* describes the changes adopted by the House in each major section of the budget. While many of the House amendments provide targeted funding to specific programs in particular communities, a few address significant issues of statewide concern, including the following:

- An increase of \$5.0 million (above the \$15.0 million proposed by the HWM Committee) for early education and care rates. This additional funding would provide enhanced support for early education quality efforts including salary and benefit increases along with professional development for early educators.
- A study on the feasibility of creating a common application for MassHealth and several other public benefit programs. In particular, creating a common application for MassHealth and the Supplemental Nutrition Assistance Program (SNAP or “food stamps”)

would help identify people who are potentially eligible for SNAP but are unenrolled (the so-called “SNAP Gap”). Doing so would simplify the application for the program and would get

more low-income residents in the Commonwealth on SNAP, a fully federally-funded program that is central to combatting food insecurity across the state.

The rest of this *Budget Monitor* examines the House amendments to major state programs in greater detail. Links from the Table of Contents above allow readers to jump quickly to specific sections. Each section also provides links to our on-line budget tools including our [Budget Browser](#) (which provides funding information for every account in the state budget going back to FY 2001) and, where applicable, to our [Children’s Budget](#) and [Jobs & Workforce Budget](#).

EDUCATION

Early Education & Care

During budget debate, the House adopted a handful of amendments to the House Ways and Means (HWM) Committee Fiscal Year (FY) 2018 budget, increasing funding for early education and care programs by \$5.5 million. Overall, the House would provide \$15.9 million (2.8 percent) more than current FY 2017 levels, slightly more than the expected inflation rate.

In particular, during debate the House proposed \$5.0 million more in additional support for **Center-Based Child Care Rate Increase**, bringing funding for this account to \$20.0 million. This additional funding would provide enhanced support for early education quality efforts including salary and benefit increases along with professional development for early educators.

An Outside Section of the House budget adopted during debate would carry over any unused funds from the main early education subsidy and voucher accounts, [Supportive and TANF Childcare](#) and [Income Eligible Child Care](#) from FY 2017 into FY 2018. Carrying over surpluses from FY 2017 into FY 2018 would be necessary for the Department of Early Education and Care to implement increases in the rates paid to child care providers that were announced by the Administration in March. For additional detail, see the Early Education and Care section of MassBudget’s HWM *Budget Monitor* [here](#).

Another Outside Section of the House budget would allow early education administrators and officials to request information on the lowest-risk individuals, as defined by state law, monitored by the Sex Offender Registry Board (Level 1 offenders) to complete more thorough background checks. Currently, only a handful of agencies, primarily law enforcement, can access this information. Conversely, higher-risk individuals (Level 2 and Level 3 offenders) are listed on a public database.

For full detail on House amendments, see the table below. For more information on Early Education and Care proposals in the House FY 2018 budget, see the Early Education and Care section of MassBudget’s HWM *Budget Monitor* [here](#).

EARLY EDUCATION LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
3000-1000	Dept. of EEC Admin	5,641,766	5,686,617	5,686,618	50,000	5,736,618
3000-1042	Child Care Rate Increase	0	7,000,000	15,000,000	5,000,000	20,000,000
3000-7050	Serv. for Infants & Parents	13,441,999	13,441,999	13,441,999	100,000	13,541,999
3000-7070	Reach Out & Read	0	0	700,000	300,000	1,000,000

K-12 Education

During House debate on the Fiscal Year (FY) 2018 budget, K-12 education grants, and programs received \$7.2 million in additional funding above the House Ways and Means (HWM) Committee's proposed levels. However, the funding levels approved by the House would provide only \$4.7 million (0.8 percent) more than current FY 2017 levels for all grants and programs outside of Chapter 70 Aid and the School Building Authority.

In particular the House added significant additional funding for:

- [School to Career Connecting Activities](#), which received \$2.0 million in additional support for a total of \$3.0 million
- [After-School and Out-of-School Grants](#), which received \$1.5 million in additional support for a total of \$3.0 million
- [Safe and Supportive Schools](#), which received \$300,000 in additional support for a total of \$500,000
- **Department of Elementary and Secondary Education (DESE) Administration**, which received \$1.7 million in additional support for a total of \$13.5 million. The House proposes to provide these funds for 22 specific education programs throughout the state (for a list of the projects see [Consolidated Amendment "A"](#) and search for the DESE Administrative account, 7010-0005).

In addition, an outside section of the House FY 2018 budget would create a commission to examine state-issued regulations and requirements that affect K-12 districts in ways that require local spending, but which are not supported with state funding.

The House FY 2018 budget does not follow a proposal from the Governor to consolidate five school improvement and enrichment programs into a larger line item. To make comparisons of the various proposals easier, the Governor's FY 2018 proposal is adjusted in the table below to split this consolidation back into the separate line items funded by the House.

The House budget for FY 2018 moves the administration of [Inclusive Concurrent Enrollment](#) from DESE to the Department of Higher Education, and assigns it a new line item (7066-9600). MassBudget moves this funding back into its prior line item within K-12 education (7009-9600) in the chart below in order to facilitate comparisons with prior years.

For full detail on K-12 education amendments to the House FY 2018 budget, see the table below. For information on K-12 education proposals not affected by amendments, see the K-12 Education section of MassBudget's HWM *Budget Monitor* [here](#).

K-12 EDUCATION LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House	Notes
7009-9600	Inclusive Enrollment	1,166,235	1,143,979	1,143,979	272,256	1,416,235	*incl. adj.
7010-0005	DESE Administration	12,473,413	11,769,863	11,769,864	1,690,000	13,459,864	
7010-0020	Bay State Reading Inst.	133,333	0	250,000	150,000	400,000	
7010-0033	Literacy Programs	1,620,000	1,549,389	1,549,389	200,000	1,749,389	*incl. adj.
7027-0019	Connecting Activities	2,998,750	3,468,763	1,000,000	1,950,000	2,950,000	
7035-0002	Adult Basic Education	28,824,073	28,482,377	28,482,378	500,000	28,982,378	
7061-0033	Military Mitigation	1,300,000	1,300,000	0	500,000	500,000	
7061-9611	Afterschool & OST Grants	2,240,001	1,999,154	1,499,154	1,455,846	2,955,000	*incl. adj.
7061-9612	Safe & Supportive Schools	400,000	400,000	200,000	300,000	500,000	
7061-9634	Mentoring Grants	500,000	500,000	400,000	100,000	500,000	
7061-9810	Regionalization Bonus	110,000	65,000	0	56,920	56,920	

*Budgets sometimes transfer the allocation of funding among line items from one year to the next. The chart above presents these line items in the current FY 2017 funding structure to make comparisons easier.

Higher Education

During budget debate, the House adopted several amendments to the House Ways and Means Committee (HWM) Fiscal Year (FY) 2018 budget proposal to increase support for higher education. In total, \$3.7 million was added during budget debate. The House budget would provide \$12.7 million (1.1 percent) more for higher education than current FY 2017 levels. However, that increase is less than the expected inflation rate.

The House FY 2018 budget funds a handful of small programs that were not funded in the HWM budget:

- **University of Massachusetts (UMass) Center at Springfield**, which received \$250,000. This institution is a satellite campus of UMass in partnership with several western Massachusetts higher education institutions that aims to make offerings more accessible in Springfield.
- [Nursing and Allied Health Workforce Development](#), which received \$200,000.
- [Adult College Transition Services](#), which received \$250,000.
- [Community College Workforce Grants](#), which received \$750,000.

The House created two new line items through amendments adopted during debate. **Medical School Educational Track on Integrated Health** received \$1.0 million in funding. This program would create a new UMass Medical School initiative hosted at a health system in western Massachusetts. The initiative would focus on training medical students on rural and urban and primary care, population health, and integrated health delivery.

Another new program called the **PACE Initiative** received \$200,000 in support through a House budget amendment. This program would support increased collaboration and efficiency across the Community College and State University systems.

An outside section of the FY 2018 House budget would create a task force on the economic impact of student loan forgiveness in the Commonwealth. The task force would consist of legislators, business leaders, workforce development organizations, and representatives of higher education. The task force would be charged with reviewing relevant laws, identifying industry sectors where loan forgiveness would be most beneficial, and developing recommendations for the Legislature over the course of FY 2018.

The House FY 2018 budget does not follow a proposal from the Governor to consolidate five higher education programs focused on college and workforce readiness into a larger line item. To make comparisons of the various proposals easier, the Governor’s FY 2018 proposal is adjusted in the table below to split this consolidation back into the separate line items funded by the House.

The House budget for FY 2018 moves the administration of [Inclusive Concurrent Enrollment](#) from the Department of Elementary and Secondary Education to the Department of Higher Education, and moves it into a new line item (7066-9600). MassBudget moves this funding back into its prior line item within K-12 education (7009-9600) in order to facilitate comparisons with prior years.

MassBudget totals below also subtract tuition remitted by campuses back to the general fund from their state appropriation. This is undertaken because tuition sent back to the state is not available for campus operations and has the same effect as reduced state funding. For details on the varying tuition remission policies at different campuses, see [MassBudget’s Budget Browser section for Higher Education](#).

For full detail on House amendments on higher education, see the table below. For information on other proposals in the House FY 2018 budget, see the higher education section of MassBudget’s HWM Budget Monitor [here](#).

For information on funding for all higher education programs going back to FY 2001, please see MassBudget's *Budget Browser* [here](#).

HIGHER EDUCATION LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House	Notes
1599-7114	UMass Center Springfield	500,000	250,000	0	250,000	250,000	
1599-7115	Med. School Integ. Health	0	0	0	1,000,000	1,000,000	
7066-0009	NE Board of Higher Ed	183,250	181,417	181,417	186,083	367,500	
7066-0019	Dual Enrollment Grants	1,050,000	1,049,754	750,000	250,000	1,000,000	*incl. adj.
7066-0020	Nursing Workforce Dev.	200,000	200,000	0	200,000	200,000	*incl. adj.
7066-0040	Adult College Transition	250,000	249,713	0	250,000	250,000	*incl. adj.
7066-1221	CC Workforce Grants	750,000	749,999	0	750,000	750,000	*incl. adj.
7100-0200	UMass	508,292,447	513,375,371	513,375,371	85,000	513,460,371	
7100-0700	Dispute Resolution	750,000	0	550,000	200,000	750,000	
7100-4000	CC Administration	2,695,864	2,739,638	2,739,638	75,000	2,814,638	
7503-0100	Bristol CC	20,182,066	20,444,546	20,444,546	100,000	20,544,546	*incl. adj.
7505-0100	Greenfield CC	10,190,490	10,344,985	10,344,985	75,000	10,419,985	*incl. adj.
7511-0100	North Shore CC	20,652,648	21,084,295	21,084,295	50,000	21,134,295	*incl. adj.
7518-0120	PACE Initiative	0	0	0	200,000	200,000	

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ENVIRONMENT & RECREATION

During its floor debate, the House added \$5.7 million to the House Ways and Means Fiscal Year (FY) 2018 proposal for environment and recreation programs for a total of \$203.0 million. A full list of the amendments adopted by the House adding money to these programs is in the table below.

The House added:

- \$1.1 million, for a total of \$2.0 million for the administration of **fish and game programs** in the state. Of this increase, \$1.0 million would fund the construction of a boat ramp in Suffolk County.
- \$690,000 for a total of \$1.2 million for **beach preservation**. The amendment specifies that \$900,000 from this account be spent on maintaining and staffing beaches that are located in metropolitan Boston and are overseen by the Department of Conversation and Recreation (DCR).
- \$1.8 million for a total of \$36.9 million for **state parks and recreation facilities**. This increase funds about 30 parks and recreation projects located throughout the state. For a list of projects included in this amendment please see Consolidated Amendment "C" [here](#) and search for the Parks and Recreation account, 2810-0100.

The House budget for environment and recreation programs largely follows the Governor's FY 2018 budget proposal with a few exceptions. For a full discussion of funding for these programs please see MassBudget's *Budget Monitor* on the Governor's budget [here](#). Among the differences between the two budget proposals, the House budget does not provide \$1.4 million for a new account proposed by the Governor to protect water quality by controlling pollution discharge into state water sources.

ENVIRONMENT & RECREATION LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House	Notes
2000-0100	EOEEA Administration	7,265,020	9,746,402	8,896,322	150,000	9,046,322	
2200-0100	DEP Administration	24,405,437	24,408,940	24,408,940	550,000	24,958,940	
2250-2000	Safe Drinking Water Act	1,230,839	2,743,531	2,743,531	50,000	2,793,531	
2300-0100	Dep't of Fish & Game	924,280	933,878	933,879	1,110,000	2,043,879	see text above
2300-0101	Riverways Protection	553,889	530,577	855,156	50,000	905,156	
2310-0300	Endangered Species	150,000	150,000	150,000	100,000	250,000	
2330-0100	Div. of Marine Fisheries	5,954,873	6,072,282	6,072,281	400,000	6,472,281	
2800-0100	DCR Administration	4,226,626	4,237,773	4,237,773	475,000	4,712,773	
2800-0101	Watershed Management	954,975	932,526	932,526	50,000	982,526	
2800-0401	Stormwater Management	415,854	419,542	419,542	25,000	444,542	
2800-0500	Beach Preservation	800,000	806,644	500,000	690,000	1,190,000	see text above
2800-0501	DCR Seasonals	15,261,436	15,466,544	15,466,544	200,000	15,666,544	
2800-0700	Office of Dam Safety	373,295	620,361	620,361	25,000	645,361	
2810-0100	State Parks & Recreation	36,227,842	35,163,728	35,163,728	1,750,000	36,913,728	see text above
2810-2042	DCR Retained Revenue	17,700,000	20,000,000	20,000,000	25,000	20,025,000	
7006-1001	Residential Conservation	224,111	224,111	224,111	50,000	274,111	

For a full list of funding for all environment and recreation programs going back to FY 2001 please see MassBudget's *Budget Browser* [here](#).

HEALTH CARE

MassHealth (Medicaid) and Health Reform

During floor debate, House members added \$4.8 million to the House Ways and Means (HWM) proposal for MassHealth (Medicaid) and Health Reform for the Fiscal Year (FY) 2018 budget. For a list of line items with new budget totals, see the table below.

The House added:

- \$1.3 million to funding for the **Executive Office of Health and Human Services**, a portion of which (\$275,000) would fund two community-based health programs. Total funding there is now \$103.8 million.
- \$1.0 million to the **MassHealth Fee-For-Service** line item, bringing the total to \$2.66 billion, in order to support the development of a coordinated health care system in Western Massachusetts, also with the goal of working towards creating an Accountable Care Organization (ACO) there.
- \$2.5 million for **technology** services. Total funding is now \$127.7 million, \$5.8 million less than proposed by the Governor.

The House also added language to:

- Provide managed care funding for MassHealth members in inpatient mental health facilities for more than 15 days in a calendar month;
- Make MassHealth materials available in Chinese.
- Require a schedule to restore more comprehensive **adult dental services**.

The House included language requiring the Executive Office, in conjunction with the Dept. of Transitional Assistance, to report to the Legislature by January 1, 2018 on the feasibility of creating a **common application** for MassHealth and for Supplemental Nutrition Assistance Program (SNAP, or "food stamps"), Emergency Aid to Elders, Disabled and Children (EAEDC), and Transitional Assistance to Families with Dependent Children (TAFDC, or cash assistance). Creating a common application for these programs would go a long way towards closing what is referred to as the "SNAP Gap." A common application for these programs would simplify and streamline eligibility determinations for the Commonwealth and program participants. It would also help the Commonwealth identify the people who are eligible but unenrolled in SNAP, a fully federally-funded program that is central to combatting food insecurity across the Commonwealth.

For a more complete discussion of the FY 2018 MassHealth budget proposals that were not amended and will therefore be part of the House budget, see the [MassHealth and Health Reform](#) section of MassBudget's House Ways and Means *Budget Monitor*.

MASSHEALTH AND HEALTH REFORM LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
4000-0300	EOHHS & MassHealth Admin	99,976,087	102,602,733	102,502,734	1,275,000	103,777,734
4000-0700	MassHealth Fee-for-Service	2,351,838,433	2,751,697,224	2,663,848,930	1,000,000	2,664,848,930
4000-1700	EOHHS Info. & Tech.	116,776,778	133,564,037	125,223,292	2,500,000	127,723,292

For information on funding for all MassHealth and Health Reform programs going back to FY 2001, please see MassBudget's *Budget Browser* [here](#).

Employer Health Assessment

During debate, the House further amended the House Ways and Means' [revisions](#) to the Governor's [proposal](#) for an assessment on employers to help offset the growing costs of the MassHealth program. The final House budget includes language refining the definition of full-time equivalent employees, and also adds a provision that would create a "hardship waiver." This waiver would allow the Commissioner of Revenue to develop criteria that could exempt employers from having to participate in the assessment. Furthermore, the House added language that would "sunset" this new Employer Health Assessment on January 1, 2020.

Mental Health

During floor debate on the Fiscal Year (FY) 2018 House budget, House members added just \$550,000 to the budget to support mental health programs, all of which was targeted to specific local mental health programs (see table below).

The additional funding included:

- \$300,000 for **Child and Adolescent Mental Health Services**, bringing the total to \$89.2 million, essentially level with current FY 2017 budgeted funding;
- \$250,000 for **Adult Mental Health Services**, for a total of \$388.4 million. This new total is \$8.6 million more than in FY 2017.

For a more complete discussion of the FY 2018 public health budget proposals that were not amended and will therefore be part of the House budget, see the [Mental Health](#) section of MassBudget's House Ways and Means *Budget Monitor*.

MENTAL HEALTH LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
5042-5000	Child & Adol. Mental Health	88,650,618	88,906,785	88,906,786	300,000	89,206,786
5046-0000	Adult Mental Health	379,754,252	387,630,579	388,130,579	250,000	388,380,579

For information on funding for all mental health programs going back to FY 2001, please see MassBudget's *Budget Browser* [here](#).

Public Health

During floor debate on the Fiscal Year (FY) 2018 House budget, House members added \$7.0 million to the budget to support public health programs. For a complete list of these budgetary additions, see the table below.

Many of the funding would provide targeted funding for specific local public health programs, such as violence prevention and youth engagement programs, community health center programs, substance abuse programs, or health promotion and prevention programs. Some of the more significant changes include:

- \$2.1 million for the **Bureau of Substance Abuse Services**, directed to specific local substance abuse prevention and treatment programs across the Commonwealth. This brings the total for this line item to \$133.8 million (note that the amounts shown in the table for this line item have been adjusted to allow for better year to year comparisons). With this addition, total funding for the substance abuse programs within the Department of Public Health increases to \$146.2 million. This total is \$6.1 million more than proposed by the Governor, and \$4.5 million (3.2 percent) above FY 2017 current totals. (See the [Public Health](#) section of MassBudget's House Ways and Means *Budget Monitor* for the list of line items included in the substance abuse services total.)
- \$1.0 million for **HIV/AIDS prevention and treatment**, bringing the total to \$30.3 million, which is \$2.0 million more than proposed by the Governor, but still 5.8 percent (\$1.9 million) less than FY 2017 current totals.

The House added other funding that although relatively small amounts, represent significant increases for these individual programs. These additions include:

- \$450,000 for **community health center services**, a 65 percent increase over both the HWM and Governor's budget proposals, bringing the total to \$1.1 million. Even with this added funding, community health centers would be receiving 13.7 percent less than the FY 2017 current total.
- \$100,000 for **services for survivors of homicide victims**, doubling the original HWM proposal, as well the amount proposed by the Governor and budgeted in FY 2017.
- \$250,000 for **prostate cancer research**, bringing the total from \$300,000 to \$550,000. The Governor had not recommended funding for this program.
- \$595,000 for **family health services**, which brings the total to \$5.8 million. This is 19.1 percent more than proposed by the Governor, and a 4.0 percent increase over FY 2017 totals. Budget language directs \$522,000 of that total to comprehensive family planning and community-based health education programs.

There were also two funding increases supporting programming for **youth violence prevention and youth engagement programs**. The House added \$25,000 to the **Safe and Successful Youth Initiative**, and \$1.1 million to **Youth-at-Risk Matching Grants**. Together, this brings funding for these types of grant programs from \$9.4 million in the original HWM budget proposal to \$10.6 million in the final

House budget. This total is 6.7 percent above what the Governor proposed (\$665,000) and 6.4 percent (\$642,000) above the FY 2017 current total.

The House also added budget language in an Outside Section (74D) that would establish a special commission to study and report on **childhood vision and eye health**. This commission, which would include the participation of state officials, health care providers, and advocates, would review the current status of children's vision care and eye health, and would develop recommendations for universal vision screenings for children, and would identify populations of children who currently are not receiving eye examinations.

For a more complete discussion of the FY 2018 public health budget proposals that were not amended and will therefore be part of the House budget, see the [Public Health](#) section of MassBudget's House Ways and Means *Budget Monitor*.

PUBLIC HEALTH LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House	Notes
4000-0005	Safe and Successful Youth	6,500,000	6,500,000	6,000,000	25,000	6,025,000	
4510-0110	Community Health Centers	1,323,773	692,354	692,354	450,000	1,142,354	
4510-0600	Environmental Health	3,838,554	3,738,321	3,738,322	60,000	3,798,322	
4510-0810	Sex'l Assault Nurse (SANE)	4,630,449	4,728,855	4,728,855	100,000	4,828,855	
4512-0103	HIV/AIDS Prevention	32,217,113	28,334,416	29,334,416	1,000,000	30,334,416	
4512-0200	Bur. Substance Abuse Svcs.	124,258,987	122,675,888	126,700,888	2,050,000	128,750,888	*incl. adj.
4513-1000	Family Health Services	5,529,707	4,829,544	5,156,832	594,677	5,751,509	
4513-1026	Suicide Prevention	4,130,748	4,140,051	4,140,051	90,697	4,230,748	
4513-1098	Homicide Victims Survivors	100,000	100,000	100,000	100,000	200,000	
4513-1111	Health Promotion	3,599,010	3,460,977	3,510,977	500,000	4,010,977	
4513-1130	Dom. Viol. Sex'l Assault Prev.	30,722,153	31,335,559	31,335,559	195,000	31,530,559	
4513-1131	Healthy Rela. Grants	0	0	0	150,000	150,000	
4590-0250	School-Based Health Progs.	11,932,830	11,944,395	11,944,396	125,000	12,069,396	
4590-0915	Public Health Hospitals	154,091,360	156,920,732	156,920,732	150,000	157,070,732	
4590-0925	Prostate Cancer Research	300,000	0	300,000	250,000	550,000	
4590-1507	Youth At-Risk Matching Grants	2,100,000	2,100,000	2,100,000	1,140,000	3,240,000	

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For information on funding for all public health programs going back to FY 2001, please see MassBudget's *Budget Browser* [here](#).

State Employee Health Insurance

During floor debate on the Fiscal Year (FY) 2018 House budget, House members did not make any changes to the House Ways and Means proposal for state employee health insurance. For a more complete discussion of that proposal, see the [State Employee Health Insurance](#) section of MassBudget's House Ways and Means *Budget Monitor*.

For information on funding for state employee health insurance going back to FY 2001, please see MassBudget’s *Budget Browser* [here](#).

HUMAN SERVICES

Child Welfare

During floor debate on the Fiscal Year (FY) 2018 House budget, House members made only one change to the House Ways and Means budget proposal for child welfare: they added \$285,000 to funding for **Services for Children and Families** (see table below). All of this additional funding is targeted to specific local programs. Total funding for these foster care and adoption services is now \$292.4 million in the House budget, essentially level with the Governor’s proposal and \$6.3 million above current FY 2017 budget totals.

Other than that amendment, the House adopted the child welfare budget as proposed by House Ways and Means. See the [Child Welfare](#) section of MassBudget’s House Ways and Means *Budget Monitor* for a further discussion.

CHILD WELFARE LINE ITEM AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
4800-0038	Services for Children and Families	286,094,395	292,138,783	292,138,782	285,000	292,423,782

For information on funding for child welfare going back to FY 2001, please see MassBudget’s *Budget Browser* [here](#).

Disability Services

The state budget supports a range of programs for individuals with disabilities. These include targeted job training programs that help people participate in the workforce, as well as community-based supports that more broadly assist people with disabilities and their families. During the floor debate, the House added \$143,000 for **Community Services for the Blind**. This increase would bring total funding for disability services in the House budget proposal to \$1.98 billion, which is \$78.0 million (4.1 percent) above the current Fiscal Year (FY) 2017 budget and approximately the same amount proposed by the Governor.

Other funding for disability services in the House FY 2018 budget proposal remained unchanged from the House Ways and Means (HWM) Committee and Governor’s proposals. For a description, see the Governor’s *Budget Monitor* [here](#). For full list of line-items funded in disability services, please see MassBudget’s *Budget Browser* [here](#).

The House added language requiring that the Commonwealth or other political subdivision hire at minimum 10 percent persons with disabilities on any contract issued for services, such as janitorial/custodial, landscaping, and food services that uses appropriated funds from the Legislature. The Supplier Diversity Office with the Massachusetts Office on Disability would oversee, monitor, and ensure compliance with the provision.

DISABILITY SERVICES LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
4110-1000	Community Services for the Blind	4,175,682	4,207,203	4,207,203	143,479	4,350,682

Elder Services

The state budget supports the Commonwealth's older adults through a range of services that promote independence, safety, and well-being. During its floor debate, the House added roughly \$2.3 million to the House Ways and Means (HWM) Committee Fiscal Year (FY) 2018 proposal for Elder Services programs. Some amendments include:

- Providing an additional \$250,000 to **Elder Protective Services**. These services allow for the investigation of elder abuse and neglect.
- Adding \$535,000 to **Grants to Councils on Aging**, which offer a variety of social and support services to elders around the Commonwealth, such as transportation, health screening, health insurance information benefits counseling, and lifelong learning. This increase pays for specific senior centers and councils throughout the state.
- Adding \$750,000 to the **Elder Nutrition Program** to provide home delivered meals.

In addition to its funding proposals, the House establishes a new **Home Care Worker Registry** at the Department of Public Health. Home care agencies would be required to hire only those who are on the registry and listed as having completed all required certifications and trainings. The registry also would document patient or resident abuse, mistreatment, neglect or misappropriation of patient or resident property by home care aides.

ELDER SERVICES LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
9110-1636	Elder Protective Services	28,048,120	29,207,918	29,207,919	250,000	29,457,919
9110-1660	Elder Congregate Housing Program	2,059,798	2,069,880	1,427,880	642,000	2,069,880
9110-1700	Elder Homeless Placement	186,000	186,000	186,000	75,000	261,000
9110-1900	Elder Nutrition Program	7,256,375	7,257,869	6,507,795	750,000	7,257,795
9110-9002	Grants to Councils on Aging	14,160,000	14,030,000	14,030,000	535,000	14,565,000

For full list of line-items funded in elder services, please see MassBudget's *Budget Browser* [here](#).

Juvenile Justice

The House did not amend the Fiscal Year (FY) 2018 budget for juvenile justice programs recommended by the House Ways and Means (HWM) Committee, keeping proposed funding at \$182.0 million, which is approximately the same amount proposed by the Governor. Since the House budget reflects the Governor's recommendations, you can read more about the details in our Governor's *Budget Monitor* [here](#). For full list of line-items funded in juvenile justice programs, please see MassBudget's *Budget Browser* [here](#).

Transitional Assistance

Transitional assistance programs help low-income individuals and families meet their basic needs and improve their quality of life when faced with an emergency. During the floor debate, the House added \$75,000 for the [Employment Services Program](#). This increase would bring total funding for transitional assistance programs in the Fiscal Year (FY) 2018 House budget proposal to \$626.3 million, which is \$31.2 million (4.7 percent) below the current FY 2017 budget and \$9.5 million (1.5 percent) above the Governor’s proposal.

For entitlement programs like transitional assistance, funding is significantly affected by anticipated caseload levels. As an “entitlement,” the law requires that any qualified person who applies must receive the service. Funding is directly tied to how many qualified people are expected to apply. Transitional assistance caseload levels have dropped significantly in recent years. For instance, caseloads for Transitional Assistance for Families with Dependent Children (TAFDC) dropped from 47,137 in November 2013 to 31,503 in November 2016 – a 33.2 percent decrease. This decline may be partially due to both the overall improved economy and administrative changes that make it harder for clients to maintain their benefits. (For more detailed information on caseload levels for transitional assistance accounts, please see the Department of Transitional Assistance’s TAFDC page [here](#).)

Other funding for transitional assistance in the House FY 2018 budget proposal was unchanged from the House Ways and Means (HWM) Committee and Governor’s proposals. For a description, see the Governor’s *Budget Monitor* [here](#). For full list of line-items funded in transitional assistance, please see MassBudget’s *Budget Browser* [here](#).

In addition to its funding proposals, the House included language requiring the Executive Office of Health and Human Services, in conjunction with the Department of Transitional Assistance, to report to the Legislature by January 1, 2018 on the feasibility of creating a common application for MassHealth and for Supplemental Nutrition Assistance Program (SNAP), Emergency Aid to Elders, Disabled and Children (EAEDC), and TAFDC. Creating a common application for these programs would go a long way towards closing what is referred to as the “SNAP Gap,” which is the difference between the number of low-income Massachusetts residents receiving MassHealth who are likely SNAP-eligible and the number of people actually receiving SNAP (for more on the “SNAP Gap” see [here](#)). A common application for these programs would simplify and streamline eligibility determinations for the Commonwealth and program participants. It would also help the Commonwealth identify the people who are eligible but unenrolled in SNAP, a fully federally-funded program that is central to combatting food insecurity across the Commonwealth.

Like the Governor’s proposal, the House proposes language that would remove the 60-client caseload limit for “self-sufficiency” specialists, who are caseworkers working with clients who have greater barriers to becoming self-supporting, such as teen parents.

TRANSITIONAL ASSISTANCE LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
4401-1000	Employment Services Program	12,619,060	13,598,659	13,598,659	75,000	13,673,659

Other Human Services

During floor debate on the Fiscal Year (FY) 2018 House budget, House members added funding to a handful of line items in veterans services, and to funding for food banks in the Department of Agricultural Resources (see table below).

In particular, the House added a total of \$1.8 million to a variety of veterans' services, bringing total funding for these services to \$146.6 million. This total is still \$1.5 million less than budgeted for FY 2017. Almost all of this additional funding is targeted to specific veterans' outreach and service programs. The House also added language in an Outside Section (Section 55A) that would expand eligibility for the bonus payments to veterans of specific conflicts in the Middle East.

The House also added \$685,000 to the **emergency food assistance program** (food banks), bringing the total to \$17.7 million. This is \$685,000 more than total funding in FY 2017.

For a more complete discussion of the FY 2018 budget proposal for other human services, see the [Other Human Services](#) section of MassBudget's House Ways and Means *Budget Monitor* and [that section](#) in the Governor's *Budget Monitor*.

OTHER HUMAN SERVICES LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
1410-0010	Veterans' Services Admin.	3,762,497	3,759,629	3,294,629	235,000	3,529,629
1410-0012	Veterans' Outreach Centers	3,795,641	5,020,641	2,902,641	1,404,000	4,306,641
1410-0075	Train Vets to Treat Vets	250,000	250,000	125,000	125,000	250,000
1410-0250	Assist. to Homeless Vets	3,202,655	3,202,655	3,202,655	30,000	3,232,655
1410-1616	War Memorials	400,000	350,000	100,000	10,000	110,000
2511-0105	Emerg. Food Asst. Prog.	17,000,000	17,000,000	17,000,000	685,000	17,685,000

For information on funding for other human services going back to FY 2001, please see MassBudget's *Budget Browser* [here](#).

INFRASTRUCTURE, HOUSING & ECONOMIC DEVELOPMENT

Transportation

The House made only a few small changes to the House Ways and Means (HWM) Committee's transportation proposals for the Fiscal Year (FY) 2018 budget. The most significant proposal would allow the creation of a new type of local "value capture" mechanism that could contribute funding to some kinds of new transportation projects.

As they did last year, the House added \$1.0 million to the HWM and Governor's proposal for the state's 15 **Regional Transit Authorities** (RTAs), bringing the total to \$81.0 million, which is \$1.0 million below the current level of spending.

The House proposes to fund various local projects that would increase the anticipated transfer from the Commonwealth Transportation Fund to the **Massachusetts Transportation Trust Fund** by a total of

\$461,000 over the HWM Committee’s proposal. These local projects include traffic improvements, a commuter shuttle, senior transportation, and a walking path.

The value capture proposal approved by the House would allow a municipality or a group of municipalities to help fund a new transportation project by leveraging some of the increase in property values that can result from a transportation improvement nearby, such as a new train station or repaired on-ramp. Localities would designate a special district around a proposed transportation project undertaken by the MBTA, a regional transit authority, or MassDOT, and then use the additional property tax revenue generated within the district as a result of the project to provide some funding for the project. The municipality or municipalities would first need to receive certification from the Secretary of Transportation that a project was eligible, and would then negotiate with MassDOT or the authority to determine what percent of the tax increment would be directed to the project, and for how long.

For a description of *Transportation* proposals included in the HWM Committee’s FY 2018 budget, see MassBudget’s “[Analyzing the House Ways and Means Committee Budget for FY 2018.](#)”

Housing

During its floor debate on the Fiscal Year (FY) 2018 budget the House adopted \$2.9 million in amendments for affordable housing and homelessness assistance programs for a total of \$451.9 million. A full list of amendments adopted by the House adding money to these programs is in the table below.

Among the amendments adopted, the House increased funding by:

- \$835,000 for a total of \$7.8 million for the account that provides funding for the Department of Housing and Community Development (DHCD) to administer **housing and homelessness assistance programs** in Massachusetts. The amendment provides funding for 12 specific housing and homelessness assistance programs located throughout the state. For a list of projects included in this amendment please see Consolidated Amendment “D” [here](#) and search for the DHCD Administrative account, 7004-0099.
- \$540,000 for the program that provides assistance to [unaccompanied youth](#) up to age 24 who are homeless and not in the care of a parent or guardian. The House budget is \$1.5 million less than the FY 2017 current budget. The HWM budget did not include funding for this program.

For more information on housing programs funded in the House FY 2018 budget please see the Housing section of MassBudget’s *Budget Monitor* on the HWM budget [here](#).

HOUSING LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House	Notes
4000-0007	Homeless Youth	2,000,000	2,000,000	0	540,000	540,000	see text above
7004-0099	DHCD Administration	6,417,921	6,888,469	6,988,468	835,000	7,823,468	see text above
7004-0101	EA Shelter	176,000,222	164,696,546	155,533,948	350,000	155,883,948	
7004-0102	Homeless Individuals	44,835,000	45,180,000	46,180,000	225,000	46,405,000	
7004-0104	Home & Healthy for Good	2,000,000	2,000,000	2,000,000	200,000	2,200,000	
7004-3045	Tenancy Preservation	500,000	500,000	500,000	250,000	750,000	
7004-9007	Public Housing Reform	800,000	1,172,132	800,000	372,132	1,172,132	

For a full list of funding for all housing programs going back to FY 2001 please see MassBudget’s *Budget Browser* [here](#).

Economic Development

Economic development programs aim to strengthen our state’s workforce, support community investments, and stimulate economic activity. During the floor debate, the House added \$18.6 million in amendments for economic development to the House Ways and Means budget proposal. This brings total funding in the House Fiscal Year (FY) 2018 budget proposal for economic development to \$146.0 million, which is \$12.9 million (9.7 percent) above the Governor’s proposal and \$19.1 million (15.0 percent) above current FY 2017 levels.

The House seeks to establish a new \$1.0 million account, [Learn to Earn](#), which aims to train and place unemployed and underemployed individuals in jobs in high-demand fields through partnerships between public agencies, businesses, community-based organizations, and career centers. This program was originally introduced in the Governor’s FY 2018 budget proposal, but not funded in the House Ways and Means budget. From this account, \$250,000 would be used to fund new programs that address barriers to sustained employment, such as child care and transportation costs. The remaining \$750,000 would be transferred from Learn to Earn into the [Workforce Competitiveness Trust Fund](#) (WCTF), which has similar workforce development goals. Both programs would be funded below the amounts proposed by the Governor.

FUNDING FOR WCTF & LEARN TO EARN

Line Item #	Line Item Name	FY 2018 Governor	Transfers	FY 2018 Gov. Adjusted	FY 2018 House Amendments	Transfers	FY 2018 House Adjusted	Difference FY18 House adj. - FY18 Gov adj.
7002-1075	WCTF	500,000	3,000,000	3,500,000	500,000	750,000	1,250,000	(2,250,000)
7002-1080	Learn to Earn	4,000,000	(3,000,000)	1,000,000	1,000,000	(750,000)	250,000	(750,000)
TOTAL		4,500,000	0	4,500,000	1,500,000	0	1,500,000	(3,000,000)

Some other highlights of increases adopted during the floor debate include:

- \$725,000 to [YouthWorks](#) (formerly Summer Jobs Program for At-Risk Youth), bringing total funding to \$10.7 million, \$825,000 more than the Governor’s proposal but a \$675,000 increase above current FY 2017 levels. The majority of the House’s increase pays for specific jobs programs throughout the state.
- \$1.5 million to the [Advanced Manufacturing Workforce Development Grants](#) for a precision manufacturing program that provides training to unemployed and underemployed workers, including veterans. The final House proposal for this account is the same as the Governor’s proposal and current FY 2017 levels.
- \$1.6 million to the Massachusetts Service Alliance for various workforce training programs and services in the state, bringing total funding recommended by the House to \$3.0 million. This is

\$1.6 million above the Governor's proposal and current FY 2017 levels. The Massachusetts Service Alliance serves as the state commission on service and volunteerism.

- \$2.0 million to the Massachusetts Cultural Council, bringing total House funding to \$12.1 million. This is \$2.2 million below both the Governor's proposal and current FY 2017 levels. The Council offers grants and services to nonprofit cultural organizations, schools, communities, and artists in Massachusetts.
- Up to \$10.0 million in transfers from surplus funds, if there is a state surplus at the end of FY 2017, to the **Massachusetts Life Sciences Investment Fund**. (Additionally, up to \$10.0 million would be transferred to the **Community Preservation Trust Fund** as described in the section on "Other Local Aid".)
- \$6.4 million to the **Massachusetts Office of Travel and Tourism (MOTT)**, a state agency dedicated to promoting Massachusetts as a travel destination, bringing total funding recommended by the House Budget to \$10.7 million. This is \$3.4 million above the Governor's proposal and \$5.4 million above current FY 2017 levels. The House funding increase would support an array of targeted local projects, such as promoting tourism efforts in specific cities and towns, public safety improvements, and construction projects throughout the state.

ECONOMIC DEVELOPMENT LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House	Notes
0640-0300	Mass. Cultural Council	14,299,000	14,307,229	10,075,699	2,000,000	12,075,699	
2511-0100	Dept of Agricultural Resources Admi	5,479,445	5,467,651	4,957,651	860,000	5,817,651	
7002-0010	EOHD	2,094,996	2,066,244	2,066,244	300,000	2,366,244	
7002-0012	YouthWorks	10,050,000	9,900,000	10,000,000	725,000	10,725,000	see text above
7002-0020	Workforce Dev. Grant	1,450,000	1,450,000	0	1,450,000	1,450,000	see text above
7002-0032	Innovation Institute	500,000	1,800,000	0	3,000,000	3,000,000	
7002-0035	Military Base Promotion	125,000	125,000	0	125,000	125,000	
7002-1075	WCTF*	2,200,000	500,000	0	500,000	1,250,000	See chart above
7002-1080	Learn to Earn	-	4,000,000	0	1,000,000	250,000	See chart above
7002-1508	Mass. Tech. Collaborative Tech	0	330,000	1,500,000	50,000	1,550,000	
7003-0803	One Stop Career Centers	3,762,600	3,760,051	3,760,051	200,000	3,960,051	
7003-1206	Mass. Service Alliance	1,450,000	1,400,000	1,400,000	1,625,000	3,025,000	see text above
7007-0801	Microlending	100,000	100,000	0	200,000	200,000	
7007-0952	Commonwealth Zoological Corp.	4,000,000	4,000,000	4,500,000	100,000	4,600,000	
7008-0900	MOTT	5,332,666	7,299,361	4,299,361	6,432,707	10,732,068	see text above

For full list of line-items funded in economic development, please see MassBudget's *Budget Browser* [here](#).

LAW & PUBLIC SAFETY

Overall, during floor debate, the House added \$12.3 million in funding to the amount recommended for law and public safety programs by the House Ways and Means (HWM) Committee for Fiscal Year (FY) 2018. The House proposals for these programs is \$2.74 billion. This total is \$26.5 million (or 1.0 percent) above current FY 2017 funding levels, but is \$84.7 million (or 3.0 percent) below the Governor's proposal for law and public safety accounts. Among the notable funding increases adopted by the House relative to the HWM budget are the following (see also the table below, with a full list of amended line-item amounts):

- \$1.3 million for courts and legal assistance, including for indigent legal services and the [Juvenile Court](#)
- \$3.8 million for law enforcement accounts, including the [Shannon Grant](#) program, the Department of State Police, and funding for a new state police class
- \$2.6 million for prisons, probation and parole, including for the Department of Correction and for an opioids task force at the Franklin Sheriff's Department
- \$350,000 for prosecutors, including the Hampden and Bristol DA's offices
- \$3.7 million for other law and public safety programs, including the [Executive Office of Public Safety](#) and the [Department of Fire Services Administration](#)

Even taking these funding increases (relative to HWM) into account, the House budget nevertheless continues to underfund a number of important accounts relative to anticipated costs and compared with amounts recommended by the Governor. As described in more detail in our [HWM Budget Monitor](#), a number of accounts – including Private Counsel Compensation and some sheriffs' department accounts – often receive far less funding in the final, adopted budget than they will require during the coming fiscal year. Instead, these accounts typically are “topped up” with substantial supplementary funding throughout the year. Underfunding these accounts as part of the initial appropriations process creates a sizeable, though hidden hole in the budget from the outset, one that will have to be filled as the fiscal year moves ahead.

LAW & PUBLIC SAFETY LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
0321-1600	MA Legal Asst.Corp.	18,000,000	18,180,000	19,500,000	500,000	20,000,000
0321-2000	Mental Health Legal Advis	1,106,887	1,117,955	1,117,955	30,000	1,147,955
0321-2100	Prisoners' Legal Services	1,472,466	1,487,191	1,487,191	122,274	1,609,465
0321-2205	Suffolk County Social Law	1,831,200	1,849,512	1,849,512	111,688	1,961,200
0337-0002	Juvenile Court	18,992,783	18,610,543	18,002,260	545,202	18,547,462
0340-0500	Hampden DA	9,501,819	9,676,289	9,976,910	250,000	10,226,910
0340-0998	Bristol DA State Police Ove	349,300	344,926	344,926	100,000	444,926
0810-0000	Office of the AG Admin.	23,011,578	23,241,693	23,553,651	250,000	23,803,651
0810-1205	Combating Opioid Addicti	1,000,000	1,000,000	1,250,000	250,000	1,500,000
8000-0105	Off. of Chief Med. Examine	9,643,380	9,920,323	9,814,905	75,000	9,889,905
8000-0600	Exec. Off. of Pub. Safety	2,959,307	2,533,464	2,533,464	1,127,001	3,660,465
8100-0111	Shannon Grant Program	6,000,000	6,000,000	5,000,000	1,000,000	6,000,000
8100-0515	New State Police Class	0	1,600,000	1,600,000	1,260,000	2,860,000
8100-1001	Dept. of State Police	278,438,141	280,832,693	280,832,693	1,418,410	282,251,103
8200-0200	Municipal Police Training	4,687,118	4,787,750	4,787,750	50,000	4,837,750
8324-0000	Dept. of Fire Serv. Admin.	24,308,381	21,651,575	20,151,576	2,540,000	22,691,576
8700-0001	Military Division	9,854,497	9,956,330	9,956,330	35,000	9,991,330
8900-0001	Department of Correction	582,339,345	624,942,385	615,539,903	2,290,000	617,829,903
8900-1100	Re-Entry Programs	250,000	250,000	250,000	125,000	375,000
8910-0108	Franklin Sheriff's Dept.	15,112,242	16,245,858	15,414,487	200,000	15,614,487

For information on funding for law and public safety programs going back to FY 2001, please see MassBudget's *Budget Browser* [here](#).

LOCAL AID

Unrestricted Local Aid

The House makes no change to the House Ways and Means Committee (HWM) budget proposal to increase Unrestricted General Government Aid (UGGA), also known as “general local aid.” The House would increase UGGA by \$39.9 million over current FY 2017 levels to \$1.06 billion, an increase of 3.9 percent. It is the same amount proposed by the Governor.

General local aid helps cities and towns fund vital local services such as police and fire protection, parks, and public works. For more information on general local aid, please see [Demystifying General Local Aid in Massachusetts](#).

Other Local Aid

The House proposes to increase funding for the **Municipal Regionalization and Efficiencies Incentive Reserve** by \$800,000 above the HWM Committee proposal to \$8.1 million. This proposal is \$2.1 million below the amount proposed in the Governor’s budget.

The House included language to provide the Community Preservation Act (CPA) Trust Fund with up to \$10.0 million in state surplus at the end of FY 2017, if any consolidated net surplus occurs. This possible surplus would otherwise be transferred to the Commonwealth Stabilization Fund. The CPA Trust Fund provides state matching funds to municipalities that vote to introduce a targeted property tax increment that funds their own local account dedicated to preserving open space, restoring historical buildings, creating affordable housing, or developing outdoor recreation facilities. State registry of deeds filing fees fund the CPA Trust Fund. During the first years of the CPA, the state fund matched 100 percent of the revenue municipalities raised themselves, but that portion has fallen in recent years. This fund may face upcoming strains because eleven new municipalities, including Boston, voted in November to adopt the CPA.

The Commonwealth provides other sources of local aid to cities and towns for more specific purposes. The largest form of local aid is for K-12 education, which is discussed separately in the K-12 Education section. Aid for libraries is also discussed in its own section in this *Budget Monitor*. Some cities and towns receive other forms of non-education local aid from smaller programs that provide aid only to a subset of qualifying cities and towns.

OTHER

Libraries

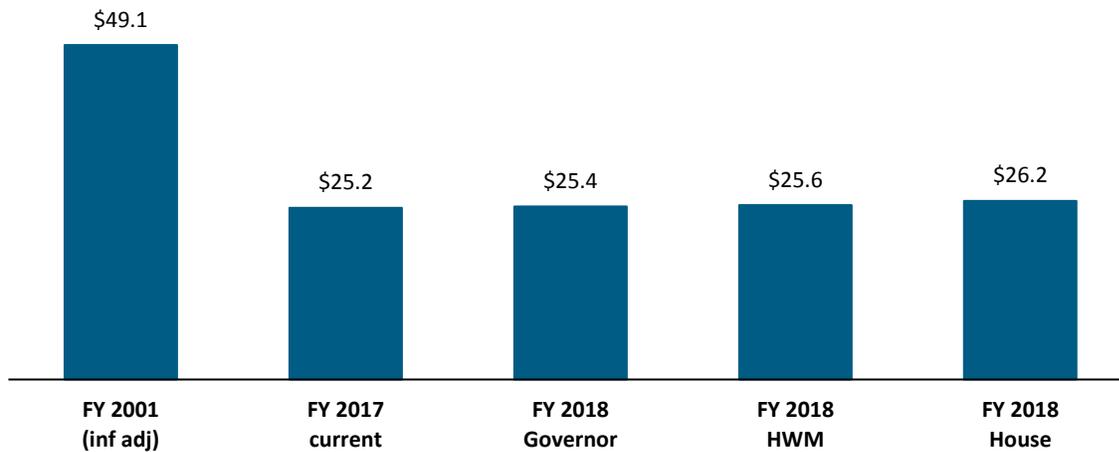
During floor debate, the House added \$600,000 to the House Ways and Means (HWM) Fiscal Year (FY) 2018 budget recommendations for library funding. Whereas the HWM Committee proposed \$25.6 million to fund libraries, the House proposes \$26.2 million. The House total is \$808,000 more than proposed by the Governor and \$1.1 million (4.2 percent) above current FY 2017 levels.

LIBRARY LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
7000-9401	Regional Libraries Local A	9,883,482	9,982,317	9,982,317	200,000	10,182,317
7000-9402	Talking Book Program Wor	441,715	446,132	446,131	50,000	496,131
7000-9406	Talking Book Program Wat	2,487,893	2,512,772	2,512,772	49,756	2,562,528
7000-9506	Library Technology and Au	2,076,564	2,097,330	2,097,330	100,000	2,197,330
7000-9508	Center for the Book	200,000	202,000	0	200,000	200,000

More notable, however, than the modest increase proposed by the House relative to current FY 2017 funding levels, is the very steep drop in annual state support for libraries since FY 2001. Where libraries received \$49.1 million in FY 2001 (adjusted for inflation), under the House FY 2018 proposal they would receive \$22.9 million less than in FY 2001, a decline in annual funding of 46.6 percent.

Library Funding Cut Dramatically Since FY 2001 (\$ millions)



Pensions

The House Fiscal Year (FY) 2018 budget, like the House Ways & Means budget, follows the Governor’s recommended increase in the state’s contribution to the Pensions Reserves Investment Trust (PRIT) Fund, raising the annual contribution by \$196.4 million over FY 2017, to a total of \$2.40 billion. To read more about how PRIT contributions are calculated and the current schedule for paying down the state’s unfunded pension liabilities, see the Governor’s FY 2018 *Budget Monitor*, [here](#). To learn more about the state pension system, see MassBudget’s report “[Demystifying the State Pension System](#).”

REVENUE

Revenue

While an official, final version of the House Fiscal Year (FY) 2018 budget is not available yet, it appears that the House made no changes to the House Ways and Means (HWM) budget that alter significantly the amount of tax revenue available for the budget. (For more information on tax and non-tax revenue in the House budget proposal, see the HWM *Budget Monitor* [here](#).)

The House, however, did raise the annual cap on the **Land Conservation Tax Credit** from the current \$2 million to \$5 million by the year 2020, in \$1 million increments over the next three years. This tax credit is available to property owners who donate land determined by the Secretary of Energy and Environmental Affairs to be of special interest to the public in terms of natural resource protection. The tax credit is equal to 50 percent of the fair market value of the land and helps offset the cost to the land owner for donating the land for conservation rather than selling it for other possible uses.

Non-Tax Revenue

Because the House budget proposal does not provide detailed revenue information, it is not possible to identify the specific impacts on non-tax revenues of the House amendments to the House Ways and Means budget proposal for Fiscal Year (FY) 2018.

Federal revenues are mostly reimbursements from the federal government for state spending on Medicaid (MassHealth and related costs), so it is reasonable to assume that some of the small funding changes made to MassHealth during House floor debate may have relatively small effects on total federal revenue estimates.

Departmental revenues are fees, assessments, fines, tuition, and similar receipts. Although the House final budget includes some changes to the proposed assessment on certain employers whose employees did not take health insurance, it is not clear that these changes would have any impact on the anticipated \$180 million that the House suggests would be generated by this assessment. (See the “MassHealth (Medicaid) and Health Reform” section of this *Budget Monitor* for additional details.)

For more details on non-tax revenues as described in the Governor’s budget, see the “[Revenue](#)” section of MassBudget’s FY 2018 Governor’s *Budget Monitor*.

Additional Line Items

The line-items listed below were also amended during the Fiscal Year 2018 House floor debate. These are additional items not included in the budget areas examined above.

ADDITIONAL LINE ITEMS AMENDED BY THE HOUSE

Line Item #	Line Item Name	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	Amendments	FY 2018 House
0540-1900	Suffolk Registry of Deeds	1,788,227	1,806,110	1,806,109	100,000	1,906,109
0610-0050	Alcoholic Beverage Commission	2,271,489	2,388,092	2,388,091	100,000	2,488,091
0910-0200	Office of the Inspector General	2,552,995	2,578,525	2,578,525	20,000	2,598,525
0920-0300	Off. of Campaign & Political Finance	1,586,196	1,602,058	1,627,058	20,000	1,647,058
0950-0000	Commission on Status of Women	115,950	117,109	117,109	27,891	145,000
1232-0100	Underground Storage Tank	7,000,000	6,000,000	6,000,000	1,000,000	7,000,000
7006-0010	Division of Banks	16,493,118	18,612,384	18,112,384	250,000	18,362,384

TOTAL BUDGET BY CATEGORY AND SUBCATEGORY

In order to allow for more accurate comparisons from year to year and to better include all appropriated spending, MassBudget makes certain adjustments to the way budget data are presented by the Administration and Legislature.

The totals in the **FY 2018 House** and **FY 2018 Governor** columns show the proposals in the structure of the FY 2017 budget in order to allow for more accurate across-year comparisons. **FY 2017 Current** column shows the budgeted General Appropriation Act as enacted in July 2016, and as amended by mid-year 9c cuts and by supplemental budget legislation. For other explanatory information, see details below the chart.

The FY 2017 total for State Employee Health Insurance reflects current budgeted totals that may be artificially high because of a budgeting glitch that is likely to be fixed. For more explanation, see the “[State Employee Health Insurance](#)” section of the FY 2018 Governor’s *Budget Monitor*.

BUDGET BY CATEGORY AND SUBCATEGORY (\$ millions)	FY 2001 Final Adjusted for Inflation to FY18	FY 2017 Current	FY 2018 Governor	FY 2018 HWM	FY 2018 House
Education	7,519.4	7,798.2	7,924.0	7,961.1	7,977.4
Early Education & Care	742.9	567.6	568.0	578.1	583.5
Higher Education	1,371.2	1,162.4	1,172.5	1,171.4	1,175.1
K-12: Chapter 70 Aid	4,245.5	4,628.0	4,719.4	4,747.0	4,747.0
K-12: Non-Chapter 70 Aid	698.4	605.5	602.5	603.0	610.2
K-12: School Building	461.4	834.7	861.6	861.6	861.6
Environment & Recreation	307.8	191.7	199.6	197.3	203.0
Environment	137.1	83.5	89.1	86.9	87.7
Fish & Game	24.9	27.5	28.0	28.3	30.0
Parks & Recreation	145.8	80.8	82.4	82.1	85.4
Health Care	10,276.0	19,616.5	20,512.3	20,463.0	20,475.3
MassHealth (Medicaid) & Health Reform	7,748.2	16,558.7	17,542.2	17,449.5	17,454.2
Mental Health	845.7	763.9	773.2	773.7	774.2
Public Health	772.3	604.4	612.1	616.4	623.4
State Employee Health Insurance	909.8	1,689.4	1,584.9	1,623.4	1,623.4
Human Services	3,795.3	4,160.2	4,256.8	4,251.0	4,256.2
Child Welfare	788.4	947.6	985.6	975.1	975.4
Disability Services	1,376.8	1,900.7	1,978.7	1,978.6	1,978.7
Elder Services	266.8	274.6	287.0	285.6	287.8
Juvenile Justice	169.1	176.3	182.2	182.0	182.0
Transitional Assistance	1,063.5	657.5	616.8	626.2	626.3
Other Human Services	130.7	203.4	206.5	203.5	206.0
Infrastructure, Housing & Economic Development	2,072.8	2,245.7	2,233.2	2,202.6	2,225.9
Commercial Regulatory Entities	61.3	58.4	63.7	63.5	63.9
Economic Development	300.2	126.9	133.1	127.4	146.0
Housing	354.3	454.7	453.7	449.0	451.9
Transportation	1,357.0	1,605.7	1,582.6	1,562.6	1,564.1
Law & Public Safety	2,651.0	2,715.9	2,827.1	2,730.1	2,742.3
Courts & Legal Assistance	803.1	739.2	756.0	714.5	715.8
Law Enforcement	387.6	390.6	394.7	393.6	397.4
Prisons, Probation & Parole	1,249.7	1,363.8	1,452.6	1,398.2	1,400.8
Prosecutors	163.9	166.7	170.6	171.5	172.4
Other Law & Public Safety	46.7	55.6	53.1	52.3	56.0
Local Aid	1,813.0	1,056.1	1,099.4	1,096.6	1,097.4
General Local Aid	1,785.2	1,021.9	1,061.8	1,061.8	1,061.8
Other Local Aid	27.8	34.1	37.6	34.8	35.6
Other	4,782.9	5,424.3	5,644.8	5,637.0	5,638.8
Constitutional Officers	111.6	83.6	75.0	75.8	75.9
Debt Service	2,259.4	2,636.2	2,658.3	2,658.3	2,658.3
Executive & Legislative	86.1	74.4	74.4	74.4	74.4
Libraries	49.1	25.2	25.4	25.6	26.2
Pensions	1,476.6	2,198.1	2,394.5	2,394.5	2,394.5
Other Administrative	800.1	406.8	417.1	408.4	409.5
Total Budget	33,218.1	43,208.6	44,697.1	44,538.5	44,616.2

MassBudget's totals include the "**pre-budget transfers**" of funds. Statutes require that the Legislature transfer portions of revenue prior to the appropriation process to support certain functions. Although these transfers function no differently from appropriations, the Governor and Legislature do not reflect these expenditures in their budget totals; instead, they are shown as amounts deducted or transferred from revenue prior to the budgeting process. To better reflect total state funding, MassBudget includes these pre-budget transfers in appropriation totals. In FY 2018, these add \$4.43 billion to the total: tax revenues dedicated to the MBTA and school building assistance, cigarette excises dedicated to the Commonwealth Care Trust Fund, the state contribution to the pension system, a transfer to the State Retiree Benefits Trust, and transfers to the Workforce Training Trust.

MassBudget's totals include annual appropriations into **non-budgeted ("off-budget") trusts**. The transfer of funds from the General Fund or another budgeted fund into a non-budgeted trust is a form of appropriation, and should be treated as any other appropriation. Prior to FY 2011, the budget authorized these transfers in Outside Section budget language. Starting in FY 2011, a new section of the budget, Section 2E, systematically accounted for the transfer of funds into off-budgeted trusts. MassBudget's totals include these operating transfers in all budget years.

When spending that is now included in the budget was previously "off-budget," MassBudget's totals include the prior years' "off-budget" spending totals in order to reflect more accurate **year-to-year comparisons**. For example, funding directed to health care providers as partial reimbursement for uncompensated care was previously funded by a transfer of federal revenue directly into the off-budget Uncompensated Care Trust Fund. This spending was brought on-budget in FY 2009, and incorporated into the state's budgeted health care appropriations. MassBudget health care budget totals include the off-budget spending for these services in order to reflect a more accurate across-year comparison.

MassBudget reduces **State Employee Health Insurance** totals to exclude spending on health insurance for municipal employees and retired teachers for which the state is fully-reimbursed by municipal government.

MassBudget reduces funding for the community colleges, state universities, and University of Massachusetts campuses by the amount of tuition that these campuses remit to the state treasury each year. These adjusted totals more accurately reflect the "net" appropriations available to the campuses to support operations, and allow for more consistent comparisons across the years, since the policies about **tuition remission** have varied from year to year and from campus to campus. For example, until FY 2003, all the University of Massachusetts (UMass) campuses were required to remit to the state treasury all tuition from all students. From FY 2004 to FY 2011, UMass Amherst (only) remitted only in-state tuition, and retained tuition from out-of-state students. Starting in FY 2012, the remaining UMass campuses were also allowed to retain tuition from out-of-state students. Starting in FY 2017, UMass retained all tuition revenue, remitting none. The MassBudget adjustments make it possible to make meaningful comparisons of appropriations to these campuses even with these policy changes.

MassBudget's totals include budgeted funding paid for out of **anticipated reversions**. Reversions are unspent appropriations that are typically returned to the General Fund at the end of the fiscal year. For example, a portion of funding for health care for retired state employees has in some years come from anticipated reversions of appropriated debt service funds.

MassBudget's totals reflect legislatively-approved "**prior appropriation continued**" (PAC) amounts. In most instances, MassBudget shifts the PAC amount from the year in which the funding was first appropriated into the year in which the Administration expects to spend the totals.

Because MassBudget totals reflect budgeted appropriations and not actual spending, there can be apparent fluctuations in the MassHealth and Health Reform totals that are simply due to the **timing of payments** to certain off-budget trusts. These budget variations may not reflect real differences in spending.