

Conference Preview: Differences between the Senate and House Budgets for FY 2017

During three days of budget debate last week, the Senate adopted 453 amendments adding \$61.3 million to the bottom line of the Ways and Means proposal (about one seventh of one percent).

In the end, the House and Senate budgets are very similar. Not only are the budget totals within 0.1 percent of each other (which makes sense since they had essentially the same amount of revenue to work with), but the two proposals are also within half of one percent of each other in every major category. For example, the House proposes 0.2 percent more for Health Care, including slightly larger investments in public health and more support for MassHealth, while the Senate proposes 0.45 percent more for Education, including modestly more than the House for local public schools and higher education.

Over the next few weeks a House and Senate Conference Committee will work to compromise on these difference and build together a final budget that funds our schools and local services; maintains our roads, bridges, and public transit; keeps our air and water clean; provides supports for those facing difficult challenges; protects our public health; and keeps open our parks, playgrounds, swimming pools and libraries.

This *Budget Monitor* describes the funding and policy differences between the House and Senate in each major area of the budget, and provides links to in-depth descriptions of programs and issues addressed in each budget proposal.

The tables near the end of this *Monitor* also show funding differences between the House and Senate budgets not discussed elsewhere.

EDUCATION

Early Education & Care

During floor debate on the FY 2017 budget, the Senate added \$500,000 to early education and care line items. This change brought the final Senate's Fiscal Year (FY) 2017 budget proposal to \$582.3 million for funding early education, much the same (0.2 percent above) as the House proposal. For details on the Senate's allocations for early education and care, see MassBudget's Senate Ways and Means *Budget Monitor* [HERE](#).

The House budget proposal for FY 2017 provides \$15.0 million for [Early Education and Care Provider Rate Increases](#) compared to \$10.0 million in the Senate budget. Salary and benefit increases, along with professional development for early educators, are key mechanisms to improve the quality of services available for preschool-age children.

The Senate budget proposes \$4.0 million more than the House proposed for [Supportive and TANF Childcare](#) (child care subsidies for kids in the care of the Department of Children and Families [DCF] and those eligible for Transitional Aid to Families with Dependent Children [TAFDC]). According to Senate estimates, the \$233.1 million included in the Senate budget would support an additional 750 kids in TAFDC eligible families with vouchers. The Senate's funding amount would also allow 600 children in DCF care to receive a full year of this child care support in FY 2017, after having it for only part of FY 2016.

Finally, the Senate proposes two new initiatives: \$500,000 for a new **Multi-Generational Anti-Poverty Pilot** and \$2.0 million for **Commonwealth Preschool Expansion Grants**. For more detail on these initiatives see MassBudget's Senate Ways and Means *Budget Monitor* [HERE](#).

Both the House and the Senate consolidated and shifted funding from seven early education and care accounts into a new [Quality Improvement](#) line item. In our budget tools, MassBudget shows funding transferred between accounts back to their original place to allow for more accurate comparison with prior years. For detail on this new proposal for early education and care, see the *Budget Monitors* for the respective budget proposals from the Ways and Means Committees of the House [HERE](#) and the Senate [HERE](#).

For full details on the differences between the final House and Senate budgets for early education, see the table below.

EARLY EDUCATION AND CARE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
1599-0042	EEC Provider Rate Increase	5,000,000	15,000,000	10,000,000	(5,000,000)	See text above
3000-1020	Quality Improvement	0	251,403	0	(251,403)	* Includes adj.
3000-2000	Child Care Resource & Referral Centers	6,675,311	6,675,311	7,175,311	500,000	
3000-2050	Children's Trust Fund Operations	1,276,519	1,077,989	1,137,921	59,932	
3000-3060	Supportive and TANF Childcare	219,907,383	229,037,800	233,076,291	4,038,491	* Includes adj.
3000-4060	Income Eligible Child Care	256,344,993	261,472,848	261,799,738	326,890	* Includes adj.
3000-5000	Grants to Head Start Programs	9,100,000	9,100,000	9,125,000	25,000	
3000-5090	Comm. Preschool Expansion Grants	0	0	2,000,000	2,000,000	See text above
3000-6025	Comm. Preschool Partnership Initiative	500,000	200,000	0	(200,000)	
3000-7000	Children's Trust Fund	14,570,340	14,478,731	14,527,651	48,920	
3000-7020	Multi-Generational Anti-Poverty Pilot	0	0	500,000	500,000	See text above
3000-7040	EEC Contingency Contract Retained Rev	200,000	100,000	125,000	25,000	
3000-7050	Services for Infants & Parents	21,314,890	21,970,141	21,314,889	(655,252)	* Includes adj.

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

K-12 Education

Overall, the Fiscal Year (FY) 2017 Senate and House budgets provide similar financial support for K-12 education. However, over 30 line items vary between the two proposals and will need to be reconciled in Conference. For full discussion of the House and Senate education proposals for FY 2017, see the respective Ways and Means Committees *Budget Monitors* for the House [HERE](#) and the Senate [HERE](#).

The Senate budget would provide \$4.63 billion in **Chapter 70 Education Aid**, \$10.3 million (0.2 percent) more than the House proposal (including **Chapter 70 Reserves**). Additionally, the Senate provides a

total of \$623.3 million for all other K-12 grants and programs, basically level with the House proposal (0.1 percent more).

The Senate budget includes two significant proposals related to the implementation of the recommendations from the 2015 Foundation Budget Review Commission (FBRC). This Commission recommended steps to address current funding challenges for local schools. The FBRC found that the foundation budget is inadequate to help all kids succeed in school and be prepared to thrive. For full detail, see the [final Commission report](#).

The Senate proposals include:

- Amending Chapter 70 law to increase foundation budget rates to the levels recommended by the FBRC for special education students, educator health care costs, and support programs for English Language Learners.

Additionally the FBRC recommended increasing the foundation budget rate for low-income students, but it didn't specify by how much. The Senate budget outlines specific dollar amounts that increase funding for students in poverty. The Senate proposal would roughly double the rate of additional funding to support low-income students in Massachusetts.

- All told, the above change would add over \$1 billion to the foundation budget (which would be supported by a combination of state and local funds), making it necessary to phase in the changes over time. To address this, the Senate budget charges the Executive Office of Administration and Finance, along with the House and Senate Committees on Ways and Means, with the development of an implementation schedule for the FBRC recommendations. Furthermore, the Senate codified in their FY 2017 proposal that the FBRC recommendations should begin to be phased in on July 1st 2017.

There are several other significant differences between the proposals from the two branches. Notably, the Senate would provide 89.2 percent less funding for [Kindergarten Expansion Grants](#) (\$2.0 million compared to \$18.6 million from the House). However, the Senate proposes 5.3 percent more funding (\$90.0 million compared to \$85.5 million) for [Charter School Reimbursements](#). For additional detail on charter school funding, recent proposals from the Governor and the Legislature to alter the reimbursement system, and the impact of recent underfunding, see [Charter School Funding, Explained](#).

The House FY 2017 proposal provides more support than the Senate for several smaller grants and other programs including:

- [Statewide College and Career Readiness](#) would be funded at \$700,000 in the House budget, and would be eliminated in the Senate budget. This funding supports high school students to build academic skills necessary for workforce and college success, helping them avoid remedial coursework in college.
- [Inclusive Concurrent Enrollment](#) would be funded at \$1.7 million in the House budget, \$500,000 more than the Senate. This program supports young people with severe disabilities as they take college courses, helping them access higher education, life skills, and employment experiences.

Conversely, the Senate FY 2017 proposal provides more funding than the House for several other grants and programs, including the following:

- [Non-Resident Pupil Transportation](#) would be funded at \$1.8 million by the Senate, \$1.5 million more than the House. This program supports students enrolling in vocational education programs outside of their home district.
- A new line item, **Assessment Consortium**, would be funded at \$350,000 in the Senate's budget. This program would support the development of alternative assessments of student performance including measures beyond traditional test scores.

An outside section of the final Senate budget for FY 2017 would adjust the calculation of community poverty used by the [School Building Authority](#) for school construction projects. The provision would compare the low-income percentages from 2013-2014 before significant changes were made to measuring kids in poverty, to the revised measure (economically disadvantaged) used in 2015-2016. The School Building Authority would use the higher figure for the purposes of funding school construction projects.

For extensive details on changes to the process for counting low-income kids, how it can be improved, and the impact on the FY 2017 budget, see [Direct Certification for School Meals: Feeding Students, Counting Kids, Funding Schools](#), and [Proposed Low-Income Student Changes Would Have Varied Chapter 70 Impact](#).

For full details on the differences between the final House and Senate budgets for K-12 education that will be reconciled by the two branches, see the table below.

K-12 EDUCATION LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
1233-2401	Chapter 40S Education Payments	450,000	250,000	350,000	100,000	
7009-1700	Education IT Costs	18,048,629	17,830,992	18,883,358	1,052,366	
7009-6379	Executive Office of Education	2,283,534	2,074,758	2,074,759	1	
7009-9600	Inclusive Concurrent Enrollment	1,200,000	1,666,235	1,166,235	(500,000)	See text above
7010-0005	Dept. of Education	14,467,522	13,608,245	13,675,539	67,294	
7010-0012	METCO	20,142,582	20,642,582	20,142,582	(500,000)	
7010-0033	Literacy Programs	2,000,000	1,789,671	2,200,000	410,329	* Includes adj.
7027-0019	Connecting Activities	3,025,000	2,998,750	3,550,000	551,250	
7027-1004	English Language Acquisition	2,805,319	1,743,981	1,856,058	112,077	
7028-0031	Schools in Institutional Settings	8,281,698	8,126,495	8,144,423	17,928	
7030-1002	Kindergarten Expansion Grants	18,589,713	18,589,713	2,000,000	(16,589,713)	See text above
7035-0002	Adult Basic Education	30,749,160	29,318,517	31,074,866	1,756,349	
7035-0006	Regional School Transportation	59,021,000	60,021,000	61,021,000	1,000,000	
7035-0007	Non-Resident Pupil Transportation	1,750,000	250,000	1,750,000	1,500,000	See text above
7053-1925	School Breakfast Program	4,671,323	4,671,324	4,421,322	(250,002)	
7061-0008	Chapter 70 Aid	4,511,882,199	4,607,665,795	4,628,013,618	20,347,823	See text above
7061-0011	Chapter 70 (Ed. Reform) Reserve	3,130,000	10,000,000	0	(10,000,000)	See text above
7061-0012	Special Education Circuit Breaker	271,722,425	276,631,180	281,722,308	5,091,128	
7061-0029	Office of Ed. Quality	978,747	890,322	909,324	19,002	
7061-0033	Public School Military Mitigation	1,300,000	500,000	1,300,000	800,000	
7061-9010	Charter School Reimbursement	80,500,000	85,500,000	90,000,000	4,500,000	See text above
7061-9011	Innovation Schools	296,898	0	700,000	700,000	
7061-9401	Assessment Consortium	0	0	350,000	350,000	See text above
7061-9406	State College & Career Readiness	500,000	700,000	0	(700,000)	See text above
7061-9408	Targeted Intervention	8,448,413	7,391,120	7,696,098	304,978	
7061-9412	Extended Learning Time Grants	14,223,492	14,237,835	14,174,528	(63,307)	
7061-9601	Teacher Cert. Retained Revenue	1,824,546	1,746,349	1,748,106	1,757	
7061-9611	After-School & Out-of-School Grants	2,310,000	2,295,000	2,710,000	415,000	
7061-9612	Safe & Supportive Schools	500,000	400,000	500,000	100,000	
7061-9614	Alternative Education Grants	250,000	0	250,000	250,000	
7061-9626	Youth-Build Grants	2,000,000	2,200,000	2,000,000	(200,000)	
7061-9634	Mentoring Matching Grants	500,000	500,000	750,000	250,000	
7061-9811	Creative Challenge Index	200,000	0	200,000	200,000	
7061-9812	Child Sexual Abuse Prevention	150,000	0	150,000	150,000	

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Higher Education

Overall, the Senate proposed more higher education funding for Fiscal Year (FY) 2017 than the House. This was primarily delivered through greater support to the main line items of several public higher education campuses. In total, the Senate would provide \$1.18 billion for higher education, \$22.7 million (2.0 percent) above the House proposal.

Neither budget proposal would likely prevent tuition and fee increases within public higher education for the 2016-2017 academic year. For full discussion of the House and Senate higher education proposals for FY 2017, see the respective Ways and Means Committees *Budget Monitors* for the House [HERE](#) and the Senate [HERE](#).

The Senate proposes providing greater resources to several campuses, grants, and programs within higher education, including:

- **The University of Massachusetts (UMass)** funded at \$521.3 million by the Senate, \$13.0 million (2.6 percent) above the House proposal.

- **Foster Care Fee Waivers**, funded at \$4.8 million by the Senate, \$512,000 (12.0 percent) above the House proposal. These waivers help finance the higher education of students who reached adulthood while in the guardianship of the Department of Children and Families.

Conversely, several higher education line items would receive greater funding in the House proposal, including:

- **The UMass Satellite Campus in Haverhill**, funded at \$2.5 million by the House, does not receive any funding in the Senate proposal.
- **[High Demand Scholarships](#)**, funded at \$1.0 million by the House, twice the Senate proposal. These grants support students pursuing majors in high-growth fields, such as science, technology, engineering, and mathematics.

Additionally, the Senate did not include funding for three other new line items proposed by the House:

- **UMass Center at Springfield**, funded at \$250,000 in the House proposal, would support a center for the study of racial justice and urban affairs, operated by the UMass Amherst.
- **UMass Medical School Research**, funded at \$2.0 million in the House proposal. This program would promote the commercialization of medical research and the recruitment of world-class medical researchers to UMass.
- **Northern Essex Community College Expansion**, funded at \$1.0 million in the House proposal.

MassBudget funding totals discussed below make one notable adjustment to facilitate more accurate year-to-year comparisons of higher education spending. Since FY 2001, different policies have dictated when public higher education campuses must transfer different categories of tuition revenue they receive to the state. When revenue must be sent to the state, it is not available for campus operations and has the same effect as reduced state funding to the campuses. To provide more accurate comparison of state support to campuses over time, using official documents from the Administration and the Legislature, MassBudget deducts tuition revenue transferred to the state from the direct appropriations to each campus.

For full details on the differences between the final House and Senate budgets for higher education, see the table below.

HIGHER EDUCATION LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
1599-4417	Collins Center for Public Mgmt.	250,000	0	400,000	400,000	
1599-7114	UMass Center at Springfield	0	500,000	0	(500,000)	See text above
7066-0009	New Eng. Board of Higher Ed.	367,500	367,500	0	(367,500)	
7066-0019	Dual Enrollment Grants	1,000,000	1,000,000	1,050,000	50,000	
7066-0021	Foster Care & Adopted Fee Waiver	4,274,842	4,274,842	4,787,055	512,213	See text above
7066-0025	Perf. Management Set Aside	2,750,000	3,250,000	2,750,000	(500,000)	
7066-0036	STEM Starter Academy	4,750,000	4,750,000	3,887,370	(862,630)	
7066-1400	State University Incentive Grants	5,560,108	2,477,908	2,558,416	80,508	
7070-0065	Mass. State Scholarship Program	95,607,756	96,707,756	95,532,559	(1,175,197)	
7070-0066	High Demand Scholarship Program	1,000,000	1,000,000	500,000	(500,000)	See text above
7100-0200	University of Massachusetts	515,069,415	508,292,447	521,267,258	12,974,811	See text above
7100-0700	Office of Dispute Resolution	750,000	750,000	774,767	24,767	
7100-0801	Innovation Commercialization Fund	1,000,000	0	1,000,000	1,000,000	
7100-0900	UMass Medical School Research	0	2,000,000	0	(2,000,000)	See text above
7100-4000	Massachusetts Community Colleges	9,099,596	2,695,864	2,783,480	87,616	
7109-0100	Bridgewater State University	40,065,998	43,592,400	43,486,286	1,416,753	
7110-0100	Fitchburg State University	26,508,240	29,109,894	28,785,713	946,072	
7112-0100	Framingham State University	27,248,321	27,637,347	27,023,997	898,214	
7113-0100	Mass. College of Liberal Arts	13,355,159	16,158,085	16,445,436	522,736	
7113-0101	MCLA Gallery 51	0	0	75,000	75,000	
7114-0100	Salem State University	42,587,346	44,004,594	44,724,605	1,430,149	
7115-0100	Westfield State University	25,715,144	26,860,492	27,247,778	886,828	
7116-0100	Worcester State University	25,276,325	26,368,898	26,679,632	856,989	
7117-0100	Mass. College of Art	17,201,537	17,899,354	18,481,083	581,729	
7118-0100	Mass. Maritime Academy	15,541,878	16,194,745	16,871,074	676,329	
7502-0100	Berkshire Community College	10,208,452	10,777,744	10,963,986	350,277	
7503-0100	Bristol Community College	19,143,610	20,578,333	20,652,676	565,546	
7504-0100	Cape Cod Community College	11,269,527	12,096,928	12,151,406	393,150	
7505-0100	Greenfield Community College	9,863,161	10,203,490	10,468,498	381,613	
7506-0100	Holyoke Community College	18,704,141	19,807,113	19,759,777	643,731	
7507-0100	Mass. Bay Community College	14,528,975	15,823,504	15,567,751	514,264	
7508-0100	Massasoit Community College	20,020,607	20,742,077	20,797,860	674,118	
7509-0100	Mt. Wachusett Community College	13,337,428	14,294,497	14,514,792	464,571	
7510-0100	Northern Essex Community College	18,722,964	19,371,874	19,783,249	629,586	
7510-0200	Northern Essex CC Expansions	0	1,000,000	0	(1,000,000)	See text above
7511-0100	North Shore Community College	19,804,660	21,136,928	20,601,969	686,950	
7512-0100	Quinsigamond Community College	19,521,716	20,318,287	20,626,590	660,344	
7514-0100	Springfield Tech. CC	23,751,750	24,785,093	24,871,891	805,516	
7515-0100	Roxbury Community College	9,984,468	10,438,392	11,577,231	1,268,498	
7515-0120	Reggie Lewis Athletic Center	0	900,000	0	(900,000)	
7516-0100	Middlesex Community College	21,629,303	23,015,565	23,506,997	748,006	
7518-0100	Bunker Hill Community College	23,736,414	25,396,615	26,004,181	825,390	
N/A	Haverhill Satellite Campus (UMass)	0	2,500,000	0	(2,500,000)	See text above

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ENVIRONMENT & RECREATION

During its floor debate the Senate added \$5.1 million in amendments to its Fiscal Year (FY) 2017 environment and recreation budget for a total of \$201.4 million. The Senate proposal is \$11.4 million less than FY 2016 current spending and is in line with the House final budget. As noted in the *Monitor* on the Senate Ways and Means (SWM) Committee budget, [HERE](#), many of the reductions in funding for various environment and recreation activities are likely related to staffing reductions as employees took advantage of an early retirement package included in the FY 2016 budget. Because some of these retired staff will not be replaced, agencies may have difficulty carrying out their functions effectively.

As noted in the *Monitor* on the SWM budget, the Senate budget, like the Governor's FY 2017 proposal, consolidates human resources management within the Executive Office of Energy and Environmental Affairs (EOEEA). So what may look like a reduction in funding for a few agencies like the Department of Environmental Protection (DEP) and the Department of Conservation and Recreation (DCR) is actually a shift in responsibility from those individual agencies to EOEEA. It appears that the House makes a similar recommendation.

The Senate and House budgets recommend similar funding levels for most environment and recreation programs with a few exceptions including:

- The House provides \$1.6 million to **maintain and preserve beaches in the Greater Boston region**. During floor debate the Senate adopted an amendment to provide \$900,000 for this program which is \$650,000 less than the House amount.
- The Senate budget provides \$41.8 million for the primary account for **state parks and recreation facilities**. During its floor debate the Senate adopted \$2.6 million in amendments that largely fund specific parks and recreation programs in communities throughout the state. The Senate's budget is \$2.1 million above the House amount but is \$4.8 million less than FY 2016 current spending. Like the Governor and the House, the Senate recommends increasing to \$19.2 million the amount that DCR can retain in revenue it collects from parking and entry fees at state recreation facilities. Even with this increase, total funding for state parks in the Senate budget is \$1.6 million below the FY 2016 current budget. This lower funding level, as mentioned above, is likely related to DCR employees electing for an early retirement package in FY 2016.
- In its budget the House created a new line-item providing DEP with \$535,000 to help municipalities provide **safe drinking water** to their residents. The Senate budget does not provide funding for this new effort.
- The Senate provides more money than the House for efforts to prepare for **climate change**. The Senate budget includes \$250,000 for climate change adaptation and preparedness, which is \$100,000 above the House and \$50,000 less than the FY 2016 current budget. The Senate also provides \$150,000 for a state climatologist. The House provides no funding for this account.

ENVIRONMENT & RECREATION LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
2000-0100	EOEEA Administration	6,311,774	7,918,750	4,924,724	(2,994,026)	* incl.adj./see text
2000-0101	Climate Change Adaptation & Prepared.	300,000	150,000	250,000	100,000	see text above
2000-1207	State Climatologist	0	0	150,000	150,000	see text above
2000-1700	Energy and Environment IT Costs	12,509,486	11,359,831	11,498,735	138,904	
2030-1000	Environmental Law Enforcement	11,072,087	10,507,986	10,554,255	46,269	
2200-0100	DEP Administration	29,480,620	25,177,967	26,459,395	1,281,428	* incl.adj./see text
2200-0102	Wetlands Permitting Fee RR	650,151	650,151	650,150	(1)	
2200-0107	Recycling & Solid Waste Master Plan	475,000	450,000	475,000	25,000	
2220-2220	Clean Air Act	847,831	607,248	607,247	(1)	
2250-2010	Municipal Safe Drinking Water	0	535,000	0	(535,000)	see text above
2260-8870	Hazardous Waste Cleanup Program	14,409,902	12,330,404	12,330,434	30	
2260-8881	Hazardous Waste Site Cleanup	394,761	379,397	378,666	(731)	
2300-0100	Dep't of Fish & Game Administration	911,458	933,616	1,063,616	130,000	
2300-0101	Riverways Restoration & Public Access	592,915	578,889	673,525	94,636	
2310-0200	Fisheries & Wildlife Administration	15,281,692	14,864,184	14,988,947	124,763	
2310-0300	Natural Heritage & Endangered Species	150,000	250,000	161,290	(88,710)	
2310-0306	Hunter Safety Program	443,202	459,926	466,992	7,066	
2330-0100	Division of Marine Fisheries Admin.	6,362,785	6,326,004	6,266,580	(59,424)	
2330-0120	Marine Rec. Fisheries Dev. & Enhancem	638,685	671,120	716,897	45,777	
2330-0150	Shellfish Purification Plant RR	75,000	75,000	125,000	50,000	
2511-3002	Integrated Pest Management Program	57,553	57,553	62,751	5,198	
2800-0100	DCR Administration	4,495,923	4,269,319	4,354,116	84,797	* incl.adj./see text
2800-0101	Watershed Management Program	1,120,149	929,975	969,975	40,000	
2800-0401	Stormwater Management	799,917	465,854	415,854	(50,000)	
2800-0500	Beach Preservation	1,190,000	1,550,000	900,000	(650,000)	see text above
2800-0501	DCR Seasonals	14,772,699	15,311,436	15,695,936	384,500	
2800-0700	Office of Dam Safety	642,968	448,295	423,295	(25,000)	
2810-0100	State Parks and Recreation	46,613,985	39,686,430	41,801,564	2,115,134	see text above

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HEALTH CARE

MassHealth (Medicaid) and Health Reform

During floor debate, the Senate added \$1.7 million to the Senate Committee on Ways and Means (SWM) Fiscal Year (FY) 2017 budget proposal for MassHealth and Health Reform programs. The final Senate budget includes \$15.41 billion for MassHealth programs, a \$718.8 million increase over FY 2016 totals, or 4.9 percent. This total is \$31.8 million less than the amount proposed by the House. The Senate budget also includes a total of \$158.8 million for MassHealth administration, \$1.6 million less than in the House budget. In addition to funding for MassHealth, the budget proposals include funding for **supplemental payments** to health safety net providers, funding for **other subsidized health programs**, and other administrative and operational supports (see table).

MASSHEALTH AND HEALTH REFORM FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
MassHealth (Medicaid)						
	MassHealth Programs	14,686,823,778	15,437,389,192	15,405,589,192	(31,800,000)	* Includes adj.
	MassHealth Administration	149,812,760	160,356,979	158,757,901	(1,599,078)	* Includes adj.
	Subtotal	14,836,636,538	15,597,746,171	15,564,347,094	(33,399,077)	
Supplemental Payments to Providers						
	Medical Assistance Trust	1,027,500,000	462,000,000	462,000,000	0	
	Delivery System Transformation Initiative	189,141,606	205,597,334	205,597,334	0	
	Subtotal	1,216,641,606	667,597,334	667,597,334	0	
Other Health Subsidies						
	Commonwealth Care Trust	55,732,786	62,203,947	62,203,947	0	
	Prescription Advantage	18,668,169	18,521,922	18,521,922	0	
	Subtotal	74,400,955	80,725,869	80,725,869	0	
Other Administration and Operations						
	Center for Health Info. & APCD	31,140,523	28,410,511	28,453,696	43,185	
	Information Technology	121,340,895	117,664,941	116,965,407	(699,534)	
	Health Information Trust	8,153,272	12,853,272	12,853,272	0	* Includes adj.
	Other Health Finance	2,200,000	9,542,285	9,542,285	0	
	Subtotal	162,834,690	168,471,009	167,814,660	(656,349)	
Total		16,290,513,788	16,514,540,383	16,480,484,957	(34,055,427)	

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

The Senate budget proposal for **MassHealth Managed Care** is \$5.49 billion, \$9.0 million less than the House. The proposals differ in two main ways:

- During floor debate, the Senate added \$1.0 million in funding to support a proposed increase in rates for behavioral health providers. The House budget does not include this provision.
- The final Senate budget limits funding for infrastructure and capacity building grants to \$10.0 million, compared to the \$20.0 million included by the House.

The Senate budget proposal also differs from the House budget in the recommendations for funding nursing facilities:

- The Senate budget proposal recommends increasing **nursing facility rates** by \$30.0 million, whereas the House proposal recommends a \$45.0 million increase. During floor debate, the Senate added language that specifies that \$20.5 million of the rate increase would pass on to nursing home employees in the form of increased wages or benefits. The House budget specifies that \$35.5 million of the rate increase would pass on to employees.
- An amendment to the SWM budget proposal would restore current budget language allowing for MassHealth reimbursement to nursing home facilities when residents take a **leave of absence** for either medical reasons (20 days) or nonmedical reasons (10 days). The House budget does not include this provision.

Other differences between the Senate's and House's MassHealth budget proposals are:

- The Senate budget proposes \$2.43 billion for **MassHealth Fee-for-Service Payments**, \$7.8 million less than the House. The funding difference is due to differing provider earmarks. The

House budget includes \$14.8 million for pediatric providers, while the Senate budget allocates \$7.0 million.

- The Senate budget funds a line item (**State Plan Amendment Support**) in the Executive Office of Health and Human Services (EOHHS) at \$200,000 to support a variety of strategies and waivers to improve program flexibility, expand services, or increase federal reimbursements. The House does not include this funding.

Like in the House budget, the Senate proposes a \$15.0 million appropriation into the **Health Safety Net** (via funds from the **Commonwealth Care Trust Fund**) to support the costs associated with providing care to uninsured or underinsured individuals. In previous years that transfer has been \$30.0 million. The Senate amended the SWM proposal in order to preserve eligibility for the **Health Safety Net** until April 1, 2017. The House budget, on the other hand, would allow EOHHS to move forward with restricting coverage under the **Health Safety Net** starting on June 1, 2016. For a discussion of the proposed restrictions on the **Health Safety Net**, see the Senate Ways and Means *Budget Monitor* [HERE](#).

Neither the House nor Senate budget proposals include language that would prohibit the Administration from implementing its proposed **restructuring of MassHealth benefits**, nor do they expand **estate recovery** efforts. The budget proposals both increase an **assessment** on hospitals by \$250.0 million. These assessments would also receive federal matching reimbursements, and the revenues would be deposited in a newly-created MassHealth **Delivery System Reform Trust**. For a discussion of these proposals, see the Senate Ways and Means *Budget Monitor* [HERE](#).

The table below lists MassHealth and Health Reform line items with funding differences:

MASSHEALTH (MEDICAID) AND HEALTH REFORM LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
4000-0014	Edward Kennedy Community Health Cent	100,000	0	100,000	100,000	
4000-0300	EOHHS and MassHealth Administration	92,240,452	93,306,408	91,407,330	(1,899,078)	* Includes adj.
4000-0328	State Plan Amendment Support	0	0	200,000	200,000	
4000-0500	MassHealth Managed Care	5,933,039,597	5,496,523,203	5,487,523,203	(9,000,000)	
4000-0640	MassHealth Nursing Home Supplemental	302,900,000	347,900,000	332,900,000	(15,000,000)	
4000-0700	MassHealth Fee-for-Service Payments	2,482,527,197	2,435,238,433	2,427,438,433	(7,800,000)	
4000-1700	Health and Human Services IT Costs	121,340,895	117,664,941	116,965,407	(699,534)	* Includes adj.
4100-0060	Center for Health Information and Analys	27,717,971	27,910,511	27,953,696	43,185	

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

Mental Health

During floor debate, the Senate added a total of \$1.5 million to the Senate Ways and Means Committee (SWM) budget proposal for mental health for Fiscal Year (FY) 2017. With this additional funding – mostly for specific programs – the final Senate budget proposal is \$761.4 million, or \$1.3 million more than the House proposal. Over the next month, the Legislature will need to resolve the differences between these two budget proposals in Conference.

One particularly notable (although small) amendment would add \$50,000 to funding for [Child and Adolescent Mental Health](#) to support a partnership with the Dept. of Early Education and Care for an **Early Childhood Mental Health Partnership**. Along with another \$150,000 added for a youth counseling program in Arlington, the final Senate budget for mental health services for children and teens is \$88.4 million, just \$275,000 more than the House budget proposal.

The final Senate budget proposal for combined adult mental health services is \$439.7 million, \$1.4 million more than the House proposal. This total consists of \$379.4 million for **adult mental health** supports, \$4.0 million for **community-based placements**, \$22.9 million for **homelessness support**, and \$24.1 million for **emergency services**.

Funding for **inpatient services** in the final Senate budget is \$205.4 million, \$400,000 less than in the House proposal.

See table below for details on the funding differences between the House and Senate budget proposals.

MENTAL HEALTH LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
5042-5000	Child and Adolescent Mental Health	87,034,610	88,080,618	88,355,618	275,000	
5046-0000	Adult Mental Health	377,312,663	383,104,252	379,354,252	(3,750,000)	
5046-0005	Adult Community-Based Placements	0	0	4,000,000	4,000,000	* Includes adj.
5046-2000	Statewide Homelessness Support	21,134,979	21,538,690	22,942,400	1,403,710	
5047-0001	Emergency Services and Mental Health	24,258,428	24,351,834	24,101,834	(250,000)	
5095-0015	Inpatient and Facilities Mental Health	196,080,063	205,798,658	205,398,658	(400,000)	

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

Public Health

During floor debate, the Senate added a total of \$6.0 million to the Senate Ways and Means Committee (SWM) budget proposal for public health for Fiscal Year (FY) 2017. With this additional funding – a large portion of which would be earmarked for specific programs – the final Senate budget proposal is \$582.9 million, or \$2.5 million less than the House proposed public health budget. Over the next month, the Legislature will need to resolve the differences between these two budget proposals in a soon-to-be appointed Conference Committee.

Not surprisingly, most of the funding added to the SWM budget proposal during floor debate would be directed to the substance abuse prevention and treatment. Throughout this year's budget debate there has been a wide variety of proposals and strategies to address the Commonwealth's growing opioid addiction crisis. The Senate added a total of \$3.0 million to the Bureau of Substance Abuse

Services to support a variety of strategies to address this public health issue. For example, the Senate added \$120,000 for a pilot program to support **recovery coaches** in Western Massachusetts, and included language matching the House's proposal to direct \$1.2 million for an **extended release naltrexone ("Narcan") pilot** program. To support additional substance abuse programming, the Senate identified \$2.0 remaining in the **Substance Abuse Services Fund**. This funding would be directed to substance abuse programming the Dept. of Public Health. Even with this additional funding, the Senate recommends \$4.2 million less for substance abuse prevention and treatment services than the House.

A Senate amendment added language (not included in the House budget) that would create an interagency task force on **Neonatal Abstinence Syndrome and Substance-Exposed Newborns**. With the growing opioid epidemic, there has been an increase in the number of babies born who are affected by opioids and other substances mothers used while pregnant. This task force would attempt to coordinate services for these babies and small children and develop a statewide plan for intervention and treatment. The task force would be charged with developing a plan by March 2017.

The Senate added \$514,000 to the SWM funding proposal for youth engagement and violence prevention programs, bringing total Senate funding to \$12.9 million. This is 5.6 percent or \$679,000 more than recommended by the House. The final Senate budget includes \$60,000 added to the [Safe and Successful Youth Initiative](#) for a total of \$9.0 million, and \$454,000 added to [Youth-at-Risk Matching Grants](#), for a total of \$2.6 million. The intent of these community-based grant programs is to keep young people engaged in interesting and productive activities, in part to prevent them from gravitating to violent or other antisocial behavior.

Another important initiative added to the Senate budget during floor debate was an amendment that would create a new type of dental health clinician known as a **dental hygiene practitioner**. This licensed professional would be able to provide specific services, such as nonsurgical extractions. These dental therapists would also receive training on serving patients with special needs. Access to oral health care is a particularly troubling issue for older adults, for individuals with disabilities, and for people living in rural communities. Licensing this new mid-level oral health care clinician would expand access to essential health care for these underserved populations.

See table below for details on the funding differences between the House and Senate budget proposals.

PUBLIC HEALTH LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
1595-4510	Substance Abuse Services Fund	5,000,000	1,000,000	2,000,000	1,000,000	
4000-0005	Safe and Successful Youth Initiative	6,030,000	6,500,000	8,960,000	2,460,000	
4510-0110	Community Health Center Services	1,370,901	1,548,773	1,398,773	(150,000)	
4510-0112	Post Partum Depression Pilot Program	200,000	200,000	0	(200,000)	
4510-0600	Environmental Health Assessment	4,350,791	3,961,554	3,913,554	(48,000)	
4510-0710	Division of Health Care Quality	12,317,573	10,810,498	10,760,498	(50,000)	
4510-0712	Div. Health Care Quality	2,481,081	2,128,303	2,128,302	(1)	
4510-0716	Academic Detailing Program	0	0	500,000	500,000	
4510-0723	Board of Reg. Medicine and Acupuncture	962,160	165,704	165,703	(1)	
4510-0810	Sexual Assault Nurse Examiner (SANE)	4,357,869	4,450,449	4,630,449	180,000	
4510-3010	Down Syndrome Clinic	150,000	0	150,000	150,000	
4512-0103	HIV/AIDS Prevention Treatment	33,120,000	32,934,598	33,370,000	435,402	
4512-0200	Bureau of Substance Abuse Services	113,439,903	129,072,987	123,792,988	(5,279,999)	
4512-0202	Secure Treatment for Opiate Addiction	2,000,000	2,000,000	2,006,486	6,486	
4512-0203	Substance Abuse Family Intervention	1,500,000	1,500,000	1,500,345	345	
4512-0211	Recovery High Schools	3,100,000	3,100,000	3,100,913	913	
4512-0500	Dental Health Services	2,036,188	1,669,647	2,219,647	550,000	
4513-1000	Family Health Services	5,624,931	5,624,931	5,739,417	114,486	
4513-1020	Early Intervention Services	28,400,167	28,400,167	28,700,167	300,000	
4513-1027	Samaritans, Inc. Suicide Prevention		400,000	0	(400,000)	
4513-1098	Survivors of Homicide Victims	200,000	300,000	0	(300,000)	
4513-1111	Health Promotion and Disease Prev.	3,952,386	3,749,010	3,879,010	130,000	
4513-1121	Stroke Treatment and Ongoing Prev.	500,000	0	350,000	350,000	
4513-1130	Dom. Viol. and Sexual Assault Prev.	6,482,068	6,717,068	6,582,068	(135,000)	* Includes adj.
4513-1131	Healthy Relationships Grant Program	150,000	0	150,000	150,000	
4530-9000	Teenage Pregnancy Prevention Services	2,561,962	2,425,922	2,585,529	159,607	
4590-0250	School-Based Health Programs	12,230,974	12,132,830	12,032,830	(100,000)	
4590-0912	Western Massachusetts Hospital	22,289,249	22,374,608	22,374,780	172	
4590-0915	Public Health Hospitals	158,088,398	157,817,054	156,667,054	(1,150,000)	
4590-0917	Shattuck Hospital DOC Inmate RR	4,552,182	4,552,182	4,552,181	(1)	
4590-0918	SOPS DOC Retained Revenue	18,000,000	19,665,858	19,665,859	1	
4590-0924	Tewksbury Hospital RR	1,852,321	1,852,321	1,852,320	(1)	
4590-0925	Prostate Cancer Research Program	500,000	500,000	200,000	(300,000)	
4590-0930	Municipal Naloxone Bulk Purchase Prog	100,000	0	100,000	100,000	
4590-1503	Pediatric Palliative Care	1,800,000	1,804,578	2,604,578	800,000	
4590-1507	Youth At-Risk Matching Grants	3,950,000	4,335,000	2,554,000	(1,781,000)	

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

State Employee Health Insurance

The Senate did not add any funding for state employee health insurance during floor debate, and the Senate's final budget proposal for Fiscal Year (FY) 2017 differs little from the House final budget proposal. The small differences are largely due to slightly different spending estimates.

MassBudget's totals for state employee health insurance include adjustments that allow for more accurate across-year comparisons (see table and discussion in Senate Ways and Means *Budget Monitor* [HERE](#).)

State Retiree Benefits

The state has adopted a schedule to move towards full funding of health and non-pension post-employment benefits ("OPEB") for retirees. The Commonwealth funds the current and future OPEB through a variety of transfers to the State Retiree Benefits Trust. The Senate recommends \$445 million

in an operating transfer directed to the State Retiree Benefits Trust, \$5.0 million less than recommended by the House. Like the House, the Senate transfers an additional \$72.5 million to fund OPEB from either unexpended debt payments or the General Fund. (See further discussion in Senate Ways and Means *Budget Monitor* [HERE](#).) This total is \$48.3 million less than the amount indicated for FY 2017 in the statute, and functions as a one-time saving used to balance the budget. (See further discussion about one-time savings in Senate Ways and Means *Budget Monitor* [HERE](#).)

The following table lists line items with funding differences between the House and Senate budget proposals:

STATE EMPLOYEE HEALTH INSURANCE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
0640-0096	State Lottery Commission Benefits	366,300	366,300	482,625	116,325	
1108-5100	Group Insurance Commission	4,507,614	4,627,219	4,507,614	(119,605)	
1108-5201	Municipal Partnership Act Implem.	2,239,436	2,301,503	2,268,745	(32,758)	
1108-5350	Retired Governmental Employees	275,800	275,800	179,411	(96,389)	
1599-6152	State Retiree Benefits Trust Fund	425,000,000	450,000,000	445,000,000	(5,000,000)	

HUMAN SERVICES

Child Welfare

During floor debate, the Senate added \$1.0 million to the Senate Ways and Means Committee (SWM) budget proposal for child welfare services for Fiscal Year (FY) 2017. With this additional funding, the final Senate child welfare budget is \$964.7 million, \$9.0 million more than the House proposal. The Legislature will have to resolve these differences in Conference.

The single largest difference between the House and Senate proposals is in the funding for [Local and Regional Lead Agencies](#) for the Department of Children and Families (DCF). The Senate budget includes \$6.0 million to continue support for these coordinating offices; the House budget does not. The Senate also added \$400,000 to the SWM budget proposal to hire additional **trial attorneys** to handle child welfare cases. The House budget does not include this funding.

The other notable funding difference between the House and Senate budget proposals is in the funding for [Family Resource Centers](#). The Senate budget proposal includes \$2.6 million more than the House for these community-based family resource organizations funded through DCF. The Senate also funds the [Family Resource Centers](#) in the Executive Office of Health and Human Services (EOHHS) at \$2.5 million, whereas the House does not propose funding for these centers. (Funding for the centers in EOHHS is included in the “Other Human Services” subcategory total in the chart at the end of this *Budget Monitor*.) See chart below for combined funding.

FAMILY RESOURCE CENTERS FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
4000-0051	Family Resource Centers (EOHHS)	2,500,000	0	2,500,000	2,500,000	
4800-0200	Family Resource Centers (DCF)	7,398,054	7,398,054	9,978,898	2,580,844	
TOTAL		9,898,054	7,398,054	12,478,898	5,080,844	

The Senate also added \$250,000 for a new program focusing on **Foster Care Parent Outreach**. This funding would support a campaign to recruit new foster parents. There has been concern that the lack of available foster parents has led to more children being placed in congregate care facilities.

The Senate budget funds the [Office of the Child Advocate](#) at \$1.0 million, 66.7 percent more than the House, which proposes level-funding that office at \$600,000. The Senate budget also includes language modifying the office. The Child Advocate is responsible for investigating instances when a child in state custody or who is receiving state services is at risk of or suffered serious harm, and investigating circumstances when the state may have failed to protect a child from harm. The Senate proposal would, among other changes, make this office more independent of the Governor, and give it responsibility for having a broad overview of services for children across state agencies. (MassBudget includes funding for the Office of the Child Advocate in its “Other Administrative” totals – not “Child Welfare” totals – in the chart at the end of this *Budget Monitor*.)

See table below for details on the funding differences between the House and Senate budget proposals.

CHILD WELFARE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
0950-0030	Grandparents Raising Grandchildren	80,000	100,000	80,000	(20,000)	
4800-0015	Clinical Support Services	83,918,786	95,214,734	95,614,734	400,000	
4800-0030	DCF Local and Regional Mgt Services	6,000,000		6,000,000	6,000,000	
4800-0036	Sexual Abuse Intervention Network	698,740	698,740	698,739	(1)	
4800-0038	Services for Children and Families	283,620,923	281,424,674	281,164,031	(260,643)	* Includes adj.
4800-0040	Family Support and Stabilization	45,460,551	46,892,955	47,092,955	200,000	
4800-0041	Congregate Care Services	259,271,458	265,126,535	265,126,536	1	
4800-0058	Foster Care Parent Outreach			250,000	250,000	
4800-0200	DCF Family Resource Centers	7,398,054	7,398,054	9,978,898	2,580,844	
4800-1400	Sppt. for People at Risk of Dom. Viol.	26,148,905	26,328,264	26,148,905	(179,359)	* Includes adj.

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

Disability Services

The Fiscal Year (FY) 2017 Senate budget proposes funding services for people with disabilities at \$1.89 billion, about the same as the House FY 2017 budget proposal. Although the difference is small, many of the line item appropriations differ between the House and Senate proposals (see table below).

The Senate proposes to fund the **Aging with Developmental Disabilities** program at \$250,000, whereas the House did not propose funding for this program. This program provides direct support for older adults with developmental disabilities, staff training for identifying age-related conditions, and data collection on the effectiveness of support and training.

The Senate proposes to fund **Community Transportation Services for the Developmentally Disabled**, at \$21.7 million, which is \$1.0 million below the House proposal. These services provide transportation assistance from home to community-based day programs or employment services.

Finally, the Senate proposal seeks to fund [Turning 22 Services for the Developmentally Disabled](#) at \$8.0 million, which is a \$1.0 million above the House proposal. This program provides services to

young adults with disabilities during the transition year in which they turn 22 and age out of special education programs into adult services.

DISABILITY SERVICES LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
4110-1000	Community Services for the Blind	4,196,305	4,175,682	4,350,682	175,000
4120-1000	Massachusetts Rehabilitation Commission	418,811	346,486	346,487	1
4120-4000	Independent Living Assistance for the Multi Disabled	9,512,574	9,423,606	9,523,606	100,000
4120-4005	Living Independently for Equality	30,000	0	30,000	30,000
4120-5000	Home Care Services for the Multi Disabled	4,280,684	4,313,482	4,444,938	131,456
4120-6000	Head Injury Treatment Services	15,817,983	15,898,807	16,027,715	128,908
4125-0100	Mass. Commission for the Deaf & Hard of Hearing	5,645,031	5,411,403	5,951,403	540,000
5911-1003	DDS Service Coordination and Administration	69,593,835	69,993,991	70,068,991	75,000
5911-2000	Transportation Services	21,996,018	22,651,781	21,651,781	(1,000,000)
5920-2025	Community Day and Work Programs	183,209,830	192,196,335	191,496,335	(700,000)
5920-3000	Respite Family Supports for the Developmentally Disabled	55,933,705	62,839,395	62,746,395	(93,000)
5920-3010	Autism Division	6,085,431	6,482,207	6,482,207	(1)
5920-3025	Aging with Developmental Disabilities	250,000	0	250,000	250,000
5920-5000	Turning 22 Program and Services	7,000,000	7,000,000	8,000,000	1,000,000
5930-1000	State Facilities for the Developmentally Disabled	110,950,996	109,853,183	109,353,183	(500,000)

Elder Services

The Senate and the House propose similar funding levels for Elder Services in their budgets for Fiscal Year (FY) 2017. The Senate's \$270.9 million budget proposal for these programs is half a percentage point (or \$1.3 million) above the House proposal, and both are approximately 2.0 percent above current FY 2016 spending levels.

One major difference between the House and Senate proposals is the Senate's proposed consolidation of some major accounts that fund **elder home care services**. (To read about this consolidation, which is also proposed by the Governor, see MassBudget's [FY 2017 Senate Ways and Means Budget Monitor](#).) In aggregate, the Senate's proposal for home care services is \$1.1 million above the House's budget proposal. This additional funding would support a proposed 15 percent rise in the income eligibility ceiling for home care services — allowing more seniors access to these services.

SHIFTS IN FUNDING FOR ELDER HOME CARE SERVICES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	FY 2017 Senate (in FY 2016 structure)	Difference: Senate minus House
9110-1500	Elder Enhanced Home Care Services	70,255,327	74,345,122	0	70,548,399	(3,796,723)
9110-1630	Elder Home Care Purchased Services	104,595,483	101,485,589	159,228,536	106,367,313	4,881,724
9110-1633	Elder Home Care Case Manage & Admin	35,546,961	33,795,743	51,482,919	33,795,743	0
TOTAL		210,397,771	209,626,454	210,711,455	210,711,455	1,085,001

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

Lastly, **Grants to Council on Aging**, which provide funding to Council on Aging centers that offer services to and advocate for elders around the Commonwealth, receive \$118,000 less funding from the Senate than the House's FY 2017 budget proposal. Both proposals are approximately \$1.0 million above current FY 2016 spending.

ELDER SERVICES LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
9110-0104	HCBS Policy Lab	150,000	0	150,000	150,000	
9110-1500	Elder Enhanced Home Care Services	70,255,327	74,345,122	70,548,399	(3,796,723)	* Includes adj.
9110-1630	Elder Home Care Purchased Services	104,595,483	101,485,589	106,367,313	4,881,724	* Includes adj.
9110-1636	Elder Protective Services	23,123,139	28,048,120	28,098,120	50,000	
9110-1700	Elder Homeless Placement	186,000	186,000	286,000	100,000	
9110-9002	Grants to Councils on Aging	13,650,000	14,675,000	14,557,000	(118,000)	

*These line items present the consolidated proposals, mentioned in the text above, in the FY 2016 funding structure to make comparisons easier.

Juvenile Justice

The House and the Senate propose similar levels of Fiscal Year (FY) 2017 funding to the Department of Youth Services (DYS). The House budget proposal provides \$176.5 million for juvenile justice programs, while the Senate proposes to provide an additional \$632,000. When compared to current FY 2016 spending, both proposals are essentially level-funded.

One of the major differences between the House and Senate proposals is an additional \$500,000 that the Senate would dedicate to a **Detention Diversion Advocacy Program**. The program would aim to prevent young people entering the court system from advancing further into the juvenile justice system. The program would be coordinated by a private, non-profit that specializes in child welfare and juvenile justice programming. This program is not included in the House proposal.

The Senate also proposes a new **Juvenile Justice Pilot Program** at \$200,000. This competitive grant program would be administered by the office of the commissioner of probation to divert juveniles and young adults from the juvenile and criminal justice systems prior to arrest or arraignment. The program would emphasize a multidisciplinary approach in working with young people and encourage strong collaboration among law enforcement, schools, community-based organizations, and government agencies.

Both the House and Senate proposals increase funding for the **Alternative Lock Up Program** to \$2.3 million from \$2.1 million in the current FY 2016 budget. This program provides secure placements for youth arrested when courts are not in session and is designed to provide a safe environment while awaiting a court appearance. Learn more about the state's [Alternative Lock Up Program](#) and its funding history in our Children's Budget.

JUVENILE JUSTICE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
4200-0100	Non-Residential Services for Committed Pop	23,266,346	23,179,824	23,312,221	132,397
4200-0200	Residential Services for Detained Population	27,187,833	27,133,139	27,633,139	500,000
0339-1005	Juvenile Justice Pilot	0	0	200,000	200,000

Transitional Assistance

The Fiscal Year (FY) 2017 Senate budget proposal seeks to fund transitional assistance programs and services at \$667.1 million, which is \$2.4 million (0.4 percent) below the House FY 2017 budget proposal.

The net difference is small, but many of the line item appropriations differ between the House and Senate proposals (see table below).

The Senate proposes funding [Transitional Assistance for Families with Dependent Children \(TAFDC\)](#) at \$202.4 million, \$7.4 million below the House budget proposal. With an improving economy, one would expect more people to be able to secure employment and improve their circumstances rather than seek this assistance. The decrease assumes a reduction in caseloads. However, current caseload reduction may partially result from new administrative changes that make it harder for clients to maintain their benefits.

The Senate includes an increase of the **clothing allowance** from \$200 to \$250. The clothing allowance is for a one-time payment made in September to help poor families pay for back-to-school clothing. The House kept the current clothing allowance at \$200. Also, the Senate included an amendment to allow applicants for TAFDC 60 days to do a job search and an amendment to retain the work and time limit exemption for caregivers of a disabled parent, grandparent, or sibling.

The Senate proposes higher funding levels than the House in several areas:

- The Senate proposal seeks to fund the [Employment Services Program \(ESP\)](#) at \$12.7 million, about \$800,000 (6.7 percent) above the House proposal. ESP is the primary education and job-training program for TAFDC clients. Included in the Senate proposal is a \$1.0 million earmark for employment support services for non-English and non-Spanish speaking immigrants. The House proposes \$894,000 for these services.
- The Senate proposal seeks to fund [Pathways to Self-Sufficiency](#) at \$1.5 million, an amount \$500,000 above the House proposal. This funding supports job placement and training for TAFDC clients who, as a result of the 2014 welfare reforms, will no longer be exempt from the work requirement. The 2014 welfare reform mandated alignment of state disability standards with federal SSI disability standards.
- **Transportation for Supplemental Nutrition Assistance Program (SNAP) Participants** is a new program (introduced in the Governor's FY 2017 budget proposal) that the Senate seeks to fund at \$2.6 million. Currently, SNAP has a work requirement for "able-bodied" persons without dependents. These are adults who are between the ages of 18 and 49, not receiving SSI benefits or otherwise disabled, not living with minor children, and not pregnant. The new program likely would support these SNAP recipients who are participating in the work program.

TRANSITIONAL ASSISTANCE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016			Difference:
		Current	FY 2017 House	FY 2017 Senate	Senate minus House
4400-1000	Dept. of Transitional Assist. Admin.	64,427,943	65,941,569	66,290,033	348,464
4400-1025	Domestic Violence Specialists	1,046,651	1,373,491	1,369,407	(4,084)
4400-1100	Caseworkers Reserve	74,322,168	70,833,479	70,791,291	(42,188)
4400-1979	Pathways to Self Sufficiency	3,000,000	1,000,000	1,500,000	500,000
4401-1000	Employment Services Program	12,972,000	11,894,000	12,694,060	800,060
4403-2000	TAFDC Grant Pmt	220,730,089	209,865,086	202,431,566	(7,433,520)
4403-2008	SNAP Work Program Transportation	0	0	2,600,000	2,600,000
4405-2000	State Supplement to Supplemental Security Income	226,951,608	224,808,227	224,856,806	48,579
4408-1000	Emergency Aid to the Elderly Disabled and Children	76,200,527	79,170,972	79,957,842	786,870

Other Human Services

During floor debate, the Senate added \$3.1 million to the Senate Ways and Means Committee (SWM) budget proposal for other human services for Fiscal Year (FY) 2017. This funding includes allocations for veterans' services, food banks, and some cross-agency initiatives. With this additional funding, the final Senate budget proposal is \$207.8 million, or \$4.5 million more than the House proposal. The Legislature will need to resolve these funding differences in Conference over the next month.

The Senate added \$2.1 million in funding for the [Emergency Food Assistance Program](#), bringing total funding up to \$18.1 million, \$475,000 above the House proposal. This funding supports the statewide network of food banks that provide food to families struggling to make ends meet. The Senate added \$929,000 in total to veterans' services, bring total funding to \$147.8 million, essentially level with the House proposal. Much of this additional funding proposed by the Senate would be designated for specific local programs.

The final Senate budget proposal differs from the House proposal in a few other areas. The Senate final budget includes \$1.0 million for a **Common Application Portal**, an important initiative not included in the House budget proposal. This funding would support an ambitious effort to develop a shared application for a wide range of public benefits, including MassHealth, child care subsidies within the Department of Early Education and Care, and SNAP (formerly known as "food stamps") benefits. The Senate budget language proposes that individuals would be able to apply simultaneously for these particular programs by the start of FY 2018, with additional benefits – including housing subsidies – added to the common application portal by the start of FY 2019. Applying for public benefits can be complicated and confusing. A shared application for a variety of benefits would simplify and streamline this process for applicants, and would also improve administrative efficiency for the agencies.

The Senate funds the [Family Resource Centers](#) in the Executive Office of Health and Human Services (EOHHS) at \$2.5 million, whereas the House does not propose funding for these centers. The Senate budget also includes \$2.6 million more than the House for [Family Resource Centers](#) funded in the Department of Children and Families (DCF). (Funding for the centers in DCF is included in the "Child Welfare" subcategory total in the chart at the back of this *Budget Monitor*.) See chart below for combined funding.

FAMILY RESOURCE CENTERS FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
4000-0051	Family Resource Centers (EOHHS)	2,500,000	0	2,500,000	2,500,000	
4800-0200	Family Resource Centers (DCF)	7,398,054	7,398,054	9,978,898	2,580,844	
TOTAL		9,898,054	7,398,054	12,478,898	5,080,844	

See table below for details on the funding differences between the House and Senate budget proposals.

OTHER HUMAN SERVICES LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
1410-0010	Veterans' Services Admin.	3,522,497	3,562,497	3,602,497	40,000	
1410-0012	Veterans' Outreach Centers	3,357,641	3,692,641	3,556,641	(136,000)	
1410-0015	Women Veterans' Outreach	110,000	110,000	115,418	5,418	
1410-0250	Assistance to Homeless Veterans	3,141,629	2,971,809	3,141,629	169,820	
1410-0251	New England Shelter for Homeless Vets	2,592,470	2,392,470	2,592,470	200,000	
1410-0630	Agawam and Winchendon Cemeteries	1,171,830	1,171,830	1,171,829	(1)	
1410-1616	War Memorials	729,000	150,000	325,000	175,000	
2511-0105	Emergency Food Assistance Program	17,160,000	17,665,000	18,140,000	475,000	
4000-0008	Crossroads	0	0	25,000	25,000	
4000-0010	Common Application Portal	0	0	1,000,000	1,000,000	
4000-0051	Family Resource Centers	2,500,000	0	2,500,000	2,500,000	

INFRASTRUCTURE, HOUSING & ECONOMIC DEVELOPMENT

Transportation

For the most part, the Senate and House budget proposals for transportation in Fiscal Year (FY) 2017 are very similar. The largest difference is the Senate's \$84.1 million proposal for the state's 15 **Regional Transit Authorities**, which is \$3.1 million (3.8 percent) more than the House proposes.

Other differences are smaller. Both the Senate and the House propose slightly more funding for the **Massachusetts Transportation Trust Fund** (MTTF) than the Governor's proposal, while leaving the amount below current FY 2016 levels. The MTTF contributes to highways, transit, intercity rail, small airports, the Massachusetts Turnpike, and the Motor Vehicle Registry. The MTTF receives funds from the Commonwealth Transportation Trust Fund, tolls, and federal transportation sources. Both the House and Senate follow the Governor's proposed reduction to the MTTF, roughly corresponding to the \$6.5 million in 9C cuts last January and the \$28.8 million in reduced employee salaries and benefits at the Department of Transportation from acceptance of early retirement incentives (those reductions and their potential effects are discussed in MassBudget's *Budget Monitor for the Governor's FY 2017 budget*). The House FY 2017 proposal adds \$425,000 to this amount for targeted local projects, with most funds going to projects in Worcester and Marlborough. The Senate proposes a different set of projects totaling \$976,706, with most funds going toward projects administered by regional transit authorities.

The House and Senate additionally propose several policy riders including:

- A House proposal to require the state's learner's permit exam to include at least one question on how to interact safely with cyclists and pedestrians. The Senate did not approve inserting this language in its budget proposal.
- House language for a feasibility study to introduce "high-speed rail" between Boston, Worcester, and Springfield. The Senate included similar language for a feasibility study between Springfield and Boston.
- A Senate proposal limiting future MBTA fare increases to a total of 5 percent every two years, and clarifying that transit passes count as "fares" covered by these limits. The House budget does not include this proposal.

- Senate language to modify the “Complete Streets Program” at the Massachusetts Department of Transportation, in which cities and towns receive grants to adopt policies for designing roads that encourage safe walking and biking. The House budget does not include this proposal.
- A Senate proposal to create a Water Transportation Advisory Council for ferry service in the Commonwealth. No such proposal was included in the House budget proposal.
- Senate language to make E-Z Pass transponders available at full-service Registry of Motor Vehicles (RMV) locations. The House budget does not include this proposal.

Finally, the Senate projects receipt of \$100,000 more than the House from an automatic transfer of sales tax revenue to the **MBTA State and Local Contribution Trust Fund**.

TRANSPORTATION LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2016 House	FY 2016 Senate	Difference: Senate minus House
T0100340	MBTA State & Local Contributn Trust Fund	985,200,000	1,027,000,000	1,027,100,000	100,000
1595-6368	Massachusetts Transportation Trust Fund	330,968,038	328,084,302	328,630,008	545,706
1595-6370	Regional Transit Authorities	82,000,000	81,000,000	84,100,000	3,100,000
1595-6379	Merit Rating Board	9,553,119	9,695,431	9,695,430	(1)

Housing

During its debate on the Fiscal Year (FY) 2017 budget, the Senate adopted \$3.5 million in amendments to the state’s housing budget for a total of \$450.0 million. This amount is in line with the House final FY 2017 budget but is \$38.8 million less than current spending. As noted in the *Budget Monitor* on the Senate Ways and Means (SWM) Committee budget [HERE](#), the Senate’s budget, like the House budget, is about \$40 million lower than FY 2016 current spending for the Emergency Assistance (EA) program that provides shelter to low-income, homeless families. If this lower funding level is included in the final FY 2017 budget, it is likely that the Legislature will be required to provide supplemental funding for the program because the cost of providing shelter for those who are homeless and eligible for shelter will probably exceed the amount appropriated.

Now that the Senate has adopted its budget proposal for FY 2017, the House and Senate form a Conference Committee to iron out differences between the two budgets.

The Senate budget proposes funding levels higher than the House for several housing programs including:

- \$6.2 million for the **Alternative Housing Voucher Program** which is \$1.1 million more than the House. The Senate also adopted an amendment which clarifies that these vouchers provide long-term, stable housing for people with disabilities.
- \$1.0 million for the [End Family Homelessness Reserve Fund](#). The House does not provide funding for this program.

- \$2.0 million for the program that provides assistance to [unaccompanied homeless youth](#) up to age 24 who are homeless. This amount is \$1.0 million more than the House budget.
- \$13.0 million for [Residential Assistance for Families in Transition \(RAFT\)](#), which provides assistance to families at risk of becoming homeless. This amount is \$500,000 more than the House budget. The Senate adopted an amendment that would provide \$500,000 to expand RAFT services to the elderly, persons with disabilities and unaccompanied youth who are at risk of becoming homeless.
- \$1.2 million to expand the number of **housing courts** in the state from five regional courts to six. The Governor's FY 2017 budget included a similar proposal but the House budget did not.

The Senate budget also proposes a number of policy changes that differ from the House budget including:

- Easing eligibility restrictions for the EA shelter program. In recent years the state has restricted low-income, homeless families' access to EA shelters. (A full discussion of eligibility restrictions for EA is available in MassBudget's Children's Budget [HERE](#).) Because of these restrictions some homeless families have had to live in places not meant for human habitation, like a park, a car, or a hospital emergency room, before they would be eligible for shelter. The Senate budget includes language requiring the Department of Housing and Community Development (DHCD) to provide EA shelter to families who would otherwise have to sleep in such places before being eligible for shelter. The House budget does not include this proposal.
- Directing the **Interagency Council on Housing and Homelessness** to create a memorandum of understanding (MOU) with the Secretaries of Housing and Economic Development, Health and Human Services, and Education. This MOU will direct the three secretariats to work together in coordinating services for low-income households that are facing economic instability and homelessness.

The House proposes \$65.5 million for [subsidies to public housing authorities](#) which is \$1.0 million more than the Senate amount.

The House also recommends creating a commission to look into how the state could help to provide **economic mobility and financial stability for families and individuals with very low incomes**. The commission would look at data on strategies that improve housing stability and increase economic self-sufficiency.

HOUSING LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
0940-0101	Fees & Federal Reimbursement RR	2,518,911	2,518,910	2,518,911	1	
1599-0017	End Family Homelessness Reserve Fund	1,000,000	0	1,000,000	1,000,000	see text above
4000-0007	Unaccompanied Homeless Youth	2,000,000	1,000,000	2,000,000	1,000,000	see text above
7004-0099	DHCD Admin	8,687,359	7,472,921	6,812,921	(660,000)	
7004-0100	Operation of Homeless Programs	6,234,088	4,840,355	5,385,145	544,790	
7004-0101	EA Family Shelters and Services	196,058,948	155,298,948	155,458,948	160,000	see text above
7004-0102	Homeless Individuals Assistance	44,825,000	44,935,000	45,285,000	350,000	
7004-0104	Home and Healthy for Good Program	1,800,000	2,300,000	2,000,000	(300,000)	
7004-3036	Housing Services and Counseling	2,891,992	2,641,992	2,791,992	150,000	
7004-3045	Tenancy Preservation Program	500,000	500,000	750,000	250,000	
7004-9005	Subsidies to Public Housing Authorities	64,500,000	65,500,000	64,500,000	(1,000,000)	see text above
7004-9007	Public Housing Reform	800,000	800,000	1,050,000	250,000	
7004-9008	Urban Agenda Housing	1,000,000	1,000,000	0	(1,000,000)	* Includes adj.
7004-9024	MRVP	90,931,597	100,000,000	100,083,891	83,891	
7004-9030	AHVP	4,600,000	5,100,000	6,200,000	1,100,000	see text above
7004-9316	RAFT	12,500,000	12,500,000	13,000,000	500,000	see text above
7004-9322	Secure Jobs Pilot	750,000	500,000	850,000	350,000	

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

Economic Development

In Massachusetts, we support workforce and business development programs in order to boost the skills of working people and stimulate economic growth. The Senate Fiscal Year (FY) 2017 budget proposes funding economic development at \$139.1 million, \$3.2 million (2.2 percent) below the House proposal.

Part of the funding difference between the Senate and the House budget proposals comes from a handful of programs and services that the Senate proposes not to fund. Taken together, these differences sum up to \$13.1 million, as shown here:

ECONOMIC DEVELOPMENT LINE ITEMS THE SENATE PROPOSES NOT TO FUND

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
7002-0036	Urban Agenda Economic Development Grants	2,000,000	2,330,000	0	(2,330,000)
7002-0040	Small Business Technical Assistance Grant Program	2,000,000	2,000,000	0	(2,000,000)
7002-1502	Transformative Development Fund	1,000,000	1,000,000	0	(1,000,000)
7002-1508	Mass. Tech. Collab. Tech & Innovation Entrepreneurs	1,500,000	1,500,000	0	(1,500,000)
7002-1509	Entrepreneur in Residence Pilot Program	100,000	100,000	0	(100,000)
7002-1512	Big Data Innovation and Workforce Fund	0	2,000,000	0	(2,000,000)
7003-0606	Massachusetts Manufacturing Extension Partnership	2,000,000	2,000,000	0	(2,000,000)
7003-0902	Joint Labor Mngmnt Cmmtte for Municipal Police & Fire	0	250,000	0	(250,000)
7007-0801	Micro lending	300,000	200,000	0	(200,000)
7007-1202	Mass. Tech. Collab. Computer Science Education	1,700,000	1,700,000	0	(1,700,000)
TOTAL		10,600,000	13,080,000	0	(13,080,000)

However, the Senate proposes more funding than the House in many workforce development programs. For instance, the Senate FY 2017 budget proposes to fund:

- [Advanced Manufacturing Workforce Development Grants](#), which provides training in precision manufacturing for unemployed and underemployed workers, at \$1.6 million. This amount is \$90,000 (5.9 percent) above the House FY 2017 budget proposal.
- **Re-entry Demonstration Workforce Development Program**, a new program, at \$500,000, that would provide workforce development and supportive services to individuals transitioning from a house of correction or department of correction. The Governor's budget proposal introduced this program at \$1.0 million but the House proposal didn't fund it.
- **Digital Health Internship Incentive Fund**, a new trust fund proposed by the Senate that would provide stipends for digital health internships through MassTech, at \$2.0 million.
- [One-Stop Career Centers](#) at \$4.6 million, \$550,000 (13.8 percent), above the House budget proposal. These centers help job seekers, particularly those receiving unemployment insurance, to improve their skills and navigate the job search process.
- [Workforce Competitiveness Trust Fund](#) (WCTF) at \$4.0 million. The Governor's budget also proposed \$4.0 million, and funding was not included in the House proposal. WCTF receives periodic deposits at the discretion of the Legislature. The most recent deposits were in 2016 for \$2.2 million and in 2013 for \$5.2 million (in inflation-adjusted dollars). Specific objectives of WCTF include supporting the unemployed to find suitable employment and improving employment opportunities for low-income individuals and low-wage workers.
- [YouthWorks](#) at \$11.7 million, \$2.0 million over the House budget proposal. YouthWorks pays for the salaries of low-income and at-risk youth living in targeted communities for summer and some year-round jobs.

For the arts, sciences, and humanities, the Senate FY 2017 budget proposes \$15.2 for the **Mass. Cultural Council**, which is \$3.0 million (24.4 percent) above the House budget proposal. The Council provides grants and services to nonprofit cultural organizations, schools, communities, and artists in Massachusetts.

For service and volunteerism, the **Mass. Service Alliance** would receive \$1.9 million in the Senate budget proposal, \$1.5 million (43.5 percent) below the House budget proposal. Senate included targeted funding for various community programs, such as \$150,000 for workforce efforts at the Pine Street Inn in Boston and \$50,000 for community outreach and education efforts to the Hispanic senior citizens in Worcester.

Finally, for **travel and tourism**, the Senate proposes to transfer \$10.0 million in room occupancy tax revenue (from hotel room taxes) to the Massachusetts Tourism Trust Fund, an entity the Legislature recently created and that is scheduled to go into effect later this year. Specifically, the Senate budget proposes to amend the [current statute](#) that creates the Massachusetts Tourism Trust Fund by directing the \$10.0 million to the fund and adjusting the distribution of funding to 40 percent (\$4.0 million) to Mass. Office of Travel and Tourism (MOTT) and 60 percent (\$6.0 million) to the Regional Tourism

Councils. The \$10.0 million transfer is off budget. In addition to the \$10.0 million to these two accounts, the Senate proposes adding over \$4 million to MOTT for various local tourism projects throughout the Commonwealth. Taken all together, the Senate proposal for travel and tourism is \$3.0 million below the House.

TOURISM LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate On Budget	FY 2017 Senate Off Budget	FY 2017 Senate Totals	Difference: Senate minus House
7008-0900	MOTT	13,752,924	11,492,833	4,579,666	4,000,000	8,579,666	(2,913,167)
7008-1000	Regional Tourism Councils	6,000,000	6,000,000	0	6,000,000	6,000,000	0
7008-1300	Mass. Intern'l Trade Council	123,375	224,900	114,900	0	114,900	(110,000)
TOTAL		19,876,299	17,717,733	4,694,566	10,000,000	14,694,566	(3,023,167)

For all differences in funding between the House and Senate line items, see the table below.

ECONOMIC DEVELOPMENT LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
0640-0300	Massachusetts Cultural Council	14,160,000	12,189,000	15,169,000	2,980,000	See text above
1775-0200	Supplier Diversity Office	492,389	367,171	367,081	(90)	
2511-0100	Department of Agricultural Resources Admin.	6,015,548	5,729,746	5,514,350	(215,396)	
7002-0010	Executive Office of Housing and Economic Dev.	2,720,994	2,451,996	2,213,995	(238,001)	
7002-0012	Summer Jobs Program for At Risk Youth	11,700,000	9,700,000	11,650,000	1,950,000	
7002-0020	Adv. Workforce Development Grant	1,535,000	1,535,000	1,625,000	90,000	See text above
7002-0032	Innovation Institute	2,500,000	500,000	3,000,000	2,500,000	
7002-0036	Urban Agenda Economic Development Grants	2,000,000	2,330,000	0	(2,330,000)	
7002-0040	Small Business Technical Assistance Grant Prgrm.	2,000,000	2,000,000	0	(2,000,000)	
7002-1075	Workforce Competitiveness Trust Fund	2,214,000	0	4,000,000	4,000,000	See text above
7002-1502	Transformative Development Fund	1,000,000	1,000,000	0	(1,000,000)	
7002-1508	Mass. Tech. Collab. Tech & Innovation Entrepreneurs	1,500,000	1,500,000	0	(1,500,000)	
7002-1509	Entrepreneur in Residence Pilot Program	100,000	100,000	0	(100,000)	
7002-1512	Big Data Innovation and Workforce Fund	0	2,000,000	0	(2,000,000)	
7002-1593	Digital Health Internship Incentive Fund	0	0	2,000,000	2,000,000	
7003-0100	Executive Office of Labor and Workforce Dev.	1,043,649	777,092	902,092	125,000	
7003-0150	Demonstration Workforce Dev Program	0	0	500,000	500,000	See text above
7003-0200	Department of Labor Standards	2,360,254	2,464,216	2,539,216	75,000	
7003-0606	Mass. Manufacturing Extension Partnership	2,000,000	2,000,000	0	(2,000,000)	
7003-0607	Comm. Corp. Transitions to Work	150,000	0	250,000	250,000	
7003-0803	One Stop Career Centers	4,525,491	4,000,000	4,550,491	550,491	See text above
7003-0902	Joint Labor Mngmnt Cmmtte for Municipal Police & Fire	0	250,000	0	(250,000)	
7003-1206	Massachusetts Service Alliance	3,470,000	3,425,000	1,935,000	(1,490,000)	See text above
7006-0000	Office of Consumer Affairs and Business Reg.	837,584	735,222	735,223	1	
7007-0150	Regional Economic Development Grants	600,000	0	600,000	600,000	
7007-0300	Massachusetts Office of Business Development	1,737,940	1,512,050	1,612,050	100,000	
7007-0800	Small Business Development Center at UMass	1,186,222	1,186,222	1,386,222	200,000	
7007-0801	Microlending	300,000	200,000	0	(200,000)	
7007-0952	Commonwealth Zoological Corporation	4,900,000	5,100,000	4,000,000	(1,100,000)	
7007-1202	Mass. Tech. Collab. Computer Science Education	1,700,000	1,700,000	0	(1,700,000)	
7008-0900	Massachusetts Office of Travel and Tourism	13,752,924	11,492,833	8,579,666	(2,913,167)	* Includes adj.
7008-1300	Mass. International Trade Council	123,375	224,900	114,900	(110,000)	* Includes adj.
T0100210	Workforce Training Fund	22,420,000	21,400,000	21,444,208	44,208	

LAW & PUBLIC SAFETY

Overall, funding levels provided by the Senate and the House for Fiscal Year (FY) 2017 Law & Public Safety programs are very close – the Senate’s total budgetary outlay of \$2.68 billion for these programs is only \$9.7 million (or a third of 1 percent) higher than the House’s proposal. This similarity in total funding levels, however, masks a number of substantial differences that exist at the line item level – roughly 50 Law & Public Safety accounts are funded at different levels in the Senate vs. the House budgets. These differences will need to be resolved in Conference.

In the area of Courts & Legal Assistance, the Senate provides a net of \$5.9 million more than the House for the trial courts (including both increases and some reductions). The Senate provides \$6.1 million more for the [Committee for Public Counsel Services](#) (including an account funding salaries for CPCS attorneys). The Senate also provides 2.0 percent more than the House for most of the individual **trial courts**, though \$1.1 million less than the House for an account dedicated specifically to funding trial court justices’ salaries. The Senate, however, provides \$812,000 less than the House for a **Recidivism Reduction Pilot Program** and \$2.8 million less for **Specialty Drug Courts**. The House provides \$18.5 million for the [Massachusetts Legal Assistance Corporation](#) (to fund indigent defense), an amount \$500,000 higher than the Senate proposal.

In the area of Law Enforcement, the House and Senate provide nearly identical overall levels of funding. Nevertheless, there are a number of significant differences at the line-item level. The Senate provides \$8.0 million (or \$2 million more than the House) for the [Shannon Grant Gang Prevention Program](#) and nothing (or \$2.5 million less than the House) for the **Local Law Enforcement Assistance Program**. The Senate provides \$770,000 more for the Department of State Police.

In the area of Prisons, Probation & Parole, the Senate provides \$5.4 million more than the House overall, though again, this net figure includes line-items for which the Senate provides more than the House and others for which it provides less. The Senate provides \$3.0 million more than the House for the **Commissioner of Probation**, and \$418,000 more for the **Office of Community Corrections**. The Senate also provides a little more than the House for several **sheriffs’ departments** and a number of related programs. The House provides \$598,000 more than the Senate for the **Department of Corrections**.

The House provides \$2.0 million more, overall, for Prosecutors than does the Senate. Among the largest differences, the Senate provides no funding for a new program proposed by the House, the [Youth and Young Adult Drug Offender Diversion Program](#). Under the House proposal, there would be a new grant program for district attorneys to design and implement ways of diverting youth and young-adult, non-violent drug offenders away from the court system and into treatment programs. The House provides \$1.0 million for this purpose. Likewise, the House provides \$500,000 for a **salary reserve for Assistant District Attorneys**, in order to attract and retain talented young staff – the Senate provides no funding for this account.

In other areas of Law & Public Safety, the Senate provides \$1.0 million for a multi-agency task force targeting **illegal tobacco sales and distribution**. This task force was created through the FY 2016 budget process, at which time it was assumed that the task force would generate \$7 million in revenue in FY 2016 through its enforcement efforts. The taskforce was funded at \$1.0 million in FY 2016. The House provides no FY 2017 funding for this taskforce. The Senate meanwhile, provides no funding for the [Boston Regional Intelligence Center](#) (BRIC), an operation located within the Boston Police

Department and funded in part by the U.S. Department of Homeland Security. The House provides the BRIC with \$2.3 million.

Lastly, in the final version of its FY 2017 budget, the Senate includes a detailed proposal to bring Massachusetts identification cards and licenses into compliance with requirements of the federal [REAL ID](#) program, as established by the U.S. Department of Homeland Security. The House budget already includes such a proposal (which follows closely the proposal made by Governor Baker). The Senate and House proposals are not identical, but they are very similar. The small differences (mostly in wording and syntax) will need to be reconciled in conference. (Read more about the REAL ID proposals in MassBudget's [FY 2017 House Budget Monitor](#).)

COURTS & LEGAL ASSISTANCE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
0320-0003	Supreme Judicial Court	8,675,395	8,762,149	9,023,156	261,007	
0321-0001	Commission on Judicial Conduct	749,080	756,571	804,387	47,816	
0321-0100	Board of Bar Examiners	1,358,923	1,372,512	1,428,779	56,267	
0321-1500	Comm. for Pub. Counsel Serv.	28,720,375	28,591,182	32,184,216	3,593,034	* Includes adj.
0321-1504	CPCS Attorney Salaries	28,198,603	30,305,462	32,805,462	2,500,000	* Includes adj.
0321-1520	Indigent Persons Fees and Court Costs	18,551,982	14,951,982	15,385,642	433,660	
0321-1600	MA Legal Assistance Corp.	17,000,000	18,500,000	18,000,000	(500,000)	
0321-2000	Mental Health Legal Advisors Committee	1,095,928	1,106,887	1,219,549	112,662	
0321-2205	Suffolk County Social Law Library	1,781,200	1,831,200	1,781,200	(50,000)	
0322-0100	Appeals Court	12,977,984	13,107,764	13,463,525	355,761	
0330-0101	Trial Court Justices' Salaries	61,998,582	62,618,568	61,509,121	(1,109,447)	
0330-0599	Recidivism Reduction Pilot Program	2,488,090	2,488,090	1,675,746	(812,344)	
0330-0601	Specialty Drug Courts	3,229,651	6,028,004	3,229,651	(2,798,353)	
0331-0100	Superior Court	31,500,830	31,815,838	32,445,855	630,017	
0332-0100	District Court	65,202,267	66,054,290	67,258,335	1,204,045	
0333-0002	Probate and Family Court	28,958,672	29,248,259	29,827,432	579,173	
0334-0001	Land Court	3,881,275	3,920,088	3,997,713	77,625	
0335-0001	Boston Municipal Court	13,442,337	13,576,760	13,845,607	268,847	
0336-0002	Housing Court	8,117,822	8,117,822	8,280,178	162,356	
0336-0003	Housing Court Expansion		0	1,194,614	1,194,614	
0337-0002	Juvenile Court	18,704,229	18,891,271	19,283,210	391,939	
0339-2100	Jury Commissioner	2,774,615	2,802,361	2,857,853	55,492	
NEW2	Juvenile Justice Pilot			200,000	200,000	

*Budget proposals sometimes shift the allocation of funding among line items. The chart above presents those proposals in the FY 2016 funding structure to make comparisons easier.

LAW ENFORCEMENT LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
8000-0010	Local Law Enforcement Assistance Prog.	0	2,500,000	0	(2,500,000)	
8000-0110	Criminal Justice Information Services	1,897,250	1,750,261	1,757,468	7,207	
8100-0111	Gang Prevention Grant Program	7,000,000	6,000,000	8,000,000	2,000,000	
8100-1001	Department of State Police	265,234,501	286,936,142	287,706,142	770,000	
8100-1004	State Police Crime Laboratory	19,463,046	20,140,180	20,147,682	7,502	
8200-0200	Municipal Police Training Committee	5,132,844	4,937,750	4,905,847	(31,903)	

PRISONS, PROBATION & PAROLE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
0339-1001	Commissioner of Probation	134,312,500	135,655,625	138,655,625	3,000,000	
0339-1003	Office of Community Corrections	20,923,598	21,132,834	21,551,306	418,472	
8900-0001	Dept. of Correction Facility Operations	573,344,758	571,706,538	571,108,073	(598,465)	
8910-0102	Hampden Sheriff's Department	71,966,757	73,519,926	73,878,560	358,634	
8910-0105	Worcester Sheriff's Department	45,924,583	47,072,697	47,417,132	344,435	
8910-0108	Franklin Sheriff's Department	14,682,242	15,249,298	15,279,298	30,000	
8910-0110	Hampshire Sheriff's Department	13,655,901	13,997,299	14,252,530	255,231	
8910-0445	Dispatch Center Retained Revenue	300,000	425,000	400,000	(25,000)	
8910-0446	Pittsfield Schools Retained Revenue	254,376	325,000	350,000	25,000	
8910-0619	Essex Sheriff's Department	53,795,787	55,140,682	55,544,150	403,468	
8910-1000	Prison Industries Retained Revenue	3,076,824	3,076,824	2,981,268	(95,556)	
8910-1010	Hampden Sheriff Region. Mental Hlth Unit	1,087,493	1,087,493	1,145,017	57,524	
8910-1020	Hampden Sheriff Inmate Transfers	542,605	542,605	568,349	25,744	
8910-1030	W. MA Regional Women's Correction	3,570,434	3,570,434	4,124,406	553,972	
8910-1101	Middlesex Sheriff Mental Health Unit	896,387	887,144	996,387	109,243	
8910-1112	Hampshire Regional Lockup Ret. Revenue	200,000	200,000	167,352	(32,648)	
8910-8300	Bristol Sheriff Department	43,752,046	44,845,847	45,064,607	218,760	
8910-8500	Nantucket Sheriff's Department	773,079	792,406	773,079	(19,327)	
8910-8700	Plymouth Sheriff's Department	54,051,129	55,402,407	55,672,663	270,256	
8950-0001	Parole Board	16,000,000	15,825,001	15,887,139	62,138	

PROSECUTORS LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
0340-0500	Hampden District Attorney	8,887,290	10,246,671	9,501,819	(744,852)	
0340-0600	Northwestern District Attorney	5,779,908	5,986,278	6,098,538	112,260	
0340-0998	Bristol DA State Police Overtime	398,810	344,961	419,961	75,000	
0340-6653	ADA Salary Reserve	3,000,000	500,000	0	(500,000)	
0340-7914	Youth Drug Offender Diversion Program		1,000,000	0	(1,000,000)	
0340-8908	District Attorneys Wide Area Network	1,797,089	1,802,630	1,797,089	(5,541)	
0810-0000	Office of the Attorney General	23,044,018	23,244,018	23,344,018	100,000	
0810-0014	Public Utilities Proceedings Unit	2,311,589	2,353,720	2,311,589	(42,131)	
0810-0201	Insurance Proceedings Unit	1,473,854	1,478,027	1,473,854	(4,173)	
0810-0338	Auto Insurance Fraud Unit	426,861	426,861	434,641	7,780	
0810-0399	Workers' Compensation Fraud Unit	279,334	279,334	284,426	5,092	
0810-1204	Gaming Enforcement Division	449,364	449,364	457,554	8,190	

OTHER LAW & PUBLIC SAFETY LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
8000-0600	Executive Office of Public Safety	3,374,406	3,761,806	3,828,906	67,100	
8000-0650	Illegal Tobacco Task Force	1,000,000	0	1,000,090	1,000,090	
8000-1000	Evidence-Based Programming Grants	0	0	250,000	250,000	
8000-1001	Boston Regional Intelligence Center	792,669	2,250,000	0	(2,250,000)	
8311-1000	Dept. of Public Safety and Inspections	4,202,186	4,751,611	4,712,652	(38,959)	
8324-0000	Department of Fire Services Admin.	24,115,065	23,913,381	24,063,067	149,686	
8800-0001	MA Emergency Management Agency	1,673,331	1,684,472	1,697,661	13,189	

LOCAL AID

General Local Aid

Both the House and Senate propose the same \$1.02 billion amount for **Unrestricted General Government Local Aid** for the Fiscal Year (FY) 2016 budget.

Other Local Aid

For Fiscal Year (FY) 2017, the Senate proposes \$6.0 million for the **Municipal Regionalization and Efficiencies Incentive Reserve** and the House proposes \$7.0 million. The proposals would generally fund different statewide programs and different targeted local projects. More specifically:

- The Senate proposes \$2.0 million to fund a competitive grants program for **regionalizing services or planning**. The House budget does not include funding for this program.
- The Senate proposes \$3.0 million for a competitive **public safety grants** program for populous communities with low per-capita police funding. Current funding for the program in FY 2016 is \$4.3 million. The House proposes reducing funding for this program to \$500,000.
- The House budget proposes \$2.65 million for the **Community Compact** incentive program to support best local practices, the same amount proposed by the Governor's budget. This program is not included in the Senate budget.
- The House proposal for FY 2017 includes \$2.8 million for continuing a **District Local Technical Assistance Fund** administered by the Division of Local Services within the Department of Revenue. This program is not included in the Senate budget proposal.
- Both chambers propose about \$1.0 million for a different set of locally targeted projects, such as bridges, bike lanes, schools, and technology improvements.

An outside section in the Senate budget proposal would allow municipalities to charge up to a \$1,000 **fine to utilities that fail to remove excess utility poles** after a specified period. The House budget does not contain this language.

OTHER LOCAL AID LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
1599-0026	Municipal Regionalization and Efficiencies	10,893,296	6,980,000	5,950,000	(1,030,000)

OTHER

Libraries

Overall, Fiscal Year (FY) 2017 funding levels proposed for libraries by the House and Senate are very similar, differing by less than 2 percent. The Senate provides \$25.4 million, an amount \$502,000 less

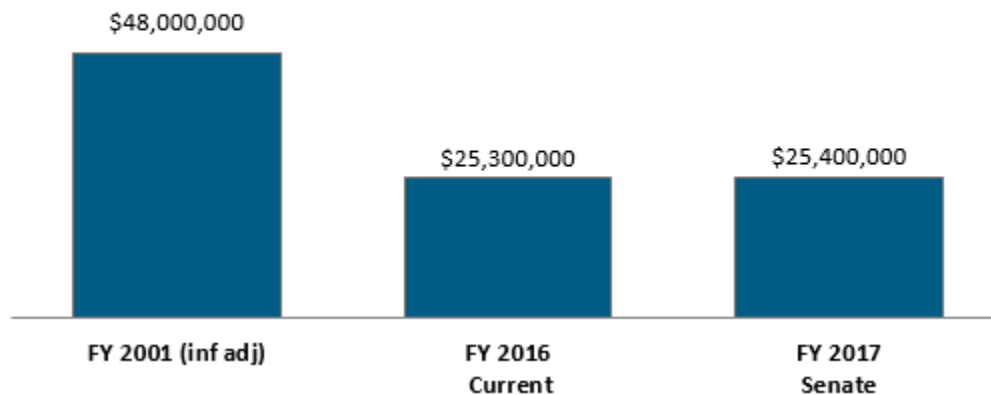
than the House. At the line-item level however, there are a number of more notable differences between the House and Senate proposals. The House provides \$250,000 more for **Regional Library Local Aid** than does the Senate and \$500,000 more for **Public Libraries Local Aid**. The House also provides \$200,000 for [The Massachusetts Center for the Book](#); the Senate provides nothing for this account. At the same time, the Senate provides \$148,000 more than the House for the **Board of Library Commissioners** and \$300,000 more for the **Library Technology** account. These differences will have to be reconciled during the Conference process.

LIBRARY PROGRAMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House	Notes
7000-9101	Board of Library Commissioners	1,077,431	1,077,431	1,225,000	147,569	See text above
7000-9401	Regional Libraries Local Aid	9,938,482	10,133,482	9,883,482	(250,000)	See text above
7000-9501	Public Libraries Local Aid	9,029,000	9,500,000	9,000,000	(500,000)	See text above
7000-9506	Library Technology	2,116,564	2,076,564	2,376,564	300,000	See text above
7000-9508	Center for the Book	200,000	200,000	0	(200,000)	See text above

More notable than these differences between the House and Senate budgets in proposed FY 2017 funding levels, however, is the very steep drop in annual state support for libraries since FY 2001. Where libraries received \$48.0 million in FY 2001 (adjusted for inflation), current FY 2016 funding is \$25.3 million, a decline of \$22.7 million, or 47.1 percent.

Library funding has been cut dramatically since FY 2001 (adj. for infl.)



Additional Line Item Differences

In addition to the spending accounts discussed above, the House and Senate Conference Committee will also need to reconcile spending differences detailed in the tables below. These tables are organized in the following MassBudget subcategories – *Commercial & Regulatory Entities*, *Constitutional Offices*, *Executive & Legislative*, and *Other Administrative*.

COMMERCIAL & REGULATORY ENTITIES LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
2100-0012	Department of Public Utilities Admin.	10,122,345	10,174,756	10,882,875	708,119
2100-0013	Transportation Oversight Division	369,019	283,440	263,438	(20,002)
7006-0010	Division of Banks	16,493,118	16,701,641	17,701,641	1,000,000
7006-0020	Division of Insurance	13,612,080	13,911,730	14,611,730	700,000
7006-0043	Home Improvement Contractors Ret. Rev.	500,000	472,307	500,000	27,693

CONSTITUTIONAL OFFICES LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
0511-0200	State Archives	365,557	365,557	565,557	200,000
0521-0000	Elections Division Administration	7,719,081	11,700,000	11,800,000	100,000
0540-0900	Essex Registry of Deeds-Northern Dist.	1,236,574	1,236,574	1,273,698	37,124
0540-1000	Essex Registry of Deeds-Southern Dist.	2,810,111	2,810,109	2,869,408	59,299
0540-1100	Franklin Registry of Deeds	622,985	622,986	622,985	(1)
0540-1200	Hampden Registry of Deeds	1,752,598	1,752,598	1,790,427	37,829
0540-1300	Hampshire Registry of Deeds	549,137	549,135	549,137	2
0540-1400	Middlesex Registry of Deeds-Northern Dist.	1,153,155	1,153,156	1,190,777	37,621
0540-1500	Middlesex Registry of Deeds-Southern Dist.	3,176,849	3,176,850	3,290,277	113,427
0540-1600	Berkshire Registry of Deeds-Northern Dist.	267,134	267,134	272,034	4,900
0540-1700	Berkshire Registry of Deeds-Central Dist.	456,131	456,130	461,397	5,267
0540-1800	Berkshire Registry of Deeds-Southern Dist.	227,398	227,397	229,139	1,742
0540-1900	Suffolk Registry of Deeds	1,806,290	1,806,290	1,849,254	42,964
0540-2000	Worcester Registry of Deeds-Northern Dist.	678,853	678,852	688,148	9,296
0610-0000	Office of the Treasurer and Receiver-General	9,305,174	9,481,963	9,731,963	250,000
0610-0010	Financial Literacy Programs	435,000	435,000	810,000	375,000
0710-0000	Office of the State Auditor Administration	14,230,535	14,500,916	14,730,535	229,619
0710-0100	Division of Local Mandates	351,864	358,279	358,278	(1)

EXECUTIVE & LEGISLATIVE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
9500-0000	Senate Operations	19,694,608	19,694,608	20,285,446	590,838
9600-0000	House of Representatives Operations	40,277,604	40,277,604	41,485,932	1,208,328
9700-0000	Joint Legislative Operations	8,709,884	9,709,884	8,971,181	(738,703)

OTHER ADMINISTRATIVE LINE ITEMS WITH FUNDING DIFFERENCES

Line Item #	Name	FY 2016 Current	FY 2017 House	FY 2017 Senate	Difference: Senate minus House
0640-0005	State Lottery Comm. - Monitor Games	3,126,659	3,126,659	3,701,659	575,000
0900-0100	State Ethics Commission	2,068,969	2,093,969	2,068,969	(25,000)
0910-0220	Bureau of Program Integrity	400,000	400,000	400,000	(1)
0910-0281	Tax Expenditure Review Audit Unit	3,126,659	0	500,000	500,000
0920-0300	Office of Campaign and Political Finance	2,068,969	1,586,196	1,536,196	(50,000)
0930-0100	Office of The Child Advocate	400,000	600,000	1,000,000	400,000
0940-0100	Mass. Commission Against Discrimination	0	3,048,657	3,515,657	467,000
0950-0000	Commission on the Status of Women	1,536,196	115,950	130,000	14,050
0950-0080	Commission on the Status of Asian Americans	600,000	50,000	56,270	6,270
1100-1100	Office of the Secretary of Admin. & Finance	2,898,657	3,436,202	3,161,202	(275,000)
1102-3199	Office of Facilities Management	100,950	10,737,338	10,287,338	(450,000)
1107-2501	Disabled Persons Protection Commission	50,000	3,043,391	3,293,711	250,320
1201-0100	Department of Revenue	3,261,202	77,536,444	77,536,443	(1)
1201-0122	Low Income Tax Clinics	11,114,563	0	250,000	250,000
1201-0160	Child Support Enforcement Division	2,943,391	29,371,521	29,371,522	1
1201-0911	Expert Witnesses and Their Expenses	93,323,535	700,000	600,000	(100,000)
1231-1000	Water and Sewer Rate Relief Payments	0	1,100,000	0	(1,100,000)
1232-0200	Underground Storage Tank Admin. Review Board	34,343,885	1,237,297	1,237,347	50
1599-2003	Uniform Law Commission	700,000	0	70,000	70,000
1599-2014	Victim Reserve	1,100,000	250,000	0	(250,000)
1599-4445	Quarter Point CB Reserve	1,347,835	0	2,000,000	2,000,000
1599-6732	Municipal OPEB Audit Reserve	0	0	65,000	65,000
1775-0115	Statewide Contract Fee	0	11,740,701	11,737,267	(3,434)
1790-0100	IT Division	0	3,347,240	3,347,239	(1)

REVENUE

Overall, the House and Senate FY 2017 budgets are very similar in terms of the temporary revenue solutions included in each (see table, below). Both draw on one-time and other temporary tax and non-tax revenue sources. Such revenue sources are useful for balancing the budget only in the current fiscal year and their use most often adds to the challenge of balancing the budget in future years (to read more about the state's projected FY 2017 budget gap, see [MassBudget's FY 2017 Budget Preview](#)). This is a recurring challenge, that some six years into an economic recovery, it remains necessary to draw on one-time and other temporary sources to balance our state budget. The Commonwealth's overall revenue structure is not able to generate an adequate stream of ongoing revenue, even in times of economic expansion.

Both the House and Senate budgets also use a number of other budget-balancing solutions, including underfunding several accounts that likely will require supplemental, mid-year funding. This too is problematic. Best budgeting practices would include fully funding these accounts as part of the initial budget, rather than assuming that additional funding will be provided mid-year. More detailed discussion of the items listed in the table below can be found in the Revenue section of MassBudget's [Senate Ways and Means FY 2017 Budget Monitor](#).

FY 2017 REVENUE PROPOSALS (\$ millions)	FY 2017 Governor		FY 2017 House		FY 2017 Senate	
	Ongoing Source	Temp. Source	Ongoing Source	Temp. Source	Ongoing Source	Temp. Source
TAX REVENUES						
Portion of capital gains revenue diverted from Stabilization		150.0		150.0		150.0
Large tax settlements	115.0		125.0		125.0	
Cap on the Life Sciences tax credit		5.0		5.0		5.0
Retention of Tourism Fund Revenue		44.0		44.0		34.0
SUBTOTAL	115.0	199.0	125.0	199.0	125.0	189.0
NON-TAX REVENUES						
Court house sale		30.0		30.0		30.0
Transfer from the Delivery System Reform Trust		73.5		73.5		73.5
Transfers from human services trust funds		12.7		12.7		12.7
Transfer from Commonwealth Care Trust	86.8		71.8		71.8	
SUBTOTAL	86.8	116.2	71.8	116.2	71.8	116.2
OTHER MAJOR BUDGET-BALANCING STRATEGIES						
Underfunding of Emergency Assistance		4.2		41.0		40.6
Underfunding of Private Counsel Compensation		1.4		26.4		26.4
Underfunding of Sheriffs' accounts		12.0		26.0		23.5
Not funding the full required deposit to the State Retiree		48.3		48.3		48.3
Using debt reversions to fund the State Retiree Benefits Trust		72.5		72.5		72.5
Using reversions to fund the Mass. Rental Voucher Program				14.7		14.7
SUBTOTAL	0.0	138.4	0.0	228.9	0.0	226.0
TOTAL	201.8	453.6	196.8	544.1	196.8	531.2

The House and Senate budgets differ very little in non-tax revenues. The Senate budget during floor debate made only a few changes that would affect estimated non-tax revenue estimates. The Senate estimates \$1.0 million more in revenue from abandoned property, and some slight revisions to estimates for federal reimbursements, in part tied to differences in spending proposals. (For a more detailed discussion of non-tax revenue, see the Senate Ways and Means *Budget Monitor* [HERE](#).)

While the House and Senate proposals align closely on additional tax and non-tax revenues, and on other budget-balancing solutions (see above), there are a number of other revenue-related proposals on which they differ, including the following:

- The Senate proposes creation of a **special unit within the Office of the Inspector General that would be responsible for reviewing state “tax expenditures,”** also commonly referred to as tax breaks. This unit would be charged with evaluating the public policy purpose of each tax expenditure and “whether existing tax expenditures are an effective means of accomplishing those public policy purposes.” The Senate provides \$500,000 for this unit, while the House budget includes no such proposal. (For more discussion of this issue, see MassBudget’s [Senate Ways & Means, FY 2017 Budget Monitor](#).)
- The Senate proposes a review of the current **“clawback” provisions associated with certain state tax breaks,** including an analysis of such provisions in other states, an assessment of economic impacts for taxpayers, and a set of recommendations for structuring effective clawback provisions for current and future tax breaks. The House budget includes no such proposal. Clawback provisions allow cities and states to recoup some or all of the value of tax breaks that were provided to businesses should said businesses fail to meet certain agreed upon goals, benchmarks or other conditions. These typically include goals regarding the number of jobs created or the amount of money spent on capital improvements.

- The Senate provides funding for the Commissioner of Revenue to offer grant funding to qualified **low-income taxpayer clinics** to expand their work with low-income taxpayers, helping these taxpayers to file tax returns and helping them with any disputes they may have with the Department of Revenue. Increased and improved tax filings among low-income households likely will increase access to a number of federal and state tax credits, such as the [Earned Income Tax Credit](#), Child Tax Credit and others. The Senate provides \$250,000 for this purpose. The House budget includes no such proposal.
- The Senate proposes requiring the Department of Revenue (DOR) to conduct an analysis of the **single sales factor apportionment formula**, which is used in determining a portion of the Massachusetts corporate income taxes paid by business. DOR is permitted to seek input from interested stakeholders. The House budget includes no such proposal. (Read more about the Singles Sales Factor in [this MassBudget factsheet](#).)
- The Senate proposes creation of a commission to **study online fantasy gaming** and “daily fantasy sports,” including how best to regulate this new industry and what the potential effects might be on the Commonwealth’s revenue stream. The House budget includes no such proposal.
- The House proposes a study on whether or not to exempt Massachusetts municipalities from paying the **motor fuels tax** on the fuel they purchase for city/town use. The study would be conducted by the Office of Administration and Finance (ANF) in collaboration with the Department of Revenue and the Department of Transportation. The study is required, among other things, to examine impacts on state and local revenues and on transportation infrastructure, as well as to examine distributional impacts on different income groups. The Senate budget includes no such proposal.
- The House proposes a study on the effects of **reducing the state sales tax** from 6.25 percent to 5 percent. The study would be conducted by the Office of Administration and Finance (ANF) in collaboration with DOR. The study is required, among other things, to examine impacts on state and local economies, changes in employment levels, and distributional impacts among different income groups. The Senate budget includes no such proposal.

These differences will need to be reconciled in Conference.

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. Details are below the chart.

BUDGET BY CATEGORY AND SUBCATEGORY (\$ millions)	FY 2001 Final Adjusted for Inflation to FY17	FY 2016 GAA	FY 2016 Current	FY 2017 House	FY 2017 Senate
Education	7,346.8	7,653.9	7,689.0	7,850.1	7,885.5
Early Education & Care	725.8	566.7	569.8	580.9	582.3
Higher Education	1,339.7	1,145.4	1,171.8	1,162.0	1,184.7
K-12: Chapter 70 Aid	4,148.1	4,514.4	4,515.0	4,617.7	4,628.0
K-12: Non-Chapter 70 Aid	682.3	623.6	628.5	622.5	623.3
K-12: School Building	450.8	803.9	803.9	867.1	867.1
Environment & Recreation	300.8	211.2	212.8	201.0	201.4
Environment	134.0	93.5	94.0	86.3	84.5
Fish & Game	24.3	27.5	28.4	28.0	28.3
Parks & Recreation	142.5	90.2	90.4	86.7	88.6
Health Care	10,011.2	18,608.2	19,224.2	19,510.1	19,469.7
MassHealth (Medicaid) & Health Reform	7,570.5	15,702.1	16,290.5	16,514.5	16,480.5
Mental Health	826.3	740.5	748.2	760.1	761.4
Public Health	725.5	560.3	580.4	585.4	582.9
State Employee Health Insurance	888.9	1,605.4	1,605.0	1,650.1	1,644.9
Human Services	3,737.3	4,089.8	4,125.8	4,176.7	4,189.8
Child Welfare	799.3	907.7	928.0	955.7	964.7
Disability Services	1,345.3	1,847.5	1,847.0	1,892.1	1,892.3
Elder Services	260.6	264.8	264.8	269.6	270.9
Juvenile Justice	165.2	177.2	177.1	176.5	177.1
Transitional Assistance	1,039.1	690.2	693.8	679.5	677.1
Other Human Services	127.7	202.4	215.1	203.3	207.8
Infrastructure, Housing & Economic Development	2,025.2	2,276.2	2,295.1	2,280.1	2,285.8
Commercial Regulatory Entities	59.9	58.2	58.4	57.8	60.2
Economic Development	293.3	157.2	153.2	142.3	139.1
Housing	346.2	431.9	488.8	447.2	450.0
Transportation	1,325.8	1,628.8	1,594.7	1,632.8	1,636.5
Law & Public Safety	2,590.2	2,618.7	2,703.2	2,673.3	2,683.0
Courts & Legal Assistance	784.7	693.5	723.9	705.0	711.9
Law Enforcement	378.7	384.3	382.6	397.3	397.5
Prisons, Probation & Parole	1,221.1	1,322.9	1,374.8	1,343.7	1,349.1
Prosecutors	160.2	158.7	161.2	167.9	165.9
Other Law & Public Safety	45.6	59.3	60.6	59.4	58.6
Local Aid	1,771.4	1,021.6	1,018.6	1,056.8	1,055.8
General Local Aid	1,744.2	979.8	979.8	1,021.9	1,021.9
Other Local Aid	27.2	41.8	38.8	34.9	33.9
Other	4,673.2	4,887.7	5,017.2	5,429.4	5,433.8
Constitutional Officers	109.1	76.3	76.8	83.8	85.3
Debt Service	2,207.6	2,517.5	2,630.7	2,642.5	2,642.5
Executive & Legislative	84.1	74.2	74.2	75.0	76.0
Libraries	48.0	25.3	25.3	26.0	25.4
Pensions	1,442.7	1,972.0	1,972.0	2,198.1	2,198.1
Other Administrative	781.7	222.4	238.2	404.1	406.4
Total Budget	32,456.0	41,367.3	42,285.8	43,177.6	43,204.9

NOTE: The FY 2016 and FY 2017 MassHealth and Health Reform totals are not comparable because of the timing of payments for certain trusts. MassBudget subtracts \$262.8 million from the FY 2016 budget in "Other Administrative" to reflect the total net savings from early retirement in FY 2016. MassBudget makes other adjustments to the totals to allow for better across-year comparisons.

- 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 2017, these add \$4.22 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. The FY 2017 Senate budget proposal includes a new pre-budget transfer to the Mass. Tourism Trust in order to fund specific tourism-related line items.
- 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 – FY 2011, UMass Amherst (alone) 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 will retain 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 funding paid for out of **anticipated reversions**, which are budgeted amounts unspent at the end of the year. For example, a portion of funding for health care for retired state employees has in some years come from anticipated reversions of 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.
- Budget proposals often **include proposals to shift funding** from one line item to another. To the extent the data allow, MassBudget adjusts appropriation totals to allow for better across-year comparisons by shifting the proposed transferred amounts back into the prior year's funding structure.