

The Commonwealth of Massachusetts

Senate Committee on Ways & Means

212 state house ⚫ boston, ma 02133

**Senator Stephen M. Brewer**

**Chairman**

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 **Senate Ways and Means Releases Budget for FY 2014**

**(Boston)** – Today, the Senate Committee on Ways and Means announced its funding recommendations for fiscal year 2014 (FY14). The budget provides $33.92 billion in spending, closing a $1.2 billion budget gap and investing in some of the most essential elements of government, including local aid. The spending plan utilizes new revenues generated as a result of the joint transportation finance framework agreed on by the House and Senate last month. The budget continues the Senate’s commitment to fiscal responsibility while meeting the needs of citizens through restoring vital funding to core services. The spending is a $1.4 billion increase over FY13 and includes $403 million in new investments including housing, education, veterans’ services and mental health programs.

“Massachusetts continues to face a number of fiscal challenges as we continue to recover from the economic collapse five years ago,” said Stephen M. Brewer, Chair of the Senate Committee on Ways and Means. “This budget makes a number of targeted investments that will sustain the Commonwealth for years to come, building on innovation and efficiency while maintaining a partnership with our municipal partners and providing services to residents most in need.”

“I am very proud of the thoughtful deliberation process represented in this budget. Chairman Brewer and I have met with many, many stakeholders across all areas of government and crafted a fiscally responsible budget that reflects the diverse needs of the Commonwealth,” said Senator Jennifer L. Flanagan, Vice Chair of the Senate Committee on Ways and Means.

“This budget is a comprehensive plan that will help provide essential services to residents throughout the Commonwealth. I am pleased to have worked closely with Chairman Brewer and Vice Chairwoman Flanagan to come up with a proposal that is both sustainable and responsible,” said Senator Sal DiDomenico, Assistant Vice Chair of Senate Ways and Means.

The Senate Ways and Means budget for FY14 prioritizes resources to vital programs that help people, families, and communities. Although Massachusetts continues to recover from the recession at a rate faster than most states, many programs that offer key services still have not seen funding levels restored to before the economic downturn. This budget targets many of those investments key to continuing the state’s recovery and confronts remaining challenges.

The Senate Ways and Means plan makes important investments in the area of health and human services by funding sustainable programs that provide long term solutions. The committee’s proposal includes $11.1 million in new funding for Elder Affairs programs. Funding for councils on aging is at the highest level of state support it has ever been. In addition to increasing services at senior centers, the additional funds will eliminate existing wait lists for home care services. The investment will allow more seniors to stay in their homes, avoiding costly nursing home placements that could save millions and will improve the quality of life for Massachusetts seniors.

The budget also increases funding for mental health services by $30.3 million, maintaining 626 inpatient mental health beds, including 45 beds at Taunton State Hospital. The funding will also expand emergency mental health services. Furthermore, this budget funds MassHealth at a sufficient level to maintain existing services and implement the Affordable Care Act (ACA).

Funding for sustainable housing is a priority in the budget as well, allocating funding for programs that are vital to keeping families in their homes. A $19.6 million increase in sustainable housing programs will help more families avoid the shelter system. The budget includes a $57.5 million investment in the Massachusetts Rental Voucher Program (MRVP) which will provide new subsidized housing vouchers to more than 1,000 families and increases funding for Residential Assistance for Families in Transition (RAFT).

Continuing the commitment to our municipal partners, the Senate Ways and Means budget also includes a $166.2 million boost for local aid over FY13 spending. Once again, the committee allocates nearly $900 million in unrestricted government aid and increases funding for local education, or Chapter 70, ensuring that all school districts receive at least $25 per pupil over FY 2013. Funding for SPED Circuit Breaker, which reimburses for the cost of high needs special education students, is fully funded at $252.8 million and the $5 million increase in funding for Regional School Transportation marks the highest reimbursement rate for regional school transportation costs since FY09.

In early education, the Senate Ways and Means budget increases funding for income eligible child care by $15 million, taking more than 2,000 families off the wait list and providing low income families with high quality child care that improves school readiness and provides vital work or education support for parents and guardians. Other early education initiatives, such as Head Start and Healthy Families, received level funding.

Funding for higher education institutions is also increased from the previous fiscal year. The University of Massachusetts, state universities and community colleges all receive increases from FY13. The Senate Ways and Means budget also increases the amount appropriated to the Scholarship Reserve program, helping to mitigate increasing costs to Massachusetts students and continuing the effort to streamline courses across the higher institutions to allow for students to transfer between community colleges, state universities, and the Universities of Massachusetts more seamlessly.

In addition to investing in education, the Senate Ways and Means increases state support for economic development and employment programs. The budget includes $72.4 million in funding for a variety of economic development accounts including programs that fund salaries for at-risk youth, to recapitalize the Innovation Institute at the Massachusetts Technology to maintain a favorable environment for technology companies, and for the new Advanced Manufacturing Futures program to increase focus on manufacturing companies and their specific workforce needs.

Additional investments under this plan include a 5% increase to veterans’ outreach centers and homeless shelters receive a 5% increase. The budget provides Trial Court with the funds necessary to continue court operations and provides $256.1 million for State Police Operations and to fund a new class to maintain public safety.

In last year’s budget the Commonwealth was able to transition from cuts to investments and that work is continued in the Senate Ways and Means plan. The new investments made in this budget provide support for essential services while making targeted investments in our economy and infrastructure that will keep our economy growing. Most importantly the investments do not come at the cost of cutting core government services or leaning heavily on the middle class. By using the revenues generated from the joint transportation finance framework, making reasonable spending reductions, judiciously using one-time revenues and introducing new reform initiatives, the budget provides funding for continuing performance management and the commitment to improving government efficiency remains a priority.