

The Senate Budget for FY 2013

When the Senate finished debating its budget last Friday, it brought an end to the first phase of the budget process—the phase where the Governor, the House, and the Senate each produce their own separate proposal. The challenge of the next phase is to reconcile these very different proposals and produce a single budget for the state as a whole.

This *Budget Monitor* describes the chief differences between the Senate and House proposals, in preparation for the House-Senate Conference Committee that will be tasked with reconciling these differences. It also analyzes the many amendments that the full Senate adopted during debate of the Senate Ways and Means Committee proposal.

The basic contours of the Senate budget were left mostly unchanged by the amendment process. In order to fill a budget gap of roughly \$1.3 billion, the Senate proposal relies on roughly equal amounts of **temporary revenue** and **cuts & savings**. This is generally consistent with the House proposal, though the House uses somewhat more temporary revenue.

Neither the Senate nor the House budget includes new taxes. This means that the Governor's proposals to increase the cigarette tax and end the sales tax exemption for candy and soda will not be taken up by the Conference Committee. It also means there will be no revenue from new taxes in the final budget.

All across the budget there are significant differences between the House and Senate budgets that the Conference Committee will need to reconcile.

- **K-12 Education:** The Senate includes a provision to distribute money to a targeted group of non-wealthy school districts, making its Chapter 70 funding \$16 million higher than the House. In addition, it provides \$21 million more for the reimbursement of very high-needs special education students.
- **Health Care:** In MassHealth alone, there are significant differences in funding and policy. On the funding side, the Senate proposed a much more aggressive target for cuts and savings. In terms of policy changes, though, it also introduced a series of new proposals, including for dental services.
- **Law & Public Safety:** The Senate provides \$20 million more to support Law & Public Safety than does the House, including additional money for police training and youth violence prevention.

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The sections that follow analyze these issues in greater detail, along with many of the other challenges

the House-Senate Conference Committee will face in its efforts to produce a single budget that can pass both houses.

In addition, each section discusses the relevant amendments which were adopted during Senate debate. Among the most significant are a \$3.7 million increase for **Homelessness Assistance** and affordable housing programs, \$5 million for the **Community Preservation Act**, and \$20 million to provide raises for workers who care for the disabled, the elderly, and children.

The table below shows how the Senate Budget compares to other recent budgets and budget proposals, including the 2012 budget and the initial budget for FY 2009. In this analysis, we have adjusted the numbers where relevant to allow for more accurate comparisons among the budget proposals from the House and Senate. The House had included the costs of collective bargaining agreements for state workers in special reserve (temporary holding) accounts, whereas the Senate included those costs in the various line items from which the affected workers would be paid. To allow for a more accurate comparison of the proposals, we go back and allocate the reserve totals in the House numbers to match the Senate budget structure. As a result, some of the totals for some subcategories in the House budget proposals are higher in this *Budget Monitor* than in our earlier *Monitors*, and the totals associated with those collective bargaining reserve accounts (usually included in the “Other Administrative” subcategory total) are less.

BUDGET BY CATEGORY AND SUBCATEGORY (millions)	FY 2009 GAA (inflated)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Education	7,425.2	6,641.9	6,893.6	6,931.1	37.5
Early Education & Care	630.3	506.8	499.4	498.2	(1.2)
Higher Education	1,168.5	954.7	1,007.8	1,014.9	7.0
K-12: Chapter 70 Aid	4,217.5	3,990.8	4,154.6	4,171.1	16.5
K-12: Non-Chapter 70 Aid	659.1	511.4	542.4	557.6	15.2
K-12: School Building	749.8	678.1	689.4	689.4	0.0
Environment & Recreation	227.2	162.3	169.6	178.6	9.0
Environment	95.8	72.0	74.2	80.0	5.9
Fish & Game	22.7	18.8	20.4	20.8	0.4
Parks & Recreation	108.7	71.5	75.0	77.8	2.7
Health Care*	13,801.6	14,466.7	15,160.9	15,093.2	(67.8)
MassHealth (Medicaid) & Health Reform	11,096.7	11,922.0	12,654.7	12,604.8	(49.9)
Mental Health	732.1	651.0	675.4	672.4	(3.0)
Public Health	635.0	523.7	519.8	531.7	11.9
State Employee Health Insurance*	1,337.8	1,370.0	1,311.1	1,284.3	(26.7)
Human Services	3,746.1	3,419.1	3,502.3	3,500.7	(1.6)
Children, Youth & Families	1,067.6	890.1	911.3	916.6	5.3
Disability Services	1,441.7	1,382.5	1,440.4	1,425.7	(14.7)
Elder Services	254.8	218.8	222.1	221.0	(1.1)
Transitional Assistance	829.2	785.6	787.4	775.9	(11.5)
Other Human Services	152.8	142.2	141.1	161.5	20.4
Infrastructure, Housing & Economic Development	1,571.1	1,724.9	1,656.9	1,654.1	(2.8)
Commercial Regulatory Entities	55.0	49.4	49.8	49.9	0.0
Economic Development	184.7	133.7	97.3	94.0	(3.3)
Housing	295.4	398.3	374.1	369.5	(4.6)
Transportation	1,035.9	1,143.5	1,135.7	1,140.7	5.0
Law & Public Safety	2,714.1	2,337.4	2,360.7	2,380.8	20.1
Courts & Legal Assistance	699.7	625.1	625.5	626.1	0.6
Law Enforcement	445.3	326.2	338.7	345.5	6.8
Prisons, Probation & Parole	1,365.1	1,204.7	1,214.2	1,222.4	8.2
Prosecutors	156.0	138.1	139.9	142.8	2.9
Other Law & Public Safety	48.0	43.2	42.4	44.0	1.6
Local Aid	1,438.3	936.5	932.4	941.4	9.0
General Local Aid	1,404.3	899.0	899.0	900.0	1.0
Other Local Aid	34.1	37.5	33.4	41.4	8.0
Other	4,497.1	4,336.0	4,520.2	4,493.4	(26.8)
Constitutional Officers	95.5	69.7	75.6	75.6	(0.1)
Debt Service	2,216.6	2,255.5	2,419.6	2,416.0	(3.6)
Executive & Legislative	73.9	67.9	66.5	66.4	(0.1)
Libraries	36.4	21.5	21.8	21.8	(0.1)
Pensions	1,564.7	1,478.0	1,552.0	1,552.0	0.0
Other	510.1	443.5	384.6	361.6	(23.0)
Total Appropriations and Transfers	35,420.8	34,024.8	35,196.6	35,173.2	(23.4)

* In order to make an accurate comparison across fiscal years, this total includes an adjustment to account for the increased use of the Group Insurance Commission by municipalities for their employees' health benefits.

NOTE: The FY 2012 Current total includes funding in the GAA plus any supplemental budgets passed during the year. The FY 2013 budgets include adjustments to allow for accurate comparisons among the proposals and for year-to-year comparisons. All numbers use the Consumer Price Index (CPI-U) to adjust for inflation

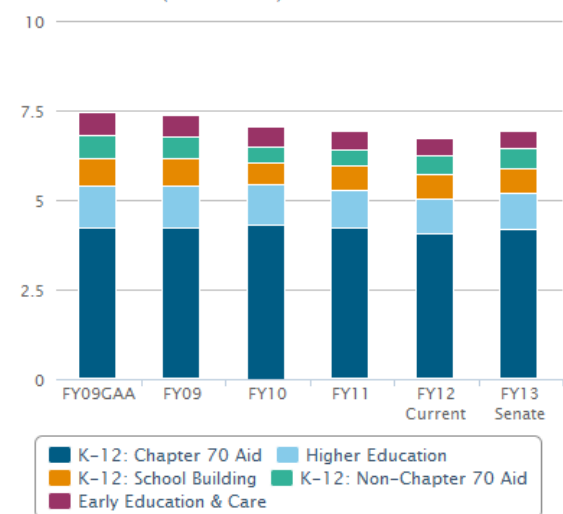
EDUCATION

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Education	7,425,231,565	6,641,930,788	6,893,603,867	6,931,135,726	37,531,859
Early Education & Care	630,273,131	506,848,267	499,378,951	498,212,634	(1,166,317)
Higher Education	1,168,525,324	954,706,702	1,007,818,045	1,014,857,429	7,039,384
K-12: Chapter 70 Aid	4,217,523,807	3,990,812,680	4,154,611,977	4,171,079,892	16,467,915
K-12: Non-Chapter 70 Aid	659,120,982	511,419,739	542,394,894	557,585,772	15,190,878
K-12: School Building	749,788,322	678,143,400	689,400,000	689,400,000	0

Driven mostly by the Senate's Chapter 70 and Special Education Circuit Breaker proposals, the Senate Fiscal Year (FY) 2013 budget proposal is somewhat higher than the House proposal. The Senate proposal is 4.4 percent higher than current FY 2012 funding levels, which would help offset a portion of cuts to education programs since the beginning of the state fiscal crisis in FY 2009.

During floor debate, the Senate increased funding for seventeen education accounts, summarized in the table below.

Billions of Dollars (2013 Dollars)



EDUCATION LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
1233-2401	Smart Growth School Costs (405)	325,000	175,000	500,000
7010-0012	METCO	16,892,582	1,000,000	17,892,582
7027-0019	Connecting Activities	2,750,000	450,000	3,200,000
7027-1004	English Language Acquisition	514,937	700,000	1,214,937
7035-0006	Regional School Transportation	43,521,000	2,000,000	45,521,000
7061-0008	Chapter 70 Education Aid	4,171,078,492	1,400	4,171,079,892
7061-0011	Education Reform Reserve	3,500,000	1,000,000	4,500,000
7061-9600	Concur. Enroll. for Disabled Students	400,000	200,000	600,000
7066-0000	Department of Higher Education	1,843,708	250,000	2,093,708
7066-0009	New England Board of Higher Ed.	183,750	183,750	367,500
7066-0035	STEM Pipeline Fund	1,000,000	500,000	1,500,000
7066-0038	Youth Venture	0	100,000	100,000
7066-0111	Higher Education Consultant	0	100,000	100,000
7070-0066	High Demand Scholarship Program	3,000,000	2,000,000	5,000,000
7100-0200	UMass	429,540,642	50,000	429,590,642
7100-0700	Office of Dispute Resolution	0	925,000	925,000
7112-0100	Framingham State University	21,727,143	200,000	21,927,143

Early Education & Care

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Early Education & Care	630,273,131	506,848,267	499,378,951	498,212,634	(1,166,317)

During floor debate the Senate did not alter any Senate Ways & Means (SWM) funding levels for programs within early education and care. Although there are differences between the Senate and House proposals, the differences do not comprise large dollar amounts.

The difference between the House and the Senate proposals is just \$1.2 million with the House proposal being slightly higher. These programs have been cut dramatically over recent years. The Senate proposal represents a cut of 21.0 percent when compared to FY 2009 GAA inflation-adjusted funding levels.

In FY 2012, 87.4 percent of early education and care funding went to three **child care** line items. Taken together, the Senate proposal for them is \$9.3 million lower than the current FY 2012 budget and just \$1.2 million (0.3 percent) lower than the House's FY 2013 proposal. Compared to the House the Senate proposal is lower for **Supportive Child Care** (\$719,000) and income eligible **child care access** (\$500,000). **TANF Related Child Care** is level with the House proposal. For a more detailed description of these line items, see

http://www.massbudget.org/report_window.php?loc=budget_monitor_swm_fy13.html§ion=2

Entry for new income eligible child care access families has been closed for most of FY 2012 and both the Senate and House proposals would continue to exclude new families for FY 2013. EEC is projecting a small surplus in this account for FY 2012 which would be used for siblings of children already receiving a subsidy. In April 2012 the number of families on the waitlist for child care access exceeded 36,000 with an 11.8% increase from March to April alone. Although the state is projecting a reduction in caseload for TANF-related child care, EEC projects that the \$125.5 million appropriation proposed by the Senate, House and Governor will be insufficient in FY 2013. DCF no longer counts the number of children waiting for supportive child care, but in FY 2010 the waitlist averaged around 1,000 children.

A few line items have significant percentage differences between the Senate and House, but since they are small do not account for large dollar differences. These include proposals for **Reach Out and Read**, **Access Management** and **Dept. of Early Ed & Care Admin.** (See line item table below for details)

EARLY EDUCATION & CARE LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
3000-1000	Dept. of Early Ed & Care Admin.	12,172,954	12,503,088	330,134	
3000-2000	Access Management	5,933,862	5,433,862	(500,000)	
3000-2050	Children's Trust Fund	1,080,682	1,097,237	16,555	
3000-3050	Supportive Child Care	77,330,875	76,612,276	(718,599)	
3000-4050	TANF Related Child Care	125,495,740	125,495,740	0	
3000-4060	Low-Income Child Care	231,870,452	231,370,452	(500,000)	
3000-5000	Head Start	8,000,000	8,000,000	0	
3000-5075	Universal Pre-Kindergarten	7,500,000	7,500,000	0	
3000-6075	Early Childhood Mental Health	750,000	750,000	0	
3000-7000	Healthy Families Home Visiting	10,479,496	10,463,346	(16,150)	
3000-7050	Family Support and Engagement	18,164,890	18,186,633	21,743	
3000-7070	Reach Out and Read Program	600,000	800,000	200,000	

*Amended by Senate - see table at beginning of section

K-12: Chapter 70 Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
K-12: Chapter 70 Aid	4,217,523,807	3,990,812,680	4,154,611,977	4,171,079,892	16,467,915

With one technical amendment adding a very small amount of funding to **Chapter 70 education aid**, the final Senate proposal remains \$16.5 million above the House proposal. This difference will have to be reconciled by the conference committee.

During floor debate, the Senate did amend an existing section of the Chapter 70 law that calls for a **foundation budget review commission** to review the state's approach to calculating district foundation budgets. The Senate revises some of the language identifying specific topics of investigation and calls for commission recommendations to be filed no later than June 30, 2013 and again every four years after that. Additionally, revised language directs the commission to conduct at least four public hearings prior to issuing its recommendations. The House budget did not amend any of this existing language, so Senate changes will have to be negotiated by the conference committee.

To understand the difference between the House and Senate Chapter 70 proposals it is useful to review the full sequence of FY 2013 Chapter 70 proposals, starting with the Governor's, since each subsequent proposal has built on top of previous ones:

1. The Governor's Chapter 70 proposal, which began the state budget process, roughly funded the formula outlined in state law, using updated enrollment, inflation, and municipal revenue growth factor measures, helping school districts keep up with the rising cost of providing baseline services.¹ The Governor's proposal also partially phased in one of the reforms planned

¹ For more information on how the Chapter 70 formula works, see [Demystifying the Chapter 70 Formula](#).

as part of the FY 2007 budget – reducing by 15 percent the gap for districts whose preliminary contribution is above their target.² Ultimately, the Governor's Chapter 70 proposal reflected a \$145.3 million increase over FY 2012.

2. The House budget then built onto the Governor's proposal by adding a provision that guaranteed each school district a minimum \$40 per pupil increase over their FY 2012 aid allocation. Since this provision was an add-on to the Governor's proposal, it had the effect of adding another \$18.5 million to Chapter 70 on top of the Governor's initial \$145.3 million increase proposal. This House provision had a regressive distributional effect, since the additional \$18.5 million was predominantly targeted to wealthier districts. Please see our [FY 2013 House Budget Monitor](#) for more details.
3. The Senate proposal then took the House proposal one step further. In addition to including the \$40 per pupil minimum, it added a final provision directing aid to a large subset of communities whose actual aid is below their target aid.

Specifically, the Senate proposal distributed money to communities whose Chapter 70 aid allocation is below their "target aid percentage."³ The Senate budget distributed this money only to those districts whose Combined Effort Yield (a uniform measure of local property wealth and incomes available to fund K-12 education) as a percent of their foundation budgets is less than or equal to 107.5. In total, the target aid and \$40 per pupil minimum provisions together raise Chapter 70 aid \$35.0 million above the Governor's proposal. Like the House's increase over the Governor's proposal, the Senate's increase proposal has a somewhat regressive distributional effect, although exempting the wealthiest districts from its target aid provision helped make it less regressive than it otherwise would have been. Additionally, the Senate provision relating to target aid does have the virtue of further advancing a subset of policy reforms planned through the 2007 budget. The \$40 per pupil minimum provision, by contrast, distributes additional aid without considering local need or capacity. Please see our [FY 2013 SWM Budget Monitor](#) for more details.

In summary, both the House and Senate budgets funded the Chapter 70 formula outlined in state law, using updated enrollment, inflation, and municipal revenue growth factor measures, helping school districts keep up with the rising cost of providing baseline services. Furthermore they both included a \$40 per pupil minimum increase provision. What remains to be reconciled in conference is inclusion of the Senate's additional target aid proposal.

K-12: Non-Chapter 70 Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
K-12: Non-Chapter 70 Aid	659,120,982	511,419,739	542,394,894	557,585,772	15,190,878

² For more information on the 2007 reform plan, please see the November 2006 MassBudget paper *Public School Funding in Massachusetts: Where We Are, What Has Changed, and Options Ahead*, available here:

http://www.massbudget.org/file_storage/documents/Public_School_Funding-Where_We_Are_What_Has_Changed_-_FINAL.pdf

³ This approach is similar to "down payment aid" discussed on page 6 of the above *MassBudget* report.

During floor debate, the Senate added small amounts of funding for seven K-12 education grant programs for a total increase of \$5.5 million. For more detail, please see the table summarizing Senate floor changes at the beginning of this section.

Most K-12 education grant programs are funded at slightly different levels in the Senate and House budgets and each of these differences will have to be reconciled in conference committee. By far the two largest differences are between proposals for the **Special Education Circuit Breaker** and **Homeless Student Transportation**. The Senate's circuit breaker proposal, which is \$20.6 million above the House's, would enable the state to reimburse school districts at close to the full 75 percent statutory reimbursement rate (of costs above four times the state foundation budget per pupil) for the first time since FY 2008. It should be noted that the Senate's increase in circuit breaker funding is coupled with outside section language that freezes the annual inflationary increase made for tuition payments to private SPED schools.

Homeless Student Transportation is funded by the House budget at \$11.3 million and is not funded at all in the Senate budget. Federal law provides that homeless students living in temporary housing outside of a city or town where the family lived prior to becoming homeless may choose to remain enrolled in the school district of origin. The federal law requires that transportation be provided so that students can continue attending the school district of origin, and under the House proposal, this new line item would help reimburse host and sending school districts for these transportation-related costs.

K-12: NON-CHAPTER 70 AID LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
1233-2401	Smart Growth School Costs (40S)	0	500,000	500,000	
7009-1700	Education IT Costs	8,779,913	11,401,901	2,621,988	
7009-6379	Office of the Secretary of Education	748,015	726,986	(21,029)	
7009-6400	Gateway Cities ELL Programs	2,600,000	3,500,000	900,000	
7009-6401	Gateway Cities Student Counselors	0	0	0	Gov. funded
7009-6402	Gateway Cities Career Academies	500,000	1,000,000	500,000	
7009-6403	Gateway Cities Early Lit. Programs	0	0	0	Gov. funded
7009-6404	Innovation Fund	0	0	0	Gov. funded
7009-7000	Data Sharing	0	505,000	505,000	
7010-0005	DESE	13,528,111	13,444,988	(83,123)	
7010-0012	METCO	18,142,582	17,892,582	(250,000)	
7010-0020	Bay State Reading Institute	400,000	400,000	0	
7010-0033	Literacy Programs	3,147,940	3,147,940	0	
7010-3000	Education Collaborative Oversight	0	250,000	250,000	
7027-0019	Connecting Activities	2,770,000	3,200,000	430,000	
7027-1004	English Language Acquisition	364,937	1,214,937	850,000	
7028-0031	School-Age in Institutions & Correct	7,443,520	7,478,770	35,250	
7030-1002	Kindergarten Expansion Grants	24,948,947	20,948,947	(4,000,000)	
7030-1005	Targeted Tutorial Literacy Program	400,000	400,000	0	
7035-0002	Adult Basic Education	29,926,980	30,707,455	780,475	
7035-0005	Homeless Student Transportation	11,300,000	0	(11,300,000)	
7035-0006	Regional School Transportation	45,442,445	45,521,000	78,555	
7035-0007	Non-Resident Pupil Transportation	200,000	400,000	200,000	
7035-0035	Advanced Placement STEM	1,750,000	2,000,000	250,000	
7051-0015	Temporary Emergency Food Assist.	0	1,000,000	1,000,000	House into 2511-0105
7053-1909	School Lunch Program	5,426,986	5,426,986	0	
7053-1925	School Breakfast Program	4,121,216	4,121,215	(1)	
7061-0011	Education Reform Reserve	0	4,500,000	4,500,000	
7061-0012	SPED Circuit Breaker	221,594,996	242,182,288	20,587,292	
7061-0029	Office of EQE	952,676	959,028	6,352	
7061-0033	Public School Military Mitigation	1,300,000	1,300,000	0	
7061-0928	Financial Literacy Program	250,000	0	(250,000)	
7061-9010	Charter School Reimbursement	71,554,914	71,454,914	(100,000)	
7061-9200	Education Technology Program	886,018	901,178	15,160	
7061-9400	Student and School Assessment	24,385,470	23,903,482	(481,988)	
7061-9404	MCAS Low-Scoring Student Support	9,575,175	9,094,804	(480,371)	
7061-9408	Underperforming Schools	7,658,527	6,849,037	(809,490)	
7061-9412	Extended Learning Time Grants	14,168,030	14,042,764	(125,266)	
7061-9600	Concur. Enroll. for Disabled Student	400,000	600,000	200,000	
7061-9601	Teacher Certification Retained Rev.	1,423,243	1,405,317	(17,926)	
7061-9611	After-School & Out-of-School Grants	1,410,000	1,410,000	0	
7061-9614	Alternative Education Grants	146,140	146,140	0	
7061-9626	Youth-Build Grants	2,000,000	1,500,000	(500,000)	
7061-9634	Mentoring Matching Grants	350,000	250,000	(100,000)	
7061-9804	Teacher Content Training	746,162	346,162	(400,000)	
7061-9810	Regionalization Bonus	251,950	251,950	0	
7066-0024	Schools of Excellence	1,400,000	1,300,000	(100,000)	

K-12: School Building

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
K-12: School Building	749,788,322	678,143,400	689,400,000	689,400,000	0

Both the Senate and House budgets project a contribution to the School Modernization and Reconstruction Trust (SMART) of \$689.4 million, so this funding amount is not up for negotiation during the conference committee. Each year the Commonwealth is required to contribute to this trust an amount equal to one out of every 6.25 cents brought in through the state sales tax.

Higher Education

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Higher Education	1,168,525,324	954,706,702	1,007,818,045	1,014,857,429	7,039,384

During floor debate, the Senate increased funding by relatively small amounts for nine higher education-related accounts. Only two of these changes amended campus appropriations. **UMass** was increased by \$50,000, with an earmark directing all of this increase to fund specific breast cancer research programs. **Framingham State University** was increased by \$200,000, with an earmark directing all of this increase to the Christa McAuliffe Challenger Learning Center. For more detail, please see the table summarizing Senate floor changes at the beginning of this section.

The Senate did propose two significant policy changes that are not included in the House budget. The Senate budget would allow UMass campuses and State Universities the option of retaining **in-state tuition** starting July 1, 2013, rather than continuing to remit that tuition revenue back to the state. Additionally, the Senate directs the Board of Higher Education (BHE) to develop a plan for setting **student fees** at community colleges. Campuses have used fee increases as a tool for offsetting revenue lost by state budget cuts, and this proposal would give the BHE greater power to limit this practice.

Funding proposals for the three different types of public higher education campuses are very similar in the House and Senate budgets, as reflected in the table below. The House and Senate budgets include about \$43 million in collective bargaining accounts that cover labor costs at each of the campuses. While this spending shows up in separate reserve accounts, *MassBudget* builds these dollars into campus totals below in order to reflect more accurately the level of state budget resources being used to run these campuses (\$5.7 million for line item 1599-4419 goes towards a bargaining unit covering both state universities and community colleges and cannot be broken out across these two types of campuses).⁴ Except for these collective bargaining increases, higher education campuses are all close to

⁴ Additionally, starting in FY 2012, all campuses of public higher education began retaining tuition payments from out-of-state students, rather than remitting that revenue back to the state, so *MassBudget* adjusts upwards the campus allocations by these projected amounts so that one can compare reasonably the levels or resources available at an individual campus to previous years when this tuition was remitted to the state.

level-funded from current FY 2012 levels. The table below summarizes funding totals for each of these campus types.

Higher Education Funding by Campus Type

Campus Type	FY 2009 GAA (inf adj)	FY 2013 House	FY 2013 Senate	Senate minus House
UMass	534,117,612	456,771,792	458,260,776	1,488,984
State Universities	237,709,898	205,544,970	205,744,970	200,000
Community Colleges	260,982,434	217,747,857	217,681,469	(66,388)
TOTAL	1,032,809,944	880,064,619	881,687,215	1,622,596

NOTE: Campus appropriations reflect MassBudget adjustments, including amounts for tuition retention and collective bargaining.

While total funding for higher education would increase somewhat over FY 2012 under both the House and Senate budget proposals, they still represent inflation-adjusted cuts of around 13 percent from pre-recession levels (FY 2009 GAA). Cuts are even deeper when looked at over the last decade, with FY 2013 funding proposals representing around a 30 percent cut from FY 2001.

The Senate and House proposals for **community colleges** are very similar, yet they differ somewhat from the Governor's proposal both in terms of overall funding levels and in terms of policy reforms advanced through the budget. The Governor proposed significant changes to the state's community college system, centralizing budget and leadership control over community colleges within the Board of Higher Education (BHE) and providing an additional \$10.4 million in funds for FY 2013. Both the House and Senate proposals do, however, establish special commissions to study community college funding under the existing separate line item structure, with the goal of integrating workforce development goals and performance metrics. The Governor also proposed development of a new funding formula, but charged the Commissioner of Higher Education with doing this work.

While the Senate and House budgets do not replicate the Governor's full governance consolidations, they do include language in outside sections that is similar in nature to the Governor's reform package. The Senate proposal expands the Board of Higher Education's role in selecting community college presidents, but does not give the BHE full authority to select presidents as the Governor's proposal did. The House and Senate proposals allow the BHE to remove presidents, but the Senate proposal sets a higher standard for removal, requiring a 2/3 vote rather than a simple majority.

Albeit in different ways, all three reform proposals call for community colleges to focus more specifically on job training and seek to standardize the system statewide, easing the process of transferring credits across campuses.

Finally, one difference between the House and Senate proposals regarding community college reform is that the Senate couples its governance reforms with funding for some new programs to help advance these reforms. These new programs include: a **Degree Audit and Tracking System**, a portion of which would fund the development of a standard core of course offerings to be honored for common credit across colleges and universities; **Rapid Response Grants** to enable community colleges to set up workforce training programs within three months of a request by local businesses; a **High Demand Scholarship Program**, targeted for Massachusetts residents attending state universities or community colleges working towards majors in high-demand professions; and a new **Office of Coordination**, housed within the Board of Higher Education.

Please see the table below for more information on higher education line items, with differences between the Senate and House proposals listed. This table includes tuition retention adjustments for each of the campus line items, but separates out collective bargaining accounts.

HIGHER EDUCATION LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
various	State University CB	10,536,201	10,536,201	0	see text above
various	UMass Collective Bargaining (CB)	25,574,228	25,546,694	(27,534)	see text above
1599-4421	Community Colleges CB	7,381,128	7,314,741	(66,387)	see text above
1599-3857	UMass Dartmouth Lease Costs	1,581,922	1,581,922	0	
1599-4417	Collins Center UMass Boston	0	616,518	616,518	
1599-4419	AFSCME, Local 1067	5,696,424	5,696,424	0	see text above
1599-7104	Star Store Reserve	4,400,000	2,700,000	(1,700,000)	
7066-0000	Department of Higher Education	2,828,649	2,093,708	(734,941)	
7066-0002	Degree Audit and Tracking System	0	4,000,000	4,000,000	
7066-0004	Office of Coordination	0	750,000	750,000	
7066-0005	Compact for Education	0	82,620	82,620	
7066-0009	New England Board of Higher Ed.	367,500	367,500	0	
7066-0015	Workforce Dev. Grants to C.C.'s	1,250,000	1,000,000	(250,000)	
7066-0016	Foster Care Financial Aid	1,075,299	1,075,299	0	
7066-0019	Dual Enrollment Grants	750,000	750,000	0	
7066-0020	Nursing & Allied Health Work. Dev.	0	500,000	500,000	
7066-0021	Foster Care & Adopted Fee Waiver	1,716,291	3,235,400	1,519,109	
7066-0025	Performance Management Set Aside	7,500,000	2,000,000	(5,500,000)	
7066-0035	STEM Pipeline Fund	1,500,000	1,500,000	0	
7066-0050	Rapid Response Grants	0	3,000,000	3,000,000	
7070-0065	State Scholarship Program	87,607,756	87,607,756	0	H. +\$1 mil MEFA
7070-0066	High Demand Scholarship Program	0	5,000,000	5,000,000	
7077-0023	Tufts Veterinary Medicine Program	3,250,000	2,000,000	(1,250,000)	
7100-0200	UMass	429,615,642	429,590,642	(25,000)	inc. tuition
7100-0700	Office of Dispute Resolution	0	925,000	925,000	
7100-4000	Community Colleges (consolidated)	0	0	0	see text above
7109-0100	Bridgewater State University	34,627,788	34,627,788	0	inc. tuition
7110-0100	Fitchburg State University	24,304,588	24,304,588	0	inc. tuition
7112-0100	Framingham State University	21,727,143	21,927,143	200,000	inc. tuition
7113-0100	MA College of Liberal Arts	12,559,859	12,559,859	0	inc. tuition
7114-0100	Salem State University	34,900,021	34,900,021	0	inc. tuition
7115-0100	Westfield State University	20,396,882	20,396,882	0	inc. tuition
7116-0100	Worcester State University	20,756,595	20,756,595	0	inc. tuition
7117-0100	Massachusetts College of Art	13,405,202	13,405,202	0	inc. tuition
7118-0100	Massachusetts Maritime Academy	12,330,691	12,330,691	0	inc. tuition
7502-0100	Berkshire Community College	8,075,090	8,075,090	0	inc. tuition
7503-0100	Bristol Community College	13,943,689	13,943,689	0	inc. tuition
7504-0100	Cape Cod Community College	9,961,483	9,961,483	0	inc. tuition
7505-0100	Greenfield Community College	7,946,766	7,946,766	0	inc. tuition
7506-0100	Holyoke Community College	16,142,400	16,142,400	0	inc. tuition
7507-0100	MA Bay Community College	12,078,306	12,078,306	0	inc. tuition
7508-0100	Massasoit Community College	17,521,081	17,521,080	(1)	inc. tuition
7509-0100	Mt. Wachusett Community College	11,047,988	11,047,988	0	inc. tuition
7510-0100	Northern Essex Community College	16,502,174	16,502,174	0	inc. tuition
7511-0100	North Shore Community College	17,737,591	17,737,591	0	inc. tuition
7512-0100	Quinsigamond Community College	13,117,113	13,117,113	0	inc. tuition
7514-0100	Springfield Tech. Community College	21,256,565	21,256,565	0	inc. tuition
7515-0100	Roxbury Community College	9,787,773	9,787,773	0	inc. tuition
7515-0121	Reggie Lewis Center Retained Reven	529,843	529,843	0	
7516-0100	Middlesex Community College	17,284,270	17,284,270	0	inc. tuition
7518-0100	Bunker Hill Community College	17,964,440	17,964,440	0	inc. tuition
7520-0424	Health & Welfare Res. for Higher Ed.	5,581,664	5,581,664	0	
7066-0038	Youth Venture	0	100,000	100,000	
7066-0111	Higher Education Consultant	0	100,000	100,000	
7066-1221	CC Workforce Grant Advisory Cttee.	200,000	0	(200,000)	
8700-1150	Nat'l Guard Tuition & Fee Waivers	3,500,000	3,500,000	0	

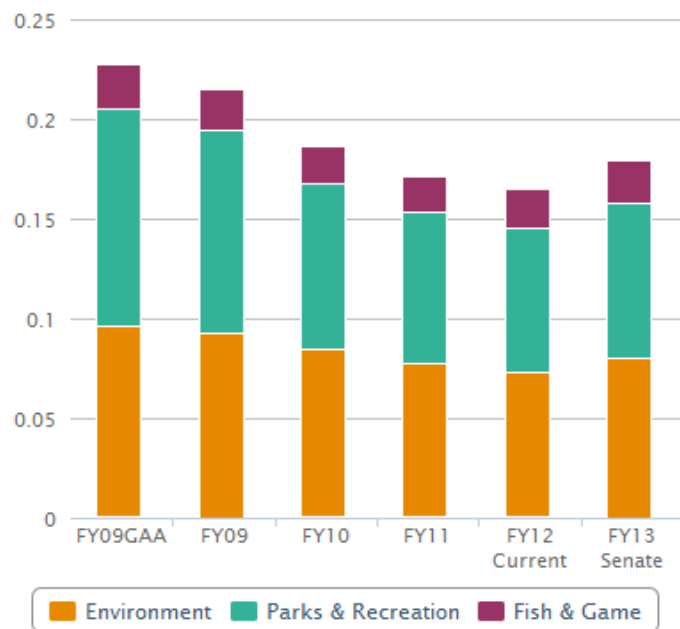
ENVIRONMENT & RECREATION

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Envir. & Recreation	227,230,578	162,260,627	169,611,116	178,584,005	8,972,889
Environment	95,830,145	71,972,393	74,153,827	80,006,808	5,852,980
Fish & Game	22,713,136	18,780,130	20,418,504	20,810,178	391,674
Parks & Recreation	108,687,297	71,508,104	75,038,785	77,767,019	2,728,234

State funding for environment and recreation programs keeps our air and water clean, supports wildlife habitats and provides funding for parks, pools, beaches and parkways around Massachusetts. In its budget, the full Senate added \$663,000 in funding to its Fiscal Year (FY) 2013 budget for Environment and Recreation programs for a total of \$178.6 million. This level is \$9.0 million more than the House budget.

Like the House, the Senate budget does not include the Governor's recommendation to expand the bottle bill to include non-carbonated drinks. The Governor's budget estimated this expansion would raise about \$20.0 million, \$5.5 million of which would support recycling and redemption centers around the state. Instead the Senate budget recommends spending \$275,000 on these centers which is \$100,000 less than the House budget. The Senate did pass an amendment requiring that the state create a commission to develop recommendations on ways to reduce the amount of solid waste going into landfills and to research the impact of expanding the bottle bill to include non-carbonated drinks. The Senate budget directs the Commission to report its findings to the Legislature no later than January 1, 2013.

Billions of Dollars (2013 Dollars)



ENVIRONMENT & RECREATION LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
2300-0101	Riverways Protection, Restoration	416,974	25,850	442,824
2310-0316	Wildlife Habitat Purchase	1,000,000	500,000	1,500,000
2511-3002	Integrated Pest Management Proj	52,422	12,000	64,422
9700-0020	Metropolitan Beaches Commissi	0	125,000	125,000

Environment

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Environment	95,830,145	71,972,393	74,153,827	80,006,808	5,852,980

The environment budget for the state supports programs that keep the state's air, water and land clean. This includes funding to clean hazardous waste sites, to support recycling and to pay for salaries and equipment for the state's environmental police force. The Senate provides \$80.0 million for these programs which is slightly more than the amount recommended by the SWM Committee and is \$5.9 million more than the House budget. Since the onset of the fiscal crisis, funding for environment programs have fallen by 16.5 percent in inflation-adjusted dollars. For a full description of the Senate environment budget please see the *Monitor* on the SWM budget available [here](#). The Senate passed a number of amendments including:

- Adding \$12,000 for the **Integrated Pest Management** program for a total of \$64,000. The amendment directs the agriculture center at UMass Amherst to develop a plan to monitor and mitigate pests that are threatening crops. The Senate budget is \$13,000 more than the House budget for pest management.
- Creating a Commission to study the **feasibility of expanding the bottle bill** to non-carbonated drinks (see discussion above.) The House budget does not include this Commission.
- Asking that the **Department of Environmental Protection** explore the feasibility of taking over the management of the federal Clean Water Act program that seeks to eliminate pollution run off. Massachusetts is one of a few states in the country where the Environmental Protection Agency currently oversees this program. The House budget does not include this directive.

In addition to the amendments noted above, the House and Senate Conference Committee will have to reconcile differences between the two budget recommendations for spending on environment programs including:

- The Senate included \$2.5 million from **increased permitting fees** which it states is needed to meet costs associated with increases in inflation since 2004. These fees would allow the Department of Environmental Protection (DEP) to hire staff necessary to approve permits and assure compliance with environmental rules in a timely manner. This was not included in the budget passed by the House.
- The Senate provides \$538,000 less in funding for **hazardous waste cleanup** than the \$13.3 million recommended in the House budget.
- The Senate provides \$350,000 for **wastewater treatment on Cape Cod**. The House did not include funding for this program in its budget.

Fish & Game

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Fish & Game	22,713,136	18,780,130	20,418,504	20,810,178	391,674

State fish and game efforts oversee Massachusetts fisheries, wildlife habitats and other natural sites in the state. Much of the funding that supports fish and game programs comes from the revenues the Department of Fish and Game receives through the sale of licenses for hunting, fishing, boating and other activities. During its floor debate the Senate added \$526,000 in funding to the Fish and Game budget for total funding of \$20.8 million. The Senate budget is \$392,000 greater than the House budget.

Among the amendments adopted on the floor the Senate:

- Increased funding for **wildlife habitat purchases** by \$500,000 to \$1.5 million which is identical to the amount recommended in the House budget.
- Provided \$26,000 more for the **riverways protection** program to reduce the growth of an invasive species in the marshes near Gloucester and the New Hampshire border. The Senate level is \$25,000 more than the amount recommended by the House.

The Senate budget for fish and game is slightly higher than the House budget in a number of programs. Most notably the Senate provides \$10.8 million to the **Division of Fisheries and Wildlife** which is \$211,000 more than the House.

Parks & Recreation

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Parks & Recreation	108,687,297	71,508,104	75,038,785	77,767,019	2,728,234

The state's parks and recreation budget supports state parks, urban parks, beaches, pools and the employees who work at these facilities. It also funds parkways and dams managed by the Department of Conservation and Recreation (DCR). The Senate recommends spending \$77.8 million on parks and recreation programs in FY 2013. The Senate budget is \$2.7 million more than the House largely because the Senate allows the DCR to keep more of the revenue it raises than the House budget. Even with the slight increase in the Senate budget, funding for parks and recreation programs has fallen 28.4 percent since the onset of the state fiscal crisis.

The Senate adopted an amendment that provides \$125,000 for the **Metropolitan Beaches Commission**. The Commission, created in the FY 2006 budget, will report to the Legislature no later than June 30, 2013 with recommendations on the maintenance, operation and infrastructure needs of the state-run beaches near Boston. The House budget does not include funding for this Commission.

In its budget the Senate, like the House, recommends merging all of the **DCR retained revenue** accounts into a single line item. The Senate provides this account with \$11.0 million which is \$4.1 million more than the House budget. While increasing the revenue that DCR can retain in order to hire more staff for beaches, pools and recreational facilities, the Senate budget offsets some of this increase by cutting **state funding for parks** by \$1.3 million below the current FY 2012 budget to \$40.9 million. The Senate level is \$1.6 million less than the House budget.

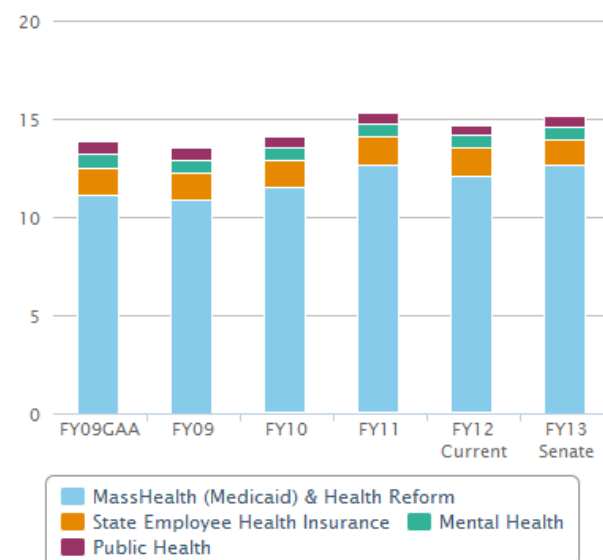
HEALTH CARE

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Health Care	13,801,558,210	14,466,749,190	15,160,946,531	15,093,162,527	(67,784,004)
MassHealth & Health Reform	11,096,692,100	11,922,047,682	12,654,651,407	12,604,784,106	(49,867,301)
Mental Health	732,081,653	651,018,701	675,424,657	672,391,960	(3,032,697)
Public Health	634,952,841	523,678,808	519,795,169	531,655,129	11,859,960
State Employee Health Insur.	1,337,831,616	1,370,003,999	1,311,075,299	1,284,331,332	(26,743,966)

During its three days of budget debate the Senate adopted over 30 amendments affecting health care programs in the Fiscal Year (FY) 2013 budget, adding a total of \$21.4 million to the FY 2013 budget, along with new policy provisions. Even with these additions health funding levels in the Senate budget remain \$67.8 million lower than in the House, due largely to the Senate's assumptions concerning Medicaid savings strategies, as well as its plan to make funding for nursing home rate supplements contingent on the availability of year-end surplus tax revenue in FY 2012. The Senate also delays the use of about \$27.7 million in tobacco settlement revenue for retiree health costs. Lower totals in these areas are partly balanced by the Senate's overall higher funding level for public health programs, which is \$11.9 million higher than what the House proposed.

In addition to these differences, there are numerous other disparities between the two budgets. This section provides a detailed look at the funding and policy differences the Conference Committee will need to resolve in order to produce a final spending plan for FY 2013.

Billions of Dollars (2013 Dollars)



MassHealth (Medicaid) & Health Reform

MassHealth (Medicaid) and Health Reform

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
MassHealth & Health Reform	11,096,692,100	11,922,047,682	12,654,651,407	12,604,784,106	(49,867,301)
MassHealth (Medicaid)	9,204,247,689	10,521,488,732	11,075,078,690	11,021,672,272	(53,406,418)
Commonwealth Care Trust (Gen Fund)	1,193,606,495	745,011,822	741,278,955	740,772,286	(506,669)
Commonwealth Care Trust (tobacco)	186,437,411	120,000,000	120,000,000	120,000,000	0
Other Safety Net & Health Finance	512,400,506	453,785,053	631,362,286	628,663,053	(2,699,233)
HHS Information Technology	0	81,762,075	86,931,475	93,676,495	6,745,020

During budget debate the Senate adopted amendments that increased proposed FY 2013 funding for MassHealth and health reform programs in three areas. Senators also added a variety of policy provisions affecting MassHealth and the Commonwealth Care Trust Fund – which together provide

health coverage for around 1.5 million people in Massachusetts – as well the state’s Health Care Connector, which operates the Commonwealth Care program and helps small businesses and individuals purchase health insurance.

Amendments that affect funding levels include:

- A change to the existing restrictions on MassHealth and Commonwealth Care coverage for **adult dental services** that would allow coverage for a limited set of services, and corresponding increases of \$6.0 million in the MassHealth Fee-for-Service line item and \$1.2 million in the Commonwealth Care Trust Fund (CCTF) transfer amount. The Division of Health Care Finance and Policy (DHCFP) would also be required to study the cost and frequency of emergency room utilization for dental conditions and to develop a procedure code for emergency dental services.
- An increase to the earmark for **Infrastructure and Capacity Building Grants** within the managed care line item (4000-0500) from \$15.0 million to \$20.0 million (the same level as the House provided), and the addition of \$3.0 million for similar grants for “critical access community hospitals,” along with a commensurate increase of \$8.0 million to the line item.

MASSHEALTH & HEALTH LINE ITEMS AMENDED BY THE SENATE

Line Item	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
4000-0500	MassHealth Managed Care	4,158,475,376	8,000,000	4,166,475,376
4000-0700	MassHealth Fee-for-Service Payments	1,923,380,126	6,000,000	1,929,380,126
1595-5819	Commonwealth Care Trust Fund (operating transfer)	739,622,286	1,150,000	740,772,286

In addition to these funding increases, the Senate also approved an amendment that would require that surplus FY 2012 tax revenues be used for a transfer of \$27.2 million to the **nursing home supplemental rates** line item (4000-0640), along with an additional transfer of \$2.8 million for a joint labor-management pay-for-performance program at nursing homes. Actual funding would be contingent on existence of a sufficient surplus.

Amendments adding policy provisions to the final Senate FY 2013 budget include:

- Language in the MassHealth administrative line item authorizing an **Office of Health Equity** and requiring the state to recognize **telehealth remote patient monitoring** provided by home health agencies as a service reimbursable by MassHealth.
- Language requiring the Office of Health and Human Services (HHS) to contract with a vendor for a study of MassHealth children with **complex care needs**, including an analysis of how these needs can be met by a medical home model.
- Language authorizing the Inspector General to spend funds from the Health Safety Net Trust Fund (which pays for care for the uninsured) to study and review the Medicaid program, including MassHealth eligibility requirements, utilization, claims administration and compliance with federal mandates.
- Language directing HHS to make efforts to automatically renew children in MassHealth, including the use of data from other public programs with eligibility requirements similar to MassHealth and use of pre-populated renewal forms; the state is also directed to study the use of continuous eligibility for children.

- Language amending state statute to require notice to consumers concerning the costs and benefits of **Senior Care Organizations (SCOs)** and the **Program of All-Inclusive Care for the Elderly (PACE)** and other community-based long-term care programs.
- Creation of a **Long-Term Services and Supports Advisory Committee** to advise MassHealth, the legislature, and other agencies on ways to improve health and reduce costs through community-based long-term care services.
- Expansion of a state law that exempts assets of a nursing home resident from estate recovery if he or she has purchased long-term care insurance to include assets of people who have used part of the insurance to pay for community-based care.
- Changes to the Health Care Connector statute that would a) create a **small group wellness incentive pilot program** to subsidize 15 percent of the eligible employer costs, as determined by the Connector (language in the FY 2012 budget and in the House's proposed FY 2013 spending plan authorizes these expenditures on an annual basis); and b) allow the Connector to procure health insurance on behalf of other state agencies and programs (including MassHealth) and individuals.
- A statutory change requiring the Commonwealth Care program to provide an enhanced **smoking cessation** benefit.

After accounting for changes in appropriation levels made during debate, the final Senate FY 2013 budget proposes a total of \$12.6 billion for MassHealth and health reform programs, \$49.9 million lower than the total appropriation contained in the final House FY 2013 budget. The difference is largely the result of differences in funding for MassHealth programs – while both House and Senate budgets rely on a set of savings similar to those proposed by the Governor, the Senate Ways and Means (SWM) budget went further in proposing additional savings (see details in table below). During debate the Senate approved a few amendments that brought its final health care budget somewhat closer to the House, but also approved amendments that added both spending and policy initiatives the House budget does not include; the budget Conference Committee will need to resolve these differences. (For a fuller discussion of the Senate's savings proposals and similarities between the House and Senate budgets, see http://www.massbudget.org/report_window.php?loc=budget_monitor_swm_fy13.html and for a discussion of the administration's savings proposals see http://www.massmedicaid.org/~media/MMPI/Files/FY2013H2_BudgetBrief_v7.pdf).

Issues for the Conference Committee

	House	Senate
MassHealth Dental Coverage (4000-0700; CCTF)		Includes language requiring MassHealth and Commonwealth Care to cover certain dental services for adults and funds at \$6.0 million (within fee-for-service line item) and \$1.2 million (in CCTF transfer)
Hale Hospital	Includes an earmark of \$2.4 million for Hale Hospital in the MassHealth administration line item (included in a separate reserve in previous years)	
Pediatric Rate Add-On (4000-0700)	Includes earmark (in 4000-0300) for a rate supplement for pediatric hospitals with high-acuity patients (cost of \$11.8 million is reflected in 4000-0700)	
Supplemental Nursing Home Rates	Appropriates \$318.5 million and earmarks \$2.8 for a joint labor-management Pay-	Appropriates \$288.5 million; includes language authorizing potential transfer of

	for-Performance incentive program	\$30.0 million of any 2012 surplus tax revenue for rates and Pay-for Performance program
Infrastructure & Capacity Building Grants for Hospitals and Health Centers (4000-0500)	Provides \$20.0 million for grants to hospitals and \$3.0 million for community health center grants	Provides \$20.0 million for grants to hospitals, \$3.0 million for grants to "critical access community hospitals" and \$2.0 million for community health center grants
Day Habilitation Services savings (4000-0700)		Reduces coverage from six to five hours per day starting on October 1, 2012 (\$15.0 million savings)
Nursing Home Bed-Hold rate savings (4000-0600)		Prohibits nursing homes from reassigning beds during temporary patient absence; sets minimum rate at \$30 per day (\$4.5 million savings)
Academic Detailing savings (4000-0600)		Expands public health academic detailing program to promote cost-efficient prescribing practices (\$3.0 million savings)
Hospice savings (4000-0870, -1405)		Provides coverage for hospice care under MassHealth Essential and MassHealth Basic health plans (\$2.3 million savings)
HIV Plan	Appropriates \$18.7 million	Appropriates \$19.7 million
New MassHealth Operations line item	Appropriates \$1.0 million	Appropriates \$2.0 million
New Health Reform Implementation line item	Appropriates \$750,000	Appropriates \$3.1 million
Commonwealth Care Trust Transfer	Transfers \$741.3 million for Commonwealth Care program; assumes wellness and smoking cessation program costs of \$3.0 million	Transfers \$740.7 million for Commonwealth Care program; assumes costs of \$1.5 million for wellness and smoking cessation programs and \$1.2 million for dental services
Information Technology at HHS Agencies	Appropriates \$86.9 million	Appropriates \$93.7 million
MassHealth Benefits	Authorizes administration to restructure MassHealth benefits for enrollees	
MassHealth Enrollment		Requires state to pursue efforts to automatically renew children and families in MassHealth, including potential use of data from other public programs with eligibility criteria similar to MassHealth
MassHealth Managed Care Selection	Requires automatic assignment into Managed Care Organizations and the MassHealth Primary Care Clinician plan on a 5:1 basis for MassHealth members who do not choose a managed care plan	
MassHealth Studies		-Requires MassHealth to report on savings strategies it will pursue in FY 2013 and provide notice of changes -Authorizes use of Health Safety Net funds for a review of MassHealth by the

	Inspector General
Long-Term Care	<ul style="list-style-type: none">-Amends MassHealth law to require notice of costs and benefits of community-based long-term care programs (e.g., Senior Care Options program).-Creates a Long-Term Services and Supports Advisory Committee to advise MassHealth and other state agencies
Health Insurance Connector & Commonwealth Care	<ul style="list-style-type: none">-Creates an ongoing wellness incentive program for small businesses, run by the Connector-Authorizes the Connector to procure health insurance on behalf of other state agencies (including MassHealth)-Amends statute to require Commonwealth Care program to cover smoking cessation

MASSHEALTH & HEALTH REFORM LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
1599-2009	Hale Hospital Reserve	2,400,000	0	(2,400,000)	Included in 4000-0300
4000-0300*	Exec Off of Health and Human Services	85,512,643	86,171,094	658,451	
4000-0301	MassHealth Auditing and Utilization Reviews	1,736,313	1,740,023	3,710	
4000-0309	MassHealth Field Auditing Taskforce	1,000,000	1,000,000	0	
4000-0320	MassHealth Recoveries--Retained Revenue	225,000,000	225,000,000	0	
4000-0430	MassHealth CommonHealth Plan	73,165,557	73,165,558	0	
4000-0500	MassHealth Managed Care	4,164,475,376	4,166,475,376	2,000,000	See discussion of ICB grant difference
4000-0600	MassHealth Senior Care	2,763,630,662	2,756,130,662	(7,500,000)	Bed-Hold, Academic Detail savings
4000-0640	MassHealth Nursing Home Supp Rates	318,500,000	288,500,000	(30,000,000)	See discussion above
4000-0700	MassHealth Fee-for-Service Payments	1,950,180,126	1,929,380,126	(20,800,000)	Excludes EI funding; reflects House-Senate differences on dental, pediatric rates and day habilitation
4000-0870	MassHealth Basic Coverage	179,909,689	178,759,689	(1,150,000)	Reflects Senate hospice savings
4000-0875	MassHealth Breast & Cervical Cancer Treatment	5,248,099	5,248,099	0	
4000-0880	MassHealth Family Assistance Plan	213,894,591	213,894,591	0	
4000-0890	MassHealth Premium Asst & Ins Partnership	30,481,392	30,481,392	0	
4000-0895	Healthy Start Program	15,850,244	15,850,244	0	
4000-0950	Children's Behavioral Health Initiative	221,549,097	221,705,516	156,419	
4000-0990	Children's Medical Security Plan	13,298,695	13,298,695	0	
4000-1400	MassHealth HIV Plan	18,744,723	19,744,723	1,000,000	
4000-1405	MassHealth Essential	505,998,456	504,848,457	(1,149,999)	Reflects Senate hospice savings
4000-1420	Medicare Part D Clawback	285,153,027	285,153,027	0	
4000-1602	MassHealth Operations	1,000,000	2,000,000	1,000,000	
4000-1604	Health Care System Reform	750,000	3,125,000	2,375,000	
4000-1700*	HHS Information Technology Costs	86,931,475	93,676,495	6,745,020	
4100-0060*	Division of Health Care Finance and Policy	21,828,750	22,029,517	200,766	
4100-0061	All Payer Claims Database	4,000,000	4,000,000	0	
4100-0360	Health Care Quality and Cost Council--RR	100,000	100,000	0	
4100-0062	Health Safety Net Claims Migration--RR	0	0	0	
4100-0082	Health Safety Net Claims Migration--RR	2,000,000	2,000,000	0	
7006-0029	Health Care Access Bureau Assessment	1,100,000	1,100,000	0	
9110-1455*	Prescription Advantage	19,000,869	18,500,869	(500,000)	
Trust Fund Transfers					
1595-5819	CommCare Trust Fund--Transfer from Gen Fund	741,278,955	740,772,286	(506,669)	
	CommCare Trust Fund--Tobacco Tax Transfer	120,000,000	120,000,000	0	
1595-1067	Delivery System Transformation Initiatives Trust	186,907,667	186,907,667	0	
1595-1068	Medical Assistance Trust Fund	394,025,000	394,025,000	0	

*Governor and House totals adjusted to include totals from collective bargaining agreements.

Mental Health

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Mental Health	732,081,653	651,018,701	675,424,657	672,391,960	(3,032,697)

Like the Governor, the House and Senate both propose FY 2013 funding totals for mental health programs that represent a slight increase over FY 2012 current spending, but that remain well below FY 2009 levels. During budget debate the Senate adopted one amendment that brought its budget closer to the House's funding proposal for a core mental health services account, but also approved funding and language changes that widened the distance between the two chambers concerning the future of Taunton State Hospital.

- The Senate adopted an amendment earmarking \$1.5 million above FY 2012 funding levels for **clubhouses** within the main adult mental health services line item (5046-0000) and increasing the total appropriation by the same amount.
- Senators also voted (39-0) to approve an amendment that a) changed the in-patient mental health line item language to increase the number of beds to be maintained at **Taunton State Hospital** from 45, as initially proposed in the Senate Ways and Means (SWM) budget, to 72; b) increased the line item appropriation by \$1.7 million to cover the cost of the beds; and c) amended budget language included in the initial SWM budget creating an advisory committee to study behavioral health services. The new language broadens the scope of the study, requires the advisory committee to hire a consultant to undertake the examination, and prohibits a reduction in beds at Taunton State Hospital until it is complete.

MENTAL HEALTH LINE ITEMS AMENDED BY THE SENATE

Line Item	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
5046-0000	Adult Mental Health and Support Services	342,427,150	1,500,000	343,927,150
5095-0015	Inpatient and Community-Based MH Services	158,488,321	1,650,000	160,138,321

For the most part the Senate and House propose similar, although not identical, funding amounts for Department of Mental Health programs in FY 2013 (for more detailed descriptions of these proposals, see http://www.massbudget.org/report_window.php?loc=budget_monitor_swm_fy13.html). Key differences the budget Conference Committee will need to resolve are:

- The House provides \$2.4 million more than the Senate for in-patient mental health facilities. However, the House appropriation is based on an assumption that Taunton State Hospital will close midway through FY 2013, while (as noted above) the Senate budget includes language maintaining 72 beds at Taunton until a comprehensive study of the state's behavioral health system has been completed, which will require a higher spending level. While the difference in funding level appears to be the result of differences in maintenance spending assumptions, the Conference Committee will need to decide whether (and how many) beds to maintain at Taunton, and to agree on the related costs.
- While both budgets contain outside sections creating entities (a Special Commission in the case of the House; an Advisory Committee in the case of the Senate) to study the mental health system, there are substantive differences between the two proposals (e.g., scope of study, use of an independent consultant to perform the analysis) that must be resolved.
- While there is only a slight difference in funding for the main adult mental health services line item the two budgets propose different earmark levels for clubhouses (\$500,000 in the House and \$1.5 million in the Senate).
- The Senate proposes a higher level of funding than does the House for the Forensic Services Program, which includes juvenile clinics and other court-based mental health services.

MENTAL HEALTH LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
5011-0100*	Department of Mental Health Administration	27,273,198	27,373,198	100,000	
5042-5000*	Child and Adolescent Mental Health Services	77,672,234	76,816,757	(855,477)	
5046-0000*	Adult Mental Health and Support Services	344,057,893	343,927,150	(130,743)	
5046-2000	Statewide Homelessness Support Services	20,134,424	20,134,424	0	
5046-4000	CHOICE Program RR	125,000	125,000	0	
5047-0001*	Emergency Services & Acute Mental Health Care	35,288,704	35,242,254	(46,450)	
5055-0000*	Forensic Services Program	8,321,818	8,634,856	313,038	
5095-0015*	Inpatient Facilities & Community-Based Svs	162,551,386	160,138,321	(2,413,065)	See discussion above

*Governor and House totals adjusted to include totals from collective bargaining agreements.

Public Health

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Public Health	634,952,841	523,678,808	519,795,169	531,655,129	11,859,960

Programs that protect the health of the general public in Massachusetts by responding to public health emergencies, ensuring that health professionals are properly licensed, and promoting wellness and disease prevention activities have seen cuts in recent years. These programs will receive a modest increase in the Senate's proposed FY 2013 budget compared to FY 2012, including \$3.1 million that was added during Senate floor debate:

- An earmark of \$100,000 for a **South Boston Leadership Initiative** pilot program at the South Boston Community Health Center and a commensurate increase to the total health center appropriation.
- Increases for the **Prescription Drug Monitoring** and **Dental Services** programs.
- An increase of \$1.0 million for **Early Intervention** services, and language requiring any surplus in the account to be used for one-time salary bonuses to direct care personnel employed by Early Intervention providers.
- A new line item (also included in the House budget) with an appropriation of \$125,000 for **Support Services for Homicide Victims** and language earmarking the entire amount for the Louis Brown Peace Institute.
- Increases for **Health Promotion and Disease Prevention** and **Pediatric Palliative Care** programs and for the **State Laboratory**.

PUBLIC HEALTH LINE ITEMS AMENDED BY THE SENATE

Line Item	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
4510-0110	Community Health Center Services	967,830	100,000	1,067,830
4510-0616	Prescription Drug Registration and Monitoring	1,251,481	500,000	1,751,481
4512-0500	Dental Health Services	1,354,924	46,607	1,401,531
4513-1020	Early Intervention Services	32,025,263	1,000,000	33,025,263
4513-1098	Support Services for Homicide Victim Survivors	0	125,000	125,000
4513-1111	Health Promotion and Disease Prevention	3,400,000	263,076	3,663,076
4516-1000	State Laboratory and Communicable Disease Control	13,472,659	1,000,000	14,472,659
4590-1503	Pediatric Palliative Care	796,051	100,000	896,051

The Senate also approved a number of amendments that do not change appropriation levels but have fiscal and policy implications. These include:

- Creation of a **Healthcare Workforce Transformation Fund** to be overseen by the Secretary of Labor and Workforce Development with the goal of enhancing worker skills and addressing workforce shortages (the Fund will incorporate a primary care provider loan forgiveness program, to be overseen by the Massachusetts Association of Community Health Centers). A separate amendment added language requiring the transfer of \$20.0 million in any surplus FY 2012 tax revenue to the Fund.
- An earmark of \$200,000 within the **School Health Services** line item for expenditures on the Massachusetts Model of Community Coalitions.
- Addition of language creating a Special Commission to advise the Department of Public Health on lactation and breastfeeding counseling and education of pregnant mothers, and how these activities can help contain health costs and enhance the health of women and children.
- Language that would allow **Youth-at-Risk** grants to go to “teen empowerment” programs, in addition to other youth programs.
- Changes to a section that codifies the use of an assessment on insurers to fund the **Universal Vaccine** program. The changes place limits on future increases to the assessment and require insurers to cover vaccines.
- Language (within the School Health line item) that would require DPH to “investigate requiring the installation of automatic external defibrillators in all public schools.”

Total funding for public health programs in the Senate FY 2013 budget is \$11.9 million higher than in the House budget. Underlying this overall difference are numerous differences that the Conference Committee will need to resolve. Key topics include:

Youth Violence

The Senate provides \$8.0 million for a **Youth Violence Prevention Grant** program within the Department of Health and Human Services (first funded at \$10.0 million in an FY 2012 supplemental budget), in contrast to the House, which did not fund the program. However the House increases funding for a DPH Youth Violence grant program by about \$500,000 compared to FY 2012, while the Senate level funds this program. The Senate and House also differ significantly in funding for the **Youth-at-Risk** grant program.

Substance Abuse Services

The Senate budget contains language making changes to a separate **Substance Abuse Services Fund** that was created in 2011 with a \$10.0 million transfer from the General Fund in order to implement an expansion of treatment facilities and case management for people with substance abuse disorders who have been civilly committed to mental health facilities; the House budget does not contain a similar provision. The Senate also provides funding for a **jail diversion** treatment program for people with substance abuse problems, which the House did not fund, and the two chambers differ somewhat on total funding for the main **Substance Abuse Services** line item.

Early Intervention

Funding for Early Intervention services is \$1.7 million higher in the Senate budget and, as noted above, the Senate approved amendment language that would dedicate any year-end surplus to one-time salary increases for direct care workers. The House budget does not include this language.

Universal Immunization

The Senate budget contains language (section 85) creating a **Vaccine Purchase Trust Fund** that will hold funds from a surcharge on insurers that will be set annually at a rate designed to provide sufficient funds to pay for the costs of vaccines for the state's universal immunization program for children. A similar surcharge has been imposed in recent years to pay for vaccines; the SWM language would codify it in state law, and would also create an advisory council to make recommendations on the purchase of vaccines. The House budget does not contain this provision.

Academic Detailing

The Senate budget provides \$500,000 for an Academic Detailing program that encourages cost-effective prescribing practices among health providers who have patients in publicly funded health programs, and estimates these activities will result in savings of about \$3 million within the MassHealth program. The House does not include an appropriation for this program, which was last included in the budget in FY 2009.

Finally, the Senate also provides higher funding levels for several small programs that affect children and adolescents, including School-based Health Services, Teen Pregnancy Prevention, and Pediatric Palliative Care (see line item table below for more detail).

PUBLIC HEALTH LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
4000-0005	Safe & Successful Youth Grant Program	0	8,000,000	8,000,000	
4510-0020	Food Protection Program--RR	375,000	375,000	0	
4510-0025	SEAL Dental Progra--RR	889,889	889,889	0	
4510-0040*	Pharmaceutical Regulatio--RR	427,266	432,188	4,922	
4510-0100*	Department of Public Health	17,572,647	17,941,867	369,220	Includes transfer to 4510-0712
4510-0110*	Community Health Center Services	1,067,287	1,067,830	543	
4510-0600*	Environmental Health Services	3,337,405	3,231,212	(106,193)	
4510-0615*	Nuclear Reactor Monitoring--RR	1,768,947	1,768,947	(0)	
4510-0616	Prescription Drug Monitoring--RR	1,245,175	1,751,481	506,306	
4510-0710*	Div of Health Care Quality and Improvement	6,306,482	6,500,000	193,518	
4510-0712*	Division of Health Care Quality--RR	2,481,081	3,481,081	1,000,000	Excludes transfer from 4510-0100
4510-0715	Primary Care Center & Loan Forgiveness Program	0	157,000	157,000	
4510-0716	Academic Detailing Program	0	500,000	500,000	
4510-0721*	Board of Registration in Nursing	848,961	854,892	5,931	
4510-0722*	Board of Registration in Pharmacy	182,623	234,508	51,885	
4510-0723*	Board of Registration in Medicine & Acupuncture	1,088,151	1,088,151	(0)	
4510-0725*	Health Boards of Registration	284,595	315,865	31,270	
4510-0726	Board of Reg in Medicine--RR	300,000	300,000	0	
4510-0790	Regional Emergency Medical Services	931,959	931,959	0	
4510-0810	Sexual Assault Nurse Examiner	3,160,740	3,160,740	0	
4512-0103	HIV/AIDS Prevention, Treatment and Services	32,097,810	32,101,023	3,213	
4512-0106	HIV/AIDS--Drug Rebates RR	7,500,000	7,500,000	0	
4512-0200	Division of Substance Abuse Services	77,539,595	76,539,595	(1,000,000)	
4512-0201	Substance Abuse Step-Down Recovery Services	4,800,000	4,800,000	0	
4512-0202	Secure Treatment Facilities (Jail Diversion)	0	2,000,000	2,000,000	
4512-0203	Young Adult Treatment (Family Intervention)	1,500,000	1,500,000	0	
4512-0225	Compulsive Behavior Treatment--RR	1,830,000	1,000,000	(830,000)	
4512-0500*	Dental Health Services	1,403,897	1,401,531	(2,366)	
4513-1000*	Family Health Services	4,767,135	4,666,697	(100,438)	
4513-1002	Women, Infants, and Children's (WIC)	12,366,617	12,366,617	0	
4513-1012	WIC Manufacturer Rebates--RR	26,355,000	26,355,000	0	
4513-1020*	Early Intervention Services	31,325,263	33,025,263	1,700,000	Includes \$\$ transferred to MassHealth
4513-1023*	Newborn Hearing Screening Program	70,194	70,193	(1)	
4513-1026*	Suicide Prevention and Intervention Program	3,839,455	3,591,950	(247,505)	
4513-1098	Support Services for Homicide Victim Survivors	125,000	125,000	0	
4513-1111	Health Promotion and Disease Prevention	3,400,000	3,663,076	263,076	Includes ALS registry (4510-3008)
4513-1130*	Domestic Violence & Sexual Assault Prevention	5,514,340	5,514,340	0	
4516-0263*	Blood Lead Testing Fee RR	1,117,101	1,117,101	(0)	
4516-1000*	State Lab & Communicable Disease Control	13,246,240	14,472,659	1,226,419	Includes transfer to Police Lab
4516-1010*	Emergency Preparedness Match	2,193,665	2,209,400	15,736	
4516-1022	State Lab Tuberculosis Test--RR	250,182	250,619	437	
4518-0200*	Registry of Vital Records--RR	625,835	675,000	49,165	
4530-9000*	Teenage Pregnancy Prevention Services	2,385,873	2,536,916	151,043	
4570-1502*	Infection Prevention Program	262,168	265,299	3,131	
4580-1000	Universal Immunization Program	52,879,812	52,879,812	0	
4590-0250*	School-Based Health Programs	11,336,670	11,597,967	261,297	
4590-0300	Smoking Prevention & Cessation Programs	4,400,703	4,151,958	(248,745)	
4590-0912*	Western Mass Hospital--RR	17,081,671	16,990,628	(91,043)	
4590-0913	Shattuck Medical Vendor--RR	499,827	499,827	0	
4590-0915*	Public Health Hospitals	144,973,695	142,754,835	(2,218,860)	
4590-0917*	Shattuck Hospital DOC Inmat RR	4,204,640	4,209,388	4,748	
4590-1503*	Pediatric Palliative Care	796,051	896,051	100,000	
4590-1506*	Violence Prevention Grants	1,501,178	1,007,431	(493,747)	
4590-1507	Youth-At-Risk Matching Grants	1,900,000	2,500,000	600,000	
4590-2001	Tewksbury Hospital DDS RR	3,437,342	3,437,342	0	
OS-SAS	Substance Abuse Services Fund	0	0	0	

*Governor and House totals adjusted to include totals from collective bargaining agreements.

State Employee Health Insurance

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
State Employee Health Insur.	1,337,831,616	1,370,003,999	1,311,075,299	1,284,331,332	(26,743,966)

**Adjusted to remove costs related to municipal coverage for which the state receives a reimbursement.*

Funding for health insurance provided to current and retired state employees through the Group Insurance Commission (GIC) will drop slightly in FY 2013, even after taking into account the off-budget, one-time use of \$40.0 million in surplus Federal trust funds that is not reflected in the table above. The decline in spending is largely the result of GIC efforts to hold down cost increases in recent years through a variety of strategies, such as encouraging state employees to choose health plans with limited networks.

During budget debate the Senate, like the House, adopted an amendment that increased funding for GIC premium and plan costs by \$95.0 million. However, this entire increase will pay for the additional costs of covering municipal employees in cities and towns that have elected to join the GIC. Because these costs are fully reimbursed by the municipalities, and do not require the use of state resources, we remove them from our spending calculations.

While there are some small differences between the final House and Senate budgets (chiefly the result of updates in spending projections), the Conference Committee's main task will be to resolve a larger difference between the two spending plans that has to do with funding for the **State Retiree Benefits Trust Fund (SRBTF)**. Under a provision included in the FY 2012 budget, the SRBTF will begin to receive a portion of revenue from the annual tobacco settlement payment made to the state in order to help fund future benefits promised to employees (in recent years tobacco settlement revenue has been deposited in the General Fund for use in the budget). In FY 2013 ten percent of the tobacco settlement payment, estimated at around \$27.7 million, is scheduled to be deposited in the Fund. The House assumes this funding in its budget, while the Senate budget includes language suspending the transfer in FY 2013.

STATE EMPLOYEE HEALTH INSURANCE LINE ITEMS

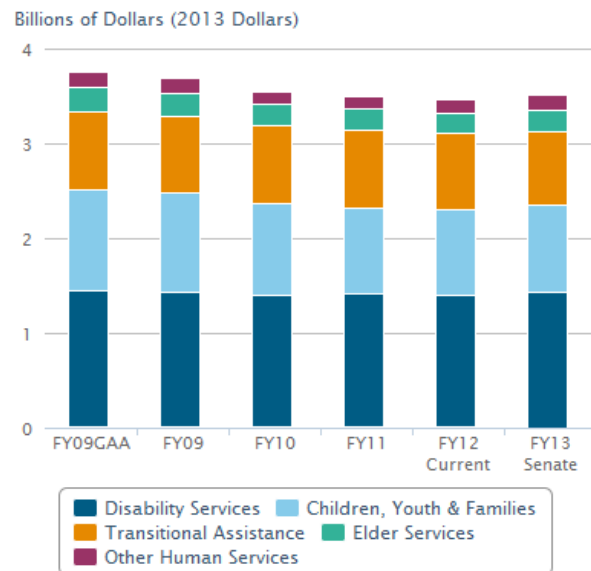
Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0640-0096	State Lottery Comm--Health Benefits	355,945	373,152	17,207	
1108-5100*	Group Insurance Commission	2,360,095	2,537,146	177,051	
1108-5200	Group Insurance Premium and Plan Costs	756,679,063	757,669,230	990,167	<i>Excludes municipal GIC costs</i>
1108-5201*	Municipal Partnership Act--Retained Revenue	2,029,763	2,017,862	(11,901)	
1108-5350	Retired Governmental Employees Premiums	448,800	356,000	(92,800)	
1108-5400	Retired Municipal Teachers Premiums	68,893,835	68,893,835	0	
1108-5500	Group Insurance Dental and Vision Benefits	9,833,370	9,683,370	(150,000)	
1599-1027	Reserve for Benefit Change Reimbursement	0	0	0	
1750-0300	Contribution to Union Dental and Vision Insuran	27,758,500	27,758,500	0	
1599-6152	State Retiree Benefits Trust Fund Transfer	415,042,237	415,042,237	0	
	State Retiree Benefits Trust (tobacco \$\$)	27,673,691		(27,673,691)	<i>See discussion above</i>

**Governor and House totals adjusted to include totals from collective bargaining agreements.*

HUMAN SERVICES

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Human Services	3,746,077,416	3,419,139,750	3,502,287,065	3,500,703,312	(1,583,753)
Children, Youth & Families	1,067,561,267	890,095,388	911,268,909	916,606,307	5,337,398
Disability Services	1,441,662,242	1,382,478,501	1,440,416,855	1,425,684,167	(14,732,688)
Elder Services	254,843,626	218,751,617	222,127,200	221,022,082	(1,105,118)
Transitional Assistance	829,217,816	785,573,923	787,350,335	775,865,001	(11,485,335)
Other Human Services	152,792,464	142,240,322	141,123,766	161,525,756	20,401,990

Human services programs form a crucial part of the Commonwealth's "safety net" for the state's most vulnerable residents. During floor debate, amendments adopted by the Senate added \$23.5 million in additional funding to the Senate Ways & Means (SWM) FY 2013 proposal. The vast majority, \$20.0 million, funds a salary reserve for employees of private human services providers who make less than \$40,000. The final Senate FY 2013 proposal of \$3.50 billion for human services is \$1.6 million below the House FY 2013 proposal.



HUMAN SERVICES LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
1410-0012	Veterans' Outreach Centers	2,069,083	98,528	2,167,611
1410-0015	Women Veterans' Outreach	50,000	25,000	75,000
1410-0075	Train Vets to Treat Vets	125,000	25,000	150,000
1410-0250	Assistance to Homeless Veterans	2,405,949	114,569	2,520,518
1410-1616	War Memorials	0	50,000	50,000
1599-6901	Human Service Salary Reserve Fund	0	20,000,000	20,000,000
2511-0105	Emergency Food Assistance	11,500,000	1,000,000	12,500,000
4190-0100	Soldiers' Home in Holyoke	19,932,679	244,588	20,177,267
4401-1000	Employment Services Program	3,904,506	50,000	3,954,506
4800-0015	Dept. of Children & Families Admin.	69,322,448	152,000	69,474,448
4800-0038	Services for Children and Families	246,508,481	130,000	246,638,481
9110-1636	Elder Protective Services	16,628,729	621,825	17,250,554
9110-1900	Elder Nutrition Program	6,325,328	50,000	6,375,328
9110-9002	Councils on Aging	8,433,748	900,000	9,333,748

The \$20.0 million reserve is the largest difference between the Senate and House in human services. The House did not fund a reserve. The reserve would provide wage increases to low wage workers caring for the disabled, elderly and children. In October 2011, a salary reserve was funded at \$10.0 million that will give some human services workers one-time bonuses by the end of the FY 2012 fiscal year. However, these workers have not received publicly funded permanent wage increases since FY 2009. Funding for disability services are another major difference between the Senate and House. The House funds several programs serving those with developmental disabilities at a much higher level than the Senate. All differences between the two proposals, detailed in the discussion below, will need to be resolved in Conference Committee negotiations.

Children, Youth & Families

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Children, Youth & Families	1,067,561,267	890,095,388	911,268,909	916,606,307	5,337,398

During floor debate the Senate altered only two SWM appropriations for programs within Children, Youth, and Families (including the Department of Children and Families (DCF) and the Department of Youth Services (DYS)). **Services for Children and Families** receives \$130,000 more in the Senate than in the SWM proposal, but still \$1.5 million below the House. A new earmark for Julie's Family Learning Program of \$130,000 makes up the entire difference between the Senate and SWM proposals. The Senate also includes earmarks, with no amounts specified, for Plymouth County Children's Advocacy Center, the Children's Advocacy Center of Bristol County and Children's Cove Cape and Islands Child Advocacy Center. All three were included in the House budget proposal.

Changes on the Senate floor also provided funding for an effort to eliminate the Department of Children and Families' (DCF) fair hearing back-log. The Senate earmarked \$152,000 for additional staff in the fair hearing unit to assist in reducing the backlog of cases pending for over 180 days from the date a fair hearing is requested. This earmark makes up the difference between the SWM and the Senate's FY 2013 budget proposals for **Dept. of Children & Families Admin.** Fair hearings allow children and families to appeal a DCF decision regarding child placement or a finding of neglect or abuse. The House also included language on fair hearing back-logs, but provided no funding.

There are many programs for which the Senate and House proposals differ. The main difference between the two is DCF's **Regional Administration** line item. The House eliminated this line item in its budget proposal while the Senate provides \$9.3 million, level with FY 2012 current spending, but \$13.2 million (58.6 percent) below FY 2009 GAA inflation adjusted levels. Regional management funds contracts with nonprofit "lead agencies" across the state that help coordinate services. Proponents of lead agencies note the important coordination function they fill between DCF social workers, families and other professionals involved in a child's case. However, critics claim that lead agencies duplicate work done in the past by social workers and that funding should be spent on services instead of another layer of administration. The **Dept. of Children & Families Admin.** receives more funding in the Senate, \$3.1 million higher than the House.

Line items receiving less funding in the Senate include **Group Care** at \$196.1 million, \$1.6 million less than the House's proposal, **Social Workers** at \$166.9 million, \$2.8 million below the House, and

Residential Services for Committed Population at \$101.7 million, \$1.2 million below the House proposal. For more funding information about all programs which will need to be reconciled during Conference Committee, see the line item table below.

The Senate followed the House by proposing a commission to study and make recommendations concerning services for unaccompanied **homeless youth** age 22 and under. The focus will include, but not be limited to, an analysis of: the barriers to serving unaccompanied youth who are gay, lesbian, bisexual, and transgender; the barriers serving youth under age 18; and barriers to accurately counting the population of unaccompanied youth. Serving on the commission will be commissioners from multiple state agencies, members of the Senate and House, youth advocates, direct care workers, and three youth who have experienced homelessness. A report to the Governor will be due March 2013 outlining recommendations for better serving these youth.

CHILDREN, YOUTH AND FAMILIES LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
4000-0051	Children Youth & Families Initiative	0	0	0	Gov funded \$3 mil
4200-0010	Dept. Youth Svcs. Admin.	4,047,173	4,066,407	19,234	
4200-0100	Non-Residential Svcs. for Committed	22,512,944	22,732,056	219,112	
4200-0200	Residential Svcs. for Detained	20,983,713	21,074,662	90,949	
4200-0300	Residential Svcs. for Committed	102,919,356	101,676,614	(1,242,742)	
4200-0500	DYS Teacher Salaries	2,809,809	2,500,000	(309,809)	
4200-0600	Alternative Lock Up Program	2,100,000	2,100,000	0	new in FY2013
4800-0015*	Dept. of Children & Families Admin.	66,325,850	69,474,448	3,148,598	
4800-0016	DCF Transitional Employment Program	2,000,000	2,000,000	0	
4800-0025	Foster Care Review	2,990,234	3,005,350	15,116	
4800-0030	DCF Regional Administration	0	9,300,000	9,300,000	
4800-0036	Sexual Abuse Intervention Network	697,508	697,508	(0)	
4800-0038*	Services for Children and Families	248,146,977	246,638,481	(1,508,496)	
4800-0040	Family Support and Stabilization	44,573,551	44,573,551	0	
4800-0041	Group Care Services	197,709,889	196,072,888	(1,637,001)	
4800-0091	Child Welfare Training Institute R.R.	2,083,525	2,077,119	(6,406)	
4800-0151	Placement Services Juvenile Offenders	230,780	1,004,678	773,898	
4800-1100	Social Workers for Case Management	169,672,498	166,917,450	(2,755,048)	
4800-1400	Support Services for Domestic Violence	21,465,102	20,695,096	(770,006)	

*Amended by Senate - see table at beginning of section

Disability Services

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Disability Services	1,441,662,242	1,382,478,501	1,440,416,855	1,425,684,167	(14,732,688)

During floor debate, the Senate made no funding changes to the SWM proposal for programs and services within the disability services category. The **Disabled Persons Protection Commission (DPPC)**, which can be found in the "Other Administrative" section of the Budget Monitor, did receive a \$64,000 increase to \$2.3 million, \$18,000 more than the House. The Mission of the DPPC is to protect adults with disabilities from the abusive acts or omissions of their caregivers through investigation oversight, public awareness and prevention.

The Senate did make two policy changes regulating the treatment of adults with disabilities. The first, **Regulating Treatment of Disabled Persons**, prohibits any procedure which causes obvious signs of physical pain to any person with a disability (child or adult). The second, **Aversive Therapy Regulation Codification**, prohibits any program operated through the Department of Developmental Services (DDS) from using Level III Aversive Interventions to reduce or eliminate maladaptive behaviors except in the case of a court-approved treatment plan. One other addition to the budget - The Massachusetts Down Syndrome Congress was added as a possible earmark for **DDS Administration** funding.

The full Senate proposal remains \$14.7 million lower than the House. Senate funding for developmentally disabled adults is likely insufficient to maintain current levels of services for the eligible population.

One major difference between the Senate and the House is funding for **Respite Family Supports**. The Senate proposes \$41.0 million, \$10.0 million below the House. Current FY 2012 spending of \$46.5 million is in between these two proposals. The proposal from the Senate is \$18.9 million (31.6 percent) below FY 2009 inflation adjusted levels and would likely mean that thousands of families of children and adults with disabilities would lose these supports. These services - for which there is already a high wait list - offer families with disabled children flexible community-based supports that are particularly important for helping keep children with disabilities out of residential schools.

Community Transportation Services for the Developmentally Disabled receives \$10.5 million from the Senate, \$3.1 million below the House. These services allow disabled adults to maintain employment and take part in community activities.

Overall, there are 16 line items that must be reconciled during the Conference Committee. **Community Day and Work Program** and **Independent Living Assistance for the Multi-Disabled** are given \$356,000 and \$1.4 million more in the Senate while **Community Residential Supports for the Developmentally Disabled** is given \$2.2 million less than the House. Please view the line item table for funding details about all funding differences in line items.

DISABILITY SERVICES LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
4110-0001	Mass. Comm. for the Blind Admin.	983,296	983,296	0	
4110-1000	Community Services for the Blind	3,954,067	3,940,941	(13,126)	
4110-2000	Turning 22 MCB	11,122,416	11,307,315	184,899	
4110-3010	Vocational Rehab. for the Blind	3,053,118	3,008,118	(45,000)	
4120-1000	Mass. Rehab. Admin.	404,678	417,444	12,766	
4120-2000	Vocational Rehabilitation	10,011,824	10,013,228	1,404	
4120-3000	Employment Assistance	2,072,129	2,072,129	(0)	
4120-4000	Independent Living Assistance	12,299,413	12,655,279	355,866	
4120-4001	Accessible Housing Registry	80,000	80,000	0	
4120-4010	Turning 22 MRC	795,642	791,208	(4,434)	
4120-5000	Home Care for the Multi-Disabled	4,293,694	4,337,006	43,312	
4120-6000	Head Injury Treatment Services	11,236,019	11,236,019	0	
4125-0100	Mass. Comm. Deaf & Hard of Hearing	5,447,856	5,447,856	(0)	
5911-1003	DDS Admin.	63,082,632	63,386,703	304,071	
5911-2000	Community Transportation Services	13,618,581	10,486,611	(3,131,970)	
5920-2000	Community Residential Supports	788,162,390	785,939,514	(2,222,876)	
5920-2002	DDS Rolland Court Monitor	400,000	400,000	0	
5920-2010	State-Operated Residential Supports	180,836,026	179,989,529	(846,497)	
5920-2025	Community Day and Work Program	132,522,784	133,957,044	1,434,260	
5920-3000	Respite Family Supports	51,004,298	41,004,298	(10,000,000)	
5920-3010	Autism Division	4,635,252	4,637,858	2,606	
5920-5000	Turning 22 DDS	6,000,000	6,000,000	0	
5930-1000	State Facilities DDS	134,250,738	133,442,770	(807,968)	
5982-1000	Templeton Developmental Ctr.	150,000	150,000	0	

*Amended by Senate - see table at beginning of section

Elder Services

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Elder Services	254,843,626	218,751,617	222,127,200	221,022,082	(1,105,118)

During floor debate, the Senate added \$1.6 million in funding to services for elders, bringing the total in the Senate budget to \$221.0 million. This total is \$2.3 million above FY 2011 current budgeted totals and \$1.1 million less than recommended by the House. Two Senate increases, **Elder Protective Services** (\$622,000) and the **Elder Nutrition Program** (\$50,000) are now identical to the House. The senior farm share program was added as an earmark in elder nutrition with no set amount appropriated. **Councils on Aging grants**, increased \$900,000 on the Senate floor, is \$800,000 higher than the House proposal.

Naturally Occurring Retirement Communities (NORC) which received funding through the **Congregate Housing Program** in the FY 2012 budget were guaranteed at least level funding in language added by the Senate. Overall funding for the congregate housing program did not receive an increase on the Senate floor and remains \$107,000 above the House. The Senate proposal represents a 38.7 percent cut when compared to FY 2009 GAA inflation adjusted levels.

Enhanced Community Options (ECOP) has the largest dollar difference with the Senate proposing \$46.5 million, \$1.3 million (2.8 percent) below the House. The most significant debate in conference committee might surround **Residential Placement Services** for homeless elders which were eliminated by the Senate. These services, currently funded at \$136,000 for FY 2012, were increased under the House proposal to \$186,000.

ELDER SERVICES LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
9110-0100	Dept. of Elder Affairs Admin.	1,990,108	1,990,108	(0)	
9110-1500	Enhanced Comm. Options (ECOP)	47,789,340	46,461,487	(1,327,853)	
9110-1604	Supportive Senior Housing Program	4,014,802	4,014,802	0	
9110-1630	Elder Home Care Purchased Svcs.	97,780,898	97,283,061	(497,837)	
9110-1633	Elder Home Care Case Mgt. & Admin.	35,738,377	35,738,377	0	
9110-1636*	Elder Protective Services	17,250,554	17,250,554	0	
9110-1660	Congregate Housing Program	1,717,616	1,824,617	107,001	
9110-1700	Placement for Homeless Elders	186,000	0	(186,000)	
9110-1900*	Elder Nutrition Program	6,375,328	6,375,328	(0)	
9110-2500	Veterans Independence Plus	750,000	750,000	0	
9110-9002*	Councils on Aging	8,534,177	9,333,748	799,571	

*Amended by Senate - see table at beginning of section

Transitional Assistance

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Transitional Assistance	829,217,816	785,573,923	787,350,335	775,865,001	(11,485,335)

The FY 2013 Senate budget proposal provides \$775.9 million for Transitional Assistance, \$11.5 million below the House proposal. During floor debate the Senate altered only one SWM appropriation for programs within Transitional Assistance. The **Employment Services Program** received a \$50,000 increase on the Senate floor with an identical increase earmarked for programs operated through the Massachusetts Office of Refugees and Immigrants. Even with the increase this represents a cut of \$25.7 million (86.6 percent) when compared to FY 2009 GAA inflation adjusted levels.

Another important change adopted on the Senate floor increases to 90 days the amount of time the Governor must give the legislature before cutting or making changes to **Transitional Assistance for Families with Dependent Children (TAFDC)** and *Emergency Aid to Elders, Disabled and Children*

(EAEDC) benefits. SWM proposed 30 days which might not provide the legislature adequate time to work with the Governor on other possible solutions. The current FY 2012 budget requires 90 days. Under Senate changes the Governor would also have to notify the joint committee on children, families and persons with disabilities along with the legislature.

The Senate continued the ongoing Electronic Benefits Transfer (EBT) cards debate making more changes to cash assistance policies. The Senate added a provision allowing the Department of Transitional Assistance (DTA) to make direct rent and utility payments if it is determined users are not using the grant in the best interests of a child or other chronic misuse of benefits is occurring. DTA may presume misuse if the costs of rent, heat, fuel, and utilities are not being met without reasonable cause. The Senate added language ensuring that EBT cards would be accepted at electronic fare vending machines for public transportation through the Massachusetts Bay Transit Authority. The Senate also added fines for owners of liquor stores, casinos and adult-oriented entertainment venues who knowingly allow an electronic benefits transaction.

The Senate did not include some of the more controversial cash assistance restrictions outlined in the House. Products and services restricted by the House, but not by the Senate include performances, cosmetics, professional services, jewelry, and rental goods and property. The Senate also funded a new **Public Benefits Fraud Unit** within the state police department at \$750,000. The unit is charged with investigating the illegal receipt and use of public benefits and is directed to work with the Attorney General and Auditor's Office, as well as other state and federal authorities as appropriate. The House did not include this unit in their proposal and both DTA and the state Auditor already investigate fraud.

The **employment services program** has the largest funding difference between the two proposals. The Senate proposed \$4.0 million, \$4.2 million below the House.

Funding levels for entitlement programs such as transitional assistance are significantly affected by anticipated caseload levels. These levels may have changed since the House proposal causing differences between the Senate and House which may not result in any debate. The Senate proposal for **TAFDC grants**, and for the other cash assistance programs assumes a slight drop in caseload in FY 2013. Grants are funded at \$315.4 million, \$7.5 million below the House. **EAEDC** is funded at \$87.3 million, \$1.0 million below the House.

TRANSITIONAL ASSISTANCE LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
4110-1010	State Supplement to SSI for the Blind	8,501,216	8,528,216	27,000	
4400-1000	Dept. of Transitional Assistance	54,939,985	55,493,896	553,910	
4400-1001	Food Stamp Participation	3,097,436	3,112,972	15,536	
4400-1025	Domestic Violence Specialists	798,944	798,944	(0)	
4400-1100	Caseworker Salaries and Benefits	62,797,173	63,012,441	215,269	
4401-1000*	Employment Services Program	8,109,035	3,954,506	(4,154,529)	
4403-2000	TAFDC Grant Payments	322,817,201	315,351,679	(7,465,522)	
4403-2007	Supplemental Nutritional Program	1,200,000	1,200,000	0	
4403-2119	Teen Structured Settings Program	7,731,401	8,081,401	350,000	
4405-2000	State Supplement to SSI	229,094,068	229,067,068	(27,000)	
4408-1000	EAEDC	88,263,877	87,263,877	(1,000,000)	

Other Human Services

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Other Human Services	152,792,464	142,240,322	141,123,766	161,525,756	20,401,990

During floor debate the Senate added \$21.6 million in funding to Other Human Services. The majority of that increase is the Senate proposal to include a \$20.0 million human service salary reserve which the SWM did not fund.

Veterans programs and services were the beneficiaries of most of the other increases in this section on the Senate Floor. **War Memorials**, a new line item in the SWM budget received \$115,000, an increase of \$50,000 over the SWM introductory proposal. Funding for war memorials previously came out of the Department of Veterans' Services Administration line item. (\$65,000 of the funding for War Memorials is included within the Department of Veterans' Services Administration line item for comparison to previous years) The Senate also added a new commission, the Massachusetts Veteran and War Memorials Commission, which will make recommendations on an equitable method for awarding funding for the upkeep and maintenance of veteran or war memorials. **Assistance to Homeless Veterans** and **Veterans' Outreach Centers** received increases of \$115,000 and \$99,000. For details on other veteran's programs receiving increases on the Senate Floor see the line item table below.

The Senate also added \$1.0 million for **Emergency Food Assistance**. The Senate appropriation of \$12.5 million is \$500,000 below the House proposal. However, the House consolidated the **Temporary Emergency Food Assistance Program** – line item #7051-0115 into emergency food assistance. The Senate kept them separate and funded the temporary emergency food assistance program at \$1.0 million. Taken together, the Senate proposal for both line items of \$13.5 million is actually \$500,000 more than the House appropriation. (In the table below, only the funds that the Senate specifically attributed to line item 2511-0105 are included) The need for this program has increased each year since the beginning of the recession and current funding levels do not address this growing demand for emergency food assistance

The main difference between the House and Senate is the \$20.0 million human service salary reserve which the House did not fund. Another notable difference is the **Veteran's Pension Recovery**. This program, funded by the Governor and the House at \$96,500, is not funded by the Senate. Almost half of the line items in this category will need to be reconciled. For details on the difference, see the line item table below.

OTHER HUMAN SERVICES LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0610-2000	Welcome Home Bill	2,855,604	2,805,000	(50,604)	
0611-1000	Bonus Payments to War Veterans	44,500	44,500	0	
1410-0010	Dept. Veterans' Services Admin.	2,615,839	2,526,370	(89,469)	<i>adj.--see text</i>
1410-0012*	Veterans' Outreach Centers	2,000,000	2,167,611	167,611	
1410-0015*	Women Veterans' Outreach	50,000	75,000	25,000	
1410-0018	Veterans' Cemeteries RR	350,000	565,000	215,000	
1410-0075*	Train Vets to Treat Vets	125,000	150,000	25,000	
1410-0100	Veterans' Pension Recovery	96,500	0	(96,500)	
1410-0250*	Assistance to Homeless Veterans	2,291,380	2,520,518	229,138	
1410-0251	New Eng. Shelter for Homeless Vets	2,278,543	2,278,543	0	
1410-0300	Annuities to Disabled Vets	21,400,000	21,473,000	73,000	
1410-0400	Veterans' Benefits	44,208,485	44,208,484	(1)	
1410-0630	Veterans' Cemeteries	1,014,825	1,014,825	0	
1410-1616*	War Memorials	0	50,000	50,000	<i>adj.--see text</i>
1599-6901*	Human Service Salary Reserve Fund	0	20,000,000	20,000,000	
2511-0105*	Emergency Food Assistance	13,000,000	12,500,000	(500,000)	<i>see text above</i>
4000-0050	Personal Care Attendant Council	236,976	235,485	(1,491)	
4000-0114	Workforce Turnover Reduction Pilot P	0	0	0	
4003-0122	Low-Income Citizenship Program	237,500	237,500	0	
4180-0100	Soldiers' Home in Chelsea	26,931,978	26,942,840	10,862	
4180-1100	License Plate Sales Retained Revenue	435,000	435,480	480	
4190-0100*	Soldiers' Home in Holyoke	19,840,106	20,177,267	337,161	
4190-0101	Holyoke Antenna Retained Revenue	5,000	5,000	0	
4190-0102	Pharmacy Co-Payment Fee Retained f	110,000	110,000	0	
4190-0200	Holyoke Telephone and Television R	35,000	35,000	0	
4190-0300	Holyoke 12 Bed RR	671,530	678,014	6,484	
4190-1100	License Plate Sales Retained Revenue	290,000	290,320	320	

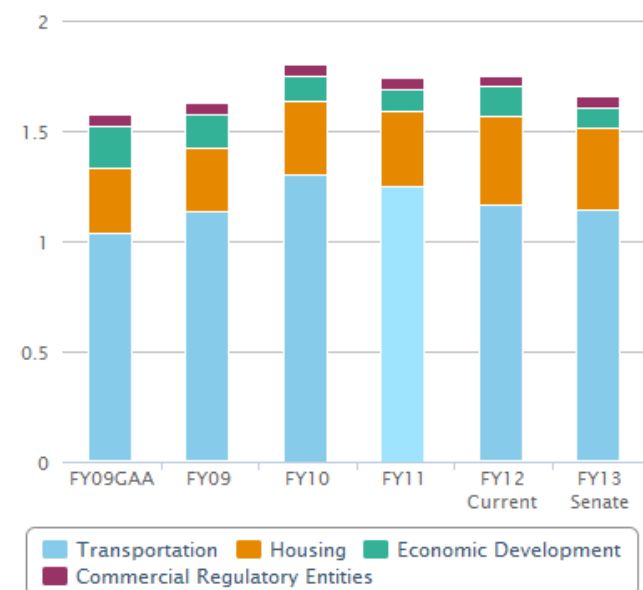
*Amended by Senate - see table at beginning of section

INFRASTRUCTURE, HOUSING & ECONOMIC DEVELOPMENT

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Infra., Hsg. & Econ. Dvt	1,571,073,215	1,724,899,254	1,656,886,747	1,654,068,692	(2,818,055)
Commercial Regulatory Entities	55,019,010	49,382,370	49,824,686	49,870,392	45,706
Economic Development	184,674,618	133,682,553	97,290,289	93,992,579	(3,297,710)
Housing	295,446,879	398,292,907	374,081,590	369,515,539	(4,566,051)
Transportation	1,035,932,708	1,143,541,424	1,135,690,182	1,140,690,182	5,000,000

During floor debate, the Senate increased funding by small amounts for eleven programs within the broad category of infrastructure, housing, and economic development. These differences will need to be reconciled during conference committee negotiations. For more detail, please see the table below.

Billions of Dollars (2013 Dollars)



INFRASTRUCTURE, HOUSING & EC. DEV. LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
1595-6368	Mass. Transportation Trust Fund (opera	165,191,136	1,500,000	166,691,136
1595-6370	Regional Transit Authorities (operating	15,000,000	3,500,000	18,500,000
2511-0100	Department of Agricultural Resources	4,510,993	46,158	4,557,151
7002-0020	Workforce Development Grants		1,000,000	1,000,000
7003-1206	Massachusetts Service Alliance	500,000	250,000	250,000
7004-0099	Department of Housing and Community	6,914,734	70,000	6,984,734
7004-0102	Homeless Individuals Assistance	37,963,331	2,535,004	40,498,335
7004-9024	Massachusetts Rental Voucher Program	41,000,000	1,000,000	42,000,000
7007-0150	Regional Economic Development Grant:	650,000	350,000	1,000,000
7007-0952	Commonwealth Zoological Corporation	3,500,000	300,000	3,800,000
7008-0900	Massachusetts Office of Travel and Tou	6,887,109	330,000	7,217,109

Economic Development

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Economic Development	184,674,618	133,682,553	97,290,289	93,992,579	(3,297,710)

During floor debate, the Senate increased funding by relatively small amounts for five economic development programs. Additionally, the Senate created one new program during floor debate, providing \$1.0 million for a **pilot precision manufacturing training program** (line item 7002-0020). For more detail, please see the table summarizing Senate floor changes at the beginning of this section.

The two largest differences between the House and Senate proposals for economic development are for **Summer Jobs for At-Risk Youth** and the **Massachusetts Office of Travel and Tourism**. The House funds the summer jobs program at \$5.6 million above the Senate, and the Senate funds the office of travel and tourism at \$4.2 million above the House. These differences will have to be reconciled during conference committee.

ECONOMIC DEVELOPMENT LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0640-0300	MA Cultural Council Grants	6,527,624	6,254,109	(273,515)	
1100-1560	MA Development Finance Agency	0	0	0	
1599-1977	I-Cubed Assist. Assembly Square Re:	3,462,325	3,462,325	0	
2511-0100	Dept. of Agricultural Resources	4,644,591	4,557,151	(87,440)	
7002-0010	Executive Office of Housing & Ec. Dev	437,278	446,520	9,242	
7002-0012	Summer Jobs for At-Risk Youth	8,609,158	3,000,000	(5,609,158)	
7002-0017	Housing & Ec. Dev. IT Costs	2,976,536	2,976,536	0	
7002-0020	Workforce Development Grants	0	1,000,000	1,000,000	
7003-0100	Exec. Office of Labor & Work. Dev.	761,109	884,042	122,933	
7003-0170	Labor and Workforce Development I	240,643	227,297	(13,346)	
7003-0200	Department of Labor Standards	2,128,283	2,128,283	0	
7003-0201	Dept. Labor Standards Licensing Fee	438,744	452,850	14,106	
7003-0500	Economic Stabilization Trust	19,395,217	19,114,446	(280,771)	
7003-0605	MA Manufacturing Extension Partner	1,225,000	325,000	(900,000)	
7003-0702	Individual Training Grants	0	500,000	500,000	
7003-0735	Massachusetts Service Alliance	0	0	0	
7003-0803	One-Stop Career Centers	4,752,323	4,494,467	(257,856)	
7003-0900	Department of Labor Relations	1,871,409	2,034,605	163,196	
7003-0901	Summer Jobs Matching Funds	0	100,000	100,000	
7003-0935	CB Process Reform	0	0	0	
7003-1206	Mass Service Alliance	1,625,000	250,000	(1,375,000)	
7006-0000	Office of Consumer Affairs & Busine:	798,409	846,160	47,751	
7007-0150	Regional Ec. Dev. Grants	850,000	1,000,000	150,000	
7007-0300	MA Office of Business Development	1,717,393	1,717,393	0	
7007-0500	Biotech Research Institute	250,000	200,000	(50,000)	
7007-0800	Small Business Dev. UMass Amherst	1,254,286	704,286	(550,000)	
7007-0801	Microlending	200,000	0	(200,000)	
7007-0802	Year Up	0	0	0	
7007-0951	Commonwealth Zoological Corporati	0	0	0	shift to 7007-0952
7007-0952	Commonwealth Zoological Corporati	3,750,000	3,800,000	50,000	shift from 7007-0951
7008-0900	MA Office of Travel and Tourism	3,064,562	7,217,109	4,152,547	MMP
7008-1000	Local Tourist Councils Financial Assi	6,000,000	6,000,000	0	MMP
7008-1300	Massachusetts International Trade	110,400	100,000	(10,400)	MMP
PB6	Workforce Training Fund	20,200,000	20,200,000	0	
1595-6583	Infra. Dev. Fund (operating transfer)	0	0	0	

Note: MMP = Massachusetts Marketing Partnership

Housing

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Housing	295,446,879	398,292,907	374,081,590	369,515,539	(4,566,051)

Like the House, the Senate's housing budget for FY 2013 restricts low-income homeless families' access to shelter while providing some increases in funding to help these families secure permanent housing.

It is questionable, however, whether these housing resources, some of which are limited to 12 months of assistance, will be sufficient to help these families, many of whom earn very little income, to remain in housing over the long term.

HOUSING LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
7004-0099	DHCD	6,914,734	70,000	6,984,734
7004-0102	Homeless Individuals Assistance	37,963,331	2,535,004	40,498,335
7004-9024	MRVP	41,000,000	1,000,000	42,000,000
7004-9317	IDA	0	100,000	100,000

During its debate on the FY 2013 budget the Senate increased funding for homelessness assistance and affordable housing programs by \$3.7 million above the SWM budget to \$369.5 million. The final Senate budget for housing programs is \$4.6 million lower than the House budget. Below is a discussion of the amendments passed by the Senate and the differences between the House and Senate budgets that will be ironed out by the conference committee over the next several weeks. For a fuller discussion of Senate funding for housing programs please see MassBudget's *Budget Monitor* on the SWM budget available [here](#).

Like the House, the Senate decreases access to and funding for Emergency Assistance (EA) shelter, while it increases housing assistance for low-income families who are homeless or at risk of becoming homeless. While the Senate provides more in funding than the House for HomeBASE which helps low-income families remain in current housing or move to new housing, it provides lower levels of funding for both EA and some other housing support programs including the Massachusetts Rental Voucher Program (MRVP) and the subsidies that the state provides to local housing authorities.

During its floor debate the Senate passed amendments to increase funding for a few housing programs. The amendments, along with a discussion of how the Senate level differs from the House amount, include:

- \$2.5 million more for **shelter and support to homeless individuals** bringing the total to \$40.5 million. The Senate's final budget for this program is \$2.5 million more than the House final budget.
- \$1.0 million more for **MRVP** to \$42.0 million which is \$4.0 million lower than the House final budget. The House budget requires that the new vouchers created with the increased funding help families move out of EA shelters, most notably hotels and motels, while the Senate budget does not include the same requirement. The House and Senate also have two different eligibility requirements. The House budget provides vouchers to renters living at or below 200 percent of poverty while the Senate budget requires that the program provide vouchers to families earning no more than 50 percent of area median income.
- \$100,000 in funding for **Individual Development Accounts (IDA)**. The new funding would be used to set up pilot programs at local community based organizations to create financial literacy and asset development programs for low-income earners. The House budget does not include funding for this program.

- \$70,000 more for the **Department of Housing and Economic Development (DHCD)** to \$7.0 million. The additional funding will provide \$20,000 for tenant services provided by the W. Broadway Task Force in South Boston and \$50,000 for a pilot program on Cape Cod that would reduce barriers to self-sufficiency among people receiving housing services through the department. The Senate budget for DHCD is \$164,000 more than the House budget.

When they meet in Conference to finalize the Legislature's FY 2013 budget, the House and Senate will have to reconcile differences in a number of other housing programs besides the programs discussed above most notably in EA and housing supports for low-income families.

As noted above, the House and Senate's budgets both restrict access to and lower funding for the **EA program** which provides shelter to homeless families who are living at or below 115 percent of poverty. In its budget, the House provides \$105.6 million in total for EA funding which includes a new account with \$16.6 million to support families living in **hotels and motels** because the family shelters are full. The Senate budget does not include a separate account for hotels and motels and provides \$96.7 million which is \$8.9 million less than the total House budget. The House budget also limits a family's stay in EA shelter to 9 months, after which they will have to leave whether or not they have housing to move in to. The Senate does not include this same limit. During its floor debate Senate passed an amendment requiring that DHCD report to the Legislature on how many low-income homeless families will be denied access to **EA shelters** because of the stricter eligibility requirements adopted in the FY 2013 budget. As noted in detail in the SWM [Monitor](#) the Senate budget, like the House final budget, limits EA shelters to a particular population of low-income homeless families. Other families, who are currently eligible to stay in shelters while they look for permanent housing, can only receive services through HomeBASE or other housing support programs (see below). If these families, however, cannot find adequate housing they will not be able to stay in family shelters.

As the House and Senate budgets restrict access to EA, they increase funding for some housing support programs such as MRVP (as noted above) and others including:

- The Senate increases funding for **RAFT** by \$8.5 million more than the current FY 2012 budget to \$8.8 million which is the same level as the House budget. The Senate passed an amendment allowing RAFT to provide up to \$6,000 in assistance during a 12 month period while the House provides up to \$4,000 per year, per family. The Senate budget also requires that no less than 90 percent of RAFT funds go to very low-income families, while the House budget directs at least 65 percent of the funds be provided to these families.
- The Senate provides the **HomeBASE** program with \$90.8 million which is \$7.4 million more than the amount approved by the House. While the House budget allows families to receive up to \$4,000 in assistance over a 12 month period, the Senate passed an amendment increasing the assistance to \$6,000.
- The Senate level funds **subsidies for public housing authorities** at \$62.5 million while the House provides \$2.0 million more for a total of \$64.5 million. In its budget, the House directs public housing authorities to repair family apartments with the funding in order to create more housing for homeless families currently living in shelters.

HOUSING LINE ITEMS

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0940-0101*	Fair Housing Assistance Type I Retail	2,129,547	2,118,911	(10,636)	
7004-0099*	Department of Housing and Commun	6,821,165	6,984,734	163,569	
7004-0100*	Operation of Homeless Programs	5,355,239	5,355,239	1	
7004-0101	Emergency Assistance - Family Shelte	88,923,588	96,679,154	7,755,566	
7004-0102	Homeless Individuals Assistance	37,963,331	40,498,335	2,535,004	
7004-0103	Homeless Family EA Shelter Overflow	16,636,800	0	(16,636,800)	
7004-0104	Home and Healthy for Good	1,400,000	1,400,000	0	
7004-0108	Massachusetts Short Term Housing T	83,374,371	90,787,766	7,413,395	
7004-3036	Housing Services and Counseling	1,495,996	1,495,996	0	
7004-3045	Tenancy Preservation Program	250,000	500,000	250,000	
7004-4314	Service Coordinators Program	350,401	350,401	0	
7004-9005	Subsidies to Public Housing Authorit	64,500,000	62,500,000	(2,000,000)	
7004-9024	Massachusetts Rental Voucher Progr	46,040,000	42,000,000	(4,040,000)	
7004-9030	Alternative Housing Voucher Program	3,450,000	3,450,000	0	
7004-9033	Rental Subsidy Program for Departme	4,500,000	4,000,000	(500,000)	
7004-9315*	Low-Income Housing Tax Credit Fee F	2,131,153	2,535,003	403,850	
7004-9316	Residential Assistance for Families i	8,760,000	8,760,000	0	
7004-9317	Individual Development Account Pro	0	100,000	100,000	

*House totals adjusted to include totals from collective bargaining agreements.

Transportation

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Transportation	1,035,932,708	1,143,541,424	1,135,690,182	1,140,690,182	5,000,000

Prior to floor debate the Senate Ways & Means budget for transportation was almost identical to the House's, but floor amendments added funding to two accounts – **Regional Transit Authorities** and the **Massachusetts Transportation Trust Fund** – and these new differences will have to be reconciled during conference committee negotiations.

TRANSPORTATION LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
PB1	MBTA State & Local Cont. Trust (pre-budge	786,800,000	786,800,000	0	<i>see text above</i>
1595-6368	Mass. Trans. Trust Fund (op. trans.)	165,191,136	166,691,136	1,500,000	
1595-6369	MBTA (operating transfer)	160,000,000	160,000,000	0	<i>see text above</i>
1595-6370	Regional Transit Authorities (op. trans.)	15,000,000	18,500,000	3,500,000	
1595-6379	Merit Rating Board (operating transfer)	8,699,046	8,699,046	0	

Commercial Regulatory Entities

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Commercial Regulatory Entities	55,019,010	49,382,370	49,824,686	49,870,392	45,706

COMMERCIAL REGULATORY ENTITIES LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0610-0050	Alcoholic Beverages Control Commis	2,181,737	2,060,249	(121,488)	
0610-0051	Alcoholic Beverages Control Commis	208,862	208,862	0	
0610-0060	Alcoholic Beverages Control Commis	150,000	0	(150,000)	
1599-4278	CB Reserve ABCC	0	0	0	
2100-0012	Department of Public Utilities	7,719,936	7,736,332	16,396	
2100-0013	Transportation Oversight Division	379,717	687,335	307,618	
2100-0014	Energy Facilities Siting Board Retain	50,000	50,000	0	
2100-0015	Unified Carrier Registration Retaine	2,329,861	2,300,000	(29,861)	
2100-0016	Steam Distribution Oversight	101,040	100,000	(1,040)	
7006-0010	Division of Banks	13,975,451	13,975,451	0	
7006-0011	Loan Originator Administration and	2,650,000	2,650,000	0	
7006-0020	Division of Insurance	12,351,044	12,351,044	0	
7006-0040	Division of Professional Licensure	2,474,874	2,474,874	0	
7006-0043	Home Improvement Contractors Reta	500,000	500,000	0	
7006-0060	Division of Standards	749,534	779,493	29,959	
7006-0066	Item Pricing Inspections	0	160,372	160,372	
7006-0067	Weights and Measures Law Enforcer	225,000	58,751	(166,249)	
7006-0068	Motor Vehicle Repair Shop Licensing	360,000	360,000	0	
7006-0071	Department of Telecommunications	2,877,507	2,877,507	(0)	
7006-0110	State Racing Commission	0	0	0	
7006-0151	Proprietary Schools Oversight	540,123	540,123	0	

LAW & PUBLIC SAFETY

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Law & Public Safety	2,714,139,348	2,337,362,752	2,360,698,001	2,380,833,314	20,135,313
Courts & Legal Assistance	699,703,441	625,116,401	625,529,563	626,124,293	594,730
Law Enforcement	445,339,169	326,246,601	338,667,921	345,515,642	6,847,722
Prisons, Probation & Parole	1,365,092,139	1,204,690,168	1,214,218,855	1,222,391,980	8,173,125
Prosecutors	155,990,457	138,107,868	139,895,597	142,806,732	2,911,135
Other Law & Public Safety	48,014,142	43,201,714	42,386,065	43,994,666	1,608,601

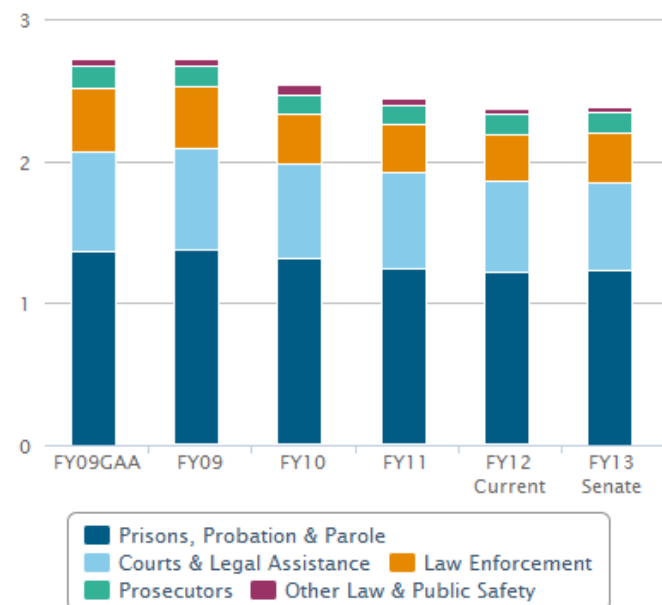
Law and public safety programs include funding for the court system and indigent defense, prosecutors, state prisons and county sheriffs departments, probation and parole functions, as well as the military division, fire safety services and various other safety inspection services.

During floor debate, the Senate added \$8.6 million to the SWM total for law and public safety accounts, including increases for legal assistance, Shannon Grants, the Department of Corrections, and county sheriff's departments (see table, below). With these additions, the Senate FY 2013 budget provides a total of \$2.38 billion for law and public safety programs and services. This amount is \$20.1 million more than the House and \$43.5 million

or 1.9 percent above current FY 2012 funding levels.⁵ Given general year-to-year price inflation, this small increase likely represents a decline in real funding for these programs relative to FY 2012 levels.

The amount provided for law and public safety programs in the Senate FY 2013 budget falls \$333.3 million or 12.3 percent below the total appropriated for these purposes in the FY 2009 General Appropriations Act (GAA, adjusted for inflation), the last budget enacted before the full fiscal effects of the Great Recession became apparent here in Massachusetts.

Billions of Dollars (2013 Dollars)



⁵ Figures include MassBudget adjustments to FY 2013 funding amounts to align with FY 2012 line item structures in order to make a proper apples-to-apples comparison between the two years, including allocation of funds in collective bargaining reserves to appropriate accounts.

LAW & PUBLIC SAFETY LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
0321-1600	Massachusetts Legal Assistance Corp	11,000,000	500,000	11,500,000
0321-2000	Mental Health Legal Advisors Commi	837,712	14,900	852,612
0321-2100	Massachusetts Correctional Legal Se	902,016	79,794	981,810
0810-0045	Wage Enforcement Program	3,072,081	261,507	3,333,588
0840-0100	Victim and Witness Assistance Boar	475,700	19,223	494,923
8100-0111	Gang Prevention Grant Program (Shar	6,000,000	1,000,000	7,000,000
8200-0200	Municipal Police Training Committee	2,588,874	250,000	2,838,874
8324-0000	Department of Fire Services Adminis	17,388,773	199,960	17,588,733
8700-0001	Military Division	8,133,547	305,377	8,438,924
8900-0001	Department of Correction Facility Op	540,763,132	2,025,000	542,788,132
8910-8310	Bristol Sheriff's Department Federal	8,460,000	551,360	9,011,360
8910-8610	Norfolk Sheriff's Department Federal	1,116,000	1,384,000	2,500,000
8910-8710	Plymouth Sheriff's Department Feder	16,000,000	2,000,000	18,000,000

Among the notable elements of the Senate FY 2013 budget are the following:

- The Senate provides more funding than the House for **Shannon Grants**, but less than the Governor.
- The Senate provides more funding than the House for the **Department of Corrections** and related accounts.
- The Senate provides funding to train a new class of **State Police Officers**. The House does not.
- The Senate establishes a new **Public Benefits Fraud Unit** within the Department of State Police. The House does not.

Courts & Legal Assistance

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Courts & Legal Assistance	699,703,441	625,116,401	625,529,563	626,124,293	594,730

The Courts and Legal Assistance subcategory includes accounts that fund the seven trial courts, the Supreme Court and the Appeals Court, and representation of indigent defendants.

On the floor, the Senate added a total of \$595,000 to accounts funding the courts and legal assistance, bringing the total for these accounts to \$626.1 million, an amount very close to the House and to current

FY 2012 funding levels.⁶ Given general year-to-year price inflation, this likely translates into a decline in real funding for these programs relative to FY 2012 levels. Relative to the FY 2009 GAA, the Senate total represents a 10.5 percent decline in inflation-adjusted funding.

The additions made by the Senate to this area of the budget all focus on programs providing legal assistance to low-income and other underserved population. They include the following:

- The Senate increased funding by \$500,000 to \$11.5 million for the [Massachusetts Legal Assistance Corporation](#) (MLAC). This total is \$1 million above current FY 2012 levels, but less than the \$12.0 million proposed by the House (and the Governor). MLAC provides low-income people with legal information, advice and representation on critical, non-criminal legal problems.
- The Senate added \$80,000 for [Massachusetts Correctional Legal Services](#) (MCLS), bringing the total for that account to \$982,000. MCLS provides civil legal services to people held in Massachusetts prisons and jails, particularly on matters relating to health and to prison/jail conditions.
- The Senate added \$15,000 for the [Mental Health Legal Advisors Committee](#) (MHLAC), bringing the total for that account to \$853,000. MHLAC provides civil legal services to children and adults with mental disabilities in cases involving discrimination and access to appropriate services.

Overall, while total funding for courts and legal assistance is very similar between the Senate and the House, the two chambers differ in some of the details. In matters of indigent defense, the Senate provides slightly more funding for private bar attorneys, and slightly less for public defenders than does the House. For the courts, the Senate provides more for individual courts and less for the Chief Justice of Administration and Management (CJAM) than does the House. The Senate appropriates a portion of its funding for the trial courts through two retained revenue accounts (0330-3333 and 0330-3334),⁷ unlike the House. The House, on the other hand, appropriates some trial court funding through two collective bargaining reserve accounts, an approach not taken by the Senate.

⁶ These totals include MassBudget adjustments to FY 2013 funding amounts to align with FY 2012 line item structures in order to make a proper apples-to-apples comparison between the two years.

⁷ These account totals are adjusted by MassBudget to fit the FY 2012 line-item structure in order to make possible apples-to-apples comparisons among past year budgets and current budget proposals.

COURTS & LEGAL ASSISTANCE

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0320-0003	Supreme Judicial Court	7,670,379	7,906,476	236,097	
0320-0010	Clerk's Office of the Supreme Judicial	1,215,714	1,301,283	85,569	
0321-0001	Commission on Judicial Conduct	592,597	592,597	0	
0321-0100	Board of Bar Examiners	1,062,289	1,062,289	0	
0321-1500	Committee for Public Counsel Service	45,129,781	44,482,135	(647,646)	
0321-1510	Private Counsel Compensation for Criminal	98,906,090	100,099,544	1,193,454	
0321-1518	Indigent Counsel Fees Retained Revenue	8,900,000	8,900,000	0	
0321-1520	Indigent Persons Fees and Court Costs	9,710,297	9,010,351	(699,946)	
0321-1600	Massachusetts Legal Assistance Corporation	12,000,000	11,500,000	(500,000)	
0321-2000	Mental Health Legal Advisors Committee	806,177	852,612	46,435	
0321-2100	Massachusetts Correctional Legal Services	981,810	981,810	0	
0321-2205	Suffolk County Social Law Library	1,140,000	1,000,000	(140,000)	
0322-0100	Appeals Court	10,887,430	11,434,229	546,799	
0330-0101	Trial Court Justices' Salaries	47,716,258	47,307,647	(408,611)	
0330-0300	Office of the Chief Justice for Administration	209,775,080	205,790,613	(3,984,467)	
0330-3333	Trial Court Retained Revenue	0	0	0	adj. -- see text
0330-3334	Probation Service Fees Retained Revenue	0	0	0	adj. -- see text
0331-0100	Superior Court	26,604,499	28,867,006	2,262,507	
0332-0100	District Court	54,442,152	74,577,190	20,135,038	
0333-0002	Probate and Family Court	24,104,652	29,447,902	5,343,250	
0334-0001	Land Court	2,712,759	4,812,759	2,100,000	
0335-0001	Boston Municipal Court	9,648,910	11,088,726	1,439,816	
0336-0002	Housing Court	6,206,191	7,873,192	1,667,001	
0337-0002	Juvenile Court	15,039,221	14,792,982	(246,239)	
0339-2100	Jury Commissioner	2,335,818	2,442,950	107,132	
1599-1982	Collective Bargaining Trial Court FY2019	17,318,327	0	(17,318,326)	adj. -- see text
1599-4430	Trial Court NAGE/SEIU 5000	10,623,132	0	(10,623,131)	adj. -- see text

Law Enforcement

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Law Enforcement	445,339,169	326,246,601	338,667,921	345,515,642	6,847,722

The Law Enforcement subcategory includes accounts funding the State Police, the State Police Crime Laboratory, the Chief Medical Examiner, the Criminal History Systems Board and Sex Offender Registry Board, as well as training for municipal officers and anti-gang and youth violence prevention programs.

On the floor, the Senate added \$1.3 million to the SWM FY 2013 budget, resulting in a total of \$345.5 million for law enforcement accounts, an amount 2.0 percent higher than the House and 5.9 percent higher than current FY 2012 funding levels.⁸ The Senate, however, provides \$99.8 million or 22.4 percent less for law enforcement than was approved in the 2009 GAA (adjusted for inflation), the last budget enacted before the full fiscal effects of the Great Recession became apparent here in Massachusetts. Changes made on the floor were the following:

- In floor debate, the Senate added \$1.0 million for **Shannon Grants**, bringing the Senate total for this program to \$7.0 million, a drop from the \$8.0 million in funding the program received in FY 2012, but more than the \$5.5 million provided by the House. Shannon Grants help fund anti-gang and youth violence prevention efforts undertaken by law enforcement, community-based organizations, and government agencies in communities throughout the Commonwealth.
- In floor debate, the Senate added \$250,000 for **municipal police training**, bringing the Senate total to \$2.8 million. This amount is 11.3 percent above the House and 13.5 percent above current FY 2012 funding levels.

Apart from these floor changes, the Senate provides more for the Chief Medical Examiner than does the House, and less for the Department of State Police Operations (and related accounts). The Senate also funds training for a new class of State Police Officers, while the House does not. In addition, the Senate creates a new **Public Benefits Fraud Unit** within the Department of State Police, funding this initiative at \$750,000, where the House does not. The unit is charged with investigating the illegal receipt and use of public benefits and is directed to work with the Attorney General and Auditor's Office, as well as other state and federal authorities as appropriate.

⁸ This total includes MassBudget adjustments to FY 2013 funding amounts (including for line items 1599-4204 and 8000-0106) to align with FY 2012 line item structures in order to make a proper apples-to-apples comparison between the two years.

LAW ENFORCEMENT

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
1599-4204	SPAM Collective Bargaining Reserve	1,190,563	1,190,563	0	<i>adj. -- see text</i>
8000-0105*	Office of the Chief Medical Examiner	7,413,572	7,633,638	220,066	
8000-0106*	State Police Crime Laboratory	13,638,157	13,392,111	(246,046)	<i>adj. -- see text</i>
8000-0110*	Criminal History Systems Board	2,469,265	2,000,000	(469,265)	
8000-0111	CORI Retained Revenue	3,000,000	3,000,000	0	
8000-0122	Chief Medical Examiner Fee Retainer	2,100,000	2,250,000	150,000	
8000-0125	Sex Offender Registry Board	3,807,693	3,984,920	177,227	
8000-0202	Sexual Assault Evidence Kits	86,882	86,882	(0)	
8000-1700	Public Safety Information Technology	18,317,591	19,396,655	1,079,064	
8100-0006	Private Detail Retained Revenue	27,500,000	27,500,000	0	
8100-0011	Federal Reimbursement Retained Revenue	3,100,000	0	(3,099,999)	
8100-0012	Special Event Detail Retained Revenue	1,050,000	1,050,000	0	
8100-0018	Federal Reimbursement Retained Revenue	1,401,500	4,501,501	3,100,001	
8100-0020	Telecommunications Access Fee Retainer	0	35,000	35,000	
8100-0101	Auto Etching Fee Retained Revenue	57,500	108,000	50,500	
8100-0111	Gang Prevention Grant Program (Share)	5,500,000	7,000,000	1,500,000	
8100-0515	New State Police Classes	0	2,000,000	2,000,000	
8100-1001	Department of State Police Operations	244,584,033	245,897,499	1,313,466	
8100-1004	State Police Benefit Fraud Unit	0	750,000	750,000	
8200-0200	Municipal Police Training Committee	2,551,165	2,838,874	287,709	
8200-0222	Municipal Recruit Training Program Fund	900,000	900,000	0	

*House totals adjusted to include totals from collective bargaining agreements.

Prisons, Probation & Parole

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Prisons, Probation & Parole	1,365,092,139	1,204,690,168	1,214,218,855	1,222,391,980	8,173,125

The Prisons, Probations & Parole subcategory includes accounts funding the state prison system, the county jails and other county sheriffs' department functions, the Probation Department and the Parole Board.

In floor debate, the Senate added \$6.0 million to prisons, probations and parole accounts, bringing the Senate total to \$1.22 billion, an amount \$8.2 million higher than the House. The Senate total represents an increase of \$17.7 million or 1.5 percent from current FY 2012 funding levels.⁹ Given general year-to-year price inflation, this likely translates into a decline in real funding for these programs relative to FY 2012 levels. The Senate total for these programs is \$142.7 million or 10.5 percent less than was provided in the FY 2009 GAA (adjusted for inflation), the last budget enacted before the full fiscal effects of the Great Recession became apparent here in Massachusetts.

The changes made on the floor include the following:

- The Senate increased its appropriation to the **Department of Corrections** (DOC) account by \$2.0 million to \$542.8 million. Accompanying changes to the line item language direct that this money shall be expended on cities and towns hosting a DOC facility.
- The Senate added \$551,000 to the **Bristol County Sheriff's** federal inmate reimbursement retained revenue account, level-funding this account relative to the House.
- The Senate added \$1.4 million to the **Norfolk County Sheriff's** federal inmate reimbursement retained revenue account, level-funding this account relative to the House.
- The Senate added \$2.0 million to the **Plymouth County Sheriff's** federal inmate reimbursement retained revenue account, exceeding the amount provided by the House by \$2.0 million.

Otherwise, the Senate provides one percent more than the House to each of the 14 County Sheriff's Department accounts for a total of \$4.4 million more than the House. At the same time, the Senate provides \$8.0 million less to the collective bargaining reserve accounts of the sheriffs. In addition, the Senate provides \$11.9 million more than the House to the Department of Corrections and related accounts, while also providing slightly more (\$393,000) for parole functions and slightly less (\$551,000) for probation functions than the House.

⁹ This total includes adjustments to FY 2013 funding amounts to align with FY 2012 line item structures in order to make a proper apples-to-apples comparison between the two years.

PRISONS, PROBATION & PAROLE

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0339-1001	Commissioner of Probation	114,799,578	114,799,578	0	
0339-1003	Office of Community Corrections	20,650,586	20,099,362	(551,224)	
8900-0001*	Department of Correction Facility Oper	536,824,301	542,788,132	5,963,831	adj. -- see text
8900-0002	Correction Administration/ MASAC (M	5,000,000	5,000,000	0	adj. -- see text
8900-0010*	Prison Industries and Farm Services I	3,018,392	2,897,672	(120,720)	
8900-0011	Prison Industries Retained Revenue	2,600,000	3,600,000	1,000,000	
8900-0045	Reimbursement from Housing Feder	1,000,000	1,000,000	0	
8900-0050	DOC Fees RR	5,000,000	10,000,000	5,000,000	adj. -- see text
8900-1100	Re-Entry Programs	550,139	550,139	0	
8910-0102	Hampden Sheriff's Department	65,784,478	66,442,323	657,845	
8910-0105	Worcester Sheriff's Department	40,282,336	40,685,159	402,823	
8910-0107	Middlesex Sheriff's Department	60,918,825	61,528,013	609,188	
8910-0108	Franklin Sheriff's Department	8,875,657	8,964,414	88,757	
8910-0110	Hampshire Sheriff's Department	11,937,088	12,056,459	119,371	
8910-0145	Berkshire Sheriff's Department	14,258,336	14,400,919	142,583	
8910-0160	Reimbursement from Housing Feder	850,000	850,000	0	
8910-0188	Reimbursement from Housing Feder	2,100,000	2,450,000	350,000	
8910-0288	Franklin Sheriff's Department Retain	350,000	0	(350,000)	
8910-0445	Dispatch Center Retained Revenue	250,000	250,000	0	
8910-0446	Pittsfield Schools Retained Revenue	500,000	500,000	0	
8910-0619	Essex Sheriff's Department	44,885,910	45,334,769	448,859	
8910-1000	Prison Industries Retained Revenue	2,388,300	2,396,673	8,373	
8910-1010	Hampden Sheriff Regional Mental He	905,441	905,441	0	
8910-1100	Prison Industries Retained Revenue	75,000	75,000	0	
8910-1101	Middlesex Sheriff Mental Health Stal	905,441	905,441	0	
8910-1112	Hampshire Regional Lockup Retaine	158,248	158,248	0	
8910-1127	Hampshire Sheriff's Federal Inmate I	250,000	250,000	0	
8910-2222	Reimbursement from Housing Feder	500,000	500,000	0	
8910-6619	Reimbursement from Housing Feder	2,000,000	2,000,000	0	
8910-7100	Massachusetts Sheriffs Association I	344,790	344,790	0	
8910-8200	Barnstable Sheriff's Department	22,531,834	22,757,152	225,318	
8910-8210	Barnstable Sheriff's Federal Reimbu	250,000	250,000	0	
8910-8300	Bristol Sheriff's Department	28,001,984	28,282,004	280,020	
8910-8310	Bristol Sheriff's Department Federal	9,011,360	9,011,360	0	
8910-8400	Dukes Sheriff's Department	2,524,719	2,549,966	25,247	
8910-8500	Nantucket Sheriff's Department	747,844	747,844	0	
8910-8600	Norfolk Sheriff's Department	25,439,428	25,693,822	254,394	
8910-8610	Norfolk Sheriff's Department Federal	2,500,000	2,500,000	0	
8910-8700	Plymouth Sheriff's Department	25,783,339	26,041,172	257,833	
8910-8710	Plymouth Sheriff's Department Feder	16,000,000	18,000,000	2,000,000	
8910-8800	Suffolk Sheriff's Department	90,397,267	91,301,240	903,973	
8910-8810	Suffolk Sheriff's Dept. Federal Inmat	8,000,000	8,000,000	0	
8950-0001	Parole Board	17,497,436	17,890,782	393,346	
8950-0008	Parolee Supervision Fee Retained Re	600,000	600,000	0	
1599-XXXX	Sheriffs' Collective Barg. Reserves	16,970,798	7,034,105	9,936,693	See note, below

NOTE: Sheriffs' collective bargaining total includes amounts from the following reserve account line-items (all beginning with 1599): -4234, -4288, -4289, -4291, -4302, -4303, -4304, -4305, -4307, -4308, -4309, -4310, -4313 through -4329, -4333 through -4337, -4339 through -4343, -4348, -4349, -4354, -4355, -4356, -4357, -4258, -4360, -4361, -4362, -4442, -4444, -4704, and -4801. The Senate appropriates some collective bargaining amounts directly to sheriff accounts

*House totals adjusted to include totals from collective bargaining agreements.

Prosecutors

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Prosecutors	155,990,457	138,107,868	139,895,597	142,806,732	2,911,135

The Prosecutors subcategory includes accounts funding the District Attorneys' offices and the investigative support they receive from the State Police, the Attorney General's office and the various special investigative units housed within the AG's office, as well as victim and witness assistance and protection programs.

On the floor, the Senate added \$281,000 to the SWM FY 2013 budget, providing a total of \$142.8 million for prosecutors, \$2.9 million more than the House and \$4.7 million or 3.4 percent more than current FY 2012 levels. This amount is \$13.2 million or 8.5 percent less than was appropriated in the FY 2009 GAA, the last budget enacted before the full fiscal effects of the Great Recession became apparent here in Massachusetts. Changes made on the floor were the following:

- The Senate added \$262,000 to the **Wage Enforcement Program**, resulting in a total that is \$327,000 higher than the House.
- The Senate added \$19,000 to the **Victim and Witness Protection Program**, making the Senate total equal to that of the House and to current FY 2012 funding levels.

The majority of the higher Senate appropriation for prosecutors beyond the amount provided by the House results from larger appropriations to the District Attorneys' (DAs) offices. In the Senate's budget, most DAs receive an increase of 5.0 percent over current FY 2012 levels.

PROSECUTORS

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0340-0100	Suffolk District Attorney	16,442,761	16,855,414	412,653	
0340-0198	Suffolk District Attorney State Police	354,303	354,303	0	
0340-0200	Northern District Attorney	14,023,058	14,374,985	351,927	
0340-0298	Northern District Attorney State Police	516,485	516,485	0	
0340-0300	Eastern District Attorney	8,615,961	8,832,189	216,228	
0340-0398	Eastern District Attorney State Police	504,351	504,351	0	
0340-0400	Middle District Attorney	9,105,742	9,334,263	228,521	
0340-0410	University of Massachusetts Medical	420,000	420,000	0	
0340-0498	Middle District Attorney State Police	413,499	413,499	0	
0340-0500	Hampden District Attorney	8,198,688	8,404,444	205,756	
0340-0598	Hampden District Attorney State Police	339,899	339,899	0	
0340-0600	Northwestern District Attorney	5,104,790	5,232,902	128,112	
0340-0698	Northwestern District Attorney State	294,248	294,248	0	
0340-0700	Norfolk District Attorney	8,399,821	8,610,626	210,805	
0340-0798	Norfolk District Attorney State Police	427,306	427,306	0	
0340-0800	Plymouth District Attorney	7,286,097	7,468,951	182,854	
0340-0898	Plymouth District Attorney State Police	429,842	429,842	0	
0340-0900	Bristol District Attorney	7,580,803	7,771,053	190,250	
0340-0998	Bristol District Attorney State Police	326,318	326,318	0	
0340-1000	Cape and Islands District Attorney	3,705,545	3,798,541	92,996	
0340-1098	Cape and Islands District Attorney State	278,735	278,735	0	
0340-1100	Berkshire District Attorney	3,608,246	3,698,799	90,553	
0340-1198	Berkshire District Attorney State Police	215,126	215,126	0	
0340-2100	District Attorneys' Association	1,660,006	1,660,006	0	
0340-8908	District Attorneys' Wide Area Network	1,317,090	1,317,090	0	
0810-0000	Office of the Attorney General Administration	22,251,155	22,251,155	0	
0810-0004	Compensation to Victims of Violent Crime	2,188,340	2,188,340	0	
0810-0013	False Claims Recovery Retained Revenue	775,000	775,000	0	
0810-0014	Public Utilities Proceedings Unit	2,355,145	2,355,145	0	
0810-0021	Medicaid Fraud Control Unit	4,064,923	4,064,923	0	
0810-0045*	Wage Enforcement Program	3,006,183	3,333,588	327,405	
0810-0061	Litigation and Enhanced Recoveries	1,000,000	1,811,579	811,579	
0810-0098	Attorney General State Police Overtime	415,676	340,676	(75,000)	
0810-0201	Insurance Proceedings Unit	1,502,039	1,539,942	37,903	
0810-0338	Automobile Insurance Fraud Investigation	435,443	438,506	3,063	
0810-0399	Workers' Compensation Fraud Investigation	284,456	284,456	0	
0840-0100	Victim and Witness Assistance Board	494,923	494,923	0	
0840-0101	Domestic Violence Court Advocacy Program	741,199	736,667	(4,532)	
8000-0038	Witness Protection Board	94,245	94,245	0	
8950-0002	Victim and Witness Assistance Program	218,150	218,212	62	

*House totals adjusted to include totals from collective bargaining agreements.

Other Law & Public Safety

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Other Law & Public Safety	48,014,142	43,201,714	42,386,065	43,994,666	1,608,601

This subcategory covers an array of departments and programs including the Executive Office of Public Safety; the Department of Fire Services; the Massachusetts Emergency Management Agency, elevator and boiler inspections; nuclear safety; and the state's Military Division.

In floor debate, the Senate added \$505,000 to these accounts, providing a total of \$44.0 million for these functions in FY 2013. This total is \$1.6 million above the House and \$793,000 1.8 percent above current FY2012 levels.¹⁰ Given general year-to-year price inflation, this likely translates into a decline in real funding for these programs relative to FY 2012 levels. The \$44.0 million total for these programs represents an 8.4 percent decline relative to the FY 2009 GAA (adjusted for inflation), the last budget enacted before the full fiscal effects of the Great Recession became apparent here in Massachusetts.

The only changes made on the floor were the addition of \$305,000 to the **Military Division** account, leaving the Senate \$256,000 below the House, and the addition of \$200,000 to the **Department of Fire Services Administration** to upgrade the emergency radio communications system in Plymouth County. Otherwise, the most notable elements of the Senate budget as regards Other Law & Public Safety programs are the following:

- The Senate provides \$17.6 million or a 1.2 percent increase above current FY 2012 funding levels for **Fire Fighting Services** accounts, an amount that is \$1.5 million higher than the House.
- The Senate provides \$6.0 million for **Elevator Inspections** (through a retained revenue account), and amount \$446,000 higher than the House.

¹⁰ This total includes MassBudget adjustments to FY 2013 funding amounts (including a \$200,000 addition to line item 0612-0105) to align with FY 2012 line item structures in order to make a proper apples-to-apples comparison between the two years.

OTHER LAW & PUBLIC SAFETY

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0612-0105	Public Safety Employees Line-of-Duty	200,000	200,000	0	
8000-0600*	Executive Office of Public Safety and	2,226,645	2,196,720	(29,925)	
8311-1000*	Department of Public Safety	4,579,533	4,610,086	30,553	
8315-1020*	Elevator Inspection Fee Retained Re	5,550,573	5,996,573	446,000	
8315-1022	Boiler Inspection RR	1,200,000	1,200,000	0	
8324-0000*	Department of Fire Services Adminis	16,122,709	17,588,733	1,466,024	
8324-0304	Department of Fire Services Retaine	0	8,500	8,500	
8700-0001*	Military Division	8,695,294	8,438,924	(256,370)	
8700-1140	Armory Rental Fee Retained Revenue	1,400,000	1,400,000	0	
8800-0001*	Massachusetts Emergency Managem	1,703,783	1,607,752	(96,031)	
8800-0100*	Nuclear Safety Preparedness Progran	426,776	447,794	21,018	
8800-0200	Radiological Emergency Response Pl	280,753	299,585	18,832	

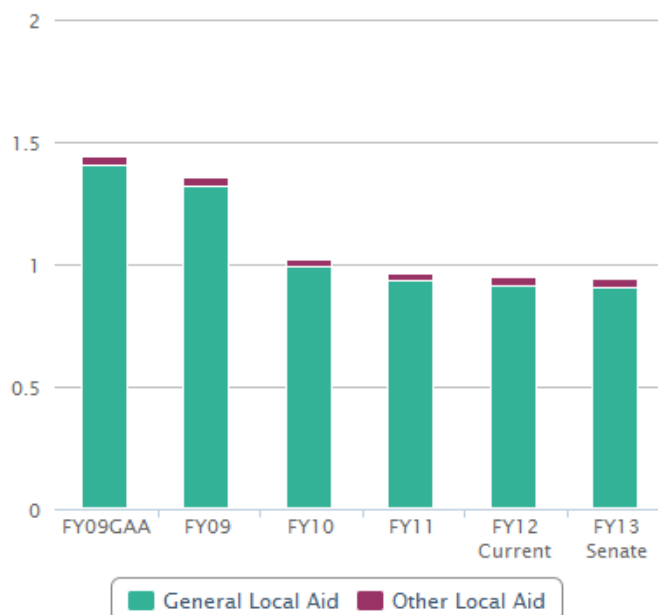
*House totals adjusted to include totals from collective bargaining agreements.

LOCAL AID

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Local Aid	1,438,324,839	936,450,293	932,350,293	941,360,000	9,009,707
General Local Aid	1,404,262,198	898,980,293	898,980,293	900,000,000	1,019,707
Other Local Aid	34,062,641	37,470,000	33,370,000	41,360,000	7,990,000

The Fiscal Year (FY) 2013 Senate budget proposes to fund non-school local aid at levels just slightly higher than the House proposal. The vast majority of this funding supports general local aid to cities and towns, helping them fund vital local services such as police and fire protection, parks, and public works. General local aid has been cut dramatically over the last several years, and while the Senate proposal funds general local aid at levels slightly above the FY 2011 and current FY 2012 budgets, this would represent the third year in a row of not making inflation adjustments to fully adjust for the rising cost of providing local services. *MassBudget* treats education aid separately in our Education section, although cities and towns often use a portion of their general local aid to help fund education as well.

Billions of Dollars (2013 Dollars)



During floor debate, the Senate added \$8.1 million to the following two local aid proposals in the Senate Ways & Means (SWM) budget, both of which are discussed later in the Other Local Aid section. The following table summarizes this floor activity.

LOCAL AID LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
1599-0026	Muni. Regionalization & Efficiencies Grants	7,000,000	3,090,000	10,090,000
OS-CPA	Community Preservation Act	0	5,000,000	5,000,000

Additionally, a total of four local aid accounts are funded at different levels in the Senate and House proposals and will need to be reconciled during the upcoming conference committee negotiations. The following table summarizes funding proposals for all local aid line items.

LOCAL AID LINE ITEMS

Line Item	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
1233-2350	Unrestricted General Govt Aid (UGGA)	898,980,293	900,000,000	1,019,707	see text below
1233-2400	State Owned Land (in Lieu of Taxes)	26,270,000	26,270,000	0	
1599-0026	Muni. Regionalization & Efficiencies Gr	5,950,000	10,090,000	4,140,000	see text below
7006-0140	Local Share of Racing Tax Revenues	1,150,000	0	(1,150,000)	
OS-CPA	Community Preservation Act	0	5,000,000	5,000,000	see text below

General Local Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
General Local Aid	1,404,262,198	898,980,293	898,980,293	900,000,000	1,019,707

With no relevant floor amendments, the final Senate proposal for **Unrestricted General Government Aid (UGGA)** remains \$1.0 million above the House proposal. The conference committee will have to reconcile this very small difference of 0.1 percent.

It should be noted that even if UGGA is funded at \$900.0 million in FY 2013, this funding level is tantamount to a cut since no inflation adjustment would have been made over the last two years to keep up with rising costs. Furthermore, general local aid has been cut dramatically since FY 2001. For more information on the history of general local aid and for historical funding levels, please see *MassBudget's* recent paper *Demystifying General Local Aid in Massachusetts*, available [here](#).

Other Local Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Other Local Aid	34,062,641	37,470,000	33,370,000	41,360,000	7,990,000

Two programs – the **Community Preservation Act (CPA)** and the **Municipal Grants** reserve account – were amended during Senate floor debate, and final proposals for each of these programs under the House and Senate budgets reflect differences that require reconciliation during conference committee negotiations.

Through outside section language, the SWM budget proposed a few policy changes to the Community Preservation Act (CPA) that are similar to those proposed by the House, but it did not provide any new funding for the program. A floor amendment, however, provided \$5.0 million of new general fund money to the Senate budget for the CPA. Currently, cities and town can opt into the program and pass a property tax surcharge of up to 3 percent. When the act was first passed, the state provided a 100 percent match to the revenue raised by cities and towns through the surcharge. As the economic crisis

hit, and as more communities joined the CPA, the state's contribution has diminished considerably, down to 22 percent for FY 2012. State matching funds come from revenue raised through the deeds recording fees, and therefore show up off-budget.

The Senate's \$5.0 million general fund contribution would supplement state funds coming in from the deeds recording fees, allowing the state to reimburse cities and towns at a higher rate. The House budget took a different approach to supplementing the CPA trust fund and these differences will have to be reconciled in conference. Instead of providing a direct appropriation, the House budget provided a provisional increase of up to \$25.0 million in surplus state funds coming out of the FY 2012 budget, if sufficient surplus funds exist. While this contribution amount is higher than the Senate's proposal, the money is not guaranteed.

Policy changes proposed by the House and Senate are quite similar to each other. They provide more flexibility for how the open space portion of a community's CPA funds can be spent, allowing cities or towns to renovate existing recreational facilities rather than requiring them to use the funds only to purchase new open space. Allowing CPA money to be spent on recreational renovation projects may help more urban communities, with little passive open space, opt into the CPA for the first time. Additionally, both budgets allow for alternative municipal revenues to be used to supplement the current CPA property tax surcharge.

Additionally, during floor debate, the Senate added \$3.1 million to the Municipal Grants reserve account, bringing this competitive grant program up to \$10.1 million under the Senate proposal (see line item tables at the beginning of this section). This \$3.1 million floor increase is combined with earmark language directing all of this new money to specific programs. The Senate and House differ both in terms of total funding for this account and in terms of where earmarks direct much of this funding. The Senate's entire \$10.1 million proposal is divvied up among four separate earmarks, including:

- \$4.0 million for regionalization and efficiency grants.
- \$4.0 million for police staffing grants for medium to large sized cities and towns.
- \$2.0 million for a pilot program to connect rural regions with state economic, housing, community, and business development programs.
- \$90,000 for recreational and open space investments in central Massachusetts.

Of the House's \$5.95 million proposal for this account, \$3.95 million is claimed by earmarks, including:

- \$2.0 million for the District Local Technical Assistance Fund to encourage regionalization efforts. This earmark language is similar to the Senate earmark language for regionalization and efficiency grants.
- \$1.0 million for an unspecified competitive grant program to be administered by the Department of Elementary and Secondary Education.
- \$750,000 for a pilot regionalization program in Plymouth County.
- \$200,000 for a matching grant program for the Fire Chiefs Association of Plymouth County to help improve the emergency radio communications system in Plymouth County.

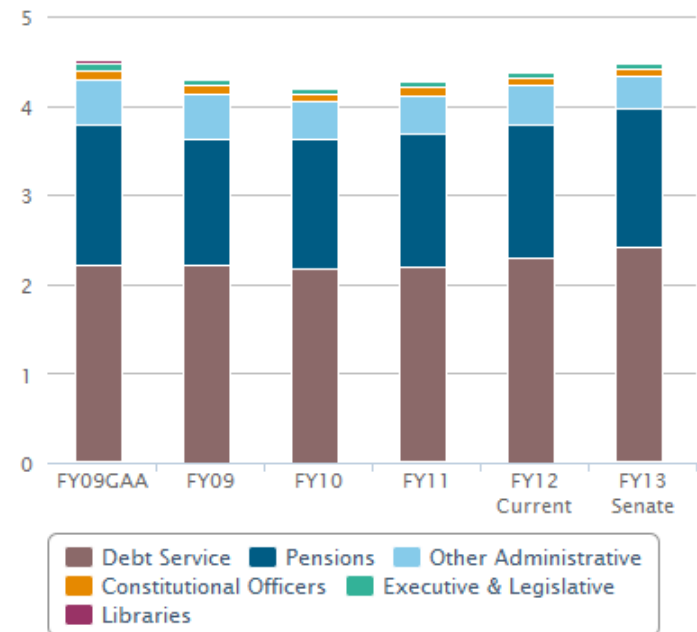
The conference committee will have to reconcile total funding for this Municipal Grants line item and all of the earmark language described above.

OTHER

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Other	4,497,139,812	4,336,007,070	4,520,214,292	4,493,385,626	(26,828,666)
Constitutional Officers	95,476,637	69,677,536	75,644,678	75,594,500	(50,177)
Debt Service	2,216,608,862	2,255,461,762	2,419,622,923	2,415,996,374	(3,626,549)
Executive & Legislative	73,875,040	67,939,480	66,495,916	66,439,480	(56,436)
Libraries	36,406,290	21,460,977	21,813,771	21,752,791	(60,980)
Pensions	1,564,686,672	1,478,000,000	1,552,000,000	1,552,000,000	0
Other Administrative	510,086,312	443,467,315	384,637,004	361,602,481	(23,034,524)

MassBudget's Other category includes spending for the Governor's Office, the Department of Revenue, the Executive Office of Administration and Finance, the Legislature, Constitutional Officers such as the Attorney General and the Secretary of State as well as some independent agencies and commissions. The category provides funding information for Libraries, on payments the state makes for debt service and for pensions to public employees. The category also includes much of the state's one-time spending such as assistance to communities that may have been hit by ice storms, tornadoes or other natural disasters. It also funds reserves for collective bargaining agreements though when possible, MassBudget redistributes this funding into the accounts where it is expected to be spent.

Billions of Dollars (2013 Dollars)



OTHER LINE ITEMS AMENDED BY THE SENATE

Number	Name	FY 2013 SWM	Amendment	FY 2013 Senate Final
0910-0200	Office of the Inspector General	2,231,913	31,139	2,263,052
1102-3234	ADA Compliance	0	200,000	200,000
1107-2501	Disabled Persons Protection Com	2,252,599	64,328	2,316,927
7000-9406	Talking Book Program - Watertow	2,299,384	100,616	2,400,000

Constitutional Officers

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Constitutional Officers	95,476,637	69,677,536	75,644,678	75,594,500	(50,177)

This subcategory includes funding for the Secretary of State, the State Auditor, the Registries of Deeds as well as various other offices and commissions. The Senate budget provides \$75.6 million for constitutional offices which \$50,000 less than the House. The Senate budget provides \$5.9 million more than the FY 2012 current budget largely because of increased funding needed for the 2012 primary and general elections. During its floor debate the Senate did not provide any additional funding to accounts within the constitutional officers subcategory.

CONSTITUTIONAL OFFICERS LINE ITEMS

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0511-0000	Secretary of the Commonwealth Adm	5,912,424	5,912,424	0	
0511-0001	State House Gift Shop Retained Reve	30,000	15,000	(15,000)	
0511-0200	State Archives	362,938	378,121	15,183	
0511-0230	State Records Center	36,217	36,217	0	
0511-0250	Archives Facility	296,521	296,521	0	
0511-0260	Commonwealth Museum	242,556	243,684	1,128	
0511-0270	Census Data Technical Assistance	350,000	400,000	50,000	
0511-0420	Address Confidentiality Program	130,250	130,858	608	
0517-0000	Public Document Printing	600,000	500,000	(100,000)	
0521-0000	Elections Division Administration an	8,646,892	8,646,892	0	
0521-0001	Central Voter Registration Computer	5,691,979	5,691,979	0	
0524-0000	Information to Voters	1,873,087	1,873,087	0	
0526-0100	Massachusetts Historical Commissio	800,000	750,000	(50,000)	
0527-0100	Ballot Law Commission	10,545	10,545	0	
0528-0100	Records Conservation Board	34,056	34,056	0	
0540-0900	Essex Registry of Deeds - Northern Di	1,039,688	1,017,334	(22,354)	
0540-1000	Essex Registry of Deeds - Southern Di	2,703,583	2,703,583	(1)	
0540-1100	Franklin Registry of Deeds	573,978	599,768	25,790	
0540-1200	Hampden Registry of Deeds	1,643,100	1,643,100	0	
0540-1300	Hampshire Registry of Deeds	471,423	471,423	0	
0540-1400	Middlesex Registry of Deeds - Northe	1,097,111	1,113,611	16,500	
0540-1500	Middlesex Registry of Deeds - Southe	2,802,512	2,875,012	72,500	
0540-1600	Berkshire Registry of Deeds - Norther	250,700	250,700	0	
0540-1700	Berkshire Registry of Deeds - Central	417,506	419,400	1,894	
0540-1800	Berkshire Registry of Deeds - Southe	209,000	209,483	483	
0540-1900	Suffolk Registry of Deeds	1,704,834	1,734,615	29,781	
0540-2000	Worcester Registry of Deeds - Northe	644,501	655,072	10,571	
0540-2100	Worcester Registry of Deeds - Worces	2,161,481	2,161,481	0	
0610-0000	Office of the Treasurer and Receiver-	9,181,148	9,181,660	512	
0610-0010	Financial Literacy Programs	85,000	85,000	0	
0610-0140	Financial Institution Fees	22,482	22,482	0	
0710-0000	Office of the State Auditor Administr	13,659,122	13,659,122	0	
0710-0100	Division of Local Mandates	371,790	379,643	7,853	
0710-0200	Bureau of Special Investigations	1,796,505	2,112,420	315,915	
0710-0225	Medicaid Audit Unit	897,829	897,829	0	
0710-0300	Enhanced Bureau of Special Investig	468,950	0	(468,950)	
1000-0001*	Office of the State Comptroller	8,424,970	8,482,378	57,408	

*House totals adjusted to include totals from collective bargaining agreements.

Debt Service

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Debt Service	2,216,608,862	2,255,461,762	2,419,622,923	2,415,996,374	(3,626,549)

The Debt Service subcategory includes accounts that fund the borrowing costs of the Commonwealth. The Commonwealth issues bonds to raise capital for investments in roads, bridges and other major infrastructure projects. Bondholders receive payment through the state's debt service accounts.

The Senate made no changes to debt service accounts during floor debate. The Senate's FY 2013 budget provides \$2.42 billion for debt service lines items, \$3.6 million less than the House and an increase of \$160.5 million or 7.1 percent over current FY 2012 levels. The Senate increase for debt service over FY 2012 levels is driven by a \$126.6 million (6.7 percent) increase in **Consolidated Long-Term debt service** to \$2.01 billion, a doubling of **Accelerated Bridge Program Debt Service** to \$50.7 million, and \$19.8 million (23.0 percent) increase for **Central Artery/Tunnel debt service** to \$106 million.

DEBT SERVICE

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0699-0005	Consolidated Long-Term Debt Service	20,000,000	20,000,000	0	
0699-0014	Accelerated Bridge Program Debt Ser	0	50,702,783	50,702,783	
0699-0015	Consolidated Long-Term Debt Service	2,011,754,769	2,010,444,553	(1,310,216)	
0699-0016	Accelerated Bridge Program Debt Ser	49,392,567	0	(49,392,566)	
0699-2004	Central Artery/Tunnel Debt Service	106,001,196	0	(106,001,195)	
0699-2005	Central Artery/Tunnel Debt Service	0	106,001,196	106,001,196	
0699-9100	Short-Term Debt Service and Costs of	29,131,247	29,131,247	(0)	
0699-9101	Grant Anticipation Notes Debt Service	13,182,425	13,182,425	0	
1599-0093	Water Pollution Abatement Trust Cor	65,160,719	61,534,170	(3,626,549)	
1599-1970	Massachusetts Turnpike Authority Co	125,000,000	125,000,000	0	

Executive & Legislative

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Executive & Legislative	73,875,040	67,939,480	66,495,916	66,439,480	(56,436)

During its budget debate the Senate did not increase funding for accounts within the Executive Office of the Governor and the Legislature. In its budget, the House provides \$300,000 for the **Office of Child Advocate** which is \$56,000 more than the Senate.

EXECUTIVE & LEGISLATIVE LINE ITEMS

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
0411-1000	Executive Office of the Governor	4,993,342	4,993,342	0	
0411-1005	Office of the Child Advocate	300,000	243,564	(56,436)	
9500-0000	Senate Operations	17,841,227	17,841,227	0	
9600-0000	House of Representatives Operation	35,393,116	35,393,116	0	
9700-0000	Joint Legislative Operations	7,968,231	7,968,231	0	

*House totals adjusted to include totals from collective bargaining agreements.

Libraries

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Libraries	36,406,290	21,460,977	21,813,771	21,752,791	(60,980)

The state supports public libraries in Massachusetts through a number of programs. The two largest are the Public Libraries Local Aid account which provides direct state aid to local libraries and the Regional Libraries account which supports regional library networks including the inter-library loan and electronic references resources. The state also provides funding for the Talking Book program which is housed in the Perkins School for the Blind serving the eastern part of the Massachusetts and the Worcester Public Library in the western part of the state.

During its floor debate the Senate passed one amendment adding \$100,000 to the **Talking Book Program in Watertown** for a total of \$2.4 million bringing it in line with the House budget.

During conference the House and Senate will have to reconcile minor differences in their budget for Libraries. The most notable difference is that the Senate provides \$9.1 million in **aid for regional libraries** which is \$100,000 less than the House budget.

LIBRARIES LINE ITEMS

Number	Name	FY 2013 House	FY 2013 Senate	Senate minus House	Notes
7000-9101*	Board of Library Commissioners	1,008,258	1,037,793	29,535	
7000-9401	Regional Public Libraries Local Aid	9,231,475	9,131,475	(100,000)	
7000-9402	Talking Book Program - Worcester	421,143	430,628	9,485	
7000-9406	Talking Book Program - Watertown	2,400,000	2,400,000	0	
7000-9501	Public Libraries Local Aid	6,823,657	6,823,657	0	
7000-9506	Technology and Automated Resource	1,929,238	1,929,238	0	

*House totals adjusted to include totals from collective bargaining agreements.

Pensions

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Pensions	1,564,686,672	1,478,000,000	1,552,000,000	1,552,000,000	0

Annual pension funding is governed by state law (Chapter 32§22C of the Massachusetts General Laws), which requires an annual transfer to the state Pension Liability Fund and sets out a funding schedule that is periodically updated. The most recent update was contained in a section of the FY 2012 budget that extended the timeframe for paying down the state's pension liability to 2040 and set out a schedule of specific payments through FY 2017. In accordance with that schedule, both the House and Senate budgets for FY 2013 budget assume an off-budget transfer of 1.55 billion dollars to the Pension Liability Fund, and both budgets contain language specifying that the FY 2013 pension transfer is intended to cover the cost of providing retirees with a 3 percent cost-of-living adjustment (COLA) in FY 2013 (the COLA is calculated on a base of \$13,000, meaning the maximum COLA increase will be \$390).

During budget debate the Senate added a provision to the budget that would allow certain social workers employed by the Department of Children and Families to retire earlier with a full pension. The House budget contains an identical provision and there are no other pension-related issues for the Conference Committee to resolve.

Other Administrative

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 House	FY 2013 Senate	Senate minus House
Other Administrative	510,086,312	443,467,315	384,637,004	361,602,481	(23,034,524)

The Other Administrative subcategory funds accounts that cover a wide range of government activities. This subcategory includes one-time funding to help communities recover from major storms or floods, provides funding for various state commissions as well as for the Department of Revenue (DOR) and the Executive Office of Administration and Finance (A&F).

During its floor debate the Senate adopted a number of amendments including:

- An additional \$31,000 for the **Office of the Inspector General** for a total of \$2.3 million which is the same as the amount included in the House budget.
- \$200,000 to fund a new competitive grant program to help town halls comply with the **Americans with Disabilities Act**. The House does not include funding for this initiative in its budget.
- An additional \$64,000 for the **Disabled Persons Protection Commission** for a total of \$2.3 million which is \$18,000 more than the House budget.

During its conference, the House and Senate will need to reconcile a number of differences before they approve a final budget to send to the Governor for his signature. Some of the more notable differences include:

- The Senate budget assumes up to \$30.0 million in **procurement savings** not included in the House budget.
- The Senate provides \$826,000 more in funding for **state office buildings** than the House budget. Both the House and Senate budgets consolidate funding for state offices buildings.
- The Senate increases funding for enforcement at DOR. While both the House and Senate provide an additional \$4.0 million for **DOR auditors** above the current FY 2012 budget to \$28.0 million, the Senate budget provides \$2.0 million for a new account to pay for **expert witnesses** that DOR may hire to for tax disputes amounting to \$1.0 million or more. The Senate budget also provides **DOR** with \$3.4 million more than the House budget. The Senate estimates that these initiatives will increase revenue collections by \$14.0 million in FY 2013 above the amounts estimated by the House. For more discussion of this effort please refer to the Revenue section of this *Budget Monitor*.

The House budget provided approximately \$27.5 million in funding in reserve for **collective bargaining agreements** that the state negotiated with its workers. The Senate budget does not include funding in these reserve accounts but instead puts the funding directly into the accounts of the agencies where the funding will be spent. In order to provide apples to apples comparisons with the Senate budget, MassBudget has reallocated funding from the collective bargaining accounts in the House budget into the line items where they are expected to be spent.

REVENUE

During floor debate, the full Senate did not include any major revenue initiatives to its budget proposal. As a result of new revenue estimates, compared to the budget from the Senate Ways and Means Committee, the final Senate budget includes approximately \$99.4 million in additional revenue: \$27.1 million in additional federal revenues, \$40.0 million in departmental fees and assessments and \$32.4 million in anticipated transfers. Most of these increases are the result of new revenue estimates, such as a revision to lottery revenue estimates, as well as new estimates for federal revenues associated with Medicaid/MassHealth reimbursement. (This total does not include an increase of \$95.0 million in revenue from municipal contributions to fully-fund increased municipal participation in the Group Insurance Commission. We also exclude that \$95.0 million from the spending side in our discussion of State Employee Health Insurance.)

The Senate budget, like the budget from the House, does not follow the Governor's proposal to include revenues from new taxes on tobacco products or from removing the sales tax exemptions for candy and soda. The Senate budget also relies less on one-time revenue than the House budget proposal. Without any major revenue initiatives, the Senate budget is limited in its ability to support any major spending initiatives. One notable change, however, is that during floor debate, the Senate added language that would transfer \$65.0 million from the FY 2012 consolidated net surplus into a variety of special trust funds. These funds would support investment in the life sciences, workforce development in the health care professions, and increased nursing home facility rates. The House budget only includes language transferring \$15.0 million for investment in life sciences.

As shown in the chart below, when compared to the House budget proposal, the Senate budget uses approximately \$130 million less in one-time revenues. The Senate budget assumes \$89.1 million in new ongoing revenue (in other words, revenue that will continue beyond FY 2013), and \$552.4 million in temporary revenue or one-time revenue. Temporary revenues are useful for balancing the budget only in the current fiscal year. The House budget, on the other hand, relies on \$33.1 million in ongoing revenue, and \$686.0 million in temporary revenue.

FY 2013 REVENUE INITIATIVES	FY 2013 Governor		FY 2013 House		FY 2013 Senate	
Tax Revenue	Temporary	Ongoing	Temporary	Ongoing	Temporary	Ongoing
Delay FAS 109 deductions	45,860,105		45,860,105		45,860,105	
Enhanced tax enforcement		22,300,000		22,300,000		36,300,000
Tax settlements						32,000,000
Increase cigarette tax by \$0.50		62,500,000				
Eliminate sales tax exemption for candy and soda		61,500,000				
Update tobacco taxes to include other tobacco products		10,400,000				
Market sourcing for corporate excise sales factor		10,000,000				
Enforce room occupancy tax on hotel room resellers		7,213,281				
Taxation of non-insurance subsidiaries of insurance companies		7,000,000				
Disallow tax deductions for losing lottery tickets		500,000				
Tax Revenue	45,860,105	181,413,281	45,860,105	22,300,000	45,860,105	68,300,000
Departmental Revenues	Temporary	Ongoing	Temporary	Ongoing	Temporary	Ongoing
Abandoned property revenues					10,000,000	10,000,000
Various increased fees, etc.		10,800,000		10,800,000		10,800,000
Bottle redemption		22,300,000				
Departmental Revenues	0	33,100,000	0	10,800,000	10,000,000	20,800,000
Other Sources of Funds	Temporary	Ongoing	Temporary	Ongoing	Temporary	Ongoing
Stabilization ("Rainy Day") Fund withdrawal	400,000,000		400,000,000		290,000,000	
Stabilization ("Rainy Day") Fund interest transfer	9,100,000		9,100,000		12,500,000	
Proceeds from various trusts	6,000,000		37,000,000		6,000,000	
Use of Group Insurance trust surplus	40,000,000		40,000,000		40,000,000	
Use of Commonwealth Care trust surplus	29,000,000		44,000,000		44,000,000	
Foregone carry forward of consolidated net surplus			110,000,000		104,000,000	
Other Sources of Funds	484,100,000	0	640,100,000	0	496,500,000	0
SUB-TOTALS	TEMPORARY	ONGOING	TEMPORARY	ONGOING	TEMPORARY	ONGOING
	529,960,105	214,513,281	685,960,105	33,100,000	552,360,105	89,100,000
TOTAL REVENUE INITIATIVES	744,473,386		719,060,105		641,460,105	

Tax Revenues

The Senate did not make any changes affecting tax revenue on during debate on their budget. Like the House and the Governor, the Senate FY 2013 budget relies on the consensus revenue estimate of \$21.95 billion in tax revenue. The Senate also counts on three additional tax-related initiatives totaling \$114.2 million, compared to tax initiatives totaling \$68.2 million in the House budget. The Senate budget includes tax revenues realized with the improvement of the Department of Revenue's enforcement abilities (through use of more powerful data-review software). The Senate projects \$36.3 million in revenue from these improvements, compared to \$22.3 million in the House budget. The expectation is that with improved tax auditing and enforcement, the Department of Revenue will be able to bring in additional revenue for the Commonwealth that is owed but that currently goes uncollected. This represents a new and ongoing revenue stream for the state.

As distinct from the House budget, the Senate budget includes language in an outside section that would change how the Commonwealth would treat revenues from tax settlements. In past years, all tax settlement revenues went to the General Fund. Starting in FY 2012, a law directed that the proceeds from tax settlements above \$10 million would be deposited into the Stabilization Fund (the "Rainy Day" fund). The Senate budget proposal lowers this threshold, and directs that revenue from one-time tax settlements exceeding \$1 million be deposited in the Stabilization Fund. It also directs the Commonwealth to transfer up to \$30 million of these revenues back into the General Fund at the end of the fiscal year. Accordingly, based on this language the Senate budget relies on \$30 million in revenue from tax settlements, as well as an additional \$2 million in retained revenues associated with the collection of these settlements. The House budget does not include this proposal.

Apart from the initiatives outlined above, the Senate proposes no other sources for new or enhanced tax revenues in its FY 2013 budget. To bring its budget into balance, the Senate – like the House – relies on other non-tax revenues.

Non-Tax Revenues

During floor debate, the full Senate incorporated new revenue estimates that would generate \$194.4 million in additional non-tax revenues. Most of these increases represent new estimates for existing revenue sources, such as increased reimbursements from the federal government for the state's MassHealth program, and an increase estimate for lottery revenues. The Senate budget does, however, anticipate \$20.8 million in new ongoing non-tax revenues, and \$506.5 million in temporary non-tax revenues, coming from the Stabilization Fund, from agency revenue initiatives, and from other specific transfers..

Stabilization Fund

Like the House, the Senate withdraws funding from the state's Stabilization Fund, and proposes transferring into the General Fund anticipated interest earned by the Stabilization Fund. The Senate transfers \$290.0 million from the fund, while the House transfers \$400.0 million, and the Senate anticipates \$12.5 million in interest, while the House expects \$9.1 million. Both the House and the Senate make a required \$100.0 million deposit into the Stabilization Fund which is the estimated amount of FY 2013 capital gains revenues in excess of \$1 billion.

Unused Balances

The Senate budget relies on the use of unused \$6.0 million from balances in existing trust funds to pay for FY 2013 costs. The House budget, on the other hand, counts on being able to "sweep" a total of \$37.0 million in unused funds from various trusts.

Agency Revenue Initiatives

Unlike the House, the Senate budget proposal includes language that directs the Commonwealth's revenue from unclaimed checks into the Abandoned Property fund, resulting in an estimated \$10.0 million in ongoing departmental revenue. The Senate budget also transfers \$10.0 million from a separate off-budget trust into the Abandoned Property fund, a source of one-time revenue. All told, the Senate budget relies on approximately \$20.0 million more in revenue from so-called abandoned property than the House budget.

Other One-time Savings

Unlike the House, the Senate budget also includes language that would suspend for FY 2013 the required transfer of funds from the Master Tobacco Settlement into the State Retiree Benefits Trust. In FY 2012, the Legislature passed a law stating that in FY 2013, 10 percent of the proceeds of the tobacco settlement (approximately \$27.7 million) would be deposited in this trust to help fund benefits for retired state employees. By suspending this language for this fiscal year, the Senate "saves" the amount of this transfer. It is notable that during floor debate, the full Senate revised upward by \$21.8 million its

estimate for the total value of the Master Tobacco Settlement, thereby increasing the amount recognized as "savings" by this initiative.