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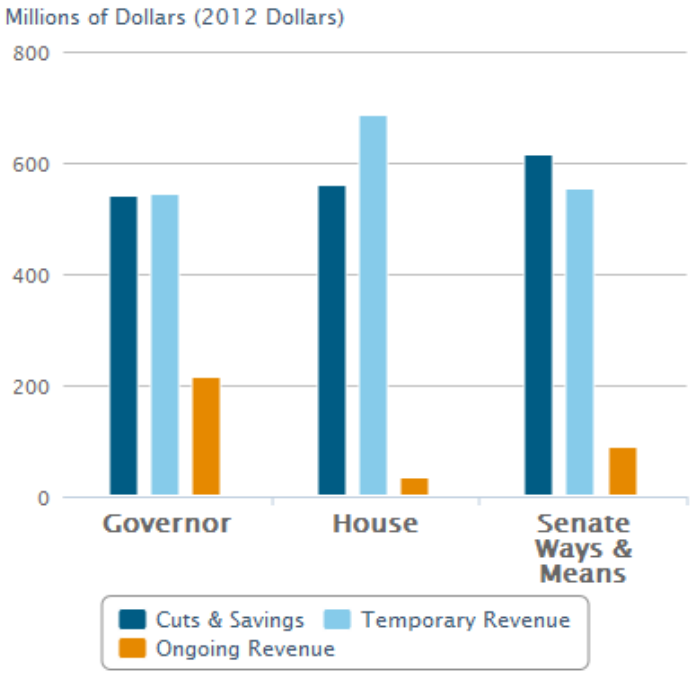
BUDGET MONITOR May 22, 2012

The Senate Ways and Means Budget for FY 2013

On Wednesday, the Senate Ways and Means Committee released its budget proposal for Fiscal Year 2013. The most basic fiscal challenge the Committee faces is to fill a budget gap of roughly $1.3 billion, and it accomplishes this through a combination of cuts, savings, and temporary revenue.

The chart at right shows how the deficit-reduction strategy of the Senate Ways and Means budget compares to earlier proposals from the Governor and the House of Representatives.



The Senate Ways and Means proposal calls for:

- Approximately $615 million in cuts and savings (colored dark blue).
- Temporary Revenues of $552 million (colored light blue), including $290 million from the "rainy day" fund (the State Stabilization Fund).
- A modest amount of new, ongoing revenues (colored orange), amounting to $89 million.

In order to balance the budget, the Senate Ways and Means proposal relies heavily on cuts and savings—and this is on top of the $3 billion in cuts and savings which have been enacted over the last four years.[1] Much of the new money in cuts and savings comes from **Health Care**, but a number of other critical programs will also be affected—including some that support our most vulnerable residents.

- **Respite Family Supports**, which helps the families of people with developmental disabilities, would receive less money than last year—and significantly less than the House had proposed.
- **Child Care** programs would be cut by $9 million. This includes a program for low-income families that already has a wait list of over 36,000 children.

In addition to these cuts and savings, the Senate Ways and Means budget makes use of $552 million in temporary revenue—revenue that will be made available for FY 2013 but that won't reduce the budget deficit moving forward. This is less temporary revenue than the House employs—$130 million less.

[1] See MassBudget's, "Fiscal Fallout," available at http://www.massbudget.org/report_window.php?loc=Final_Cuts_20July_2011.html.

Some new, ongoing revenue is made available through enhanced tax enforcement and increased fees, but there are no new taxes in the Senate Ways and Means budget. This is consistent with the House version, but it stands in contrast to the Governor, who had proposed increasing the cigarette tax and ending the sales tax exemption for candy and soda.

Despite the stark fiscal challenges, a few programs would receive additional funding under the Senate Ways and Means budget. Particularly K-12 education, which has seen increased funding support at every step of the budget process. When the Governor released his proposal, he increased education funding to cover the costs of inflation and enrollment growth. The House proposal did the same—and then guaranteed each school district a minimum $40 per pupil increase over FY 2012. For its part, the Senate Ways and Means Committee proposes to do both of these things and also to distribute additional money to a targeted group of non-wealthy districts.

The sections that follow analyze the Senate Ways and Means budget in greater detail, but it is important to keep in mind the bigger fiscal story—which is not just about one year's budget deficit but about the regular deficits that the Commonwealth has been facing for several years now.

There are two basic reasons that Massachusetts continues to find itself in a fiscal crisis.

1. The lingering effects of the Great Recession, which has sapped state revenues even as it has increased the number of people relying on core safety net services.

2. The structural budget problems that the state has faced since cutting taxes in the late 1990s. Those tax cuts and other declines in tax receipts over the last fifteen years cost the state over $3 billion in annual revenue.[2]

These are some of the broader forces that have shaped the Senate Ways and Means budget as a whole and with it the many, specific proposals that we analyze in the sections that follow.

TABLE OF CONTENTS

Overview	1
Education	4
Environment & Recreation	15
Health Care	20
Human Services	31
Infrastructure, Housing & Economic Development	41
Law & Public Safety	49
Local Aid	62
Other	65
Revenue	75

The table below shows how the Senate Ways and Means Budget compares to other recent budgets and budget proposals, including the Governor's proposal, the 2012 budget, and the initial budget for FY 2009. In this analysis, we have adjusted some of the numbers in order to allow for more accurate comparisons among the budget proposals from the Governor, House, and SWM. The Governor and House had included the costs of collective bargaining agreements for state workers in special reserve (temporary holding) accounts, whereas SWM 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 three proposals, we go back and allocate the reserve totals in the Governor's and House numbers to match the SWM budget structure. As a result, some of the totals for some subcategories in the House and Governor's budget proposals will be 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) will be less.

[2] For more detail, see footnote 2 of Massbudget's FY 2013 Budget Preview, available at http://massbudget.org/report_window.php?loc=fy13_budget_preview.html

BUDGET BY CATEGORY AND SUBCATEGORY (millions)	FY 2009 GAA *(inflated)*	FY 2012 Current	FY 2013 Gov.	FY 2013 House	FY 2013 SWM
Education	**7,425.2**	**6,641.9**	**6,880.9**	**6,893.6**	**6,921.3**
Early Education & Care	630.3	506.8	499.3	499.4	498.2
Higher Education	1,168.5	954.7	1,011.6	1,007.8	1,010.5
K-12: Chapter 70 Aid	4,217.5	3,990.8	4,136.1	4,154.6	4,171.1
K-12: Non-Chapter 70 Aid	659.1	511.4	534.7	542.4	552.1
K-12: School Building	749.8	678.1	699.2	689.4	689.4
Environment & Recreation	**227.2**	**162.3**	**182.3**	**169.6**	**177.9**
Environment	95.8	72.0	85.1	74.2	80.0
Fish & Game	22.7	18.8	19.9	20.4	20.3
Parks & Recreation	108.7	71.5	77.3	75.0	77.6
Health Care*	**13,801.6**	**14,466.7**	**15,239.3**	**15,160.9**	**15,071.7**
MassHealth (Medicaid) & Health Reform	11,096.7	11,922.0	12,696.0	12,654.7	12,589.6
Mental Health	732.1	651.0	668.3	675.4	669.2
Public Health	635.0	523.7	529.7	519.8	528.5
State Employee Health Insurance*	1,337.8	1,370.0	1,345.3	1,311.1	1,284.3
Human Services	**3,746.1**	**3,419.1**	**3,510.1**	**3,502.3**	**3,477.2**
Children, Youth & Families	1,067.6	890.1	934.1	911.3	916.3
Disability Services	1,441.7	1,382.5	1,428.8	1,440.4	1,425.7
Elder Services	254.8	218.8	218.7	222.1	219.5
Transitional Assistance	829.2	785.6	786.8	787.4	775.8
Other Human Services	152.8	142.2	141.6	141.1	140.0
Infrastructure, Housing & Economic Development	**1,571.1**	**1,724.9**	**1,655.6**	**1,656.9**	**1,643.1**
Commercial Regulatory Entities	55.0	49.4	49.7	49.8	49.9
Economic Development	184.7	133.7	95.7	97.3	91.7
Housing	295.4	398.3	375.1	374.1	365.8
Transportation	1,035.9	1,143.5	1,135.0	1,135.7	1,135.7
Law & Public Safety	**2,714.1**	**2,337.4**	**2,381.6**	**2,360.7**	**2,372.2**
Courts & Legal Assistance	699.7	625.1	627.5	625.5	625.5
Law Enforcement	445.3	326.2	345.9	338.7	344.3
Prisons, Probation & Parole	1,365.1	1,204.7	1,227.6	1,214.2	1,216.4
Prosecutors	156.0	138.1	138.6	139.9	142.5
Other Law & Public Safety	48.0	43.2	42.0	42.4	43.5
Local Aid	**1,438.3**	**936.5**	**867.3**	**932.4**	**933.3**
General Local Aid	1,404.3	899.0	834.0	899.0	900.0
Other Local Aid	34.1	37.5	33.3	33.4	33.3
Other	**4,497.1**	**4,336.0**	**4,511.5**	**4,518.3**	**4,493.0**
Constitutional Officers	95.5	69.7	75.6	75.6	75.6
Debt Service	2,216.6	2,255.5	2,428.7	2,419.6	2,416.0
Executive & Legislative	73.9	67.9	66.4	66.5	66.4
Libraries	36.4	21.5	21.6	21.8	21.7
Pensions	1,564.7	1,478.0	1,552.0	1,552.0	1,552.0
Other	510.1	443.5	367.1	382.7	361.3
Total Appropriations and Transfers	**35,420.8**	**34,024.8**	**35,228.5**	**35,194.7**	**35,089.8**

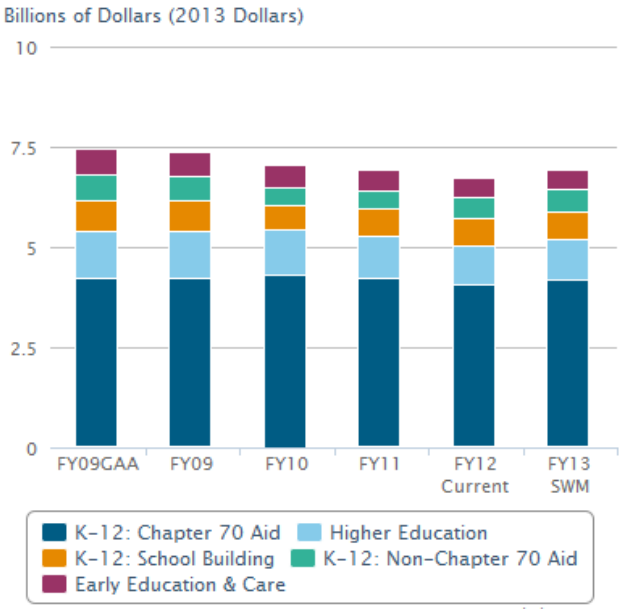
* In order to make an accurate comparison across fiscal years, this total includes an adjustment to account for the increased use of the Group Insurance Commission by municipalities for their employees' health benefits.

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 Governor	FY 2013 House	FY 2013 SWM
Education	**7,425,231,565**	**6,641,930,788**	**6,880,906,021**	**6,893,603,867**	**6,921,300,576**
Early Education & Care	630,273,131	506,848,267	499,269,302	499,378,951	498,212,634
Higher Education	1,168,525,324	954,706,702	1,011,606,463	1,007,818,045	1,010,548,679
K-12: Chapter 70 Aid	4,217,523,807	3,990,812,680	4,136,091,547	4,154,611,977	4,171,078,492
K-12: Non-Chapter 70 Aid	659,120,982	511,419,739	534,738,709	542,394,894	552,060,772
K-12: School Building	749,788,322	678,143,400	699,200,000	689,400,000	689,400,000

Under the Senate Ways & Means (SWM) Fiscal Year (FY) 2013 budget proposal, education programs are funded at $27.7 million above the House proposal and $279.4 million above current FY 2012 levels.



Of the SWM's proposed increase, $180.3 million comes as new Chapter 70 education aid, most of which is driven by state law, but part of which results from two additional provisions: 1) directing aid to a large subset of communities whose actual aid is below their target aid; and 2) guaranteeing a $40 per pupil minimum increase for all districts. The SWM budget increases the Special Education Circuit Breaker program by $29.1 million over FY 2012 levels, enabling the state to fully fund statutory reimbursement levels for the first time since FY 2008. Additionally, the SWM budget proposes some governance reforms to the community college system that are similar to those in the House budget and somewhat more limited than those in the Governor's budget.

Early Education & Care

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Early Education & Care	630,273,131	506,848,267	499,269,302	499,378,951	498,212,634

The SWM FY 2013 budget proposes to fund programs in Early Education & Care at $498.2 million, a decrease of $8.6 million, or 1.7 percent, from the current FY 2012 budget. This is $1.2 million below the House proposal and $1.1 million below the Governor's. This SWM proposal represents a cut of 21.0 percent when compared to FY 2009 GAA inflation-adjusted funding levels.

The SWM proposal maintains three dedicated line items for **child care** programs administered by the Department of Early Education and Care (EEC). The three separate programs which make up most of the EEC budget are: 1) **TANF-Related Child Care** for children of families served by or transitioning from Transitional Aid to Families with Dependent Children (TAFDC); 2) **Supportive Child Care** for children involved with the Department of Children and Families (DCF); and 3) **Child Care Access** for children of income-eligible families who are working, disabled, in an education or job training program, or who otherwise meet the activity requirement. The Governor's proposal, by contrast, consolidated these programs into one line item. Taken together, the SWM proposal for these three line items is $9.3 million lower than the current FY 2012 budget and $1.2 million lower than the Governor's FY 2013 proposal. Specifically, FY 2013 SWM budget proposes:

- $125.5 million in **TANF Related child care funding**, a $7.0 million decrease from the current FY 2012 budget. This proposal is identical to the House's.
- $76.6 million in **child care subsidies for children with active cases at DCF**, an $836,000 decrease from the current FY 2012 budget. This proposal is $719,000 lower than the House's.
- $231.4 million in **child care access** for income-eligible families, a $1.5 million decrease from the current FY 2012 budget. This proposal is $500,000 lower than the House's.

Child Care Subsidy Line Items

Line Item	FY 2009 GAA (inf adj)	FY 2012 Current	FY 13 GOV Separated Out	FY 2013 House	FY 2013 SWM	FY13 SWM - FY12
Supportive Child Care (3000-3050)	84,473,123	77,448,576	77,330,875	77,330,875	76,612,276	(836,300)
TANF-Related Child Care (3000-4050)	211,200,952	132,458,313	125,495,740	125,495,740	125,495,740	(6,962,573)
Child Care Access (3000-4060)	228,102,391	232,897,940	231,870,452	231,870,452	231,370,452	(1,527,488)
TOTAL	523,776,466	442,804,829	434,697,067	434,697,067	433,478,468	(9,326,361)

Access for new income-eligible families has been closed for most of FY 2012 and the SWM proposal would continue to exclude new families for all of FY 2013. In April 2012 the number of families on the waitlist for income-eligible child care 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 this level of funding will be insufficient in FY 2013. Because this is an entitlement program, funds will need to be added during the year if there is a shortfall. DCF no longer counts the number of children waiting for supportive child care, but in FY 2010 the waitlist averaged around 1000 children.

The SWM budget breaks from the Governor's Gateway Cities Education Agenda by not funding a new $575,000 **Gateway Cities Early Literacy** program. The program would target professional development to family child care providers and other family members. This program would be administered by the Executive Office of Education and therefore is reflected in the *MassBudget* subcategory of **K-12: Non-Chapter 70 aid**.

Also within Early Education & Care, SWM proposes:

- $12.5 million for EEC central administration. This proposal is an $820,000 increase over FY 2012 and $330,000 higher than the House.
- $5.4 million for **Access Management** which funds regional administration and coordination of services provided by child care resource and referral agencies. This proposal is a $500,000 decrease compared to FY 2012. The House and Governor level funded this program.

- $800,000 for the **Reach Out and Read** program which promotes early literacy and school readiness by partnering with doctors to give out free books and encourage families to read together. This is level with FY 2012 and $200,000 higher than the house.
- $8.0 million for **Head Start**, an increase of $500,000 over the current FY 2012 budget. This proposal is identical to the House's proposal.

Most other accounts within Early Education & Care receive similar funding compared to FY 2012 levels. It is worth noting that level funding a program in nominal terms is usually tantamount to a cut since no inflation adjustment is made to keep up with rising costs.

EARLY EDUCATION AND CARE LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
3000-1000*	Dept. of Early Ed & Care Admin.	11,683,491	12,393,088	12,172,954	12,503,088	
3000-2000	Access Management	5,933,862	5,933,862	5,933,862	5,433,862	
3000-2050*	Children's Trust Fund	1,026,106	1,097,237	1,080,682	1,097,237	
3000-3050	Supportive Child Care	77,448,576	0	77,330,875	76,612,276	*Gov includes in 4060*
3000-4050	TANF Related Child Care	132,458,313	0	125,495,740	125,495,740	*Gov includes in 4060*
3000-4060	Child Care Access	232,897,940	434,697,067	231,870,452	231,370,452	*See notes above*
3000-5000	Head Start	7,500,000	7,500,000	8,000,000	8,000,000	
3000-5075	Universal Pre-Kindergarten	7,500,000	7,500,000	7,500,000	7,500,000	
3000-6075	Early Childhood Mental Health	750,000	750,000	750,000	750,000	
3000-7000*	Healthy Families Home Visiting	10,463,346	10,411,415	10,479,496	10,463,346	
3000-7050	Family Support and Engage	18,386,633	18,186,633	18,164,890	18,186,633	
3000-7070	Reach Out and Read Program	800,000	800,000	600,000	800,000	

K-12: Chapter 70 Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
K-12: Chapter 70 Aid	4,217,523,807	3,990,812,680	4,136,091,547	4,154,611,977	4,171,078,492

The FY 2013 SWM budget funds **Chapter 70 education aid** to cities, towns, and regional school districts at $4.17 billion, which is $16.5 million higher than the House's proposal and $180.3 million above current FY 2012 levels.

The SWM budget builds on top of provisions included in the Governor's and the House's FY 2013 budgets. 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.[3] The Governor's proposal also partially phased in one of the reforms planned as part of the FY 2007

[3] For more information on how the Chapter 70 formula works, see Demystifying the Chapter 70 Formula.

budget—reducing by 15 percent the gap for districts whose preliminary contribution is above their target.[4] Ultimately, the Governor's Chapter 70 proposal reflected a $145.3 million increase over FY 2012.

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 for FY 2013. 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.

The SWM proposal takes the House proposal one step further. In addition to including the $40 per pupil minimum, it added a further provision directing aid to a large subset of communities whose actual aid is below their target aid.

Specifically, the SWM proposal distributes money to communities whose Chapter 70 aid allocation is below their "target aid percentage."[5] The SWM budget distributes 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.

The Chapter 70 formula is designed to have a progressive distributional effect, with greater state aid going to districts of higher need and/or lower tax-raising capacity. Distribution of the first $145.3 million, based roughly on running the formula according to state law, reflects the progressive nature of Chapter 70. As demonstrated by the graph below, however, the $35.0 million added on by the SWM budget has a generally regressive effect, although not quite as regressive for the wealthiest 20 percent of districts—this is due, in large part, to the SWM decision to cap additional target aid only to districts at or below the 107.5 percent threshold.

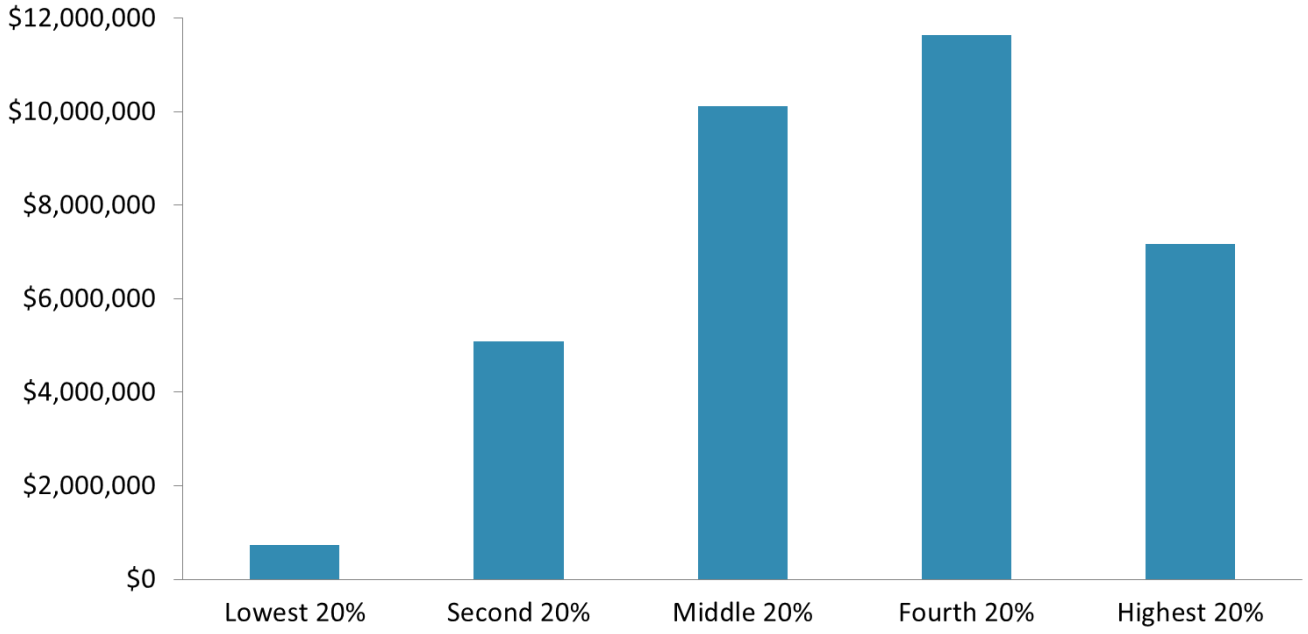
It is important to note that while regressive, the SWM provision relating to target aid does have the virtue of further advancing a subset of policy reforms planned through the 2007 budget. The $40 per pupil minimum provision, by contrast, distributes additional aid without considering local need or capacity.

[4] 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

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

Impact of SWM $35 mil. Chapter 70 Increase Over Governor's Budget

Distribution of $35 million increase of FY 2013 SWM Chapter 70 proposal over the Governor's proposal
Districts clustered by Combined Effort Yield (measuring community property wealth and incomes) per pupil, FY 2010



K-12: Non-Chapter 70 Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
K-12: Non-Chapter 70 Aid	659,120,982	511,419,739	534,738,709	542,394,894	552,060,772

The House budget funds non-Chapter 70 programs for elementary and secondary education at $552.1 million. This funding level is $9.7 million above the House's proposal and $40.6 million above current FY 2012 levels.

Most of the programs within the *MassBudget* category of K-12: Non Chapter 70 Aid are grant programs distributed to individual schools and/or school districts to advance specific priority initiatives. The SWM budget provides funding for a few new programs, cuts some programs, and provides level-funding or modest increases to a few others. For more detail please see the comprehensive line item table at the end of this subcategory.

The largest increase among K-12 education grant programs is for the **Special Education Circuit Breaker** program, which is funded at $242.2 million, an increase of $29.1 million over current FY 2012 levels. This increase 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. This 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. The House proposed $221.6 million for the circuit breaker.

The SWM budget funds several programs below the House proposal, including (but not limited to):

- **Regional School Transportation** at $1.9 million below the House and equal to current FY 2012 levels.
- **Kindergarten Expansion Grants** at $4.0 million below the House and $2.0 million below current FY 2012 levels.
- **METCO** at $1.3 million below the House and $750,000 below current FY 2012 levels.
- **Targeted Intervention in Underperforming Schools** at $809,000 below the House and $108,000 above current FY 2012 levels.
- No funding for a new **Homeless Student Transportation** line item, which the House funded at $11.3 million.

Additionally, a few other proposals of note include funding:

- A new program for **English Language Learners in Gateway Cities** at $3.5 million, which is $900,000 above the House proposal and $250,000 below the Governor's. The SWM proposal also funds a new **Gateway Cities Career Academies** program at $1.0 million, which is $500,000 above the House proposal and essentially the same as the Governor's. The Governor's FY 2013 budget proposed two additional programs aimed at supporting students in Gateway Cities, which are not funded in the SWM proposal.
- **Adult Basic Education** at $30.7 million, equal to current FY 2012 levels.
- Three literacy-related programs—**Bay State Reading Institute**, **Literacy Programs**, and **Reading Recovery**—at $3.9 million, equal to the House and Governor's proposals and level with the current FY 2012 budget. Without adjusting for inflation, the real value of funding for these programs continues to decline. The SWM proposals represent a 15 percent cut from FY 2009 GAA inflation-adjusted funding levels.

K-12: NON-CHAPTER 70 AID LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
1233-2401	Smart Growth School Costs (40S)	363,699	0	0	325,000	
7009-1700*	Education IT Costs	7,800,454	11,420,274	8,779,913	11,401,901	
7009-6379	Office of the Secretary of Education	726,986	939,759	748,015	726,986	
7009-6400	Gateway Cities ELL Programs	0	3,750,000	2,600,000	3,500,000	
7009-6401	Gateway Cities Student Counselors	0	3,640,000	0	0	
7009-6402	Gateway Cities Career Academies	0	1,008,000	500,000	1,000,000	
7009-6403	Gateway Cities Early Lit. Programs	0	575,000	0	0	
7009-6404	Innovation Fund	0	1,000,000	0	0	
7009-7000	Data Sharing	0	0	0	505,000	*SWM new*
7010-0005*	DESE	12,767,009	13,528,111	13,528,111	13,444,988	
7010-0012	METCO	17,642,582	17,642,582	18,142,582	16,892,582	
7010-0020	Bay State Reading Institute	400,000	0	400,000	400,000	*Gov. into 7010-0033*
7010-0033	Literacy Programs	3,147,940	3,547,940	3,147,940	3,147,940	
7010-3000	Education Collaborative Oversight	0	0	0	250,000	*SWM new*
7027-0019	Connecting Activities	2,750,000	2,770,000	2,770,000	2,750,000	
7027-1004	English Language Acquisition	364,937	364,937	364,937	514,937	
7028-0031*	School-Age in Institutions & Correct	7,345,373	7,462,678	7,443,520	7,478,770	
7030-1002	Kindergarten Expansion Grants	22,948,947	25,948,947	24,948,947	20,948,947	
7030-1005	Targeted Tutorial Literacy Program	400,000	400,000	400,000	400,000	
7035-0002*	Adult Basic Education	30,702,108	30,711,323	29,926,980	30,707,455	
7035-0005	Homeless Student Transportation	0	0	11,300,000	0	
7035-0006	Regional School Transportation	43,521,000	43,521,000	45,442,445	43,521,000	
7035-0007	Non-Resident Pupil Transportation	400,000	400,000	200,000	400,000	
7035-0035	Advanced Placement STEM	0	2,400,000	1,750,000	2,000,000	
7051-0015	Temporary Emergency Food Assist.	1,000,000	1,000,000	0	1,000,000	*House into 2511-0105*
7053-1909	School Lunch Program	5,426,986	5,426,986	5,426,986	5,426,986	
7053-1925	School Breakfast Program	4,121,215	4,121,215	4,121,216	4,121,215	
7061-0011	Education Reform Reserve	0	0	0	3,500,000	
7061-0012*	SPED Circuit Breaker	213,119,160	213,170,373	221,594,996	242,182,288	
7061-0029*	Office of EQE	939,083	1,713,505	952,676	959,028	
7061-0033	Public School Military Mitigation	1,300,000	0	1,300,000	1,300,000	
7061-0928	Financial Literacy Program	0	0	250,000	0	
7061-9010	Charter School Reimbursement	71,554,914	71,454,914	71,554,914	71,454,914	
7061-9200*	Education Technology Program	861,405	912,109	886,018	901,178	
7061-9400*	Student and School Assessment	24,362,278	24,417,617	24,385,470	23,903,482	
7061-9404	MCAS Low-Scoring Student Support	9,575,175	9,575,175	9,575,175	9,094,804	
7061-9408*	Underperforming Schools	6,740,746	9,331,828	7,658,527	6,849,037	
7061-9412	Extended Learning Time Grants	13,918,030	14,918,030	14,168,030	14,042,764	
7061-9600	Concur. Enroll. for Disabled Student	400,000	400,000	400,000	400,000	
7061-9601*	Teacher Certification Retained Rev.	1,367,409	1,423,243	1,423,243	1,405,317	
7061-9611	After-School & Out-of-School Grants	1,410,000	1,410,000	1,410,000	1,410,000	
7061-9614	Alternative Education Grants	146,140	146,140	146,140	146,140	
7061-9626	Youth-Build Grants	1,300,000	2,000,000	2,000,000	1,500,000	
7061-9634	Mentoring Matching Grants	250,000	250,000	350,000	250,000	
7061-9804	Teacher Content Training	746,162	737,022	746,162	346,162	
7061-9810	Regionalization Bonus	300,000	0	251,950	251,950	
7066-0024	Schools of Excellence	1,300,000	1,300,000	1,400,000	1,300,000	

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

K-12: School Building

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
K-12: School Building	749,788,322	678,143,400	699,200,000	689,400,000	689,400,000

The SWM budget projects a contribution to the School Modernization and Reconstruction Trust (SMART) of $689.4 million, which is equal to the House proposal but below the Governor's projection. 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. The SWM budget projects an increase in sales tax receipts due to anticipated economic recovery during FY 2013. The Governor's projection is $9.8 million higher, however, because of his proposed elimination of the sales tax exemption for candy and soda.

Higher Education

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Higher Education	1,168,525,324	954,706,702	1,011,606,463	1,007,818,045	1,010,548,679

The FY 2013 SWM budget proposes to fund the full *MassBudget* category of higher education at $1.01 billion, an increase above the current FY 2012 funding level of $954.7 million. The additional funding in FY 2013 is mostly to pay for salary adjustments set by recent collective bargaining agreements. The SWM budget represents an inflation-adjusted cut of 13.5 percent from pre-recession levels (FY 2009 GAA). Cuts are even deeper when looked at over the last decade, with proposed FY 2013 funding representing a 30 percent cut from FY 2001.

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. The SWM budget takes this practice a step further, however, by allowing UMass campuses and State Universities to retain in-state tuition as well, starting July 1, 2013.

The SWM proposal includes $49.1 million in collective bargaining accounts that cover labor costs at each of the campuses. Except for these collective bargaining increases, higher education campuses are all close to level-funded from current FY 2012 levels. 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). 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 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	FY13 SWM - FY12 Current
UMass	534,117,612	431,619,082	457,396,792	456,771,792	457,285,776	25,666,694
State Universities	237,709,898	195,008,769	205,544,970	205,544,970	205,544,970	10,536,201
Community Colleges	260,982,434	213,788,728	228,155,573	217,747,857	217,681,469	3,892,741
TOTAL	1,032,809,944	840,416,579	891,097,335	880,064,619	880,512,215	40,095,636

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

While the SWM proposal for **community colleges** is very similar to the House's, 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). The Governor's consolidation of funding for the state's 15 community colleges into one Massachusetts Community Colleges line item was coupled with an additional $10.4 million in funds for FY 2013 that is not included in either the SWM or House proposals. Both the House and SWM 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 SWM budget does not replicate the Governor's full governance consolidations, it does include language in outside sections that is similar in nature to the Governor's reform package. The SWM 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 SWM proposals allow the BHE to remove presidents, but the SWM 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.

The SWM budget proposes the creation of four new line items:

- **Degree Audit and Tracking System**, funded at $4.0 million. $2.0 million of this total is for implementation of a degree audit and transfer system, and $2.0 million is earmarked for the development of a standard core of course offerings to be honored for common credit across colleges and universities.
- **Rapid Response Grants**, funded at $3.0 million, to enable community colleges to set up workforce training programs within three months of a request by local businesses.
- **High Demand Scholarship Program**, funded at $3.0 million, targeted for Massachusetts residents attending state universities or community colleges working towards majors in in high-demand professions (as defined by the Executive Office of Labor and Workforce Development's study on labor market conditions).
- **Office of Coordination**, within the Board of Higher Education, funded at $750,000

The SWM budget proposes $87.6 million for the **State Scholarship Program**, which is equal to both the House proposal and current FY 2012 levels. Current FY 2012 and House FY 2013 budget line item

language direct the Massachusetts Education Finance Authority (MEFA) to contribute $1.0 million on top of state appropriations, therefore bringing total resources during FY 2012 and under the House FY 2013 proposal $1.0 million above the SWM proposal.

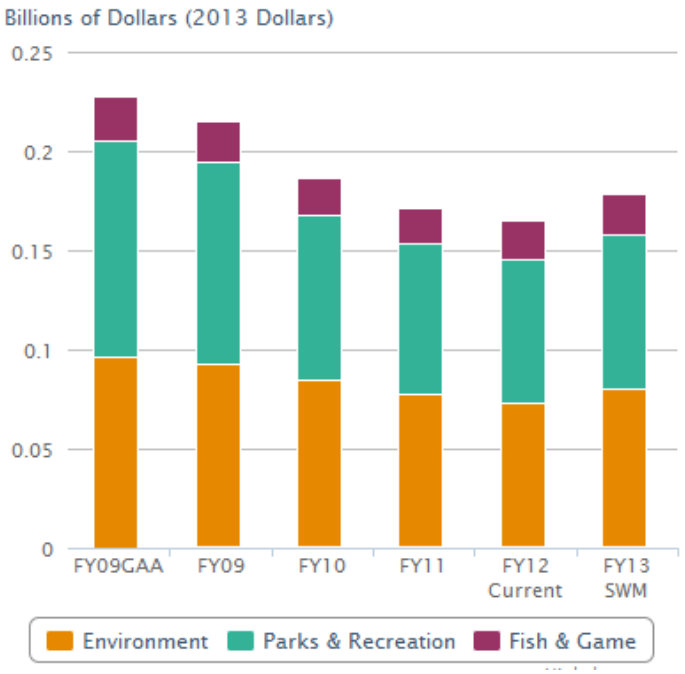
Please see the table below for more information on Higher Education line items funded either in FY 2012 or FY 2013. This table includes tuition retention adjustments for each of the campus line items, but separates out collective bargaining accounts.

HIGHER EDUCATION LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
various	State University CB	0	10,536,201	10,536,201	10,536,201	*see text above*
various	UMass Collective Bargaining (CB)	0	25,574,228	25,574,228	25,546,694	*see text above*
1599-3857	UMass Dartmouth Lease Costs	1,581,922	1,581,922	1,581,922	1,581,922	
1599-4417	Collins Center UMass Boston	496,518	700,000	0	616,518	
1599-4419	AFSCME, Local 1067	0	5,696,424	5,696,424	5,696,424	*see text above*
1599-4421	Community College CB	3,422,000	7,381,128	7,381,128	7,314,741	*see text above*
1599-7104	Star Store Reserve	2,700,000	2,700,000	4,400,000	2,700,000	
7066-0000	Department of Higher Education	1,624,791	1,868,668	2,828,649	1,843,708	
7066-0002	Degree Audit and Tracking System	0	0	0	4,000,000	*SWM new*
7066-0004	Office of Coordination	0	0	0	750,000	*SWM new*
7066-0005	Compact for Education	82,620	0	0	82,620	
7066-0009	New England Board of Higher Ed.	367,500	183,750	367,500	183,750	
7066-0015	Workforce Dev. Grants to C.C.'s	1,250,000	1,250,000	1,250,000	1,000,000	
7066-0016	Foster Care Financial Aid	1,075,299	1,356,189	1,075,299	1,075,299	
7066-0019	Dual Enrollment Grants	750,000	751,000	750,000	750,000	
7066-0020	Nursing & Allied Health Work. Dev.	635,250	0	0	500,000	
7066-0021	Foster Care & Adopted Fee Waiver	3,235,400	1,716,291	1,716,291	3,235,400	
7066-0025	Performance Management Set Aside	2,500,000	2,500,000	7,500,000	2,000,000	
7066-0035	STEM Pipeline Fund	1,000,000	1,500,000	1,500,000	1,000,000	
7066-0050	Rapid Response Grants	0	0	0	3,000,000	*SWM new*
7070-0065	State Scholarship Program	87,607,756	87,549,363	87,607,756	87,607,756	
7070-0066	High Demand Scholarship Program	0	0	0	3,000,000	*SWM new*
7077-0023	Tufts Veterinary Medicine Program	2,000,000	3,000,000	3,250,000	2,000,000	
7100-0200	UMass	429,540,642	429,540,642	429,615,642	429,540,642	*inc. tuition*
7100-4000	Community Colleges (consolidated)	0	220,774,445	0	0	*see text above*
7109-0100	Bridgewater State University	34,627,788	34,627,788	34,627,788	34,627,788	*inc. tuition*
7110-0100	Fitchburg State University	24,304,588	24,304,588	24,304,588	24,304,588	*inc. tuition*
7112-0100	Framingham State University	21,727,143	21,727,143	21,727,143	21,727,143	*inc. tuition*
7113-0100	MA College of Liberal Arts	12,559,859	12,559,859	12,559,859	12,559,859	*inc. tuition*
7114-0100	Salem State University	34,900,021	34,900,021	34,900,021	34,900,021	*inc. tuition*
7115-0100	Westfield State University	20,396,882	20,396,882	20,396,882	20,396,882	*inc. tuition*
7116-0100	Worcester State University	20,756,595	20,756,595	20,756,595	20,756,595	*inc. tuition*
7117-0100	Massachusetts College of Art	13,405,202	13,405,202	13,405,202	13,405,202	*inc. tuition*
7118-0100	Massachusetts Maritime Academy	12,330,691	12,330,691	12,330,691	12,330,691	*inc. tuition*
7502-0100	Berkshire Community College	8,075,090	0	8,075,090	8,075,090	*inc. tuition*
7503-0100	Bristol Community College	13,943,689	0	13,943,689	13,943,689	*inc. tuition*
7504-0100	Cape Cod Community College	9,961,483	0	9,961,483	9,961,483	*inc. tuition*
7505-0100	Greenfield Community College	7,946,766	0	7,946,766	7,946,766	*inc. tuition*
7506-0100	Holyoke Community College	16,142,400	0	16,142,400	16,142,400	*inc. tuition*
7507-0100	MA Bay Community College	12,078,306	0	12,078,306	12,078,306	*inc. tuition*
7508-0100	Massasoit Community College	17,521,080	0	17,521,081	17,521,080	*inc. tuition*
7509-0100	Mt. Wachusett Community College	11,047,988	0	11,047,988	11,047,988	*inc. tuition*
7510-0100	Northern Essex Community College	16,502,174	0	16,502,174	16,502,174	*inc. tuition*
7511-0100	North Shore Community College	17,737,591	0	17,737,591	17,737,591	*inc. tuition*
7512-0100	Quinsigamond Community College	13,117,113	0	13,117,113	13,117,113	*inc. tuition*
7514-0100	Springfield Tech. Community College	21,256,565	0	21,256,565	21,256,565	*inc. tuition*
7515-0100	Roxbury Community College	9,787,773	0	9,787,773	9,787,773	*inc. tuition*
7515-0121	Reggie Lewis Center Retained Reven	529,843	545,739	529,843	529,843	
7516-0100	Middlesex Community College	17,284,270	0	17,284,270	17,284,270	*inc. tuition*
7518-0100	Bunker Hill Community College	17,964,440	0	17,964,440	17,964,440	*inc. tuition*
7520-0424	Health & Welfare Reim. for Higher Ed.	5,581,664	5,581,664	5,581,664	5,581,664	
7066-1221	CC Workforce Grant Advisory Ctte.			200,000	0	
8700-1150	Nat'l Guard Tuition & Fee Waivers	3,350,000	4,310,040	3,500,000	3,500,000	

ENVIRONMENT & RECREATION

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Envir. & Recreation	**227,230,578**	**162,260,627**	**182,268,892**	**169,611,116**	**177,921,155**
Environment	95,830,145	71,972,393	85,080,069	74,153,827	79,994,808
Fish & Game	22,713,136	18,780,130	19,888,027	20,418,504	20,284,328
Parks & Recreation	108,687,297	71,508,104	77,300,796	75,038,785	77,642,019



The Senate Ways and Means Committee (SWM) recommends spending $177.9 million on environment and recreation programs in Fiscal Year (FY) 2013. This level is $15.7 million more than the FY 2012 current budget, $8.3 million more than the House-passed budget and $4.3 million less than the Governor's recommendation. Since the onset of the fiscal crisis, funding for environment and recreation programs has fallen by 21.7 percent in inflation-adjusted dollars.

Like the House passed budget, the SWM proposal 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. The SWM budget recommends providing $275,000 to these centers which is the same as the FY 2012 current budget and $100,000 less than the budget passed by the House.

Environment

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Environment	95,830,145	71,972,393	85,080,069	74,153,827	79,994,808

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 SWM budget recommends spending $80.0 million on environment programs which is $5.1million less than the Governor's proposal, is $5.8 million more than the House-passed budget and $8.0 million more than the FY 2012 current budget.

As noted above, the SWM budget did not follow the Governor's recommendation to expand the bottle bill and use $5.5 million of the funds raised from that expansion to increase funding for **recycling and redemption centers**. Instead the SWM budget recommends level funding these centers at $275,000.

The SWM budget increases funding for a number of environment programs above the FY 2012 current budget including:

- $1.3 million to train a **new class of Environmental Police**. This recommendation is neither in the House budget nor the Governor's recommendation.

- $2.5 million from **increased permitting fees** to match the increase 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. The Governor recommended providing the same level of funding; it was not included in the budget passed by the House.

- $831,000 increase for **hazardous waste cleanup** to $12.8 million. This amount is $538,000 less than both the Governor's proposal and the House budget. Since the onset of the fiscal crisis funding for cleaning up these sites has fallen 28.1 percent in inflation adjusted dollars.

- $200,000 more for the Cape Cod Commission for **wastewater treatment** to $350,000. Outside Section 154 of the SWM budget requires the Commission to identify efficient and effective models to treat wastewater particularly in highly-developed and environmentally-sensitive regions on the Cape. The House and Governor's budget proposals did not include funding for this study which received $150,000 in the FY 2012 current budget.

ENVIRONMENT LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
2000-0100*	Executive Office of Energy and E	6,657,430	6,142,960	5,838,142	5,856,081	
2000-1011	Environmental Law Enforcemen	85,000	85,000	85,000	85,000	
2000-1700*	Energy and Environment Inform	7,482,556	10,185,613	7,828,745	8,992,666	
2030-1000*	Environmental Law Enforcemen	8,700,962	8,703,053	8,606,513	9,021,877	
2030-1001	Environmental Law Enforcemen	0	0	0	1,314,759	
2030-1004	Environmental Law Enforcemen	300,000	300,000	300,000	300,000	
2200-0100*	Department of Environmental P	24,682,305	25,261,636	25,492,470	25,603,354	
2200-0102	Wetlands Permitting Fee Retai	260,812	650,151	260,812	650,151	
2200-0107	Redemption Centers	275,000	5,525,000	375,000	275,000	
2200-0109	Compliance and Permitting Fee	0	2,500,000	0	2,500,000	
2210-0105*	Toxics Use Retained Revenue	3,052,627	3,120,357	3,063,660	3,120,894	
2220-2220*	Clean Air Act	798,593	837,318	824,267	822,437	
2220-2221*	Clean Air Act Operating Permit a	1,667,239	1,500,634	1,461,641	1,465,603	
2250-2000*	Safe Drinking Water Act	1,264,499	1,639,216	1,427,019	1,515,313	
2260-8870*	Hazardous Waste Cleanup Prog	11,973,797	13,342,294	13,342,294	12,804,430	
2260-8872*	Brownfields Site Audit Program	1,020,002	1,154,182	1,156,876	1,178,002	
2260-8875	Cape Cod Wastewater Study	150,000	0	0	350,000	
2260-8881*	Board of Registration of Hazard	345,475	388,867	385,030	388,867	
2511-3002*	Integrated Pest Management Pr	47,560	52,421	51,163	52,422	
7006-1001*	Residential Conservation Servi	203,112	220,256	206,168	220,256	
7006-1003*	Division of Energy Resources As	3,005,424	3,471,112	3,449,028	3,477,696	

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

Fish & Game

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Fish & Game	22,713,136	18,780,130	19,888,027	20,418,504	20,284,328

State fish and game programs 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. The SWM budget recommends spending $20.3 million on fish and game programs in FY 2013. This amount is $134,000 less than the House budget, $396,000 more than the Governor's FY 2013 proposal and $1.5 million more than the FY 2012 current budget.

In its budget the SWM Committee recommends two increases in fish and game spending compared with the FY 2012 current budget including:

- $768,000 more for the **Division of Fisheries and Wildlife** to $10.8 million.
- $310,000 more for the **saltwater sportfish licensing** program to $801,000.

FISH & GAME LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
2300-0100*	Department of Fish and Game	658,880	669,961	660,850	699,975	
2300-0101	Riverways Protection, Restorati	416,974	418,302	417,514	416,974	
2310-0200*	Division of Fisheries and Wildl	9,985,455	10,548,517	10,543,145	10,753,821	
2310-0300	Natural Heritage and Endanger	150,000	150,000	150,000	150,000	
2310-0306*	Hunter Safety Program	406,510	419,154	401,171	415,937	
2310-0316	Wildlife Habitat Purchase	1,000,000	1,500,000	1,500,000	1,000,000	
2310-0317	Waterfowl Management Progra	65,000	65,000	65,000	65,000	
2320-0100*	Fishing and Boating Access	429,160	471,848	462,378	468,977	
2330-0100*	Division of Marine Fisheries	4,355,647	4,026,243	4,538,395	4,612,837	
2330-0120*	Marine Recreational Fisheries	515,754	596,681	591,800	581,557	
2330-0121	Marine Recreational Fishing Fe	204,989	217,989	217,989	217,989	
2330-0150	Newburyport Clam Plant Retain	100,000	0	100,000	100,000	
2330-0300*	Saltwater Sportfish Licensing	491,761	804,332	770,262	801,261	

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

Parks & Recreation

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Parks & Recreation	108,687,297	71,508,104	77,300,796	75,038,785	77,642,019

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 SWM Committee recommends spending $77.6 million on parks and recreation programs in FY 2013. This amount is $2.6 million more than the House budget and $341,000 higher than the Governor's recommendation. The SWM budget also increases spending on parks and recreation programs by $6.1 million over the current FY 2012 budget. Despite this increase, the parks and recreation budget has fallen by 28.6 percent in inflation-adjusted dollars since the onset of the fiscal crisis.

In its budget, the SWM Committee recommends merging all of the **DCR retained revenue** accounts and increasing total funding for these accounts by $5.7 million over the current FY 2012 budget to $11.0 million. The Senate recommendation is in line with the Governor's FY 2013 request and is $4.1million 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 SWM budget offsets some of this increase by cutting **state funding for parks** by $1.3 million to $40.9 million. Even with this cut in funding, the SWM committee's budget funds state parks by $1.2 million more than the Governor's recommendation and $245,000 more than the House budget.

Other notable items in the parks and recreation budget above the FY 2012 current budget include:

- $801,000 more for **DCR administration** to $4.1 million. This level is slightly less than the Governor's recommendation and $269,000 more than the House budget. Funding for DCR administration, however, has fallen by close to 50 percent in inflation-adjusted dollars since the onset of the fiscal crisis.

- $770,000 increase in funding for **beaches, pools and seasonal employees** who work at DCR facilities. This amount is level with the Governor's recommendation and is $75,000 less than the House budget.

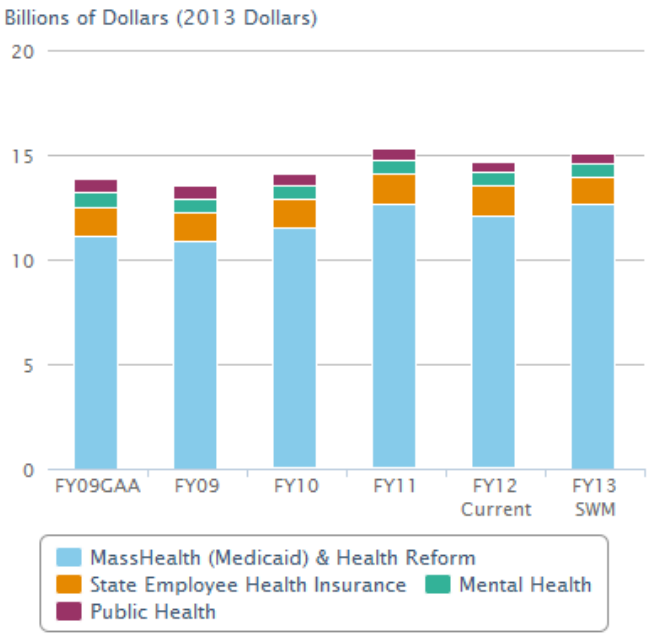
PARKS & RECREATION LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
2800-0100*	Department of Conservation an	3,308,980	4,190,265	3,840,423	4,109,536	
2800-0101*	Watershed Management Progra	1,002,565	1,008,581	1,001,966	1,019,261	
2800-0401*	Stormwater Management	391,237	404,556	397,738	338,556	
2800-0501	Beach Preservation	11,611,671	12,381,553	12,456,552	12,381,553	
2800-0700*	Office of Dam Safety	290,151	306,807	354,153	370,705	
2810-0100*	State Parks and Recreation	42,173,702	40,396,013	42,508,745	40,869,387	
2810-2041	State Park Fee Retained Revenu	5,229,030	10,926,561	6,969,764	10,968,872	*adj--see text*
2820-0101*	State House Park Rangers	1,327,967	1,411,348	1,399,562	1,411,348	
2820-1000	Citation Fee Park Ranger Retair	200,000	200,000	184,229	200,000	*adj--see text*
2820-1001	Usage and Lease Fees for Tele	50,000	50,000	50,000	50,000	*adj--see text*
2820-2000	Parkways Snow and Ice	3,000,000	3,060,000	3,065,000	3,000,000	
2820-3001	Skating Rink Fee Retained Reve	1,000,000	985,665	992,963	1,000,000	*adj--see text*
2820-4420*	Ponkapoag Golf Course Retaine	1,098,011	1,141,096	1,044,803	1,098,011	*adj--see text*
2820-4421*	Leo J. Martin Golf Course Retair	824,790	838,351	772,887	824,790	*adj--see text*

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

HEALTH CARE

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Health Care	**13,801,558,210**	**14,466,749,190**	**15,239,270,904**	**15,160,946,531**	**15,071,727,844**
MassHealth & Health Reform	11,096,692,100	11,922,047,682	12,696,005,877	12,654,651,407	12,589,634,106
Mental Health	732,081,653	651,018,701	668,272,292	675,424,657	669,241,960
Public Health	634,952,841	523,678,808	529,710,271	519,795,169	528,520,446
State Employee Health Insur.	1,337,831,616	1,370,003,999	1,345,282,465	1,311,075,299	1,284,331,332



The Senate Ways and Means (SWM) budget for Fiscal Year (FY) 2013 proposes an overall increase of $605.0 million, or 4.2 percent, in spending on health program over current FY 2012 levels (2.9 percent when additional spending expected to occur in FY 2012 is taken into account). This increase is largely driven by spending growth for MassHealth programs and masks rather different rates of spending growth for each of the areas within this broader category. Health inflation that has affected both public and private health insurance costs on the state and national level, together with enrollment growth driven by the recent economic crisis, mean that costs for MassHealth will increase at a rate higher than the overall growth of the budget. Cost growth in this area would have been even higher without implementation of a variety of cost-savings strategies in FY 2012 and FY 2013 that have begun to slow spending growth in both MassHealth and the Commonwealth Care program. Similar efforts to control the growth of costs for health coverage provided to state employees, along with measures that shifted costs to employees in previous years, have produced a slight decline in spending compared FY 2012, even after the off-budget use of a trust fund surplus is taken into account.

Meanwhile, funding for mental health and public health programs reflects the experience of many non-health programs in a state budget that was already squeezed by declines in revenue and growing health inflation before the fiscal crisis. That is, in FY 2013 these two areas will receive either a modest increase that is in line with inflation (in the case of mental health) or level funding (in the case of public health), but funding for each of them remains far below the level it was at in FY 2009.

MassHealth (Medicaid) & Health Reform

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
MassHealth & Health Reform	11,096,692,100	11,922,047,682	12,696,005,877	12,654,651,407	12,589,634,106

The SWM budget proposes spending of $12.59 billion on MassHealth and other low-income health coverage programs, $65.0 million less than the House proposed. The proposed appropriation level represents an increase of 5.6 percent over FY 2012 spending on these programs, half a percentage point lower than the House's proposed 6.1 percent increase (when additional spending expected to occur in FY 2012 is taken into account the Senate increase is 4.0 percent, compared to a House increase of 4.5 percent). The bulk of spending in this category goes to pay for the state's Medicaid program, known as MassHealth, which provides health coverage for over 1.3 million people in Massachusetts (including nursing home care). Another significant portion is transferred to the Commonwealth Care Trust Fund (CCTF) to pay for the Commonwealth Care program that provides coverage to about 175,000 with incomes above the cut-off for MassHealth. Spending in this category also supports safety net hospitals and helps elderly and disabled people pay for prescription drugs. Most of this spending is eligible for federal reimbursement, generally at a rate of 50 percent of the total expenditure.

Enrollment in MassHealth and Commonwealth Care has risen steadily during the recent economic crisis, and more than one in five people in Massachusetts now depends on them for health coverage The difference between the SWM and House appropriation levels for these programs is chiefly due to varying assumptions about cuts and savings that can be implemented in MassHealth programs, rather than different expectations about caseloads or underlying cost growth (see below for more detail).

MassHealth (Medicaid) and Health Reform

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
MassHealth (Medicaid)	**9,204,247,689**	**10,521,488,732**	**11,036,281,920**	**11,075,078,690**	**11,007,672,272**
*Medicaid Programs**	*9,048,987,224*	*10,434,004,259*	*10,948,300,774*	*10,988,566,047*	*10,920,501,178*
Medicaid Administration	*155,260,465*	*87,484,473*	*87,981,146*	*86,512,643*	*87,171,094*
HHS Information Technology	**0**	**81,762,075**	**100,538,617**	**86,931,475**	**93,676,495**
Commonwealth Care Fund	**1,380,043,906**	**865,011,822**	**930,022,286**	**861,278,955**	**859,622,286**
*Transfer from General Fund***	*1,193,606,495*	*745,011,822*	*737,122,286*	*741,278,955*	*739,622,286*
Estimated Tobacco Tax Revenue	*186,437,411*	*120,000,000*	*192,900,000*	*120,000,000*	*120,000,000*
Other Safety Net & Health Fina	**512,400,506**	**453,785,053**	**629,163,053**	**631,362,286**	**628,663,053**
Prescription Advantage	*61,448,563*	*21,602,546*	*19,000,869*	*19,000,869*	*18,500,869*
Medical Assistance Trust Fund	*369,543,746*	*394,025,000*	*394,025,000*	*394,025,000*	*394,025,000*
*Delivery Syst Transformation****	*0*	*0*	*186,907,667*	*186,907,667*	*186,907,667*
Div of Hlth Care Finance & Policy	*18,704,723*	*31,257,507*	*28,129,517*	*27,928,750*	*28,129,517*
Other Health Finance	*62,703,474*	*6,900,000*	*1,100,000*	*3,500,000*	*1,100,000*

**Totals for MassHealth Programs exclude the transfer of some funding for Early Intervention services from the Department of Public Health to a MassHealth line item. **The FY 2012 Commonwealth Care Fund Transfer includes $17 million in surplus FY 2011 funds that were made available in FY 2012. ***Delivery System Transformation funds will replace, to some extent, payments to hospitals that were previously made through the Commonwealth Care Trust Fund and under the "Other Health Finance" category. Note that a pending FY 2012 supplemental budget includes $186.9 million in Delivery System Transformation Initiatives funding (the same amount as proposed in FY 2013).*

MassHealth (Medicaid)

Baseline spending for MassHealth programs—the amount required to maintain the programs in their current form, given changes in caseload and health inflation—is projected to be around $11.47 billion in FY 2013. The Governor's budget proposed funding for MassHealth well below this level, relying on an estimated $544.4 million in cuts and savings initiatives to fill the gap ($516.3 million net savings after accounting for proposed spending of $28.1 million on new initiatives; for details on these savings see http://www.massmedicaid.org/~/media/MMPI/Files/FY2013H2_BudgetBrief_v7.pdf.). Like the House budget, the SWM spending plan adopts nearly all of the Governor's savings proposals, but goes

further than either the Governor or House, identifying an additional $27.8 million in savings. These include:

- An expectation that coverage for adult day habilitation will be reduced from six to five hours per day, starting on October 1st, for expected savings of $15 million. These programs provide crucial rehabilitative supports for disabled adults and elders.
- "Bed-hold" language that prohibits nursing homes from reassigning patients' beds for ten days while they are absent for medical treatment, but that also allows MassHealth to lower the rates paid for these beds to $30 per day, a change that is expected to save $4.5 million in FY 2013.
- Estimated savings of $3.0 million due to an expansion of academic detailing activities that are designed to counter pharmaceutical company advertising and to encourage providers with a high proportion of publicly funded patients to adopt more cost-efficient prescribing practices.
- Estimated savings of $2.3 million from a provision (included in outside section 84) that would extend coverage for hospice care to the MassHealth Essential and MassHealth Basic health plan members, allowing them to receive care in settings that are less expensive than hospitals.

In addition, while the SWM budget funds infrastructure and capacity-building activities at community hospitals and community health centers, it provides $15.0 million for hospitals and $2.0 million for health centers, a total of $6.0 million less than the $20.0 million and $3.0 million allocations that the Governor and House included for these investment initiatives (funding for these activities is included in earmarks in the managed care line item). Finally, the SWM budget includes language (also in the managed care line item) maintaining FY 2012 rate levels for McInnis House, which provides medical respite care to the homeless; in contrast, the Governor assumed $3.0 million in savings from a change in these rates.

The SWM budget follows the Governor in dedicating $2.0 million to a new operations line item (4000-1602) to improve the MassHealth enrollment and redetermination processes, and includes language requiring MassHealth to report on average wait times for phone calls to the program, along with other customer satisfaction measures. Likewise, the SWM budget includes a $3.1 million appropriation proposed by the Governor to fund activities related to implementation of the Affordable Care Act, such as efforts to promote integrated care models. The House budget funded these initiatives, but at lower levels.

Outside sections of the SWM budget include language (section 140), requiring MassHealth to report to the legislature on the strategies it will use to achieve savings in MassHealth programs, and to provide notification of any plans to deviate from those strategies, as well as language (section 137) that continues limits on MassHealth coverage of dental services for adults. Unlike the Governor's and House budget proposals, the SWM budget does not include language that would give MassHealth authority to restructure MassHealth benefits.

Commonwealth Care Trust Fund

The CCTF receives transfers from the state's General Fund, as well as revenue from a portion of the cigarette tax, from assessments on certain employers who do not provide insurance and from penalties paid by people who can afford insurance but do not purchase it. These resources are used to pay for the Commonwealth Care insurance program for low-income people who are not eligible for MassHealth. The SWM budget proposes a transfer of $739.6 million from the General Fund to the CCTF, in addition to an assumed transfer of $120.0 million in tobacco tax revenue, for a total of $859.6 million.

While the Governor proposed $930.0 in transfers to the CCTF (including $72.9 million from an increase in the tobacco tax), when he filed his budget in January, since that time the Connector—which operates the Commonwealth Care program—announced new contracts with health plans that include an average drop of 5 percent in per member spending; the Connector also expects to carry forward surplus revenue remaining in the fund at the end of FY 2012 for use in FY 2013. Thus the funding level included in the SWM budget is expected to be adequate to cover enrollment growth, including the reinstatement of legal immigrants following a state Supreme Judicial Court decision that found the state's exclusion of this group unconstitutional. Like the Governor and House, the SWM Committee also assumes that the Connector will administer wellness and smoking cessation benefits within the Commonwealth Care program, however the SWM budget assumes that this program can be administered at a lower cost than the $3.0 million assumed in the House budget and accordingly transfers a slightly lower amount from the General Fund to the CCTF than that authorized in the House budget.

Other Health Reform and Safety Net Spending
Also included in the SWM budget are:

- A transfer of $186.9 million from the General Fund to a new **Delivery System Transformation Initiatives** (DSTI) Trust Fund that will provide incentive payments, in accordance with the state's MassHealth waiver agreement with the federal government, to providers for activities that support the development of new payment and health delivery systems, such as better management of chronic conditions and medical home infrastructures at seven safety net hospitals. (A similar transfer for FY 2012 is included in a supplemental budget currently before the legislature.) As noted above, the SWM budget earmarks $15.0 million for similar activities at hospitals that are not eligible to receive DSTI funds, and $2.0 million for Community Health Centers.

- An authorization for the Division of Health Care Finance and Policy to spend $2.0 million from federal reimbursement funds in order to move management of Health Safety Net claims for uncompensated care to MassHealth.

- A decrease in funding for the Prescription Advantage program compared to FY 2012, which reflects reduced utilization of the program due to changes made by the federal health reform law that will provide increased Medicare coverage for costs that are now covered by the Prescription Advantage program.

- The SWM budget provides $93.7 million for Information Technology (IT) services at Health and Human Services (HHS) agencies, an increase of $11.9 million over FY 2012 spending and midway between the appropriations proposed by the Governor and the House (this funding goes to other HHS agencies in addition to MassHealth and the Division of Health Care Finance).

- The SWM budget omits an earmark, included in the House budget, setting aside $2.4 million from the MassHealth administrative line item for Hale Hospital (funds for this hospital have been included in a reserve account in previous fiscal year budgets).

MASSHEALTH & HEALTH REFORM LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
1599-2004	Health Care Cost Containment Reserve	1,900,000	0	0	0	*FY 2012 one-time funding*
1599-2009	Hale Hospital Reserve	2,400,000	0	2,400,000	0	*Included in 4000-0300*
4000-0265	Primary Care Workforce	1,000,000	0	0	0	*FY 2012 one-time funding*
4000-0300*	Exec Off of Health and Human Services	86,484,473	86,981,146	85,512,643	86,171,094	
4000-0301	MassHealth Auditing and Utilization Reviews	1,736,425	1,739,619	1,736,313	1,740,023	
4000-0309	MassHealth Field Auditing Taskforce	1,000,000	1,000,000	1,000,000	1,000,000	
4000-0320	MassHealth Recoveries--Retained Revenue	225,000,000	225,000,000	225,000,000	225,000,000	
4000-0430	MassHealth CommonHealth Plan	130,439,637	73,165,558	73,165,557	73,165,558	*Partly transferred to 4000-0500*
4000-0500	MassHealth Managed Care	3,879,010,669	4,164,475,376	4,164,475,376	4,158,475,376	
4000-0600	MassHealth Senior Care	2,550,602,264	2,763,630,662	2,763,630,662	2,756,130,662	
4000-0640	MassHealth Nursing Home Supp Rates	318,300,000	288,500,000	318,500,000	288,500,000	
4000-0700	MassHealth Fee-for-Service Payments	2,029,206,633	1,935,380,126	1,950,180,126	1,923,380,126	*FY 2013 numbers exclude EI funding*
4000-0870	MassHealth Basic Coverage	157,016,626	179,909,689	179,909,689	178,759,689	
4000-0875	MassHealth Breast & Cervical Cancer Treatment	4,770,999	5,248,099	5,248,099	5,248,099	
4000-0880	MassHealth Family Assistance Plan	218,925,814	213,894,591	213,894,591	213,894,591	
4000-0890	MassHealth Premium Asst & Ins Partnership	58,181,956	30,481,392	30,481,392	30,481,392	
4000-0895	Healthy Start Program	13,800,000	15,850,244	15,850,244	15,850,244	
4000-0950	Children's Behavioral Health Initiative	214,743,708	221,705,516	221,549,097	221,705,516	
4000-0990	Children's Medical Security Plan	12,600,000	13,298,695	13,298,695	13,298,695	
4000-1400	MassHealth HIV Plan	18,541,135	19,744,723	18,744,723	19,744,723	
4000-1405	MassHealth Essential	389,757,408	505,998,457	505,998,456	504,848,457	
4000-1420	Medicare Part D Clawback	211,370,985	285,153,027	285,153,027	285,153,027	
4000-1602	MassHealth Operations	0	2,000,000	1,000,000	2,000,000	*New line item*
4000-1604	Health Care System Reform	0	3,125,000	750,000	3,125,000	*New line item*
4000-1700*	HHS Information Technology Costs	81,762,075	100,538,617	86,931,475	93,676,495	
4100-0060*	Division of Health Care Finance and Policy	21,157,507	22,029,517	21,828,750	22,029,517	
4100-0061	All Payer Claims Database	4,000,000	4,000,000	4,000,000	4,000,000	
4100-0360	Health Care Quality and Cost Council--RR	100,000	100,000	100,000	100,000	
4100-0062	Health Safety Net Claims Migration--RR	6,000,000	0	0	0	
4100-0082	Health Safety Net Claims Migration--RR	0	2,000,000	2,000,000	2,000,000	
7006-0029	Health Care Access Bureau Assessment	1,100,000	1,100,000	1,100,000	1,100,000	
9110-1455*	Prescription Advantage	21,602,546	19,000,869	19,000,869	18,500,869	
Trust Fund Transfers						
1595-5819	CommCare Trust Fund--Transfer from Gen Fund	745,011,822	737,122,286	741,278,955	739,622,286	
	CommCare Trust Fund--Tobacco Tax Transfer	120,000,000	192,900,000	120,000,000	120,000,000	
1595-1067	Delivery System Transformation Initiatives Trust	0	186,907,667	186,907,667	186,907,667	*See discussion above*
1595-1069	Health Insurance Technology Trust Fund	500,000	0	0	0	*Funded off-budget in FY 2013*
1595-1068	Medical Assistance Trust Fund	394,025,000	394,025,000	394,025,000	394,025,000	

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

Mental Health

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Mental Health	**732,081,653**	**651,018,701**	**668,272,292**	**675,424,657**	**669,241,960**

The SWM budget provides a total of $669.2 million for Department of Mental Health (DMH) programs in FY 2013, a 2.8 percent increase over current FY 2012 spending that reflects expected inflation, but that is $62.8 million, or 8.6 percent lower, than the FY 2009 appropriation for these programs, after adjusting for inflation. Cuts since 2009 have affected programs that support education, employment, and clubhouse programs, and have led to reductions in the number of beds at DMH facilities.

Funding for two core DMH line items—those providing treatment and support to children and adults in the community—rises by $5.0 million and $10.1 million respectively in the SWM budget, similar to the increases proposed by the House and Governor (the slightly lower appropriation for children's mental health services in the SWM budget reflects different expectations about maintenance costs for these services). The SWM budget also proposes an increase of $11.8 million in funding for DMH hospitals and other facilities, $3.9 million more than the Governor proposed. The higher funding level reflects a requirement, included in the facilities line item, that DMH maintain 45 continuing care in-patient beds at Taunton State Hospital. The spending plans of both the House and Governor assume that Taunton State Hospital will close midway through FY 2013. The SWM budget also contains line item language that would require state agencies to collaborate with municipal officials concerning the future use of DMH in-patient facilities if they are closed.

When considering increases to individual mental health line items, particularly the core services and facilities accounts, it is necessary to keep in mind that the FY 2012 budget included the one-time use of contributions from mental health trust funds to support many of these programs. Language in the FY 2012 budget specifically allowed use of the trust funds for in-patient or community services and authorized transfers of funds to the adult services and DMH facilities line items. The availability of the trust funds meant that the budget appropriations for the core services and facilities accounts were lower in FY 2012 than they would have been if the $10.0 million in trust funds had flowed more directly through them, and conversely the FY 2013 increases for these programs appear larger. After accounting for the use of trust funds, the overall increase for these three line items proposed in the SWM budget is about 3.0 percent compared to FY 2012.

The SWM FY 2013 budget also includes small increases for a Forensic Services Program that assists mentally ill people in the court system, including in juvenile court clinics, and for DMH administration, and provides level funding for emergency mental health services. Outside sections of the budget include language (section 141) setting up a commission to study inpatient and community mental health services, including the potential impact of the closure of Taunton State Hospital on mental health needs in southeastern Massachusetts. The budget also contains language (in section 51) that would require an annual safety symposium for DMH employees; the symposium would be named in honor of Stephanie Moulton, a mental health worker who was killed by a resident in a group home in 2011.

MENTAL HEALTH LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
5011-0100*	Department of Mental Health Administration	26,747,749	27,744,752	27,273,198	27,373,198	
5042-5000*	Child and Adolescent Mental Health Services	71,773,509	77,979,485	77,672,234	76,816,757	
5046-0000*	Adult Mental Health and Support Services	332,285,802	343,316,465	344,057,893	342,427,150	
5046-2000	Statewide Homelessness Support Services	20,134,424	20,134,424	20,134,424	20,134,424	
5046-4000	CHOICE Program RR	125,000	125,000	125,000	125,000	
5047-0001*	Emergency Services & Acute Mental Health Care	35,122,197	35,242,253	35,288,704	35,242,254	
5055-0000*	Forensic Services Program	8,097,163	9,178,527	8,321,818	8,634,856	
5095-0015*	Inpatient Facilities & Community-Based Svs	146,732,857	154,551,386	162,551,386	158,488,321	
5095-0017	Trust Fund Contributions	10,000,000	0	0	0	*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 Governor	FY 2013 House	FY 2013 SWM
Public Health	634,952,841	523,678,808	529,710,271	519,795,169	528,520,446

The SWM budget provides a total of $528.5 million in funding for public health programs, essentially level funding compared to FY 2012 and not sufficient to keep pace with inflation. Public health funding goes to a wide range of programs that protect the health of the general public in Massachusetts, for instance by responding to public health emergencies and ensuring that health professionals and facilities are properly licensed. Beyond these basic functions, more than half of DPH state budget funding goes to programs that promote health and wellness and prevent disease in specific populations. The fiscal crisis has hit all these programs hard—between FY 2009 and FY 2012 overall funding for public health declined by $111.3 million, or 17.5 percent, after adjusting for inflation. The SWM budget halts this overall decline, but does not reverse it.

Substance Abuse and Smoking Prevention Services
The SWM budget provides a modest increase of $1.7 million for the main substance abuse line item and level funding for other substance abuse programs, including step-down services and a family intervention program; these funding levels are identical to those the Governor proposed. The SWM budget also contains language (in section 104) 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 language specifies that $2.0 million is to be used for facilities and requires DPH to develop a spending plan for the remaining $8.0 million by July 15, 2012. The Fund will close at the end of FY 2013, and any additional ongoing costs related to the expansion will need to be included in future budgets.

Early Intervention
After accounting for a shift of $4.3 million in Early Intervention costs to a MassHealth line item that will now pay for them, the SWM budget proposes an increase of about $881,000 for this program, in contrast to the slight decrease proposed by the Governor. The Governor's proposed appropriation level was expected to be sufficient to maintain current services and so the additional funding in the SWM budget could be used help support a rate increase for providers.

WIC
The SWM budget follows the Governor and House in proposing an increase of $1.8 million, or 7.5 percent, in the amount that the Women, Infants and Children (WIC) nutrition program is authorized to retain and spend from revenue it receives from infant formula rebates and other federal measures. The increase is expected to cover the costs of maintaining the current level of services.

Youth Violence Prevention
The SWM budget provides $8.0 in funding for a grant program (first funded in FY 2012 and contained in a separate Health and Human Services line item) that provides youth violence prevention grants targeted to high-risk communities. This amount is somewhat below the $10.0 million that the program

received in FY 2012, and that the Governor proposed for FY 2013. The SWM budget also provides an $800,000 increase for Youth at Risk grants, which the Governor's budget level funded.

Public Health Hospitals
The SWM budget proposes a total increase of $7.9 million, or 4.9 percent, for hospitals operated by the Department of Public Health (including increases in retained revenue authorizations), somewhat below the level proposed by the House and Governor. This lower appropriation level does not represent a cut but rather reflects the Senate's somewhat lower expectations concerning actual FY 2013 costs for these hospitals.

Universal Immunization
The SWM 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.

HIV and Disease Prevention Programs
Like the spending plans proposed by the Governor and House, the SWM budget provides level funding for a program that provides services to people with HIV, and also level funds a program that provides screening for and education about a variety of diseases (after adjusting for the fact that the SWM budget breaks out funding for an ALS registry in a separate line item), but funding for these programs remains well below FY 2009 inflation-adjusted levels.

Academic Detailing
The SWM 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, the same level of funding it received in FY 2009, before being cut during the state's fiscal crisis. The SWM budget assumes that education provided to providers will result in savings of about $3 million within the MassHealth program.

PUBLIC HEALTH LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
4000-0005	Safe & Successsful Youth Grant Program	10,000,000	10,000,000	0	8,000,000	
4510-0020	Food Protection Program--RR	375,000	375,000	375,000	375,000	
4510-0025	SEAL Dental Progra--RR	889,889	889,889	889,889	889,889	
4510-0040*	Pharmaceutical Regulatio--RR	421,539	432,187	427,266	432,188	
4510-0100*	Department of Public Health	17,708,308	17,766,856	17,572,647	17,941,867	*Includes transfer to 4510-0712*
4510-0110*	Community Health Center Services	963,949	916,129	1,067,287	967,830	
4510-0600*	Environmental Health Services	3,205,454	3,231,212	3,337,405	3,231,212	
4510-0615*	Nuclear Reactor Monitoring--RR	1,764,716	1,768,947	1,768,947	1,768,947	
4510-0616	Prescription Drug Monitoring--RR	1,241,668	1,251,481	1,245,175	1,251,481	
4510-0710*	Div of Health Care Quality and Improvement	6,242,959	6,347,521	6,306,482	6,500,000	
4510-0712*	Division of Health Care Quality--RR	2,439,711	3,481,081	2,481,081	3,481,081	*Excludes transfer from 4510-0100*
4510-0715	Primary Care Center & Loan Forgiveness Program	157,000	0	0	157,000	
4510-0716	Academic Detailing Program	93,000	0	0	500,000	
4510-0721*	Board of Registration in Nursing	795,800	854,892	848,961	854,892	
4510-0722*	Board of Registration in Pharmacy	194,806	234,508	182,623	234,508	
4510-0723*	Board of Registration in Medicine & Acupuncture	997,001	1,088,151	1,088,151	1,088,151	
4510-0725*	Health Boards of Registration	273,383	315,865	284,595	315,865	
4510-0726	Board of Reg in Medicine--RR	300,000	300,000	300,000	300,000	
4510-0790	Regional Emergency Medical Services	931,959	931,959	931,959	931,959	
4510-0810	Sexual Assault Nurse Examiner	3,160,740	3,160,740	3,160,740	3,160,740	
4512-0103	HIV/AIDS Prevention, Treatment and Services	32,097,810	32,101,023	32,097,810	32,101,023	
4512-0106	HIV/AIDS--Drug Rebates RR	7,500,000	7,500,000	7,500,000	7,500,000	
4512-0200	Division of Substance Abuse Services	74,810,802	76,539,595	77,539,595	76,539,595	
4512-0201	Substance Abuse Step-Down Recovery Services	4,800,000	4,800,000	4,800,000	4,800,000	
4512-0202	Secure Treatment Facilities (Jail Diversion)	2,000,000	2,000,000	0	2,000,000	
4512-0203	Young Adult Treatment (Family Intervention)	1,500,000	1,500,000	1,500,000	1,500,000	
4512-0225	Compulsive Behavior Treatment--RR	1,000,000	1,000,000	1,830,000	1,000,000	
4512-0500*	Dental Health Services	1,395,761	1,354,924	1,403,897	1,354,924	
4513-1000*	Family Health Services	4,656,797	4,468,499	4,767,135	4,666,697	
4513-1002	Women, Infants, and Children's (WIC)	12,366,617	12,366,617	12,366,617	12,366,617	
4513-1012	WIC Manufacturer Rebates--RR	24,510,000	26,355,000	26,355,000	26,355,000	
4513-1020*	Early Intervention Services	31,144,420	30,025,263	31,325,263	32,025,263	*Includes MassHealth tranfer*
4513-1023*	Newborn Hearing Screening Program	65,494	70,194	70,194	70,193	
4513-1026*	Suicide Prevention and Intervention Program	3,569,444	3,591,950	3,839,455	3,591,950	
4513-1098	Support Services for Homicide Victim Survivors	0	0	125,000	0	
4513-1111	Health Promotion and Disease Prevention	3,400,000	3,413,076	3,400,000	3,400,000	*Includes ALS registry (4510-3008)*
4513-1130*	Domestic Violence & Sexual Assault Prevention	5,507,970	5,514,340	5,514,340	5,514,340	
4516-0263*	Blood Lead Testing Fee RR	1,112,974	1,117,101	1,117,101	1,117,101	
4516-1000*	State Lab & Communicable Disease Control	13,013,002	13,381,260	13,246,240	13,472,659	*Includes transfer to Police Lab*
4516-1010*	Emergency Preparedness Match	2,272,509	2,205,654	2,193,665	2,209,400	
4516-1022	State Lab Tuberculosis Test--RR	250,619	250,619	250,182	250,619	
4518-0200*	Registry of Vital Records--RR	415,275	683,931	625,835	675,000	
4530-9000*	Teenage Pregnancy Prevention Services	2,378,410	2,286,916	2,385,873	2,536,916	
4570-1502*	Infection Prevention Program	251,281	265,299	262,168	265,299	
4580-1000	Universal Immunization Program	52,222,377	52,879,812	52,879,812	52,879,812	
4590-0250*	School-Based Health Programs	11,597,967	11,136,670	11,336,670	11,597,967	
4590-0300	Smoking Prevention & Cessation Programs	4,150,703	5,850,703	4,400,703	4,151,958	
4590-0912*	Western Mass Hospital--RR	16,457,488	17,081,671	17,081,671	16,990,628	
4590-0913	Shattuck Medical Vendor--RR	499,827	499,827	499,827	499,827	
4590-0915*	Public Health Hospitals	139,037,382	144,973,695	144,973,695	142,754,835	
4590-0917*	Shattuck Hospital DOC Inmat RR	4,046,265	4,209,388	4,204,640	4,209,388	
4590-1503*	Pediatric Palliative Care	790,732	796,051	796,051	796,051	
4590-1506*	Violence Prevention Grants	1,000,000	1,007,431	1,501,178	1,007,431	
4590-1507	Youth-At-Risk Matching Grants	1,700,000	1,700,000	1,900,000	2,500,000	
4590-2001	Tewksbury Hospital DDS RR	0	3,437,342	3,437,342	3,437,342	
OS-SAS	Substance Abuse Services Fund	10,000,000	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 Governor	FY 2013 House	FY 2013 SWM
State Employee Health Insur.	1,337,831,616	1,370,003,999	1,345,282,465	1,311,075,299	1,284,331,332

The SWM budget proposes a total of $1.28 billion in funding for state employee health coverage provided through the Group Insurance Commission (GIC), including $757.7 million for the state's share of premium costs for active state employees. Like the Governor's and House budgets, the SWM budget assumes the one time use of $40.0 million in trust fund balances for GIC premium costs, but even taking these additional funds into account, proposed funding drops slightly compared to FY 2012 appropriation levels (the difference between funding levels in the Governor's and SWM FY 2013 budget proposal reflects SWM's use of updated enrollment and cost projections). This decline in spending is the a 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. (Note that MassBudget removes GIC costs related to coverage provided to municipal employees from calculations of state budget spending, because these costs are fully reimbursed by the municipalities.)

State Employee Health Costs	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
*Employee Premiums and Plan Costs**	*830,154,520*	*770,679,063*	*756,679,063*	*757,669,230*
Dental & Vision Benefits	*36,054,973*	*37,591,870*	*37,591,870*	*37,441,870*
Retired Municipal Teacher Insurance	*64,726,762*	*69,342,635*	*69,342,635*	*69,249,835*
*Tran to State Retiree Benefits Fund***	*414,325,940*	*462,715,928*	*442,715,928*	*415,042,237*
Other GIC	*24,741,804*	*4,952,969*	*4,745,803*	*4,928,160*
Total Budgetary Spending	**1,370,003,999**	**1,345,282,465**	**1,311,075,299**	**1,284,331,332**
One-time Use of Federal Trust Funds	0	40,000,000	40,000,000	40,000,000
TOTAL	1,370,003,999	1,385,282,465	1,351,075,299	1,324,331,332

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

***FY 2013 Governor and House totals transferred to the State Retiree Benefits Trust Fund include $27.7 million in tobacco settlement revenues made available by FY 2012 budget language; the SWM budget does not include this transfer.*

One area where the SWM budget differs from the Governor and House has to do with funding for the State Retiree Benefits Trust Fund (SRBTF). Recent budgets have included transfers to the SRBTF from the General Fund to pay for health benefits for retirees, but under a provision included in the FY 2012 budget, the SRBTF will also 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 by the Governor at $27.7 million, is scheduled to be deposited in the Fund, and the share will increase by increments of ten percentage points each year, until 2022, when 100 percent of the payment will go into the fund. The SWM budget includes language (section 105) suspending this transfer in FY 2013.

STATE EMPLOYEE HEALTH INSURANCE LINE ITEMS

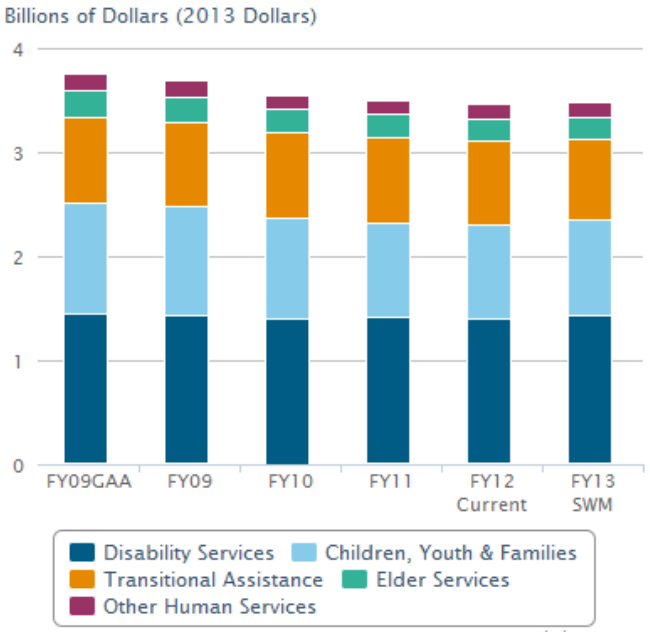
Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0640-0096	State Lottery Comm--Health Benefits	355,945	355,945	355,945	373,152	
1108-5100*	Group Insurance Commission	2,561,709	2,560,038	2,360,095	2,537,146	
1108-5200	Group Insurance Premium and Plan Costs	830,154,520	770,679,063	756,679,063	757,669,230	*Excludes municipal GIC costs*
1108-5201*	Municipal Partnership Act--Retained Revenue	2,017,862	2,036,986	2,029,763	2,017,862	
1108-5350	Retired Governmental Employees Premiums	340,000	448,800	448,800	356,000	
1108-5400	Retired Municipal Teachers Premiums	64,386,762	68,893,835	68,893,835	68,893,835	
1108-5500	Group Insurance Dental and Vision Benefits	9,104,973	9,833,370	9,833,370	9,683,370	
1599-1027	Reserve for Benefit Change Reimbursement	19,806,288	0	0	0	
1750-0300	Contribution to Union Dental and Vision Insuran	26,950,000	27,758,500	27,758,500	27,758,500	
1599-6152	State Retiree Benefits Trust Fund Transfer	414,325,940	435,042,237	415,042,237	415,042,237	
	State Retiree Benefits Trust (tobacco $$)	0	27,673,691	27,673,691	0	*See discussion above*

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

HUMAN SERVICES

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Human Services	**3,746,077,416**	**3,419,139,750**	**3,510,082,208**	**3,502,287,065**	**3,477,241,802**
Children, Youth & Families	1,067,561,267	890,095,388	934,102,824	911,268,909	916,324,307
Disability Services	1,441,662,242	1,382,478,501	1,428,834,431	1,440,416,855	1,425,684,167
Elder Services	254,843,626	218,751,617	218,701,449	222,127,200	219,450,257
Transitional Assistance	829,217,816	785,573,923	786,804,019	787,350,335	775,815,001
Other Human Services	152,792,464	142,240,322	141,639,485	141,123,766	139,968,071

Even though human services programs form a crucial part of the Commonwealth's "safety net" for the state's most vulnerable residents, the Senate Ways and Means (SWM) Committee has had to create a budget significantly limited by financial constraints. The SWM FY 2013 budget proposes to fund programs within Human Services at $3.48 billion, an increase of 1.7 percent over the current FY 2012 budget. This is $25.0 million below the House proposal and $32.8 million below the Governor's.



In most instances, FY 2013 funding is essentially level with FY 2012, with several important programs experiencing significant cuts, and others barely staying level with FY 2012 when considering the impacts of inflation. Moreover, looking over the longer term and comparing funding in the SWM proposal with pre-recession levels, funding for services for vulnerable children and their families has been cut substantially over time. This SWM proposal represents a cut of $268.8 million (7.2 percent) when compared to FY 2009 GAA inflation-adjusted funding levels.

Children, Youth & Families

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Children, Youth & Families	1,067,561,267	890,095,388	934,102,824	911,268,909	916,324,307

The FY 2013 SWM proposal funds Children, Youth & Families programs and services at $916.3 million, an increase of $26.2 million over the current FY 2012 funding level. However, this increase barely covers the cost of inflation and would represent an inflation-adjusted cut of 14.2 percent from pre-recession levels (FY 2009 GAA).

SWM proposes creating a task force to study data sharing to improve services provided to children, youth and families. SWM also proposes a **Rural Access Commission** which would examine barriers to public assistance and state-sponsored services faced by low- to moderate-income individuals living in rural areas. Regulations introduced by the House are maintained in the SWM proposal aimed at ensuring an independent, timely and fair administrative hearing system at DCF. Current requirements are currently not being met with wait times for fair hearings and subsequent decisions being much longer than what is stipulated in regulations. Under the proposed regulations DCF would have to submit quarterly reports to the house and senate committees on ways and means and the joint committee on children, families and persons with disabilities showing how many fair hearing requests were closed during the quarter and a forecast of how many will be closed in the upcoming quarter. However, House language concerning the quarterly reports that would have included how long clients had to wait for fair hearings, appeals and decisions was taken out of the SWM proposal. Instead a report due no later than March 15, 2013 will include the average length of time in which each review is completed.

Children, Youth & Families	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Dept. Children & Families	893,396,068	744,307,781	775,104,979	755,895,914	762,174,567
Dept. Youth Services	174,165,200	145,787,607	156,002,845	155,372,995	154,149,739
Data Sharing Initiative	0	0	2,995,000	0	0

The **Department of Children and Families** (DCF, formerly DSS) receives $762.2 million in the SWM budget proposal, compared to $744.3 million in FY 2012 and $755.9 million recommended by the House. The main difference between the House and SWM is in DCF's **Regional Administration** line item. SWM breaks from the House by restoring $9.3 million in funding to regional administration, level with FY 2012 current spending. 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. **DCF Administration** receives $69.3 million, an increase of $4.1 million over FY 2012 and $3.0 million more than the House proposal.

Family support and stabilization services receive $44.6 million in the SWM budget proposal, identical to both the House and Governor's proposals. This is a 12.1 percent increase over FY 2012 current funding levels, and the relatively largest increase throughout the department. Even though there are many more children receiving services at home or with extended family than those in out-of-home placements, family support funding has historically lagged well behind funding for group care. SWM funds **group care** at $196.1 million, $1.6 million less than the House's proposal and essentially level with FY 2012 current funding. **Social workers** are funded at $166.9 million in the SWM proposal, $4.8 million more than FY 2012 funding, but $2.8 million below the House.

SWM also proposes:

- $246.5 million for **Services for Children and Families**, an increase of $3.3 million over FY 2012, but $1.6 million less than the House proposal. This is tantamount to a cut due to inflation.

- $20.7 million for **Support Services for People at Risk of Domestic Violence**, a decrease of $30,000 compared to FY 2012 and $770,000 below the House proposal.

The SWM proposal follows the House by not funding a Governor proposed $3.0 million data-sharing initiative among the agencies providing services to children, youth and families.

The **Department of Youth Services** (DYS) receives $154.1 million in the SWM budget proposal, compared to $145.8 million in FY 2012 and $155.4 million recommended by the House. **Residential Services for Detained Population** receives $21.1 million, $91,000 above the House proposal and $2.8 million (15.4 percent) more than FY 2012 current spending. **Residential Services for Committed Population** receives $101.7 million, $1.2 million below the House proposal, but $3.0 million above FY 2012. **Non-Residential Services for Committed Population** receives $22.7 million, $219,000 above the House and $513,000 above FY 2012 spending. Like the House and Governor, SWM includes $2.1 million in a new line item to provide state funding in the Department of Youth Services for an **Alternative Lock-up Program**. This program is designed to provide a safe (non-police) environment for alleged juvenile offenders awaiting court appearance.

CHILDREN, YOUTH AND FAMILIES LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
4000-0051	Children Youth & Families Initiative		2,995,000	0	0	
4200-0010*	Dept. Youth Svcs. Admin.	4,141,463	4,089,619	4,047,173	4,066,407	
4200-0100*	Non-Residential Svcs. for Committed	22,219,063	22,266,770	22,512,944	22,732,056	
4200-0200*	Residential Svcs. for Detained	18,256,369	21,539,948	20,983,713	21,074,662	
4200-0300*	Residential Svcs. for Committed	98,670,712	103,196,699	102,919,356	101,676,614	
4200-0500	DYS Teacher Salaries	2,500,000	2,809,809	2,809,809	2,500,000	
4200-0600	Alternative Lock Up Program		2,100,000	2,100,000	2,100,000	*new in FY 2013*
4800-0015*	DCF Admin.	65,257,819	69,996,741	66,325,850	69,322,448	
4800-0016	DCF Transitional Employment Program (Retained Revenue)	2,000,000	2,000,000	2,000,000	2,000,000	
4800-0025*	Foster Care Review	2,824,059	3,052,486	2,990,234	3,005,350	
4800-0030	DCF Regional Administration	9,300,000	10,215,181	0	9,300,000	
4800-0036	Sexual Abuse Intervention Network	697,508	697,508	697,508	697,508	
4800-0038*	Services for Children and Families	243,257,069	248,178,738	248,146,977	246,508,481	
4800-0040	Family Support and Stabilization	39,750,000	44,573,551	44,573,551	44,573,551	
4800-0041	Group Care Services	196,064,169	200,209,888	197,709,889	196,072,888	
4800-0091*	Child Welfare Training Institute Retained Revenue	2,058,735	2,083,525	2,083,525	2,077,119	
4800-0151	Placement Services for Juvenile Offenders	270,919	230,780	230,780	1,004,678	
4800-1100*	Social Workers for Case Management	162,102,441	172,401,480	169,672,498	166,917,450	
4800-1400*	Support Services for People at Risk of Domestic Violence	20,725,062	21,465,101	21,465,102	20,695,096	

Disability Services

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Disability Services	1,441,662,242	1,382,478,501	1,428,834,431	1,440,416,855	1,425,684,167

The FY 2013 SWM proposal funds Disability Services at $1.43 billion, an increase of $43.2 million over the current FY 2012 funding level. However, the proposal is $14.7 million less than the House's budget. There is concern that the Commonwealth's budget for persons with disabilities is not able to keep pace with the anticipated need for services felt by the growing numbers of young adults leaving special education and needing extensive support services in the community. The Administration has repeatedly stated a commitment to community-based services, but some of the line items funding community-based supports for persons with disabilities have been cut substantially over the past few years, even with a shift in funding away from the state-run institutions. Adults with disabilities seeking employment are particularly hard hit by ongoing funding reductions in services.

Disability Services	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Blind & Visually Impaired	23,194,426	18,919,561	18,616,680	19,112,897	19,239,671
Deaf & Heard of Hearing	6,189,754	5,100,393	5,447,856	5,447,856	5,447,856
Dept. of Dev. Services	1,358,432,215	1,317,001,777	1,363,986,770	1,374,662,702	1,359,394,327
Mass. Rehab & Head Injury	53,845,847	41,456,770	40,783,124	41,193,399	41,602,313

The SWM budget directs increased funding to the **Department of Developmental Services**, an increase of $42.4 million compared to FY 2012 spending, but $15.3 million less than the House proposal. SWM breaks from the House in its treatment of **Respite,** funding these family supports at $41.0 million, a cut of $5.5 million (11.8 percent) compared to current FY 2012 spending and $10.0 million below the House proposal. For many families with disabled children, the respite program is the only source of support for afterschool recreational programming or for specialized caregiving. This decrease in funding represents an inflation-adjusted cut of 31.6 percent from pre-recession levels (FY 2009 GAA).

State Facilities for the Developmentally Disabled receives $133.4 million, $8.7 million below current FY 2012 spending and $808,000 below both the House and Governor's proposals. The budget proposal from SWM for **Community Day and Work Services** is $1.4 million more than the House's proposal, but $9.7 million above current FY 2012 spending. **Community Transportation Services for the Developmentally Disabled** receives $10.5 million, a cut of $1.2 million compared to FY 2012 and $3.1 million below the House proposal. This cut will make it harder for disabled adults to maintain employment or take part in community activities. SWM follows the House and does not incorporate funding for **transportation for the developmentally disabled** into the community day and work services line item. (The line item breakdown below adjusts for this type of transfer in order to allow for more accurate year-to-year comparisons.)

SWM increases funding for services for young developmentally disabled adults **Turning 22** to $6.0 million, identical to the House proposal and a $1.0 million increase over FY 2012 spending. Even with this increase, however, funding is still 27.0 percent below pre-recession funding levels. Turning 22 services support the entry of young developmentally disabled adults into the adult service system from the special education system, and constraints on this funding limit the number of adults who will receive services as well as the services that they will receive in the future.

SWM also increases funding for **community residential supports** for developmentally disabled adults, funding them at $785.9 million, a $29.1 million increase over FY 2012 funding levels, but $2.2 million below the House proposal. SWM also does not separate funding out for the Rolland Court Monitor as the House did in its proposal.

For adults with other types of disabilities, the SWM budget essentially maintains current funding levels, but these levels do not necessarily keep pace with inflation or anticipated need. (We adjust funding for the central office for the Mass. Commission for the Blind to reflect a shift of funding for the administration of SSI benefits for the blind from that office to the Department of Transitional Assistance—see discussion below.)

DISABILITY SERVICES LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
4110-0001*	Mass. Comm. for the Blind Admin.	965,851	1,000,349	983,296	983,296	
4110-1000*	Community Services for the Blind	3,911,398	3,485,797	3,954,067	3,940,941	
4110-2000*	Turning 22 MCB	11,034,194	11,122,416	11,122,416	11,307,315	
4110-3010	Vocational Rehab. for the Blind	3,008,118	3,008,118	3,053,118	3,008,118	
4120-1000	Mass. Rehab. Admin.	408,720	417,444	404,678	417,444	
4120-2000	Vocational Rehabilitation	10,013,228	10,013,705	10,011,824	10,013,228	
4120-3000*	Employment Assistance	2,428,315	2,072,129	2,072,129	2,072,129	
4120-4000*	Independent Living Assistance	12,226,933	12,249,413	12,299,413	12,655,279	
4120-4001	Accessible Housing Registry	80,000	80,000	80,000	80,000	
4120-4010*	Turning 22 MRC	791,208	420,720	795,642	791,208	
4120-5000*	Home Care for the Multi-Disabled	4,337,006	4,293,694	4,293,694	4,337,006	
4120-6000*	Head Injury Treatment Services	11,171,360	11,236,019	11,236,019	11,236,019	
4125-0100*	Mass. Comm. for the Deaf & Hard of Hearing	5,100,393	5,447,856	5,447,856	5,447,856	
5911-1003*	DDS Admin.	60,672,283	63,985,372	63,082,632	63,386,703	
5911-2000	Community Transportation Services	11,641,431	10,486,581	13,618,581	10,486,611	*Gov adj--see text*
5920-2000*	Community Residential Supports	756,797,120	788,211,757	788,162,390	785,939,514	*Gov adj--see text*
5920-2002	DDS Rolland Court Monitor	400,000	400,000	400,000	400,000	*Gov adj--see text*
5920-2010*	State-Operated Residential Supports	164,790,661	180,837,382	180,836,026	179,989,529	
5920-2025	Community Day and Work Program	124,267,971	135,022,784	132,522,784	133,957,044	*Gov adj--see text*
5920-3000	Respite Family Supports	46,504,298	41,004,298	51,004,298	41,004,298	
5920-3010*	Autism Division	4,621,177	4,637,857	4,635,252	4,637,858	
5920-5000	Turning 22 DDS	5,000,000	5,000,000	6,000,000	6,000,000	
5930-1000*	State Facilities DDS	142,156,836	134,250,738	134,250,738	133,442,770	
5982-1000	Templeton Developmental Ctr.	150,000	150,000	150,000	150,000	

Elder Services

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Elder Services	254,843,626	218,751,617	218,701,449	222,127,200	219,450,257

The FY 2013 SWM proposal funds Elder Services at $219.5 million, $2.7 million less than the House's budget and virtually level with FY 2012 spending. SWM eliminates funding for **Residential Placement**

Services for homeless elders. This program is funded currently at $136,000 in FY 2012. The House increased funding to $186,000.

SWM slightly increases funding for community-based long term care services for elders, but does not fund them at the same level as the House proposal. These home care services, which include a wide variety of supports such as homemakers and transportation assistance help keep the Commonwealth's frail elders in their homes as long as possible. Because of both inflation and anticipated increasing need, the Commonwealth will still need to maintain wait lists for services. (For information on nursing home funding or the Prescription Advantage program, see the MassHealth & Health Reform section of this *Budget Monitor.)*

Community-based long term care services include:

- $133.0 million for **home care** case management and services ($498,000 less than current FY12 spending and the House's proposal)

- $46.5 million for **enhanced home care** for the frailest and most vulnerable elders ($672,000 over FY 2012, but $1.3 million less than the House's proposal). The number of seniors on the waiting list for this service in May is just shy of 1000.

- $16.6 million for **elder protective services**, which investigate elder abuse and neglect, and provide money management supports to prevent financial exploitation ($378,000 over FY 2012, but $622,000 less than the House's proposal)

The Elder Nutrition Program receives $6.3 million, level with FY 2012 spending and $50,000 below the House. For some elders, the elder lunch programs—which are often run by local councils on aging—are the only guaranteed healthy meal or opportunity for socialization.

ELDER SERVICES LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
9110-0100*	Dept. of Elder Affairs Admin.	1,994,374	2,191,666	1,990,108	1,990,108	
9110-1500	Enhanced Comm. Options (ECOP)	45,789,340	46,461,487	47,789,340	46,461,487	
9110-1604	Supportive Senior Housing Program	4,014,802	4,106,339	4,014,802	4,014,802	
9110-1630	Elder Home Care Purchased Svcs.	97,780,898	97,783,061	97,780,898	97,283,061	
9110-1633	Elder Home Care Case Mgt. & Admin.	35,738,377	35,738,377	35,738,377	35,738,377	
9110-1636	Elder Protective Services	16,250,554	16,628,729	17,250,554	16,628,729	
9110-1660	Congregate Housing Program	1,717,617	1,658,117	1,717,616	1,824,617	
9110-1700	Placement for Homeless Elders	136,000	139,101	186,000	0	
9110-1900	Elder Nutrition Program	6,325,328	4,810,824	6,375,328	6,325,328	
9110-2500	Veterans Independence Plus	750,000	750,000	750,000	750,000	
9110-9002	Councils on Aging	8,254,327	8,433,748	8,534,177	8,433,748	

Transitional Assistance

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Transitional Assistance	829,217,816	785,573,923	786,804,019	787,350,335	775,815,001

The FY 2013 SWM proposal funds Transitional Assistance at $775.8 million, $9.8 million less than current FY 2012 spending and $11.5 million below the House proposal. FY 2012 spending for transitional assistance was just raised though a supplemental budget bill which increased current funding to the **State Supplement to Supplemental Security Income** by $11.0 million to $233.2 million.

One of the most contentious debates during House deliberations was the use of Electronic Benefits Transfer (EBT) cards. Language in the SWM budget proposal removes some of the more controversial cash assistance restrictions outlined in the House proposal. Products and services taken off the restricted list include performances, cosmetics, professional services, jewelry, and rental goods and property. The SWM proposal creates two new crimes: food stamp benefits trafficking and organizational food stamp benefits trafficking. SWM also requires the Department of Transitional Assistance (DTA) to charge a fee for a replacement card to be deducted from an individual's benefits. DTA will provide notice to a recipient that requests a replacement card 3 or more times in a year, informing the recipient they will now be monitored. A new **Public Benefits Fraud Unit** within the Department of State Police is funded 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.

For entitlement programs like transitional assistance, funding levels are significantly affected by anticipated caseload levels. The SWM budget for **Transitional Assistance for Families with Dependent Children (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, compared to $322.8 million in the House's budget and $324.2 million in the FY 2012 current budget. Although caseload levels are going down, an additional appropriation might be needed before the end of FY 2013. The clothing allowance, a one-time payment made in September to help pay for back-to-school clothing, remains at $150 and the rent allowance of $40. However, these allowances have lost significant value over time due to inflation.

The **Department of Transitional Assistance** receives $55.5 million, a $2.4 million increase over FY 2012 spending and $554,000 over the House proposal. **Caseworker Salaries** receives $63.0 million, an increase of $3.5 million (5.8 percent) over FY 2012 and virtually level with the House proposal.

The **Employment Services Program** is funded at $3.9 million, a cut of $3.2 million (45.1 percent) compared to FY 2012. This is $4.2 million (51.8 percent) below the House proposal. This SWM proposal represents a cut of 86.8 percent when compared to FY 2009 GAA inflation-adjusted funding levels. All of the funds are earmarked with $3.1 million going to the young parent program, $600,000 to transportation, $130,000 to the Massachusetts Office of Refugees and Immigrants, and $75,000 to U-Mass for learning disability assessments.

SWM also cuts funding to **Emergency Aid to Elders, Disabled and Children (EAEDC)** from $89.0 million in the FY 2012 budget to $87.3 million in FY 2013. This is $1.0 million less than both the House and Governor's proposals.

The **state supplement to Social Security Income (SSI)** just received a supplemental budget increase of $11.0 million raising FY 2012 current spending to $233.2 million. SWM's proposals funds SSI at $229.1 million, $4.1 million below current FY 2012 spending. Like the Governor and the House, SWM also includes in its funding an $8.1 million transfer of funding for the SSI supplement for clients of the Mass. Commission for the Blind (MCB), which in past years was separately accounted for within MCB. In FY 2013, the SWM follows the Governor's recommendation to consolidate the funding for these two groups of people. Administration of the program is shifted from the Social Security Administration to the University of Massachusetts Medical Center. The University already contracts with the state to handle substantial administrative responsibilities for various health and human service programs, and the state anticipates that it will recognize some administrative savings from this consolidation. (The line item breakdown below adjusts for this type of transfer in order to allow for more accurate year-to-year comparisons.)

Unlike the TAFDC or EAEDC caseloads, the Administration anticipates that the **SNAP (Food Stamp)** caseload will continue to rise as it has over the past years. Growing caseloads added to an already overburdened work force will add to delays low income families and individuals in Massachusetts experience attempting to get access to these essential safety net benefits. SWM proposes $3.1 million for efforts to increase food stamp participation ($16,000 more than the House, but $96,000 less than the Governor's proposal), as well as $1.2 million (level with the House and Governor's proposals) for a small state supplement to SNAP benefits for certain working families.

TRANSITIONAL ASSISTANCE LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
4110-1010	State Supplement to SSI for the Blind	8,351,643	8,501,216	8,501,216	8,528,216	*adj.--see text*
4400-1000*	Dept. of Transitional Assistance	53,084,416	55,966,662	54,939,985	55,493,896	
4400-1001*	Food Stamp Participation	2,933,683	3,208,670	3,097,436	3,112,972	
4400-1025*	Domestic Violence Specialists	748,734	798,944	798,944	798,944	
4400-1100*	Caseworker Salaries and Benefits	59,535,677	65,394,541	62,797,173	63,012,441	
4401-1000	Employment Services Program	7,109,035	7,109,035	8,109,035	3,904,506	
4403-2000	TAFDC Grant Payments	324,180,979	318,871,955	322,817,201	315,351,679	
4403-2007	Supplemental Nutritional Program	900,000	1,200,000	1,200,000	1,200,000	
4403-2119*	Teen Structured Settings Program	6,576,708	7,731,401	7,731,401	8,081,401	
4405-2000	State Supplement To SSI	233,194,082	229,757,719	229,094,068	229,067,068	*adj.--see text*
4408-1000	EAEDC	88,958,966	88,263,877	88,263,877	87,263,877	

Other Human Services

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Other Human Services	152,792,464	142,240,322	141,639,485	141,123,766	139,968,071

The SWM FY 2013 budget proposal provides $140.0 million for other human services, which includes veterans' services, emergency food assistance (food banks), citizenship and various other programs. This is a decrease of $2.3 million compared to the FY 2012 current budget and is $1.2 million lower than the House proposal.

SWM does not follow the Governor's recommendation to consolidate funding for services for homeless veterans. The **Department of Veterans' Services Administration** receives $2.5 million, $89,000 less than the House, but an increase of $35,000 over FY 2012. Of this appropriation, $65,000 is shifted to create a new **War Memorials** line item. (We include funding for War Memorials within the Department of Veterans' Services Administration line item for comparison to previous years) **Veterans' Benefits** receives $44.2 million, an increase of $5.2 million over FY 2012 and level with the House proposal. **Veteran's Pension Recovery**, funded by the Governor and the House at $96,500, is not funded by SWM.

SWM provides $12.5 million for **Emergency Food Assistance** ($1.0 million of the total is in the **Temporary Emergency Food Assistance Program** – line item# 7051-0115). This is level with FY 2012 spending, but $500,000 less than the House which also consolidated these two items into a single line item. (In the table below, only the funds that are 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.

Other highlights include:

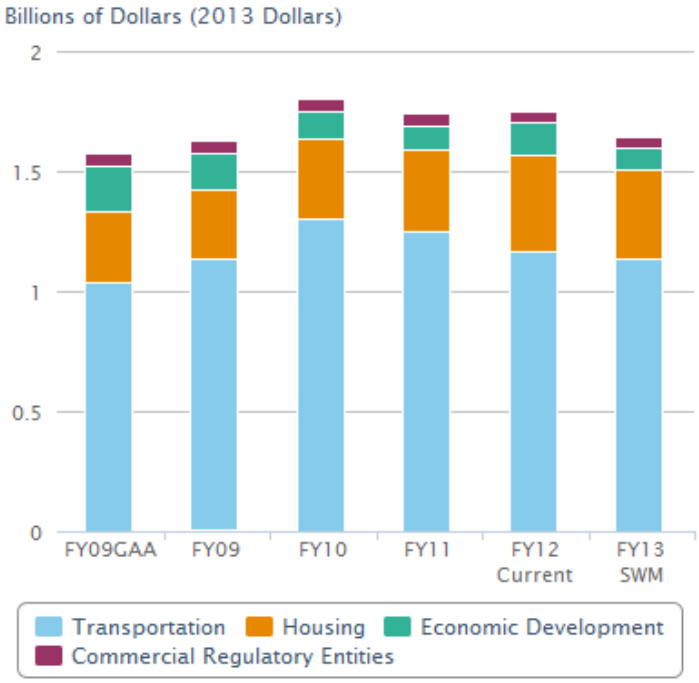
- $1.0 million more for the **Soldiers' Home in Massachusetts**, at $26.9 million.
- $19.9 million in total funding for the **Soldiers' Home in Holyoke**.
- $2.1 million in total funding for **Veterans' Outreach Centers**, an increase of $157,000 (8.2 percent) over FY 2012.

OTHER HUMAN SERVICES LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0610-2000	Welcome Home Bill	2,855,604	2,855,604	2,855,604	2,805,000	
0611-1000	Bonus Payments to War Veterans	44,500	44,500	44,500	44,500	
1410-0010	Dept. Veterans' Services Admin.	2,491,506	2,526,370	2,615,839	2,526,370	*adj.--see text*
1410-0012	Veterans' Outreach Centers	1,912,555	1,912,555	2,000,000	2,069,083	*Gov. adj.--see text*
1410-0015	Women Veterans' Outreach	50,000	50,000	50,000	50,000	
1410-0018	Veterans' Cemeteries RR	300,000	565,000	350,000	565,000	
1410-0075	Train Vets to Treat Vets	125,000	125,000	125,000	125,000	
1410-0100	Veterans' Pension Recovery	0	96,500	96,500	0	
1410-0250	Assistance to Homeless Veterans	2,291,380	2,291,380	2,291,380	2,405,949	*Gov. adj.--see text*
1410-0251	New Eng. Shelter for Homeless Vets	2,278,543	2,278,543	2,278,543	2,278,543	*Gov. adj.--see text*
1410-0300	Annuities to Disabled Vets	20,135,820	21,797,082	21,400,000	21,473,000	
1410-0400	Veterans' Benefits	38,980,045	45,889,480	44,208,485	44,208,484	
1410-0630	Veterans' Cemeteries	948,313	1,014,825	1,014,825	1,014,825	
1410-1616	War Memorials	0	0	0	0	*see text above*
2511-0105	Emergency Food Assistance	11,500,000	11,500,000	13,000,000	11,500,000	*adj.--see text*
4000-0050*	Personal Care Attendant Council	167,708	173,996	236,976	235,485	
4000-0114	Workforce Turnover Reduction Pilot	1,000,000	0	0	0	
4003-0122	Low-Income Citizenship Program	237,500	237,500	237,500	237,500	
4180-0100	Soldiers' Home in Chelsea	25,940,788	26,931,978	26,931,978	26,942,840	
4180-1100	License Plate Sales RR	370,000	435,480	435,000	435,480	
4190-0100*	Soldiers' Home in Holyoke	19,539,530	19,801,842	19,840,106	19,932,679	
4190-0101	Holyoke Antenna RR	5,000	5,000	5,000	5,000	
4190-0102	Pharmacy Co-Payment Fee RR	110,000	110,000	110,000	110,000	
4190-0200	Holyoke Telephone and TV RR	35,000	35,000	35,000	35,000	
4190-0300	Holyoke 12 Bed RR	671,530	671,530	671,530	678,014	
4190-1100	License Plate Sales RR	250,000	290,320	290,000	290,320	
OS-HSS	Human Services Salary Reserve	10,000,000	0	0	0	

INFRASTRUCTURE, HOUSING & ECONOMIC DEVELOPMENT

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Infra., Hsg. & Econ. Dvt	**1,571,073,215**	**1,724,899,254**	**1,655,634,806**	**1,656,886,747**	**1,643,087,530**
Commercial Regulatory Entities	55,019,010	49,382,370	49,746,973	49,824,686	49,870,392
Economic Development	184,674,618	133,682,553	95,740,695	97,290,289	91,716,421
Housing	295,446,879	398,292,907	375,132,916	374,081,590	365,810,535
Transportation	1,035,932,708	1,143,541,424	1,135,014,222	1,135,690,182	1,135,690,182



The Senate Ways & Means (SWM) budget for Fiscal Year (FY) 2013 proposes a decrease of $81.8 million from current FY 2012 levels for programs within the *MassBudget* category of Infrastructure, Housing & Economic Development. Much of this reduction is driven by a one-time deposit of $38.0 million into the Infrastructure Development Fund in FY 2012 that is not replicated in the House budget for FY 2013.

The FY 2013 SWM budget, much like the Governor's proposal and House budget, restricts low-income families' access to the Emergency Assistance (EA) shelter while providing additional funding for some housing programs, including household assistance within the HomeBASE program, the Massachusetts Rental Voucher Program (MRVP) and Residential Assistance to Families in Transition (RAFT).

The SWM budget proposes near level funding overall for transportation related line-items, with the majority funding operations and debt service costs at the MBTA.

Economic Development

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Economic Development	184,674,618	133,682,553	95,740,695	97,290,289	91,716,421

The SWM FY 2013 budget funds economic development programs at $4.0 million below the House proposal and $42.0 million below current FY 2012 levels. Most of this reduction from FY 2012 is driven by a one-time deposit of $38.0 million into the **Infrastructure Development Fund** in FY 2012. If it weren't for this one-time increase to the FY 2012 budget, the SWM proposal would show a much

smaller decrease of $4.1 million from current FY 2012 levels. Please see the comprehensive line item table at the end of this section for specific detail.

The SWM proposal for **Summer Jobs for At-Risk Youth** is funded at $10.0 million below current FY 2012 levels. A straight comparison to FY 2012 is somewhat complicated, however, since an additional $6.0 million was added to this program in a May 2012 supplemental budget, increasing the FY 2012 current appropriation to $13.0 million. This program funds summer jobs spanning parts of two fiscal years, and it often receives additional money through supplemental budgets in the spring.

The SWM budget maintains a reorganization of economic development programs that was initiated through the FY 2012 budget.[6] A new agency, the **Massachusetts Marketing Partnership (MMP)**, now coordinates efforts to promote the state domestically and internationally as an attractive, competitive, and innovative state in which to do businesses. The SWM proposal increases total funding for the MMP by $4.8 million over FY 2012 levels, and is $3.8 million above the House proposal. For detail on related line items, please see the note "MMP" in the table at the end of this subcategory.

This year's economic development reorganization also identified the **Massachusetts Office of Business Development (MOBD)** as the lead business development agency, and the SWM budget continues this arrangement, increasing funding by $93,000. The SWM proposal is equal to the House proposal.

The FY 2012 budget also reassigned line item numbers for programs administered by the Executive Office of **Labor and Workforce Development**. The SWM budget continues the new line item structure and proposes to fund these programs in total at $24.9 million, an increase of $589,000 from current FY 2012 levels. The SWM funding level is $106,000 above the House proposal. For detail on related line items, please see the note "LWD" in the table at the end of this subcategory.

The SWM proposal includes outside language directing $15.0 million of surplus funds coming out of FY 2012, if any, to go into the **Massachusetts Life Sciences Investment Fund**. Since this proposal is contingent upon the existence of sufficient surplus money at the end of FY 2012, it does not show up in *MassBudget* totals. The House proposal directed $10.0 million to this fund from FY 2012 surpluses, and the Governor did not include any outside section language directing money to this fund.

Finally, neither SWM budget nor the House budget follow the Governor's proposal to direct up to $10.0 million of FY 2012 surplus funds to help recapitalize the **Workforce Competitiveness Trust Fund (WCTF)**. Since this Governor's proposal would have still been contingent upon the existence of sufficient surplus money at the end of FY 2012, it does not show up in *MassBudget* totals for the Governor's FY 2013 budget. The WCTF was created by the Workforce Solutions Act/Economic Stimulus Bill of 2006 and funds workforce training programs in a range of employer, nonprofit, and vocational settings.

[6] For more detail on the FY 2012 reorganizations please see *MassBudget's Budget Monitor: The Fiscal Year 2012 General Appropriations Act* available online at: http://www.massbudget.org/report_window.php?loc=FY12_GAA.html

ECONOMIC DEVELOPMENT LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0640-0300*	MA Cultural Council Grants	6,199,866	6,227,490	6,527,624	6,254,109	
1100-1560	MA Development Finance Agency	440,693	0	0	0	
1599-1977	I-Cubed Assist. Assembly Square Re:	2,165,500	3,462,325	3,462,325	3,462,325	
2511-0100*	Dept. of Agricultural Resources	4,334,469	4,397,361	4,644,591	4,510,993	
7002-0010	Executive Office of Housing & Ec. Dev	410,140	621,520	437,278	446,520	
7002-0012	Summer Jobs for At-Risk Youth	13,000,000	8,609,158	8,609,158	3,000,000	
7002-0017*	Housing & Ec. Dev. IT Costs	2,067,930	2,976,536	2,976,536	2,976,536	
7003-0100*	Exec. Office of Labor & Work. Dev.	726,875	927,230	761,109	884,042	*LWD*
7003-0170	Labor and Workforce Development I	240,284	227,297	240,643	227,297	*LWD*
7003-0200*	Department of Labor Standards	1,920,041	2,176,703	2,128,283	2,128,283	*LWD*
7003-0201*	Dept. Labor Standards Licensing Fee	452,850	455,014	438,744	452,850	*LWD*
7003-0500*	Economic Stabilization Trust	19,106,544	19,743,253	19,395,217	19,114,446	*LWD*
7003-0605	MA Manufacturing Extension Partner	1,125,000	825,000	1,225,000	325,000	
7003-0702	Individual Training Grants	1,600,000	500,000	0	500,000	
7003-0735	Massachusetts Service Alliance	0	0	0	0	
7003-0803	One-Stop Career Centers	4,494,467	4,752,323	4,752,323	4,494,467	
7003-0900*	Department of Labor Relations	1,805,890	2,029,495	1,871,409	2,034,605	*LWD*
7003-0901	Summer Jobs Matching Funds	100,000	100,000	0	100,000	*LWD*
7003-0935	CB Process Reform	0	150,000	0	0	
7003-1206	Mass Service Alliance	0	0	1,625,000	0	
7006-0000*	Office of Consumer Affairs & Busines	768,208	846,160	798,409	846,160	
7007-0150	Regional Ec. Dev. Grants	450,000	850,000	850,000	650,000	
7007-0300*	MA Office of Business Development	1,624,028	1,761,946	1,717,393	1,717,393	
7007-0500	Biotech Research Institute	200,000	200,000	250,000	200,000	
7007-0800	Small Business Dev. UMass Amherst	704,286	1,204,286	1,254,286	704,286	
7007-0801	Microlending	200,000	0	200,000	0	
7007-0802	Year Up	100,000	0	0	0	
7007-0951	Commonwealth Zoological Corporati	3,500,000	0	0	0	*shift to 7007-0952*
7007-0952	Commonwealth Zoological Corporati	0	3,500,000	3,750,000	3,500,000	*shift from 7007-0951*
7008-0900*	MA Office of Travel and Tourism	2,040,167	6,887,109	3,064,562	6,887,109	*MMP*
7008-1000	Local Tourist Councils Financial Assi	6,000,000	2,000,000	6,000,000	6,000,000	*MMP*
7008-1300	Massachusetts International Trade	100,000	110,490	110,400	100,000	*MMP*
PB6	Workforce Training Fund	19,855,315	20,200,000	20,200,000	20,200,000	
1595-6583	Infra. Dev. Fund (operating transfer)	37,950,000	0	0	0	

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

Note: LWD = Labor and Workforce Development; MMP = Massachusetts Marketing Partnership

Housing

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Housing	295,446,879	398,292,907	374,869,723	373,818,397	365,810,535

Like the Governor's proposal and the House final budget for FY 2013, the SWM Committee's budget significantly cuts funding for homelessness programs below the FY 2012 current budget and limits low-income homeless families' access to shelter. Instead it increases housing assistance for low-income families who are homeless or at risk of becoming homeless. It is questionable, however, whether these

housing resources will be sufficient to help these families, many of whom earn very little income, to remain in housing over the long term. The SWM budget recommends spending $365.8 million on housing and homelessness programs which is $32.5 million less than the FY 2012 current budget, is $9.3 million less than the Governor's request and $8.3 million less than the House budget. Like the House and Governor's budgets, the SWM budget does not include $21.2 million in the FY 2012 current budget to help low-income people pay their winter utility bills (see discussion of LIHEAP below).

As described below, the SWM budget recommends reducing funding for the Emergency Assistance (EA) shelter program below current FY 2012 budget while increasing housing and rental supports under the HomeBASE program created in FY 2012. The SWM budget also increases funding above the FY 2012 current budget for the Massachusetts Rental Voucher Program (MRVP) and Rental Assistance for Families in Transition (RAFT).

With the onset of the Great Recession, many low-income families sought help from the state-supported family shelter system as they lost their jobs and housing. This rising demand has increased state spending on programs that support low-income homeless families and has required that state house some of these families in hotels and motels because the state-supported shelters are full. The FY 2010 budget limited access to EA by lowering eligibility for families from those living at or below 130 percent of poverty to the current threshold of 115 percent. The FY 2012 budget lowered eligibility further by requiring that most EA-eligible families be served by the newly-created HomeBASE program that provides rental assistance and one-time housing supports for homeless families eligible for EA. Many of these families could no longer stay in shelters unless they were unable to immediately find housing. Early into FY 2012 demand for HomeBASE far exceeded the $38.6 million appropriated in the budget. Even with mid-year increases totaling $27.9 million, the Department of Housing and Community Development (DHCD) closed HomeBASE in late October 2011 to all new families seeking rental assistance and only provides household assistance to families who can use the funding to stay in current housing or immediately find new housing.

Family Homelessness and Housing Supports Line Items

Line Item	FY 2012 GAA	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	FY13 SWM - FY 13 House
Emergency Assistance (7004-0101)	97,797,200	137,497,836	100,368,742	88,923,588	96,679,154	7,755,566
EA - Hotels and Motels (7004-0103)	0	0	0	16,636,800	0	(16,636,800)
Total EA + EA - Hotels and Motels	*97,797,200*	*137,497,836*	*100,368,742*	*105,560,388*	*96,679,154*	(8,881,234)
HomeBASE (7004-0108)	38,561,732	66,460,829	83,374,371	83,374,371	90,787,766	7,413,395
MRVP (7004-9024)	36,000,000	36,000,000	46,040,000	46,040,000	41,000,000	(5,040,000)
RAFT (7004-9316)	260,000	260,000	8,760,000	8,760,000	8,760,000	0
Public Housing Subsidies (7004-9005)	62,500,000	62,500,000	66,531,325	64,500,000	62,500,000	(2,000,000)

Like the Governor's and House budgets, the SWM FY 2013 budget cuts funding for and limits homeless families' access to **Emergency Assistance (EA)** shelters. In its budget the SWM Committee recommends spending $96.7 million on EA which is $40.8 million less than the current FY 2012 budget and $8.9 million less than the total funding for EA in the House budget. The Senate budget for EA:

- Limits shelter to a narrow category of families including those who must leave their housing due to risk of domestic violence, fire or other natural disaster, eviction because of increased

expenses or loss of a job or income, or because the housing they are living in, for which they are not the primary leaseholder, is deemed unhealthy or unsafe. All families who do not fit into these four categories will no longer be allowed to stay in the EA shelters.

- Does not include $16.6 million for account in the House budget that provides funding specifically for homeless families staying in hotels and motels.

- Does not limit the amount of time that families can stay in EA shelters before they are required to leave. The Governor and House limited a families' stay in shelter by 8 and 9 months respectively. However, the Senate budget does stipulate that every family staying in shelter must have received housing assistance within the first 16 weeks of their shelter stay. Families living in shelters for longer than 32 weeks (8 months) must have an exit plan which would include moving to their own housing, supported housing or with another household. These families living in shelters for more than 32 weeks, as noted below, would not be eligible to receive HomeBASE assistance.

- Allows families to stay in shelters for up to 6 months after they exceed the income limit of 115 percent of poverty while the House budget requires that they leave shelter no later than 3 months after exceeding the limit.

While the SWM budget reduces funding for EA by over $40 million below the current FY 2012 budget, it increases funding for housing support programs in an effort to encourage families to find permanent housing rather than move into shelters. It is important to note, however, that since the onset of the economic crisis, despite the state's best efforts to move families out of shelter and into housing, the state has had to provide additional appropriations for EA in FY 2012 (see chart above). It is possible that the state will have to consider mid-year increases in FY 2013 as well unless the economy improves enough to allow these families to earn the income necessary to secure permanent housing.

The SWM recommends increases in housing assistance above the FY 2012 budget including:

- $24.3 million more for **HomeBASE** to $90.8 million which is $7.4 million more than the Governor's and House budgets. Currently, HomeBASE provides 3 years of rental assistance or 1 year of household assistance, of no more than $4,000 per 12 month period. In the SWM budget, like the House and the Governor's proposals, HomeBASE only provides rental assistance to families who enrolled in the program in FY 2012. The SWM budget would increase annual assistance for these families to $6,000 in FY 2013. However, like the House and Governor's proposals, the SWM budget would decrease the period that families receive this assistance to 2 years. New families applying for HomeBASE in FY 2013 would only receive 12 months of household assistance which could include helping these families pay for rent. Under the SWM budget, families who are not living in shelters would receive up to $6,000 during a 12 month period while families moving from shelters into housing would receive up to $4,000. The SWM budget also stipulates that any family receiving household assistance will not be eligible for EA or HomeBASE for the subsequent 12 months. While the SWM budget increases HomeBASE assistance for most families, because many of them are extremely poor and the funding is available for no more than 1 to 2 years, there is question whether this assistance will be enough to help them stay in housing over the long term.

- $5.0 million more for **MRVP,** which provides low-income families with vouchers to subsidize their rent, to a total of $41.0 million. This amount is $5.0 million less than the $46.0 million approved by the House. In its budget, the House estimated that its $10.0 million increase would create 923 additional vouchers and directed those vouchers to help families in shelters move into housing. The lower SWM funding level will make fewer vouchers available to low-income families. Moreover, the SWM budget does not include the House directive that the additional vouchers created with the increased funding be targeted to families living in EA shelters. In its budget the SWM Committee also requires that any vouchers issued to new families in FY 2013 be for those living at 50 percent of area median income rather than the current threshold of 200 percent of poverty. Finally, in its budget the SWM earmarks $800,000 for a pilot program to provide supportive housing through local housing authorities to help families move out of EA shelters and into housing.

- $8.5 million increase for **RAFT** to $8.8 million which is the same as the House final budget and the Governor's proposal. RAFT provides low-income families who are homeless or at risk of becoming homeless with up to $4,000 in one-time funding to help them stay in existing housing or move into new housing. The SWM proposal requires that in 2013, 90 percent of the RAFT funds be provided to families living at or below 30 percent of the area median income and that priority be given to families who qualify for EA and might otherwise become homeless without the assistance. Finally, the SWM budget includes language allowing families who receive one-time assistance through RAFT to qualify for an additional $2,000 from HomeBASE if that additional funding will help them maintain housing and avoid becoming homeless. As noted above, while the SWM budget increases the amount of funding for some families to $6,000, there is question whether this is sufficient to help very low-income families stay in housing over the long-term.

Unlike the House and Governor's budgets for FY 2013, the SWM proposal level-funds **public housing authorities** at $62.5 million. The Governor increased funding for these authorities by $4.0 million and the House by $2.0 million in part to encourage local housing authorities around the state to renovate units that could house homeless families living in EA shelters.

The SWM budget does not provide funding for the **Low Income Housing Energy Assistance Program** which received $21.2 million in the current FY 2012 budget. The initial budget at the start of each fiscal year generally does not include funding for this program. Instead, the Legislature often funds LIHEAP in a mid-year appropriation as winter approaches.

HOUSING LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0940-0101*	Fair Housing Assistance Type I	2,030,380	2,129,547	2,129,547	2,118,911	
7004-0002	Springfield Friends of the Hom	100,000	0	0	0	
7004-0099*	Department of Housing and Co	6,752,317	7,143,582	6,821,165	6,914,734	
7004-0100*	Operation of Homeless Progran	4,970,557	6,133,239	5,355,239	5,355,239	
7004-0101	Emergency Assistance - Family	137,497,836	100,368,742	88,923,588	96,679,154	
7004-0102	Homeless Individuals Assistan	37,963,331	38,902,231	37,963,331	37,963,331	
7004-0103	Homeless Family EA Shelter Ov	0	0	16,636,800	0	
7004-0104	Home and Healthy for Good	1,200,000	2,200,000	1,400,000	1,400,000	
7004-0108	Massachusetts Short Term Hou	66,460,829	83,374,371	83,374,371	90,787,766	
7004-0109	Interagency Council on Housing	0	1,000,000	0	0	
7004-1000	LIHEAP	21,187,407	0	0	0	
7004-3036	Housing Services and Counseli	1,495,996	1,495,996	1,495,996	1,495,996	
7004-3045	Tenancy Preservation Program	250,000	700,000	250,000	500,000	
7004-4314	Service Coordinators Program	350,401	350,401	350,401	350,401	
7004-9005	Subsidies to Public Housing Au	62,500,000	66,531,325	64,500,000	62,500,000	
7004-9024	Massachusetts Rental Voucher	36,000,000	46,040,000	46,040,000	41,000,000	
7004-9030	Alternative Housing Voucher Pr	3,450,000	3,450,000	3,450,000	3,450,000	
7004-9033	Rental Subsidy Program for Dep	4,000,000	4,000,000	4,500,000	4,000,000	
7004-9315*	Low-Income Housing Tax Credit	2,323,853	2,553,483	2,131,153	2,535,003	
7004-9316	Residential Assistance for Fam	260,000	8,760,000	8,760,000	8,760,000	
1595-6585	Low Income Housing Tax Credit	9,500,000	0	0	0	

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

Transportation

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Transportation	1,035,932,708	1,143,541,424	1,135,014,222	1,135,690,182	1,135,690,182

The FY 2013 SWM budget is almost identical to both the House and Governor's proposals and is $7.9 million, or 0.7 percent, below current FY 2012 levels. It is important to note that this seemingly modest cut is somewhat greater when considered in the context of inflation and rising costs.

The large majority ($946.8 million) of this funding goes to fund the Massachusetts Bay Transit Authority (MBTA), both for debt service costs and to help support annual operating costs (see line item details below). A much smaller amount ($15.0 million) is provided to the state's 14 Regional Transit Authorities.

The remaining significant portion state transportation funding ($165.2 million) is provided to the Massachusetts Transportation Trust Fund (MTTF). This amount is equivalent to the House and Governor's proposals and represents a decrease of $14.9 million from current FY 2012 funding levels.

The MTTF helps fund Massachusetts Department of Transportation (MassDOT) functions. These functions include maintaining and improving state roads, highways, and bridges; maintaining and improving airports and rail and transit lines; administering the Registry of Motor Vehicles (RMV); and covering specific transportation-related debt service costs. This annual transfer of funds to MassDOT through the MTTF represents only a portion of the total MassDOT budget, which receives additional funds from highway and bridge tolls, gas and sales tax revenues, RMV fees, and other sources.

TRANSPORTATION LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY2013 SWM	Notes
PB1	MBTA State & Local Cont. Trust (pre-budge	779,606,555	786,800,000	786,800,000	786,800,000	*see text above*
1595-6368	Mass. Trans. Trust Fund (op. trans.)	180,126,756	165,191,136	165,191,136	165,191,136	
1595-6369	MBTA (operating transfer)	160,000,000	160,000,000	160,000,000	160,000,000	*see text above*
1595-6370	Regional Transit Authorities (op. trans.)	15,000,000	15,000,000	15,000,000	15,000,000	
1595-6379	Merit Rating Board (operating transfer)	8,808,113	8,023,086	8,699,046	8,699,046	

Commercial Regulatory Entities

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Commercial Regulatory Entities	55,019,010	49,382,370	49,746,973	49,824,686	49,870,392

COMMERCIAL REGULATORY ENTITIES LINE ITEMS

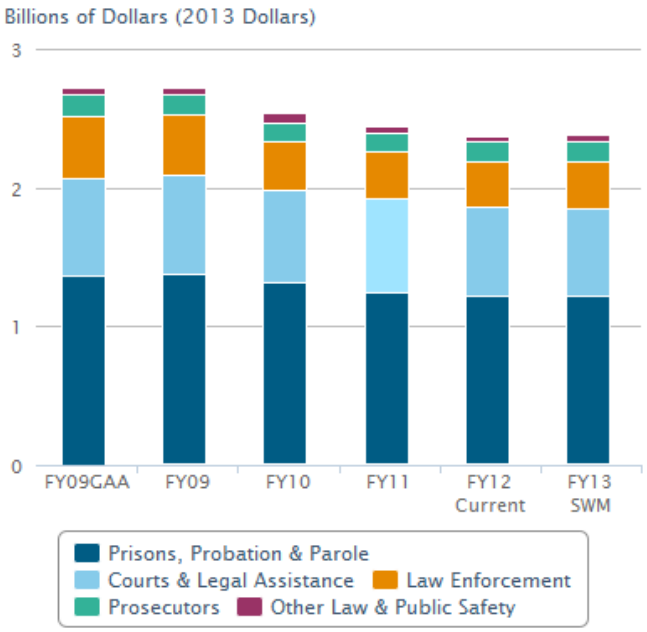
Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0610-0050*	Alcoholic Beverages Control Commis	1,993,336	2,001,337	2,181,737	2,060,249	
0610-0051	Alcoholic Beverages Control Commis	171,664	208,863	208,862	208,862	
0610-0060	Alcoholic Beverages Control Commis	100,000	100,000	150,000	0	
1599-4278	CB Reserve ABCC	0	29,456	0	0	
2100-0012*	Department of Public Utilities	7,611,781	7,719,936	7,719,936	7,736,332	
2100-0013*	Transportation Oversight Division	375,051	383,143	379,717	687,335	
2100-0014	Energy Facilities Siting Board Retain	50,000	50,000	50,000	50,000	
2100-0015*	Unified Carrier Registration Retaine	2,300,000	2,329,861	2,329,861	2,300,000	
2100-0016*	Steam Distribution Oversight	300,000	101,922	101,040	100,000	
7006-0010*	Division of Banks	13,203,351	13,972,914	13,975,451	13,975,451	
7006-0011	Loan Originator Administration and	2,650,000	2,650,000	2,650,000	2,650,000	
7006-0020*	Division of Insurance	11,731,274	12,351,044	12,351,044	12,351,044	
7006-0040*	Division of Professional Licensure	2,272,285	2,559,749	2,474,874	2,474,874	
7006-0043	Home Improvement Contractors Reta	500,000	500,000	500,000	500,000	
7006-0060*	Division of Standards	700,397	778,171	749,534	779,493	
7006-0066	Item Pricing Inspections	160,372	160,372	0	160,372	
7006-0067	Weights and Measures Law Enforcer	58,751	58,751	225,000	58,751	
7006-0068	Motor Vehicle Repair Shop Licensing	360,000	360,000	360,000	360,000	
7006-0071*	Department of Telecommunications	2,703,732	2,891,331	2,877,507	2,877,507	
7006-0110	State Racing Commission	1,600,253	0	0	0	
7006-0151	Proprietary Schools Oversight	540,123	540,123	540,123	540,123	

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

LAW & PUBLIC SAFETY

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Law & Public Safety	**2,714,139,348**	**2,337,362,752**	**2,381,588,392**	**2,360,698,001**	**2,372,242,193**
Courts & Legal Assistance	699,703,441	625,116,401	627,517,063	625,529,563	625,529,599
Law Enforcement	445,339,169	326,246,601	345,945,686	338,667,921	344,265,642
Prisons, Probation & Parole	1,365,092,139	1,204,690,168	1,227,586,952	1,214,218,855	1,216,431,620
Prosecutors	155,990,457	138,107,868	138,559,125	139,895,597	142,526,002
Other Law & Public Safety	48,014,142	43,201,714	41,979,566	42,386,065	43,489,330

The SWM FY 2013 budget provides a total of $2.37 billion for law and public safety programs and services. This amount is $34.9 million or 1.5 percent above current FY 2012 funding levels and $11.5 million or 0.5 percent more than the total provided in the House FY 2013 budget.[7] Given general year-to-year price inflation, this small increase likely represents a small decline in actual real funding for these programs relative to FY 2012 levels.



The amount provided for law and public safety programs in the SWM FY 2013 budget falls $341.9 million or 12.6 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.

Among the most notable elements of the SWM FY 2013 budget are the following:

- SWM maintains the effort undertaken in the FY 2012 budget to shift **indigent defense** funding toward public defenders and away from the use of private bar attorneys, with a goal of decreasing and controlling overall indigent defense costs. Like the House, SWM does not adopt the Governor's proposal to push the current reforms further, but instead provides funding to evaluate the effects of the reforms made thus far.

- As in past years, SWM joins the House in choosing not to adopt the Governor's recommendations to consolidate **parole and probation** functions within a new Department of Re-entry and Community Supervision.

[7] 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.

- Similarly, SWM, like the House, again chooses not to adopt the Governor's recurring proposal to consolidate funding for the seven trial courts into the **Office of the Chief Justice for Administration and Management (CJAM)**.

- SWM provides more funding than the House for **Shannon Grants**, but considerably less than the Governor.

- SWM provides funding to train a new class of **State Police Officers** and creates and funds a new **Public Benefits Fraud Unit** within the Department of State Police.

Courts & Legal Assistance

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Courts & Legal Assistance	699,703,441	625,116,401	627,517,063	625,529,563	625,529,599

The SWM budget provides $625.5 million for Courts & Legal Assistance, an amount virtually identical to the House and little different from current FY 2012 funding levels.[8] Given general year-to-year price inflation, this likely translates into a decline in real funding for these programs relative to FY 2012 levels.

Like the House, SWM does not adopt the Governor's recurring proposal to consolidate most funding for the seven trial courts into the **Office of the Chief Justice for Administration and Management (CJAM),** instead providing an independent appropriation to each court**.** The SWM budget provides $221.2 million for the seven **Trial Courts**, $4.5 million more than the House and $19.2 million more than current FY 2012 funding levels.[9] Each of the courts receives an increase under the SWM budget, though the largest percent increases go to the **Land Court** (55.9 percent increase) and the **Housing Court** (44.9 percent), with the **District Court** receiving the largest dollar increase ($9.4 million or 14.4 percent). Unlike the House, SWM provides a substantial amount of funding, $45.5 million, through retained revenue accounts. Both the House and Senate budgets include language that would make Trial Court funding fully transferable among all of the Trial Court line-items. Under the SWM budget, the **CJAM** receives $205.8 million, an amount 1.9 percent lower than the House, but 4.2 percent above current FY 2012 funding levels.

The SWM FY 2013 budget maintains the changes made in FY 2012 that moved **indigent defense** funding in the Commonwealth toward a greater reliance on salaried public defenders (PDs) employed by the state and away from the use of independently employed private bar attorneys (PBAs). The FY 2012 GAA stipulated that 25 percent of the indigent defense caseload would be handled by public defenders (the figure in FY11, prior to the funding shift, was just ten percent), and allocated funding for PDs and PBAs accordingly. The SWM FY 2013 budget provides a similar allocation between PDs and

[8] This total includes 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.

[9] This total includes trial court justices' salaries, funding for the Office of the Jury Commissioner, and two related retained revenue accounts (0330-3333, 0330-3334). MassBudget distributes the amounts appropriated to the two retained revenue accounts among the various trail court line items according to SWM breakouts.

PBAs: $62.4 million to PDs (through the Committee for Public Counsel Services) and $100.1 million to PBAs (through the Private Counsel Services account).

The amount provided for PDs is little changed from current FY 2012 funding levels (a 1.3 percent decrease), but funding for PBAs is $28.4 million or 22.1 percent lower in the SWM budget compared to current FY 2012 funding levels. Compared to the 2009 GAA, funding for overall indigent defense in the SWM budget is reduced by 16.3 percent, adjusted for inflation.

In his FY 2013 budget, the Governor proposed a further push toward reliance on PDs, advocating for a 50/50 split of the indigent caseload between PDs and PBAs. The Governor proposed increasing PD funding by $25.4 million over current FY 2012 levels and reducing funding for PBAs by a similar amount. While neither SWM nor the House adopts this approach, SWM provides funding for an independent evaluation of the reforms made to indigent defense thus far.

Indigent Defense	FY 2009 GAA (inf adj)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Comm. for Public Counsel Services (0312-1500)	31,287,969	45,304,806	70,683,963	45,129,781	44,482,135
Private Counsel Compensation for Criminal and Civil Cases (0321-1510)	149,895,625	128,538,422	75,993,955	98,906,090	100,099,544
Indigent Counsel Fees Retained Rev. (0321-1518)	801,034	8,900,000	8,900,000	8,900,000	8,900,000
Indigent Person Fees and Court Costs (0321-1520)	12,236,077	9,010,351	9,010,351	9,710,297	9,010,351
TOTAL for Indigent Defense	194,220,705	191,753,579	164,588,269	162,646,168	162,492,030

Finally, the SWM FY 2013 budget provides $11.0 million for the **Massachusetts Legal Assistance Corporation (MLAC)** , $500,000 more than current FY 2012 levels, but less than the $12.0 million proposed by the Governor and the House. MLAC provides low-income people with legal information, advice and representation on critical, non-criminal legal problems.

COURTS & LEGAL ASSISTANCE

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0320-0003	Supreme Judicial Court	7,437,172	7,937,172	7,670,379	7,906,476	
0320-0010	Clerk's Office of the Supreme Ju	1,131,858	1,215,714	1,215,714	1,301,283	
0321-0001	Commission on Judicial Conduc	575,359	592,597	592,597	592,597	
0321-0100	Board of Bar Examiners	1,057,789	1,062,289	1,062,289	1,062,289	
0321-1500	Committee for Public Counsel S	45,304,806	70,683,963	45,129,781	44,482,135	
0321-1510	Private Counsel Compensation	128,538,422	75,993,955	98,906,090	100,099,544	
0321-1518	Indigent Counsel Fees Retaine	8,900,000	8,900,000	8,900,000	8,900,000	
0321-1520	Indigent Persons Fees and Cou	9,010,351	9,010,351	9,710,297	9,010,351	
0321-1600	Massachusetts Legal Assistanc	10,500,000	12,000,000	12,000,000	11,000,000	
0321-2000	Mental Health Legal Advisors C	781,177	815,109	806,177	837,712	
0321-2100	Massachusetts Correctional Leg	902,016	902,016	981,810	902,016	
0321-2205	Suffolk County Social Law Librar	1,000,000	1,000,000	1,140,000	1,000,000	
0322-0100	Appeals Court	10,501,429	11,103,879	10,887,430	11,434,229	
0330-0101	Trial Court Justices' Salaries	47,307,647	47,307,647	47,716,258	47,307,647	
0330-0300	Office of the Chief Justice for Ac	197,437,997	201,239,224	209,775,080	205,790,613	
0330-3333	Trial Court Retained Revenue	0	0	0	0	*adj. -- see text*
0330-3334	Probation Service Fees Retaine	0	0	0	0	*adj. -- see text*
0331-0100	Superior Court	28,194,577	26,679,363	26,604,499	28,867,006	*adj. -- see text*
0332-0100	District Court	65,193,836	66,206,587	54,442,152	74,577,190	*adj. -- see text*
0333-0002	Probate and Family Court	23,480,541	23,830,111	24,104,652	29,447,902	*adj. -- see text*
0334-0001	Land Court	3,086,356	3,328,782	2,712,759	4,812,759	*adj. -- see text*
0335-0001	Boston Municipal Court	8,782,099	8,774,890	9,648,910	11,088,726	*adj. -- see text*
0336-0002	Housing Court	5,435,377	5,873,192	6,206,191	7,873,192	*adj. -- see text*
0337-0002	Juvenile Court	11,821,774	12,675,814	15,039,221	14,792,982	*adj. -- see text*
0339-2100	Jury Commissioner	2,335,818	2,442,950	2,335,818	2,442,950	

Law Enforcement

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Law Enforcement	445,339,169	326,246,601	345,945,686	338,667,921	344,265,642

The SWM FY 2013 budget provides $344.3 million for law enforcement accounts, an amount 1.7 percent higher than the House and 5.5 percent higher than current FY 2012 funding levels.[10] The SWM, however, provides $101.1 million or 22.7 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. Among the notable elements of the SWM budget are the following:

- **Shannon Grants** are funded at $6.0 million, a substantial drop from the $8 million in funding the program received in FY 2012, which the Governor proposes to level-fund in FY 2013. The House, FY 2013 budget provides $5.5 million for Shannon Grants. 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.

- The **Department of State Police Operations** (with related accounts) receives $276.5 million, an increase of $14.0 million or 5.3 percent over current FY 2012 funding levels. This amount is $986,000 below that provided by the House.

- SWM provides $2.0 million to train a new class of **State Police Officers**. The funds for this training would come from a new assessment on certain motor vehicle violations.

- SWM creates a new **Public Benefits Fraud Unit** within the Department of State Police, funding this initiative 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.

- Similar to a proposal in the House and the Governor's FY 2013 budgets, in the SWM budget, funding to test drugs captured by law enforcement is consolidated from the Department of Health, the UMass Medical School and the District Attorney's Office into the **State Police Crime Laboratory.** Adjusting to take these changes into account, SWM provides an increase for the lab of $399,000 above current FY 2012 funding levels,[11] a 3.1 percent increase, to $13.4 million.

[10] 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.

[11] SWM provides $14,911,250 to the State Police Crime Lab account (account 8000-0106). To allow for proper apples-to-apples comparisons among years, however, MassBudget shifts $1,519,139 million (the amount identified by ANF and SWM as the actual cost shift associated with this consolidation in the Governor's FY budget) out of the State Police Crime Lab account and back into corresponding public health and UMass Medical School accounts. Taking these adjustments into account, the SWM FY 2013 budget still provides an additional $399,000 to the State Police Crime Lab.

LAW ENFORCEMENT

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
1599-4204	SPAM Collective Bargaining Res	4,509,518	1,190,563	1,190,563	1,190,563	*adj. -- see text*
8000-0105*	Office of the Chief Medical Exar	7,210,507	7,749,898	7,413,572	7,633,638	
8000-0106*	State Police Crime Laboratory	12,993,541	13,438,761	13,638,157	13,392,111	*adj. -- see text*
8000-0110*	Criminal History Systems Board	2,515,650	2,581,007	2,469,265	2,000,000	
8000-0111	CORI Retained Revenue		3,000,000	3,000,000	3,000,000	
8000-0122	Chief Medical Examiner Fee Re	2,000,000	2,100,000	2,100,000	2,250,000	
8000-0125*	Sex Offender Registry Board	3,510,417	4,116,234	3,807,693	3,984,920	
8000-0202	Sexual Assault Evidence Kits	86,882	86,882	86,882	86,882	
8000-1700*	Public Safety Information Techr	17,803,749	20,396,655	18,221,861	19,396,655	
8100-0006	Private Detail Retained Revenu	27,500,000	27,500,000	27,500,000	27,500,000	
8100-0011	Federal Reimbursement Retain	(1,000,000)	0	3,100,000	0	
8100-0012	Special Event Detail Retained F	1,050,000	1,050,000	1,050,000	1,050,000	
8100-0018	Federal Reimbursement Retain	4,100,000	4,501,500	1,401,500	4,501,501	
8100-0020	Telecommunications Access Fe	35,000	35,000	0	35,000	
8100-0101	Auto Etching Fee Retained Reve	57,500	108,000	57,500	108,000	
8100-0111	Gang Prevention Grant Program	8,000,000	8,000,000	5,500,000	6,000,000	
8100-0515	New State Police Classes	2,000,000	597,787	0	2,000,000	
8100-1001*	Department of State Police Ope	230,425,459	245,887,047	244,584,033	245,897,499	
8100-1004	State Police Public Benefit Fraud Unit				750,000	
8200-0200*	Municipal Police Training Comr	2,500,378	2,610,622	2,551,165	2,588,874	
8200-0222	Municipal Recruit Training Prog	948,000	900,000	900,000	900,000	

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

Prisons, Probation & Parole

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Prisons, Probation & Parole	1,365,092,139	1,204,690,168	1,227,586,952	1,214,218,855	1,216,431,620

The SWM budget provides $1.22 billion for prison, probation and parole functions, an increase of 1.0 percent from current FY 2012 funding levels.[12] 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 SWM total for these programs is 0.9 percent less than recommended by the Governor and is a $148.7 million or 10.9 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.

SWM, like the House, does not adopt the Governor's renewed call to consolidate probation and parole functions within a new **Department of Re-entry and Community Supervision** (the Governor made a similar proposal in his FY 2012 budget, which the Legislature chose not to adopt).[13] Instead, SWM continues to provide funding directly for each of these functions, with **probation services** accounts receiving $134.9 million and **parole programs** receiving $18.5 million. These amounts represent a cut of 2.8 percent and an increase of 2.2 percent respectively, relative to current FY 2012 funding levels. Compared to the FY 2009 GAA, SWM FY 2013 funding represents a decline in combined funding of 24.0 percent for probation and parole services, adjusted for inflation.

Probation and Parole	FY 2009 GAA (inf adj)	FY 2012 Current	FY 2013 Governor*	FY 2013 House	FY 2013 SWM
Probation (0339-1001, 0339-1003, 0339-1004, 0339-1009, 0339-1010)	180,995,843	138,789,674	133,007,139	135,450,164	134,898,940
Parole (8940-0200, 8950-0001, 8950-0008)	20,894,179	18,086,537	18,490,782	18,097,436	18,490,782
TOTAL	201,890,022	156,876,211	151,497,921	153,547,600	153,389,722

*** Note:** Governor's numbers are adjusted by Massbudget. The Governor has proposed consolidating most probation and parole functions and funding within a yet-to-be-created Dept. of Re-entry and Community Supervision (8940-0100).

The SWM budget provides $557.3 million for the **Department of Corrections** and related accounts, including $5.0 million in funding for the **Massachusetts Alcohol and Substance Abuse Centers**.[14] This total is a $25.4 million or 4.8 percent increase over current FY 2012 funding levels, and $8.9 million or 1.6 percent more than provided by the House.

[12] 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.

[13] To maintain the ability to make apples-to-apples comparisons between years, where appropriate MassBudget adjusts account figures to conform to prior year line-item structures. Here, based on information from the Governor's budget office, for the Governor's FY 2013 budget MassBudget reallocates funding from the proposed Department of Re-entry and Community Supervision (8940-0100) and other related accounts back to the primary probation (0339-1001) and parole (0339-1003) accounts.

[14] MassBudget adjusts the Governor's and House's numbers for these two line-items (8900-0001 and 8900-0002) to conform to the FY 2012 line-item structure. Unlike SWM, both the Governor and House include funding for the Massachusetts Alcohol and Substance Abuse Centers within the funding provided to the DOC, whereas SWM funds the program separately. MassBudget also allocates some funding from collective bargaining accounts to line items associated with the DOC.

Department of Corrections	FY 2009 GAA (inf adj)	FY 2012 Current	FY 2013 Governor*	FY 2013 House*	FY 2013 SWM
Department of Correction Facility Operations (8900-0001)	566,636,811	513,360,246	541,863,132	536,824,301	540,763,132
MASAC (MA Alcohol and Substance Abuse Centers) (8900-0002)	0	5,000,000	5,000,000	5,000,000	5,000,000
Reimbursement from Housing Federal Inmates Retained Revenue (8900-0045)	3,204,137	1,000,000	1,000,000	1,000,000	1,000,000
DOC Fees RR (8900-0050)	0	11,989,000	0	5,000,000	10,000,000
Re-Entry Programs (8900-1100)	1,281,655	550,139	2,000,000	550,139	550,139
TOTAL	571,122,603	531,899,385	548,990,712	547,502,020	557,313,271

*** Note:** Several of the Governor's and House's numbers are adjusted by Massbudget to conform to the FY 2012 line item structure, including allocating collective bargaining reserves. These adjustments allow for apples-to-apples comparisons among the budgets.

For the fourteen **County Sheriffs' Departments (CSDs)** and related accounts, SWM provides $496.8 million, or 1.7 percent less than current FY 2012 funding levels, and $5.6 million or 1.1 percent less than the House. These totals, however, include amounts provided to several dozen collective bargaining reserve accounts, which the House and Senate fund at different levels.[15] The differing funding levels result from differing assessments of whether or not all of these collective bargaining agreements will be ratified and thus actually will require funding in FY 2013.

Removing these reserve accounts from the equation and looking only at the funding provided to the primary CSD accounts, SWM in general provides increases of 1.0 percent to most of the CSDs relative to the House. The exceptions include Franklin (0.8 percent increase), Nantucket (0.0 percent increase), Bristol (0.7 percent *decrease*) and Norfolk (4.0 percent *decrease*). Relative to current FY 2012 funding, SWM cuts most CSDs by between 2.3 and 8.3 percent, but provides small increases for Essex (1.1 percent), Hampden and Worcester (0.6 percent each), and level-funds Nantucket.

[15] To compare totals, please see the note at the end of the line item table listing Prisons, Probations & Parole accounts, below.

PRISONS, PROBATION & PAROLE

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0339-1001	Commissioner of Probation	116,765,364	110,555,889	114,799,578	114,799,578	
0339-1003	Office of Community Corrections	22,024,310	22,451,251	20,650,586	20,099,362	
1599-4234	Massachusetts Correction Offic	2,611,856	1,902,758	1,902,758	0	
1599-4253*	New England Police Benevolen	272,025	0	0	0	
8900-0001*	Department of Correction Facili	513,360,246	541,863,132	536,824,301	540,763,132	*adj. -- see text*
8900-0002	Correction Administration/ MAS	5,000,000	5,000,000	5,000,000	5,000,000	*adj. -- see text*
8900-0010*	Prison Industries and Farm Ser	2,897,672	4,069,720	3,018,392	2,897,672	
8900-0011	Prison Industries Retained Rev	2,600,000	3,600,000	2,600,000	3,600,000	
8900-0045	Reimbursement from Housing F	1,000,000	1,000,000	1,000,000	1,000,000	
8900-0050	DOC Fees RR	11,989,000	0	5,000,000	10,000,000	*adj. -- see text*
8900-1100	Re-Entry Programs	550,139	2,000,000	550,139	550,139	
8910-0102	Hampden Sheriff's Department	66,021,140	66,021,140	65,784,478	66,442,323	
8910-0105	Worcester Sheriff's Department	40,423,906	40,323,906	40,282,336	40,685,159	
8910-0107	Middlesex Sheriff's Departmen	63,408,017	63,408,017	60,918,825	61,528,013	
8910-0108	Franklin Sheriff's Department	9,771,430	9,671,430	8,875,657	8,964,414	
8910-0110	Hampshire Sheriff's Departmer	12,519,619	12,519,619	11,937,088	12,056,459	
8910-0145	Berkshire Sheriff's Department	15,519,254	15,519,254	14,258,336	14,400,919	
8910-0160	Reimbursement from Housing F	850,000	850,000	850,000	850,000	
8910-0188	Reimbursement from Housing F	2,100,000	2,100,000	2,100,000	2,450,000	
8910-0288	Franklin Sheriff's Department R	0	0	350,000	0	
8910-0445	Dispatch Center Retained Reve	250,000	250,000	250,000	250,000	
8910-0446	Pittsfield Schools Retained Rev	500,000	500,000	500,000	500,000	
8910-0619	Essex Sheriff's Department	44,838,179	44,838,179	44,885,910	45,334,769	
8910-1000	Prison Industries Retained Rev	2,251,900	2,388,300	2,388,300	2,396,673	
8910-1010	Hampden Sheriff Regional Men	905,441	905,441	905,441	905,441	
8910-1100	Prison Industries Retained Rev	75,000	75,000	75,000	75,000	
8910-1101	Middlesex Sheriff Mental Healt	905,441	905,441	905,441	905,441	
8910-1112	Hampshire Regional Lockup Re	158,068	158,248	158,248	158,248	
8910-1127	Hampshire Sheriff's Federal Inmate Reimbursement (RR)			250,000	250,000	
8910-2222	Reimbursement from Housing F	1,500,000	500,000	500,000	500,000	
8910-6619	Reimbursement from Housing F	2,000,000	2,000,000	2,000,000	2,000,000	
8910-7100	Massachusetts Sheriffs Associa	344,790	344,790	344,790	344,790	
8910-8200	Barnstable Sheriff's Departmer	23,617,609	23,317,391	22,531,834	22,757,152	
8910-8210	Barnstable Sheriff's Federal Re	250,000	250,000	250,000	250,000	
8910-8300	Bristol Sheriff's Department	29,106,893	29,006,893	28,001,984	28,282,004	
8910-8310	Bristol Sheriff's Department Fe	8,460,000	8,460,000	9,011,360	8,460,000	
8910-8400	Dukes Sheriff's Department	2,636,952	2,636,952	2,524,719	2,549,966	
8910-8500	Nantucket Sheriff's Department	747,844	747,844	747,844	747,844	
8910-8600	Norfolk Sheriff's Department	27,780,272	27,780,272	25,439,428	25,693,822	
8910-8610	Norfolk Sheriff's Department Fe	2,500,000	1,116,000	2,500,000	1,116,000	
8910-8700	Plymouth Sheriff's Department	26,654,582	26,554,582	25,783,339	26,041,172	
8910-8710	Plymouth Sheriff's Department	16,000,000	16,000,000	16,000,000	16,000,000	
8910-8800	Suffolk Sheriff's Department	94,142,732	94,436,682	90,397,267	91,301,240	
8910-8810	Suffolk Sheriff's Dept. Federal I	8,000,000	8,000,000	8,000,000	8,000,000	
8950-0001	Parole Board	17,486,537	17,890,782	17,497,436	17,890,782	
8950-0008	Parolee Supervision Fee Retain	600,000	600,000	600,000	600,000	
1599-xxxx	Sheriffs' Collective Barg. Rsrvs.	293,950	15,068,040	15,068,040	7,034,105	*adj. -- see text*

NOTE: Sheriffs' collective bargaining total includes amounts from the following reserve account line-items (all beginning with 1599): -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

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

Prosecutors

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Prosecutors	155,990,457	138,107,868	138,559,125	139,895,597	142,526,002

The SWM FY 2013 budget provides $142.5 million for prosecutors, a 3.2 percent increase from current FY 2012 levels. This amount is $13.5 million or 8.6 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.

SWM provides an across-the-board 2.5 percent increase for the eleven **District Attorneys'** offices above the amounts provided them by the House. In most cases, this translates into an increase of 5.0 percent over current FY 2012 levels. Several DA's offices, however, receive somewhat smaller increases relative to their current FY 2012 appropriations. SWM also eliminates funding for the **DA Retention Program**, a program that allowed DAs to increase salaries of successful prosecutors in an attempt to keep them on staff.

The **Office of the Attorney General** (AG) would receive $22.3 million, an amount identical to that provided by the House, but a modest decrease of 2.9 percent from current FY 2012 funding levels. SWM follows the House and Governor in proposing a new initiative within the AG's office for **Litigation and Enhanced Recoveries**. According to the SWM budget documents, this initiative would fund "existing and future litigation devoted to obtaining significant recoveries for the Commonwealth." SWM provides $1.8 million for this initiative, an amount identical to the Governor but $812,000 more than provided by the House.

Other special units within the AG's office (e.g., **Medicaid Fraud Control Unit**, **Worker's Compensation Fraud Unit**, etc.) are either level-funded or funded at amounts very close to their current FY 2012 levels. Given general year-to-year price inflation, in actuality these amounts likely represent a small decline in real funding for these programs. The Wage Enforcement Program is funded at $3.1 million, an increase of 4.1 percent over current FY 2012 levels.

PROSECUTORS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0340-0100	Suffolk District Attorney	16,052,775	16,052,775	16,442,761	16,855,414	
0340-0198	Suffolk District Attorney State P	354,303	354,303	354,303	354,303	
0340-0200	Northern District Attorney	13,690,462	13,690,462	14,023,058	14,374,985	
0340-0298	Northern District Attorney State	516,485	516,485	516,485	516,485	
0340-0300	Eastern District Attorney	8,411,609	8,411,609	8,615,961	8,832,189	
0340-0398	Eastern District Attorney State F	504,351	504,351	504,351	504,351	
0340-0400	Middle District Attorney	8,987,840	8,889,774	9,105,742	9,334,263	
0340-0410	University of Massachusetts Me	420,000	420,000	420,000	420,000	
0340-0498	Middle District Attorney State P	413,499	413,499	413,499	413,499	
0340-0500	Hampden District Attorney	8,257,076	8,004,233	8,198,688	8,404,444	
0340-0598	Hampden District Attorney Stat	384,899	339,899	339,899	339,899	
0340-0600	Northwestern District Attorney	5,086,625	4,983,716	5,104,790	5,232,902	
0340-0698	Northwestern District Attorney S	294,248	294,248	294,248	294,248	
0340-0700	Norfolk District Attorney	8,315,799	8,200,596	8,399,821	8,610,626	
0340-0798	Norfolk District Attorney State P	438,759	427,306	427,306	427,306	
0340-0800	Plymouth District Attorney	7,113,287	7,113,287	7,286,097	7,468,951	
0340-0898	Plymouth District Attorney State	429,842	429,842	429,842	429,842	
0340-0900	Bristol District Attorney	7,401,003	7,401,003	7,580,803	7,771,053	
0340-0998	Bristol District Attorney State Pc	326,318	326,318	326,318	326,318	
0340-1000	Cape and Islands District Attorr	3,617,658	3,617,658	3,705,545	3,798,541	
0340-1098	Cape and Islands District Attorr	278,735	278,735	278,735	278,735	
0340-1100	Berkshire District Attorney	3,522,666	3,522,666	3,608,246	3,698,799	
0340-1101	Berkshire District Attorney State	215,126	0	0	0	
0340-1102	Berkshire District Attorney Cost	194,134	0	0	0	
0340-1198	Berkshire District Attorney State	0	215,126	215,126	215,126	
0340-2100	District Attorneys' Association	1,660,006	1,660,006	1,660,006	1,660,006	
0340-2117	District Attorney Retention	500,000	500,000	500,000	0	
0340-8908	District Attorneys' Wide Area Ne	1,317,090	1,317,090	1,317,090	1,317,090	
0810-0000	Office of the Attorney General A	22,922,820	22,251,155	22,251,155	22,251,155	
0810-0004	Compensation to Victims of Vic	2,188,340	2,188,340	2,188,340	2,188,340	
0810-0013	False Claims Recovery Retainec	775,000	775,000	775,000	775,000	
0810-0014	Public Utilities Proceedings Uni	2,355,145	2,355,145	2,355,145	2,355,145	
0810-0021	Medicaid Fraud Control Unit	4,064,923	4,064,923	4,064,923	4,064,923	
0810-0045*	Wage Enforcement Program	2,952,428	3,075,836	3,006,183	3,072,081	
0810-0061	Litigation and Enhanced Recoveries		1,811,579	1,000,000	1,811,579	
0810-0098	Attorney General State Police O	340,676	340,676	415,676	340,676	
0810-0201	Insurance Proceedings Unit	1,539,942	1,539,943	1,502,039	1,539,942	
0810-0338	Automobile Insurance Fraud In	438,506	438,506	435,443	438,506	
0810-0399	Workers' Compensation Fraud I	284,456	284,456	284,456	284,456	
0840-0100	Victim and Witness Assistance	494,923	494,923	494,923	475,700	
0840-0101	Domestic Violence Court Advoca	741,199	741,199	741,199	736,667	
8000-0038	Witness Protection Board	94,245	94,245	94,245	94,245	
8950-0002	Victim and Witness Assistance	210,670	218,212	218,150	218,212	

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

Other Law & Public Safety

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Other Law & Public Safety	48,014,142	43,201,714	41,979,566	42,386,065	43,489,330

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. Overall, SWM provides $43.5 million for these functions in FY 2013, a $288,000 or 0.7 percent decline in funding from current FY2012 levels.[16] 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 $43.5 million total for these programs represents a 9.4 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 most notable elements of the SWM budget as regards Other Law & Public Safety programs are the following:

- SWM essentially level-funds **Fire Fighting Services** accounts at $17.4 million, an amount that is $1.3 million higher than the House and $2.0 million higher than the Governor.
- SWM provides $2.4 million for the **Massachusetts Emergency Management Agency**, an amount $134,000 higher than current FY 2012 funding levels and roughly in line with the House and the Governor.
- SWM provides $9.5 million for the **Military Division**, an amount $132,000 higher than current FY 2012 funding levels, but $562,000 less than the House and $677,000 less than the Governor.

Other Law & Public Safety	FY 2009 GAA (inf adj)	FY 2012 Current	FY 2013 Governor*	FY 2013 House*	FY 2013 SWM
Fire Fighting Services (8324-0000, 8324-0304)	21,160,819	17,392,874	15,392,049	16,122,709	17,397,273
MA Emrg. Mgt. Agency (8800-0000, 8800-0001, 8800-0100, 8800-0200, 8800-0300)	2,507,091	2,221,416	2,385,298	2,411,311	2,355,131
Military Division (8700-0001, 8700-1140)	10,261,417	10,210,900	10,095,294	10,028,694	9,533,547

*** Note:** Several of the Governor's and House's numbers are adjusted by Massbudget to conform to the FY 2012 line item structure, including allocating collective bargaining reserves. These adjustments allow for apples-to-apples comparisons among the budgets.

[16] 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.

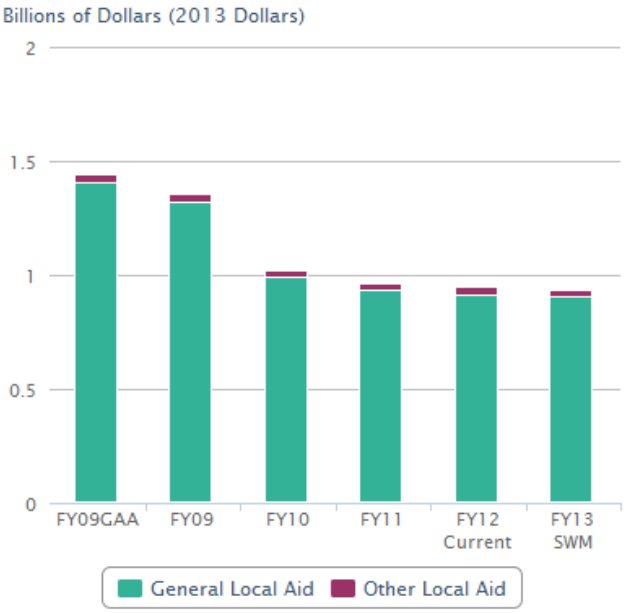
OTHER LAW & PUBLIC SAFETY

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0612-0105	Public Safety Employees Line-o	700,000	200,000	200,000	200,000	*adj. -- see text*
8000-0600*	Executive Office of Public Safety	2,211,927	2,461,817	2,226,645	2,196,720	
8311-1000*	Department of Public Safety	4,574,006	4,578,929	4,579,533	4,610,086	
8315-1020*	Elevator Inspection Fee Retain	5,500,000	5,550,573	5,550,573	5,996,573	
8315-1022	Boiler Inspection RR	1,200,000	1,200,000	1,200,000	1,200,000	
8324-0000*	Department of Fire Services Ad	17,384,374	15,383,549	16,122,709	17,388,773	
8324-0304	Department of Fire Services Re	8,500	8,500	0	8,500	
8700-0001*	Military Division	8,001,491	8,810,900	8,695,294	8,133,547	
8700-1140	Armory Rental Fee Retained Re	1,400,000	1,400,000	1,400,000	1,400,000	
8800-0001*	Massachusetts Emergency Man	1,511,395	1,649,338	1,703,783	1,607,752	
8800-0100*	Nuclear Safety Preparedness Pr	429,268	444,125	426,776	447,794	
8800-0200	Radiological Emergency Respor	280,753	291,836	280,753	299,585	

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

LOCAL AID

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Local Aid	**1,438,324,839**	**936,450,293**	**867,250,293**	**932,350,293**	**933,270,000**
General Local Aid	1,404,262,198	898,980,293	833,980,293	898,980,293	900,000,000
Other Local Aid	34,062,641	37,470,000	33,270,000	33,370,000	33,270,000



The Fiscal Year (FY) 2013 Senate Ways and Means (SWM) budget proposes to fund non-school local aid accounts at $933.3 million, slightly above the House proposal of $932.4 million. 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 SWM proposal funds general local aid at essentially the same level as the FY 2011 and current FY 2012 budgets, this would represent the third year in a row of not making inflation adjustments that correct 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.

Through outside section language, the SWM budget proposes two major changes to the **Community Preservation Act (CPA)**. First, it provides 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. Second, the SWM budget allows for alternative municipal revenues to be used to supplement the current CPA property tax surcharge.

These two changes are similar to changes proposed by the House budget; however, the House budget goes further by potentially increasing total state funding for the CPA by allowing the state to transfer up to $25 million of surplus state funds from the FY 2012 budget, if sufficient surplus funds exist, to the CPA trust fund. Under the CPA, 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, the state's contribution, which is provided to local communities from revenue raised through the deeds recording fees, has diminished considerably. In its most recent notification, the Department of Revenue (DOR) estimates that it will provide a 22 percent match to cities and towns in FY 2012.

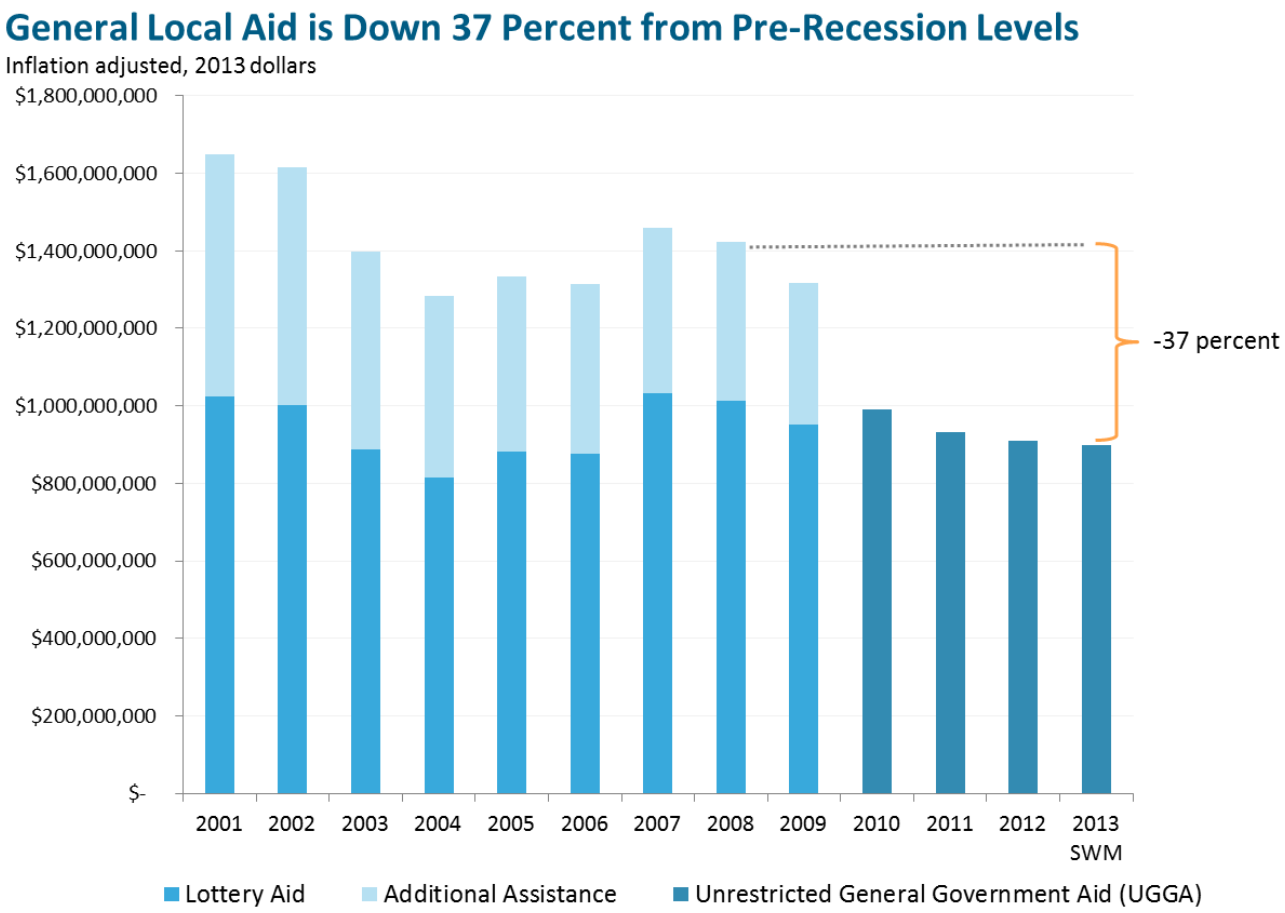
General Local Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
General Local Aid	1,404,262,198	898,980,293	833,980,293	898,980,293	900,000,000

The FY 2013 SWM budget funds **Unrestricted General Government Aid (UGGA)** at $900.0 million, $1.0 million above both the House proposal and current FY 2012 levels. This extra $1.0 million is distributed proportionally based upon existing UGGA allocations. If significant new revenue is made available to UGGA in future years, a policy decision will need to be made for how to distribute this new aid, likely using a formula that factors in the local ability to raise tax revenue (along the lines of the state's lottery aid formula) and/or current local needs. For more information on the history of general local aid, please see *MassBudget*'s recent paper *Demystifying General Local Aid in Massachusetts*, available here.

Both the FY 2012 GAA and the Governor's FY 2013 proposal fund UGGA at a baseline level of $834.0 million. On top of this, the FY 2012 budget directed 50 percent of all unexpended balances from general fund spending coming out of FY 2011 (up to $65.0 million) to supplement UGGA appropriations for FY 2012. Unexpended FY 2011 fund balances proved sufficient to fund the full $65.0 million amount, meaning that cities and towns in FY 2012 will receive the same total UGGA appropriation of $899.0 million that they received in FY 2011. Similarly, the Governor's FY 2013 proposal directed $65.0 million of any FY 2012 budget surplus to supplement its baseline $834.0 million appropriation. It is possible, yet far from certain, that under the Governor's FY 2013 proposal surplus funds would prove sufficient to provide this additional $65.0 million once again. Under the SWM proposal, however, this amount, plus an additional $1.0 million, would be guaranteed.

It should be noted that even if UGGA is funded at the full $900.0 million in FY 2013, this nominal level funding 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. Over the last four years from FY 2008 to FY 2012, general local aid has been cut 37 percent.



Other Local Aid

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Other Local Aid	34,062,641	37,470,000	33,270,000	33,370,000	33,270,000

The SWM budget continues funding for the second year of a **Municipal Grants** reserve account. The SWM proposal of $7.0 million is $1.1 million above the House proposal and $3.1 million above current FY 2012 funding levels. For the program's first year, the state received 100 applications for projects that involved 285 cities or towns. In March, the state ended up awarding 28 grants to fund projects that will involve 138 communities.

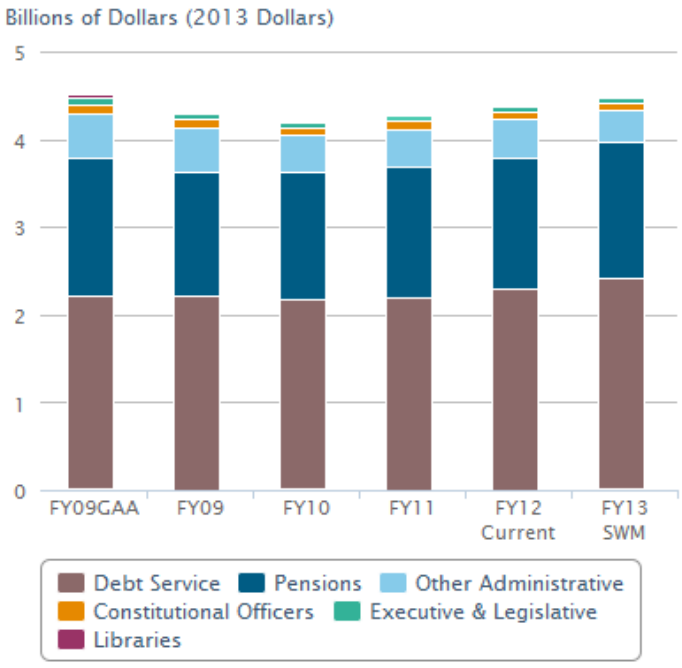
LOCAL AID LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
1233-2350	Unrestricted General Govt Aid (UGGA)	898,980,293	833,980,293	898,980,293	900,000,000	*see text above*
1233-2400	State Owned Land (in Lieu of Taxes)	26,270,000	26,270,000	26,270,000	26,270,000	
1599-0026	Muni. Regionalization & Efficiencies Gr	10,050,000	7,000,000	5,950,000	7,000,000	*see text above*
7006-0140	Local Share of Racing Tax Revenues	1,150,000	0	1,150,000	0	

OTHER

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Other	**4,497,139,812**	**4,336,007,070**	**4,511,477,567**	**4,518,290,670**	**4,492,989,543**
Constitutional Officers	95,476,637	69,677,536	75,572,206	75,644,678	75,594,500
Debt Service	2,216,608,862	2,255,461,762	2,428,740,226	2,419,622,923	2,415,996,374
Executive & Legislative	73,875,040	67,939,480	66,439,480	66,495,916	66,439,480
Libraries	36,406,290	21,460,977	21,584,321	21,813,771	21,652,175
Pensions	1,564,686,672	1,478,000,000	1,552,000,000	1,552,000,000	1,552,000,000
Other Administrative	510,086,312	443,467,315	367,141,334	382,713,382	361,307,014

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 that have not yet been negotiated though when possible, MassBudget redistributes this funding into the accounts where it is expected to be spent.



Constitutional Officers

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Constitutional Officers	95,476,637	69,677,536	75,572,206	75,644,678	75,594,500

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 SWM Committee recommends spending $75.6 million for this subcategory which is slightly less than the amount recommended by the House and in line with the Governor's proposal.

The, SWM budget does not include a proposal in the Governor's FY 2013 budget and in the House-passed budget to create a new account within the **Special Investigations Unit** at the Auditors Office with $469,000 in funding. Instead the SWM budget recommends boosting fuding for the Auditor's Bureau of Investigations by $300,000.

The SWM budget also increases funding for elections activites in anticipation of the primaries and general elections in the fall of 2012. The **Election Division Administration** received an increase of $3.6 million above the FY 2012 current budget to $8.7 millioin which is identical to the Governor's request and the House budget. The Senate also provided an additional $1.6 million in the account that provides **election information to voters** to $1.9 million; this amount is identical to the Governor's recommendation and the House budget.

CONSTITUTIONAL OFFICERS LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0511-0000	Secretary of the Commonwealth	5,912,424	5,912,424	5,912,424	5,912,424	
0511-0001	State House Gift Shop Retainec	30,000	30,000	30,000	15,000	
0511-0200	State Archives	378,121	378,121	362,938	378,121	
0511-0230	State Records Center	36,217	36,217	36,217	36,217	
0511-0250	Archives Facility	296,521	296,521	296,521	296,521	
0511-0260	Commonwealth Museum	243,684	243,684	242,556	243,684	
0511-0270	Census Data Technical Assistar	500,000	500,000	350,000	400,000	
0511-0420	Address Confidentiality Prograr	130,858	130,858	130,250	130,858	
0517-0000	Public Document Printing	600,000	600,000	600,000	500,000	
0521-0000	Elections Division Administrati	5,062,626	8,646,892	8,646,892	8,646,892	
0521-0001	Central Voter Registration Com	4,937,121	5,991,979	5,691,979	5,691,979	
0521-0012	Worcester Special Election	38,741	0	0	0	
0524-0000	Information to Voters	300,000	1,873,087	1,873,087	1,873,087	
0526-0100	Massachusetts Historical Comn	750,000	750,000	800,000	750,000	
0527-0100	Ballot Law Commission	10,545	10,545	10,545	10,545	
0528-0100	Records Conservation Board	34,056	34,056	34,056	34,056	
0540-0900	Essex Registry of Deeds - North	1,017,334	1,017,335	1,039,688	1,017,334	
0540-1000	Essex Registry of Deeds - South	2,703,583	2,703,583	2,703,583	2,703,583	
0540-1100	Franklin Registry of Deeds	449,288	449,288	573,978	599,768	
0540-1200	Hampden Registry of Deeds	1,643,100	1,643,100	1,643,100	1,643,100	
0540-1300	Hampshire Registry of Deeds	471,423	471,423	471,423	471,423	
0540-1400	Middlesex Registry of Deeds - M	1,113,611	1,113,611	1,097,111	1,113,611	
0540-1500	Middlesex Registry of Deeds - S	2,875,012	2,875,012	2,802,512	2,875,012	
0540-1600	Berkshire Registry of Deeds - N	250,700	250,700	250,700	250,700	
0540-1700	Berkshire Registry of Deeds - Ce	419,400	419,400	417,506	419,400	
0540-1800	Berkshire Registry of Deeds - Sc	209,483	209,483	209,000	209,483	
0540-1900	Suffolk Registry of Deeds	1,734,615	1,734,615	1,704,834	1,734,615	
0540-2000	Worcester Registry of Deeds - N	655,072	655,072	644,501	655,072	
0540-2100	Worcester Registry of Deeds - W	2,161,481	2,161,481	2,161,481	2,161,481	
0610-0000	Office of the Treasurer and Rec	9,181,660	9,181,147	9,181,148	9,181,660	
0610-0010	Financial Literacy Programs	85,000	85,000	85,000	85,000	
0610-0140	Financial Institution Fees	21,582	21,582	22,482	22,482	
0710-0000	Office of the State Auditor Adm	14,533,952	13,659,122	13,659,122	13,659,122	
0710-0100	Division of Local Mandates	379,643	379,643	371,790	379,643	
0710-0200	Bureau of Special Investigation	1,812,420	1,812,420	1,796,505	2,112,420	
0710-0225	Medicaid Audit Unit	897,829	897,829	897,829	897,829	
0710-0300	Enhanced Bureau of Special Inv	0	468,950	468,950	0	
1000-0001*	Office of the State Comptroller	7,800,434	7,928,026	8,424,970	8,482,378	

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

Debt Service

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Debt Service	2,216,608,862	2,255,461,762	2,428,740,226	2,419,622,923	2,415,996,374

The SWM FY 2013 budget provides $2.42 billion for debt service lines items, an increase of $160.5 million or 7.1 percent over current FY 2012 levels, but slightly less than the Governor's FY 2013 proposal or that of the House. The SWM 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

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0699-0005	Consolidated Long-Term Debt S	20,000,000	20,000,000	20,000,000	20,000,000	
0699-0014	Accelerated Bridge Program Del	25,217,567	0	0	50,702,783	
0699-0015	Consolidated Long-Term Debt S	1,883,842,211	2,023,271,598	2,011,754,769	2,010,444,553	
0699-0016	Accelerated Bridge Program Del	0	49,392,567	49,392,567	0	
0699-2004	Central Artery/Tunnel Debt Serv	0	101,500,000	106,001,196	0	
0699-2005	Central Artery/Tunnel Debt Serv	86,189,403	0	0	106,001,196	
0699-9100	Short-Term Debt Service and Co	27,951,544	29,131,247	29,131,247	29,131,247	
0699-9101	Grant Anticipation Notes Debt S	22,607,000	13,182,425	13,182,425	13,182,425	
1599-0093	Water Pollution Abatement Tru	64,654,037	67,262,389	65,160,719	61,534,170	
1599-1970	Massachusetts Turnpike Autho	125,000,000	125,000,000	125,000,000	125,000,000	

Executive & Legislative

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

The SWM budget for FY 2013 recommends level funding all programs within the Executive and Legislative subcategory with the exception of funding for **redistricting**. Now that the state has redrawn its legislative districts, the SWM budget, like the Governor's and House proposals, does not provide funding for those accounts in FY 2013.

EXECUTIVE & LEGISLATIVE LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0411-1000	Executive Office of the Governo	4,993,342	4,993,342	4,993,342	4,993,342	
0411-1005	Office of the Child Advocate	243,564	243,564	300,000	243,564	
9500-0000	Senate Operations	17,841,227	17,841,227	17,841,227	17,841,227	
9510-0000	Senate Redistricting Costs	750,000	0	0	0	
9600-0000	House of Representatives Oper	35,393,116	35,393,116	35,393,116	35,393,116	
9610-0000	House Redistricting Costs	750,000	0	0	0	
9700-0000	Joint Legislative Operations	7,968,231	7,968,231	7,968,231	7,968,231	

Libraries

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Libraries	36,406,290	21,460,977	21,584,321	21,813,771	21,652,175

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.

The SWM FY 2013 budget recommends spending $21.7 million for libraries which is a slight increase above the Governor's recommendation, $191,000 more than the FY 2012 current budget but is $162,000 less than the amount recommended by the House. Since the onset of the state fiscal crisis funding for libraries has fallen by 40.5 percent in inflation-adjusted dollars.

While it keeps **state aid for local libraries** and the **regional library networks** at FY 2012 levels, the SWM budget provides a few small increases including an additional:

- $123,000 for the **Board of Library Commissioners** for a total of $1.0 million which is in line with the Governor's proposal and slightly more than the House budget.

- $58,000 for the **Talking Book Program at the Perkins School** for the Blind for a total of $2.3 million which is $101,000 less than the House recommendation. It also adds $9,500 for the **Talking Book Program in Worcester** for a total of $431,000. The Governor and House both recommended level funding this program.

LIBRARY LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
7000-9101*	Board of Library Commissioners	914,448	1,037,792	1,008,258	1,037,793	
7000-9401	Regional Public Libraries Local	9,131,475	9,131,475	9,231,475	9,131,475	
7000-9402	Talking Book Program - Worcest	421,143	421,143	421,143	430,628	
7000-9406	Talking Book Program - Waterto	2,241,016	2,241,016	2,400,000	2,299,384	
7000-9501	Public Libraries Local Aid	6,823,657	6,823,657	6,823,657	6,823,657	
7000-9506	Technology and Automated Res	1,929,238	1,929,238	1,929,238	1,929,238	
			0	0		

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

Pensions

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

The SWM budget for FY 2013 budget assumes, as did the Governor and House, an off-budget transfer of $1.55 billion to the Pension Liability Fund. 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, which 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. The increase in funding compared to FY 2012 is in accordance with that schedule.

The budget also contains language (section 121) specifying that the FY 2013 pension transfer is intended to cover the cost of providing retirees with a 3 percent cost-of-living adjustment in FY 2013. This provision, which is regularly included in the state budget, is calculated on a base that is defined in state statute. In FY 2012 the base was $12,000 per year, meaning that retirees could receive an increase of up to $360 per year. Recent pension reform legislation increased that base to $13,000 for FY 2013 (an increase of $30 to $390 per year).

Other Administrative

	FY 2009 GAA (inflation adj.)	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM
Other Administrative	510,086,312	443,467,315	367,141,334	382,713,382	361,307,014

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).

The House and Governor's budgets provided approximately $27.5 million in funding in reserve for **collective bargaining agreements** that the state negotiated with its workers. The SWM 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 SWM budget, MassBudget has reallocated funding from the collective bargaining accounts in the Governor's proposal and the House budget into the line items where they are expected to be spent.

Some increases included in the SWM budget for this category include:

- Increasing funding for enforcement at DOR above the FY 2012 budget. The increases include an additional $4.0 million for **DOR auditors** to $28.0 million which was also included in the House budget. The SWM budget also provided $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 SWM Committee estimates increasing revenue by $14.0 million above the amounts estimated by the Governor and the House through this increased enforcement. (Please see Tax Revenues under the Revenue category for more details.)

- Consolidating funding for state office buildings, like the Governor's budget, into a single account and providing $11.3 million which is $190,000 more that the Governor's budget request and about $800,000 more than the House budget. Unlike the Governor and the SWM budgets, the House recommended consolidating this funding into two accounts; one for the State House and one for the other state office buildings. Various outside sections of the budget determine how this new consolidated **Offices of Facilities Management** will be organized. In the chart below, MassBudget has redistributed funding from this consolidated line item into their original accounts in order to allow for year to year comparisons.

- Providing $50,000 in additional funding above the FY 2012 current budget for the office of **Commonwealth Performance, Accountability and Transparency (CPAT)** within A&F to $400,000. The Governor and House both recommended providing this office with $500,000. Last year CPAT was charged with improving the way that state agencies coordinate similar activities such as information technology, maximizing grants from the federal government and assuring that the state delivers services in the most effective and efficient matter possible. CPAT was also charged with improving transparency. In 2011 it launched its new Open Checkbook program to give the public a better understanding of how the state spends its resources. In FY 2013 CPAT will continue to coordinate and improve government services by working with state agencies to develop strategic plans and goals that align with the Governor's priorities including lowering the achievement gap, creating jobs, and reducing state spending on health care.

Like the House budget, the SWM budget does not include the Governor's FY 2013 budget estimation of $30.0 million in savings from **reducing 400 positions** within the Executive Branch. It does estimate up to $30.0 million in savings in FY 2013 through procurement reforms which neither the House nor the Governor included in their budgets.

OTHER ADMINISTRATIVE LINE ITEMS

Line Item	Name	FY 2012 Current	FY 2013 Governor	FY 2013 House	FY 2013 SWM	Notes
0511-0002	Corporate Dissolution	254,213	254,213	253,076	254,213	
0640-0000*	State Lottery Commission	78,536,702	79,875,119	79,945,346	81,494,026	
0640-0005	State Lottery Commission - Monitoring Games	2,715,484	2,715,484	3,163,484	2,715,484	
0640-0010	Revenue Maximization	2,000,000	5,000,000	5,000,000	5,000,000	
0900-0100*	State Ethics Commission	1,796,500	1,843,225	1,890,226	1,843,193	
0910-0200	Office of the Inspector General	2,941,307	2,231,913	2,263,052	2,231,913	
0910-0210	Public Purchasing and Manager Program Fees Retained Revenue	600,000	600,000	600,000	600,000	
0920-0300	Office of Campaign and Political Finance	1,270,342	1,270,342	1,295,342	1,270,342	
0940-0100*	Massachusetts Commission Against Discrimination	2,543,312	2,590,495	2,590,495	2,590,495	
0940-0102	Discrimination Prevention Certification Program Retained Revenue	70,000	70,000	70,000	70,000	
0950-0000	Commission on the Status of Women	70,000	70,000	70,000	70,000	
0950-0050	GLBT Commission	100,000	100,000	100,000	100,000	
1100-1100*	Office of the Secretary of Administration and Finance	2,776,193	2,855,468	2,851,624	2,851,624	
1100-1201	Office of Commonwealth Performance, Accountability and Transparency	350,000	500,000	500,000	400,000	
1100-1700*	Administration and Finance Information Technology Costs	24,651,208	28,764,811	24,813,326	25,547,370	
1100-1708	MDDC Trust Account Match	0	86,000	0	0	
1102-3199	Office of Facilities Management	0	0	138,476	0	
1102-3205	Massachusetts Information Technology Center Rents Retained Revenue	16,250,000	16,250,000	16,250,000	16,250,000	
1102-3232	Contractor Certification Program Retained Revenue	300,000	400,000	300,000	300,000	
1102-3301*	Bureau of State Office Buildings	5,051,138	4,931,482	4,998,632	5,717,083	*adj--see text*
1102-3302	Utility Costs for State Managed Buildings	6,205,820	6,165,820	6,205,820	6,855,820	*adj--see text*
1102-3306	State House Operations	700,034	700,034	700,034	700,000	*adj--see text*
1102-3307	State House Accessibility	938,476	940,021	138,476	140,021	*adj--see text*
1102-3309	Bureau of the State House	0	500,000	405,569	0	*adj--see text*
1106-0064	A&F Caseload Forecasting	150,000	159,415	159,415	159,415	
1107-2400*	Massachusetts Office on Disability	562,272	597,951	597,951	597,951	
1107-2501*	Disabled Persons Protection Commission	2,210,698	2,252,598	2,298,879	2,252,599	
1108-1011*	Civil Service Commission	410,000	440,481	436,065	418,240	
1110-1000*	Division of Administrative Law Appeals	1,077,076	1,145,994	1,095,245	1,135,991	
1120-4005*	George Fingold Library	796,229	833,930	813,531	821,483	
1201-0100*	Department of Revenue	80,469,544	84,665,905	84,221,166	87,669,838	
1201-0130	Additional Auditors Retained Revenue	23,940,257	27,940,257	27,940,258	27,940,257	
1201-0160*	Child Support Enforcement Division	33,676,820	36,380,491	35,380,491	35,380,491	
1201-0164	Child Support Enforcement Federal Reimbursement Retained Revenue	6,547,280	6,547,280	6,547,280	6,547,280	
1201-0911	Expert Witnesses and their Expenses	0	0	0	2,000,000	

1231-1000	Water and Sewer Rate Relief Payments - Local Services Program	500,000	0	500,000	0
1232-0100	Underground Storage Tank Reimbursements	26,099,454	20,000,000	13,000,000	13,000,000
1232-0200*	Underground Storage Tank Administrative Review Board	2,033,299	2,108,767	1,800,767	2,104,972
1233-2000	Tax Abatements for Disabled Veterans, Widows, Blind Persons and the Elderly	25,301,475	25,436,475	25,301,475	25,038,075
1310-1000*	Appellate Tax Board	1,734,270	1,752,304	1,751,736	1,806,028
1310-1001	Tax Assessment Appeals Fee Retained Revenue	400,000	400,000	300,000	400,000
1599-0015	Intergovernmental Secretariat Budget Team Savings Reserve	(25,000,000)	0	0	(30,000,000)
1599-0016	Fraud and Abuse Prevention Task Force	110,000	0	0	0
1599-0018	Revenue Maximization Reserve	750,000	0	0	0
1599-0024	Agency Auditor Grant Program	1,250,000	0	0	625,000
1599-0029	Collective Bargaining SEIU 1199	1,000,000	0	0	0
1599-0050	Route 3 North Contract Assistance	5,409,158	1,128,818	1,128,818	1,128,818
1599-1300	CPCS Process Evaluation	0	0	0	150,000
1599-1301	Program Evaluation Reserve	0	0	0	500,000
1599-1705	June 2011 Tornadoes	15,000,000	0	0	0
1599-1706	June 2011 Tornadoes	10,000,000	0	0	0
1599-1707	December 2008 Severe Winter Storm	6,200,000	0	0	0
1599-1708	March 2010 Floods	2,783,277	0	0	0
1599-1709	Tropical Storm Irene	10,000,000	0	0	0
1599-2013	Connor B. Reserve	2,500,000	0	0	0
1599-3234	South Essex Sewerage District Debt Service Assessment	90,100	90,100	90,100	90,100
1599-3381	Hutchinson v. Patrick	745,000	0	0	0
1599-3384	Judgments, Settlements and Legal Fees	6,900,000	5,000,000	5,000,000	5,000,000
1599-3393	Hayes Settlement	5,000,000	0	0	0
1599-3535	Position Reduction Reserve	0	(30,000,000)	0	0
1599-3856	Massachusetts Information Technology Center Rent	600,000	500,000	500,000	500,000
1599-4227	Dukes County Sheriff MCOFU Collective Bargaining Reserve	4,132,356	1,125,113	1,125,113	1,125,113
1599-4250	CB Reserve Registries of Deeds	0	343,614	343,614	343,614
1599-4252	COPS Contract	140,000	52,801	52,801	0
1599-4281	NAGE Collective FY11 Bargaining Reserve	10,000	0	0	0
1599-4282	Service Employees International Union	2,903,000	0	0	0
1599-4283	AFSCME Council 93 Unit 2 2011 Reserve	10,000	0	0	0
1599-4284	Moses Unit 2 FY11 Collective Bargaining Costs	10,000	0	0	0
1599-4370	International Association of Fire Fighters	436,000	0	0	0
1599-4380	Information Technology Funding for Consolidated Executive Branch IT Operations	20,420,000	0	0	0
1750-0100*	Human Resources Division	0	2,618,194	2,600,982	2,618,194
1750-0102*	Civil Service Exam Fee Retained Revenue	2,618,785	2,733,357	2,733,357	2,700,000
1750-0119	Former County Employees Workers' Compensation	2,700,000	52,057	52,057	52,057

1775-0100*	Operational Services Division	52,057	6,959	6,959	0
1775-0106	Enhanced Vendor Auditing	200,000	484,278	0	484,278
1775-0115*	Statewide Contract Fee	475,000	3,531,625	3,531,625	3,500,000
1775-0124*	Human Services Provider Overbilling Recovery Retained Revenue	2,989,876	510,727	510,727	500,000
1775-0200*	Supplier Diversity Office	500,000	568,548	556,984	558,332
1775-0600*	State Surplus Property Sales Retained Revenue	546,768	768,458	768,458	750,000
1775-0700	Reprographic Services Retained Revenue	750,000	53,000	53,000	53,000
1775-0900	Federal Surplus Property Sales Retained Revenue	53,000	55,000	55,000	55,000
1790-0100*	Information Technology Division	55,000	3,355,692	3,291,458	3,291,458
1790-0151	Data Processing Service Fee Retained Revenue	3,259,613	55,000	10,000	10,000
1790-0300	Vendor Computer Service Fee Retained Revenue	55,000	554,730	554,730	554,730
1790-0350	Springfield Data Center	554,730	2,612,820	1,500,000	1,200,000
7004-0001*	Indian Affairs Commission	0	107,936	107,936	107,936
8315-1025*	Building Code Training Fee Retained Revenue	99,010	94,569	90,763	95,180
8700-1160	Welcome Home Bonus Life Insurance Premium Reimbursement	90,182	1,361,662	1,361,662	1,040,000

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

REVENUE

The Senate Ways and Means (SWM) 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 the lifting of tax exemptions for candy and soda. With more cuts and savings on the spending side than the Governor, the SWM budget relies on more one-time revenue than in the Governor's proposal. When compared to the House budget proposal, the SWM budget uses $130 million less in one-time revenues.

The SWM 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. Temporary revenues are useful for balancing the budget only in the current fiscal year.

FY 2013 REVENUE INITIATIVES	FY 2013 Governor		FY 2013 House		FY 2013 SWM	
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

Like the House and the Governor, the SWM FY 2013 budget relies on the consensus revenue estimate of $21.95 billion in tax revenue. SWM also counts on three additional tax-related initiatives totaling $114.2 million.

The largest of these three is the delay (for another year) of the "FAS 109" tax break provided to certain publically-traded companies as part of the 2008 combined reporting corporate tax reform package. Delaying this tax break will offer the Commonwealth one-time savings of $45.9 million in FY 2013. Both the House and the Governor's budget proposals also include this tax break delay.

Like the House and the Governor, SWM also includes tax revenues realized with the improvement of the Department of Revenue's enforcement abilities (through use of more powerful data-review

software). SWM projects $36.3 million in revenue from these improvements, compared to $22.3 million in both the House and Governor's budgets. 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 owed but that currently goes uncollected. This represents a new and ongoing revenue stream for the state.

The SWM budget also 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 SWM 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 SWM 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.

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

Non-Tax Revenues

The SWM budget includes a total of $13.1 billion in non-tax revenues: $8.0 billion in federal revenues, $3.1 billion in departmental revenues such as fees and assessments and approximately $2.0 billion in revenues from other sources, such as transfers from lottery receipts and from various trust funds.

The SWM budget uses $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 and the Governor, the SWM withdraws funding from the state's Stabilization Fund, and proposes transferring into the General Fund anticipated interest earned by the Stabilization Fund. It is notable, however, that SWM transfers $290.0 million from the fund, while the Governor and the House transfer $400.0 million, and SWM anticipates $12.5 million in interest, while the House and Governor expect $9.1 million. All three budgets 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

Unlike the Governor's budget, the SWM and House budgets rely on an additional source of one-time or temporary revenue. SWM and House forgo the statutory “carry forward” from FY 2013 into FY 2014 of approximately $100 million from the consolidated net surplus. By not reserving these funds for the next year’s budget, they become a one-time revenue source in the current year.

The SWM and Governor both rely 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.

The SWM, the House, and the Governor all use $40.0 million to support the costs of the state employee health insurance from the Group Insurance trust; this one-time source of funds is, in essence, a source for one-time savings for the Commonwealth. SWM and the House count on $44.0 million from the existing balance in the Commonwealth Care Trust Fund that would be used towards the costs of the Commonwealth Care program and the Health Safety Net in FY 2013. The Governor now calculates that in his budget he would use only $29.0 million of this balance for the costs of the program in FY 2013.

These are all one-time resources that, if used in FY 2013, will help fill the budget gap in the current year, but once used will no longer be available to balance the budget in future years.

Agency Revenue Initiatives

The SWM 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 SWM 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 SWM budget relies on approximately $20.0 million more in revenue from so-called abandoned property than either the House or Governor's budgets.

The SWM budget seems to follow the House and the Governor's proposals to increase a number of permitting and licensing fees charged by a various departments, changes that together would raise an estimated $10.8 million in ongoing revenue annually. Approximately half ($5 million) of the total would derive from selling advertising space on a limited number of state owned assets, such as vehicles.

Other One-time Savings

The SWM 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 SWM "saves" the amount of this transfer. It is notable, however, that although the Governor and House both include in their budgets this transfer of $27.7 million for state retirees, the SWM budget estimates that the total value of the Master Tobacco Settlement in FY 2013 will be $21.7 million less than the total value anticipated by the House or Governor. The net "savings" realized by SWM compared to the House and the Governor is therefore approximately $5.9 million.