

Budget Priorities (Fiscal Year 2026)

The state budget supports our communities by bringing resources together to invest in our common goals. MassBudget elevates critical areas for investment.

—\$520M for Operational Grants to Child Care Providers (3000-1045/1596-2410)

Increase funding for the Commonwealth Cares for Children (C3) program to continue to raise early educator salaries and ensure child care programs can meet growing demand. Because of these operational grants, providers of all types have been able to remain open, and new providers have been able to enter the field. Provider wages have increased by over \$7,000 since the C3 program began (average annual Center-Based, not inflation adjusted). As Massachusetts seeks to continue to improve affordable access to child care, expanding this bedrock funding is vital.

—\$100M increase to Income-Eligible Child Care above the amount needed to maintain existing caseloads (3000-4060/1596-2411/1596-2435)

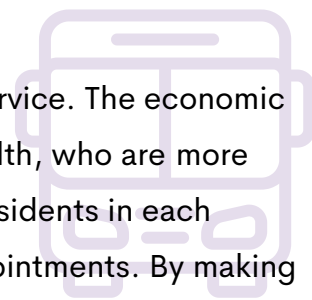
Increase access to child care for income-eligible families under the 85th percentile of the State Median Income. Above the substantial funding needed to maintain existing caseloads, an additional \$100 million would provide financial assistance vouchers to 6,000 additional children who are currently on the waitlist for income-eligible child care. There are currently over 30,000 low-income children on the waitlist, which has been frozen because of lack of funding for child care financial assistance.

—\$300M for Residential Assistance for Families in Transition (RAFT) (7004-9316)

Provide increased support to RAFT, critical tool to prevent homelessness and eviction. Rental assistance protects residents from displacement while also reducing demand for other high-cost services such as shelters. A growing body of research demonstrates that rental assistance programs prevent and reduce homelessness, as well as the connection between high housing costs and high rates of homelessness. With the state experiencing a severe housing affordability crisis and a 53% increase in its homeless population, the need for programs like RAFT remains high.

—\$40 million for the Regional Transit Authorities' (RTAs) free fares grant program earmark (1596-2406)

Increase funding of the earmark that gives grants for RTAs to provide fare-free bus service. The economic and access benefits of free fares are important for RTA riders across the Commonwealth, who are more likely to be workers and students, people of color, and of lower-income than other residents in each region. These residents rely on public transit to get to work, school, and doctors appointments. By making fares free, we make transportation more equitable and increase ridership.



—Extend the state Earned Income Tax Credit (EITC) to Individual Taxpayer Identification Number (ITIN) filers (outside section) and restore funding for the Volunteer Income Tax Assistance (VITA) sites earmark to \$1.5 million (1201-0100)

Ensure access to the state EITC for the estimated 21,000–26,000 households who are currently excluded because someone in the household pays taxes through an ITIN. About two thirds of these households include U.S. citizens. Workers and their families should not be penalized because of how they file their taxes. Restore funding for VITA sites which offer free tax preparation to people who are low-income. VITA sites help maximize uptake and impact of the EITC and the new Child and Family Tax Credit (CFTC).

