

The Commonwealth of Massachus::tts House of Representatives Late House, Boston 02133-1054

TODD M. SMOLA REPRESENTATIVE

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Representative Smola supports passage of \$48.1 billion state budget

BOSTON – Representative Todd M. Smola (R-Warren, Ranking Member, Committee on Ways & Means) supported a \$48.1 billion state budget for fiscal year 2022 that increases local aid, elevates reserves to historic highs, and invests in obligations of the Commonwealth. The budget is a compromise spending plan that reconciles the differences between earlier versions of the budget approved by the House and Senate. Representative Smola served as a member of the budget conference committee, charged with the assembling the budget and negotiating the final product.

"I am pleased with the work of the conference committee and what we were able to agree to," said Representative Smola. "We worked cooperatively to reach consensus. This year the pandemic brought very unique circumstances that we had to deal with quickly and efficiently. In the end I believe we accomplished our goals."

The House and Senate voted unanimously on July 9 to accept the conference committee report and enact the budget, which is now before Governor Charlie Baker for his review. It includes nearly \$1.2 billion in Unrestricted General Government Aid to help communities fund essential municipal services. The budget also provides \$5.5 billion in Chapter 70 education aid to cities and towns, which is a \$219.6 million increase over current funding levels. In addition, it establishes a \$350 million trust fund to assist with the implementation of the Student Opportunity Act and education funding support to municipalities.

With revenues running well ahead of projections made during the height of the COVID-19 pandemic, Representative Smola noted the final budget foregoes a planned draw down from the state's Stabilization Fund, more commonly known as the Rainy Day Fund. Instead, the state will be depositing additional monies into the fund, partly from anticipated capital gains taxes, which is expected to bring the fund's balance to approximately \$5.8 billion by the end of fiscal year

2022. The additional revenues will also allow for another \$250 million to be dedicated towards the state's pension fund.

"This budget reflects a bipartisan collaboration that funds the most important programs in our Commonwealth. Our commitment to local aid and education continues to be a primary focus and we are adding significant dollars to our stabilization fund, which provides us greater financial security for the future. This budget supports essential services and resources that are critically important given the challenges of the last year."

Other key funding initiatives in the FY22 budget include:

- \$30.5 million for emergency food assistance;
- \$13 million for the Healthy Incentives Program;
- \$20 million rate increase for the state's childcare providers;
- \$15 million for Head Start Grants:
- \$3 million for early childhood mental health grants;
- \$130.5 million in higher education scholarship funding;
- \$129.9 million for the Massachusetts Rental Voucher Program;
- \$85 million for public housing subsidies;
- \$22 million for Residential Assistance to Families in Transition (RAFT); and
- \$175.5 million for the Bureau of Substance Abuse Addiction Services.

Governor Baker has until July 19 to review the budget and issue any vetoes. For additional information please contact Representative Smola at <u>Todd.Smola@mahouse.gov</u> or (617)722-2100.

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