

## **MASSACHUSETTS HOUSE PASSES \$3.82 BILLION BILL FOR COVID-19 NEEDS AND RECOVERY**

*Informed by public hearing process, spending bill includes American Rescue Plan Act funds, FY21 surplus*

BOSTON – Friday, October 29, 2021 – The Massachusetts House of Representatives today unanimously passed its spending proposal utilizing American Rescue Plan Act (ARPA) and Fiscal Year 2021 (FY21) surplus funds. Funded at \$3.82 billion, the bill addresses disparities exacerbated by the COVID-19 pandemic, aiming to facilitate recovery through one-time investments in housing, environment and climate mitigation, economic development, workforce, health and human services, and education.

“The investments made by the House today address evident needs across all Massachusetts communities and sectors of the economy, particularly among those who have been disproportionately impacted by the COVID-19 pandemic,” said **Speaker of the House Ronald J. Mariano (D-Quincy)**. “I thank Chair Michlewitz and the members of the Committee on Ways & Means, as well as all legislators, stakeholders and residents for their advocacy, guidance and work in making this bill a reality.”

“This spending package makes significant, targeted investments into areas such as affordable housing, workforce development, and boosting our health care system that will give a much-needed boost to our residents who were hit the hardest by this pandemic,” said **Representative Aaron Michlewitz, Chair of the House Committee on Ways & Means (D-Boston)**.

“Throughout this legislation, the needs of communities that were disproportionately affected by the pandemic are prioritized. By doing so, the House has passed a truly equitable spending plan.”

Earlier this year, the Massachusetts Legislature voted to transfer the state’s \$5.3 billion allocation from ARPA, which must be allocated by 2024, into a separate fund to ensure stakeholder and resident engagement in a public process. Following six public hearings and more than a thousand pieces of testimony received, the House Ways & Means Committee released its proposal which the House approved 159-0 today.

“I thank Speaker Mariano and Chair Michlewitz for their work on the American Rescue Plan Act appropriation and for running an extensive and robust public process,” said **Representative Dan Hunt, Chair of the House Committee on Federal Stimulus and Census Oversight (D-Dorchester)**. “The provisions for low-income and affordable housing along with a dynamic jobs plan will ensure that those most affected by the pandemic can recover faster and stronger.”

“With this funding, Massachusetts has the opportunity to fix a system that unfortunately hasn’t worked for everyone by making meaningful investments for the benefit of our communities,” said **Representative Bud Williams, Chair of the Joint Committee on Racial Equity, Civil Rights, and Inclusion (D-Springfield)**. “Investments in housing and health care, among others,

focused on communities of color mostly impacted by the pandemic will go a long way in our recovery. I'm particularly pleased to see tracking and accountability dollars included in this bill to ensure its equitable distribution. I thank Speaker Mariano and Chair Michlewitz, as well as all who testified in the hearings, for their input."

"The funds distributed in this legislation have the potential to be transformative," said **Representative Ann-Margaret Ferrante, Vice Chair of House Committee on Ways & Means (D-Gloucester)**. "Every dollar appropriated toward areas such as workforce development, housing, and mental health services has the ability to reverse the secondary crises caused by the pandemic and assist Massachusetts residents in resetting their lives. Thank you to Speaker Mariano and Chair Michlewitz for leading the way in the deliberate and judicious use of these once-in-a-lifetime funds."

### **Economic Development**

The House bill includes \$500 million to replenish the Unemployment Trust Fund which will offset businesses' contributions for unemployment programs. The bill includes \$200 million worth of tax relief for small businesses that paid personal income taxes on state or federal relief awards during the pandemic. It also includes \$60 million for grants to support small businesses negatively impacted by the pandemic, with \$35 million of it reserved for minority-owned, women-owned, and veteran-owned businesses.

To assist recovering cultural organizations and artists, the bill appropriates \$125 million to the Massachusetts Cultural Council for grants supporting cultural events, education or performances highlighting underrepresented voices. Other economic development investments include \$40 million for youth summer and school-year jobs; \$50 million to close the digital divide; and \$12 million to assist in the resettlement of Afghan refugees in Massachusetts.

### **Health and Human Services**

Building on the House's longstanding commitment to support and protect community hospitals, the bill allocates \$250 million for financially strained hospitals and \$20 million for community health centers. This bill includes more than \$250 million for behavioral health and substance use disorder treatment services, including \$100 million for workforce initiatives with \$15 million specifically for community health centers. The bill also includes over \$150 million for local and regional public health systems.

Other investments include more than \$78 million to address food insecurity; \$15 million for prison re-entry grants; \$10 million for community-based gun violence prevention programs, \$6.5 million for coordination teams for triage treatment and service supports and post-treatment supportive housing in Boston; and \$5 million for the Massachusetts Legal Assistance Corporation to bolster access to legal services for the most vulnerable.

### **Workforce Development**

The bill includes \$500 million towards providing premium pay bonuses for low- and middle-income workers who worked in-person during the COVID-19 State of Emergency. To promote employment, the bill also includes \$150 million to enhance workforce opportunities through workforce skills training, as well as \$100 million for vocational and career and technical schools.

### **Affordable Housing and Homeownership**

The bill appropriates funds for affordable housing, with \$150 million directed toward public housing maintenance and \$150 million to create permanent supportive housing for chronically homeless individuals, survivors of domestic violence, seniors, and veterans. The bill also includes \$100 million for homeownership assistance and \$100 million for production and preservation of affordable rental housing for residents of municipalities disproportionately impacted by the COVID-19 pandemic.

### **Environment and Climate Change Mitigation**

Building on the House's commitment to the environment and clean energy, the bill includes investments for environmental infrastructure and development spending, with a focus on environmental justice communities, climate change resiliency and clean energy. This bill includes \$100 million for port infrastructure development and revitalization to facilitate economic activity and support the offshore wind industry.

Other investments include \$100 million toward infrastructure for communities to adapt and become climate resilient; and \$100 million for water and sewer projects, including those to remediate combined sewer overflow into waterways.

### **Education**

To improve indoor air-quality in schools and support healthy learning environments, this bill includes more than \$100 million for grants to public school districts with high concentrations of low-income students, English language learners, and communities disproportionately impacted by COVID-19. This bill also includes \$75 million for capital and maintenance projects for higher education; \$25 million for the Endowment Incentive Program at the University of Massachusetts, state universities and community colleges, \$20 million for special education, including \$10 million for workforce development; and \$10 million for programs focused on recruiting and retaining educators of color.

### **Accountability and Public Engagement**

As a tool to inform future ARPA spending, the House's bill allocates \$5 million for the Inspector General's office to create a public database and website to track total spending, including the percentage of funds spent in communities that were disproportionally impacted by the COVID-19 pandemic and to track the number of projects awarded to minority-owned businesses and organizations.

Speaker Mariano and the House Ways & Means Committee introduced their spending proposal on October 25, 2021, following a review of the Governor's proposal and six public hearings. The bill House of Representatives approved the bill 159-0 and now goes to the Senate.

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