

Section 3 Local Aid Distribution	3
Sections 4 - 32	17
Section 4 - Audit Frequency	17
Section 5 - Surtax Implementation 1	17
Section 6 - Surtax Implementation 2	18
Section 7 - Surtax Implementation 3	19
Section 8 - Surtax Implementation 4	19
Section 9 - Pension Transfer Schedule	20
Section 10 - Surtax Implementation 5	20
Section 11 - Surtax Implementation 6	20
Section 12 - Direct Negotiations for Rebates on Certain Drugs and Non-Drug Products	21
Section 13 - Medicare Savings Program Asset Test Elimination 1	21
Section 14 - Medicare Savings Program Asset Test Elimination 2	21
Section 15 - Expansion of Voluntary Services Post DYS Discharge 1	22
Section 16 - Expansion of Voluntary Services Post DYS Discharge 2	22
Section 17 - Department of Correction No Cost Calls	22
Section 18 - MBTA Capital Budget Dates 1	22
Section 19 - MBTA Capital Budget Dates 2	23
Section 20 - Other Post-Employment Benefits Liability	23
Section 21 - Pension Cost of Living Adjustment	23
Section 22 - Expanded Medicare Savings Program Transfer	24
Section 23 - Health Safety Net Administration	24
Section 24 - Initial Gross Payments to Qualifying Acute Care Hospitals	25
Section 25 - Inspector General's Health Care Audits	25
Section 26 - Nursing Facility Base Year	25
Section 27 - Transfers Between Health Funds	26
Section 28 - FY24 RTA Funding Distribution	26
Section 29 - Surtax Implementation Effective Date 1	26
Section 30 - Department of Correction No Cost Calls Effective Date	27
Section 31 - Surtax Implementation Effective Date 2	27
Section 32 - Effective Date	27



Section 3 Local Aid Distribution

Additional local aid information based on the Governor's FY2024 Budget for individual cities and towns is available at <https://www.mass.gov/lists/cherry-sheet-estimates>

SECTION 3.

Notwithstanding any general or special law to the contrary, for the fiscal year ending June 30, 2024 the distribution of Unrestricted General Government Aid to cities and towns of the balance of the State Lottery and Gaming Fund, as paid from the General Fund in accordance with clause (c) of the second paragraph of section 35 of chapter 10 of the General Laws, and additional funds from the General Fund and the Gaming Local Aid Fund, shall be \$1,255,821,423 and shall be apportioned to cities and towns in accordance with this section.

For fiscal year 2024 the total amounts to be distributed to each city, town, and regional school district, as calculated pursuant to chapter 70 of the General Laws and paid from item 7061-0008 of section 2, shall be as set forth in the following lists; provided, that for purposes of calculating preliminary local contributions, municipal revenue growth factors shall be calculated in a manner consistent with calculations made in fiscal year 2023; provided further, that the effort reduction percentage shall be 100 per cent; provided further, that the minimum aid per pupil dollar amount shall be \$30; and provided further, that the total statewide target local contribution shall be 59 per cent. If there is a conflict between the language of said chapter 70 and the distribution listed below, the distribution below shall control. The specified amounts listed below shall be deemed in full satisfaction of the amounts due under said chapter 70.

The department of elementary and secondary education shall not consider health care costs for retired teachers to be part of net school spending for any district in which such costs were not considered part of net school spending in fiscal year 1994 and for any district that has not accepted the provisions of section 260 of chapter 165 of the acts of 2014; provided, that any district for whom such costs are not so considered shall have included as part of net school spending an amount equal to the increase in the foundation budget for the district associated with health care costs of retired teachers.

No payments to cities, towns or counties maintaining an agricultural school under this section shall be made after November 30 of the fiscal year until the commissioner of revenue certifies acceptance of the prior fiscal year's annual financial reports submitted under section 43 of chapter 44 of the General Laws. Advance payments shall be made for some or all of periodic local reimbursement or assistance programs to any city, town, regional school district, or agricultural school that demonstrates an emergency cash shortfall, as certified by the commissioner of revenue and approved by the secretary of administration and finance, under guidelines established by the secretary.

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
ABINGTON	14,183,120	2,324,328
ACTON	0	1,652,797
ACUSHNET	7,170,330	1,791,498
ADAMS	0	2,766,189
AGAWAM	25,024,448	4,352,868

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
ALFORD	0	16,582
AMESBURY	9,416,877	2,298,630
AMHERST	6,249,123	9,947,389
ANDOVER	13,950,800	2,111,278
AQUINNAH	0	2,762
ARLINGTON	18,703,409	8,964,035
ASHBURNHAM	0	939,444
ASHBY	0	517,364
ASHFIELD	93,683	219,357
ASHLAND	11,273,500	1,597,829
ATHOL	0	3,128,134
ATTLEBORO	53,392,152	6,740,658
AUBURN	15,134,321	2,023,521
AVON	4,146,067	818,933
AYER	0	894,469
BARNSTABLE	24,752,053	2,485,342
BARRE	0	1,062,655
BECKET	76,923	107,302
BEDFORD	5,944,023	1,356,338
BELCHERTOWN	14,145,446	2,010,406
BELLINGHAM	9,974,432	2,004,899
BELMONT	11,784,535	2,667,860
BERKLEY	4,151,920	718,915
BERLIN	0	238,216
BERNARDSTON	0	343,653
BEVERLY	14,544,481	6,900,017
BILLERICA	19,923,564	6,880,300
BLACKSTONE	234,189	1,617,259
BLANDFORD	58,602	150,029
BOLTON	0	233,284
BOSTON	228,968,645	223,855,847
BOURNE	5,422,243	1,732,069
BOXBOROUGH	32,909	298,047
BOXFORD	1,833,463	574,380
BOYLSTON	113,472	404,721
BRAINTREE	20,652,576	6,761,226
BREWSTER	1,364,911	466,530
BRIDGEWATER	96,685	4,303,466
BRIMFIELD	1,597,800	460,666
BROCKTON	241,067,581	24,739,674

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
BROOKFIELD	1,911,736	583,388
BROOKLINE	15,827,857	7,501,609
BUCKLAND	13,134	361,789
BURLINGTON	9,285,068	3,094,311
CAMBRIDGE	19,728,183	25,383,364
CANTON	8,665,186	2,533,785
CARLISLE	1,370,980	259,196
CARVER	10,463,289	1,726,076
CHARLEMONT	102,815	206,535
CHARLTON	0	1,711,811
CHATHAM	0	177,822
CHELMSFORD	14,141,800	5,997,059
CHELSEA	116,781,512	9,704,090
CHESHIRE	16,351	725,842
CHESTER	72,014	212,724
CHESTERFIELD	133,594	163,131
CHICOPEE	88,827,551	13,605,945
CHILMARK	0	4,432
CLARKSBURG	1,822,225	429,828
CLINTON	19,317,021	2,781,418
COHASSET	2,920,302	607,895
COLRAIN	0	341,007
CONCORD	4,038,233	1,370,731
CONWAY	635,464	211,167
CUMMINGTON	59,811	98,568
DALTON	212,169	1,344,314
DANVERS	9,292,104	3,365,254
DARTMOUTH	10,350,241	2,978,526
DEDHAM	6,992,697	3,863,854
DEERFIELD	1,148,623	567,504
DENNIS	0	643,484
DEVENS	308,558	0
DIGHTON	0	913,624
DOUGLAS	8,893,565	862,261
DOVER	1,032,747	227,288
DRACUT	27,170,143	4,139,833
DUDLEY	10,601	2,111,093
DUNSTABLE	0	290,612
DUXBURY	6,671,508	1,047,341
EAST BRIDGEWATER	12,873,317	1,768,608

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
EAST BROOKFIELD	186,676	342,672
EAST LONGMEADOW	15,037,448	1,710,280
EASTHAM	506,837	176,033
EASTHAMPTON	8,664,472	3,321,098
EASTON	10,552,881	2,587,457
EDGARTOWN	1,165,651	78,705
EGREMONT	0	74,550
ERVING	556,000	79,414
ESSEX	0	289,289
EVERETT	111,682,212	8,162,962
FAIRHAVEN	9,631,703	2,664,387
FALL RIVER	188,024,477	28,157,030
FALMOUTH	9,322,909	1,638,085
FITCHBURG	74,728,113	10,083,271
FLORIDA	558,007	58,810
FOXBOROUGH	9,351,930	1,759,937
FRAMINGHAM	84,996,534	11,755,304
FRANKLIN	29,038,841	2,919,565
FREETOWN	461,524	1,121,966
GARDNER	27,428,246	5,006,901
GEORGETOWN	5,676,628	846,428
GILL	0	287,398
GLOUCESTER	11,330,913	4,718,997
GOSHEN	96,381	94,524
GOSNOLD	0	2,478
GRAFTON	12,706,020	1,847,450
GRANBY	4,745,270	1,043,261
GRANVILLE	0	189,437
GREAT BARRINGTON	0	896,705
GREENFIELD	16,203,247	3,751,207
GROTON	0	915,266
GROVELAND	65,470	860,079
HADLEY	1,336,420	536,254
HALIFAX	3,509,077	1,072,568
HAMILTON	0	793,842
HAMPDEN	0	812,912
HANCOCK	435,805	66,710
HANOVER	7,428,009	2,502,963
HANSON	35,397	1,513,071
HARDWICK	0	550,068

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
HARVARD	2,196,867	1,749,808
HARWICH	0	508,950
HATFIELD	885,646	368,676
HAVERHILL	82,633,811	11,612,754
HAWLEY	13,300	51,133
HEATH	0	98,859
HINGHAM	8,420,983	1,864,742
HINSDALE	104,923	263,080
HOLBROOK	10,881,907	1,743,394
HOLDEN	7,364	2,259,040
HOLLAND	1,013,356	238,484
HOLLISTON	8,910,063	1,829,744
HOLYOKE	96,959,371	11,999,938
HOPEDALE	6,195,000	770,466
HOPKINTON	9,799,659	928,176
HUBBARDSTON	0	532,242
HUDSON	12,997,947	2,356,147
HULL	3,972,566	2,504,017
HUNTINGTON	354,768	407,215
IPSWICH	4,147,342	1,896,661
KINGSTON	5,430,917	1,134,106
LAKEVILLE	86,418	966,774
LANCASTER	11,693	1,129,432
LANESBOROUGH	0	407,579
LAWRENCE	266,144,831	23,199,518
LEE	2,153,139	735,847
LEICESTER	11,098,247	2,051,539
LENOX	1,330,575	629,794
LEOMINSTER	64,394,936	6,762,344
LEVERETT	393,938	210,903
LEXINGTON	17,609,131	1,810,820
LEYDEN	0	97,284
LINCOLN	1,287,178	804,383
LITTLETON	4,848,956	839,891
LONGMEADOW	7,099,369	1,650,780
LOWELL	228,693,655	29,761,064
LUDLOW	14,459,019	3,609,507
LUNENBURG	8,770,678	1,249,490
LYNN	269,092,167	26,454,474
LYNNFIELD	5,945,010	1,228,849

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
MALDEN	63,196,977	14,823,823
MANCHESTER	0	262,762
MANSFIELD	19,386,599	2,635,581
MARBLEHEAD	6,274,587	1,345,491
MARION	1,154,750	266,604
MARLBOROUGH	45,861,229	6,431,948
MARSHFIELD	15,119,713	2,559,642
MASHPEE	4,815,606	434,716
MATTAPOISETT	992,801	478,884
MAYNARD	5,663,218	1,856,277
MEDFIELD	6,580,284	1,712,769
MEDFORD	17,407,300	14,332,170
MEDWAY	10,754,949	1,441,522
MELROSE	12,260,358	6,059,588
MENDON	38,052	482,853
MERRIMAC	56,805	994,147
METHUEN	64,681,414	6,424,335
MIDDLEBOROUGH	22,330,861	2,913,121
MIDDLEFIELD	13,290	62,813
MIDDLETON	1,748,081	646,494
MILFORD	46,805,339	3,608,955
MILLBURY	8,852,759	2,092,298
MILLIS	4,959,352	1,237,061
MILLVILLE	73,662	481,284
MILTON	11,675,882	3,796,551
MONROE	140,582	21,725
MONSON	7,642,985	1,542,382
MONTAGUE	9,046	1,693,354
MONTEREY	0	54,630
MONTGOMERY	21,162	102,540
MOUNT WASHINGTON	13,818	35,419
NAHANT	553,963	446,442
NANTUCKET	4,410,255	93,618
NATICK	13,165,735	4,502,492
NEEDHAM	13,312,456	2,062,651
NEW ASHFORD	180,257	24,000
NEW BEDFORD	224,099,122	27,180,611
NEW BRAINTREE	17,386	155,978
NEW MARLBOROUGH	0	69,198
NEW SALEM	0	122,594

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
NEWBURY	16,934	611,919
NEWBURYPORT	5,660,145	3,013,485
NEWTON	27,433,806	6,943,668
NORFOLK	3,582,105	1,133,103
NORTH ADAMS	16,216,082	5,242,010
NORTH ANDOVER	11,942,699	2,421,460
NORTH ATTLEBOROUGH	21,172,601	3,399,355
NORTH BROOKFIELD	4,905,556	941,501
NORTH READING	7,424,177	2,097,952
NORTHAMPTON	7,878,649	5,193,297
NORTHBOROUGH	4,184,450	1,317,973
NORTHBRIDGE	15,845,971	2,494,106
NORTHFIELD	5,019	426,898
NORTON	13,094,870	2,455,766
NORWELL	5,012,128	1,266,629
NORWOOD	16,341,437	5,495,945
OAK BLUFFS	1,951,565	85,931
OAKHAM	0	226,691
ORANGE	6,879,902	1,909,523
ORLEANS	450,084	202,957
OTIS	0	42,977
OXFORD	10,955,056	2,429,602
PALMER	11,720,670	2,369,608
PAXTON	0	639,381
PEABODY	35,358,379	8,529,172
PELHAM	246,373	188,081
PEMBROKE	13,930,922	1,986,190
PEPPERELL	0	1,763,505
PERU	91,030	134,941
PETERSHAM	496,207	135,457
PHILLIPSTON	0	217,954
PITTSFIELD	60,847,530	10,201,586
PLAINFIELD	27,794	59,278
PLAINVILLE	3,007,391	896,397
PLYMOUTH	28,266,283	4,629,872
PLYMPTON	950,537	280,314
PRINCETON	3,497	349,839
PROVINCETOWN	302,511	163,436
QUINCY	45,107,807	22,561,693
RANDOLPH	24,202,646	6,141,606

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
RAYNHAM	0	1,343,587
READING	11,283,039	3,830,524
REHOBOTH	0	1,231,674
REVERE	98,418,182	12,154,496
RICHMOND	518,855	127,834
ROCHESTER	2,399,312	501,840
ROCKLAND	18,537,536	3,123,572
ROCKPORT	1,573,136	517,020
ROWE	144,935	4,655
ROWLEY	34,649	638,084
ROYALSTON	0	212,424
RUSSELL	207,425	291,821
RUTLAND	0	1,093,023
SALEM	27,455,880	8,150,807
SALISBURY	14,443	746,568
SANDISFIELD	0	40,945
SANDWICH	7,439,788	1,331,760
SAUGUS	11,989,450	4,334,865
SAVOY	521,099	136,905
SCITUATE	6,540,827	2,376,949
SEEKONK	7,754,874	1,453,982
SHARON	10,498,494	1,654,032
SHEFFIELD	14,170	287,856
SHELBURNE	0	308,997
SHERBORN	846,957	255,936
SHIRLEY	0	1,550,233
SHREWSBURY	20,792,308	3,291,436
SHUTESBURY	642,656	200,371
SOMERSET	10,633,929	1,812,252
SOMERVILLE	21,092,048	29,770,931
SOUTH HADLEY	10,678,231	3,085,928
SOUTHAMPTON	2,608,486	752,880
SOUTHBOROUGH	3,127,171	516,795
SOUTHBRIDGE	28,987,486	4,156,835
SOUTHWICK	0	1,490,444
SPENCER	35,860	2,672,499
SPRINGFIELD	477,737,768	44,730,573
STERLING	6,178	819,163
STOCKBRIDGE	0	117,779
STONEHAM	7,259,629	4,391,312

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
STOUGHTON	26,439,366	3,783,716
STOW	0	497,407
STURBRIDGE	4,728,228	915,419
SUDBURY	5,557,508	1,653,997
SUNDERLAND	891,108	597,214
SUTTON	5,630,505	922,354
SWAMPSCOTT	5,114,454	1,529,429
SWANSEA	10,442,276	2,219,223
TAUNTON	88,928,648	9,938,000
TEMPLETON	0	1,647,664
TEWKSBURY	13,715,045	3,288,605
TISBURY	1,640,329	115,861
TOLLAND	0	21,839
TOPSFIELD	1,715,813	724,738
TOWNSEND	0	1,552,870
TRURO	424,706	35,548
TYNGSBOROUGH	7,606,264	1,141,881
TYRINGHAM	57,162	15,002
UPTON	39,979	629,079
UXBRIDGE	9,639,224	1,625,805
WAKEFIELD	8,543,737	3,980,582
WALES	1,174,018	279,084
WALPOLE	9,884,578	3,011,369
WALTHAM	23,621,178	11,346,453
WARE	13,527,262	2,039,925
WAREHAM	16,227,456	2,337,773
WARREN	11,646	1,069,020
WARWICK	380,180	150,273
WASHINGTON	20,386	111,602
WATERTOWN	7,807,964	7,881,373
WAYLAND	7,266,972	1,068,060
WEBSTER	19,120,236	2,925,519
WELLESLEY	9,791,364	1,530,650
WELLFLEET	298,913	69,063
WENDELL	0	205,921
WENHAM	0	506,123
WEST BOYLSTON	3,133,245	941,426
WEST BRIDGEWATER	6,518,384	772,661
WEST BROOKFIELD	328,719	575,503
WEST NEWBURY	6,403	350,104

MUNICIPALITY	Chapter 70	Unrestricted General Government Aid
WEST SPRINGFIELD	40,661,336	4,234,718
WEST STOCKBRIDGE	0	114,886
WEST TISBURY	0	219,470
WESTBOROUGH	11,908,553	1,369,231
WESTFIELD	42,996,783	7,438,336
WESTFORD	17,691,015	2,511,060
WESTHAMPTON	488,870	171,218
WESTMINSTER	0	773,488
WESTON	4,443,645	441,980
WESTPORT	5,249,170	1,437,528
WESTWOOD	7,069,466	862,023
WEYMOUTH	29,140,085	10,302,856
WHATELY	329,343	158,569
WHITMAN	139,463	2,861,154
WILBRAHAM	0	1,729,283
WILLIAMSBURG	838,817	357,724
WILLIAMSTOWN	0	1,128,101
WILMINGTON	11,809,190	2,938,093
WINCHENDON	14,000,926	1,987,824
WINCHESTER	10,146,739	1,748,228
WINDSOR	26,462	122,703
WINTHROP	9,746,984	4,981,185
WOBURN	13,598,814	7,073,802
WORCESTER	357,541,905	49,102,474
WORTHINGTON	464,966	148,417
WRENTHAM	3,896,323	1,101,608
YARMOUTH	0	1,491,838
Total Municipal Aid	5,712,376,870	1,255,821,423

	Chapter 70
Regional School District	
ACTON BOXBOROUGH	15,795,331
AMHERST PELHAM	9,718,177
ASHBURNHAM WESTMINSTER	15,695,823
ASSABET VALLEY	9,094,933
ATHOL ROYALSTON	23,384,666
AYER SHIRLEY	8,501,531
BERKSHIRE HILLS	3,045,078
BERLIN BOYLSTON	2,796,615
BLACKSTONE MILLVILLE	11,180,599
BLACKSTONE VALLEY	9,276,128
BLUE HILLS	7,200,675
BRIDGEWATER RAYNHAM	30,936,533
BRISTOL COUNTY	4,926,195
BRISTOL PLYMOUTH	14,194,511
CAPE COD	3,407,272
CENTRAL BERKSHIRE	9,501,343
CHESTERFIELD GOSHEN	765,760
CONCORD CARLISLE	3,253,959
DENNIS YARMOUTH	11,659,682
DIGHTON REHOBOTH	13,270,556
DOVER SHERBORN	2,655,010
DUDLEY CHARLTON	24,886,633
ESSEX NORTH SHORE	7,848,348
FARMINGTON RIVER	618,910
FRANKLIN COUNTY	5,957,693
FREETOWN LAKEVILLE	11,657,459
FRONTIER	2,917,875
GATEWAY	5,935,146
GILL MONTAGUE	7,806,461
GREATER FALL RIVER	21,959,793
GREATER LAWRENCE	35,549,375
GREATER LOWELL	37,225,283
GREATER NEW BEDFORD	33,556,147
GROTON DUNSTABLE	11,193,413
HAMILTON WENHAM	4,019,168
HAMPDEN WILBRAHAM	12,258,764
HAMPSHIRE	3,344,553
HAWLEMONT	646,036
HOOSAC VALLEY	11,233,231
KING PHILIP	7,828,270
LINCOLN SUDBURY	3,842,875

	Chapter 70
Regional School District	
MANCHESTER ESSEX	3,195,518
MARTHAS VINEYARD	3,548,266
MASCONOMET	5,403,309
MENDON UPTON	12,697,336
MINUTEMAN	3,004,923
MOHAWK TRAIL	6,154,784
MONOMOY	4,165,485
MONTACHUSETT	18,318,704
MOUNT GREYLOCK	4,857,318
NARRAGANSETT	12,340,849
NASHOBA	9,777,036
NASHOBA VALLEY	4,701,934
NAUSET	3,670,819
NEW SALEM WENDELL	912,492
NORFOLK COUNTY	1,466,213
NORTH MIDDLESEX	20,759,753
NORTHAMPTON SMITH	927,095
NORTHBORO SOUTHBORO	3,324,874
NORTHEAST METROPOLITAN	14,072,974
NORTHERN BERKSHIRE	6,841,032
OLD COLONY	4,171,603
OLD ROCHESTER	3,468,325
PATHFINDER	7,455,148
PENTUCKET	13,453,802
PIONEER	3,998,199
QUABBIN	16,880,008
QUABOAG	10,338,129
RALPH C MAHAR	6,047,557
SHAWSHEEN VALLEY	6,628,191
SILVER LAKE	9,511,521
SOMERSET BERKLEY	6,970,381
SOUTH MIDDLESEX	8,973,444
SOUTH SHORE	5,674,566
SOUTHEASTERN	22,134,306
SOUTHERN BERKSHIRE	2,065,241
SOUTHERN WORCESTER	14,219,280
SOUTHWICK TOLLAND GRANVILLE	10,002,678
SPENCER EAST BROOKFIELD	13,876,514
TANTASQUA	10,943,768
TRI COUNTY	5,825,798
TRITON	9,040,341

	Chapter 70	
Regional School District		
UPISLAND	967,672	
UPPER CAPE COD	4,451,242	
WACHUSETT	35,851,035	
WHITMAN HANSON	25,196,160	
WHITTIER	13,387,607	
		Unrestricted General Government Aid
TOTALS	Chapter 70	
Total Regional Aid	872,219,040	
Total Municipal and Regional Aid	6,584,595,910	1,255,821,423



Section 4 - Audit Frequency

SECTION 4. Section 12 of chapter 11 of the General Laws, as appearing in the 2020 Official Edition, is hereby amended by striking out, in line 18, the figure "3" and inserting in place thereof the following figure:- 4.

Summary:

This section requires that the State Auditor conduct audits of all entities required to be audited every 4 years to conform with recommended funding contained in the budget.

Section 5 - Surtax Implementation 1

SECTION 5. Chapter 29 of the General Laws is hereby amended by inserting after section 2AAAAAA, as inserted by section 42 of chapter 268 of the acts of 2022, the following section:-

Section 2BBBBBB. (a) There shall be established and set up on the books of the commonwealth a separate fund known as the Education and Transportation Fund. The fund shall be credited with: (i) income tax revenues from the additional 4 per cent income tax levied pursuant to Article XLIV of the Articles of amendment of the Constitution, as added by CXXI of the Articles of Amendment; (ii) appropriations or other money authorized or transferred by the general court and specifically designated to be credited to the fund; (iii) funds from public and private sources, including, but not limited to gifts, grants and donations; and (iv) any interest earned on the assets of the fund. Amounts credited to the fund shall be expended, subject to appropriation, for quality public education and affordable public colleges and universities, and for the repair and maintenance of roads, bridges and public transportation. The fund shall not be subject to section 5C.

(b) Income tax revenues collected and deposited into this fund shall not be subject to the allowable state tax revenue limitations established by chapter 62F. The commissioner of revenue shall estimate on or before September 1, for the preceding fiscal year, the amount of revenue to exclude from the chapter 62F calculation and include that estimate in the report submitted to the state auditor pursuant to subsection (a) of section 5 of said chapter 62F; this estimate shall be final.

(c) Income tax revenues collected and deposited into this fund shall not be considered to be tax revenues collected from capital gains income for purposes of section 5G. The commissioner of revenue shall estimate, in the fiscal fourth quarter capital gains tax certification, the amount of revenue to exclude from the 5G calculation; this estimate shall be final.

(d) Expenditures from this fund shall be designated in each item as recurring or one-time expenses in the appropriations act in which the spending is authorized.

(e)(1) Annual expenditures on recurring expenses from this fund shall not exceed a spending limit, which shall be equal to (i) \$1,000,000,000 in fiscal year 2024; and (ii) \$1,030,000,000 in fiscal year 2025.

(2) For fiscal year 2026, as part of the general appropriations act, the governor shall propose, and the general court shall enact, a spending limit that represents an amount of revenue that can reliably be expected to recur in future years based on experience to date.

(3) For fiscal years 2027 and all those thereafter, the cap shall be equal to the prior year spending cap, plus an adjustment factor equal to the ten-year rolling rate of growth of income subject to the additional 4 per cent tax, as certified by the commissioner of revenue. For years in which the additional 4 per cent tax was not in effect, the commissioner shall calculate the amount of income that would have been subject to the taxes, adjusted for increases in the cost of living in the same manner as described in said Article XLIV and set forth pursuant to paragraph (d) of section 4 of chapter 62.

(f) Expenditures not designated as recurring expenses may only be in support of one-time investments, which may include pay-go capital or other one-time projects. One-time investments must be completed within a period of 5 years from the date on which the expenditure is authorized.

(g) Any expenditures authorized from the fund shall be subject to sections 9B and 9C, without respect to whether such purposes would otherwise be subject to allotment. For any fiscal year after 2024, no funds shall be expended from the fund that would cause the balance of the fund to drop below 33 per cent of the annual spending limit except by two-thirds vote of each branch of the general court.

(h) (1) Annually, in consultation with the secretary of administration and finance, as part of the annual statutory basis financial report required pursuant to paragraph (2) of subsection (a) of section 12 of chapter 7A, the comptroller shall certify the amount of funds expended in the prior fiscal year on: (i) recurring education expenditures; (ii) recurring transportation expenditures; (iii) one time education expenditures; and (iv) one-time transportation expenditures. The comptroller shall rely on the designations in items as one-time or recurring, consistent with subsection (d), and shall determine the designation as transportation or education on the basis of the department through which the expenditures were authorized.

(2) The comptroller shall also certify the amount authorized for expenditure from the fund but not yet spent, as well as the balance of the fund at the end of the fiscal year.

Summary:

This section, along with five others, formally incorporates the 4% surtax into the Massachusetts General Laws and establishes the Education and Transportation Fund for deposit of surtax revenues.

Section 6 - Surtax Implementation 2

SECTION 6. Section 5G of said chapter 29 of the General Laws, as appearing in the 2020 Official Edition, is hereby further amended by adding the following sentence:-

For purposes of this section, income tax revenues collected due to the additional 4 per cent income tax levied pursuant Article XLIV of the Articles of amendment of the Constitution, as added by CXXI of the Articles of Amendment, shall not be considered to be tax revenue collected from capital gains income.

Summary:

This section, along with five others, formally incorporates the 4% surtax into the Massachusetts General Laws and establishes the Education and Transportation Fund for deposit of surtax revenues.

Section 7 - Surtax Implementation 3

SECTION 7. Said chapter 29 is hereby further amended by inserting after section 5H the following section:-

Section 5I. (a) No later than February 20, May 20, July 20, and October 20 of each year pursuant to paragraph (1) of subsection (b), and annually by December 15 pursuant to paragraph (2) of said subsection (b), the commissioner of revenue shall certify to the comptroller the amount of tax revenues estimated to have been collected during the preceding period on account of the additional 4 per cent income tax levied pursuant Article XLIV of the Articles of amendment of the Constitution, as added by CXXI of the Articles of Amendment, with adjustments described in subsection (c).

(b) (1) For purposes of this section, quarterly periods shall be defined as October 1 through January 31, February 1 through April 30, May 1 through June 30, and July 1 through September 30.

(2) Each quarterly period certification shall include, as necessary, adjustments to estimates made with respect to prior quarters of the same fiscal year; provided further, annually and no later than December 15, the commissioner shall issue to the comptroller the preliminary certification of tax revenues collected during the preceding fiscal year due to said additional 4 per cent income tax, plus adjustments as necessary for prior fiscal years.

(c) Upon certification by the commissioner pursuant to subsection (a), the comptroller shall transfer quarterly all such certified revenue, net of all necessary adjustments, from the General Fund to the Education and Transportation Fund established in section 2BBBBBB. Transfers shall be credited in the same fiscal year during which the certification is issued, provided that any transfers resulting from the July 20 certification shall be credited in the fiscal year ending on the immediately preceding June 30.

Summary:

This section, along with five others, formally incorporates the 4% surtax into the Massachusetts General Laws and establishes the Education and Transportation Fund for deposit of surtax revenues.

Section 8 - Surtax Implementation 4

SECTION 8. Section 6D of said chapter 29 of the General Laws, as appearing in the 2020 Official Edition, is hereby amended by striking out, in lines 22 to 24, inclusive, the words "and (g) section 2E, which shall set forth appropriations to support transfers to funds other than budgetary funds" and inserting in place thereof the following words:- (g) section 2E, which shall set forth appropriations to support transfers to funds other than budgetary funds; and (h) section 2F, which shall set forth appropriations funded from the Education and Transportation Fund.

Summary:

This section, along with five others, formally incorporates the 4% surtax into the Massachusetts General Laws and establishes the Education and Transportation Fund for deposit of surtax revenues.

Section 9 - Pension Transfer Schedule

SECTION 9. Subdivision (1) of section 22C of chapter 32 of the General Laws, as so appearing, is hereby amended by striking out the third paragraph and inserting in place thereof the following paragraph:-

Notwithstanding any general or special law to the contrary, appropriations or transfers made to the Commonwealth's Pension Liability Fund in fiscal years 2024 to 2026, inclusive, shall be made in accordance with the following funding schedule: (i) \$4,104,583,378 in fiscal year 2024; (ii) \$4,499,854,757 in fiscal year 2025; and (iii) \$4,933,190,770 in fiscal year 2026. Notwithstanding any provision of this subdivision to the contrary, any adjustments to these amounts shall be limited to increases in the schedule amounts for each of the specified years.

Summary:

This section replaces the now-obsolete pension funding schedule that has been in place between fiscal years 2021 and 2023 with a new schedule for fiscal years 2024 through 2026.

Section 10 - Surtax Implementation 5

SECTION 10. Section 4 of chapter 62 of the General Laws, as so appearing, is hereby amended by adding the following paragraph:-

(d) Where the sum of Part A taxable income, Part B taxable income, and Part C taxable income exceeds \$1,000,000 in a taxable year, the portion of such taxable income exceeding \$1,000,000 shall be taxed at the rate or rates specified in paragraphs (a) through (c) of this section plus an additional 4 percentage points. In determining such sum, any negative amount or loss in any Part of taxable income may not be applied to reduce income in any other Part or otherwise be applied to reduce such sum. The \$1,000,000 taxable income threshold referenced in this paragraph shall be annually subject to the cost-of-living adjustment as provided by subsection (f) of section one of the federal Internal Revenue Code. The commissioner may promulgate regulations or issue other guidance as necessary or appropriate to implement this paragraph.

Summary:

This section, along with five others, formally incorporates the 4% surtax into the Massachusetts General Laws and establishes the Education and Transportation Fund for deposit of surtax revenues.

Section 11 - Surtax Implementation 6

SECTION 11. Subsection (a) of section 5A of said chapter 62, as so appearing, is hereby amended by striking out the first sentence and inserting in place thereof the following 3 sentences:- The amount of the Part A taxable income, the Part B taxable income and the Part C taxable income, of any non-resident of the commonwealth derived from the Massachusetts gross income of such person shall be taxed in accordance with the provisions of section 4. Where the sum of Part A taxable income, Part B taxable income, and Part C taxable income exceeds \$1,000,000 in a taxable year, the portion of such taxable income exceeding \$1,000,000 shall be taxed in accordance with paragraph (d) of section 4. In determining such sum, any negative amount or loss in any Part of taxable income may not be applied to reduce income in any other Part or otherwise be applied to reduce such sum.

Summary:

This section, along with five others, formally incorporates the 4% surtax into the Massachusetts General Laws and establishes the Education and Transportation Fund for deposit of surtax revenues.

Section 12 - Direct Negotiations for Rebates on Certain Drugs and Non-Drug Products

SECTION 12. Chapter 118E of the General Laws is hereby amended by inserting after section 12A the following section:-

Section 12B. Notwithstanding any general or special law to the contrary, the secretary of health and human services may directly negotiate rebate agreements with manufacturers of non-drug products and drugs that are not covered outpatient drugs under 42 U.S.C. 1396r-8 if such agreements maximize value to the commonwealth; provided, however, that the secretary shall not be subject to any otherwise applicable requirements set forth in 801 CMR 21.00 or any successor regulation. Such agreements may be based on the value, efficacy or outcomes of the non-drug product or drug.

Summary:

This section allows MassHealth to directly negotiate rebate agreements for drugs not subject to the Medicaid Drug Rebate Program and for certain non-drug products such as durable medical equipment.

Section 13 - Medicare Savings Program Asset Test Elimination 1

SECTION 13. Subsection (a) of section 25A of said chapter 118E of the General Laws, as amended by section 55 of chapter 126 of the acts of 2022, is hereby further amended by striking out, in lines 1 to 4, inclusive, the following words:- (a) For individuals 65 years of age or older, the division shall not consider income in an amount equivalent to 90 per cent of the federal poverty level or assets in an amount equivalent to the federal resource limit for the Medicare Saving programs, each" and inserting in place thereof the following words:- (a)(1) For individuals 65 years of age or older, the division shall not consider income in an amount equivalent to 90 per cent of the federal poverty level.

Summary:

This section, along with one other, requires MassHealth to disregard all assets or resources when determining eligibility for the Medicare Savings Program.

Section 14 - Medicare Savings Program Asset Test Elimination 2

SECTION 14. Said subsection (a) of said section 25A of said chapter 118E, as so amended, is hereby further amended by adding the following paragraph:-

(2) In determining eligibility for Medicare Saving or Medicare Buy-in programs described in paragraph (1) for individuals 65 years of age or older, the division shall disregard all assets or resources. Implementation of this paragraph is contingent upon receiving federal approvals described in subsection (b).

Summary:

This section, along with one other, requires MassHealth to disregard all assets or resources when determining eligibility for the Medicare Savings Program.

Section 15 - Expansion of Voluntary Services Post DYS Discharge 1

SECTION 15. Section 16 of chapter 120 of the General Laws, as appearing in the 2020 Official Edition, is hereby amended by striking out the fifth sentence and inserting in place thereof the following sentence:- The department may continue to provide for any person covered in this chapter under 22 years of age for specific education, rehabilitative or transitional services and supports, under conditions agreed upon by both the department and such persons and terminable by either.

Summary:

This section, along with one other, allows the Department of Youth Services to offer services after discharge beyond the 90-day cutoff date that currently exists and expands the services and supports offered to include transitional services and supports.

Section 16 - Expansion of Voluntary Services Post DYS Discharge 2

SECTION 16. Said section 16 of said chapter 120, as so appearing, is hereby further amended by striking out, in line 19, the words ", for up to 90 days".

Summary:

This section, along with one other, allows the Department of Youth Services to offer services after discharge beyond the 90-day cutoff date that currently exists and expands the services and supports offered to include transitional services and supports.

Section 17 - Department of Correction No Cost Calls

SECTION 17. Chapter 127 of the General Laws is hereby amended by inserting after section 87 the following section:-

Section 87A. (a) For the purposes of this section, the terms "state correctional facilities", and "state prison" shall have the same meanings as in section 1 of chapter 125.

(b) The department of correction shall provide individuals incarcerated in or civilly committed to a Massachusetts state correctional facility or state prison, with phone calls free of charge to the person initiating and the person receiving the phone call for no more than 1,000 minutes per month per incarcerated or civilly committed individual.

Summary:

This section creates requires the Department of Correction to provide incarcerated individuals in state correctional facilities with free of charge phone calls (both to and from the individual) for no more than 1,000 minutes per month.

Section 18 - MBTA Capital Budget Dates 1

SECTION 18. The last sentence of the fourth paragraph of subsection (g) of section 5 of chapter 161A of the General Laws, as amended by section 51 of chapter 179 of the acts of 2022, is hereby further amended by striking out the words "60 days prior to the start of the fiscal year" and inserting in place thereof the following words:- June 15 of each year.

Summary:

This section, along with one other, change the dates by which the Massachusetts Bay Transportation Authority must prepare and submit its capital budget in order to conform more closely to the Commonwealth's capital plan development.

Section 19 - MBTA Capital Budget Dates 2

SECTION 19. The eighth paragraph of said subsection (g) of said section 5 of said chapter 161A of the General Laws, as appearing in the 2020 Official Edition, is hereby amended by striking out, in line 157, the word "January" and inserting in place thereof the following word:- May.

Summary:

This section, along with one other, change the dates by which the Massachusetts Bay Transportation Authority must prepare and submit its capital budget in order to conform more closely to the Commonwealth's capital plan development.

Section 20 - Other Post-Employment Benefits Liability

SECTION 20. (a) Notwithstanding any general or special law to the contrary, 10 per cent of all payments received by the commonwealth in fiscal year 2024 under the master settlement agreement in Commonwealth of Massachusetts v. Philip Morris, Inc. et al., Middlesex Superior Court, No. 95-7378 shall be transferred from the General Fund to the State Retiree Benefits Trust Fund from payments received by the commonwealth under the master settlement agreement.

(b) Notwithstanding any general or special law to the contrary, the payment percentage set forth in section 152 of chapter 68 of the acts of 2011 shall not apply in fiscal year 2024.

Summary:

This section establishes that 10% of tobacco settlement proceeds are to be transferred from the General Fund to the State Retiree Benefits Trust Fund in fiscal year 2024.

Section 21 - Pension Cost of Living Adjustment

SECTION 21. Notwithstanding any general or special law to the contrary, the amounts transferred pursuant to subdivision (1) of section 22C of chapter 32 of the General Laws shall be made available for the Commonwealth's Pension Liability Fund established in section 22 of said chapter 32. The amounts transferred pursuant to said subdivision (1) of said section 22C of said chapter 32 shall meet the commonwealth's obligations pursuant to said section 22C of said chapter 32, including retirement benefits payable by the state employees' retirement system and the state teachers' retirement system, for the costs associated with a 3 per cent cost-of-living adjustment pursuant to section 102 of said chapter 32, for the reimbursement of local retirement systems for previously authorized cost-of-living adjustments pursuant to said section 102 of said chapter 32 and for the costs of increased survivor benefits pursuant to chapter 389 of the acts of 1984. The state board of retirement and each city, town, county and district shall verify these costs, subject to rules that shall be adopted by the state treasurer. The state treasurer may make payments upon a transfer of funds to reimburse certain cities and towns for pensions of retired teachers, including any other obligation that the commonwealth has assumed on behalf of a retirement system other than the state employees' retirement system or state teachers'

retirement system, including the commonwealth's share of the amounts to be transferred pursuant to section 22B of said chapter 32. The payments under this section shall be made only pursuant to distribution of money from the Commonwealth's Pension Liability Fund and any distribution, and the payments for which distributions are required, shall be detailed in a written report prepared quarterly by the secretary of administration and finance and submitted to the senate and house committees on ways and means and the joint committee on public service in advance of the distribution. Distributions shall not be made in advance of the date on which a payment is actually to be made. If the amount transferred pursuant to subdivision (1) of section 22C of said chapter 32 exceeds the amount necessary to adequately fund the annual pension obligations, the excess amount shall be credited to the Pension Reserves Investment Trust Fund established in subdivision (8) of said section 22 of said chapter 32 to reduce the unfunded pension liability of the commonwealth.

Summary:

This section explains how the Commonwealth is fulfilling its various obligations to the state retirement system, including the obligation to fund a 3% cost-of-living adjustment on the first \$13,000 of a retiree's annual retirement allowance.

Section 22 - Expanded Medicare Savings Program Transfer

SECTION 22. Notwithstanding any general or special law to the contrary, the secretary of administration and finance, in consultation with the secretary of health and human services, may transfer from the prescription advantage program in item 9110-1455 of section 2 and the Health Safety Net Trust Fund established in section 66 of chapter 118E of the General Laws in fiscal year 2024, the amount necessary to support the Medicare Saving or Medicare Buy-In programs established in section 25A of said chapter 118E; provided, however, that the secretary of health and human services shall certify to the senate and house committees on ways and means, not less than 15 days in advance of the transfer, in writing, the amount to be transferred and an explanation of the amount of expected savings to those programs resulting from the transfer.

Summary:

This section authorizes the transfer of funds from the Prescription Advantage programs and the Health Safety Net Trust Fund in order to fund the non-federal share of the Medicare Savings Program.

Section 23 - Health Safety Net Administration

SECTION 23. Notwithstanding any general or special law to the contrary, payments from the Health Safety Net Trust Fund established in section 66 of chapter 118E of the General Laws may be made either as safety net care payments under the commonwealth's waiver pursuant to section 1115 of the federal Social Security Act, 42 U.S.C. 1315, or as an adjustment to service rate payments under Title XIX and XXI of the Social Security Act or a combination of both. Other federally permissible funding mechanisms available for certain hospitals, as defined by regulations of the executive office of health and human services, may be used to reimburse up to \$70,000,000 of uncompensated care pursuant to sections 66 and 69 of said chapter 118E using sources distinct from the funding made available to the Health Safety Net Trust Fund.

Summary:

This section allows Health Safety Net payments to be made as 1115 waiver or state plan payments, and authorizes up to \$70 million of uncompensated care to be paid from sources other than the Health Safety Net Trust Fund

Section 24 - Initial Gross Payments to Qualifying Acute Care Hospitals

SECTION 24. Notwithstanding any general or special law to the contrary, not later than October 1, 2023 and without further appropriation, the comptroller shall transfer from the General Fund to the Health Safety Net Trust Fund established in section 66 of chapter 118E of the General Laws the greater of \$45,000,000 or 1/12 of the total expenditures to hospitals and community health centers required pursuant to this act, for the purposes of making initial gross payments to qualifying acute care hospitals for the hospital fiscal year beginning October 1, 2023. These payments shall be made to hospitals before, and in anticipation of, the payment by hospitals of their gross liability to the Health Safety Net Trust Fund. The comptroller shall transfer from the Health Safety Net Trust Fund to the General Fund, not later than June 30, 2024, the amount of the transfer authorized by this section and any allocation of that amount as certified by the director of the health safety net office.

Summary:

This annual section requires the Comptroller to transfer sufficient money from the General Fund to the Health Safety Net Trust Fund to make the required initial gross payment to qualifying hospitals. It requires the Health Safety Net Trust Fund to repay the General Fund before the end of fiscal year 2024.

Section 25 - Inspector General's Health Care Audits

SECTION 25. Notwithstanding any general or special law to the contrary, in hospital fiscal year 2024, the office of inspector general may expend a total of \$1,000,000 from the Health Safety Net Trust Fund established in section 66 of chapter 118E of the General Laws for costs associated with maintaining a health safety net audit unit within the office. The unit shall continue to oversee and examine the practices in hospitals including, but not limited to, the care of the uninsured and the resulting free charges. The unit shall also study and review the Medicaid program under said chapter 118E including, but not limited to, a review of the program's eligibility requirements, utilization, claims administration and compliance with federal mandates. The inspector general shall submit a report to the chairs of the senate and house committees on ways and means on the results of the audits and any other completed analyses not later than March 1, 2024.

Summary:

This section authorizes the Inspector General's Office to conduct audits of the Health Safety Net and the MassHealth program, at a cost of \$1 million for fiscal year 2024. As in past years, this cost will be borne by the Health Safety Net Trust Fund.

Section 26 - Nursing Facility Base Year

SECTION 26. Notwithstanding any general or special law to the contrary, nursing facility rates to be effective on October 1, 2023 under section 13D of chapter 118E of the General Laws may be developed using the costs of calendar year 2019.

Summary:

This section allows the Executive Office of Health and Human Services to continue using 2019 costs to develop nursing facility rates.

Section 27 - Transfers Between Health Funds

SECTION 27. Notwithstanding any general or special law to the contrary, the comptroller, at the direction of the secretary of administration and finance may transfer up to \$15,000,000 from the Commonwealth Care Trust Fund established in section 2000 of chapter 29 of the General Laws to the Health Safety Net Trust Fund established in section 66 of chapter 118E of the General Laws.

Summary:

This section authorizes the Secretary of Administration and Finance to transfer up to \$15 million from the Commonwealth Care Trust Fund to the Health Safety Net Trust Fund.

Section 28 - FY24 RTA Funding Distribution

SECTION 28. Notwithstanding any special or general law to the contrary, for fiscal year 2024, \$96,820,000 of the amount transferred in item 1595-6370 of section 2E shall be considered operating assistance and distributed to regional transit authorities; provided, however, that for fiscal year 2024, \$94,000,000 shall be distributed based on fiscal year 2023 distributions, in accordance with the updated fiscal year 2023 bilateral memorandum of understanding between each regional transit authority and the Massachusetts Department of Transportation; provided further, that each regional transit authority shall receive operating assistance from said item 1595-6370 of said section 2E of not less than the amount received in fiscal year 2023; and provided further, that \$2,820,000 shall be distributed to each regional transit authority based on the following formula: 60 per cent based on total transit ridership as reported on the most recent certified national transit data base report, 30 per cent based on population of its member communities from the most recent census and 10 per cent based on service coverage area determined by the total square miles of its member communities. The department may require each regional transit authority to provide data on ridership, customer service and satisfaction, asset management and financial performance, including farebox recovery, and shall compile collected data into a report on the performance of regional transit authorities and each authority's progress towards meeting the performance metrics established in each memorandum of understanding.

Summary:

This section sets forth the fiscal year 2024 Regional Transit Authorities funding distribution.

Section 29 - Surtax Implementation Effective Date 1

SECTION 29. Sections 5, 6, 7, and 8 shall take effect on January 1, 2023.

Summary:

This section, along with one other, set the effective date for the Surtax Implementation provisions.

Section 30 - Department of Correction No Cost Calls Effective Date

SECTION 30. Section 87A of chapter 127 of the General Laws, as inserted by section 17 shall take effect 60 days after the effective date of this act.

Summary:

This section sets an effective date for the Department of Correction No Cost Calls provision.

Section 31 - Surtax Implementation Effective Date 2

SECTION 31. Sections 10 and 11 shall take effect for taxable years beginning on or after January 1, 2023.

Summary:

This section, along with one other, set the effective date for the Surtax Implementation provisions.

Section 32 - Effective Date

SECTION 32. Except as otherwise specified, this act shall take effect on July 1, 2023.

Summary:

This section provides that the budget shall take effect on July 1, 2023.



The Governor's FY24 Budget Recommendation was produced by **Massachusetts Correctional Industries** (MassCor), a division of the Massachusetts Department of Correction. Inmates within the department produce goods and provide services at competitive prices, available to all Massachusetts agencies, departments, cities, towns, municipalities, and the general public. MassCor offers its inmate workforce skilled, paid jobs, in factory settings. Revenues generated from sales are reinvested, allowing for expansion and improvement of operations, cost reductions, and savings for the taxpayer.

www.masscor.us
800-222-2211