

# FY2026 H.1 BUDGET BRIEF

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## Fair Share Investments in FY25 and FY26

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### FY26 Fair Share Funding

Through a collaborative Consensus Revenue process, the Executive Office for Administration and Finance and the Committees on Ways and Means have arrived at \$1.950 billion as a reasonable level of spend from Fair Share revenues in the FY26 budget. On top of this, the FY26 budget is complimented by a Supplemental Budget that utilizes \$1.320 billion in Fair Share surplus revenues that have come in above FY24 estimates. Across these two pieces of legislation, the Governor's proposal achieves a nearly 50/50 split in Fair Share funding between Education and Transportation, totaling \$3.270 billion.

	FY26 H.1	Fair Share Surplus	Combined Total	
	\$ (in millions)	\$ (in millions)	\$ (in millions)	%
Education	1,135	463	1,598	49%
Transportation	815	858	1,673	51%
<b>Total</b>	<b>1,950</b>	<b>1,320</b>	<b>3,270</b>	

Investments are distributed across various sectors of education and transportation, with an emphasis on creating affordable and equitable outcomes. Continuing the Administration's commitment to transformative change that increases affordability, equity, and competitiveness across the Commonwealth, Fair Share investments are designed in align with other allocations within the budget to maximize their benefit to residents. For detailed information on each investment, please refer to the budget briefs listed below.

- [Access to High-Quality Education](#)
- [Transportation in the Commonwealth](#)

### Education

The FY26 House 1 budget dedicates \$1.185 billion for transformational education investments at all levels. A summary table of the FY26 H.1 Education budget investments is included below. See the [Access to High-Quality Education](#) brief for more information.

**FY26 H.1 Budget Briefs**  
**Fair Share Two Years Later**

<b>Education (\$ in millions)</b>	<b>FY26 H.1</b>
<b>Early Education &amp; Care</b>	<b>373.0</b>
Commonwealth Cares for Children (C3) Program	275.0
Child Care Supports	98.0
<b>K-12 Education</b>	<b>475.0</b>
Student Opportunity Act (Ch. 70)	225.0
Universal School Meals	170.0
Education Transportation	50.0
Literacy Launch	25.0
Mental Health Systems and Wraparounds	5.0
<b>Higher Education</b>	<b>337.0</b>
Higher Education Capital Funding	125.0
MassEducate	94.0
Financial Aid Expansion	80.0
MassReconnect	24.0
State U SUCCESS	14.0
<b>Total</b>	<b>1,185.0</b>

The House 1 budget continues our commitment to improving affordability and access to education at all levels, from early childhood through post secondary. Some highlights of the Fair Share funds:

- \$275 million (adding to the operating investment for a total of \$475 million) for supporting stabilization of the early education and care system through continued funding of the Commonwealth Cares for Children (C3) program
- \$225 million to support the 5<sup>th</sup> (of 6<sup>th</sup>) year implementation of the Student Opportunity Act
- \$125 million to unlock an estimated \$3 billion in capital funding for infrastructure improvements across public higher education campuses
- \$98 million for child care financial assistance, including to maintain current rates paid to providers participating in the state's child care financial assistance programs
- \$50 million for education transportation reimbursements (which, when combined with operating investments leads to total investments of \$116 M for regional school and \$6.2 million for non-resident vocational transportation)
- \$25 million for the expansion of Literacy Launch, helping equip students with the reading and writing skills necessary for academic success and lifelong learning
- \$14 million for State University SUCCESS to provide wraparound supports and services to improve outcomes for their most vulnerable populations
- \$5 million to fund mental and behavioral health services in schools
- Maintains historic higher education investments with \$94 million for MassEducate, \$80 million for MASSGrant Plus, and \$24 million for MassReconnect

**Education investments in the Fair Share Supplemental Budget**

<b>Education (\$ in millions)</b>	<b>Fair Share Supplemental</b>
<b>Executive Office of Education</b>	<b>32.5</b>
Reimagining High School	32.5
<b>Early Education &amp; Care</b>	<b>150.0</b>
EEC Capacity Building	100.0
Commonwealth Preschool Partnership Initiative	50.0
<b>K-12 Education</b>	<b>280.0</b>
Special Education Circuit Breaker Reserve	150.0
Career Technical Education Schools Capital/Grants	75.0
Adult Basic Ed/ESOL	30.0
High Dosage Tutoring	25.0
<b>Total</b>	<b>462.5</b>

Accompanying the House 1 budget filing, the Fair Share supplemental budget allows for additional investments in Education from FY24 Fair Share resources that were collected above benchmark. These supplemental investments include:

- \$32.5 million for Reimagining High School initiatives to support a multi-year expansion of programs like Early College and Innovation/Career Pathways
- \$100 million for early education and care capacity building, family access and affordability, and workforce supports; support for the implementation of the Early Education and Care Task Force recommendations
- \$50 million for the Commonwealth Preschool Partnership Initiative (CPPI) to continue a path towards universally accessible Pre-K, prioritizing Gateway Cities and other high need and rural communities
- \$150 million for Special Education Circuit Breaker Reserve
- \$75 million for Career Technical Education Schools Capital funding
- \$30 million to better coordinate and address the growing waitlist for ESOL services
- \$25 million for high dosage literacy tutoring to support 10,000 students in grades K-3, with priority given to students in grade 1

## Transportation

The FY26 House 1 budget dedicates \$765 million to the CTF to increase borrowing capacity up to \$3.5 billion over the next ten years. A summary table of the FY26 H.1 Transportation budget investments is included below. See the **Transportation in the Commonwealth** budget brief for more information.

**FY26 H.1 Budget Briefs**  
**Fair Share Two Years Later**

<b>Transportation (\$ in millions)</b>	<b>FY26 H.1</b>
MBTA	500.0
RTAs	110.0
Debt Service	100.0
MassDOT	55.0
<b>Total</b>	<b>765.0</b>

**Commonwealth Transportation Fund Bonding Capacity**

In the FY25 GAA, the Healey-Driscoll Administration and the Legislature embraced an innovative approach to expanding available capital investment for transportation by dedicating Fair Share revenues to the existing CTF. This approach created new capacity within the CTF financing program to fund additional infrastructure for public transportation. In this budget proposal, the Healey-Driscoll Administration is increasing its commitment to this successful approach, by dedicating \$765 million of Fair Share funds to the CTF to unlock over \$5 billion in additional capital funding resources for transportation over the next 10 years, enabling the following capital programs:

- \$1.5 billion over five years for Ch. 90 reform (including rural roads)
- \$1.5 billion for road and bridge lifecycle asset management program to address pavement and bridge condition
- \$850 million for the MBTA to support maintenance facilities modernization and power system resilience
- \$615 million for the Allston multi-modal project
- \$200 million for culvert and small bridge statewide
- \$185 million for safety and congestion hotspots

**Transportation investments in the Fair Share Supplemental Budget**

<b>Transportation (\$ in millions)</b>	<b>Fair Share Supplemental</b>
<b>MBTA</b>	<b>780.0</b>
MBTA Supports	780.0
<b>MassDOT</b>	<b>52.5</b>
Winter Resilience Assistance Program (WRAP)	25.0
MassDOT Workforce & Project Delivery Reserve	17.5
MicroTransit and Last Mile Innovation Grants	10.0
<b>RTAs</b>	<b>25.0</b>
RTA Supports	25.0
<b>Total</b>	<b>857.5</b>

Through the deployment of excess FY24 Fair Share funds in the supplemental budget, additional Transportation investments include:

- \$400 million for the FTA reserve
- \$300 million for replenishing the MBTA's stabilization reserve
- \$67 million for the continuation of the MBTA Income-Eligible Fare Relief program
- \$25 million for Winter Resilience Assistance Program
- \$25 million for RTA workforce initiatives (i.e. CDL cost assistance, training, etc.)
- \$17.5 million for MassDOT workforce and project delivery reserve
- \$13 million for Sumner Tunnel mitigation efforts undertaken to support commuters and travelers affected by the closure of the Sumner Tunnel for repairs in the summers of 2023 and 2024
- \$10 million for MicroTransit and Last Mile Innovation Grants