

FY2026 H.1 BUDGET BRIEF

Maura T. Healey, Governor | Kimberley Driscoll, Lt. Governor

Serving Our Veterans

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Veterans Services in the Commonwealth of Massachusetts

The Healey-Driscoll Administration demonstrates its commitment to veterans and their families with a \$201 million House 1 budget recommendation for the Executive Office of Veterans Services (EOVS). This funding strengthens organizational capacity, supports the expansion of veteran services, and sustains 888 employees across the secretariat. EOVS's mission is to provide the highest quality programs, benefits, and advocacy for veterans and their families. The administration's recommendation ensures veterans, and their families can access essential benefits and services, are respected for their service, and can lead healthy and productive lives.

EOVS fulfills its mission by:

- Operating the Chelsea and Holyoke Veterans Homes, which provide high-quality long-term care to those who have served.
- Administering needs-based benefits through municipal veteran service officers.
- Funding annuities for disabled veterans, Gold Star families, widows, and spouses.
- Supporting veterans' housing, education, employment, and peer services.
- Managing and expanding veterans' cemeteries in Agawam and Winchendon.
- Ending veteran homelessness, combatting mental health crises, and reducing suicide rates.

The Healey-Driscoll Administration is transforming the Commonwealth's veterans' services through improved operations at Veterans Homes, expanded outreach efforts, and new legislation focused on veteran welfare. By maintaining core services and introducing enhancements, this budget recommendation reflects the Commonwealth's unwavering commitment to those who have served.

HERO Act

In November 2023, the Healey-Driscoll Administration filed the HERO Act, the most comprehensive veteran-focused legislation in nearly two decades. Following its passage, the Act is fully funded in the FY26 House 1 budget recommendation. It enhances benefits, modernizes services, and promotes equity, with implementation set to begin in February 2025—marking the first fiscal year in which these provisions will take effect.¹

¹ [Governor Maura Healey Signs Historic HERO Act, New Era for Veterans in Massachusetts | Mass.gov](#)

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Key provisions include:²

- **Disabled Veteran Annuity:** Increasing the annuity to \$2,500 annually for disabled veterans, Gold Star parents, and surviving spouses.
- **Expanded Exemptions:** Extending tax and fee exemptions to 100% service-connected disabled veterans.
- **Behavioral Health Access:** Expanding eligibility for low-income veterans.
- **Veteran Definition:** Broadening the definition of “veteran” and “veteran dependent” to improve benefit access
- **Vet-Hire Tax Credit:** Increasing the tax credit by \$500 to \$2,500 for small businesses employing unemployed or low-income veterans.

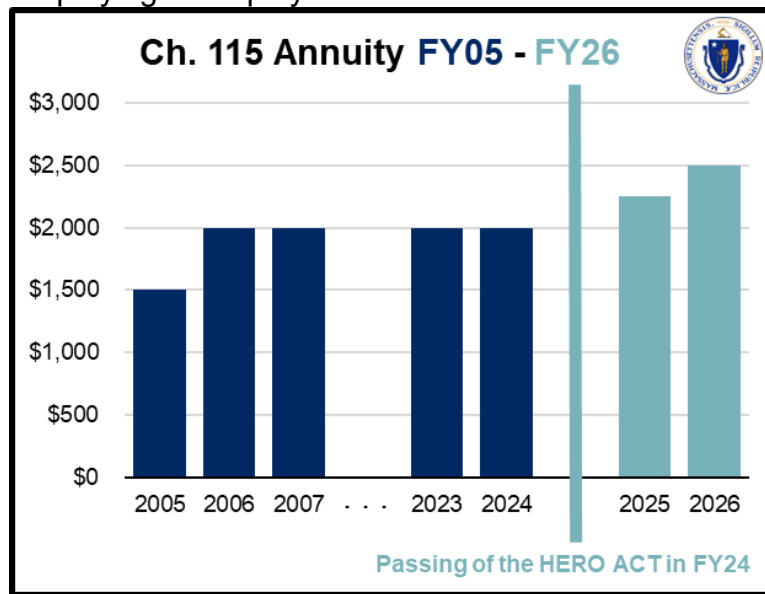


Chart 1: This chart illustrates Chapter 115 Annuity payments from FY05 to FY26; the significant increase in payments starting in FY25 reflects the policy changes enacted by the HERO Act.

The HERO Act enhances mental health services and homelessness prevention for veterans through key program expansions. It adds behavioral health reimbursements to existing Chapter 115 benefits, ensuring low-income veterans can access critical mental health services. The Act establishes a Post-Traumatic Stress Disorder (PTSD) Commission to explore innovative treatment options and directs funding to programs that prevent suicide.

To address homelessness, the HERO Act builds on the End Veteran Homelessness campaign that was launched in March of 2024.³ The campaign invested a one-time \$20 million allocation from the American Rescue Plan Act (ARPA) funds, aimed at providing immediate resources to support expanding outreach, enhancing housing infrastructure, and providing supplementary aid to prevent veteran homelessness, and the Act expands on these investments.

² [HERO Act | Mass.gov](#)

³ [Healey-Driscoll Administration Launches Campaign to End Veteran Homelessness in Massachusetts | Mass.gov](#)

Veterans Homes in Chelsea and Holyoke

Veterans Homes in Chelsea and Holyoke provide essential long-term care and foster community for those who served. The FY26 House 1 budget recommendation includes \$46.5 million for the Chelsea Home and \$33.3 million for the Holyoke Home, resources that will be key in supporting the costs of staffing and care. Further, EOVS continues to utilize an additional \$25.4 million in federal ARPA funds to increase veterans' access to housing, economic development in the form of job development and retraining programs, and expanding veterans' access to essential services.



Figure 1: The newly opened Community Living Center in Chelsea

Both Homes are undergoing transformations to replace outdated facilities with modern, community-focused centers, funded through the Commonwealth's Capital Investment Plan (CIP) and federal contributions. The CIP also includes \$163.9 million over four fiscal years (FY25-FY29) for continued support of Community Living Centers (CLCs) in both Chelsea and Holyoke.



Figure 2: Entrance of the Agawam Veteran Cemetery.

Agawam and Winchendon Veteran Cemetery Expansion

To plan for more space at Agawam and Winchendon Veterans' Cemeteries, the Commonwealth is expanding capacity to honor veterans with dignity and provide families with places to reflect on their service and sacrifice. This effort demonstrates the Commonwealth's commitment to veterans and their families.⁴

Phase I began in March 2024, focusing on cemetery studies and expansion research to establish the groundwork for future development and ensuring the project aligns with regulatory standards. Phase II, set to start in January 2025, will focus on detailed design studies necessary to move forward with construction.

Phase III, involving construction, is scheduled to start in FY26, supported by a \$3.8 million federal grant that reimburses expenses dollar-for-dollar. The project is expected to be completed by September 2027, providing veterans with a more dignified and accessible resting place, while also meeting the growing need for cemetery services.

This phased approach ensures the Commonwealth provides veterans with the recognition and respect they deserve, while leveraging federal support to maximize efficiency and impact.

⁴ [Massachusetts Veterans Memorial Cemetery Services Explained | Mass.gov](https://www.mass.gov/news/massachusetts-veterans-memorial-cemetery-services-explained)