

FY2027 H.2 BUDGET BRIEF

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

Committing to an Affordable, Resilient Future and Healthy Environment

Jacob Hunnicutt, Fiscal Policy Analyst

The Executive Office of Energy and Environmental Affairs (EEA) is dedicated to meeting the Commonwealth's goals of clean and affordable energy, resilient communities, and preservation of a healthy and safe environment. The Healey-Driscoll Administration's House 2 proposal reaffirms this commitment by recommending investments that increase access to food while maintaining funding to protect habitats, reduce pollution, and support resilient infrastructure and communities. House 2 proposes continued support for environmental justice (EJ) to ensure equitable implementation of environmental and energy programs, as well as supporting resilient infrastructure at critical waterways and vulnerable coastlines. In total, House 2 proposes funding EEA at \$527.8 million in Fiscal Year 2027 (FY27) to meet the Commonwealth's major energy and environmental priorities.

In service of "protecting our shared future – and meeting the climate crisis," as promised in the governor's inaugural address, House 2 maintains the administration's commitment to bold environmental and energy policy across several areas:

- **Energy Cost Relief:** Streamline siting and permitting practices to deliver clean, affordable energy to residents and businesses
- **ClimateTech Economy:** Invest in the Commonwealth's homegrown climate technology and environmental research centers, industry, and workforce to maintain our advantage as a global climatetech hub
- **Building Community Resilience:** Ensure there is operational capacity to implement the *Mass Ready Act* upon enactment
- **Emergency Food Assistance:** Expand funding for food banks and meal providers across communities to ensure no person in the Commonwealth goes hungry
- **Recreation:** Ready the Commonwealth parks and beaches for the summer season and prioritize preparing for several high-profile recreational events
- **Enforcement and Permitting:** Preserve funding for protection and remediation of our shared water, air, and land resources to secure a healthy ecosystem for all

Relief to Consumers and Communities

Delivering Energy Affordability

The FY27 House 2 budget invests in teams that are dedicated to improving permitting efficiency, advancing affordable and reliable energy, and strengthening regulatory oversight.

The Department of Public Utilities (DPU), funded at \$28.9 million in House 2, works to ensure safe, reliable, and affordable energy service by overseeing investor-owned energy and water utilities and advancing the Commonwealth's clean energy transition. As Massachusetts confronts rising energy prices and regional competition, DPU is

strengthening the tools and capacity needed to deliver new energy options to consumers and reduce long-term costs.

Expanding grid capacity and accelerating clean energy infrastructure are central to improving affordability. Through the Energy Facilities Siting Division, DPU is working with municipalities to streamline siting and permitting, reduce delays that increase project costs, and improve coordination across state and local governments. DPU also plays a critical role in ensuring the safety of key infrastructure and services. DPU's Pipeline Safety Division, responsible for ensuring that energy providers adhere to safety standards for the transfer of energy resources across the Commonwealth, has achieved a perfect score for three consecutive years from its federal regulator. The Railroad Transit Safety Division has utilized its budget allocation to hire new staff that have significantly improved the safety record of our public rail transit and the Transportation Network Carriers Division conducts over 150,000 background checks of drivers annually.

At the Department of Energy Resources (DOER), which House 2 recommends funding at \$7.5 million in FY27, teams deliver energy affordability through grant administration, direct investment in local clean energy projects, energy-related grants and assistance to municipalities and state agencies, and the design and administration of solar and energy efficiency programs that lower customer costs. DOER also advocates for administration priorities including innovations in state policy, rate design, utility planning that promotes customer affordability, and clean energy infrastructure.

Enhancing Financing for Commercial Buildings to Save Energy

House 2 recommends enhancing the Commercial Property Assessed Clean Energy (C-PACE) program administered by MassDevelopment in partnership with DOER. PACE enables large commercial building owners, including owners of multifamily housing, to take out loans for energy efficiency upgrades and pay them back through special assessments on their property tax bills. This policy proposal will streamline the approval process by removing certain requirements and increase access to capital for commercial real estate and multi-family housing.

Climate Technology: Staying Ahead of the Curve

As the world races for a competitive edge in climatetech, the administration's FY27 House 2 budget recommendation seeks to continue Massachusetts's leadership in this global industry.

House 2 proposes \$10 million for the Massachusetts Clean Energy Center (MassCEC) to support emissions reductions and expand access to clean jobs. Additionally, EEA has partnered with the Executive Office of Economic Development (EOED) to secure \$400 million in capital authorization to advance the offshore wind industry and stimulate innovation, manufacturing, and deployment of climatetech through the *MassLeads Act*. *MassLeads* will launch game-changing investments in climatetech in addition to \$30 million in tax incentives annually. For additional details, please see the **Team Massachusetts: Competing Globally, Delivering Locally** brief.

Preparing for the Future

Resilient Infrastructure and Communities

A changing climate presents growing risks to the Commonwealth's infrastructure, from increased flooding and extreme heat to stress on natural and built systems. FY27 House 2 supports staff, analysis, and cross-secretariat coordination to implement the ResilientMass Plan, the Municipal Vulnerability Preparedness (MVP) Program, the newly-launched Resilient Coasts Plan, and the Office of Climate Science, which together provide more than \$50 million in programming through the FY26-30 Capital Investment Plan to identify vulnerabilities and advance projects that reduce climate risk. These efforts support stronger infrastructure, ecological restoration, climate-smart agriculture, and urban cooling strategies such as expanded tree cover and access to beaches and pools that reduce flooding and extreme heat impacts.

The House 2 budget also maintains targeted investments that help communities plan, design, and deliver resilient infrastructure, including:

- Nearly \$2 million for the Culvert and Small Bridges Technical Assistance Program, in response to increasing demand for investment in these critical assets.
- Nearly \$1 million for the Dam Safety Technical Assistance Program to help municipalities initiate dam safety projects, meet regulatory safety requirements, and advance dam repairs and removals.
- \$20 million for the Disaster Relief and Resiliency Fund, which Governor Healey established in FY25 to ensure a permanent state resource can be deployed in response to increasingly severe natural disasters.

Mass Ready Act

Consistent with continued investments in climate-resilient infrastructure, the administration filed a \$3 billion bond bill, the *Mass Ready Act*, in 2025. The bill proposes five years of bond authorization to strengthen infrastructure, protect water and natural resources, support local economies, and reduce long-term climate risk through capital investments and targeted permitting reforms.

For more information on how the administration is investing in climate-resilient infrastructure, see the [Mass Ready Act – Overview](#) brief.¹

Protecting our Food, Land, Water, Air, and Environmental Justice Communities

Protecting Environmental Justice and Burdened Communities

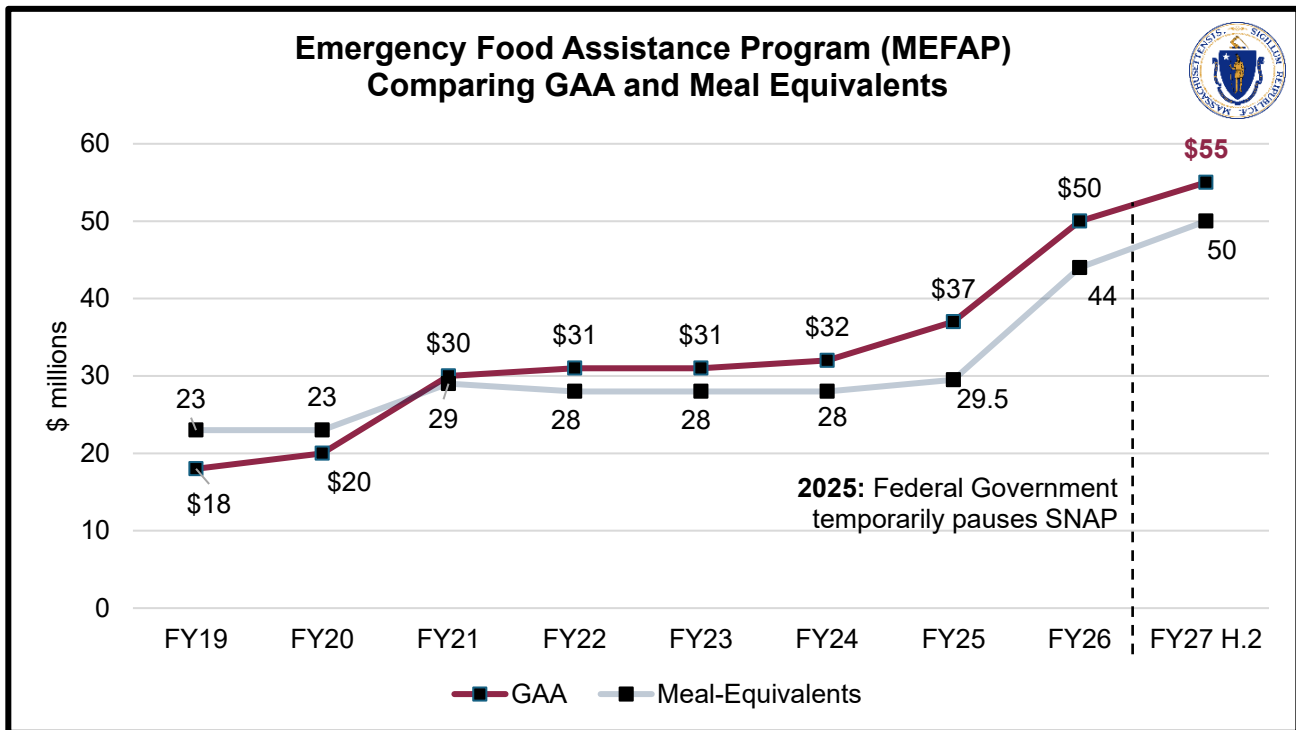
Environmental justice communities have been historically burdened by high costs, pollution, and climate change impacts. To address this and build on previous commitments, House 2 recommends \$4.7 million in funding for environmental justice. This investment supports the Environmental Justice Council and environmental justice strategy, created by *An Act Creating a Next-Generation Roadmap for Massachusetts Climate Policy* (Chapter 8 of the Acts of 2021). Funding also supports expanded access to public processes through language translation and interpretation services, training and technical assistance,

¹ <https://www.mass.gov/doc/mass-ready-act-overview/download>

implementation of cumulative impact analysis, a GIS interactive mapping tool, community benefit plans/agreements, engagement with Tribes and Indigenous communities, and a capacity-building grant program.

Expanding Access to Food

The administration is at the forefront of securing food access for all residents of the Commonwealth. In the face of uncertain federal food assistance, House 2 proposes \$55 million for the Emergency Food Assistance Program, a \$4.4 million (9 percent) increase above the FY26 GAA. These funds are dedicated to purchasing food to aid emergency food assistance programs across the State's four regional food banks, which are projected to provide 50 million meals to Massachusetts residents.



Providing Core Services: Permitting Review, Enforcement, and Recreational Services

The Governor's budget proposal ensures that the Department of Environmental Protection (DEP) and the Department of Conservation and Recreation (DCR) are staffed to continue providing core services to the Commonwealth. At DEP, this includes timely permit review, compliance assistance, and enforcement actions that protect clean air, water, and land. These staff are essential to ensuring environmental laws are enforced consistently, permits are processed efficiently, and regulated entities meet state standards while supporting economic activity. DCR staffing investments ensure that the Commonwealth's facilities remain open, safe, and accessible. These teams support daily operations, visitor services, facility maintenance, public safety, and year-round recreational programming that serves residents and visitors across the state.

This funding is provided through budget line-items that include:

- \$59.6 million for administration, expedient permitting, and compliance across DEP

- \$2.7 million for toxics use reduction at DEP
- \$15 million for Hazardous Waste Cleanup
- \$141 million for State Parks and Recreation, DCR Seasonals, and Administration at DCR, which keeps our parks, forests, beaches, trails, rinks, pools, and campgrounds open, safe and accessible to the public
- \$4.6 million for streetlighting at DCR parkways
- \$781,000 for Dam Safety oversight

Biodiversity

In 2025, the administration launched a nation-leading Biodiversity Plan that guides rebuilding of nature, sustaining the health and well-being of residents, improving access to fresh food and enhancing the overall quality of life and economy for the next 25 years. The FY27 budget as proposed would allow the Department of Fish and Game (DFG) to focus on plan implementation to meet its 2030, 2040, and 2050 goals, including administering capital programs to protect and restore habitat as filed in the *Mass Ready Act*.