



Massachusetts Taxpayers Foundation

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Capitalizing on Federal Funding Opportunities Report Offers Principles and Strategies to Help Position Massachusetts to Secure Billions in Federal Infrastructure Funding

MTF report estimates the federal funding opportunity for Massachusetts through the IIJA, IRA, and CHIPS Act; includes recommendations for policymakers to prepare for federal funds

FOR IMMEDIATE RELEASE – BOSTON, MA (September 7, 2023) – Massachusetts could secure up to \$17 billion in federal infrastructure funding according to a new report, [*Capitalizing on Federal Funding Opportunities*](#), released today by the Massachusetts Taxpayers Foundation (MTF). By implementing adaptable and multifaceted strategies, Massachusetts can further improve its competitive positioning for being awarded federal funds through the Infrastructure Investment and Jobs Act (IIJA), Inflation Reduction Act (IRA), and Creating Helpful Incentives to Produce Semiconductors Act (CHIPS). The report assesses the state’s potential share of unprecedented federal investments in transportation, climate resiliency, and economic development infrastructure and presents policymakers with a range of effective and easily understood recommendations to satisfy state cost share requirements.

For Massachusetts, this infusion of federal funds offers the Commonwealth a unique opportunity to address aging infrastructure, make progress towards meeting clean energy and climate goals, and maintain its status as a hub of innovation and research. However, securing the state’s fair share of federal funds will require an almost \$3 billion commitment of state resources. While the state has signaled its commitment to identifying these resources through recent bond bills and direct appropriations, an estimated \$800 million need remains to meet state match requirements for federal programs.

In this report, MTF urges policymakers to act swiftly and thoughtfully to create and execute a flexible strategy for securing the state resources needed to leverage this unique federal funding opportunity.

“The resources available through the IIJA, IRA, and CHIPS Act will be instrumental in making transformative progress on several major priorities related to our transportation infrastructure, clean energy goals, and economic development,” said Doug Howgate, President of the Massachusetts Taxpayers Foundation. “Maximizing this funding will require a state strategy that is responsive to the federal requirements, adaptable, and fiscally responsible.”

To aid policymakers, MTF's report identifies approximately \$1 billion in state resources that could be quickly deployed to leverage federal funding without jeopardizing support for existing state programs or destabilizing state finances. The report also highlights three successful capital finance programs that could be replicated to take advantage of new federal funding opportunities and revenue streams.

In addition, MTF urges policymakers to integrate the following fiscal principles into their approach to securing federal funds:

- Provide administrative and agency officials with flexibility to access matching resources outside of the typical appropriations process to ensure that Massachusetts does not miss out on opportunities due to delays in process;
- Pair one-time revenues with one-time expenditures, like remaining state surplus funds in the Transitional Escrow Fund;
- Prioritize resources that are uncommitted to existing state programs; and
- Prepare for the future by using federal funds to fast-track capital projects that will face increasing construction and deferred maintenance costs in later years.

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About MTF

Founded in 1932, the Massachusetts Taxpayers Foundation (MTF) is widely recognized as the state's premier public policy organization dealing with state and local fiscal, tax, and economic policies. MTF's record of high quality research and non-partisan analysis has earned the organization broad credibility on Beacon Hill and across the Commonwealth. Our mission is to provide accurate, unbiased research with balanced, thoughtful recommendations that strengthen the state's finances and economy in order to foster the long-term well-being of the Commonwealth. Over the course of nine decades, MTF has played an instrumental role in achieving major reforms and promoting sound public policy in state government.