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MTF Bulletin

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FY 2026 House Final Budget

On April 31st, the House finalized its \$61.58 billion Fiscal Year (FY) 2026 budget, after adding \$81.9 million in spending and 35 outside policy sections over the course of three days of debate.

The House took action on 1,650 amendments through a combination of seven consolidated amendments and 23 separate votes. Some version of at least 756 amendments were adopted; 715 added new spending and 41 added or amended policy sections or budget language. The majority of adopted amendments (708) added earmarks for specific communities, programs, and projects across the state.

This brief summarizes the House debate action and assesses the new spending and policy proposals.

FY 2026 House Final Spending Summary

	FY 2026 Governor	FY 2026 HWM	Floor Spend	FY 2026 House Final	\$ v. FY 2025	\$ v. Governor
Line-Item Spending	\$59,577.3	\$58,997.6	\$81.9	\$59,079.5	\$3,300.3	-\$497.8
Surtax Spending	\$1,950.0	\$1,950.0	\$0.0	\$1,950.0	\$650.0	\$0.0
Medical Asst. Trust Fund	\$547.6	\$547.6	\$0.0	\$547.6	-\$134.6	\$0.0
B.H. Outreach, Access, Support	\$0.0	\$0.0	\$0.0	\$0.0	-\$20.0	\$0.0
Total Line-Item Spending	\$62,074.9	\$61,495.2	\$81.9	\$61,577.1	\$3,795.7	-\$497.8

\$ in millions

The FY 2026 House Budget now includes \$61.58 billion in total line-item spending, \$498 million (1 percent) less than the Governor's Budget and \$3.8 billion (6.6 percent) above the FY 2025 General Appropriations Act (GAA) signed into law last July.

Over the course of debate, the greatest amount of new spending was added in the areas of Labor and Workforce Development; Public Health, Mental Health, and Disability; and Education and Local Aid.

House Debate – Spending Overview

Through the adoption of seven consolidated amendments, the House added \$81.9 million in new spending during debate. This figure is \$13.7 million less than the amount of spending added during House debate in FY 2025, which totaled \$95.8 million; and \$36.4 million less than the three-year average for House debate spending of \$118 million.

Approximately 90 percent (\$74.7 million) of new spending is attributable to earmarks for specific communities, organizations, or projects; while 9 percent (\$7.2 million) is related to larger, programmatic increases or new line-items.

FY 2025 House Floor Spending by Category

Category	Total Fiscal Note	Earmark Spending	Non-Earmark Spending
Education & Local Aid/Social Services/Veterans	\$13.02	\$11.96	\$1.06
Health and Human Services and Elder Affairs	\$5.37	\$4.62	\$0.75
Public Safety and Judiciary	\$10.54	\$10.54	\$0.00
Public Health/Mental Health and Disability	\$16.48	\$13.88	\$2.60
Constitutional Officers & State Administration/Transportation	\$4.70	\$4.70	\$0.00
Energy and Environmental Affairs, Housing	\$5.81	\$5.81	\$0.00
Labor and Economic Development	\$26.01	\$23.19	\$2.81
Total House Debate Spending	\$81.94	\$74.71	\$7.22

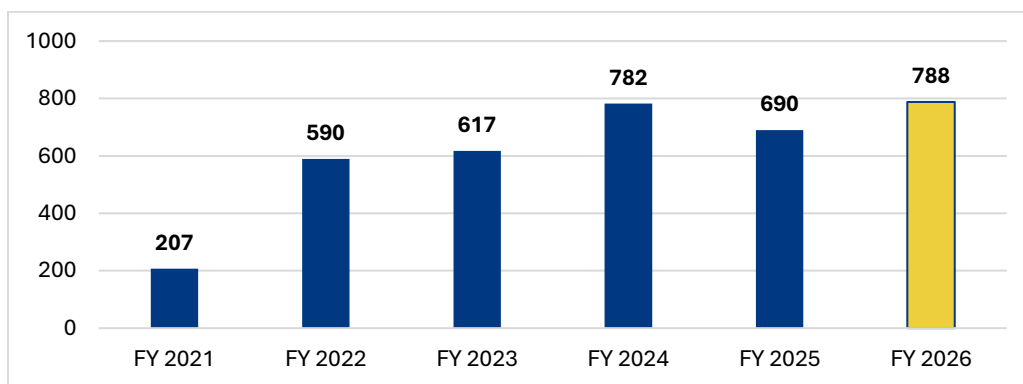
\$ in millions

Earmark Spending

The House added 788 earmarks to its budget during debate; leading to \$74.7 million in new spending. This is 98 more earmarks than were added to the HWM budget in FY 2025.

This dynamic, of adding less new spending overall but a greater number of earmarks is unique; and the shift towards increased funding for local programs, communities, and projects may reflect multiple factors, including heightened concerns at the local level regarding the impacts of federal actions or uncertainty.

House Earmarks Added by Year, FY 2021 – FY 2025



\$ in millions

The number of earmarks added to the House budget exceeds the number of amendments that were adopted because one amendment may include multiple earmarks. Additionally, the consolidated amendment process allows new earmarks to be adopted to the budget without an underlying amendment having been filed. In FY 2026, the House adopted 49 earmarks that were not originally filed as amendments.

In FY 2026, the median value of an earmark added to the House budget is \$50,000; and while the majority of earmarks carry a modest fiscal impact, combined they make up a significant amount of spending. During House debate, the greatest amount and number of earmarks were added to the Labor and Economic Development category.

FY 2025 House Earmark Spending by Category

Category	Earmark Spending	# of Earmarks
Education & Local Aid/Social Services/Veterans	\$11.96	125
Health and Human Services and Elder Affairs	\$4.62	35
Public Safety and Judiciary	\$10.54	95
Public Health/Mental Health and Disability	\$13.88	80
Constitutional Officers & State Administration/Transportation	\$4.70	77
Energy and Environmental Affairs, Housing	\$5.81	91
Labor and Economic Development	\$23.19	285
Total	\$74.71	788

\$ in millions

Other Notable Spending

The House added \$7.2 million in non-earmark spending to their final budget, including funds for new line-items and other statewide programs. Notable non-earmark funding increases include:

- \$2.5 million to support Adult Mental Health and Support Services, bringing total funding for the program to \$664.6 million.
- \$750K for the Elder Nutrition Program, bringing the total funding level for the program to \$13.4 million.
- \$500K for a transfer to the Genocide Education Trust Fund, which supports the instruction of middle and high school students on the history of genocide.
- \$500K for First Time Homebuyers and Foreclosure Prevention Counseling, increasing total funds for the program to \$2 million.
- \$500K for the Cummings School of Veterinary Medicine, the New England region's only college of veterinary medicine.
- \$300K for the Massachusetts Service Alliance, increasing total funding for the program to \$1.7 million.

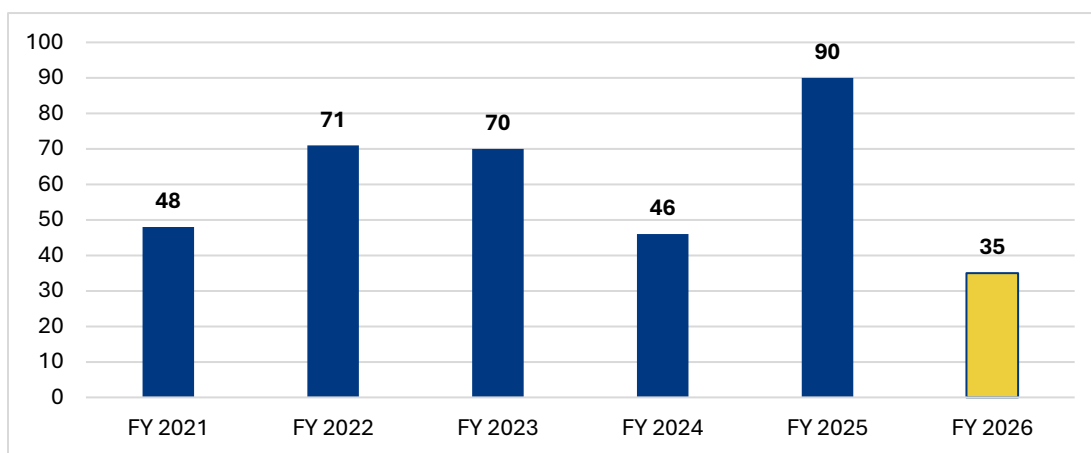
In addition to the spending items listed above, there were also several amendments adopted to the HWM budget to amend line-item or outside section language that relate to available resources in FY 2026. For example, line-item language was adjusted to direct \$1 million to a new Affirming Health Care Trust Fund (further detailed below); outside section language was amended to increase a transfer from the Commonwealth Care Trust Fund to the Health Safety Net Trust Fund from \$15 million to \$230 million; and outside section language was added to earmark \$3.5 million for a formula-based funding distribution to

Regional Transit Authorities. While none of these amendments increase overall spending in the House budget, they nevertheless impact how state resources may be used in the upcoming fiscal year.

House Debate – Policy Sections

Over the course of House debate, 35 new outside policy sections were added and 5 existing sections were amended through the adoption of 21 amendments. This is fewer policy amendments than have been adopted in recent years; however only seven less than were added in FY 2025 (28 amendments).

House Policy Sections Added by Year



Notable policy amendments include:

- ***Small Business Ombudsman (Section 11A)*** – Establishes within the Executive Office of Economic Development a small business ombudsman, to serve as a resource for small businesses within the Commonwealth. The responsibilities of the ombudsman may include: providing guidance and assistance to small businesses, facilitating access to relevant programs, and supporting small businesses through the application and procurement process.
- ***Secure Choice Retirement Savings Program (Sections 13A, 16C, 66A)*** – Adds three new sections to the HWM budget, establishing the Massachusetts Secure Choice Savings Program. The program, to be administered by the Office of the State Treasurer, is intended to provide retirement savings opportunities for private-sector employees who do not currently have access to a retirement savings program through their employer.
- ***Campaign Funds for Adult Care Services (Sections 21A and 21B)*** – Amends section 1 of chapter 55 of the Massachusetts General Laws to allow for campaign contributions to cover the provision of adult care services that exist due to the campaign.
- ***Affirming Health Care Trust Fund (Section 22E)*** – Adds a new section to the House budget, creating an expendable trust fund, known as the Affirming Health Care Trust Fund. The fund is intended to support the provision of gender-affirming health care services in the Commonwealth. Through line-item language, the trust fund is capitalized with \$1 million for FY 2026.

- **Early Education Revenue Retention** (Section 64A) – Adds a new outside section related to early education contract providers which would maintain a unit-rate reimbursement system, rather than the cost-based reimbursement system that EEC has implemented since the recent contract procurement completed in October. The amendment does not appear to carry a fiscal impact, but would be a change in procedure for how CCFA providers receive reimbursement related to certain costs and may limit the information that the department is able to collect related to program administrative expenses.
- **Legislative Commission on Pappas Rehabilitation Hospital** (Section 67B) – Adds a new section to the House budget establishing a special legislative commission on the future of Pappas Rehabilitation Hospital for Children. The commission is comprised of 13 members and is directed to conduct a review of the hospital’s finances, programs, pediatric services, and infrastructure. The commission must submit a report of its findings to the Legislature by December 31, 2026.
- **Legislative Commission on Out-of-State Migration** (Section 67D) – Adds a new section to the House budget establishing a commission to study the factors impacting the relocation decisions of individuals and businesses to and from the Commonwealth. The commission is directed to hold public hearings and deliver a report to the Legislature by July 1, 2026.
- **Health Safety Net Trust Fund Transfer** (Section 80) – Amends an existing outside policy section to increase the transfer from the Commonwealth Care Trust Fund (CCTF) to the Health Safety Net Trust Fund from \$15 million to \$230 million. Between FY 2020 and FY 2023, total demand on the Health Safety Net Trust Fund increased from \$380 million to \$491 million; and in FY 2023, the fund experienced a shortfall of \$107 million.¹ At the end of FY 2024, the balance of the CCTF was \$511 million.²

Bottom Line

The House added \$81.9 million in new spending over the course of three days of debate; \$13.9 million less than what was added in FY 2025 and \$36.4 million less than the three year average of House debate spending of \$118.4 million. Total spending in the FY 2026 House Budget now reaches \$61.58 billion, \$498 million (1 percent) less than what was proposed by Governor Healey.

The new spending added to the House budget is predominantly in support of earmarks, while new programmatic investments comprise only nine percent of new spending. Consistent with prior years, the category of spending that saw the largest increase in funding during debate was Labor and Economic Development. This spending was predominantly driven by over \$15 million in funding added for local programs, programs, and communities.

¹ Health Safety Net Annual Report, Fiscal Year 2023: <https://www.mass.gov/doc/hsn-annual-report-november-2024-0/download>

² Commonwealth of Massachusetts, FY 2024 Statutory Basis Financial Report: https://www.macomptroller.org/wp-content/uploads/sbfr_fy-2024.pdf

The House added 35 outside policy sections to their budget during debate, bringing the total number of outside sections in their budget to 115.

The Senate Ways and Means Committee is expected to release their budget next week, and several key questions remain for the FY 2026 budget development process:

1. Will the Senate budget reflect a total spending level that is less than Governor Healey's proposal?
2. Will the Senate adopt any of the tax revenue proposals originally put forward by the administration and expected to generate approximately \$400 million in revenue?
3. How will the Senate's FY 2026 operating budget proposal work in tandem with their Innovation and Capital Fund supplemental budget, which appropriates excess surtax revenues collected in FY 2023 and FY 2024?