



333 Washington Street | Suite 853 | Boston, MA 02108 | 617.720.1000
www.masstaxpayers.com

MTF Bulletin

May 22, 2026

Fiscal Year 2027 Senate Final Budget

On May 21st, the Senate finalized its budget proposal for Fiscal Year (FY) 2027. Over four days of debate, \$70.53 million in new spending and 44 outside policy sections were added to the SWM spending plan.

The Senate took action on 1,158 amendments through a combination of standalone votes and amendment ‘bundles’ which categorically approve or reject many amendments at once. In total, 518 amendments were adopted, 317 were rejected, and 313 were withdrawn from consideration.¹

The FY 2027 Senate budget now includes \$63.37 billion in total line-item spending, \$2.3 billion (3.8 percent) above the FY 2026 GAA, \$4.2 million more than the Governor, and \$49.6 million below the House budget.

FY 2027 Senate Final Spending Summary

	FY 2026 GAA	Governor's Budget	House Budget	SWM Budget	Floor Spending	Senate Budget
Line-Item Spending	\$58,098.4	\$60,113.7	\$60,167.5	\$60,047.4	\$70.53	\$60,117.89
Surtax Spending	\$2,400.0	\$2,700.0	\$2,700.0	\$2,700.0		\$2,700.00
Medical Asst. Trust Fund	\$547.6	\$548.0	\$548.0	\$548.0		\$548.03
Total Line-Item Spending	\$61,046.0	\$63,361.7	\$63,415.5	\$63,295.4	\$70.53	\$63,365.93

\$ in millions

New spending in the Senate budget is primarily in the areas of Health and Human Services, Economic Development, and Education. Notable policy sections adopted during the debate process include a study of the distribution of local aid to cities and towns and a proposal designed to prevent incidents of wrong way driving.

¹ The remaining ten amendments were ruled unconstitutional and no action was taken. Under the Massachusetts State Constitution, bills that seek to raise revenues must originate in the House of Representatives. The underlying budget bill sent to the Senate from the House did not raise revenues, therefore the Senate was unable to take action on amendments concerning issues of taxation.

Senate Debate – Spending Overview

Through the adoption of 518 amendments, the Senate added \$70.53 million in new spending during debate. Over the past three years, the average amount of spending added to the Senate budget during debate has been \$84.3 million. The Senate added \$12.4 million less than the amount of new spending added to the House budget, which totaled \$82.9 million.

Approximately 84 percent (\$59.59 million) of new spending is related to earmarks for specific communities, organizations, or projects; while 16 percent (\$10.95 million) is for larger, programmatic increases or new line-items.

FY 2027 Senate Floor Spending by Category

Category	Earmark Spending	Non-Earmark Spending	Total Category Spend
Economic Development	\$13.08	\$1.60	\$14.68
Government	\$0.61	\$0.00	\$0.61
Environment	\$3.50	\$2.62	\$6.12
Health & Human Services	\$14.70	\$1.50	\$16.20
Education	\$9.70	\$3.80	\$13.50
Other	\$4.21	\$0.78	\$4.99
Transportation	\$0.06	\$0.00	\$0.06
Judiciary	\$0.50	\$0.15	\$0.65
Public Safety	\$5.44	\$0.50	\$5.94
Local	\$7.79	\$0.00	\$7.79
Totals	\$59.59	\$10.95	\$70.53

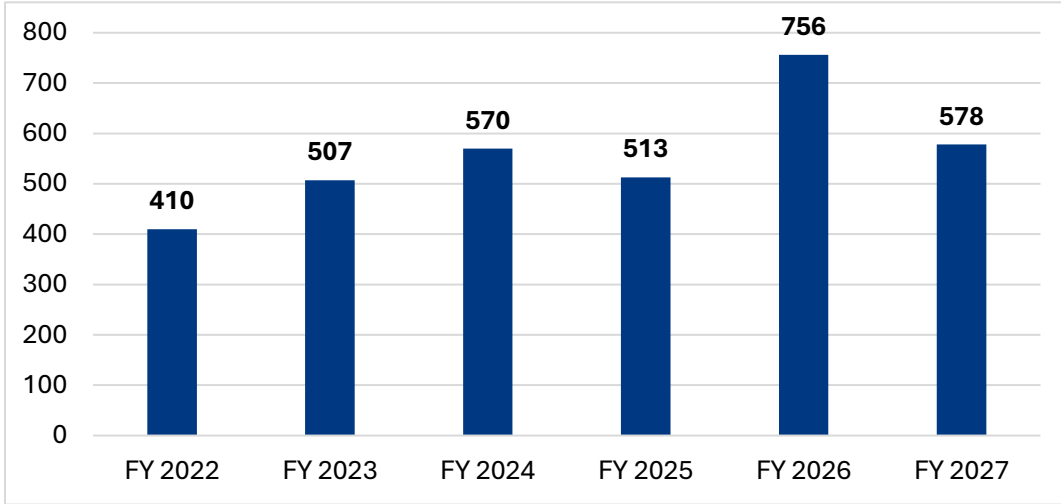
\$ in millions

Earmark Spending

The Senate added 578 earmarks to its budget during debate; contributing to \$59.59 million in new spending. This is 178 fewer earmarks than were added to the SWM budget in FY 2026, and 65 more than were added in FY 2025.

Most earmarks added to the Senate budget in FY 2027 (517) support local communities, projects, and organizations; while 61 earmarks fund larger, statewide programs. For example, the Senate adopted a programmatic earmark to increase funding for the Massachusetts Alliance of Boys and Girls Clubs by \$800K, bringing total funding to \$3 million.

Senate Earmarks Added by Year, FY 2022 – FY 2027



The greatest number of earmarks added to the Senate budget were in the categories of economic development and local priorities; however, earmarks added to the health and human services category carried the largest fiscal impacts. In FY 2027, the median value of an earmark added to the Senate budget remains \$50K.

Earmarks Added to the Senate Budget by Category

Category	Earmark Spending	# of Earmarks
Economic Development	\$13.08	153
Government	\$0.61	9
Environment	\$3.50	37
Health & Human Services	\$14.70	71
Education	\$9.70	56
Other	\$4.21	47
Transportation	\$0.06	2
Judiciary	\$0.50	3
Public Safety	\$5.44	47
Local	\$7.79	153
Totals	\$59.59	578

\$ in millions

Other Notable Spending

The Senate added \$10.95 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:

- **\$1.5 million** for the state’s supplemental payment to Head Start programs, increasing the total appropriation from \$20 million to \$21.5 million.

- **\$1 million** to increase operational funding for the Division of State Parks and Recreation, for a total funding level of \$105.7 million.
- **\$1 million** for the Department of Environmental Protection’s administrative costs. Combined with additional earmark funding, the total line-item appropriation now reaches \$51.4 million.
- **\$600K** for a new line-item to fund the Massachusetts Downtown Initiative, which provides technical assistance to municipalities to promote walkable downtowns, cultural and recreational amenities, and access to public transportation.
- **\$500K** for sponsor-based permanent supportive housing, increasing total funding to \$10.6 million.
- **\$500K** for Child Care Resource and Referral agencies, increasing total funding to \$20.5 million.
- **\$250K** for the Civics Education Trust Fund, increasing the total appropriation to \$2.75 million.

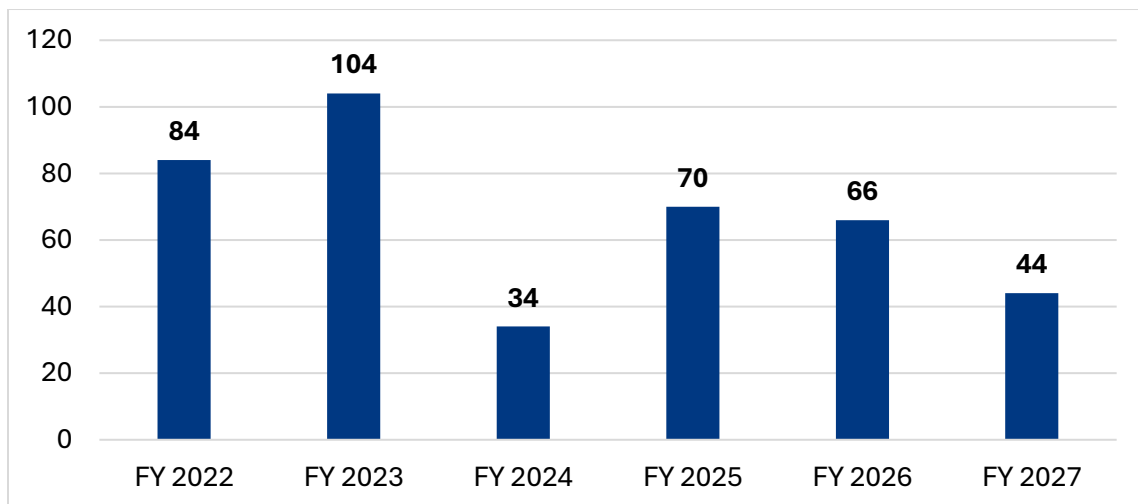
In addition to amendments that provide programmatic funding increases, the Senate also adopted a number of amendments that add new language to line-items. Language-only amendments often specify how resources should be expended, provide additional detail or direction for state departments, or introduce new reporting requirements.

For example, Amendment #511 adopted by the Senate directs the Department of Mental Health (DMH) to work collaboratively with the Department of Correction (DOC) to conduct an investigation into the steps required to transfer the management of Bridgewater State Hospital to DMH. The departments must submit a report to the Legislature on the results of the investigation by June 30, 2027, including details related to the legislative steps necessary to effectuate the transfer.

Senate Debate – Policy Sections

Over the course of Senate debate, 44 new outside policy sections were added, and 9 existing sections were amended through the adoption of 27 amendments.

Senate Policy Sections Added by Year



Notable policy amendments include:

- **Special Commission on the Adequacy, Reliability, and Distribution of Unrestricted General Government Aid** (*Amendment #1035*) – Creates a special commission to study the distribution of unrestricted general government aid to cities and towns. The commission includes 15 members and is directed to examine historic funding trends for local aid, the current apportionment method, and the equity of the current distribution methodology. The commission is directed to submit a report of its findings and recommendations to the Legislature by July 1, 2027.
- **Learnfare** (*Amendment #815*) – Repeals the “Learnfare” requirement for Transitional Aid to Families with Dependent Children (TAFDC) benefits, which requires children in families receiving benefits to be attending school or be home-schooled. Under current law, if a child accumulates more than eight unexcused school absences over a 45-day period, families are placed on “probation.” If a child has four or more unexcused absences during a one-month period while on probation, the Department of Transitional Assistance (DTA) cuts off the child’s share of TAFDC benefits.
- **Wrong Way Driving** (*Amendment #872*) – Implements five major components related to reducing incidents of wrong way driving, including: (1) requiring student drivers to complete a module on the dangers of wrong way driving; (2) directing the Massachusetts Department of Transportation (MassDOT) to develop and implement a protocol to prevent occurrences of wrong way driving; (3) directing the Executive Office of Public Safety and Security (EOPSS) and MassDOT to implement training practices for peace officers related to the dangers and prevention of wrong way driving; (4) directing the Registry of Motor Vehicles to develop a plan for public service announcements related to the prevention of wrong way driving; and (5) directing EOPSS, MassDOT, and the Executive Office of Aging and Independence (EOAI) to conduct a study on improving roadway safety for drivers over the age of 70, including how to reduce incidents of wrong way driving.
- **Endometriosis Task Force** (*Amendment #530*) – Directs the Executive Office of Health and Human Services (EOHHS) to establish an endometriosis task force, consisting of ten members. The task force is instructed to summarize relevant research related to the diagnosis of endometriosis and the services available to support those who are diagnosed. The task force is also asked to develop a comprehensive plan to improve health outcomes for those with endometriosis, including improving public awareness, healthcare delivery, and accurate treatment and diagnosis.
- **Massachusetts National Guard Museum** (*Amendment #840*) – Establishes the Massachusetts National Guard Museum in the city of Salem and directs the Commissioner of Capital Asset and Management and Maintenance to enter into a lease agreement for the former Essex County superior courthouse and county commissioners buildings to manage and maintain the museum.
- **Earnings Adjustment for Public Retirees** (*Amendment #241*) – In Massachusetts, public retirees that return to work in the public sector are limited to working 1,200 hours per calendar year. Their compensation is also capped at the difference between their pension earnings and the current salary of the position from which they are retired. After being retired for one full calendar year, their

compensation limit increases by \$15,000. This amendment increases the earnings adjustment for public retirees from \$15,000 to \$25,000.

- **Clarification on the Adult Dental Cap** (*Amendment #494*) – Specifies that the cap on adult dental benefits for MassHealth beneficiaries, set at \$1,750 annually in the SWM budget, does not apply to emergency services.
- **Access to Healthcare for Public Employees** (*Amendment #493*) - Clarifies that physicians and healthcare providers are prohibited from refusing to provide care to an individual with coverage provided by the Group Insurance Commission (GIC) and establishes reimbursement rates for providers that do not participate in the GIC.

Bottom Line

After four days of debate, the Senate finalized its FY 2027 budget proposal, unanimously adopting a \$63.37 billion spending plan. Through the adoption of 518 amendments, \$70.53 million in new spending and 44 outside policy sections were added to the final budget. The Senate’s plan now increases spending by \$2.3 billion (3.8 percent) over the FY 2026 GAA; it is \$4.2 million greater than the Governor’s budget and is \$49.6 million less than the House budget.

Spending added during the debate process was primarily related to local earmarks, while programmatic spendings accounted for approximately 16 percent of all new investments. The Senate adopted relatively few policy amendments, though there was significant discussion on the floor related to local aid and studying Massachusetts’ changing demographics and outmigration impacts on state competitiveness.

With the conclusion of Senate debate, the budget development process now moves to Conference. Over the next several weeks, House and Senate budget negotiators will work to reconcile all spending and policy differences between their two bills with the goal of delivering a compromise budget to Governor Healey’s desk by July 1st.

Enactment and Approval of General Appropriations Act

Fiscal Year	Enacted by Legislature	Approved by Governor
FY 2022	July 9, 2021	July 16, 2021
FY 2023	July 18, 2022	July 28, 2022
FY 2024	July 31, 2023	August 10, 2023
FY 2025	July 19, 2024	July 29, 2024
FY 2026	June 30, 2025	July 4, 2025

In the coming weeks, MTF will publish a Conference Committee preview discussing in detail the obstacles facing policymakers as they reconcile the FY 2027 budget.