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CHARLES D. BAKER
GOVERNOR

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LIEUTENANT GOVERNOR

January 8, 2016

To the Honorable Senate and House of Representatives:

Pursuant to Section 9C of Chapter 29 of the Massachusetts General Laws, Secretary of Administration and Finance Kristen Lepore has advised me of a projected budget shortfall of $320 million in Fiscal Year 2016. This letter and the attached supporting documents detail the spending reductions and other measures that I am undertaking to close this shortfall.

The savings on the spending side come from reductions I am making to Executive Branch accounts under my Section 9C authority. We have also identified certain revenue measures that will increase non-tax revenue, primarily through claiming higher federal reimbursements. These changes were made in close consultation with my Cabinet Secretaries and their respective teams. Finally, we anticipate revising the tax revenue projections upward for the current fiscal year in connection with the Consensus Revenue process.

I look forward to working with you successfully to resolve our shared fiscal challenges in both fiscal years 2016 and 2017.

Sincerely,

Charles D. Baker
Governor

/attachments

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