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December 13, 2021

To the Honorable Senate and House of Representatives:

Pursuant to Section 5 of Article 63 of the Amendments to the Constitution, we are today signing House Bill 4269, "An Act Relative to Immediate COVID-19 Recovery Needs," and returning certain portions to you for reconsideration.

This bill directs funding to key areas in need of support as Massachusetts continues its recovery from the pandemic. It invests substantially in health care, housing and homeownership, workforce development, and other key priorities. Our Administration is eager to begin quickly deploying these resources to the individuals and communities that desperately need them.

The funding sources for appropriations in this bill are quite different from other legislation. The Commonwealth received \$5.286 billion from the Coronavirus State Fiscal Recovery Fund (CSFRF), which was created by the American Rescue Plan Act of 2021, Pub. L. 117-2 (March 11, 2021) (ARPA). This bill provides the authority to spend up to \$2.55 billion of these federal resources on the items included in the bill. The legislation also appropriates the full \$1.45 billion from the Transitional Escrow Fund, made up of state fiscal year 2021 surplus dollars, and assigns the Secretary of Administration and Finance the responsibility of matching expenditures to the most appropriate of these funding sources in recognition of the significant federal rules and regulations associated with CSFRF.

The \$4 billion spending plan supports residents and communities that were disproportionately impacted by COVID-19, with \$107.5 million allocated to workforce skills and job training, more than \$400 million to increase affordable and supportive housing production and homeownership opportunities for residents in the hardest hit communities, and \$44.8 million to support food security for families across the Commonwealth.

The bill continues backing for recovering businesses, with \$500 million for the Unemployment Compensation Trust Fund and \$75 million for small business assistance,

building upon more than \$700 million invested in 2021 in small businesses impacted by the COVID-19 pandemic.

To address an increase in need for behavioral health and addiction treatment services, exacerbated by the impacts of the pandemic, this bill includes \$400 million to expand access to mental and behavioral health supports and community-based primary care. It also includes funding to shore up health care systems that bore much of the weight of the public health emergency, allocating \$260 million to fiscally strained hospitals, \$200 million for local and regional public health systems, and \$500 million in premium pay bonuses for low-income workers that were on the frontlines during the emergency.

We are pleased to also support the many long-lasting capital investments in this spending plan, including nearly \$300 million for water, sewer, offshore wind, and other environmental infrastructure projects, \$100 million for improvements to public school HVAC systems, \$100 million for capital improvements to vocational high schools and public schools operating career and technical education programs, and \$50 million to facilitate increased broadband and internet access.

We support the COVID-19 Essential Employee Premium Pay program. This program will distribute \$500 million to lower-wage frontline workers who put themselves at risk with admirable commitment to their communities. We are proud of the job these workers did to pull together, look after vulnerable members of the community, and keep the Commonwealth on a path to recovery.

However, after the considerable time the Legislature took to send us this legislation, the program has been further complicated with the creation of a 28-member advisory panel that must consult with and provide recommendations to A&F on the design of the program, in a way that is virtually guaranteed to significantly hinder disbursement of the funds. Various organizations are responsible for naming members of the panel, but it is unclear whom they are expected to inform of their appointment decisions. No one is empowered to call the first meeting of the panel, no chairs are named, and no deadlines apply to the panel. Despite this, A&F must wait for the panel to coalesce and make recommendations, incorporate those recommendations into decisions about eligibility, and then design the means to identify and pay eligible recipients by March 31, 2022. Accordingly, we are vetoing those provisions of the bill.

Nonetheless, we are signing the other two sections that comprise this program. This will enable A&F to immediately begin the process of distributing these funds. We could send out \$500 checks to almost 1 million Massachusetts residents as soon as possible. Reinstating the panel-driven process envisioned by the Legislature will simply disrupt the rollout midstream. We urge you to let our administration proceed with this important program today.

We appreciate the work of the Legislature in delivering this conference report, including allocating funding for some of the recommendations that our Administration

made in May and June of this year. Vetoes are limited to concerns I have with requirements imposed in specific line-items and one section that will cause further delay in putting these critical funds to use for the residents of the Commonwealth.

Accordingly, we are vetoing certain language contained in 7 line-items. Of the 88 outside sections presented in the conference report, we are signing 86, vetoing 1, and returning 1 for amendment.

Therefore:

- We are disapproving, or striking wording in, items of section 2A of House 4269 set forth in Attachment A, for the reasons set forth in that attachment;
- We are disapproving section 79 of House 4269 itemized in Attachment B of this message for the reasons set forth in that Attachment; and
- We are returning section 72 with recommendations for amendment. Our reasons for doing so and the recommended amendments are set forth in a separate letter that is dated today and included with this message as Attachment C.

Respectfully Submitted,



Charles D. Baker
Governor



Karyn E. Polito
Lieutenant Governor