

THE COMMONWEALTH OF MASSACHUSETTS EXECUTIVE DEPARTMENT

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July 12, 2013

To the Honorable Senate and House of Representatives:

Pursuant to Section 5 of Article 63 of the Amendments to the Constitution, I am today signing House Bill 3538, "An Act Making Appropriations for the Fiscal Year 2014 for the Maintenance of the Departments, Boards, Commissions, Institutions and Certain Activities of the Commonwealth, for Interest, Sinking Fund and Serial Bond Requirements and for Certain Permanent Improvements," and returning certain portions to you for reconsideration.

The Fiscal Year 2014 budget I am signing into law supports programs and policies that will help us build a better, stronger Massachusetts. The budget includes a \$15 million increase in funding that will enable more children to access early education services to help prepare them for future academic and economic success. It also significantly increases our investment in the Commonwealth's public universities and colleges, moving the state towards funding 50 percent of public higher education costs and thus avoiding tuition and fee increases in the coming year.

With the resources provided in this budget for MassHealth and the Health Connector, Massachusetts is well-poised to implement the Affordable Care Act and maintain its national leadership in health insurance coverage. I am also pleased that the budget contains strong support for initiatives to prevent youth violence, most notably continuing current investments in summer jobs and our Safe and Successful Youth Initiative.

Additionally, the budget will strengthen how state government delivers services. Investments included in the budget will enable the Board of Pharmacy to increase inspections of all sterile compounding pharmacies in the Commonwealth, improving monitoring and accountability. It will also allow us to expand the network of Family Access Centers to provide one-stop access to social and health services targeted to the needs of children, youth and families. The budget includes investments and a new, more flexible funding vehicle to promote access to affordable housing. Moreover, it establishes a commission which will identify ways to enhance efficiencies within our public higher education system and ensure that increased investments in this area achieve the maximum benefit for students.

I am also signing language streamlining our state's mechanisms for promoting employer responsibility for contributing to the costs of health insurance. We expect the Commonwealth's businesses to continue leading the nation in offering health insurance to their employees, with the help of cost containment initiatives spurred by comprehensive state legislation enacted last year and other market forces.

While I am very pleased to sign these and many other funding and language items into law, there are a limited number of proposed appropriations that I do not support and have thus taken action to reduce. I am instead proposing to allocate these funds, and additional resources that would be raised by enacting the Bottle Bill, to higher priority public needs, including scholarships for young people who need financial assistance to pay for college, currently unfunded expenses for implementing new legislative requirements to put photographs of public assistance recipients on their EBT cards, information technology services that are essential to the proper functioning of state government, accelerated implementation of judicial pay increases, and recycling programs. I have also returned certain sections with recommended amendments.

Additionally, I am taking action to ensure that the budget is in balance in light of the currently unresolved status of separate legislation raising revenue to support transportation and other budget needs (House Bill 3535). While I am willing to compromise on a tax

bill that raises \$800 million per year for transportation, the bill passed by the Legislature falls short of this threshold because it does not account for the loss of existing toll revenue from the Western Turnpike under current law. I have returned the transportation finance bill with an amendment to fix this problem and ensure that it raises the full \$800 million for transportation that the Legislature claims it does. Pending legislative action to address my proposed amendment, I am reducing spending in the Fiscal Year 2014 budget in the areas of transportation and Unrestricted General Government Aid to conform to the level of enacted revenues. In tandem, I am proposing supplemental appropriations to restore full funding for these items if the Legislature accepts my amendment to the transportation finance bill.

Therefore:

- I am reducing appropriation amounts in items of section 2 of House 3538 enumerated in Attachment A of this message by the amount and for the reasons set forth in that Attachment:
- I am disapproving, or striking wording in, items of section 2 of House 3538 also set forth in Attachment A, for the reasons set forth in that Attachment;
- I am disapproving those sections of House 3538 itemized in Attachment B of this message for the reasons set forth in that Attachment; and
- Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth, I am returning sections 8, 13, 19, 21, 36, 45, 81, 114 to 134, inclusive, 207, 216 and 217 with recommendations for amendment. My reasons for doing so and the recommended amendments are set forth in separate letters dated today which are included with this message as Attachments C, D, E, F, G, H, I and J.

I approve the remainder of this Act.

Respectfully submitted,