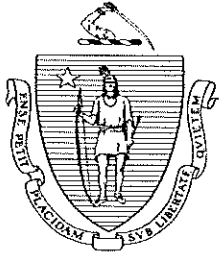


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OFFICE OF THE GOVERNOR  
COMMONWEALTH OF MASSACHUSETTS  
STATE HOUSE • BOSTON, MA 02133  
(617) 725-4000

MAURA T. HEALEY  
GOVERNOR

KIMBERLEY DRISCOLL  
LIEUTENANT GOVERNOR

January 6, 2025

To the Honorable Senate and House of Representatives:

I am filing for your consideration a bill entitled *An Act Making Appropriations for Fiscal Year 2025 (FY25) to Provide for Supplementing Certain Existing Appropriations and for Certain Other Activities and Projects.*

Since the beginning of the Healey-Driscoll Administration, we have worked in partnership with the Legislature and in the face of heightened demand and limited resources to serve homeless families, including Massachusetts residents and those new to our state.

In FY25, the Emergency Assistance (EA) system has supported up to 7,500 families in shelter, created Temporary Respite Center services for an additional 350 families, and accelerated the pace at which families exit or divert from the system to sustainable housing. In the absence of comprehensive action and support from the federal government, we have also worked to help those experiencing homelessness apply for and obtain work permits so that they can become active participants in our economy. Today, approximately 16 families are seeking shelter daily, down from a high of 40 families in 2023. Moreover, the system now sees upwards of 400 families exit per month, the highest level of exits in the last decade, doubling monthly totals seen throughout most of 2023.

However, in spite of these efforts and growth of exit numbers, demand for shelter remains high and exceeds available supply of shelter. More than 400 families remain on the waitlist and up to 400 new, additional families apply for shelter each month, thereby leading to a caseload of up to 7,500 families this year.

In the face of this continued demand and the federal government's failure to advance a solution, additional resources are necessary to fund the current system in the short term while accelerating efforts to increase the rate of exits and bring the caseload down to sustainable levels in the medium to long term.

For these reasons, I am requesting the Legislature appropriate \$425 million from the Transitional Escrow Fund to fund the Emergency Assistance system for the balance of FY25 so that we can continue to meet our obligations to provide shelter and services, as well as support our municipalities and other partners, while we act aggressively to move families to more permanent housing and reduce caseload and cost.

This includes the continuation of financial assistance to local school districts that have taken on additional enrollment of students whose families are experiencing homelessness and assistance to cities

and towns for the impacts of welcoming unhoused families and family shelter sites into their communities.

This request is both timely and necessary, as we project the state will be unable to meet its ongoing financial obligations to providers, vendors and partners in this effort after January.

We also know the current system, as operating, is unsustainable. Consistent with the recommendations of the Special Commission on Emergency Assistance, we are committed to ensuring that shelter is a rare, brief, and non-recurring stop for families as they transition to permanent housing. We must also work together to make sure the need in this area does not unduly crowd out our ability to serve residents through other programming in our budget.

That is why funding alone is not sufficient. This supplemental budget that I am filing for your consideration includes policy reforms that build on lessons learned from the last year and ensure that the EA shelter system can appropriately meet the needs of families while balancing the need to return EA caseloads to sustainable, affordable levels.

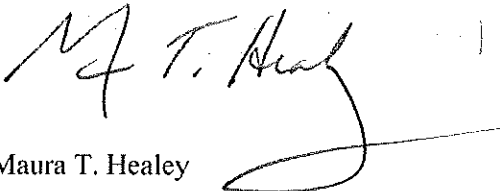
These policy changes will also build on steps my Administration has already taken in the last few months to prioritize families, particularly long-term Massachusetts residents, based on their needs and establish two tracks to support them with necessary resources to either rapidly find self-sufficient permanent housing -- via the Rapid Shelter Track -- or provide additional services and supports such as work authorizations, job placements, and English classes via the Bridge Shelter Track.

With this legislation, for the Bridge Shelter Track, our administration proposes to reduce the length of stay from nine months to six months and amend extension criteria contained in prior legislation to help families and EA providers rehouse more quickly. This ultimately will help families move to permanent housing more rapidly and clearly sets expectations for families, maintains focus on efforts to move toward permanent housing, and helps us to serve more families annually with less resources.

We are also fully committed to phasing out the use of hotels and motels for emergency shelter by the end of 2025, per the recommendations of the Special Commission on Emergency Housing Assistance Programs. While necessary when we began this effort to accommodate surging demand for shelter, hotels and motels are both costly and less-than-ideal family housing options. Eliminating their use will both save on cost and drive the move to more permanent housing.

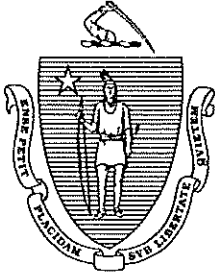
I urge you to enact this legislation in the next few weeks to ensure continued safe shelter and services for families in our shelter system, to support our cities and towns who are welcoming unhoused families into their communities, and to put us on the path for a more fiscally sustainable Emergency Assistance shelter system in Fiscal Year 2026 and beyond.

Respectfully Submitted,



Maura T. Healey

Governor



# The Commonwealth of Massachusetts

IN THE YEAR TWO THOUSAND AND TWENTY-FIVE

## AN ACT MAKING APPROPRIATIONS FOR FISCAL YEAR 2025 TO PROVIDE FOR SUPPLEMENTING CERTAIN EXISTING APPROPRIATIONS AND FOR CERTAIN OTHER ACTIVITIES AND PROJECTS.

*Whereas*, The deferred operation of this act would tend to defeat its purposes, which are forthwith to make supplemental appropriations for fiscal year 2025 and to make certain changes in law, each of which is immediately necessary to carry out those appropriations or to accomplish other important public purposes, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. To provide for supplementing certain items in the general appropriation act and other appropriation acts for fiscal year 2025, the sums set forth in section 2A are hereby appropriated from the General Fund unless specifically designated otherwise in this act or in those appropriation acts, for the several purposes and subject to the conditions specified in this act or in those appropriation acts, and subject to the laws regulating the disbursement of public funds for the fiscal year ending June 30, 2025. These sums shall be in addition to any amounts previously appropriated and made available for the purposes of those items. These sums shall be made available through the fiscal year ending June 30, 2026.

SECTION 2A. To provide for certain unanticipated obligations of the commonwealth, to provide for an alteration of purpose for current appropriations, and to meet certain requirements of law, the sums set forth in this section are hereby appropriated from the General Fund or the Transitional Escrow Fund established in section 16 of chapter 76 of the acts of 2021, as amended by section 4 of chapter 98 of the acts of 2022, unless specifically designated otherwise in this section, for the several purposes and subject to the conditions specified in this section, and subject to the laws regulating the disbursement of public funds for the fiscal year ending June 30, 2025. Except as otherwise stated, these sums shall be made available through the fiscal year ending June 30, 2026.

1599-2625 For purposes related to supportive services and safe shelter for unhoused families in Massachusetts; provided, that the secretary of administration and finance may transfer funds from this item to state agencies as defined in section 1 of chapter 29 of the General Laws; provided further, that funds appropriated in this item may be expended for any of the purposes described in item 1599-0514 of Chapter 77 of the Acts of 2023, item 1599-1213 of Chapter 88 of the Acts of 2024, and items 7004-0101, 7004-0108, and 7004-9316 of Chapter 140 of the Acts of 2024; provided further, that the secretary of administration and finance may transfer funds from this item to the Workforce Competitiveness Trust Fund for work programs targeted at supporting the populations served by this item; and provided further, that reporting requirements under the aforementioned items 1599-0514 and 1599-1213 shall apply to this item as well.....\$425,000,000

Transitional Escrow Fund.....100%

SECTION 3. Paragraph (G) of section 30 of chapter 23B of the General Laws, as most recently amended by section 3 of chapter 88 of the Acts of 2024, is hereby amended by striking out subparagraphs (3) and (4) and inserting in place thereof the following paragraph:-

(3) A family with children or a pregnant woman with no other children that receives benefits through the emergency housing assistance program shall, subject to appropriation and rules and regulations, remain eligible for the program for not more than 6 consecutive months.

SECTION 4. Subparagraph (5) of said paragraph (G) of said section 30 of said chapter 23B, is hereby amended by striking out the following words:- and (4).

SECTION 5. Said subparagraph (5) of said paragraph (G) of said section 30 of said chapter 23B, is hereby amended by striking out the following words:- additional.

SECTION 6. Subparagraph (6) of paragraph (G) of said section 30 of said chapter 23B, as so appearing, is hereby amended by striking out the words “; provided, that not more 150 families shall be terminated from the emergency housing assistance program in any week”.