



AARON MICHLEWITZ
STATE REPRESENTATIVE
3RD SUFFOLK DISTRICT

Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON, MA 02133-1054

Chair
Ways and Means
ROOM 243, STATE HOUSE
TEL: (617) 722-2990

October 31, 2025

Henrietta Chang

Senior Leader - Credit Analysis and Research - at Moody's Investors Service

Edward Hampton

Vice President, Senior Credit Officer at Moody's Investors Service

Dear Ms. Chang & Mr. Hampton,

Thank you for the guidance that your organization has provided us in the past as we continue to help guide the Commonwealth through the difficult fiscal situation that we find ourselves in.

As you are aware, the federal government shutdown has placed the Commonwealth and its residents in an extremely difficult situation. The Trump administration's unprecedented shut off of funding for programs like Supplemental Nutrition Assistance Program (SNAP), Head Start, and fuel assistance, just to name a few items, will have a devastating and lasting effect upon thousands of our constituents' lives. Massachusetts has joined 24 other states in a lawsuit against the Trump administration to petition that SNAP benefits be continued throughout the federal government shutdown. While that litigation makes its way through the judicial process, Massachusetts, like many other states, finds itself in uncharted territory in dealing with the abrupt funding cutoff of SNAP and other vital programs.

In the days since this announcement by the Trump administration, there have been calls for the Commonwealth to tap into the Stabilization Fund to offset these funding cuts. As a budget writer, one of the achievements that I am most proud of is the growth of the

Stabilization Fund over the past few years. At a balance of over \$8.5 billion, the Fund is at the highest level that it has ever been at since its creation nearly three decades ago. This accomplishment had a direct result on the Commonwealth's bond rating being upgraded in 2023, the first upgrade in over a decade. Given the pressing challenges that the Commonwealth is currently facing, including the high cost of housing and a continued focus on economic development, as well as other issues, our bond rating remains a critically important component of addressing those challenges in a fiscally sustainable manner. The historic capital investments that the Legislature has made in recent years, in these and other areas, have only been possible as a result of the Commonwealth's vigilance in maintaining a strong bond rating.

Given my role as Chair of the House Ways & Means committee, I am intimately familiar with the Commonwealth's budget and the critical importance our credit rating has on that budget and debt services. I am also cognizant of the devastation that the abrupt halt in funding for programs like SNAP and other essential programs will have for tens of thousands of our residents.

In light of this situation, I am writing to ask what the potential impact to the Commonwealth's credit rating would be if the Stabilization Fund was used to backfill the costs of programs like SNAP, particularly given the ambiguity of any possible reimbursement from the federal government when the government shutdown eventually ends.

I am conscious that the federal government shutdown is not the only fiscal uncertainty the Commonwealth faces in the months ahead. We are still assessing the effects the federal legislation signed on July 4th of this year will have on our budget, as well as other actions the Trump administration could take in the future.

Again, I would like to thank your organization for sharing their expertise with us over the years and for any guidance your organization could provide us as we attempt to navigate the Commonwealth through these difficult fiscal and policy decisions.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Michlewitz", with a stylized flourish at the end.

AARON MICHLEWITZ
State Representative
Third Suffolk District
Chair, House Ways & Means Committee