

Office of

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Commonwealth of Massachusetts

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Baker-Polito Administration Files Supplemental Budget Bill to Authorize \$1 Billion in COVID-19 Spending

BOSTON – The Baker-Polito Administration today filed a supplemental budget bill for Fiscal Year 2020 (FY20) which will authorize \$1 billion in spending necessary to cover incurred and expected costs during the COVID-19 public health crisis. It is expected that this spending will result in no net cost to the Commonwealth, after anticipated federal reimbursement and other federal funding sources.

These expenses include the purchase of Personal Protective Equipment, rate adjustments for providers of congregate care and other essential human services, incentive pay for state employees on the front lines at certain facilities in operation 24 hours a day, costs of temporary field hospitals and shelters, National Guard pay, the first statewide contract tracing program in the country, emergency child care for essential workers, and increased costs of local housing authorities and of the family and individual shelter system.

This authorization will enable the Commonwealth to leverage federal financial support, most notably, aid from the Federal Emergency Management Agency (FEMA), which can only reimburse state spending resulting from eligible disaster response activities. This legislation would ensure that adequate state spending has been authorized to allow the Commonwealth to continue to protect the public unimpeded until the federal reimbursement process can be realized.

COVID-19 costs not supported by FEMA reimbursement will, to the extent possible, be matched to other available federal revenue sources, including the federal Coronavirus Relief Fund established in the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

The bill would also attribute federal reimbursements to FY20 if they are associated with COVID-19 response costs incurred in FY20, allowing the use of revenue sources without putting the FY20 budget out of balance.