

MEMORANDUM

To: AIA MA GAC
From: John Nunnari
Date: 05/07/24
Re: Legislative and Regulatory Update

Legislative Update:**Since the last Update**

March tax collections exceeded expectations by \$182 million, providing a temporary boost despite long-term concerns. Governor Healey tightened hiring controls to address potential revenue declines, while lawmakers deliberated over funding solutions for the shelter crisis amidst escalating costs. The state's primary reserve ballooned to \$8.3 billion, fueling debates on resource allocation. Additional discussions centered on the maintenance of convention centers, a stadium proposal in Everett, and the long-term economic effects of infrastructure needs.

By mid-April, optimism grew as March's tax collections reversed an eight-month trend of underperformance. Speaker Mariano expressed hope for federal aid to assist with the migrant shelter crisis. Negotiations between the House and Senate focused on balancing emergency shelter funding using one-time escrow funds and savings. Governor Healey pushed for cultural engagement at the Red Sox Opening Day, while preparations for the 2025 budget aimed for moderate growth. However, internal divides on urgent issues such as property taxes, housing reforms, and transportation policy slowed progress.

The state's unpredictability persisted as April's collections exceeded expectations by over \$1 billion, alleviating immediate fiscal pressures. The government also developed emergency protocols for the potential collapse of Steward Health Care. In response, Rep. John Lawn introduced a reform bill requiring hospitals to own their properties to prevent financial instability. Despite concerns about Steward and lingering ethical challenges involving Cape Cod Rep. Chris Flanagan and DA Robert Galibois, legislative priorities continued evolving around budget policies, infrastructure upgrades, and health care reforms.

Looking Forward

The Senate is poised to reveal its fiscal 2025 budget, building on prior proposals from Governor Healey and the House, who have both relied on one-time revenue sources to fund their spending plans amid tight fiscal constraints. The agreed-upon revenue forecast is set at \$40.2 billion plus \$1.3 billion in surtax revenue, reflecting flat growth. Governor Healey's budget draws on \$1.1 billion in one-time funds, while the House version proposes using \$1.03 billion and up to \$375 million from excess capital gains tax revenues. Senate President Spilka aims to invest in universal free community college tuition and create more child care seats through a public-private partnership, while the Senate remains skeptical about online Lottery sales. The Senate plans to commence budget debate on May 21 after amendments are submitted.

Meanwhile, Governor Healey's team launched an "incident command system" to address disruptions in patient care following Steward Health Care's planned exit from Massachusetts. This response aims to ease concerns among residents and communities but also underscores the urgency of preparing for a potential health care crisis. The governor emphasized the importance of contingency plans to ensure a smooth transition to new ownership without sudden hospital closures. While health care remains a top priority, Speaker Mariano's next focus is on the governor's housing bond

bill, which will be debated alongside other significant legislation like the annual budget and the economic development bill in upcoming formal sessions.

To review minutes from previous GAC meetings or previous Legislative or Regulatory Reports, please click [here](#) and review the files located under the banner **2024 Government Affairs Committee Meeting Schedule**

AIA MA Bills

Since the last Legislative and Regulatory update:

- **High Priority** bills
 - 3 have been attached favorably to a Joint Committee report;
 - 1 was reported favorably to Senate W/M's; and
 - 2 had extension orders filed
- **Medium Priority** bills
 - 3 have been attached favorably to a Joint Committee report;
 - 2 were reported favorably as amended and attached to a Joint Committee report;
 - 1 was reported favorably to Senate W/M's;
 - 3 were sent to study; and
 - 10 had extension orders filed
- **Low Priority** bills
 - 5 have been attached favorably to a Joint Committee report;
 - 4 were reported favorably to Senate W/M's;
 - 1 is awaiting House engrossment vote
 - 6 were sent to study; and
 - 7 had extension orders filed

To view the current status of all AIA MA tracked legislation, please click [here](#) and review the files located under the banner **Bills Tracked for the 2023-2024 Legislative Session**

Regulatory Update:

A schedule of all construction board regulatory meetings can be found on the [Regulatory Events Calendar](#) of AIA MA's website.

Notices of Public Review of Prospective Regulations (03/13/24 – 05/07/24)

No new Notices of Public Review of Prospective Regulations were issued during this period

New Regulations (03/13/24 – 05/07/24)

225 CMR 25.00 – Department of Energy Resources – Participation in the Green Communities Program for Municipalities Served by Municipal Light Plants

- September 30, 2022 – [CMR 225 25.00](#) – An Act Relative to Municipal Light Plant Participation in Green Communities, was signed by the Governor as Chapter 230 of the Acts of 2022 (Act). Pursuant to the Act, The Department of Energy Resources (DOER) has drafted regulations allowing municipalities served by a municipal light plant that serves multiple municipalities to qualify for DOER's Green Communities Designation and Grant Program (Green Communities Program) by adopting a renewable energy charge pursuant

to the Act. Additionally, DOER took the opportunity to put into regulation existing guidelines regarding the eligibility of municipalities served by municipal light plants for the Green Communities Program. – **Permanent Regulations – Effective Date 03/29/2024**

310 CMR 7.00 – Department of Environmental Protection – Air Pollution Control

- March 29, 2024 – [CMR 310 7.00](#) - Amends 310 CMR 7.00 to require a cumulative impact analysis (CIA) for air quality Comprehensive Plan Applications for facilities located in or near environmental justice (EJ) populations. The CIA requirements are contained in a new section, 310 CMR 7.02(14), and include enhanced public outreach to and involvement of EJ populations, assessment of existing community conditions, and analysis of cumulative impacts of proposed projects. – **Permanent Regulations – Effective Date 03/29/2024**

310 CMR 7.00 – Department of Environmental Protection – Air Pollution Control

- April 26, 2024 – [CMR 310 7.00](#) - Add missing text to 310 CMR 7.02(3)(j)9. and 310 CMR 7.02(5)(c)2., 3., 6., and 7. Remove "submitted in duplicate" in 310 CMR 7.02(5)(c)3.. – **Notice of Correction – Effective Date 03/29/2024**

310 CMR 40.00 – Department of Environmental Protection – Massachusetts Contingency Plan

- April 12, 2024 – [CMR 310 40.00](#) - Please find the list of pages with corrections to be made to 310 CMR 40.0000. See also detailed summary and mark-up of these pages. Pages:: 31, 1538, 1573, 1574, 1583, 1643, 1688, 1713, 1719, 1742, 1871, 1915– **Notice of Correction – Effective Date 03/01/2024**