



FY2026 State Budget Priorities

1. Small Business Technical Assistance (7002-0040)

MACDC Request: \$10 million (increase over FY25)

SBTA funds non-profit organizations across the state that support local entrepreneurs as they start, stabilize, and grow their businesses. For every state dollar invested, the SBTA program leverages nearly \$10 in Federal and private capital, and the additional economic activity and tax revenue produced in each of the businesses supported make this a crucial, high return investment in difficult revenue environments. A \$10 million investment will allow SBTA to meet the demand, save businesses and jobs, and generate hundreds of millions of dollars of economic activity.

History – H1: \$7.5M | FY25 : \$7.5M | FY24: \$5M | FY23: \$7M

2. Ch. 206 Homeowner Education and Foreclosure Prevention Counseling (7006-0011)

MACDC Request: \$3.05 million (restore Gov's FY25 reduction)

During the foreclosure crisis in 2007, the Legislature established this dedicated funding stream to provide high-quality homeowner education and foreclosure counseling services across the state. Chapter 206 awards provide essential assistance for the creation and preservation of sustainable homeownership in the Commonwealth. This modest investment provides a crucial tool for keeping people in their homes during today's housing crisis.

History – H1: \$1.55M | FY25: \$1.55M | FY24: \$3.05M | FY23: \$3.05M

3. The Massachusetts Healthy Homes Program (new line item)

MACDC Request: \$5 million (new item)

Created in *The Affordable Homes Act*, the Massachusetts Healthy Homes Program will improve the quality of our aged housing stock, with the majority of funds targeted to homes located in Gateway Cities. The majority of these homes are occupied by low-income households and households of color. While we work to construct badly needed new housing, it is crucial that we also maintain focus on preserving our older existing homes. With a projected per-unit cost of only \$25,000 to \$50,000—a fraction of the cost of building new units—the MHHP is a cost-effective strategy to address the serious health impacts caused by lead paint, mold, and other hazards on families with limited housing options. It will help keep people in their homes, reduce health care spending, improve health equity, and increase families' productivity at both work and school. We request \$5 million to actualize the work of this important new program and scale up efforts to preserve these older homes.

History – N/A

4. **Residential Assistance for Families in Transition (7004-9316)**

MACDC Request: \$300 million (increase over FY25) + benefits cap at \$10k

RAFT has provided a lifeline to tens of thousands of households and has demonstrated that proactive public-private partnerships can dramatically increase housing stability. The availability of emergency rental assistance can avoid unnecessary evictions, reducing strain on the shelter system and providing benefits to renters, landlords, and communities alike.

We also urge an increase in the annual benefits cap to \$10,000. The current \$7,000 cap is insufficient for most housing markets across the state, and H1 has proposed that it be effectively cut in half in FY26, which is an unacceptable outcome. RAFT's impact on recipients dilutes exponentially as the benefit shrinks – it is not a linear effect. A \$10k cap would ensure that the investment is achieving its intent.

History – H1: \$202.47M | FY25: \$197.4M | FY24: \$190M | FY23: \$150M

5. **Mass. Rental Voucher Program (7004-9024)**

MACDC Request: \$300 million (increase over FY25) + Codification

MRVP is a crucial tool that helps families before they experience a crisis and face eviction, providing a permanent improvement in the lives of more than 10,000 low-income families and individuals by offering both tenant- and project-based rental subsidies. Thousands of Massachusetts' families and individuals benefit from stable and secure rental housing they would otherwise be unable to afford. We also ask that MRVP be moved from being an annual budget item and codified into the General Laws. This will add durability, accessibility, and improved oversight to this program that is a pillar of our state's work to fight homelessness, benefitting tenants and landlords alike.

History – H1: \$253.3M | FY25: \$219.2M | FY24: \$179.6M | FY23: \$154.3M

6. **Massachusetts Food Trust Program (2511-0100)**

MACDC Request: \$300,000 (restore Gov's FY25 reduction)

The MA Food Trust Program addresses critical gaps in food equity by supporting the development and expansion of food enterprises in underserved communities with limited access to fresh, healthy, and affordable foods. The funds support program operations, outreach, and technical assistance, and they leverage millions of dollars in additional public and private investment, spurring local economic growth and benefitting local public health.

History – H1: \$0 | FY25: \$200k | FY24: \$300k | FY23: \$300k

7. **Microlending Grants (7007-0801)**

MACDC Request: \$3 million (increase over FY25)

Investments through established Community Development Financial Institutions (CDFIs) and other nonprofit microlenders provide affordable capital that would otherwise be unavailable to many small and micro

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businesses. Investing in these institutions leverages both federal and private capital and enables a broader range of business owners to access the capital they need to grow. Funding is used for lending or equity investment capital, predominately to small businesses in underserved communities, and it fosters inclusive economic development across the state. This program is a crucial complement to the Small Business Technical Assistance program, helping businesses develop sustainable practices, improve operations, and have the capital to achieve long term success.

History – H1: \$0 | FY25: \$850k | FY24: \$1.8M | FY23: \$2.8M

8. Operations of the Executive Office of Housing and Livable Communities (7004-0099)

MACDC Request: \$22,235,340 (increase over FY25)

Last year’s passage of *The Affordable Homes Act* represented a strong commitment to tackling our critical shortage of affordable housing. However, translating that bill into steady progress on the ground will require significant additional resources for EOHLC operations, so that they are positioned to drive this change with the staff capacity to manage the many new investments and programs created in the bill.

History – H1: \$22,235,340 | FY25: \$14,831,798 | FY24: \$11,683,005 | FY23: \$8,961,761

9. Neighborhood Stabilization Initiative & Neighborhood Hub (7002-1502)

MACDC Request: \$750,000 (restore Gov’s FY25 veto)

Many Gateway Cities and rural towns in our Commonwealth suffer from distressed, vacant, and abandoned housing, as too often property owners lack sufficient incentive and resources to maintain their properties. The Neighborhood Stabilization Initiative is a comprehensive approach to this problem, and the Neighborhood Hub is its linchpin. Administered by MassHousing, the Hub is a multi-agency partnership among the public and nonprofit sectors to provide funding and technical assistance to municipalities working to revitalize distressed areas.

History – H1: \$0 | FY25: \$0 (vetoed) | FY24: \$750K | FY23: \$750K