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MTF Summary of Governor Healey's *Mass Ready Act*

On June 24th, the Healey-Driscoll administration unveiled a \$3.1 billion environmental bond bill, known as the *Mass Ready Act*, which includes authorizations for a new five-year capital funding plan alongside policy proposals aimed at strengthening climate resilience, protecting natural resources, and improving access to open space. The legislation is intended to fund infrastructure improvements, support state-of-good-repair programs, and integrate climate considerations into permitting, planning, and local decision-making. The bill also reflects the administration's strategy to manage changes in federal funding through increased authorizations and the creation of new programs that can offer alternative funding mechanisms.

This Brief breaks down the major components of the bill. Specifically, it will:

1. Assess how the proposed investment level compares to prior environmental bond bills.
2. Describe how the authorizations fit within the state's Capital Investment Plan.
3. Summarize the major policy proposals included in the bill and their expected impacts on existing policies.

Big Picture

Massachusetts is increasingly experiencing the effects of climate change, including more frequent flooding, extreme heat, wildfires, and drought. These events pose growing risks to infrastructure, natural resources, and communities. The \$3.1 billion *Mass Ready Act* reflects the state's largest proposed environmental investment to date. It builds on the \$2.2 billion environmental bond bill from 2018¹, much of which has now been spent, and proposes new capital authorizations that cover a seven-year period (through June 30, 2032).

While the authorizations will remain available for seven years, the bill, like most other bond bills, is generally structured around a five-year timeframe. The additional two years serve as a buffer to accommodate the unknown timing for the bill's final enactment, ensuring that the expiration date does not become a limiting factor for authorizations or the programs and projects they support.

The Act aims to enhance the Commonwealth's environmental infrastructure, invest in local economies, conserve natural resources, and increase access to open spaces, particularly in underserved areas. In addition to continuing current efforts, the proposal includes new measures to

¹ The 2018 environmental bond bill included \$3.1 billion in total authorizations. Excluding approximately \$1 billion in MassDOT authorizations for transportation and highway programs, authorizations directly related to EEA total \$2.2 billion.

improve efficiencies in environmental permitting for housing and natural infrastructure and to integrate climate resilience into permitting, building codes, and local funding decisions.

Capital Authorizations

Big Picture Spending Themes

The Healey-Driscoll administration has organized capital authorizations in the *Mass Ready Act* into eight general categories, as shown in the table below.

Table 1. Mass Ready Act Authorizations by Category

Category	New Authorizations	Existing Authorizations	Total Authorizations	Total Authorizations (\$)
Parks & Parkways Infrastructure	1	5	6	\$818
Inland & Coastal Flooding	0	4	4	\$642
Clean Air, Water, & Land	1	4	5	\$603
Land Conservation & Biodiversity Stewardship	2	7	9	\$396
Climate Readiness & Environmental Justice	0	2	2	\$388
Secure Farmers & Food Systems	0	2	2	\$151
A&F Flex Grant Program	1	0	1	\$50
EOHLC Momentum Fund	1	0	1	\$50
Total	6	24	30	\$3,097

\$ in millions

The proposal represents the state's largest ever investment in climate readiness and environmental protection. Building on the approximately \$2.2 billion environmental bond bill from 2018, whose authorizations are now nearly depleted, the Act includes at least \$2.7 billion to support current authorizations. Many of these existing authorizations are nearing the end of their current authorization, most of which are state-of-good-repair programs. It also deauthorizes outdated authorizations from previous bond bills, a common practice in accordance with the state's debt affordability practices.

Approximately \$1.3 billion in existing authorizations from 2018 and earlier bond bills remain available. Notably, programs within the Land Conservation & Biodiversity Stewardship and Clean Air, Water & Land categories have combined starting balances of over \$300 million each. These pre-existing authorizations account for why some new authorization proposals appear lower in the *Mass Ready Act* compared to 2018. Conversely, there are various state-of-good-repair authorizations that are nearing, or have already exhausted, their authorization. For example, Department of Conservation and Recreation (DCR) authorizations, including facilities, equipment, and roadway programming, are close to exhausting authorization.

Table 2. Mass Ready Act v. 2018 Environmental Bond Bill

Category	2018 EBB	Mass Ready Act	Change Over 2018
Parks & Parkways Infrastructure	\$665	\$818	\$153
Inland & Coastal Flooding	\$440	\$642	\$202
Clean Air, Water, & Land	\$266	\$603	\$337
Land Conservation & Biodiversity Stewardship	\$603	\$396	-\$207
Climate Readiness & Environmental Justice	\$122	\$388	\$267
Secure Farmers & Food Systems	\$74	\$151	\$77
A&F Flex Grant Program	\$0	\$50	\$50
EOHLC Momentum Fund	\$0	\$50	\$50
Total	\$2,169	\$3,097	\$928

\$ in millions

Notable authorizations that receive increases in the 2025 bill include the Municipal Vulnerability Preparedness Grant Program (MVP) and the Clean Water Trust. New authorizations are related to the McLaughlin Fish Hatchery, remediating PFAS contamination in private wells and wastewater, and two Department of Fish and Game (DFG) authorizations to support biodiversity and marine habitat investments.

The scope of the *Mass Ready Act* can be illustrated by comparing the five-year cost of the bill to the current rate of capital spending on energy and the environment. To make the roughly \$3.0 billion² in environmental investments intended for the Executive Office of Energy and Environmental Affairs (EEA), the state would need to allocate \$619 million annually over the next five years. In the FY 2026 Capital Investment Plan (CIP), the state plans to devote \$312 million from its capital spending plan to EEA.³

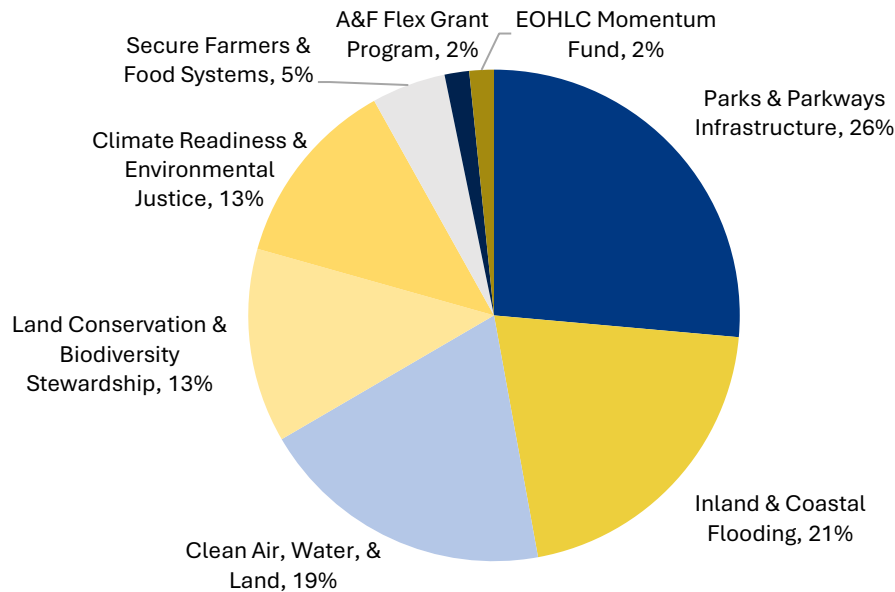
A Closer Look at Authorizations

The descriptions below highlight notable investments in each of the spending categories identified above.

² Excludes the A&F Flex Grant Program (\$50 million) and EOHLC Momentum Fund (\$50 million), as these are administered by A&F and EOHLC, respectively.

³ [FY 2026 CIP by Capital Agency](#)

Figure 1. Mass Ready Act Authorizations by Category



Parks & Parkways Infrastructure – \$818 Million

These programs aim to modernize infrastructure, enhance access, and ensure the safe use of outdoor facilities; including rinks, pools, beaches, trails, campgrounds, boat ramps, hatcheries, parks, and roadways. Major programs include:

- **Department of Conservation and Recreation (DCR) Property Upgrades – \$587 million:** This program funds the planning, design, construction, repair, and upgrade of DCR-managed parks, forests, campgrounds, playgrounds, pools, rinks, historic sites, and recreational trails. It also supports IT upgrades, the purchase of wildfire-fighting equipment for municipalities, and grants for public and nonpublic partners. This authorization is time sensitive, as current authorizations are nearly depleted.
- **DCR Roadway and Path Infrastructure Upgrades – \$177 million:** This program funds improvements to DCR-managed transportation infrastructure, including parkways, boulevards, multi-use trails, internal park roads, and pedestrian bridges. Projects include repairs, traffic calming measures, landscape enhancements, lighting improvements, safety upgrades, and accessibility enhancements.
- **Additional Environmental Infrastructure Authorizations:** Smaller infrastructure authorizations include funding to modernize and decarbonize the McLaughlin Fish Hatchery in Belchertown (\$20 million), support for DFG facility maintenance and dam safety repairs (\$15 million), upgrades to coastal and inland public access sites (\$10 million), and equipment for Massachusetts Environmental Police cruisers and public safety (\$9 million).

Inland & Coastal Flooding – \$642 Million

These authorizations are intended to help local communities and state agencies prepare for sea level rise and extreme flooding. Projects include repairing failing seawalls, upgrading or removing outdated dams, and improving culverts to manage increased stream flows. Major programs include:

- **DCR Flood Control and Coastal Improvements** – \$308 million: Flood control investments include DCR-owned dams, notably upgrades to Amelia Earhart and the Charles River Dam, along with DCR's stormwater management efforts. Coastal Improvement programs at DCR focus on rehabilitating, repairing, and maintaining coastlines, including seawalls, levees, revetments, docks, piers, groins, floats, and moorings.
- **Coastal Infrastructure** – \$200 million: First authorized in 2014 and expanded in 2018, this program funds projects to protect coastal areas from flooding and sea level rise through seawall repairs, beach nourishment, and nature-based solutions like living shorelines. Informed by the Massachusetts Office of Coastal Zone Management's (CZM) ResilientCoasts Plan, it supports public and approved private efforts with grants and loans aligned with climate adaptation goals.
- **Inland Dam and Seawalls** – \$93.5 million: This authorization supports the repair, removal, and improvement of state-owned or abandoned dams and coastal infrastructure, as well as ecological restoration projects (shore protection, river and salt marsh restoration).

Clean Air, Water, & Land – \$603 Million

This category focuses on ensuring all residents have reliable access to clean air, water, and land. It supports critical water infrastructure projects, solid waste management, responding to environmental emergencies, and the federal match requirement for the Environmental Protection Agency's (EPA) Superfund program, which supports the cleanup of hazardous waste contamination sites in the Commonwealth. Major programs include:

- **Clean Water Trust** – \$385 million: This program provides state matching funds for federal grants under the Clean Water and Safe Drinking Water Act and low-interest loans through the Water Pollution Abatement and Drinking Water Revolving Funds. It supports wastewater, stormwater, and drinking water projects, including PFAS remediation and assistance with septic system compliance. Because loan repayments are reinvested in future projects, every \$1 of public investment into the State Revolving Funds has yielded \$3 in loans. The Mass Ready authorization expands funding capacity to support growing demand and manage long-term stability in the face of federal uncertainty.
- **PFAS Remediation** – \$120 million: This new program funds the planning, construction, and improvement of water infrastructure to address PFAS contamination in drinking water and wastewater supplies.

Land Conservation & Biodiversity Stewardship – \$396 Million

These are authorizations that preserve open space and enhance ecosystem services to meet the Massachusetts Clean Energy and Climate Plan of 40 percent of land conserved by 2050. Major programs include:

- **Land, Soil, Water, and Natural Resource Conservation Grant Programs** – \$120 million: This program supports a wide range of conservation and climate resilience projects, including land protection, water resource management, flood prevention, and coastal habitat preservation. It funds the development and improvement of parks, particularly in underserved areas, and supports environmental equity, wildlife protection, and the remediation of brownfield sites.
- **Agency Land Acquisition Programs** – \$220.5 million: The bill includes several programs that support the acquisition of land and land interests. The first is an authorization for municipalities and non-profit organizations (\$85 million), which includes \$25 million to capitalize the Transfer of Development Rights Fund (TDR). TDR allows communities to transfer development rights from areas prioritized for conservation to areas that can support greater density and development, allowing for the advancement of different land use goals. In addition to this, the bill authorizes land acquisition for DCR (\$40 million), MDAR (\$42 million), and DFG (\$54 million). Funds may be used for conservation, open space, recreation, agriculture, forest and wildlife protection, and the preservation of habitats for endangered species. It also supports site restoration and stewardship of acquired land.
- **Forestry and Tree Planting Projects** – \$30 million: This total supports planning, planting, and maintenance for DCR (\$20 million) and EEA (\$10 million) forestry and tree planting projects across the Commonwealth with a focus on underserved and climate-vulnerable areas.
- **Ecological Restoration Capital Programs and Projects** – \$40 million: This item allocates funds to the DFG’s Division of Ecological Restoration for river, wetland, and watershed restoration projects.

Climate Readiness & Environmental Justice – \$388 Million

This category supports environment and climate programs in communities, including responses to flood and heat hazards and programs designed to ensure that all residents, in particular disadvantaged and vulnerable populations, have access to climate preparedness tools and support. Every dollar invested in resilience can yield \$13 in savings and benefits, including avoided damages, costly repairs, and economic disruptions. Major programs include:

- **Municipal Vulnerability Preparedness Grant Program (MVP)** – \$315 million: This program provides funds to cities, towns, tribal governments, and regional agencies to assess climate risks, develop resiliency plans, hire local climate coordinators, and implement adaptation projects like nature-based solutions and infrastructure upgrades. *Mass Ready* expands eligibility to non-profits. The program aims to fund action grants throughout the Commonwealth annually and advance statewide adoption of MVP 2.0 plans focused on engaging priority populations most vulnerable to climate impacts. At \$315 million, this proposed authorization level is also four times larger than the amount included in the 2018 bond bill (\$75 million). This increase is driven by increasing demand for the program, both in terms of the number of communities seeking to participate in the program and the amount

of grant funding requested. Many communities are also transitioning from the planning phase to the implementation of projects, which requires a larger amount of funding.

- **EEA Climate Action and Facility Support** – \$73 million: This funding supports the development of ResilientMass, the statewide hazard mitigation and climate adaptation plan. Governor Healey has adopted the ResilientMass Plan, with the next plan expected to be completed in 2028. This authorization provides resources for implementing ResilientMass actions, especially new interagency initiatives.

Secure Farmers & Food Systems – \$151 Million

This category focuses on strengthening the local agricultural economy and enhancing food security in the face of climate disruptions. Investments prioritize updating and modernizing infrastructure to support resilient farming practices and ensure a stable, secure food supply for all communities. Major programs include:

- **Food Security Infrastructure Grants (FSIG)** – \$125 million: This total authorization equates to \$25 million annually for the next five years to fund approximately 150 projects annually to improve local food systems and agricultural efforts. Grants promote fair access to healthy, locally grown food by enhancing food supply and distribution networks, including farms, food banks, retailers, processors, and tribal governments. In recent years, FSIGs have been funded with approximately \$25 million per year of state operating or surplus funds.

EOHLC Momentum Fund – \$50 Million

- Administered by the Massachusetts Housing Finance Agency, this fund accelerates mixed-income and workforce multifamily housing development by offering flexible, low-cost capital tailored to project needs. Projects are prioritized for geographic equity and must meet decarbonization and sustainability standards, including energy-efficient construction and electrification measures.

Contextualizing the Bill Within the Capital Investment Plan

The authorization total of \$3.1 billion in the *Mass Ready Act* includes funding for both existing and new initiatives, with at least \$2.7 billion planned for existing programs. However, it's important to note that authorizations in a bond bill do not guarantee actual spending. While authorizations enable bonding, actual expenditures must align with debt affordability limits and the state's Capital Investment Plan (CIP). Additionally, bond bills are often sized with some built-in flexibility to accommodate unforeseen future needs, with the understanding that increases in one area will typically require offsets elsewhere due to overall debt affordability constraints.

The Commonwealth's Debt Affordability Committee (DAC) provides recommendations on the amount of borrowing that is financially prudent. Historically, actual capital spending has fallen short of authorized amounts. For additional detail on the state's Capital Investment Plan process, read [MTF's preview on capital spending](#).

As MTF noted in its summaries of the *Affordable Homes Act* and the *Mass Leads Act*, actual capital expenditures over a five-year period typically represent between 50 to 70 percent of the allowable authorization total, and this general pattern remains true for environmental bond bills as well. For example, the \$2.2 billion 2018 environmental bond bill marked a record level of support at the time; however, actual capital spending by EEA from FY 2019 to FY 2023 has been closer to \$1.3 billion, or 59 percent of the authorization total called for in the bill.

Table 3. EEA Authorizations in the 2018 Bond Bill v. Actual Capital Budget, FY 2019 – FY 2023

Fiscal Year	Amount Authorized (2018 EBB)	Amount in CIP	Share of Authorized
FY 2019	\$434	\$226	52%
FY 2020	\$434	\$231	53%
FY 2021	\$434	\$238	55%
FY 2022	\$434	\$309	71%
FY 2023	\$434	\$270	62%
Total	\$2,169	\$1,274	59%

\$ in millions

While some spending from the 2018 bill is ongoing, using a five-year period for this analysis provides a meaningful comparison to typical capital spending patterns, as bond bills are generally intended to support investments over a five-year period, with some buffer to adjust upwards if needed.

In order for actual capital spending to fully exhaust 100 percent of the total *Mass Ready* authorization amount of \$3.0 billion⁴ over the next five years, actual capital spending for EEA would need to be \$599 million annually, and the percentage of the state bond cap dedicated to EEA would need to grow to nearly 19 percent. This is \$287 million greater than the current allocation in the FY 2026 CIP for EEA, which is \$312 million.⁵ Between FY 2026 and 2030, the CIP allocates approximately \$1.6 billion for EEA.

Table 4. Current EEA Investment v. Amount Necessary to Fully Exhaust the Mass Ready Act in Five Years

	CIP Spending Level	Share of Capital Plan
FY 2026	\$312	10%
Amount Necessary to Exhaust the <i>Mass Ready Act</i>	\$599	19%

\$ in millions

⁴ Excludes the A&F Flex Grant Program (\$50 million) and EOHLC Momentum Fund (\$50 million), as these are administered by A&F and EOHLC, respectively.

⁵ Excludes \$71 million one-time non-bond funding for the state's Clean Water Trust share in FY 2026 and FY 2027.

To address the gap between current energy and environmental spending in the CIP and the funds authorized by the *Mass Ready Act*, the state has several options: dedicate a larger share of bond cap spending to EEA, which could reduce resources for other areas; increase the bond cap beyond the administrative growth limit to free up more funds for EEA and other areas, though this might raise debt affordability concerns; and utilize other revenue sources, like the income surtax, to increase the state’s capital spending capacity.

Option 1: Dedicate a Greater Share of New Bond Cap Spending Growth to EEA

In FY 2026, the state bond cap totals \$3.22 billion; representing a \$110 million increase over FY 2025. At \$110 million, that annual increase is \$15 million less than the \$125 million administrative growth cap that has been traditionally used in the past. The Committee also projected similar \$110 million annual increases through FY 2056.

Over the next five years, even if the entirety of the \$110 million annual increases to the state bond cap were directed to EEA, total spending would still fall short of exhausting the \$3.0 billion authorized for EEA by the Act by approximately \$500 million.

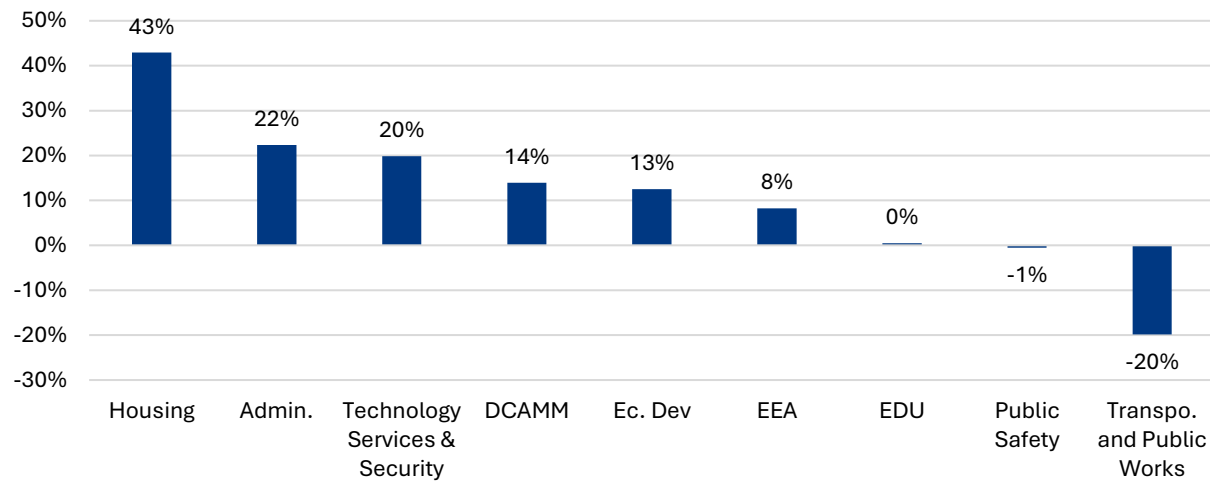
Table 5. EEA Capital Spending with FY 2026 Bond Cap Growth

Fiscal Year	EEA with All New Bond Cap Spending	Bond Cap
FY 2026	\$312*	\$3,227
FY 2027	\$422*	\$3,337
FY 2028	\$532	\$3,447
FY 2029	\$642	\$3,557
FY 2030	\$752	\$3,667
Total	\$2,660	

*\$ in millions; *excludes one-time non-bond cap funding for the Clean Water Trust*

The likelihood that all new state bond cap spending would be dedicated to EEA is extremely low. Over the past two years, the state has passed two ambitious housing and economic development bond bills, both of which place new pressures on the state’s capital budget. For example, of the \$110 million increase in bond cap spending for FY 2026, 43 percent was dedicated to housing, and 13 percent was directed towards economic development when comparing the FY 2025 CIP budget and the FY 2026 CIP budget. In addition to these competing priorities, capital project delivery is often non-linear across agencies, and the administration considers the availability of non-bond cap funding each year. Each of these factors influences how annual bond cap allocations are set.

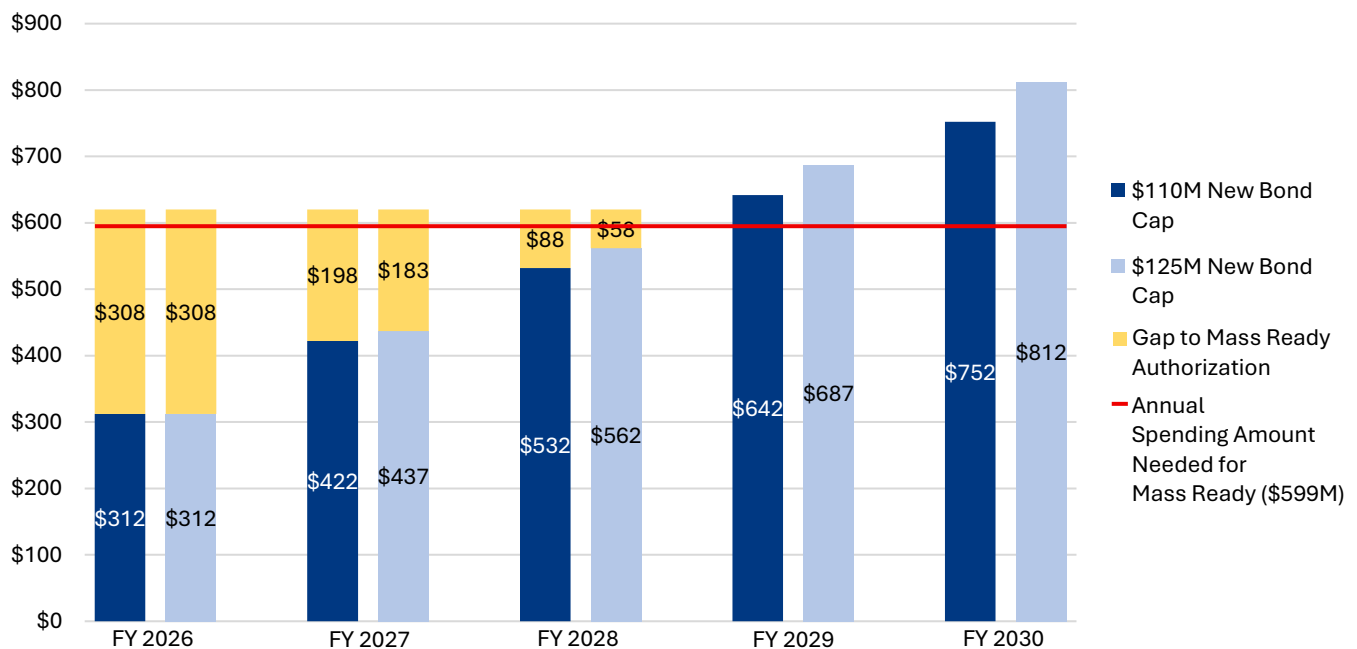
Figure 2. Distribution of New State Bond Cap Spending in FY 2026 by Capital Agency over FY 2025



Option 2: Spend Up to or Increase the Bond Cap Limit

While the bond cap was increased by \$110 million in FY 2026, the state has historically capped growth at \$125 million. However, even if the CIP were to grow at a higher amount of up to \$125 million per year, it would still be insufficient to fully expend 100 percent of the authorizations proposed in the *Mass Ready Act*.

Figure 3. New Bond Cap Scenarios vs. Authorized Amount Necessary



\$ in millions; excludes one-time non-bond funding for the Clean Water Trust

As demonstrated in Figure 3, in both the \$110 million and \$125 million new bond cap scenarios, it would take until FY 2029 to reach the annual funding level necessary under the *Mass Ready Act* of

\$599 million. Even then, the total spending amount over five years would fall short of the \$3.0⁶ billion that the *Mass Ready Act* authorizes by \$340 million and \$190 million, respectively.

Another option for policymakers could be to reassess the traditionally used \$125 million growth cap itself. For example, in FY 2025, the DAC recommended an increase to the bond cap of \$212.2 million; which reflected the standard \$125 million per year growth, plus an additional \$87.2 million adjustment to account for inflation related to construction costs.

Despite the apparent room to grow, the DAC recommended a more conservative approach for FY 2026; which likely reflects the need to balance debt service payments, outstanding principal targets, and the Commonwealth's long-term revenue outlook, in addition to considering other administrative and statutory direct debt measures.

Option 3: Utilizing Alternative Revenue Resources

Finally, another potential avenue for expanding capital investments in energy and environmental initiatives lies in how the state leverages new revenue sources, particularly the income surtax. Two recent proposals, related to transportation and higher education, demonstrate how the state can maximize the impact of a new revenue stream to create additional flexibility and capacity within the CIP.

In FY 2025, lawmakers passed a proposal to automatically and annually transfer \$250 million in surtax revenue to the Commonwealth Transportation Fund (CTF). By setting up this automatic transfer mechanism, the state increased the debt coverage ratio of the fund and increased the CTF's borrowing capacity by up to \$1.1 billion over five years. In FY 2026, the annual transfer amount was increased to \$550 million, further expanding capital spending capacity for transportation projects. Bonds backed by the CTF are Special Obligation bonds and they are not subject to the same limitations as the state bond cap. Special Obligation bonds are backed by dedicated revenue streams, and they allow the Commonwealth to fund capital improvement projects without straining General Obligation debt capacity. In FY 2026, the Healey-Driscoll administration sought to expand on this strategy by leveraging surtax revenues in support of higher education capital improvement projects. Through a higher education bond bill proposal (known as the "BRIGHT Act"), they put forward a structure that is estimated to support the issuance of up to \$2.5 billion in special obligation bonds over a ten-year period, with annual debt service costs of up to \$125 million.

The Legislature has not yet acted on the BRIGHT Act, but did choose to spend \$115 million in surplus surtax revenue for higher education capital needs as part of the Innovation and Capital Fund supplemental budget. This funding is intended to address the deferred maintenance backlog at public higher education institutions. These funds are appropriations from a surplus supplemental budget, rather than a dedicated stream of surtax revenues, which allows for only a one-time investment.

⁶Excludes the A&F Flex Grant Program (\$50 million) and EOHLC Momentum Fund (\$50 million).

These examples illustrate how surtax revenue can be used to create new capital spending capacity outside of the state bond cap, thereby creating space for other priorities and new investment within the bond cap. Although borrowing remains constrained by the need to repay debt from the operating budget and to comply with statutory and administrative caps, this reallocation of funds allows for greater investment in other areas, such as environmental and climate-related projects.

Policy Proposals

Mass Ready includes a range of policy proposals, both significant and minor, designed to promote climate resilience, sustainable development, and environmental stewardship. In total, the bill includes 81 policy sections, grouped into several broad categories:

Table 6. Policy Proposals by Category

Category	Number of Proposals
Agency Structure & Oversight	23
Environmental Protection and Land Use	16
Agricultural Resources and Animal Welfare	11
Other	10
Water Resources and Resilient Infrastructure	7
Housing & Development	7
Public Access, Recreation, and Historic Preservation	5
Transportation	2
Total	81

This section highlights selected policy proposals and does not provide a review of every category or policy included in the bill.

Environmental Protection and Land Use

The bill includes several provisions aimed at strengthening the Commonwealth's tools to naturally mitigate emissions and climate impacts through improved land use and protection policy initiatives. It recognizes carbon sequestration as a core forestry priority, directs state agencies to consider climate benefits in forest management, and enhances land conservation tools by granting the DCR a first right of refusal on certain land sales.

- **Permit Streamlining for Housing and Nature-Based Solutions** (Section 31) – The bill authorizes the Department of Environmental Protection to issue general licenses or permits for certain environmentally beneficial or lower-impact projects that implicate tidelands, great ponds, rivers, and streams. This reduces the need for individual approvals and enables general permits for priority housing projects that align with the Commonwealth's land use planning and housing strategies. Streamlining proposals also expedites permitting and appeals for wetlands.

Water Resources and Resilient Infrastructure

These policy sections of the *Mass Ready Act* support local and regional water resources and resilience by creating new funding tools, including the Resilience Revolving Fund and a dedicated fund for Connecticut River Water Trail navigation. It streamlines irrigation regulations, expands siting authority for water and sewer infrastructure, and establishes a special commission to prioritize flood mitigation projects in the Connecticut River Valley.

- **Resilience Revolving Fund** (Section 10) – Administered by the Massachusetts Clean Water Trust, the bill establishes a new fund to provide low-interest loans for climate resilience projects to municipalities, water and wastewater districts, and tribal governments. These projects will aim to reduce greenhouse gas emissions, support adaptation to climate change impacts, and incorporate mitigation or adaptation programs that involve communities affected by air pollution. In addition to offering direct financing, the fund would support the issuance of Special Obligation bonds backed by its own revenues. It provides communities with an additional tool, beyond grants, to access the resources needed to launch and implement resilience initiatives on terms more favorable than they could secure on their own. The fund is initially supported by a one-time investment from the Climate Mitigation Trust, with the potential for additional funding through a reallocation of surplus insurance tax revenue that exceeds budget expectations. Currently, all surplus insurance tax revenue flows into the General Fund. The provision would not increase tax rates.

Public Access, Recreation, and Historic Preservation

The bill also updates and clarifies state authority over public lands and waterways.

- **Changes to DCR Commissioner’s Authority on Recreational Agreements** (Section 34) – This change addresses longstanding inconsistencies left over from the 2003 merger of the Metropolitan District Commission (MDC) and the Department of Environmental Management (DEM), which created DCR. MDC had managed urban parks and infrastructure, while DEM oversaw forests and natural resources statewide. The consolidation left DCR with differing regulatory procedures and enforcement standards depending on the origin of the property. This bill establishes a single, consistent set of regulations, permitting processes, enforcement procedures, and maximum fines across all DCR-managed lands.

Housing & Development

Finally, the bill promotes climate-resilient housing by designating priority projects and adding climate and housing experts to the building standards board.

- **Flood Disclosure** (Section 61) – The bill requires sellers and landlords to disclose flood risk information to potential buyers and tenants before agreements are signed.
- **Board of Building Regulations and Standards (BBRS) Enhancements** (Sections 57 to 60) – The bill adds new Governor-appointed members to the BBRS with expertise in climate risk, resilient design, and housing development. This strengthens the board’s ability to update building codes that address climate impacts and promote sustainable, climate-resilient

construction. It fulfills recommendations and actions of the Unlocking Housing Production Commission and 2023 ResilientMass Plan.

Putting it All Together

The *Mass Ready Act* is the most significant proposed environmental investment in Massachusetts history, with a wide-ranging package of spending, policy, and programmatic initiatives. While a direct comparison to the 2018 environmental bond bill is inexact, given that many programs still have unspent funds and resources, it demonstrates a continuation of state commitments to ambitious and targeted climate goals, despite limited capacity for new capital spending. To continue making progress on climate goals, the Act explores alternative financing mechanisms, including the proposed Resilience Revolving Fund. The bill also seeks to align the goals of climate resiliency and housing development to face Massachusetts' most pressing issues.

However, to achieve the bill's ambitious capital investment target, EEA capital spending would need to significantly increase over the next five years, which does not appear feasible within the current capital spending plan. As policymakers seek new avenues to support capital and infrastructure investment, maximizing the impact of new revenue sources like the surtax could allow for certain priorities to be funded outside of the state bond cap.

Looking ahead, policymakers should also remain mindful that federal policy and funding actions could influence future capital planning and the Commonwealth's ability to meet its goals. The FY 2026 CIP totals \$6.9 billion, of which approximately \$1.9 billion (28 percent) is expected to be funded by federal sources. Within EEA, \$324.3 million, or 38 percent of its \$844.9 million allocation, relies on federal funding, which includes funding for the Clean Water Trust and Superfund programs.

Several environmental resiliency programs have already experienced decreased federal support, resulting in greater pressure on state funds, which cannot entirely compensate for the loss. As such, this bill must be considered within a shifting federal landscape, where policy changes could materially affect the resources available for environmental infrastructure and innovation.

The Clean Water Trust depends on federal matching funds, primarily through the U.S. EPA's State Revolving Funds, to finance local water infrastructure projects. *Mass Ready* authorizes an additional \$250 million for drinking water and clean water infrastructure, providing local flexibility in response to these ongoing shifts at the federal level. Similarly, the Superfund program relies on federal support to remediate contaminated sites when responsible parties are unavailable or unknown.

The increased authorizations for the MVP program, ResilientCoasts, and the dams and seawalls program are specific strategies designed to strengthen infrastructure, enhance climate resilience, and support economic stability at the local level. The new Resilience Revolving Fund offers an innovative approach for the state to finance projects and strengthen itself against potential economic disruptions through proactive investing.

What's Next

The *Mass Ready Act* was referred to the Joint Committee on Environment and Natural Resources, where a hearing was held on July 15. The committee is required to report on the bill by the first Wednesday in December, which falls on December 3. A version of the bill is almost certain to be reported out of the committee favorably. It is expected to then be referred to the Joint Committee on Bonding, Capital Expenditures, and State Assets for further review. If approved by the Bonding Committee, the bill will likely proceed to the House Committee on Ways and Means, which will evaluate its fiscal impacts before the full House considers it. As the legislature reviews the bond bill, they will assess its affordability and may amend, expand, or remove specific policy proposals included in the original draft.