

## The FY2025 Green Budget

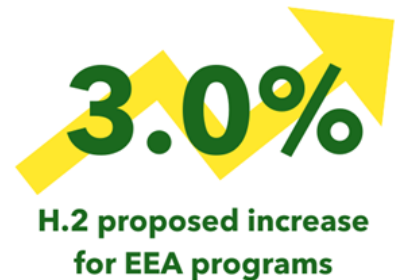
The Green Budget covers the state agencies within the Executive Office of Energy and Environmental Affairs, the Massachusetts Clean Energy Center, and the Clean Water Trust. Currently, around 1% of the state’s operating budget is spent on energy and environmental programs.<sup>[1]</sup> FY24 was a very successful year for energy and environmental programs, which saw a 14% increase for existing programs and an overall \$119 million increase in funding.

However, despite the Legislature’s commitment to restoring these agencies to pre-Great Recession staff and funding levels, funding has yet to return to the levels of the early 2000s when adjusting for inflation. Many EEA agencies have embarked on significant and sustained hiring efforts with some success, but technical and engineering staff roles have been particularly challenging to fill and overall staff levels for several departments remain below 2008 levels.

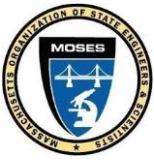
At the same time, the statutory and regulatory roles these agencies play have grown dramatically. The 2021 and 2022 climate laws and 2025/2030 and 2050 *Clean Energy and Climate Plans* have significantly increased the role that state agencies play in supporting emissions reduction and climate response efforts. The report of the state’s Climate Chief was clear: we need a whole-of-government approach to meet our emissions-reduction goals. Meaningful climate action will not be possible without leadership from the state’s energy and environmental agencies.

With new emerging threats, like PFAS contamination and the unsustainable burden of solid waste management, our cities and towns require support and guidance from experts on the state level more than ever. And as the Healey-Driscoll Administration works to integrate the principles of equity and environmental justice into policy and practice, historically marginalized residents and communities deserve state agencies that are able and equipped to meet their needs.

**Protecting the Commonwealth’s land, water, air, and wildlife, while meeting our climate goals and supporting healthy communities and historically underserved populations, requires state agencies that are well-resourced and well-staffed.** The Green Budget Coalition advocates for robust, sustainable state funding for EEA to meet the scope and scale of our climate, conservation, and adaptation challenges.



<sup>[1]</sup> When including contract assistance for the Clean Water Trust, food security infrastructure grants, and operating budget funding for the Mass. Clean Energy Center, the FY24 budget appropriated \$562 million for energy and environmental programs, roughly 1.01% of its \$55.5 billion total. Including only programs within the Executive Office of Energy and Environmental Affairs yields a total of \$525 million in spending, or 0.95% of the budget.



## FY2025 Green Budget Priorities

The **Green Budget Coalition** has identified the following priorities for inclusion in the FY25 state operating budget. These items are largely consistent with the Governor's H.2 recommendations, which prioritize continuity and targeted growth in a challenging budget environment.

### **Targeted Increases To Priority Line Items:**

**Department of Environmental Protection (2200-0100):** \$54,555,032 (\$2,516,841 increase over FY24)

- Support H.2 recommended funding level to continue to ongoing efforts to offer PFAS testing, guidance, and support to municipalities; update air and water permits to include climate resiliency measures and environmental justice principles; and continue development of a Clean Heat Standard.

**DCR State Parks and Recreation (2810-0100):** \$109,984,560 (\$4,387,209 increase over FY24)

- Support H.2 recommended funding level for further implementation of Special Commission and Stewardship Council recommendations; climate-related planning for state-owned properties; and to restore the agency to the full-time staffing levels needed to meet its mandates.

**Department of Public Utilities Administration (2100-0012):** \$20,741,599 (\$1,047,005 increase over FY24)

- Support H.2 recommended funding level to continue implementation of the 2025/2030 CECP, as well as anticipated recommendations of the Commission on Clean Energy Infrastructure Siting and Permitting.

**Department of Fish and Game (2300-0100):** \$2,389,248 (\$1,000,000 increase over FY24)

- Support funding increase to implement the new "blue carbon" restoration program and the Governor's Executive Order 618 on biodiversity, including program development, technical assistance to support stewardship on private and public land, and urban habitat programs in Gateway Cities and environmental justice communities.

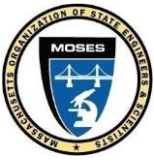
**DCR Watershed Management (2800-0101):** \$2,136,595 (\$320,000 increase over FY24)

- Support funding in line with Governor's FY24 recommendation to enable Office of Water Resources to provide scientific information, policy guidance, and technical assistance to state and local partners.

### **Level Funding with FY24:**

In recognition of the critical roles that EEA agencies continue to play in meeting our climate and conservation goals amid a constrained revenue picture, the Green Budget Coalition strongly recommends preserving level funding for the following items to ensure stability and continuity for agencies working to fill vacant staff roles and implement new programs.

- **Executive Office of Energy and Environmental Affairs (2000-0100):** \$21,446,415
- **EEA Climate Adaptation and Preparedness (2000-0101):** \$10,083,126
- **Office of Environmental Justice (2000-0101):** \$8,841,066
- **Division of Ecological Restoration (2300-0101):** \$5,455,000
- **Natural Heritage and Endangered Species Program (2310-0300):** \$1,576,191



## Department of Environmental Protection FY25 Green Budget Priority

### Request

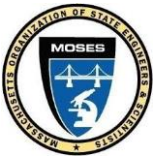
- Fund the Department of Environmental Protection administrative line item (2000-0100) at the H.2 recommended level of \$54,555,032 (\$2,516,841 increase over FY24).

### Overview

- MassDEP has a broad set of critical responsibilities for public health and safety, including ensuring clean air and water, watershed planning and permitting, the safe management of toxics, enforcing environmental laws, reducing solid waste, the timely cleanup of hazardous waste sites and spills, and the preservation of wetlands and coastal resources.
- MassDEP was one of the hardest-hit state agencies by staff cuts and early retirements and has still not returned to pre-2008 staffing levels. At the same time, the Department has new statutory obligations that include:
  - The integration of environmental justice principles and cumulative impact analysis into [air quality permitting](#);
  - Implementation of the recommendations of the [PFAS Interagency Task Force](#); and
  - Development of a statewide [Clean Heat Standard](#) to meet the Commonwealth's emissions reduction goals from the building sector.
- The administrative line item is the primary funding source supporting MassDEP's permit, compliance, and enforcement mission. Program staff also contribute to effective management of federally-funded grant programs. In total, MassDEP [allocated](#) over \$1.4 billion in grants and loans in 2023 for cities and towns to address PFAS, lead, and contamination issues, invest in low-emission vehicles, install electric charging stations, improve waste reduction, and assessment and cleanup of Brownfield land.
- In FY24, MassDEP received a significant increase in funding to support new staff for climate resilience planning, PFAS testing and technical support, and administration of new and existing grant programs. The Department made a strong recruitment and hiring push to ensure that this funding increase could quickly increase staff capacity and has grown by roughly 40 positions, with more positions in the process of being filled.

### Examples of Need

- MassDEP is in the process of updating all its stormwater and wetlands regulations to include climate adaptation, preparedness, and resilience measures and best practices in an initiative known as "[Climate Resilience 1.0](#)." These regulations are a major first step in increasing climate resilience via wetlands and waterways permitting.
- MassDEP manages a grant program called [MassEVIP](#) that supports public entities looking to purchase electric vehicles for their fleets through rebates for both vehicle purchase and charging infrastructure. Applications are assessed and funding is evaluated on a rolling basis by MassDEP staff.
- The U.S. EPA has proposed [new standards](#) for six PFAS chemicals that would lower the threshold established in Massachusetts from 20 parts per trillion (ppt) to 4 ppt. When the final rule goes into effect, many new water systems across Massachusetts will need additional state support and guidance for PFAS mitigation.



## DCR State Parks and Recreation FY25 Green Budget Priority

### Request

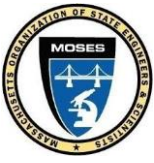
- Fund Department of Conservation and Recreation State Parks and Recreation line item (2810-0100) at the recommended H.2 level of \$109,984,560 (\$4,387,209 increase over FY24).

### Overview

- DCR is responsible for the stewardship, management, and safety of our parks, beaches, forests, pools, skating rinks, and campgrounds including:
  - 450,000 acres of land across over 250 properties and nearly 2,000 miles of trails;
  - Habitat for 291 state-listed rare species, including 8 species found only on DCR land; and
  - Forests that protect drinking water supplies to support millions of residents.
- DCR properties are a cornerstone of the state's \$11.7 billion recreation economy, which is growing rapidly ([17% in 2022](#), the most recent data available), and supports over 100,000 jobs across the state.
- Relative to its population, Massachusetts recently ranked 50<sup>th</sup> of 50 states in per-capita local and state spending on parks and recreation according to the [2021 DCR Special Commission](#). MA spends \$32.65 per 1,000 people compared with the national average of \$56.56.
- DCR currently has approximately 1,000 full-time equivalent staff (FTEs), an increase from past years but still below the 2008 level of 1,279. The FY24 budget included language raising the department's staffing cap to 1,300, but did not include funding to support that hiring level.
- Chronic underfunding in the past continues to significantly constrain the Department's ability to use recent funding increases to grow. While operating expenditures have increased slightly in recent years, when adjusting for inflation, total DCR spending remained below FY08 levels every year until FY23. \$14 million of the \$20 million increase DCR received in the most recent fiscal year was used to shift full-time positions from the Department's capital budget to its operating budget, improving long-term stability for the agency but not resulting in any direct increase in staff.

### Examples of Need

- Hiring continues to be a critical goal for the Department. Currently, DCR has an internal FTE cap of 1,067, indicating that, while it is legislatively authorized to hire an additional 233 staff, it does not have the funding capacity to do so. The Green Budget recommendation would support roughly 40 additional staff.
- A large portion of the balance was dedicated to increasing DCR's year-round ability to maintain public safety, staff properties, and care for public infrastructure. Of the new positions hired in FY24, 40% are dedicated to park operations.
- Aligning conservation actions with state's 2030 and 2050 emissions targets was a central recommendation of the DCR Special Commission. As the primary steward of public lands, DCR has a valuable role to play in meeting emissions targets, and while the state agency is a participant in ongoing work around Natural and Working Lands, it does not have a comprehensive standalone plan for its role in meeting the state's CECP goals.
- Another central recommendation of the Special Commission was to evaluate recreation users and uses to target investments to underserved communities in populations. DCR estimates that 981 of the 3,996 building facilities it owns are located in EJ communities, roughly 25% of its total assets. One of the four core components of the Department's [EJ strategy](#) is to "prioritize and evaluate investments and allocation of resources to serve EJ populations."



## Department of Public Utilities FY25 Green Budget Priority

### Request

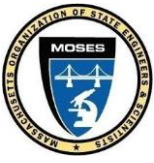
- Fund the Department of Public Utilities administrative line item (2100-0012) at the H.2 recommended level of \$20,741,599 (\$1,047,005 increase over FY24).

### Overview

- The Department of Public Utilities oversees investor-owned electric power, natural gas, and water companies in Massachusetts. Its statutory authorization requires the Department to prioritize safety, security, reliability of service, affordability, equity, and reductions in greenhouse gas emissions to meet statewide greenhouse gas emission limits and sublimits in its regulatory processes and decision making.
- In 2023, DPU issued a number of rulings on open dockets related to renewable energy and gas infrastructure, including the landmark [20-80 ruling](#) that will significantly limit the ability of investor-owned utilities to build new fossil fuel infrastructure instead of considering zero-emission alternatives and eventual retirement of the natural gas distribution system.
- Delays in approving municipal aggregation proposals for cities and towns have been a persistent challenge in recent years. This popular and successful program improves statewide adoption of clean energy by giving municipalities increased flexibility to supply electricity to residents in a cost-effective manner. In 2023, supported in part by increased funding in FY24, DPU was able to approve [13 new municipal aggregation plans](#), reducing but not eliminating the backlog of applications.
- The administrative line item is funded through rate assessments, as provided under [M.G.L. chapter 25, section 18](#), meaning an increase to this line item without a language change will not come from General Fund revenue. In addition to incremental increases to this line item, the Green Budget supports examining ways to fund DPU's climate-related work without ratepayer impacts in the future.

### Examples of Need

- Ongoing implementation of the state's climate and clean energy mandates will continue to increase DPU's workload and obligations. The 2023 recommendations of the [Clean Energy Transmission Working Group](#) and the Department's review and management of utilities' [Electric Sector Modernization Plans](#) will likely require significant increases in staff capacity.
- The 2021 NextGen Climate Roadmap to Net Zero law also directed the Department to consider emissions and equity impacts of docket proposals it reviews, necessitating the hiring of more climate- and EJ-focused staff to fully meet its legislative mandate.
- The [Commission on Clean Energy Infrastructure Siting and Permitting](#) is expected to release recommendations in March 2024, which are likely to include new and/or expanded roles for DPU in facilitating responsibly-sited renewable energy infrastructure. Implementation of these recommendations may require statutory changes but will likely include internal improvements that the Department can implement independently given adequate resources.



## Department of Fish and Game FY25 Green Budget Priority

### Request

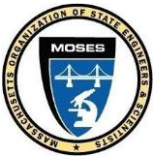
- Fund the Department of Fish and Game Administration line item (2300-0100) at \$2,389,248 (\$1,000,000 increase over FY24).

### Overview

- Massachusetts has a rich natural heritage, with a tremendous diversity of plants, animals, and ecosystems due to its wide range of geography and habitats – but our biodiversity is threatened. In MA, 432 native plant and animal species are [listed](#) under the Massachusetts Endangered Species Act. These species, and thousands of others face urgent threats from habitat loss and fragmentation, invasive species, non-native insects and diseases, toxic pesticides and herbicides, and pollution. Accelerating climate change both drives and exacerbates these vulnerabilities.
- The Governor’s H.2 budget proposes to make DFG the home of a new “blue carbon” program aimed at supporting carbon sinks and other climate/ecological benefits from natural and working lands. This program will aim to restore and protect 4,000-5,000 acres of salt marsh in coastal communities across the state.
- In September 2023, Governor Healey signed the nation’s [first Executive Order](#) “to support, complement, and advance Massachusetts’s biodiversity conservation efforts.” The EO directs DFG to conduct a review of existing biodiversity conservation efforts across all agencies and to establish goals and strategies to achieve a nature-positive future for Massachusetts in 2030, 2040, and 2050. Goals will focus on sustaining the diversity and abundance of plants, animals, and habitats, allowing them to survive and flourish, while providing equitable access to nature and ensuring a climate-resilient landscape for the future.
- MA has several existing tools to help implement new biodiversity goals, including the [State Wildlife Action Plan](#); [BioMap](#); and the Natural and Working Lands conservation goals within the Clean Energy and Climate Plans. However, despite these plans, our communities continue to experience the loss and degradation of critical habitats. In fact, Massachusetts loses nearly 5,000 acres of natural land each year to development ([13.5 acres per day](#).)
- Intact and resilient habitats provide homes to rare and threatened species and support the abundance of thousands of native species that define our state’s healthy ecosystems. These natural resources define our culture, contribute to the state’s [\\$11.7 billion outdoor recreation economy](#), provide food security, clean our air and water, develop our rich soil, sequester and store carbon, and provide resiliency against the worsening impacts of climate change including heat, flooding, and extreme weather events.

### Examples of Need

- Establishing the blue carbon program is projected to require 2-3 positions in its first FY, along with engaging consultants for a model and framework based on nationwide best practices.
- Formal recommendations stemming from the biodiversity EO are expected this March, and DFG will need new resources to implement and meet these goals.
- Implementation funding would be spent to hire additional staff and develop programs to advance partnerships and public engagement around biodiversity stewardship on private and municipal lands.
- As the program grows, DFG would also be able to launch educational programming and internship opportunities in underserved communities to promote ecological stewardship across the Commonwealth.



## DCR Watershed Management FY25 Green Budget Priority

### Request

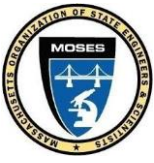
- Fund the Department of Conservation and Recreation's Watershed Management line item (2800-0101) at the Governor's initial H.1 recommended level of \$2,136,595 (\$320,000 increase over FY24).

### Overview

- The DCR Office of Water Resources provides technical assistance, data collection, and resource management for lakes, ponds, reservoirs, and other bodies of water across the Commonwealth. In addition to overseeing and monitoring water resources located on state-owned land, which includes over 300 DCR lakes and 51 freshwater beaches, the Office also provides guidance, scientific expertise, and best practices for cities, towns, and property owners to protect and steward vulnerable natural resources.
- The Office provides technical and administrative staff to the Massachusetts [Water Resources Commission](#), which oversees water transfers across the state. Staff also develop water needs forecasts for public water suppliers and communities seeking increased water withdrawals, an important component of local and regional planning efforts to build new housing, spur economic growth, and protect open space.
- The Office also administers the state's [Flood Hazard Management Program](#), which administers the National Flood Insurance Program. FHMP staff provide homeowners, professionals, and local officials with mapping of flood risk, floodplain management best practices, information on flood resistant standards for construction, insurance questions, and mitigation options to reduce flood losses.
- In recent years, one of the most important components of DCR's Watershed Management programs has been the organization of the [Drought Management Task Force](#). The interagency task force supported by DCR and EEA staff works to assess drought conditions across the Commonwealth, make science-based recommendations for water conservation measures in times of drought, and implement the state's Drought Management Plan, most recently updated in December 2023.

### Examples of Need

- Unlike other EEA agencies, the Office of Water Resources has not received significant increases in funding in recent years. When local earmarks are removed, the line item only received \$1,566,595 in FY24, only \$43,148 (or 2.8%) more than five fiscal years earlier. When adjusting for inflation, the line item has actually received the equivalent of a ~\$200,000 cut since FY20.
- At the same time, water resources are more vulnerable than ever before. In the last decade, Massachusetts has seen four significant droughts, the most recent of which led to 94% of the state being in either "severe" or "extreme" drought in the summer of 2022. As climate impacts continue to accelerate, the need to provide up-to-date technical guidance and expert drought management policy to cities and towns will become even more essential to ensuring residents retain access to safe drinking water in periods of extreme weather.
- Flood hazards will also continue to be a significant cause of property risk and significant financial impact as climate impacts continue. In fall 2023, historic flooding in central MA [caused between \\$25M and \\$45M](#) in damage to the City of Leominster alone, and yet FEMA denied the state's request to provide federal disaster relief. Proactive risk management and informational resources will be critical to protecting municipalities and property owners from devastating impacts and unsustainable costs in years to come.



## Level Funding Requests - And Why They Matter

### FY25 Green Budget Priority

In FY24, the Legislature and the Healey-Driscoll Administration showed a historic commitment to leadership on climate and conservation by voting to authorize significant increases to EEA programs in the final operating budget, allowing state agencies long plagued by funding shortfalls and staffing cuts to embark on new hiring initiatives, roll out program updates, and reduce regulatory and grant application backlogs. A full detailing of this work can be found in the agencies' inaugural [2023 annual report](#).

The Green Budget Coalition recognizes the challenging revenue picture facing the Commonwealth in the coming fiscal year. But the impacts of climate change and other environmental threats will require a thoughtful, methodical approach supported by stable, predictable funding of the state agencies working to address them. Maintaining level funding for key EEA programs will allow for state agencies to continue to progress toward our shared long-term goals and rebuild institutional knowledge lost due to staffing cuts from the Great Recession.

### Priority Requests for Level Funding

- **Executive Office of Energy and Environmental Affairs (2000-0100):** \$21,446,415
- **EEA Climate Adaptation and Preparedness (2000-0101):** \$10,083,126
- **Office of Environmental Justice (2000-0101):** \$8,841,066
- **Division of Ecological Restoration (2300-0101):** \$5,455,000
- **Natural Heritage and Endangered Species Program (2310-0300):** \$1,576,191

### Examples of Need

- MA's net-zero transition will not be possible without long-term initiatives spearheaded by EEA agencies. FY24 saw the launch of multi-year decarbonization efforts like multistate offshore wind and transmission procurements, updates to the state's MOR-EV electric vehicle rebate program, and initiatives to increase deployment of energy storage technologies.
- In 2023, EEA debuted the [ResilientCoasts](#) and [ResilientMass](#) programs, designed to provide centralized holistic planning to support communities facing new threats. Program initiatives include establishing an Office of Climate Science, making the state building code more resilient, and appointing a new Chief Coastal Resilience Officer.
- Project-based assistance in the Division of Ecological Restoration remains oversubscribed, even with a multi-year effort to increase line-item support for municipal dam removal and other restoration projects. Maintaining level funding will enable the Division to continue reducing wait lists and meeting local needs across the Commonwealth.
- In February 2024, EEA published its first comprehensive [Environmental Justice Strategy](#), a 182-page document detailing the Secretariat and its constituent agencies' plans for integrating environmental justice into agency-wide policy and practice.
- In 2023, the Healey-Driscoll Administration launched [MVP 2.0](#), an expansion and update of the state's successful Municipal Vulnerability Program that integrates a greater focus on equity. The updated program has a greater focus on building social resilience and planning for the impacts of climate change on people and the economy. EEA plans to pilot the program and gather feedback in some participating communities in both FY24 and FY25.