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## **Senate Budget Committee Recommendations Reflect Dire Economic Situation Facing Commonwealth, Nation**

### ***-No Earmarks or New Tax Revenue Included-***

(BOSTON, MA) – The Senate Committee on Ways and Means today released its recommendations for the fiscal year 2010 budget. The \$26.720 billion proposal reflects the fiscal realities facing the Commonwealth, and the worst economic downturn since the Great Depression.

“This is an economic situation that we have not experienced in generations,” said Senator Steven Panagiotakos, Chairman of the Senate Committee on Ways and Means. “No person or issue has escaped unaffected. These budget recommendations address those realities and challenges, while focusing on preserving our core functions of government and mitigating damage to our safety net.”

The FY 2010 budget is a \$1.4 billion reduction in spending from the original 2009 fiscal year budget. This reduction reflects the deterioration in tax collections that began last fall.

While there were reductions made throughout the budget, the Committee was determined to ensure that the Commonwealth receives the most benefit from the federal funds offered to states through the federal governments American Recovery and Reinvestment Act of 2009. These funds include \$1.109 billion from a enhanced federal match on Medicaid, allowing Massachusetts to continue the ongoing success of our landmark health care reform law. The FY10 budget recommendations also utilize \$366 million in federal stimulus funding to education from Kindergarten through college.

The Committee’s recommendations contain no new tax revenue sources, no earmarks, and reflect the most recent economic situation facing the Commonwealth. Economic experts told the Committee during a recent revenue hearing that Massachusetts would likely not see recovery from this recession until 2012.

The Senate will begin debate on the FY 2010 budget next week. An electronic version of the Senate Committee on Ways and Means budget recommendations for the 2010 fiscal year can be found at <http://www.mass.gov/legis/10budget/senate/index.htm>.

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