

June 4, 2025

Representative Aaron Michlewitz, Chair
House Committee on Ways and Means
State House, Room 243
Boston, MA 02133

Representative Ann-Margaret Ferrante, Vice Chair
House Committee on Ways and Means
State House, Room 238
Boston, MA 02133

Representative Todd Smola, Ranking Minority
House Committee on Ways and Means
State House, Room 124
Boston, MA 02133

Senator Michael Rodrigues, Chair
Senate Committee on Ways and Means
State House, Room 212
Boston, MA 02133

Senator Joanne Comerford, Vice Chair
Senate Committee on Ways and Means
State House, Room 410
Boston, MA 02133

Senator Patrick O'Connor, Ranking Minority
Senate Committee on Ways and Means
State House, Room 419
Boston MA 02133

Dear FY26 Conference Committee Members,

On behalf of the Greater Boston Chamber of Commerce and our 1,200 members, I would like to thank you as you begin your negotiations of the state's FY26 budget. We were pleased to see the House and Senate adopt many of our priorities in their respective versions of the budget, including funding for C3 Stabilization Grants, Early College programming, registered apprenticeship expansion, and career technical education. We would also like to thank the Legislature for avoiding new taxes in this year's budget, reinforcing our shared goal of increasing economic competitiveness in our region.

As you proceed to conference committee negotiations, I write to share the Chamber's priorities which can be found below.

SUPPORT: Adequate Transportation Infrastructure Funding

Reiterating our testimony regarding the combined funding efforts through the FY26 budget and the supplemental budget appropriating available surtax funding (H.4010/S.2512), the Chamber would like to again highlight the need for a multi-year approach towards fiscal stability at the MBTA, a critical service that underpins the Greater Boston economy. Under the leadership of General Manager Phillip Eng, the MBTA made strong progress on implementing safety and reliability improvements along with necessary track and signal work to eliminate slow zones and improve the rider experience. The Chamber believes the MBTA is heading in the right direction, and additional financial support to head off an impending fiscal cliff and provide a pathway to lasting reliability is critical for the agency to continue to build trust with current and future riders.

Across both this budget and the use of surtax funding, we urge the Conference Committee to dedicate enough resources to transportation to achieve a multi-year strategy of fiscal stability and dependability for public transit. A regionally equitable approach to transportation infrastructure funding is not mutually exclusive to a well-funded public transit system in the economic heart of the Commonwealth – both these goals can be achieved. We ask that the Conference Committee adopt the Governor's and House's approach to transit funding to ensure important progress in safety and reliability is not lost.

SUPPORT: Unlocking House Production (Senate Sections 134, 135 & 136)

Housing affordability is critically important to the state's competitiveness for employers and workers alike. In recent years housing prices have soared, borrowing costs have become elevated, and new construction has stagnated. Cities and towns in the greater Boston area saw the fewest privately owned housing permits through the first 3 months of 2025, which is the slowest start since 2013.ⁱ Continuing to build off recent legislative successes, including the MBTA Communities Act and the Affordable Homes Act, is necessary to address the estimated shortage of 220,000 housing units in our Commonwealth.ⁱⁱ

The Chamber supports new studies into the feasibility of exempting construction materials from the sales tax, allowing for third-party inspectors to inspect manufactured, off-site, and multifamily housing, and allowing

municipalities to exempt new affordable housing from tax limits found in MGL 59:21C. Finding additional policy tools that may make a difference in boosting housing production of all types will be key in meeting our housing production goals, and this is a thoughtful approach to new ideas to improve housing affordability in the long-term.

SUPPORT: Small Business Technical Assistance Grant Program (House Item 7002-0040 - \$7.5M)

The Chamber supports critical funding to provide technical assistance, education, and access to capital for small businesses. Small businesses throughout the Commonwealth have faced an increasingly uncertain and difficult fiscal environment due to several factors, including tariffs, inflation and other rising costs. We support House's proposal and would urge the Conference Committee to adopt the additional funding.

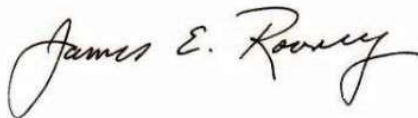
SUPPORT: Establishing a Commission to Study Out-of-State Migration (House Section 67D)

Massachusetts has long held a competitive edge due to our talented and highly qualified workforce. Several factors, including the Commonwealth's top tier colleges and universities and pool of industry leading companies have long attracted young adults to our state on a national and international level. While the population of Massachusetts has grown over the past few years, including over 62,000 in 2024ⁱⁱⁱ, a recent study released by Boston Indicators has shown that more residents between the ages of 25-44 have chosen to leave for other states since 2010^{iv}. In 2022 alone more than 22,000 residents in this age group left the Commonwealth for other States. Just as worrying, a recent survey from the MassCPAs found that 27% of their members' business clients were considering relocating, an increase from 2023.^v

The Out-of-State Migration Study Commission can continue the conversation by reviewing policies that are contributing to the Commonwealth's loss of talented workforce and businesses. Reviewing tax policies, such as the estate tax and sting tax, as well as housing and zoning policies will enable you and your colleagues to craft informed solutions to address this pressing issue. The Chamber stands ready to work with our colleagues and the Commission on this important issue.

Please do not hesitate to reach out with any questions or concerns.

Sincerely,



James E. Rooney
President and CEO

ⁱ <https://www.bizjournals.com/boston/news/2025/04/23/home-starts-slowest-start-greater-boston.html>

ⁱⁱ <https://www.mass.gov/info-details/a-home-for-everyone-massachusetts-statewide-housing-plan>

ⁱⁱⁱ <https://donahue.umass.edu/business-groups/economic-public-policy-research/massachusetts-population-estimates-program/population-estimates-by-massachusetts-geography/by-state>

^{iv} <https://www.bostonindicators.org/article-pages/2024/april/domestic-migration>

^v <https://www.masscpas.org/news/9e8c24aa-b51c-4c18-8c3d-82c229a20d5a:2025-public-policy-and-state-competitiveness-report>