April 8, 2025

The Honorable Kip A. Diggs
House Chair, Joint Committee on Ways and Means

The Honorable Pavel Payano
Senate Chair, Joint Committee on Ways and Means

Via email: Kip.Diggs@mahouse.gov; Pavel.Payano@masenate.gov

Dear House Chair Diggs, Senate Chair Payano, and Members of the Joint Committee on Ways and Means,

The Children's League of Massachusetts (CLM) is a statewide, non-profit association of 60 member organizations, comprised of children and family services providers, advocates, and individuals who bring deep human services expertise to our recommendations for best supporting children and families within the Commonwealth. We are concerned about significant funding cuts proposed in H.1 that would directly affect vulnerable children and families, particularly when compared to ongoing critical needs. In planning for FY2026, we ask the Legislature to prioritize critical funding for children, families, and community-based service providers across the Commonwealth.

OVERVIEW: SUPPORTING CHILDREN REQUIRES INVESTMENTS IN DIRECT BENEFITS AND STATE/LOCAL PROGRAMS THAT DELIVER SERVICES.

While each family faces unique circumstances, the most common threats to family stability and child safety include housing and food insecurity, unstable employment, mental and behavioral health challenges, substance use disorders, and adverse childhood experiences such as neglect and abuse. Families' crises cause hardships not only for children and each family member, but for every community. Investing in upstream support and services ameliorates families' crises, enhancing the wellbeing of children, families, and all of Massachusetts' citizens, including by preventing more complex, expensive issues.

The Commonwealth is obligated to serve families in the child welfare system, but the state-contracted providers delivering services are near breaking points due to rising operational costs that are outpacing contracted rates. Further, the fragmented network of child-serving agencies and programs makes it especially difficult to connect youth with complex needs to the right services. To maximize utilization and effectiveness of state-supported programs maintaining a robust continuum of services that keep children safe, healthy, and able to thrive, we need adequate investments in the human services workforce and the partnership between state agencies and contracted providers.

CHILDRENS' BUDGET PRIORITIES REQUIRE STEADY INVESTMENT

CLM asks the Legislature to at least maintain investments at FY25 levels and not back step on critical

investments. The Governor's FY26 proposals cut millions of dollars from key programs that children and families rely on for their wellbeing. Please see below our requested investments in these critical line items.

Dept. of Children and Families Funding

- **Congregate Care** (line item 4800-0058) - $495,864,634 (FY25 level)
  - Congregate care settings are responsive to children whose behaviors, trauma, and needs are particularly high in acuity, present safety hazards and threaten the wellbeing of themselves and others, such as other youth, families, and providers, in alternate settings.

- **Services for Children & Families** (line item 4800-0038) - $374,388,635 (FY25 level)
  - DCF provides case management, in-home and community-based services and support, and referrals as needed to keep children safe and ensure their well-being.

- **Family Support and Stabilization** (line item 4800-0040) - $139,539,127 (FY25 level)
  - Family Support and Stabilization funds family preservation, reunification, and service coordination, e.g., drawing federal support from the Family First Prevention Services Act.

  - **Family Resource Centers** (line item 4800-0200) - $33,800,000 (FY25 level)
    - FRCs provides a wide variety of services and supports, such as basic resources like housing/emergency shelter, food, baby supplies, healthcare referrals, and transportation, as well as local disaster recovery and humanitarian crisis support.

  - **Local & Regional Admin. provided by Area Leads** (line item 4800-0030) - $11,701,980 (FY25 level)
    - Lead Agencies serve as DCF's local partners, such as to help youth and families navigate the child welfare system, facilitate Family Team Meetings, arrange and monitor services, and provide resources to remove barriers for the successful implementation of treatment plans.

Additional Priorities

- **Chapter 257** (line item 1599-6903) - $334,000,000
  - Salary benchmarks for job titles should be set based on the 75th percentile of the applicable wage reported by the Bureau of Labor Statistics, as the current rates-setting percentile lags inflation and does not adequately reflect market salaries for vital human services work. To compromise but still move toward, we advocate for the FY26 budget to support using the 63rd percentile for all human services wages. This would raise the median entry-level direct care wage to $22.35 per hour (currently $20.79, the 53rd percentile). This investment will have a significant impact on reducing vacancy rates and ensuring a well-staffed, high-quality community-based service system that can be fully utilized to meet children's needs.

- **Children and Adolescent Mental Health Services** (line item 5042-5000) - $131,350,885 (FY25 level)
    - The Governor's proposed budget for DMH includes plans to reduce case management, eliminate flex funding, and close three secure residential programs that serve children and adolescents who are struggling with the most serious, long-term mental health crises.
        - Emergency departments, child-serving organizations including DCF, and families already have limited options for placing children who need long-term, secure residential treatment.
        - Disruptions in upstream referrals and inconsistent case management have impacted utilization rates for these programs; however, the need for the programs remains as critical as ever.
        - Further, DMH has already invested significant funds to update these facilities to be inclusive of modernized care features, gender-flexible, and family-friendly.
        - Due to the nature of the contracted programs, once eliminated, it would be difficult and costly to revive programs and bring beds back online. We anticipate it would take at least two years to restaff, retrain, and redevelop the leadership needed to run such high-acuity programs at the current levels of quality.
    - **We urge the Legislature to support EOHHS in leading a multi-child serving agency planning process to review cross-agency case management along the continuum of care for high-needs, complex youth.** Funding and policies must ensure appropriate care spaces are accessible, no matter how youth enter the mental and behavioral health services network.

- **Temporary Assistance for Families with Dependent Children** (line item 4403-2000)
    - TAFDC provides our state's lowest-income, eligible families or individuals with temporary cash assistance and services to pay for basic needs: housing, food security, health care, or childcare to sustain employment. Current TAFDC grants are frozen at the 2022-level ($783/mo. for a family of three), far below the Poverty Level ($2220/mo.), even Deep Poverty Level ($1110/mo.). The Governor's proposal would eliminate FY25 budget's modest 10% grant increase (which would move families of three to $861/mo.) scheduled to start in April 2025, exacerbating families' inability to meet their basic needs. We urge the Legislature to maintain the April 2025 increase and move families closer to at least the Deep Poverty Level with a 20% increase for FY26 ($1033/mo. per family of three).

- **Special Education Circuit Breaker** (line item 7061-0012) - approx. $648,214,953
    - Circuit Breaker provides critical funds for districts to deliver mandated services and programs for students with significant special education needs.
    - With the passage of the Student Opportunity Act, out-of-district transportation became a reimbursable expense under the Special Education Circuit Breaker account. H.55 (1596-2516) provides $150M to the Circuit Breaker account which, combined with the proposed level in H.1, would support full funding for FY26.

CONCLUSION

Investments in child well-being and family preservation pay dividends in preventing neglect, trauma, and abuse, keeping families together, and stopping problems from becoming more burdensome, dangerous, and expensive. Thank you for your efforts to ensure the Commonwealth's FY26 budget prioritizes children's services across the continuum of care to drive better outcomes for children's health, safety, and wellbeing.

Sincerely,

Rachel Gwaltney
Executive Director
Children's League of Massachusetts