

### **Commonwealth of Massachusetts**

**Executive Office for Administration and Finance** 

### The BRIGHT Act

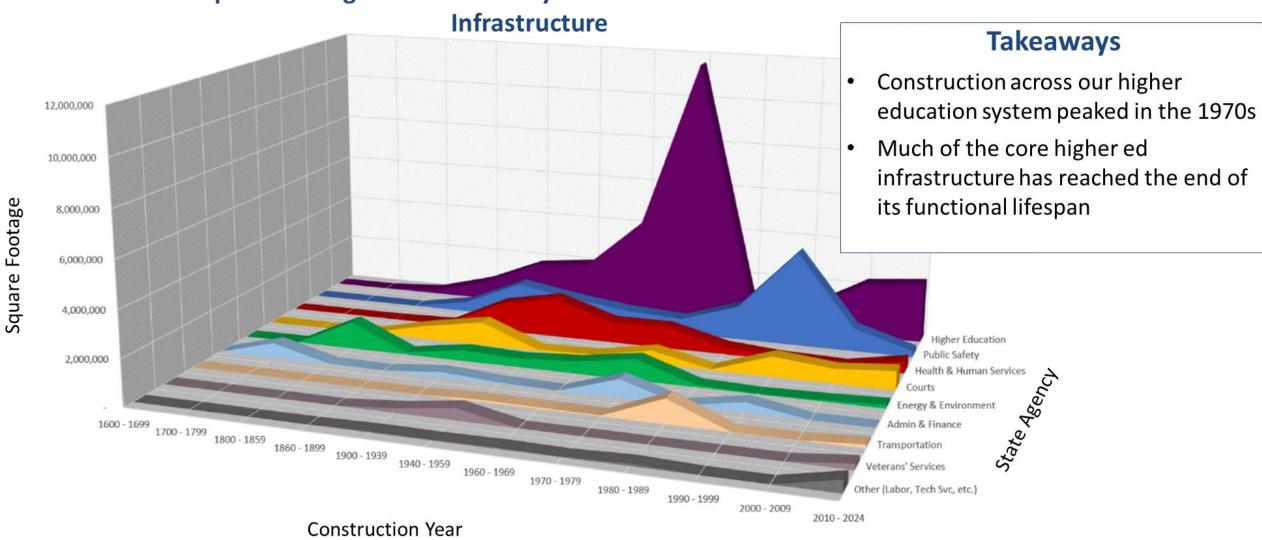
An Act to Build Resilient Infrastructure to Generate Higher Education Transformation





### Aging Infrastructure Resulting in Deferred Maintenance

**Square Footage Construction By Year In State-Owned Public** 



### Transforming Public Higher Education Campuses – The BRIGHT Act



### **House 1 Proposal**



### The BRIGHT Act: An Act to Build Resilient Infrastructure to Generate Higher Education Transformation



- Securitize \$125M in Fair Share annually
- Will unlock ~\$2.5B in Special Obligation bonds over 10 years
- Mirrors successful CTF strategy
- No impact on General Obligation credits or debt capacity



- Up to \$2.5B for UMass, community colleges & state universities to:
- Address deferred maintenance
- Modernize and decarbonize facilities
- Construct major capital projects
- Breathing new life into proven programs



- Up to \$500M for:
- Converting surplus property to housing
- Modernization projects, like labs
- CTE collaboration
- Student mental health, wellness, safety
- Master plans
- Technology
- Workforce Skills Capital Grants



- Policy proposals to:
- Expand ability of MSCBA to borrow for wider range of projects
- Allow DCAMM to dispose of surplus HE property
- Exempt smaller projects from certified study requirement



### An Informed Approach: Higher Education Capital Working Group

The **Higher Education Capital Working Group** (established in FY25 GAA, Section 196) was charged with sizing the problem & recommending solutions.

### **Working Group included members from:**

- Relevant state agencies (A&F, EOE, DCAMM, OCIR)
- Legislators from the Joint Committees for Higher Education and Bonding
- Designees of the public higher education sectors in Massachusetts
- And other stakeholders

Completed report before the March 1, 2025, deadline to align with budget and legislative calendar. Full report <a href="here">here</a>.

# Higher Education Capital Working Group



FINAL REPORT

January 21, 2025

## REAL STORY

### The BRIGHT Act – Financing Higher Ed Capital

- \$2.5 billion for the University of Massachusetts system, state universities and community colleges to address deferred maintenance, decarbonize and modernize facilities, construct major capital projects, and manage land and buildings to meet institutional goals.
- \$500 M for targeted funding for other initiatives, including:
  - \$100 M in planning costs for disposition/acquisition of land & buildings to support housing development
  - \$170 M for smaller modernization projects, such as:
    - Renovating and modernizing labs
    - Expanding collaborations between community colleges and secondary schools
    - Upgrading facilities related to student health, mental health, wellness, and safety
  - \$30 M for development of campus master plans to align investments with long-term goals and ensure optimal use of new resources
  - \$20 M for technology projects, including online and hybrid workspaces & shared enterprise systems
  - \$100 M for the Workforce Skills Capital grant program to support its continued success

# ES STORY BY

### The BRIGHT Act – Policy Proposals

### Massachusetts State College Building Authority:

- Expands MSCBA's authority to issue bonds for projects at community colleges
- Allows MSCBA to undertake non-revenue-generating projects (e.g., academic and administrative buildings, campus infrastructure, energy efficiency, and decarbonization)
- Requires A&F approval for MSCBA projects and Commonwealth-guaranteed contracts
- Allows DCAMM to delegate structural or mechanical projects up to \$10M to the MSCBA

#### Surplus Property Disposition:

- Authorizes DCAMM to dispose of surplus property from higher education institutions at the request of the Chancellor or President for redevelopment
- Establishes a special revenue fund for proceeds from higher education property dispositions
- Net disposition proceeds can support capital investments in the campuses, subject to A&F approval

#### Study Exemption:

- Exempts building projects under \$500,000 from the statutory certified study requirement
- Removes outdated language related to designer requirements

### **The BRIGHT Act -- Next Steps and Implementation**



- Proposal relies on passage of 2 complementary pieces of legislation:
  - House 1 proposal to leverage \$125 M in Fair Share for special obligation bonds, and
  - The BRIGHT Act, which includes authorizations and policy proposals that translate new funding into action
- Once both pieces passed, campuses will feel initial impact quickly
  - Smaller accelerated infrastructure or lab modernization projects can be done in 2 years
  - Larger major capital projects may take 4-5 years
- In parallel, DCAMM will **continue engaging working group members on implementation** details and other report recommendations, such as:
  - Reviewing anticipated formula
  - Refining criteria for existing programs
  - Developing details of proposed new capital programs

For more information go to: <a href="https://www.mass.gov/info-details/higher-education-bond-bill">https://www.mass.gov/info-details/higher-education-bond-bill</a>