

# Mass General Brigham backs extra tax on some real estate transactions to fund affordable housing

In an unusual public stance, the state's largest private employer says the high cost of living in Massachusetts contributes to health disparities and staffing shortages.

By [Anissa Gardizy](#) Globe Staff, Updated January 19, 2022, 5:34 p.m.



Mass General Brigham offices in Somerville. The state's largest private employer blamed the housing crisis for contributing to public health disparities in some communities, as well as staffing shortages at its hospitals. LANE TURNER/GLOBE STAFF

Mass General Brigham, the state's largest private employer, put its support behind affordable housing legislation, blaming the housing crisis for contributing to public health disparities in communities and staffing shortages at its hospitals.

The health system submitted testimony Wednesday to the state backing a proposed law that would allow cities and towns to collect a fee on certain real estate transactions to help pay for affordable housing efforts. The [legislation](#) has been sitting with the state Legislature since last year, but backing from an influential hospital system with 80,000 employees could give it momentum.

According to MGB, housing displacement and overcrowding have endangered the health of patients in Massachusetts, disproportionately affecting those who live in communities of color.

“There’s tremendous research and evidence that housing is a form of medicine,” said Elsie Taveras, MGB’s chief community health equity officer, in an interview, citing research that shows access to stable housing could both [lower health care costs](#) and [improve](#) outcomes.

But the housing crisis is a “double equity” issue for MGB, she said, since it has also contributed to staffing challenges at the system’s own facilities, namely the Nantucket Cottage and Martha’s Vineyard hospitals.

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“It’s terrible that in places like the Islands, we can’t have a workforce that can afford to live where they work and care for our patient population,” Taveras said.

The chief executives of both hospitals said in a joint statement that Massachusetts will “not be able to maintain its status as a leader in health care if people cannot afford decent, quality housing.” They said the problem is already affecting recruitment and retention efforts.

The idea of a so-called transfer tax on real estate purchases has been floating around on Beacon Hill for several years. Taveras said MGB decided to voice its support because of its platform as the state’s largest health care system.

Representative Mike Connolly, who is sponsoring the legislation in the House, said in an interview that the ability to levy a tax on some real estate transactions would help municipalities “capture just a tiny fraction of some of the incredible wealth that is being created by the red hot housing market, along with the historic commercial real estate development boom.” He added that backing from MGB is an “excellent sign” of the emerging understanding that housing is essential to public health.

Opponents of the legislation, however, say it would drive up real estate costs and — depending on the selling price at which transactions would be subject to the tax — hurt many homeowners when they sell a property.

If the state were to adopt the measure, cities and towns could choose to collect 0.5 to 2 percent on higher-end transactions. A number of cities and towns — Somerville, Nantucket, and Concord among them — have filed bills seeking legislative permission to create such a tax.

Tucker Holland, municipal housing director in Nantucket, said the lack of year-round housing that is within reach of most people means emergency personnel do not live on

the island, teachers sleep on couches, and other workers often live in overcrowded apartments.

“We need the Legislature to simply give us permission to help ourselves,” Holland said.

In 2020, then-Mayor Martin J. Walsh supported a measure that would have assessed a [2 percent tax](#) on sales worth more than \$2 million in Boston. The proposal, however, failed to win approval from the state Legislature.

Backers said the assessment would have raised \$169 million a year on average in housing funding for the city if it had been in place over the last decade. Mayor Michelle Wu has said she plans to push for the measure again this year, and its chief City Council sponsor, Lydia Edwards of East Boston, was just elected to a seat in the state Senate.

*Tim Logan of the Globe staff contributed to this report.*

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