

# Healthcare

**WHO  
CAN  
AFFORD  
IT?** Prosperous billion dollar airlines, office owners, and high-tech industries should ensure quality affordable healthcare to the workers they rely on.

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Service Employees International Union Local 32BJ (32BJ SEIU) represents approximately 190,000 service workers across the East Coast, including over 20,000 in Massachusetts. Our members are the essential workers who keep our buildings, public spaces, and airports safe, clean, and running.



Massachusetts Budget and Policy Center (MassBudget) is a trusted voice on state budget, tax, and economic policy in Massachusetts, providing data-driven analysis that informs policymakers, advocates, and the public. Working closely with community partners, MassBudget advances equitable policy solutions that address the needs of families and communities of color while advocating for public investments in early education, K-12 schools, higher education, transportation, affordable housing, and other policy areas across the Commonwealth.



# Introduction & Executive Summary

This summer, two groups of Greater Boston service workers, comprised mostly of immigrants and people of color, are fighting for a benefit that the “Massachusetts miracle” should have long since provided them. With the support of Local 32BJ of the Service Employees International Union (SEIU), about 3,200 contracted security officers who protect Greater Boston’s offices, labs, and universities and 2,500 contracted airport service workers who keep Boston Logan International Airport running are campaigning to win employer-paid, quality health insurance, either in their contract (security) or through an airport-wide mandate (airports).

Their fight for quality, affordable, employer-paid healthcare is part of the larger story of the success and shortcomings of Massachusetts’ healthcare reform. It reveals how the excessive power of our region’s economic drivers have increased poverty and made life unaffordable for everyone. And it underscores the need for countervailing powers to right those excesses, from strong labor unions to an active government.

**The report’s first part argues that while the Commonwealth has achieved near universal healthcare coverage, this achievement is undermined by the deteriorating quality and affordability of employer plans.**

1. In Massachusetts, while 66 percent of residents are covered by employer plans, just 33 percent of 32BJ security officers and 27 percent of 32BJ airport workers in Boston are covered by their employer plans.
2. Whereas only 2 percent of state residents are uninsured, a stunning 15 percent of 32BJ security officers, and 30 percent of 32BJ airport workers in Boston are uninsured.
3. One in four 32BJ airport and security workers in Boston reported delaying medical treatment because of rising healthcare costs. One in six security officers reported taking on medical debt.
4. Among 32BJ security officers in Boston with employer plans, 16 percent reported difficulty meeting healthcare needs because their plans did not cover needed services.

**The report’s second part argues that the region’s economic drivers can well afford to ensure that both their direct and contracted workers have quality, affordable, employer-paid healthcare.**

1. Since 1980, the region’s personal income per capita, a measure of prosperity, has more than doubled. However, 80 percent of households have not shared in the region’s economic gains. For a working-class household, that represents an income loss of \$20,000.
2. Today’s extreme inequality was driven in part by prosperous corporations contracting out work. Lacking market power, contracted industries cut their workers’ wages to poverty levels, and offered few, if any, benefits.
3. In response, Logan Airport’s service workers and the region’s security officers joined labor unions to lift themselves out of poverty. In real terms, 32BJ airport workers increased their annual pay by \$18,200; 32BJ security officers, by \$13,500.
4. Logan Aiports’s top five airlines—Jet Blue, Delta, American, United and Southwest—are valued at \$104 billion. The region’s office building owners,

Employers,  
especially prosperous  
economic drivers,  
are a critical part of  
the state’s promise  
of affordable  
universal health care.



a major contractor of security services, are led by Blackstone, which alone has assets valued at \$319 billion. Finance tenants are led by State Street, with assets valued at \$54 billion. Biopharma tenants are led by Novartis, with a net income of \$14 billion.

# PART I

## Broken Promises, Low-Quality Unaffordable Employer Plans

Whereas only 2 percent of state residents are uninsured, a stunning 15 percent of 32BJ security officers and 30 percent of airport workers in Boston report being uninsured.

**With 98 percent of residents insured, Massachusetts has achieved near-universal health coverage. Behind this success, however, are working people—including the 32BJ security officers and airport workers fighting for employer-paid, quality insurance—whose healthcare costs and coverage challenges reveal how much work remains to be done.**

Rapidly rising health care costs are the result of excessive market power by industry players, most prominently hospitals.<sup>1</sup> Hospitals' pricing power is born of decades of market consolidation nationwide and here in Boston.<sup>2</sup> As we will see in Part II, rising prices have hurt vulnerable industries, including small businesses and contractors, and their workers.

Although employer-sponsored healthcare is available to all full-time 32BJ-represented security officers and airport service workers, many report that the plans offered by their employers are prohibitively expensive, offer low-quality coverage, or both. As a result, many of them rely on MassHealth or subsidized Health Connector plans, or they go without coverage altogether.

This section examines the shortcomings of the employer-sponsored coverage available to these workers, and the consequences of inadequate and unaffordable coverage for working people and the healthcare system. At a time when healthcare costs are rising and federal changes threaten public human-service programs, it is imperative that the actors driving Massachusetts' prosperity provide quality coverage to the contracted workers on whom they depend.

Security officers and airport workers report low enrollment on employer plans, increased uninsurance and reliance on public programs.

Overall, 66 percent of pre-retirement Massachusetts residents are covered by employer-sponsored plans, and about 24 percent are enrolled in MassHealth. A little over 7 percent are covered by non-group commercial insurance plans, mostly purchased individually on the Health Connector.<sup>3</sup> Around 2 percent are uninsured.<sup>4</sup>

In comparison, only about one-third of full-time 32BJ security guards in Boston are currently enrolled in employer-sponsored coverage.<sup>5</sup> A survey of these officers indicates an additional 8 percent are covered by the employer-sponsored plan of a spouse or parent, and 33 percent are covered by MassHealth or Health Connector plans. 15 percent of full-time officers surveyed report being uninsured.<sup>6</sup>

A similar pattern emerges among airport workers. Of the surveyed airport workers who report having health insurance, only 21 percent report enrollment in their employer-sponsored coverage, with an additional 6 percent reporting coverage through a family member's employer-sponsored plan. 23 percent report being covered through the Health Connector, and 30 percent report MassHealth enrollment. 30 percent of airport workers surveyed report being uninsured.<sup>7</sup>

Compared with Massachusetts residents overall, these workers report substantially lower participation in employer-sponsored plans, greater reliance on public programs, and dramatically higher rates of uninsurance.

## 1 SECURITY AND AIRPORT CONTRACTORS OFFER OVERLY EXPENSIVE, LOW-QUALITY COVERAGE

The largest employer of 32BJ security officers in Boston requires officers to contribute \$1,782 towards the annual premium of the plan they offer. This plan is additionally subject to a \$1,000 annual deductible and a \$4,000 annual out-of-pocket maximum. For a full-time security officer earning \$47,840 per year,<sup>8</sup> the combined cost of this plan's premium and deductible alone consume roughly 5.8 percent of the officer's annual pre-tax income.

The cheapest health plan offered by the largest employer of 32BJ Logan airport workers costs employees approximately \$2,414 annually in premiums,<sup>9</sup> with a \$2,000 annual deductible and a \$4,000 annual out-of-pocket maximum. For a full-time airport worker earning \$41,600 per year before taxes,<sup>10</sup> the combined cost of this plan's premium and deductible alone consume roughly 10.7 percent of the worker's annual income.

## JOSE AYALA

Every weekday, José Ayala gets up at 4 AM so he can arrive downtown early enough to greet the incoming office workers at the Boston building where he has been a security officer for the past five and a half years. "The hard part is trying to sleep in during the weekends," he says.

José always thought the health plan his company offered "wasn't bad," despite its \$1,000 deductible. But at age 60, he has had several recent incidents that have made him aware of his plan's limitations.

Over Christmas, José was billed \$750 for an emergency room visit that he thought would cost \$100. A recent referral to a specialist cost him \$265. Then, on January 6 this year, he woke up in pain. Doctors found a cancerous mass on his left kidney, which was removed on March 6, after which José spent several weeks recuperating without pay—during which he still was charged \$35 every week to maintain his health insurance.

"What bothers me is that I have to pay for my insurance when I'm not making any money," says this grandfather of eight. "I don't think it's fair."

Those who decide to enroll in their employer's plans often report difficulty accessing care despite having insurance. Among security officers who reported enrollment in employer plans, 10 percent reported not being able to visit the providers of their choice due to network restrictions, and 16 percent reported difficulty meeting their healthcare needs because their plan does not cover particular services or categories of care. Among airport workers on employer-sponsored plans, 82 percent reported concern that more expensive monthly premiums or higher out-of-pocket costs will affect their ability to afford healthcare and other necessities such as housing or food.

Taken together, these findings suggest that employer-sponsored coverage, while available to these workers, is often unaffordable, inadequate, or both.

## 2 HIGH-COST, LOW-QUALITY EMPLOYER PLANS PUSH OFFICERS & AIRPORT WORKERS ONTO PUBLIC PROGRAMS

Given the high cost and low quality of many employer-sponsored plans, it is unsurprising that many security officers and airport workers turn instead to public programs for coverage.

In Massachusetts, MassHealth offers low-to-no cost coverage to residents making below 133 percent of the federal poverty level and to many others who qualify through non-income-based pathways. For residents making below 400 percent of the federal poverty level, the Health Connector offers subsidized ConnectorCare plans, with premiums scaled to income.<sup>11</sup>

As referenced above, these workers' disproportionate reliance on MassHealth and the Health Connector suggests that their employer-sponsored plans fail to meet their healthcare needs, and that public programs are filling coverage gaps.

## IMELDA LÓPEZ



Imelda López has long accepted that pain is part of her work routine. When describing the stomach aches she experiences while cleaning the planes at Logan Airport, she speaks casually about having to intermittently pause while she waits for the discomfort to pass. As for seeking medical care to get to the source of these issues, she waves off the suggestion: it's too expensive under her current health plan.

Imelda utilizes the Health Connector for her medical needs. Despite paying \$70 per week, her current plan only covers basic examinations and provides too little access to specialized care. This means she would have to pay out of pocket for more thorough screenings or specialist appointments—a cost Imelda cannot afford, even as a full-time employee who occasionally works overtime. “*No me alcanza*,” she says. “I can't afford it.”

Especially during the winter, when out-of-pocket expenses might mean having the heat cut off for her and her son, she sees no alternative to enduring the pain.

## 3 HIGH-COST, LOW-QUALITY EMPLOYER PLANS DRIVE UNINSURANCE RATES

Not all workers are able to turn to public programs when employer-sponsored options fall short.

Federal and state rules designed to preserve employer responsibility limit access to public programs for workers who are eligible for employer-sponsored plans. For example, workers offered an employer plan deemed “affordable,” under the Affordable Care Act are ineligible for subsidized ConnectorCare plans, even when their employer plan is unaffordable in practice.<sup>12</sup> Similarly, MassHealth limits enrollment by evaluating whether it would be more cost-effective for the state to subsidize the premium of an applicant or enrollees' employer-sponsored plan.<sup>13</sup>

As a result, workers who cannot afford or who are not satisfied with the coverage offered by their employers face a difficult choice: to enroll in a costly and inadequate plan or to remain uninsured. The staggering rates of uninsurance among 32BJ security officers and airport workers—15 percent and 30 percent, respectively, compared with 2 percent statewide—suggest

that many view the coverage available to them as too expensive or too limited to justify enrollment.

## RAJAA HAMIDA

For the past ten years, Rajaa Hamida has on average walked twelve miles every day that she guides the wheelchairs of Logan Airport passengers needing assistance. “They are always thanking us in so many ways,” she says.

When she emigrated from Morocco, Rajaa qualified for MassHealth, but after she found work at Logan, the state moved her to the Health Connector. On a Health Connector plan, she says, “I had to pay out of my pocket for too many things—I paid \$50 every month and couldn’t get anything back.” Since her employer’s healthcare was worse, Rajaa has gone without health insurance since 2018.

In 2022, Rajaa was diagnosed with a condition that requires monitoring twice per year. However, she can only afford to visit a doctor in Morocco, where she travels once every two years. “Most of the time, I feel like I don’t know what’s going on with my health,” she says.

### 4 INADEQUATE COVERAGE HARMS WORKERS AND THEIR FAMILIES

By failing to ensure contracted workers have quality, affordable coverage, the wealthy building owners and airlines pass much of their healthcare costs onto the state and workers.

Unmanageable healthcare costs cause many people to delay or forgo needed care.<sup>14</sup> Nearly one-quarter of security officers surveyed reported having delayed medical appointments or treatments within the past five years because of cost concerns. The same share of airport workers reported having delayed medical care due to the rising costs of living. Delayed preventative care and deferred treatment can worsen manageable conditions and increase the likelihood of serious complications and hospitalizations.

Many who eventually seek care incur substantial medical debt, including 12.7 percent of Massachusetts residents last year.<sup>15</sup> Among security officers surveyed, an even higher 16 percent reported having taken on debt from a medical appointment or treatment within the last five years.

The financial consequences go further. In survey responses, security officers described being forced to choose between healthcare expenses and necessities, and of struggling to financially manage when suffering chronic conditions. Airport workers similarly reported difficulties covering the costs of healthcare, housing, utilities, food, and other necessities amid the rising cost of living: 19 percent reported skipping meals or cutting back on groceries; 10 percent received shutoff warnings for utilities; 4 percent received an eviction notice.

The challenges reported by 32BJ security officers and airport workers in Boston, the majority of whom are Black or Brown, mirror broader racial disparities in healthcare access and affordability across the state. In 2025, 28.4 percent of Massachusetts residents overall reported unmet healthcare needs within their family. That figure rose to 35.8 percent among Black residents and 37.8 percent among Hispanic residents.<sup>16</sup> Rates of medical debt are similarly higher among Black families, with 20.6 percent reporting medical debt compared with 12.7 percent overall.<sup>17</sup>

# DAVID FERNANDES



David Fernandes' first and only child was born in 2021 with hypoplastic left heart syndrome, a condition which took the boy's life in 2023, a week after his second birthday.

At his full-time job as a security guard at a prestigious office building in Boston's financial district, David paid \$156 a week for the company's health plan to cover himself, his wife and their son, which amounted to about 20 percent of his weekly take-home pay of between \$600 and \$700.

David's wife left her job in special education to care for their son, who was regularly in and out of Boston Children's Hospital. As the sole breadwinner, David tried to manage the expense of constant trips from his Brockton home to the hospital, and of purchasing medical equipment, food, diapers, and other necessities, so he could offer what little remained to his in-laws, with whom the family lived. Even so, he fell behind on his insurance payments during an unpaid medical leave and agreed to have his pay docked upon returning so that his son would not lose coverage.

The inherent cruelty and absurdity of the situation led David to step forward in the union's campaign for better health coverage. "I want to share the story because I want to help other families that could be in the same situation," he says.

## 5 FOR EMPLOYERS, LOW ENROLLMENT LEADS TO REDUCED HEALTHCARE SPENDING

Low participation in employer-sponsored plans allows employers to spend relatively little on healthcare while shifting costs onto workers and public programs.

Only 36 percent of full-time 32BJ officers employed by one of the largest security contractors in Boston are enrolled in their employer plan. As a result, the company's average healthcare spending across all eligible employees is approximately \$1.82 per hour. Only 29 percent of eligible full-time employees of one of the largest airport service contractors at Logan are enrolled on their employer plan. The company's average healthcare spending across all eligible employees is approximately \$1.02 per hour.

One reason employers can avoid responsibility for healthcare costs is that existing coverage requirements are relatively weak. The Affordable Care Act requires large employers to offer coverage that meets minimum affordability and value standards, or to pay a penalty.<sup>18</sup> In 2026, the employer penalty is \$5,010 per employee who receives federally subsidized coverage through a ConnectorCare plan.<sup>19</sup> By comparison, the average annual employer share of the premium in Massachusetts is \$7,212 per employee,<sup>20</sup> making it far less expensive in many cases to pay the penalty than to provide comprehensive coverage.

The insufficiency of the employer requirement is increasingly under scrutiny. New Jersey governor Mikie Sherrill, for example, recently proposed a tax on large companies with employees enrolled in Medicaid.<sup>21</sup> This trend reflects growing recognition that private employers should have an integral role in ensuring universal coverage.

## 6 FEDERAL POLICIES THREATEN THE HEALTHCARE SYSTEM AMID RISING COST CRISIS

The 2025 One Big Beautiful Bill Act (OB3)—a sweeping law providing for \$1 trillion in tax cuts for corporations and the extremely wealthy—takes direct aim at publicly provided and subsidized health coverage, with major consequences to MassHealth and Health Connector coverage.<sup>22</sup>

Massachusetts projects that OB3 will result in roughly 300,000 residents losing health coverage.<sup>23</sup> Additionally, because of Congress' failure to extend the Enhanced Premium Tax Credit program, an estimated 26,000 residents have already lost subsidized coverage, with ConnectorCare members experiencing increases in their premiums to the point of unaffordability.<sup>24</sup>

In addition to the human consequences, the Massachusetts state budget will be critically impacted by the bill. Financing restrictions will limit access to federal Medicaid matching funds and are expected to cut an estimated \$3.5 billion from the budget annually,<sup>25</sup> representing a reduction of almost 22 percent in Massachusetts' federal operating revenue.<sup>26</sup> New MassHealth work requirements and biannual eligibility redeterminations will impose on the state additional fiscal and administrative burdens.

Amidst these changes, the healthcare system faces an escalating cost crisis. Rising costs are being driven by trends including market consolidation, hospital and provider mergers, and the introduction of new, high-cost pharmaceuticals and specialized treatments.<sup>27</sup> Together, these trends put increasing pressure on both public programs and private coverage, exacerbating affordability challenges for the state government, private employers, and individuals.

## ABABUTI OLOK



When Ababuti Olok learned that his life was in danger in his native Ethiopia, he fled to Kenya and spent the next ten years in a refugee camp. When he finally resettled in the United States, he thought his problems were over. Lately, however, the financial impact of his own and his wife's health concerns have brought on times as stressful as the years in the camp.

In 2023, Ababuti was diagnosed with an eye condition that the doctors said would blind him if left untreated. At the same time, his wife had a very difficult pregnancy and birth. He had to choose between paying rent and taking care of his own and his wife's health. He chose their health, which is why Ababuti, his wife, and their three kids have had to move twice in the last year.

Now, Ababuti only has limited MassHealth because he cannot afford to pay \$460 a month for full coverage through the Connector. This means he cannot regularly visit his doctor. His wife and kids have better coverage, but the insurance will not cover an appointment with out-of-state specialists who they hope can help her.

Currently, Ababuti is looking for a part-time job to supplement his full-time work, so he can begin to save the \$5,000 he will need for the trip and an initial diagnosis in Minnesota

## 7 THE STATE'S ABILITY TO RESPOND DEPENDS ON EMPLOYERS OFFERING BETTER COVERAGE

The Fiscal Year 2026 Massachusetts state budget totaled \$67.9 billion, including \$16.7 billion from federal revenue.<sup>28</sup> Of this, \$28.9 billion (41 percent) is budgeted for health care services with the majority allocated to MassHealth, the largest publicly funded program in the Commonwealth, absorbing about one-third of the state's overall budget.<sup>29</sup>

Governor Maura Healey has also formed a Healthcare Affordability Working Group to investigate root causes of rising costs and propose solutions.<sup>30</sup> While the federal government implements massive spending cuts to pay for massive tax cuts for the wealthiest, Massachusetts is right to reject austerity and seek real solutions.

However, Massachusetts cannot absorb such large cuts on its own. In the Fiscal Year 2026 budget, \$13 billion in federal revenue directly reimburses the state for MassHealth expenses.<sup>31</sup> As new cuts and restrictions are implemented, the ability to sustain strong MassHealth and ConnectorCare programs will be at risk.

While Massachusetts can and should raise additional progressive revenue to help offset the projected loss, economic drivers that benefit from tax cuts should also share that responsibility. By failing to ensure contracted workers have quality, affordable coverage, wealthy building owners and airlines, whose subcontractors employ 32BJ security officers and airport workers in Boston, pass much of their healthcare costs onto the state and workers.

The Massachusetts healthcare system is built upon the reality that most people get health coverage through their employers, while the government is tasked with ensuring access to public and subsidized coverage for those who cannot obtain employer-sponsored insurance. As the state works to strengthen public programs and respond to new challenges, employers—and their wealthy clients—must also meet the moment.



**STANLEY  
WOTRING**

Stanley Wotring fought to unionize his fellow security officers at Faneuil Hall, a historic site on Boston's "Freedom Trail," known as a birthplace of free speech for its open and boisterous meetings in the colonial era. Although unionization has led to many important improvements in his job, the health insurance his employer offers is still too expensive for Stanley to afford. Instead, this young, single man, who currently works part-time, was able to qualify for MassHealth, just like many of his part-time coworkers.

Aside from the issue of rising health care costs, Stanley would much rather be on employer-paid healthcare. As he says, "Why should taxpayers have to subsidize our insurance, when building owners could easily offer us affordable, quality health insurance?"

# PART II

## Economic Drivers Drive Racialized Extreme Inequality

The story of these service workers' struggle for affordable quality health care is a part of the larger story of the economy impacting just about all of us. It is the story of the excessive power of the few excluding the rest of us as decisions are made that affect our lives.

It is also the story of the excessive accumulation of capital in fewer hands while most of the population struggle to make ends meet. On the one hand, Massachusetts is one of the wealthiest states; on the other, it also has one of the highest income inequality gaps in the country.<sup>32</sup>

Massachusetts has the highest median household income in the nation.<sup>33</sup> However, that income is disproportionately distributed. In 2023 median household income was \$103,960, yet almost 26 percent of households had a median household income of less than \$50,000.<sup>34</sup> These disparities tend to be exacerbated in geographical areas where there are greater concentrations of prosperous economic drivers and affluent neighborhoods, such as Boston.

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### 8 GREATER BOSTON'S REMARKABLE PROSPERITY

Over the last two generations, a handful of United States metro regions have transformed the global economy, generating both unprecedented prosperity and racialized extreme inequality. This latest surge of progress, lauded as the “knowledge economy” under the banner of meritocracy, challenges widely held concepts of deservedness and democracy.

Boston is one of those remarkably prosperous metro regions. Its knowledge economy is an ecosystem of high-tech clusters, of industry giants and start-ups, venture capital and finance, law and accounting, real estate developers and managers, and colleges and universities, all connected to the global economy through Logan International Airport.<sup>35</sup>

Since 1980, driven by its dynamic tech clusters, the region's real personal income per capita, a measure of prosperity, has more than doubled. In fact, by this measure, Greater Boston is among the country's top five metro regions. The region's impressive prosperity, however, is not broadly shared with the increasingly diverse middle and working classes who contribute to it.<sup>36</sup>

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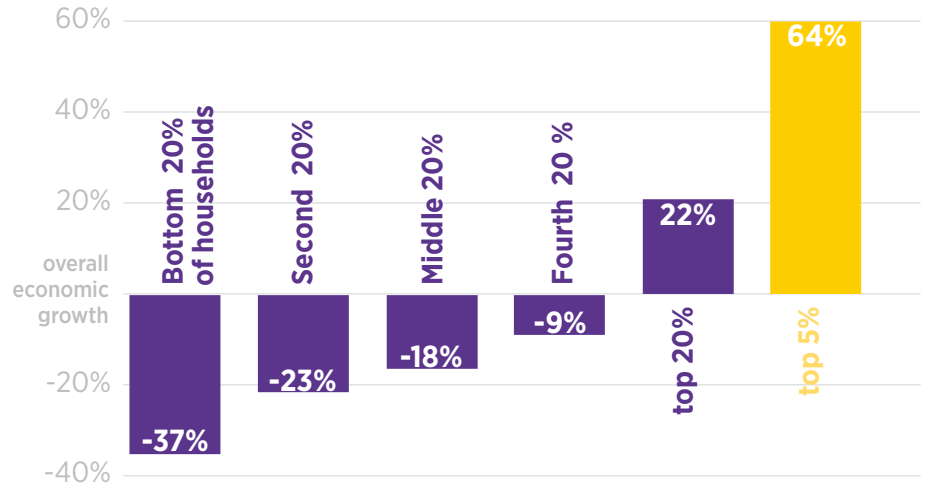
### 9 THE METRICS: DESPITE PROSPERITY, PROGRESS FOR THE FEW

Since 1980, the income of the region's top 5 percent of households has increased 64 percent faster than the economy, here measured by the increase in productivity. By the year 2000, economic progress stopped for the working and middle classes. Today, the bottom rung of the working class (i.e. the second 20 percent of households) has fallen 23 percent behind increases in the overall economy. That means an income loss for the average bottom rung household of \$20,000 annually.<sup>37</sup>

Greater Boston's extreme economic inequality is racialized. The median income of Black and Latino households is just three-fifths of white households. While the median net worth of Black and Latino households ranges from \$8 to \$12,000, the median net worth of white households is \$247,000.<sup>38</sup>

**4 OUT OF 5  
HOUSEHOLDS HAVE  
NOT SHARED IN THE  
REGION'S  
PROSPERITY**

U.S. ECONOMY MEASURED BY NET PRODUCTIVITY



**10 THE STRUCTURAL FOUNDATION: EXCESSIVE FIRM POWER, VULNERABLE CONTRACTORS**

Greater Boston’s racialized extreme inequality is the result of structures that determine who is included and excluded from prosperity. It is now a familiar story. Land use and financial rules shape who lives in so-called nice neighborhoods. Property tax rules determine who goes to so-called good schools.<sup>39</sup>

One part of this economy of exclusions is less familiar: over the last two generations, dominant companies have focused on core competencies, and they have contracted out work that they deemed less worthy. The dramatic increase in contracting out work— sometimes to overseas markets, sometimes to local firms—has helped to drive extreme inequality.<sup>40</sup>

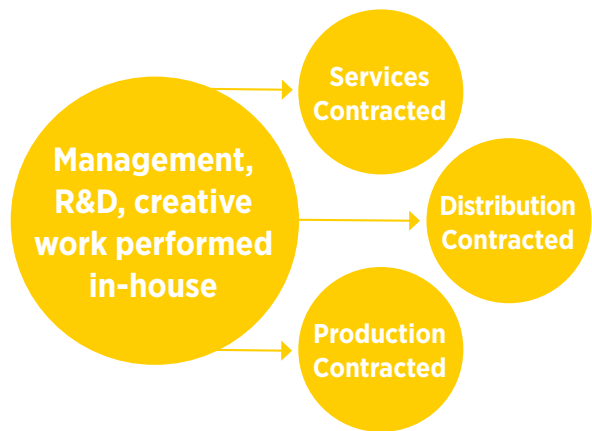
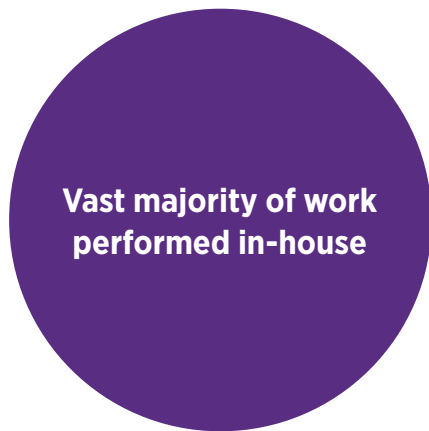
Vertically integrated firms traditionally paid less skilled workers above market standards to ensure employee loyalty throughout the company. Now, dominant firms contract that work to fragmented markets to drive down workers’ compensation. Contractors with little market power are vulnerable if they don’t cut costs.<sup>41</sup>

Dominant companies deny responsibility for their contracted workers. They hide behind private contracts and public law. But the dominant companies rely on these contract workers, no less than they relied on their direct employees who had done the same work before them. These corporations, in fact, establish the conditions contracted workers toil under, including their wages and benefits.

The end result of this structure, up to recently, has been powerful billion-dollar industries, who contract for services, turning a blind eye to their contract workers’ poverty wages and unmet healthcare needs. Improving these workers’ lives requires structural reforms.

**11 AT LOGAN AIRPORT, DOMINANT AIRLINES WIELD POWER**

At Logan Airport, there are 2,500 unionized service workers employed by 10 contractors. Some contractors are hired by the airlines; others, by the airport. Massport, a “quasi-public” authority, has the power to govern the operation of all contractors at their airports, including setting minimum labor standards. Ultimately the airlines must make the money available, directly or indirectly, to lift contract workers’ wages and benefits.<sup>42</sup>



Modest inequality	Extreme Inequality
In Unionized Corporations the firm limits pay differences to foster loyalty	Corporations contract out work deemed less worthy, creating unstable work, industries, and poorly paid workers

A generation ago, it was customary for airport service workers to be employed directly by the airport or the airlines. Today, however, the work of sanitizing airplane lavatories, moving baggage, and cleaning terminals is performed mostly by contractors, including international, national and regional companies.<sup>43</sup> The airlines contracted out to lower costs and liability. Whatever their size or personal management philosophy, these contractors cannot significantly improve their worker standards without additional revenues from the airlines.

The contracting of airport service work reflects the larger story of Boston becoming a global city marred by racialized extreme inequality. Over the last 25 years, as new tech industries revived the region’s economy, passenger traffic at Logan International Airport increased by 60 percent.<sup>44</sup> And over the same period, as service work was contracted out, pay was driven down, often to the minimum wage, with few if any benefits.

The leading airlines can well afford to do better by their contractors and the service workers that they rely on. Waves of mergers and acquisitions 15 years ago resulted in a consolidated airline industry, which may yet consolidate again.<sup>45</sup> Unlike many other airports, Logan is not dominated by just one of the major airlines. The industry’s four dominant airlines are also among Logan’s top five leaders by passenger volume: JetBlue, Delta, American, United, and Southwest.<sup>46</sup>

In 2025, these airlines had combined operating revenues of more than \$214 billion—a three-fold increase over the last 20 years. Unsurprisingly, given industry consolidation and Logan’s dramatic expansion, investors are confident in their performance: combined, Logan’s top five airlines’ market capitalization is \$104 billion.<sup>47</sup>

## 12 AT OFFICE BUILDINGS, DOMINANT REAL ESTATE, TECH, AND FINANCE TENANTS WIELD POWER

Like at Logan Airport, the security industry’s development reflects the larger story of Boston’s racialized extreme inequality. As the economic drivers prospered, the service workers, now contracted out, were excluded from that prosperity.

Despite the recent concentration of the contract security industry and the

size of its leading players, the client sector ultimately controls the pay of the security officers whose services they rely on. The security client sector is composed primarily of office buildings, and their major tenant segments include life sciences, insurance, and finance firms.<sup>48</sup>

The technology and finance sectors are the rock-solid foundation of Greater Boston’s decades-long prosperity, helping to stabilize and enrich the region’s office sector in turn. Boston’s office market asking rents are at \$52 per square foot, with Class A spaces commanding over \$70 per square foot.<sup>49</sup> For 20 years the region’s office vacancy rates have stayed below the national average.<sup>50</sup> This, despite a surge in new office and lab construction in recent years.<sup>51</sup>

Underlying the metrics of commercial real estate to this day is Greater Boston’s life sciences sector, commonly ranked number one nationally and globally, with Kendall Square-area Class A spaces commanding nearly \$90 per square foot on average. The finance sector is anchored by giants like Fidelity Investments, State Street, and Putnam Investments, which manage trillions in global assets.<sup>52</sup>

**13** STRUGGLING WORKERS,  
NEIGHBORHOODS  
AND CITIES

These security officers and airport workers are just like a lot of struggling families in Greater Boston. Many are first- and second-generation Americans, coming here from Latin America and Africa. Others are Black Americans and white ethnic Americans, long excluded from the region’s prosperity.

They live in Greater Boston’s lower income cities and neighborhoods, with under-resourced local city services and schools. Within Boston, the majority live in historically segregated neighborhoods. And perhaps, mostly cruelly, they live in cities in which they can expect to die up to 10 years before their time.<sup>53</sup>

**CITIES LISTED BY # OF 32BJ WORKERS RESIDING THERE**

CITY OF RESIDENCE	LOW-INCOME EARNERS	PERSONS OF COLOR	BLACK LIFE EXPECTANCY	CITY GOV'T REVENUE PER CAPITA
<b>Boston</b>	42%	56%	75 years	\$7,273
<b>Revere</b>	47%	53%	76 years	\$4,643
<b>Malden</b>	40%	56%	83 years	\$3,512
<b>Lynn</b>	50%	64%	75 years	\$5,237
<b>Chelsea</b>	52%	80%	72 years	\$6,925
<b>Cambridge</b>	31%	44%	75 years	\$8,475

These workers and their communities’ struggles will not get any easier in the years to come. Taking into account all the federal government policy changes that will take place from 2026 to at least 2034, already inadequate wages will cover much less than they used to. The war in Iran has increased gas prices; the new tariffs on foreign products have exponentially increased prices too.

In addition, the changes in eligibility criteria and budget cuts to the Supplemental Nutritional Assistance Program (SNAP), Medicaid, and the Women, Infant, and Children (WIC) program have lacerated support for low-income families. The foreseeable budget cuts to federally funded rent assistance and childcare programs paint an even more somber scenario to come.

There is little doubt that working and low-income families, communities of color, and vulnerable populations will likely be worse off once all the federal policies have been implemented as they were designed—to increase the wealth of the wealthiest people and corporations while depriving the most vulnerable of the resources that they need to thrive.<sup>54</sup>

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## 14 WITH UNION, INITIAL PROGRESS, NOW STALLED

By organizing their contracted industries into a union, Greater Boston's airport workers and security officers have begun to make economic progress, lifting their families out of poverty... The next step forward is quality, employer-paid healthcare.

However, these security and airport workers differ from other working-class laborers in two important ways. First, as described they work for contractors whose clients are the foundation of the region's remarkable prosperity. Second, by organizing their contracted industries into a union, they have begun to make economic progress, lifting their families out of poverty and towards a truly decent standard of living.

The airport and security workers who belong to Local 32BJ of the Service Employees International Union (SEIU) each negotiate a collective bargaining agreement with their industry. On the one side of the bargaining table are the unionized contractors; on the other side, elected worker leaders. Though they ultimately determine the standards set by the contract, neither the airport authority and airlines nor the office building owners and major tenants are at the table.

Since organizing, these airport workers have increased their wages 79 percent in real terms. For a full-time worker, that is an increase of nearly \$18,200 a year.<sup>55</sup> And since organizing, Greater Boston unionized security officers have increased their wages 39 percent in real terms. For a full-time worker that is an increase of nearly \$13,500 a year.<sup>56</sup>

Despite their significant economic progress, these workers are still struggling. A family comprising a unionized airport worker and unionized security officer, with two children, together earns just 71 percent of a basic family budget.<sup>57</sup>

Organizing an industry-wide union ensures that competition between contractors is based on their ability to provide quality services, not on their expertise at creating poverty. In fact, improving wages in these contract industries reduces turnover, and thereby reduces hiring costs.<sup>58</sup>

It is important to note that these contract services comprise only a small part of facility operating costs. Therefore, when contractors increase their costs as their workers make progress towards a decent standard of compensation, client companies will see only minor increases in theirs.<sup>59</sup>

The next step forward is employer-paid, quality healthcare. Affordable healthcare will ensure going to the doctor for primary care visits does not eat away at the family budget. It will also reduce the rate of workers' hospitalization and guarantee a healthier workforce.

With a strong majority of the market, the union contract sets the standard that most, but not all, non-union contractors mimic. That said, contract

Over the last two generations, dominant companies'... dramatic increase in contracting out work has helped to drive extreme inequality.

industries are hyper competitive. The simple fact of the matter is that contractors will not provide “costly” quality, employer-paid healthcare without the explicit approval of their clients.

In contrast to the situation at Logan, in all three New York area airports, contracted service workers represented by 32BJ receive employer-paid healthcare.<sup>60</sup> And contracted 32BJ security officers in New York City receive quality affordable health care through the union and employer health benefit trust fund. In fact, in New York State, employers and the union have joined forces to legislatively rein in excessive hospital service costs.<sup>61</sup>

Moreover, across Greater Boston, full-time contracted janitors represented by Local 32BJ, who work side-by-side with the workers discussed here, have been receiving quality affordable employer-paid healthcare for decades through the 32BJ health benefit fund.

During this era of racialized extreme inequality, economic drivers have become convinced that the workers they relied on to prosper did not deserve to share in that prosperity. Over the last decade, these unionized contract service workers have demonstrated that we can do much better than that.

We now can answer the question: healthcare, who can afford it? Clearly not modestly paid workers. A costly procedure seemingly can be delayed when the rent is due. And clearly not already struggling state residents, whose pay has not been keeping up with their bills and economic growth. The answer is unequivocal: Boston’s prosperous billion-dollar economic drivers can easily afford to ensure their contract workers receive employer-paid quality affordable healthcare.



# CALL TO ACTION

**In April of this year, five recent governors of the Commonwealth gathered at Faneuil Hall to celebrate the twentieth anniversary of the landmark 2006 healthcare reform law known fondly as RomneyCare.**

The legislation addressed what was then considered an intractable crisis of uninsurance in Massachusetts and became a national model for expanding healthcare access.

Today, our state leads the nation in coverage, with a 97.9 percent insured rate. But as we celebrate the accomplishments of RomneyCare, the experiences of two groups of workers in Boston remind us that the work of healthcare justice is unfinished.

Logan International Airport and its airlines rely on 2,500 contract service workers to keep the facility running smoothly. And across Greater Boston, office buildings and their major tenants rely on 3,200 contract security officers to keep everyone safe. Yet most of these workers receive inadequate and unaffordable health insurance. Still others rely on public healthcare systems that are increasingly under attack by the federal government.

**Represented by 32BJ SEIU, these workers are fighting for employer-paid quality affordable healthcare. Their fight depends on whether the powerful economic drivers at the top of their industries accept the responsibility our healthcare system confers on them to provide comprehensive health insurance to the workers whose labor sustains their profits.**

## TO WIN JUSTICE DEMAND THE FOLLOWING:

### FOR SECURITY OFFICERS:

Commercial building owners and corporate tenants continue to generate enormous revenues while relying on contracted workers to keep their properties safe and operational.

**ACTION:** Ask companies to ensure that the workers protecting their buildings have access to quality, fully employer-paid healthcare.

### FOR AIRPORT WORKERS:

Massport has the authority to require airlines and airport contractors to meet standards that support quality jobs and healthcare coverage.

**ACTION:** Demand airlines ensure airport workers have access to affordable quality, employer-paid healthcare.

### FOR WORKING FAMILIES:

Massachusetts leaders must reject cuts to MassHealth and the Health Connector and protect healthcare access for working families.

**ACTION:** Make the state hold wealthy economic drivers accountable for providing quality healthcare coverage to their employees, instead of leaving workers and taxpayers to bear the cost.

# Endnotes

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<sup>2</sup> Ashish K. Jha, “Competition and health care: Bigger isn’t always better”, *Boston Globe*, February 9, 2026. <https://www.bostonglobe.com/2026/02/09/opinion/health-care-competition-ashish-jha/?p1=Article Inline Text Link>

<sup>3</sup> KFF’s State Health Facts. “Health Insurance Coverage of Population Ages 0-64”. Data Source: The US Census Bureau 2024 American Community Survey (ACS). <https://www.kff.org/state-health-policy-data/state-indicator/health-insurance-coverage-population-0-64/>.

<sup>4</sup> Massachusetts Center for Health Information and Analysis, *Findings from the 2025 Massachusetts Health Insurance Survey* (Center for Health Information and Analysis, 2025), 12, <https://www.chiamass.gov/assets/docs/r/survey/MHIS-2025/2025-MHIS-Report.pdf>.

<sup>5</sup> Based on enrollment in employer-sponsored plans at the three largest security contractors employing 32BJ security officers in Boston. Together these contractors employ 87% of the officers represented by 32BJ in Boston.

<sup>6</sup> All survey data about security guards generated from unscientific, internal survey of union security officers in Boston. 32BJ SEIU, “2026 New England District Security Contract Campaign Bargaining Survey” (unpublished dataset, 32BJ, April 2026).

<sup>7</sup> All survey data about airport workers generated from unscientific, internal survey of union airports service workers employed at Logan Airport. 32BJ SEIU, “2026 Logan Airports Bargaining Survey” (unpublished dataset, 32BJ, April 2026).

<sup>8</sup> The collective bargaining agreement covering 32BJ officers working in Boston requires contractors to pay \$23/hr. For an officer working 2080 hours per year, their pre-tax annual income is \$47,840.

<sup>9</sup> Cheapest plan determined by comparing the sum of annual premium costs and deductibles associated with the plans offered by this contractor.

<sup>10</sup> The airport minimum wage policy covering approximately 2,500 32BJ airports members working at Logan requires contractors to pay \$19.75 hr. The most common wage paid by the largest employer of these workers is \$20 per hour. For a full-time customer service agent working 2080 hours per year, their pre-tax annual income is \$41,600.

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<sup>12</sup> In 2026, employer coverage is considered affordable if the employee’s required premium contribution does not exceed 9.96% of household income. “Rev. Proc. 2025-25”, 26 CFR 601.105: *Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability* (2025), <https://www.irs.gov/pub/irs-drop/rp-25-25.pdf>.

<sup>13</sup> “MassHealth Premium Assistance (PA)”, Commonwealth of Massachusetts, accessed May 22, 2026, <https://www.mass.gov/info-details/mass-health-premium-assistance-pa>.

<sup>14</sup> Grace Sparks et al., “Americans’ Challenges with Health Care Costs”, KFF, April 30, 2026. <https://www.kff.org/health-costs/americans-challenges-with-health-care-costs/>

<sup>15</sup> *Findings from the 2025 Massachusetts Health Insurance Survey*, Center for Health Information and Analysis, December 2025, 67, <https://www.chiamass.gov/assets/docs/r/survey/MHIS-2025/2025-MHIS-Report.pdf>.

<sup>16</sup> *Findings from the 2025 Massachusetts Health Insurance Survey*, Center for Health Information and Analysis, December 2025, 63, <https://www.chiamass.gov/assets/docs/r/survey/MHIS-2025/2025-MHIS-Report.pdf>.

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<sup>19</sup> “Rev. Proc. 2025-26”, 26 CFR 601.601: *Rules and Regulations* (2025), <https://www.irs.gov/pub/irs-drop/rp-25-26.pdf>.

<sup>20</sup> Massachusetts Center for Health Information and Analysis, *2024 Massachusetts Employer Survey* (Center for Health Information and Analysis, 2024), 24, <https://www.chiamass.gov/assets/docs/r/survey/MES-2024/Massachusetts-Employer-Survey-CHIA-2024.pdf>.

<sup>21</sup> New Jersey Treasury Office of Management and Budget, *The Governor’s FY 2027 Budget in Brief* (NJ Office of management and Budget, 2026), 53. <https://www.nj.gov/treasury/omb/publications/27bib/BIB.pdf>.

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<sup>23</sup> “MassHealth Federal Updates and Impacts”, Commonwealth of Massachusetts, accessed May 22, 2026. <https://www.mass.gov/info-details/masshealth-federal-updates-and-impact>

<sup>24</sup> “The Impact of Enhanced Premium Tax Credits in Massachusetts”, Massachusetts Health Connector, September 2025. <https://www.mahealthconnector.org/wp-content/uploads/ePTC-Fact-Sheet-09-2025.pdf>. See also: “Expiring Federal Health Tax Credits Could Cost Massachusetts Residents Thousands”, Massachusetts Budget and Policy Center, December 18, 2025. <https://massbudget.org/2025/12/18/expiring-federal-health-tax-credits-could-cost-massachusetts-residents-thousands/>

<sup>25</sup> “MassHealth Federal Updates and Impacts”, Commonwealth of Massachusetts, accessed May 22, 2026. <https://www.mass.gov/info-details/masshealth-federal-updates-and-impact>

<sup>26</sup> Federal revenue accounted for \$16.7b in Massachusetts FY2026 budget.

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<sup>29</sup> “Budget Browser”, Fiscal Year 2026 Budget, Massachusetts Budget & Policy Center, accessed May 22, 2026. <https://massbudget.org/budget-browser/>. The exact amount allocated for Health services and programs was \$28,202,098,445.

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<sup>31</sup> Victoria Gudaitis and Alexa Gruener, “FY2026 H.1 Budget Brief”. MassHealth, 2026. [https://budget.digital.mass.gov/govbudget/fy26/budbrief/pdf/10-fy26h1\\_bb\\_masshealth.pdf](https://budget.digital.mass.gov/govbudget/fy26/budbrief/pdf/10-fy26h1_bb_masshealth.pdf)

<sup>32</sup> Crystal Haynes, “United Insights: Closing the Gap”, United Way of Massachusetts Bay, November 8, 2024. <https://unitedwaymassbay.org/blog/united-insights-closing-the-gap>

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<sup>36</sup> Between 1980 and 2022, real personal income increased 118%. See “List of United States metropolitan areas by per capita income”, data source: U.S. Bureau of Economic Analysis, accessed April 22, 2026. [https://en.wikipedia.org/wiki/List\\_of\\_United\\_States\\_metropolitan\\_areas\\_by\\_per\\_capita\\_income](https://en.wikipedia.org/wiki/List_of_United_States_metropolitan_areas_by_per_capita_income)

<sup>37</sup> Adapted from “Residential Segregation in Greater Boston”, Boston Indicators, August 2025. See graph on page 22. Underlying data provided by data analyst Jessica Martin. [https://www.bostonindicators.org/-/media/indicators/boston-indicators-reports/report-files/bi-segregation\\_073125.pdf](https://www.bostonindicators.org/-/media/indicators/boston-indicators-reports/report-files/bi-segregation_073125.pdf). Net productivity data from “State of Working America Data Library”, Economic Policy Institute, accessed April 20, 2026. <https://data.epi.org/>

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<sup>40</sup> David Weil, *The Fissured Workplace*, (Boston: Harvard University Press, 2017).

<sup>41</sup> Louis Hymnan, *Temp*, (New York: Penguin Random House, 2019); See also Rick Wartzman, *The End of Loyalty*, (New York: Public Affairs, 2017).

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<sup>54</sup> Viviana Abreu-Hernandez, “Testimony relative to ‘the Impact of Federal Policy on the Racial Wealth Gap’”, Massachusetts Budget and Policy Center, March 31, 2026. <https://massbudget.org/2026/03/31/testimony-relative-to-the-impact-of-federal-policy-on-the-racial-wealth-gap/>

<sup>55</sup> Before winning the union, a significant number of airport workers at Logan made minimum wage, \$8.00 per hour in 2014. In 2026, the minimum wage for service workers at Logan airport is \$19.75 per hour.

<sup>56</sup> According to a market survey conducted by 32BJ in or around 2008, non-union security officers were paid, on average, \$11.00 per hour at that time. In 2026, the union wage for 32BJ security officers in Boston is \$23.00 per hour. Real gains

calculated by adjusting nominal gains for historical CPI-U changes for Boston-Cambridge-Newton, MA-NH. CPI-U data from the United States Bureau of Labor Statistics, <https://www.bls.gov/>.

<sup>57</sup> The Economic Policy Institute’s family budget calculator estimates that the annual budget required for a family of 2 adults and 2 children, with health and childcare costs removed, is \$117,324. “Family Budget Calculator”, Economic Policy Institute, accessed June 2026, <https://www.epi.org/resources/budget/>.

<sup>58</sup> Ken Jacobs, “Labor Standards and Airport Safety and Security”, UC Berkeley Labor Center, July 2023. <https://laborcenter.berkeley.edu/labor-standards-and-airport-safety-and-security/>

<sup>59</sup> At office buildings, security staffing is not set in proportion to the building’s size. As a result, the ratio of security staff to square foot varies widely. We calculated the cost of a union security officer per square foot varies from \$.01 to \$.07 per rental dollar. Assuming a 25% markup on a security service contract, the cost of an officer to a building owner is \$72,160 per year. We conservatively assumed a rent of \$50 per square foot based on 10-year historical data. See *Boston Office Market Report*, Avison Young, Q1 2026. <https://www.avisonyoung.us/documents/d/boston/q1-2026-boston-office-report-final>

<sup>60</sup> The collective bargaining agreement covering 32BJ airport service workers at JFK, LaGuardia, and Newark airports requires employers to provide fully employer-paid healthcare through the 32BJ Health Fund to full-time employees. Service contractors at all three airports are furthermore subject to the respective NY and NJ Healthy Terminals Acts, which require covered employers to provide healthcare or an equivalent cash supplemental in lieu of a healthcare benefit.

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