

# LEGISLATIVE bulletin

To: All School Committee Members and Superintendents  
From: Stephen J. Finnegan Esq., MASC General Counsel  
Re: House Ways and Means F.Y. 2018 Budget Recommendations  
Date: April 11, 2017

## **HOUSE WAYS AND MEANS RELEASES 2018 BUDGET RECOMMENDATIONS**

The Governor's FY 2018 budget recommendations propose an increase in Chapter 70, general aid to education, by about \$91 million, including a minimum aid increase of \$20 per pupil in each of the 322 school districts. This increase would begin to address some of the Foundation Budget Review Commission recommendations (FBRC).

The proposed House Ways and Means budget contains a \$106 million increase to Chapter 70, a \$15 million increase over the Governor's budget proposal. The House recommends a \$30 increase in per pupil spending for every school district. Both budgets begin to address through the above-referenced funding increases, the rising health care costs experienced by school districts. MASC is in support of the FBRC recommendations; and is pleased to see a down payment on the spiraling health costs experienced by the public schools. MASC will further review the Ways and Means budget concerning FBRC matters and will work with the Legislature to implement and expand this proposal.

Further, MASC recognizes the difficulty faced in crafting a balanced FY 2018 state budget while funding increasing pension costs and most particularly health spending. For example, the Massachusetts Medicaid program will cover about 30% of the state's population and comprise 40% of the state budget. This program will increase by almost \$1 billion in FY 2018, including state and federal money. School committees also struggle with these same budget busters in formulating their district budgets. In the current state budget Chapter 70 included a minimum aid guarantee of at least \$ 55.00 per pupil; the House proposes only \$30.00 of minimum aid. MASC will ask the Legislature to increase the funding for Chapter 70 and minimum aid at least to traditional levels of support.

The principal municipal aid account was also increased by \$40 million, the same as the Governor's Budget proposal and should somewhat reduce the competition between school and municipal budgets at the local level.

## **SPECIAL EDUCATION CIRCUIT BREAKER, REGIONAL TRANSPORTATION, CHARTER SCHOOL FUNDING AND OTHER PERTINENT ACCOUNTS**

The Special Education Circuit Breaker provides state funding for the extraordinary expenses associated with certain special education expenses. The Circuit Breaker has been funded by the House at \$281 million, which represents a \$4 million increase from the Governor's proposal. The students benefited by this account are the most vulnerable population that school districts serve. As the budget wends its way through the legislative process MASC will work to ensure that the proposed funding represents full funding for FY 2018. We note that full funding for this account is particularly important due to the broad consensus that special education is not adequately funded by the current foundation formula as determined by the Foundation Budget Review Commission Report.

### **REGIONAL SCHOOL TRANSPORTATION**

Regional School Transportation has been funded by Ways and Means with an increase of \$1 million from the prior year and the Governor's Recommendations (\$61 million) to \$62 million. The funding for this year did not meet the statutory requirement for transporting regional students and it is anticipated that even with the slight proposed increase it will again fall well short in FY2018. MASC will join with municipal and education advocates to increase the funding for Regional School Transportation.

### **CHARTER SCHOOL FUNDING**

Monies for districts sending students to charter schools have been level funded in H1 and in the Ways and Means Budget for FY 2018 in the amount of \$80.5 million. The proposed funding for this account in FY2017 represented about a \$54 million shortfall from the reimbursements that are required by statute. MASC will seek greater funding for this account

### **HOMELESS STUDENT TRANSPORTATION**

H1 and the Ways and Means budget contain the same funding, \$8,350,000, as found in the FY 2017 budget, which reimburses communities required to provide such transportation for approximately 50% of the costs incurred by the district. Some of these expenses occur when

students are removed from their household by DCF and require immediate placement in the school system of another town. Because the placement is made abruptly often these students are placed in motels. This causes a disproportionate burden on municipalities that have a number of motels. Governor Baker has worked to address this matter by reducing or shortening the length of such placements.

MASC will work with interested parties to better determine whether the Governor's efforts have reduced the amount of money necessary to fully fund this account. We will seek to fully reimburse the costs of such transportation with the assistance of other education and municipal associations.

### **FUNDS FOR LOW INCOME REDEFINITION PROBLEMS**

The House Ways and Means proposal has included an additional \$12.5 million to provide transitional relief to districts whose Chapter 70 aid was negatively impacted by the change in low income enrollment measurement. These funds must be distributed by DESE on or before September 1, 2017. MASC applauds the House proposal to address some of the difficulties associated with the redefinition of "low income."

### **POTHOLE MONEY**

In FY 2017 and in previous budgets there has been a Pothole account to fund extraordinary expenses that occur unexpectedly. This account was not funded in H1 or in the Ways and Means proposed budgets. MASC will advocate for funding the Pothole account in our communications with the Legislature.

### **EXPANDED LEARNING TIME GRANTS**

This account was not funded in the Governor's budget with a discrete line item; however, it was funded in the current FY 17 budget. The proposed funding for this account is approximately \$14.2 million. It is earmarked for districts for planning and implementing expanded learning time in the form of longer school days or school years. Furthermore these grants shall only be provided to schools and districts that submitted qualifying applications which were approved by DESE in FY 2017 and include a minimum of an additional 300 hours on a mandatory basis for all children attending that school. Also, preference will be given to districts with high rates of poverty.

### **ADULT BASIC EDUCATION AND METCO**

H1 and the Ways and Means Budget proposes to reduce the funding for Adult Basic Education from the FY 2017 amount of \$29 to \$28 million. We will advocate for more funding for this account in our communications with legislators.

METCO was level funded in the 2018 budget recommendations of the Governor. The Ways and Means Budget recommends increasing the METCO account by 1/2 million dollars. We will join other groups in advocating for this worthy account.

**TUESDAY, APRIL 25**

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