

LEGISLATIVE Bulletin

To: All School Committee Members and Superintendents
From: Stephen J. Finnegan Esq., MASC General Counsel
Re: F.Y. 2019 Senate Ways & Means Budget Proposal
Date: May 14, 2018

SENATE WAYS & MEANS RECOMMENDATIONS RELEASED

CHAPTER 70

On May 10 2018 the Senate Ways & Means Committee released its Chapter 70 proposal for the FY 2019 State Budget that recommends a total appropriation of \$4.91 billion, a 3% increase over FY 2018 spending. This recommendation is based on a projection of a \$933 million (3.5%) increase in tax revenue for FY 2019. We appreciate that when revenues are available education funding is a priority for the Governor and the Legislature. The Committee's budget states that it funds Chapter 70 at its highest level ever, even after accounting for inflation. The additional funding allows for a minimum aid increase of at least \$30 per pupil over FY 2018 for every school district across the State and 100% effort reduction to bring all school districts to their target local contribution.

This budget moves toward implementing the Foundation Budget Review Commission recommendation to adjust the Chapter 70 formula to more accurately account for school districts' costs. The Senate Ways & Means Committee increased the rate that is factored into the foundation budget for employee health insurance costs and begins to more adequately fund the education of English Language Learners. The budget process from the Governor to the House and now to the Senate takes steps to offset the cost to some school districts of educating low income students and allows school districts to more accurately count these students.

The Senate Ways and Means budget does not include new taxes and fees, other than \$20 million in new taxes on short term rentals. A bill taxing room sharing services like Airbnb has passed the Legislature and is currently subject to reconciling the differences through a legislative conference committee. The Senate, like the House and Governor, counts on \$63 million in revenue from the recreational marijuana industry.

SPECIAL EDUCATION CIRCUIT BREAKER

The Special Education Circuit Breaker provides state funding for the extraordinary expenses associated with

certain special education expenses. This account is supposed to provide state funding for 75% of all approved costs that exceed 4 times the statewide average per pupil foundation budget, as defined in Chapter 70, for the previous fiscal year. Both the Governor and the House have proposed increasing the funding for this account and the Senate Committee proposes to fund this account at the statutorily required 75% reimbursement rate. The Senate budget includes a total of \$318.9 million for Circuit Breaker funding. MASC is pleased with the substantial increase over the prior year budget. We will continue to monitor this account to ensure adequate funding. The students benefited by this account are the most vulnerable population that school districts serve.

REGIONAL SCHOOL TRANSPORTATION

Regional school transportation has been funded by the final House Budget for a total of \$63.5 million. The Senate Ways & Means Committee funded this line item at \$62.5 million. The funding for FY 2019 will not meet the statutory requirement for transporting regional students. MASC will join with municipal and education advocates to increase the funding for regional school transportation.

CHARTER SCHOOL REIMBURSEMENT

Monies for districts sending students to charter schools have been increased in the House to \$90 million from the prior year funding of about \$80 million. The proposed funding in the Senate Ways & Means proposal is \$100 million, a six-year high for reimbursement of this account, although this funding only represents a reimbursement rate of 59%.

HOMELESS STUDENT TRANSPORTATION

The final House Budget funds the McKinney-Vento program at \$9.1 million for the transportation of homeless students and the Senate Ways & Means proposal contains funding of \$8,099,500. This level of proposed funding is well below the amount required by a ruling issued by the State Auditor several years ago where she determined that the homeless transportation constituted an unfunded mandate. MASC will join with other educational associations to seek additional funding for this account.

EXPANDED LEARNING TIME GRANTS

The proposed funding for this account in FY 2019 in both the final House and Senate Ways & Means versions is approximately \$13.9 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 2018 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

The final House Budget included funding for Adult Basic Education of \$32.7 million. The Senate Ways & Means Committee has proposed funding for this account at \$31 million.

METCO

The House Final Budget recommended increasing total funding for the METCO account to a total of \$22.1 million. The Senate Ways & Means Committee recommends a total for this account of \$21.1 million. We will join other groups in advocating for this account.

TRANSPORTATION OF NON-RESIDENT STUDENTS

This account reimburses school districts for the transportation of non-resident students to approved vocational-technical programs of any regional or county agricultural school district under Chapter 74, Section 8A. This account is funded at \$250,000 in the House and the Senate Committee recommends the same level of funding.

FUNDING RESERVE FOR DISTRICTS ENROLLING VICTIMS OF HURRICANES /LOW INCOME ENROLLMENT MEASURE

This account provides a reserve for educating significant numbers of students who are residents of Puerto Rico or the Virgin Islands, who have enrolled in schools due to the impact of recent hurricanes. The House funded this line item at \$27.5 million and the Senate Committee proposes funding of \$15 million. The House allocates funds amounting to \$15,000,000 in essentially the same manner as the Senate. However, the House creates a reserve to: (a) provide transitional relief to local education agencies whose fiscal year 2019 chapter 70 aid and tuition are significantly and negatively impacted by the change in low-income enrollment measurement; provided, that not less than \$12,500,000 shall be used for this purpose.

FEDERAL IMPACT AID

The House provided a reserve (\$500,000) to assist towns negatively impacted by shortfalls in federal impact aid for the education of children in families employed by the federal government on military reservations located within the towns' limits. The Senate Committee proposed \$1.3 million.

RECOVERY HIGH SCHOOLS

For the administrative and programmatic costs of recovery high schools The House budget contains approximately \$2.5 million total budget. The Senate recommends \$3.1 million.

MASC Summer Institute

Friday, July 21 (4:00-6:00pm); Saturday, July 22 (8:30am-12:30pm)

Marriott Courtyard, Marlboro

Topics to include:

SEL

Goal setting

School safety

Accountability

School start times

Restorative justice/discipline

Student session on school committee responsibilities

Check the MASC website and your mailbox for registration information.