

LEGISLATIVE BULLETIN

To: All School Committee Members and Superintendents
From: Stephen J. Finnegan Esq., MASC General Counsel
Re: Governor's Budget Proposals for FY23
Date: January 27, 2022

FUNDING FOR CHAPTER 70, GENERAL AID TO EDUCATION

The FY 2023 Governor's budget recommendations for the fiscal year 2023 have been released. The budget recommendation will go to the House Ways and Means Committee before deliberations on the House floor. After that, the Senate Ways and Means Committee will consider the budget. In past years, both House and Senate have made significant changes to the initial proposal in from the Governor. In other words, there is a long road ahead before the FY 2023 budget is finalized.

In the Governor's proposed budget, an increase of \$591.4 million is recommended to fully fund the Student Opportunity Act (SOA), including \$485 million in Chapter 70 funding, with a focus on school districts serving low-income students, for a total of \$5.989 billion. The recommendation includes a second one-sixth step towards the goal of the SOA and also considers increases in calculations for health insurance, special education out-of-district enrollment, and low-income students. The proposal assumes an inflation rate cap of 4.5% and advocates may lobby for an increase to the more realistic 5.9%. There is a "hold-harmless" guarantee as well as a \$30 per student minimum increase.

In addition to Chapter 70 reimbursements, school committee members have been particularly concerned with funding for special education, charter school mitigation and regional transportation line items

SPECIAL EDUCATION

The FY23 proposal also includes a \$414,629,357 million for special education circuit breaker reimbursement for cities and towns. MASC will seek an additional \$11.325 million as part of the coalition of special education advocates seeking to fund the circuit breaker in full to ensure that the increase in transportation expenses are built in.

CHARTER SCHOOL MITIGATION

An additional \$64.8 million increase has been recommended for charter school mitigation funding from \$154 million to \$219 million. However, this incorpo-

rates increasing charter school tuitions that are offset by reimbursements. The Governor's budget assumes that this represents 90% of the total obligation phase in provided by SOA. Also included is a proposed increase to charter school facilities per pupil allowance to \$1088 which would be tied to inflation.

REGIONAL AND HOMELESS STUDENT TRANSPORTATION

Regional transportation allocations which were funded at \$82 million for FY 22 year are recommended at \$77 million for FY 23. This reimbursement is based on the actual expenditures for the previous year which was artificially low because of the reliance on remote learning. Homeless student transportation is slotted for an increase from \$14.4 million to \$22.9 in FY 23 representing a greater fulfillment of the unfunded mandate identified by the State Auditor.

Rural aid has been a sustaining resource for a number of districts. This year, it is proposed in the Governor's budget at \$4 million, which is the highest amount it has ever been proposed in a initial budget proposal.

COLLEGE/CAREER PATHWAY PROGRAMS

The Governor also recommends \$31.1 million to scale up college and career pathway programs for high school students with a focus on equity and recruitment of high-need student populations. This funding will allow over 17,100 students, representing 6% of all Massachusetts high schoolers, to enroll in these programs. The FY23 budget proposal also includes a \$1.45 billion investment for college readiness, affordability, and degree completion. This funding includes more than \$155 million in financial aid grants, including \$18 million to support an expansion of the MASSGrant Plus program that will enable all low-income, in-state undergraduate students to attend public higher education without incurring debt for mandatory tuition and mandatory fees - the largest increase in financial aid in over two decades.