

legislative bulletin

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To: All School Committee Members and Superintendents

From: Stephen J. Finnegan, Esq.

Date: January 28, 2005

Subject: House 1, The Governor's Proposed Budget For F.Y. 2006

Governor Submits \$23.22 Billion Budget For Fiscal Year 2006

On January 26, 2005 the Governor filed his version of the State Budget (House 1). This spring the legislature's Ways and Means committees will file their versions of the State Budget, which will be debated and approved by each branch and forwarded to the Governor for his approval and anticipated line item vetoes.

The Governor proposed adding approximately \$77 million to the Chapter 70 account (general aid to education). It is anticipated that the proposed increase in Chapter 70 will meet the foundation budget obligation of the Commonwealth.

House 1 also includes: \$8 million in additional funding for adult education; \$1 million for the gifted and talented program; \$2 million for extra help for failing schools; \$4 million to implement new data tools to track student performance and nearly \$1 million to expand school-to-work programs. You may access the MASC website to view your municipality's local aid.

Charter Schools

The Governor's proposed budget includes \$13.8 million to fund the recently enacted changes to the charter school law that established, subject to appropriation, a charter school facility grant. Any amounts appropriated for the purpose of per pupil facility's aid for Commonwealth charter schools shall be used to reimburse sending districts for the capital component of the tuition payments as calculated by DOE.

House 1 also contains a line item, 7061-9010, that reimburses sending school districts for charter school tuitions that are greater than the prior year, pursuant to the provisions of Chapter 71, §89. For F. Y. 05 this line item was funded at \$37.7 million. The Governor proposes an increase in this account to approximately \$50 million; however, the increased funding is contingent upon the elimination of the charter school tuition cap for school districts that place in the lowest 10% of all districts statewide for two consecutive years.

Special Education Circuit Breaker

Current law requires that the cost for special education instruction shall be reimbursed at 75% of all the approved

costs that exceed 4 times the state average per pupil foundation budget. Reimbursements for eligible costs for certain special education placements rose from approximately 35% in fiscal year 2004 to approximately 70% in the current fiscal year. This account and its predecessor, the so-called 50/50 account, have traditionally run deficits during the year that require a supplemental appropriation. MASC will work towards fully funding this account during the F.Y. 06 budgetary process. The Governor has proposed level funding the circuit breaker line item at \$201.6 million.

MCAS Remediation and Test Expansion

In the F.Y. 05 budget MCAS Remediation Grants were funded at about \$15 million, which represented a \$5 million increase over F.Y. 04, House 1 proposes funding MCAS Remediation at \$20 million.

House 1 also authorizes the DOE to expend \$750,000 to extend the MCAS test to non public school students, who choose to take the exam. Fees would be charged to these non public school students to cover the cost of testing so that revenue may be retained to fund this program in future years. It is assumed that non public school students who take the MCAS test will be eligible for the Adams scholarships. On January 25, 2005 the Governor asked the Board of Education to require students to pass one of four discipline-specific MCAS science tests--biology, chemistry, physics or technology/engineering--in order to earn a high school diploma. The science test will be in addition to the English and math MCAS tests that are already mandated. Currently, students in the fifth and eighth grades must take the science component of the MCAS test. Beginning in 2006, high school students will be required to take the science exam although it will not count toward the graduation standard until approved by the Board of Education.

Pothole Money

The so-called Pothole account was funded in F.Y. 05 in the amount of \$6.8 million. This account provides funding for school districts that experience extraordinary increases in enrollment and significant prior reductions in chapter 70 aid, among other criteria. MASC will work toward reestablishing this account that was not included in House 1.

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Out-of-District Vocational Transportation

The statute governing out-of-district vocational transportation was amended twice during F.Y. 05. Currently the statute (G.L. c. 74, §8A) allows, subject to appropriation, for reimbursement to the full extent of the amount expended for out-of-district transportation. The Governor has proposed a \$1.6 million amount to fund this account. The line item limits reimbursement as follows: upon receipt by the department of education of required transportation cost reports, the department shall reimburse no more than 50 percent of the total cost certified by the department; provided further, that said reports shall meet criteria established by the department; and provided further, that notwithstanding any general or special law to the contrary, the commonwealth's obligation shall not exceed the amount appropriated in this item.

Freeze for Special Education Provider Rates

House 1 requires that the Division of Purchased services shall set all special education prices in F.Y. 2006 at the same level calculated for fiscal year 2005 except the prices for those programs determined by regulation for extraordinary relief. Also programs for which prices in 2005 were lower than the full amount permitted by the Division of Purchased Services shall be permitted to charge in F.Y. 06 the full price calculated for F.Y. 05.

English Language Acquisition and Certification of Occupational Proficiency

Neither of the above captioned line items was included in Chapter 149 of the Acts of 2004, the F.Y. 05 budget. House 1 includes \$500,000 for professional development for teachers of students with limited English proficiency. The Governor also included \$1.1 million for the development and implementation of certificates of occupational proficiency.

Governor to Submit the Education Act of 2005

The Governor has said that he will file an Education Act of 2005, which will include merit pay for teachers and financial incentives to attract math and science teachers, extending the school day in failing districts and making it easier for principals to remove poor performing teachers.

Upcoming MASC Events

February 10 (Th)

MASC Regional Schools Meeting

Radisson, Marlboro

March 4 (F)

MASC School Secretaries Workshop

Assabet Valley Vocational, Marlboro

March 12 (Sa)

MASC ON BOARD Workshop

Southern Worcester Cty. Voc., Charlton

March 19 (Sa)

MASC Student Health/Safety Workshop

Assabet Valley Vocational, Marlboro

April 26 (Tu)

Day on the Hill

The State House, Boston

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