

legislative bulletin

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To: All School Committee Members and Superintendents

From: Stephen J. Finnegan, Esq.

Date: April 16, 2009

SUBJECT: HOUSE WAYS AND MEANS FISCAL YEAR 2010 BUDGET

CHAPTER 70 HELD HARMLESS AT FISCAL YEAR 2009 LEVEL

The House Ways and Means Committee version of the state budget follows Governor Patrick's proposed budget, by recommending the level funding at \$3.9 billion for Chapter 70, general aid to education. The Ways and Means budget assumes the utilization of \$184 million of federal stimulus dollars, which will be available only in Fiscal Years 2010 and 2011, to bring all communities up to foundation levels.

The House budget also has concurred with the Governor by combining Lottery Aid and Additional Assistance to form a new category of aid, called Unrestricted General Government Aid. The House Ways and Means Committee contends that the combined aid is intended to minimize adverse budgetary impacts on any individual city or town. While Chapter 70 has been level funded and stimulus money may bring all districts to their foundation budget levels, local aid reductions on average have been limited to 6.6%. However, it should also be noted that significant reductions over prior year levels have been made in the Unrestricted Aid category. In addition, the Governor had proposed a variety of new sources of revenues which the House Ways and Means Committee has not included in their revenue calculations. In a difficult year we have been treated very favorably compared to other accounts and MASC suggests that you thank the Governor and your legislators for their support of educational funding.

CUTS IN REGIONAL SCHOOL TRANSPORTATION

The state budget for Fiscal Year 2009 contained \$61.3 million of funding for Regional School Transportation, that was subsequently reduced. The Governor in January proposed a \$53.3 million Fiscal Year 2010 appropriation for this account. The House Ways and Means budget has

recommended a \$30.5 million level of Fiscal Year 2010 funding for the regional school transportation account. MASC will join with other stakeholders to increase the proposed funding for regional school transportation.

CHARTER SCHOOL FUNDING FOR SENDING SCHOOL DISTRICTS

The Governor had proposed legislation to allow charter schools to exceed 9% of the districts net school spending under certain circumstances. This proposal has not been included in the House Ways and Means budget. The Governor also proposed a separate line item for charter school reimbursement which, among other things, changed the structure of reimbursements to remove the challenge districts encounter when budgeting based on overly optimistic enrollment projections. The House Ways and Means Committee decided to keep the charter school reimbursements based upon the long-standing statutory method of allocation, and budgeted the level funded amount of \$79.7 million.

SPECIAL EDUCATION CIRCUIT BREAKER

This account was funded in the amount of \$230 million in the Fiscal Year 2009 budget. It was subject to mid year cuts as recommended by the Governor. The Ways and Means budget recommends a funding level of \$185 million for the circuit breaker account. This line item reimburses school districts for extraordinary costs of special education. MASC will work with other stakeholders to boost circuit breaker funding.

OTHER ACCOUNTS

The Ways and Means budget has funded Metco at approximately \$20 million, and has recommended an appropriation of \$27.8 million for kindergarten expansion grants, which represents a \$6 million reduction

from the amount appropriated in the Fiscal Year 2009 budget.

Neither the Pothole account, to address extraordinary budget problems, or the funding for gifted and talented have been included in the House Ways and Means budget. MASC will work with interested stakeholders to reinsert some level of funding for these accounts.

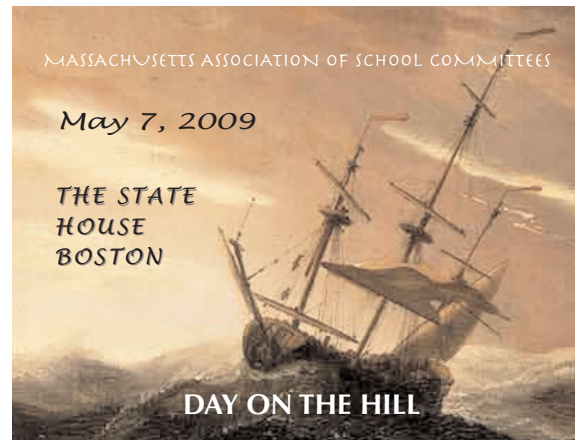
Finally outside section 39 contains a Massachusetts Regionalization Advisory Commission which could include the regionalization of education services. MASC will keep a close eye on this Commission and will seek to have input in its deliberations.

DAY ON THE HILL * May 7, 2009 * State House, Boston

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