

March 2, 2026

Dear Governor Healey and Members of the Legislature,

We, the undersigned, are members of United for Our Future, a coalition of organizations dedicated to addressing the pressing funding challenges facing public education. We all work closely with our public schools in various capacities, and collectively we provide an unmatched perspective on the current state of public education in the Commonwealth. It is that shared perspective that drives us to write to you with urgency to underscore that our public schools are experiencing a severe funding crisis and are in dire need of immediate and decisive action in the Fiscal Year 2027 state budget.

We acknowledge that the Fiscal Year 2026 state budget took some steps toward beginning to provide relief to districts, most notably through a historic minimum-aid appropriation and continued implementation of elements of the *Student Opportunity Act*. We also recognize that overall state funding for public schools has increased in recent years. Despite this, school districts across Massachusetts and of all types – from Gateway cities and minimum-aid communities to rural and regional schools – are still struggling to balance budgets and meet growing student needs.

The “perfect storm” of factors behind the fiscal crisis remains in place. Rising special education and transportation costs, funding lost to charter schools, the constraints of Proposition 2 ½, and technical issues with the formula that determines how our schools are funded all continue to strain local budgets, as they have for years. In addition to those challenges, many districts also face looming threats of federal funding cuts along with unanticipated declines in enrollment spurred by federal attacks on our immigrant students and families. These enrollment declines are heartbreaking for our students and school communities and directly impact funding in a school finance system such as ours that is based on per-student allotments.

When our districts are under-resourced, our attention is forced away from developing creative and innovative ways to enhance student learning and more effectively support their social and emotional wellbeing. Instead, we are left to fight to minimize devastating cuts to programs and staff so that we can try to maintain the basic, daily services on which our students depend. We cannot accept this situation as an unavoidable reality. As champions of public education, we know what work must be done to build public schools that prepare all students for success in the classroom and beyond, but local communities cannot do it alone.

That is why we call on the governor and the Legislature to address these key priorities in the FY2027 state budget:

- **Fix the Chapter 70 Inflation Glitch** – The Chapter 70 formula currently caps inflation adjustments in state aid at 4.5 percent, no matter how high inflation actually is in a given year. This cap means that in periods of high inflation, as we saw in recent years, public school districts do not receive the state aid they need to keep pace with increased costs at the local level. It also means that absent a fix, this funding will be permanently lost, and districts will never receive the real-dollar aid they were promised under the *Student Opportunity Act*. We urge you to fix this issue by tweaking state law to allow for lost funding to be made up in years when inflation is below the 4.5 percent cap, such as this year. This ensures that districts will, over time, receive the funding they need and deserve. With the *Student Opportunity Act* nearing full implementation and Chapter 70 increases expected to slow, it is the perfect time for the Commonwealth to act to ensure that districts receive the aid they were promised.
- **Support Districts Facing Enrollment Declines** – As noted above, many districts serving large immigrant populations have seen enrollment declines that are almost certainly related to federal actions targeting students and families. As a result, those districts are receiving smaller increases in Chapter 70 than they would have otherwise. This is likely to cause unexpected and potentially devastating budget challenges in the impacted districts, which is why we urge the state to create a “pothole” account to provide immediate relief. We have a responsibility to ensure the health of all of our districts in the face of federal attacks, and it is essential that they are adequately resourced and staffed when our students return as we all hope.
- **\$150 Minimum Aid** – Minimum aid is an essential source of support for a large number of districts that are not otherwise receiving increases in Chapter 70 funding, even as their costs grow significantly at the local level. We thank the state for providing a historic \$150 per-pupil amount in Fiscal Year 2026 and we urge you to provide at least that amount in Fiscal Year 2027 to support these communities.
- **Strengthen the Special Education Circuit Breaker** – Since 2021, the costs of special education services have increased by 29 percent, adjusted for inflation. For context, the share of students whose special education services are eligible for reimbursement under the circuit breaker program increased by just 4.5 percent over this same period, which highlights just how substantially the costs of services have grown. The Special Education Circuit Breaker Program currently reimburses school districts at 75 percent for certain instructional and transportation costs above a per-student threshold of approximately \$53,000. This current reimbursement program has proven inadequate in covering local district costs, which is why we urge you to fund a reimbursement rate of 90 percent of eligible

costs, while also lowering the cost threshold for expenses for eligibility under the program.

- **Adequately Reimburse Student Transportation Costs** – High inflation and a limited number of providers continue to drive up the cost of providing student transportation in rural and regional districts that cover larger geographical areas as well as in non-rural and non-regional districts. School districts are required to transport certain students to and from school under a promise, outlined in state law, that the Commonwealth will provide reimbursement for the associated costs. The state has not fully kept this promise for regional school districts and has completely ignored this promise for non-regional school districts for the past two decades. We call on the state to fully fund regional school transportation reimbursements at 100 percent in this year’s budget, up from 87 percent in House 2, and to create a schedule to fully fund non-regional school district transportation reimbursements over the next four years, starting with 25 percent of the state’s obligation in Fiscal Year 2027.
- **Increase Charter School Reimbursements** – When a student leaves a public school to attend a charter school, the public school district is required to pay the charter school a corresponding tuition amount, a system that siphons hundreds of millions of dollars from Massachusetts public school districts and significantly stresses the budgets of impacted public school districts. One way to begin to address this issue is to strengthen the Charter School Tuition Reimbursement Program that currently reimburses the sending public school districts for three years on a sliding scale when they lose students to charter schools. We ask that in this budget you extend the reimbursement schedule to four years and raise the reimbursement rate in the second year to 80 percent, thereby increasing funding to public school districts so that they can continue to deliver a high-quality public education.
- **Fully Fund Rural School Aid** – Our rural school districts face a host of unique challenges, from declining populations and student enrollments to constrained tax bases and not having the same economies of scale as non-rural school districts. These factors are harming rural school districts and will continue to threaten their financial stability in the coming years if they are left unaddressed. Several of the solutions described above will provide assistance and we must also provide targeted relief in the form of increased rural school aid, which was cut in Fiscal Year 2026. We therefore urge the state to fund rural school aid at the \$60 million level called for by the Rural Schools Commission.

- **Invest in Student Mental Health** – There is a mental health crisis in Massachusetts public schools that was intensified by the impacts of the pandemic and that continues to impact students’ ability to learn and educators’ ability to teach. Those closest to the work have made clear that our public schools need more funding to support staffing increases in positions that provide direct services to students and the development of other important programs and policies at the local level. We ask for a dedicated funding stream in the Fiscal Year 2027 budget that can directly support districts in investing in counselors, social workers and other positions that can provide students with the support they need.
- **Convene a Comprehensive School Funding Commission** – As we work to provide immediate relief to school districts through the funding streams detailed above, we must also work together to identify where our funding system is falling short and together chart a stronger and more equitable path forward. It has been over a decade since the Foundation Budget Review Commission was convened, despite the fact that state law requires that one be established at least every 10 years. The Local Contribution Study created by the Fiscal Year 2026 budget is a start, but we need a complete review of all aspects of state school funding in the Commonwealth – beyond just the foundation budget – if we are to ensure the long-term and sustainable health of our districts. That work has to start now so that we can have a plan of action in place as soon as possible.

We can begin to solve the fiscal crisis by implementing this full slate of near- and long-term solutions. Our students, parents and educators all are counting on the state to provide us with the resources we need to fully realize the vision we all share for our public schools. Together, we can take action in Fiscal Year 2027 to provide immediate support and lay a strong foundation for the long-term health of public education in the Commonwealth.

Signatories:

Massachusetts School Counselors Association

Citizens for Public Schools

Massachusetts Association of School Superintendents

Massachusetts Teachers Association

Boston Teachers Union

Massachusetts Association of Regional Schools

Massachusetts AFL-CIO

American Federation of Teachers Massachusetts

Massachusetts Association of School Business Officials

Lawyers for Civil Rights

Massachusetts Organization of Educational Collaboratives

Massachusetts Education Justice Alliance

Massachusetts Association of School Committees