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March 12, 2026

The Honorable Margaret Scarsdale
State House
24 Beacon Street, Room 130
Boston, MA 02133

The Honorable Edward Kennedy
State House
24 Beacon Street, Room 109-E
Boston, MA 02133

Dear Representative Scarsdale and Senator Kennedy:


As your committees begin the challenging process of determining funding priorities for the certified FY24 \$1.4 billion Fair Share Act surplus and the FY26 state budget, we write to you on behalf of the Town of Dunstable and Groton Dunstable Regional School District and respectfully urge you to prioritize addressing the severe financial difficulties faced by all school districts, including 232 districts classified under "hold harmless" status.

The Chapter 70 education funding formula relies heavily on antiquated model student enrollment assumptions to ensure school districts receive adequate operational funding. Districts with enrollment below these assumptions are guaranteed to receive at least the same aid as the previous year, but the formula lacks additional protections to guarantee sufficient core funding for all essential components of a school district. Since the last update to the Chapter 70 formula in FY07, statewide student enrollment has steadily declined, leaving 232 school districts dependent on "hold harmless" status. As a result, these districts receive only minimal per-pupil aid increases in Chapter 70 funding. This situation shifts the full responsibility of covering budget increases onto municipalities, a burden that has proven unsustainable.

We respectfully present the attached allocation requests for the one-time FY24 Fair Share Act surplus funding and the proposed FY26 state budget line-item increases. By providing school districts with additional FY25 funds, superintendents may realize relief in FY 25 that somewhat eases the strain on financial resources for FY26. Thus helping to offset the significant budget increases that municipalities can no longer sustain.

We are grateful for your tireless efforts and commitment to supporting our students and school districts.

Respectfully,

DocuSigned by:

BCB51C785C664C5...
Leah Basbanes
Chair

Signed by:

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Kieran Meehan
Vice-Chair

Signed by:

1E76D83897A3419...
Ron Mikol
Member

cc: House Ways and Means Chair Aaron Michlewitz

Senate Way and Means Chair Michael Rodrigues
State Representative Danillo A. Sena
Dunstable Advisory Board
Governor Maura Healey
Lieutenant Governor Kimberley Driscoll
Dr. Geoff Bruno, GDRSD School Superintendent
Sherry Kersey, GDRSD Director of Finance and Administration
GDRSD School Committee
Mark Haddad, Groton Town Manager
Groton Select Board
Groton Finance Committee

K-12 State Funding - FY25 & FY26 Proposals - Final 02.14.25

**Funding Proposals that Could be Included in Fair Share (Millionaire Tax)
Supplemental Spending Bill (Q1 of 2025)**

****Please Note: These proposals are not organized in priority order.***

TOTAL PROJECTED COST - \$323.2M

Funding Proposal Description	Projected Cost
<p>Increase to Circuit Breaker reimbursements (line item 7061-0012)</p> <p>a) Cover 90% of eligible tuition costs</p> <p>b) Cover 75% of eligible transportation costs</p> <p>FY25 CB projection: \$543,263,794 Final FY25 line item funded at: \$493,177,484 Increase needed for 90% tuition/75% transportation: \$144,000,000</p>	<p>a) \$85 million using DESE initial FY25 figures.</p> <p>b) \$59 million using DESE initial FY25 figures.</p>
<p>Increase to Regional School Transportation reimbursements (line item 7035-0006) to cover 100% of eligible transportation costs</p> <p>FY25 RT projection: \$117,756,809 Final FY25 line item funded at: \$99,456,813 Increase needed for 100%: \$18,299,996</p>	<p>\$18.3 million using DESE FY24 figures</p>
<p>Increase to McKinney-Vento Homeless Student Transportation reimbursements (line item 7035-0008) to cover 100% of eligible transportation costs</p> <p>FY25 projection: \$40,738,817 Final FY25 line item funded at: \$28,671,815 Amount needed for 100%: \$12,121,002</p>	<p>\$12.1 million using DESE FY24 figures</p>

<p>Increase to Out-of-District Vocational Student Transportation reimbursements (line item 7035-0007) to cover 100% of eligible transportation costs</p> <p>FY25 projection: \$5,772,699 Final FY25 line item funded at: \$1,000,000 Amount needed for 100%: \$4,772,699</p>	<p>\$4.8 million using DESE FY24 figures</p>
<p>Increase to Rural School Aid (line item 7061-9813) to \$60 million between supplemental and regular budget resources</p> <p>Final FY25 RA line item funded at: \$16,000,000 Amount needed for 60%: \$44,000,000</p>	<p>\$44 million</p>
<p>Supplemental Funding to MSBA Capital Supports (line item 1596-2431) to cover new and pre-existing municipal school building costs</p>	<p>\$100 million</p>
<p>c) Funding Proposals that Could be Included in FY 2026 Budget <i>*Please Note: These proposals are not organized in priority order.</i></p> <p>TOTAL PROJECTED COST - \$436.6M</p>	
Funding Proposal Description	Projected Cost
<p>Reconvene K-12 Funding Review Commission in FY 2026</p> <p>FY26 H.1 budget: not funded FY26 increase needed: \$250,000</p>	<p>\$250,000 based on Chairman Lewis' bill (SD. 1912)</p>
<p>Inflate Chapter 70 Formula to Better Match Recent Cost Growth - Integrate One-Fourth of</p>	<p>\$116 million using MassBudget research report.</p>

<p>the Missed FY 2023 and FY 2024 Inflation Above Statutory 4.5% Cap into FY 2026 Chapter 70 aid</p> <p>FY26 H.1 budget: 7,097,168,436 (line item 7061-0008), \$225M (SOA implementation support, surtax)</p> <p>FY26 increase needed: \$116,000,000</p>	
<p>Maintain Minimum Per Pupil Aid at current FY 2025 levels of \$104 per student</p> <p>FY26 H.1 budget: 7,097,168,436 (line item 7061-0008), \$225M (SOA implementation support, surtax)</p> <p>FY26 increase needed: \$15,000,000</p>	<p>\$15 million above FY26 Governor's budget</p> <p>using Preliminary FY 2026 Chapter 70 spreadsheet.</p>
<p>Increase the Rural Aid Line to \$60 million in the FY 2026 budget</p> <p>FY26 H.1 budget: \$16,000,000</p> <p>FY25 final: \$16,000,000</p> <p>FY26 increase needed: \$44,000,000</p>	<p>\$44 million above FY26 Governor's budget.</p>
<p>Increase Circuit Breaker reimbursements (line item 7061-0012)</p> <p>a) Cover 90% of eligible tuition costs</p> <p>b) Cover 75% of eligible transportation costs</p> <p>FY26 H.1 budget: \$531,991,844</p> <p>FY25 final: \$493,177,484</p> <p>FY26 increase from FY25 needed: \$205,000,000</p>	<p>a) \$99 million using DESE initial FY25 figures.</p> <p>b) \$106 million using DESE initial FY25 figures.</p>
<p>Increase Regional School Transportation reimbursements (line item 7035-0006) to cover 100% of eligible transportation costs</p>	<p>\$22.5 million</p>

<p>FY26 projected amount: \$122,000,000 FY26 H.1 budget: \$72,119,862 (line item 7035-0006), \$43M (surtax) FY25 final: \$99,456,813 Increase from FY25 needed for 100%: \$22,543,187</p>	
<p>Increase McKinney-Vento Homeless Student Transportation reimbursements (line item 7035-0008) to cover 100% of eligible transportation costs</p> <p>FY26 projected amount: \$57,343,630 FY26 H.1 budget: \$28,671,815 Final FY25 line item funded at: \$28,671,815 Increase needed from FY25 for 100%: \$28,617,815</p>	<p>\$28.6 million using DESE FY24 figures</p>
<p>Increase Out-of-District Vocational Student Transportation reimbursements (line item 7035-0007) to cover 100% of eligible transportation costs</p> <p>FY26 projection: \$6,200,000 FY26 H.1 budget: \$6,200,000 Final FY25 line item funded at: \$1,000,000 Increase needed from FY25 for 100%: \$5,200,000</p>	<p>\$5.2 million using DESE FY24 figures</p>