



Northern Middlesex Council of Governments

A Multi-Disciplinary Regional Planning Agency Serving:

Billerica – Chelmsford – Dracut – Dunstable – Lowell – Pepperell – Tewksbury – Tyngsborough – Westford

April 11, 2025

The Honorable Aaron Michlewitz, House Chair

The Honorable Michael J. Rodrigues, Senate Chair

Re: Increasing Chapter 70 Funding through the Fair Share Act and FY26 Budget

Dear Chair Michlewitz, Chair Rodrigues, and Distinguished Members of the Joint Committee on Ways and Means:

As your committees undertake the critical task of determining funding priorities for the certified FY24 \$1.4 billion Fair Share Act surplus and the FY26 state budget, we write on behalf of the school districts within the Northern Middlesex Council of Governments (NMCOG) region—including Billerica, Chelmsford, Dracut, Dunstable, Lowell, Pepperell, Tewksbury, Tyngsborough, and Westford—to urge a strong commitment to public education and transportation investments.

The school districts in our region, like many across the Commonwealth, continue to face mounting financial pressures that threaten their ability to provide high-quality education, and lead to other challenges and pressures on municipal budgets, including capital investments in our schools. At the heart of this challenge is the outdated Chapter 70 education funding formula, which relies on antiquated student enrollment assumptions to determine operational aid. Districts with enrollment levels below these assumptions are designated as "hold harmless," meaning they receive the same aid as the previous year with only minimal per-pupil increases. This system has left 232 school districts, including many in our region, without sufficient resources to meet rising costs, shifting the financial burden onto municipalities. This strain, which increases annually, remains unsustainable and jeopardizes the stability of our public schools.

The Fair Share Act was designed to invest in education and transportation, two essential pillars that support our students and communities. We urge you to allocate Fair Share funds toward both of these priorities, ensuring that school districts, particularly those in "hold harmless" status, receive the resources they need while also addressing critical transportation challenges that impact student access to education. The attached funding requests outline specific needs for the one-time FY24 Fair Share Act, surplus funding and targeted increases in the FY26 state budget. By providing additional resources in FY25, we

can offer immediate relief to school districts, reducing financial strain and supporting long-term stability.

We appreciate your leadership and commitment to strengthening our public schools and transportation systems. Investing in both will ensure that every student—regardless of their zip code—has access to a high-quality education and the means to get there.

Respectfully,



Jennifer Raitt

Executive Director

Northern Middlesex Council of Governments

On behalf of

Clancy Main
Town Manager
Town of Billerica

Andrew MacLean
Town Administrator
Town of Pepperell

Paul Cohen
Town Manager
Town of Chelmsford

John Curran
Town Manager
Town of Tewksbury

Kate Hodges
Town Manager
Town of Dracut

Colin Loiselle
Town Manager
Town of Tyngsborough

Jason Silva
Town Administrator
Town of Dunstable

Kristen Las
Town Manager
Town of Westford

cc:

NMCOG Council Members
The Honorable James Arciero
The Honorable Mike Barrett
The Honorable Simon Cataldo
The Honorable Rodney Elliott
The Honorable Colleen Garry
The Honorable Tara Hong

The Honorable Marc Lombardo
The Honorable Tram Nguyen
The Honorable David Robertson
The Honorable Margaret Scarsdale
The Honorable Vanna Howard
The Honorable Barry Finegold
The Honorable Edward Kennedy
The Honorable Cindy Friedman

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)	
<i>*Please Note: These proposals are not organized in priority order.</i>	
TOTAL PROJECTED COST - \$323.2M	
Funding Proposal Description	Projected Cost
Increase to Circuit Breaker reimbursements (line item 7061-0012) a) Cover 90% of eligible tuition costs b) Cover 75% of eligible transportation costs 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	a) \$85 million using DESE initial FY25 figures. b) \$59 million using DESE initial FY25 figures.
Increase to Regional School Transportation reimbursements (line item 7035-0006) to cover 100% of eligible transportation costs FY25 RT projection: \$117,756,809 Final FY25 line item funded at: \$99,456,813 Increase needed for 100%: \$18,299,996	\$18.3 million using DESE FY24 figures

<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</p> <p>Final FY25 line item funded at: \$28,671,815</p> <p>Amount needed for 100%: \$12,121,002</p>	<p>\$12.1 million</p> <p>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</p> <p>Final FY25 line item funded at: \$1,000,000</p> <p>Amount needed for 100%: \$4,772,699</p>	<p>\$4.8 million</p> <p>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</p> <p>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</p>	

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

TOTAL PROJECTED COST - \$436.6M

Funding Proposal Description	Projected Cost
<p>Reconvene K-12 Funding Review Commission in FY 2026</p> <p>FY26 H.1 budget: not funded</p> <p>FY26 increase needed: \$250,000</p>	<p>\$250,000</p> <p>based on Chairman Lewis' bill (SD. 1912)</p>
<p>Inflate Chapter 70 Formula to Better Match Recent Cost Growth - Integrate One-Fourth of 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>\$116 million</p> <p>using MassBudget research report.</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>\$44 million above FY26 Governor's 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>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>FY26 projected amount: \$122,000,000</p> <p>FY26 H.1 budget: \$72,119,862 (line item 7035-0006), \$43M (surtax)</p> <p>FY25 final: \$99,456,813</p> <p>Increase from FY25 needed for 100%: \$22,543,187</p>	<p>\$22.5 million</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</p> <p>FY26 H.1 budget: \$28,671,815</p> <p>Final FY25 line item funded at: \$28,671,815</p> <p>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</p> <p>FY26 H.1 budget: \$6,200,000</p> <p>Final FY25 line item funded at: \$1,000,000</p> <p>Increase needed from FY25 for 100%: \$5,200,000</p>	<p>\$5.2 million using DESE FY24 figures</p>