HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Carol A. Doherty and Adam J. Scanlon

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing a legislative commission to study and make recommendations regarding the chapter 70 funding formula.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|------------------|-------------------|-------------|
| Carol A. Doherty | 3rd Bristol | 1/16/2025 |

[Pin Slip]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court (2025-2026)

An Act establishing a legislative commission to study and make recommendations regarding the chapter 70 funding formula.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- SECTION 1. (a) There shall be a special legislative commission to be known as the
- 2 School Finance Review Commission established under section 2A of Chapter 4 of the General
- 3 Laws to study and make recommendations concerning strategies for creating a more equitable
- 4 distribution of Chapter 70 school aid to municipal and regional school districts as well as other
- 5 entities that receive chapter 70 school aid.
- 6 (b) The commission shall consist of: (i) the house chair of the joint committee on
- 7 education or a designee, who shall serve as co-chair of the commission; (ii) the senate chair of
- 8 the joint committee on education or a designee, who shall serve as co-chair of the commission;
- 9 (iii) the chair of the house committee on ways and means or a designee; (iv) the chair of the
- senate committee on ways and means or a designee; (v) the secretary of education or a designee;
- (vi) the commissioner of elementary and secondary education or a designee; (vii) 1 member to be
- 12 appointed by the Massachusetts Association of School Superintendents, Inc.; (viii) 1 member to
- be appointed by the Massachusetts Association of School Committees, Inc.; (ix) 1 member to be

appointed by the Massachusetts Association of School Business Officials, Inc.; (x) 1 member to be appointed by the Massachusetts Business Alliance for Education, Inc.; (xi) 1 member to be appointed by the Massachusetts Budget and Policy Center, Inc.; (xii) 1 member to be appointed by the Massachusetts Taxpayers Foundation, Inc.; (xiii) 1 member to be appointed by the Boston Municipal Research Bureau, Inc.; (xiv) 1 member to be appointed by the Massachusetts Teachers Association; (xv) 1 member to be appointed by the American Federation of Teachers; and (xvi) 1 member to be appointed by the Massachusetts Municipal Association.

- (c) The commission shall study the long-term effects of strategies for distributing chapter 70 school aid including, but not limited to: (i) annual per-pupil allocations; (ii) hold harmless provisions to preserve the level of funds in periods of declining enrollment; and (iii) the establishment of reserve funds for extraordinary circumstances; (iv) the long-term fiscal trends in school districts experiencing declining student enrollment; (v) an analysis of the fiscal health of regional school districts and the impact of regionalization on each contributing municipality, especially in low-income and middle-income areas, including funding impacts on each contributing municipality; (vi) the impact on school districts of meeting increased costs while receiving only minimum chapter 70 "per pupil" aid; (vii) the sustainability of providing high quality education in districts receiving minimum "per pupil" aid; (viii) the impact on municipal finances and services on communities receiving minimum per pupil chapter 70 aid;
- (d) The commission shall make recommendations regarding strategies for distributing chapter 70 school aid including, but not limited to: (i) considering alternatives for generating additional revenue to be delegated to chapter 70 school aid for the next 5 fiscal years (ii) reviewing the calculation of the foundation budget to provide adequate and stable allocation of public funds for school districts; (iii) reviewing the impact of economic conditions on the

elements of the foundation budget; (iv) considering alternative means of distributing available revenue by studying previously used strategies, proposed new strategies and such other proposals as may be offered to adapt current practices; and (v) researching the effectiveness and viability of alternative means of addressing economic factors such as: inflation, recession, loss of state revenues, emergencies or changes to state or federal law that affects eligibility for public benefits and the effect that loss of such classification may affect the ability of school districts to provide a mandated standard of education; (vi) establishing and including a low and declining student enrollment factor within the foundation budget; (vii) characterizing the structural conflict in the current chapter 70 funding formula between declining enrollment and increasing costs for school districts, and identifying means to resolve this conflict.

(e) The commission shall file a report and recommendations to (i) the clerks of the House of Representatives and the Senate; (ii) the chairs of the House and Senate committee on ways and means; and (iii) the chairs of the joint committee on the education not later than December 31, 2026.