

Massachusetts House of Representatives Bill Summary

Bill #: H.2303 / S.1469

Title: An Act relative to special education reserve funds

Sponsor: Rep. Kathleen LaNatra, Sen. Jacob Oliveira

Committee: Municipalities and Regional Government

Hearing Date: June 24, 2025

Prior History: H.2075 OTP (2023-2024)

Current Law: Chapter 40 of the General Laws regulates the powers and duties of cities and towns. Section 13E provides, in cities and towns that accept this section, for the establishment of school district reserve funds to pay for unanticipated or unbudgeted costs for special education, out-of-district tuition or transportation. This section also applies to regional school districts that accept the language.

Distribution of funds requires both a majority vote of the school committee and majority vote of the select board or city council. In the case of a regional school district, such action requires a majority vote of the legislative body in a majority of the district's member communities.

The law currently limits the total amount which may be in the reserve fund at any one time to no more than 2 percent of the annual net school spending of the school district.

Summary: This legislation would amend Section 13E of Chapter 40 by increasing the limit on the amount of money that may be held in the reserve fund from 2 percent to 5 percent of the annual net school spending level of the district.

The apparent intent of the legislation is to give school districts the added flexibility to offset the effect of cost increases by utilizing a higher proportion of the reserve fund.