



May 19, 2025

The Honorable Jason Lewis  
State House, Room 511B  
Boston, MA 02133

The Honorable Ken Gordon  
State House, Room 473G  
Boston, MA 02133

Chair Lewis, Chair Gordon and esteemed members of the Joint Committee on Education,

Thank you for the opportunity to submit written testimony in support of An Act eliminating education funding inflation cap (SB345), An Act to fix the Chapter 70 inflation adjustment (SB388/HB678), An Act relative to Chapter 70 inflation relief (SB440), and An Act to ensure adequate and equitable funding for public education (SB400).

MassBudget is a non-partisan, non-profit research and advocacy organization. We provide rigorous research and policy analysis, along with strategic advocacy in partnership with grassroots organizations. Our work is focused on uplifting low- and middle-income families and communities of color to create an inclusive, thriving Commonwealth for all. MassBudget has done extensive research and holds critical expertise in the K-12 public education funding system. We want to share our research findings and analysis with you as you consider bills which build on the progress of the Student Opportunity Act (SOA) and improve the structure of K-12 funding in Massachusetts.

Most of the aforementioned bills seek to address historic cost of operation growth in K-12 education. Senate Bill 345 and Senate Bill 440 would address future high inflation periods, while Senate Bill 388 and House Bill 678 would retroactively correct the most recent high inflation that took place over the past three years.

With the implementation of the SOA, the Commonwealth has committed over \$1 billion in new school aid annually in FY 2026. In its first five years, the landmark 2019 SOA has made state funding in K-12 schools significantly more robust and equitable. Historically, underinvestment has plagued Gateway Cities, which serve a disproportionate share of low-income, English Language Learners, and students of color.

Despite this robust investment, many communities across the state are facing budget cuts, school closures, and difficult local property tax votes.<sup>1</sup> School district budgets are under a barrage of pressure and have constrained local resources available to make up the difference.

For the first time ever, in 2023 and 2024, inflation rates exceeded the Chapter 70 inflation rates cap of 4.5 percent by 6 percentage points. Funding was not adjusted to account for such a large inflation rate, meaning aid is shortchanged now, and going forward, if this is not corrected. Therefore it is our recommendation that the “inflation glitch” is addressed and corrected as soon as possible so school districts get the necessary funding to continue to provide high quality education to all MA children.

MassBudget research found that districts would gain up to \$465 million per year if the inflation glitch was fixed. Over 200 districts across Massachusetts would gain additional funding, with a particular lean towards Gateway City districts with greater enrollment of disadvantaged students and limited local revenue. This includes additional funding of \$3.4 million for Bridgewater-Raynham, \$1.0 million for Central Berkshire, \$15.5 million for Lowell, \$4.5 million for Marlborough, \$13.9 million for New Bedford and \$3.0 million for Woburn.<sup>2</sup>

Other measures proposed in the FY 2026 budget and FY 2025 Fair Share surtax supplemental budget will help address key cost drivers, including school building renovation, transportation, and special education.<sup>3</sup> However, fixing the inflation glitch in the Chapter 70 formula is a long-term solution that restores the full value of the SOA.

In addition to addressing the inflation glitch in the Chapter 70 formula, MassBudget urges legislators to support Senate Bill 400, which creates a new commission to look broadly at systemic concerns in K-12 funding so that all kids across the Commonwealth attend thriving schools. State law outlines that every ten years we should undertake review of the Chapter 70

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<sup>1</sup> Phillip Bishop. “Students, Staff at South Hadley High School Protest Budget Cuts.” New England Public Media. April 1, 2025.  
<https://www.nepm.org/regional-news/2025-04-01/students-staff-at-south-hadley-high-school-protest-budget-cuts>

Alysha Palumbo. “North Andover School at Risk of Temporary Closing Amid Budget Deficit.” NBC 10 Boston. March 21, 2025.  
<https://www.nbc10.com/news/local/north-andover-school-district-budget/3642149/>

James Vaznis. “Mass. Communities Increasingly Seek Overrides to Tax Cap to Pay for Schools, Other Services.” Boston Globe. July 10, 2024.  
[https://www.bostonglobe.com/2024/07/10/metro/massachusetts-property-tax-override-votes/?p1=Article\\_Inline\\_Related\\_Link](https://www.bostonglobe.com/2024/07/10/metro/massachusetts-property-tax-override-votes/?p1=Article_Inline_Related_Link)

<sup>2</sup> Colin Jones. “Interactive Data by School District: Inflation Lessons SOA’s Equity Impact” MassBudget. November 2024. <https://massbudget.org/2024/11/08/interactive-school-district-funding/>

<sup>3</sup> “MassBudget’s Analysis of the FY 2026 House Budget Proposal - K-12 Education” May 1, 2025.  
<https://massbudget.org/2025/05/01/fy2026-house-analysis/#K12>

formula.<sup>4</sup> The last time that took place was exactly ten years ago in 2015.<sup>5</sup> It takes significant time to implement structural changes to the complex Chapter 70 formula, making it critical that we begin this process soon, starting with appointing a commission.

The process outlined in SB400 creates a broad, comprehensive, and inclusive commission to study the most pressing K-12 funding issues including: all components of Chapter 70, the annual inflation cap, special education, transportation, declining enrollment districts, rural districts, state and local responsibility for the Chapter 70 foundation budget, calculations of city and town wealth, income, and capacity to support schools, the 82.5% maximum local contribution, the effects of the Prop 2.5 property tax cap on K-12 funding, and any other aspect of school funding deemed necessary.

Additionally, key stakeholders in the Administration, Legislature, as well as across the education community in the Commonwealth would be represented. The commission would also have ample time to gather information and issue findings over the next two years, and would receive a small amount of funding to provide appropriate capacity. The framework outlined in Senate Bill 400 has all the ingredients we need to build consensus around the changes needed for an even stronger K-12 system.

We urge you to report the above mentioned bills out of Committee favorably. We believe it is imperative to look holistically at the K-12 system via a commission while also considering ways to tackle the inflation challenge to relieve pressure on districts facing ongoing school budget cuts.

Thank you for your time and consideration.

Respectfully submitted,

Colin Jones, M.A.  
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<sup>4</sup> The General Court of the Commonwealth of Massachusetts. Mass. Gen. Laws Ch.70, Sec. 4.  
<https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXII/Chapter70/Section4>

<sup>5</sup> Mass. Department of Elementary and Secondary Education. Chapter 70 Program. "Final Report of the 2015 Foundation Budget Review Commission. October, 2015.  
<https://www.doe.mass.edu/finance/chapter70/FBRC-Report.docx>