

United for Our Future

United for Our Future, a coalition of associations dedicated to addressing the pressing funding crisis in our public schools, is calling for immediate and decisive action from Gov. Maura Healey and the Legislature. This coalition's joint efforts stem from the sobering reality that the chronic underfunding of PreK-12 public education threatens the well-being of students and the ability of educators to meet growing concerns, including mental health support and the many challenges faced by our most marginalized students. As outlined in this letter, the funding crisis is deeply felt across organizations working most closely with Massachusetts public schools and students. By signing on to this statement, we collectively emphasize the urgency of this moment and the shared commitment of cherishing public education in Massachusetts and assuring that our public schools receive the resources they need to thrive.

As we enter discussions about the FY26 state education budget, it is critical to understand the significant fiscal challenges facing school districts throughout the Commonwealth, as well as the opportunity we have to strengthen and reimagine public education in ways that build on our recent, historic victories with the Student Opportunity Act and Fair Share Amendment.

Massachusetts is facing a “perfect storm” of factors that make it nearly impossible to balance budgets without reductions that will have a negative impact on student learning, enrichment and support. There is no question that over the past five years, schools have struggled to meet greater demands, most notably students' social-emotional and mental health needs. Those additional expenses are compounded by other sharply rising costs, some of which are described in greater detail below.

At the same time, available revenue fails to keep pace with escalating expenses. Federal ESSER funds have been expended. Local tax increases permitted under Proposition 2½ are inadequate to achieve balanced budgets. And while overall state funding for schools has increased in recent years, those increases fall short of the growth in expenses. In fiscal year 2025, 45 Massachusetts cities and towns tried to close a funding gap through Proposition 2½ overrides, but voters defeated the measures in more than half of those communities.¹ The result often has been devastating budget cuts to student programs and reductions in staff.

Together, these factors have led to a fiscal cliff that presents a dire threat to the health of PreK-12 public education in Massachusetts at a time when the needs of our students have never been greater, and when recruiting and retaining a high-quality workforce has never been more challenging. As champions of public education, we know what work must be done to create public schools that prepare all students for success in the classroom and throughout their lives

¹ [Massachusetts Department of Revenue, Division of Local Services](#)

and that adequately recognize the essential work of our highly-qualified educators through fair pay and other key benefits. Yet, absent action by the Commonwealth to provide districts and educators with the resources we need, we will be held back from fully achieving that vision and are at risk of falling further behind in the near term. That is why we urge the governor and Legislature to address these challenges in the FY26 budget process and adopt funding policies that not only provide short-term relief for school districts, but also establish a sustainable model to ensure the long-term success of our schools and our students.

While there are many fiscal pressures on school districts, and important fixes in school funding and school building policies are needed beyond those listed below, several financial challenges in particular have worsened the already-strained budgets:

1. Inflation Gap

Chapter 70, the largest source of state funding for schools, has not increased at a rate that keeps pace with inflation. In FY23 and FY24, inflation in Massachusetts was just over 7% and 8%, respectively, but Chapter 70 increased by only 4.5% in each of those years, leaving districts to make up the difference. In the current fiscal year, Chapter 70 increases are aligned with the inflation rate of 1.35%, but districts still report higher costs for instructional materials, utilities, fuel, health insurance and most other goods and services, even as the statewide inflation rate begins to stabilize.

Originally the Education Reform Act included language that required the state to adjust Chapter 70 funding to account for actual inflation back to the base year so that funds lost to the inflation cap in one year would be made up in future years. But that language is no longer included in the statute. In short, the operational costs for school districts continue to soar at a rate that state education funding does not offset.

2. Out-of-District Special Education Tuition

When a student's disability presents needs that cannot be met within a district, they often are served in out-of-district, private special education programs, with the district responsible for the costs. Tuition at the schools approved by the state's Operational Services Division have increased dramatically over the past two years, averaging 14% in FY24 and 4.7% in FY25, compared to an average of 2.5% in previous years. Next year, tuition is projected to increase by another 3.7%.

The state's Circuit Breaker program provides only partial reimbursement for tuition costs, and there is no provision that places any cap on the increases that private programs charge to school districts. These additional expenses, coupled with higher costs for many in-district

special education services and therapies, contribute significantly to budget shortfalls in communities across the Commonwealth.

3. Student Transportation

In addition to the out-of-district tuition costs associated with special education, districts also face sharp increases in transportation costs for students with disabilities, both in- and out-of-district, and for regular day transportation. In Massachusetts, there is no single pool of approved vendors that provides special education transportation, through which daily rates and other costs could be tracked and regulated. As a result, vendors often set their own rates and impose increases that districts cannot afford.

The Student Opportunity Act added some reimbursement for out-of-district transportation costs through the Circuit Breaker program, but only for a portion of the expenses. Last fall, special education transportation receipts were significantly higher than the state anticipated, resulting in the transportation component of the Circuit Breaker program being funded at about 44%, rather than the 75% called for in the law. This resulted in a shortfall of more than \$60 million. State officials cannot continue to declare proudly that the Circuit Breaker program is “fully funded” when districts have to dedicate time and resources to secure supplemental funding to cover actual costs.

4. Specific Challenges of Rural and Regional Schools

Many rural and regional schools are facing specific challenges. They generally can't benefit from economies of scale, they often have declining enrollments which harm their Chapter 70 aid, and they have high transportation costs because of long distances that students need to travel to school. To address these challenges the state should fund the \$60 million a year in rural school aid called for by the Rural Schools Commission, fully fund regional transportation reimbursement and provide transportation reimbursement funding for non-regional rural districts and other non-regional districts, as well.

We have a shared responsibility to examine and resolve each of these pressing financial challenges. Ultimately, however, we must take a more holistic approach that looks to a more comprehensive strategy that is both equitable and sustainable. We know that education budgets – at the federal, state and local levels – reflect our commitment to public education. We often say that “*What we fund, we value.*” If Massachusetts is committed to remaining a national leader in public education, and we all are committed to doing what is right for students, we must find creative ways in this difficult fiscal environment to provide schools and districts with the funding to meet the growing needs of students and families.

Signatories:

Massachusetts Association of School Superintendents
Massachusetts Association of School Committees
Massachusetts Teachers Association
American Federation of Teachers Massachusetts
Lawyers for Civil Rights
Massachusetts Education Justice Alliance
Children's Mental Health Campaign
Massachusetts School Counselors Association

Massachusetts PTA
Massachusetts Association of School Business
Officials
Massachusetts AFL-CIO
Citizens For Public Schools
Massachusetts Association of Regional Schools
Boston Teachers Union
Association of Massachusetts School Equity Leaders