

Overview of FY25 House Ways and Means Budget Proposal

This budget proposes several important investments in our public schools:

- \$5 million in funding for the Tomorrow's Teachers Scholarship Program and \$5 million for student loan repayment assistance for new educators, both of which are MTA-backed programs designed to support the recruitment and retention of public school educators to improve the diversity of our educator workforce by reducing financial barriers that keep many potentially great educators from entering the profession.
- The budget uses revenue from the Fair Share Amendment, that MTA members lead the fight to enact, to make several important investments in public education:
 - \$190 million to continue funding universal free school meals in Massachusetts public schools.
 - \$37 million to increase per-pupil Chapter 70 minimum aid to school districts by \$74, which brings the total proposed minimum aid amount in the House Ways and Means budget recommendation to \$104 per-pupil. In addition, Chapter 70 aid increased by \$7.89 million because of data adjustments made to the low-income enrollment numbers.
 - \$10 million for the Green School Works grant program to support K-12 public schools in installing and maintaining clean energy infrastructure.
 - \$30 million for Literacy Launch, an MTA-supported grant program developed by Governor Maura Healey and first introduced in her FY25 budget recommendation. The program aligns with many of the policies that MTA members have been asking for to support student needs in the areas of reading and literacy such as expanded access to professional learning and resources to allow for the adoption and implementation of curricula materials at the local level.

On the negative side, the budget reduces funding for several grant programs, including funding rural school aid at only \$7.5 million – half of the funding level in FY24 and the governor's budget.

In public higher education, the budget maintains and makes some new commitments from the Fair Share Amendment funds but does not advance a comprehensive approach to investing in debt-free, high-quality public higher education.

The proposal substantially increases funding for colleges and universities to cover the costs of collective bargaining agreements and it increases funding in several areas:

- \$14 million to expand the SUCCESS program to State Universities. This program that provides important supports to students has been successful at community colleges and expanding it is an important part of the *Cherish Act*.
- \$7.3 million in State University Incentive Grants that provide funding increases for State Universities (\$3.7 million more than the governor proposed).

- \$7.5 million in the similar account for Community Colleges (\$3.8 million more than the governor proposed).
- \$10 million more in funding for the UMass line item than the governor proposed.
- The House Ways and Means proposal does not include the \$125 million appropriation for higher education capital costs that the governor proposed. It provides only \$10 million.

The budget proposal authorizes the typical 3 percent cost-of-living adjustment (COLA) on the first \$13,000 in pension benefits for retired members of the state and teachers' retirement systems.

Importantly, the budget also includes the special commission to study the COLA system that was first proposed by the governor in her FY25 budget recommendation. The commission would examine possible increases in the COLA base along with ways to fund such increases, with a report due to the Legislature by February 1, 2025.