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Gobi and Ferguson Seek to Address Budget Shortfalls for Regional and Rural Schools

BOSTON - Senator Anne M. Gobi (D-Spencer) and Representative Kimberly Ferguson (R-Holden), co-chairs of the Regional Schools Caucus, were pleased to announce a pair of initiatives included in the FY19 State Budget aimed at addressing cost issues plaguing regional and rural schools.

The first budget initiative targeted the reimbursement rate for regional school transportation. There are currently 58 regional school districts in Massachusetts with 171 member schools. Massachusetts law entitles Regional School Districts to 100% reimbursement for school transportation expenses, but the actual amount is subject to annual appropriation by the legislature. The last time regional school districts received 100% reimbursement was over 15 years ago and in fiscal year 2016, the reimbursement rate was 73%. The transportation money that is not reimbursed by the state comes directly out of their school budgets- in FY16 these districts experienced a collective shortfall of \$14.4 million in this category. Senator Gobi has advocated each year for an increase in funding with a goal of 100% reimbursement.

"When I met with school superintendents on how best to assist them, transportation reimbursement was at the top of the list," remarked Senator Gobi. "The 80% reimbursement is a significant increase and a great step towards the 100% goal. I appreciate the support of Representative Ferguson and the entire Regional Schools Caucus for my amendment and I expect the Governor will recognize the importance and not veto the funding. "

"I am honored to chair the Regional Schools Caucus with Senator Gobi and appreciate the collective effort of caucus members, as well as our constituents throughout the state who advocated for this increase in funding," commented Representative Ferguson. "Although I am

pleased to have reached an 80% reimbursement rate for transportation, there is still work to be done to address the unique challenges faced by regional schools and we will continue to advocate for our school districts.”

Costs associated with transportation in a regional school district represent a significant portion of a district’s budget because of the geographical footprint associated with bus routes across numerous communities, often with low population densities. The mandate that regional school districts are required to transport all students to and from their homes places a significant financial burden on school districts, made especially difficult with reimbursement rates fluctuating from year to year. The amendment, filed by Senator Gobi, raises the reimbursement rate to 80 percent of full funding, at a total of \$68,878,679 - a \$7,357,679 increase over FY18 funding.

The second initiative sought to address the many pitfalls facing rural school districts. In January 2018, The Department of Early and Secondary Education (DESE) released a report on the “Fiscal Conditions in Rural School Districts,” studying current fiscal conditions in rural school districts across the state with regards to enrollment, staffing, spending trends, local aid, school choice and charter school tuitions. As provided in DESE’s report, rural school districts are defined as “municipal and academic regional school districts with student densities of less than 21 students per square mile, based on foundation enrollment”. In the Department’s findings, it was of no surprise to hear that rural school districts struggle to provide their students sufficient resources, while experiencing steady enrollment declines over the last ten years and spending substantially more per pupil on transportation costs and staffing needs.

In response to these issues, Senator Gobi and the other members of the Caucus advocated successfully for a new line of funding that establishes rural school aid. Sometimes referred to as “sparsity aid”, this funding is separate from Chapter 70 aid and any other school aid that school districts already receive. The proposed formula takes into account two primary metrics to determine a school’s eligibility: (1) student density; and (2) ability to pay. It establishes school aid for eligible rural school districts with the greatest fiscal needs, exclusively for municipal and regional school districts, at \$100 per pupil. The line item was included at a rate of \$1.5 million for the FY19 state budget.

The final version of the FY19 State Budget now heads to Governor Charlie Baker for signing. For more information please contact Senator Gobi’s office at 617-722-1540.

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