Massachusetts Teachers Association

Max Page, President
Deb McCarthy, Vice President

December 6, 2023

The Honorable Maura Healey
Governor of Massachusetts
Office of the Governor
24 Beacon Street
Boston, MA 02133

Dear Governor Healey,

The MTA represents 117,000 public school and college staff and faculty. We were proud to be the key organization in winning passage of the Fair Share Amendment, which will generate upwards of $2 billion a year to be invested in public education and transportation. We were thrilled with many of your budget proposals this past year, which are advancing many of our shared goals. And there is more work to do. The MTA has established these priorities, several of which require state funding. As you develop your Fiscal Year 2025 state budget proposal, we ask that you consider these priorities aimed at strengthening our state education system so that we can give all students, in all communities, the ability to reach their full potential.

**PreK-12 Issues:**

**Fully Fund the *Student Opportunity Act*, Including Fixing the Chapter 70 Inflation Calculation Glitch**

There is a glitch in how the Chapter 70 formula treats inflation that could cost school districts over $300 million in FY25. If the flaw is not fixed there could be a serious funding crisis, particularly in lower income school districts. As you know, inflation has been very high in recent years. The inflation rate for the time period that determined the FY24 Chapter 70 inflation adjustment was about 8%. But the law caps the inflation adjustment at 4.5%. As a result, districts did not receive funds to cover 3.5 percentage points of inflation that they had to pay for in expenses. The way Chapter 70 originally worked, that would not be a long-term problem because the lost inflation would automatically be added back in the following year. But a technical change made several years ago inadvertently changed that, so now lost inflation can lead to permanent reductions in school aid. While we don't yet have final data, it looks like the inflation rate for FY25 will be about 1%. If nothing is done to fix the glitch in the formula, new aid in FY25 could be less than half of what it was in FY24. That would cause very serious problems for school districts. A simple fix that maintains the 4.5% cap but makes sure that the formula makes up for lost inflation would solve the problem and create much greater predictability in Chapter 70 aid over the next few years. It would also allow the Commonwealth to meet the real-dollar targets in the *Student Opportunity Act*. We hope that you can address the issue in the FY25 budget.

**PreK-12 Grant Programs to Address Urgent Needs**

As you know, our K-12 schools are facing some urgent problems, including those related to the social and emotional well-being of students. Fortunately, the Fair Share Amendment has given us new resources to address these challenges.

1. **Whole Child Grant Fund** – which provides funding for school districts to hire additional staff in the following areas: school nurses, librarians, school counselors, school adjustment counselors, social workers and school psychologists. The proposed budget language requires participating school districts to commit to student-to-staff ratios recommended by the relevant professional association. The fund may also be used to implement a community school model. The incentive is intended to be multi-year and will be open to all school districts, with a focus on providing larger grant awards to low-income districts as well as districts that are not primary recipients of *Student Opportunity Act* funding. We recommend a $50 million investment in this fund.
2. **Education Support Professional Incentive Fund** – which provides a financial incentive to school districts to adopt compensation for ESPs at a living wage, as calculated by the Massachusetts Institute of Technology Living Wage Calculator. The grant requires participating school districts to phase in a living wage for ESPs by the end of the three-year grant and, for those three years, school districts will be compensated for the gap between current (FY23) salaries and the salary increase adopted for each year. The program requires a vote by the school committee and municipality to affirm their commitment to the terms of the program with the grant application. We recommend a $50 million investment in this fund.
3. **Paid Family Medical Leave Incentive Fund** – which provides a financial incentive to school districts to provide paid family medical leave to employees, either through adoption of the Massachusetts Paid Family Medical Leave law or provision of a locally-administered leave program that is comparable to the standards of the state law. Participating school districts will receive compensation from the fund for three years. As we seek to attract and retain a workforce of excellent, diverse educators, it is critically important that we provide essential paid leave benefits that are now available to the vast majority of state workers. Denying this benefit to a workforce that is predominantly women is a recipe for deterring people from becoming or remaining educators. We recommend a $30 million investment in this fund.
4. **Tomorrow's Teachers Scholarship Program and Educator Loan Forgiveness**. The program is designed to cover tuition, fees and other costs of attendance for college students enrolled in a public higher education institution who commit to teaching in a Massachusetts public school for a minimum of four years after graduation. We strongly urge you to fund these programs at $15 million each in the FY25 budget.

**Higher Education Issues**

1. **Create Debt-Free Community College in FY25 and Debt-Free Higher Education For All in FY26**

To make it possible for students to attend community college without having to work 30 to 40 hours a week, or go deeply into debt, we ask that you fund a Debt-Free Community College program along the lines of the proposal in the *Cherish Act* legislation. This would cover the full cost of attendance, after accounting for Pell Grants and other existing aid, a reasonable family contribution, and the earnings from about 10 hours a week of work. We estimate that at existing enrollment levels this would cost approximately $70 million in FY25.

Building on the process now moving forward to develop a debt-free community college plan, we suggest a similar process for the rest of public higher education – with a commitment to provide adequate funding in future years. We suggest the structure of aid should follow the *Cherish* model described in the community college section to ensure that all students can afford not just tuition and fees, but also food and housing. To provide adequate funding beginning in FY26, we recommend dedicating a portion of future Fair Share funds above the $1 billion now budgeted, perhaps 50%, to this goal.

2. **Begin to Bring the SUCCESS Program to Scale.**

   The SUCCESS program has proven to improve persistence significantly, particularly for Black students. Ultimately, we believe these supports should be available for all students who need them, which may include low-income, first-generation, minority and disabled students and lesbian, gay, bisexual, transgender, queer and questioning students. In FY25 we recommend a $60 million increase in funding.

3. **Provide Pensions and Health Care for Adjunct Faculty.**

   Adjunct faculty currently do not have access to health care or a state pension, or even Social Security. As a matter of basic fairness, and because the working conditions of educators are the learning conditions of students, we ask that your FY25 budget includes funding to provide these basic benefits for adjunct faculty. While more data is needed to determine an exact cost, we project that it would likely be about $30 million a year.

4. **Implement a First Phase of Wage Equity Adjustments.**

   Faculty and staff in our higher education institutions are often paid significantly less than their peers in nearby and comparable states. This harms our Commonwealth's ability to attract and retain a diverse and excellent educator workforce. We ask that you determine the adjustments needed to bring us in line with peer states, and to set wages and staffing levels that will allow us to provide all students with the support they need to persist and graduate. We suggest a FY25 appropriation of $30 million to begin that process.

5. **Implement the Massachusetts Labor Institute, housed at the four Labor Education Centers.**

   To expand labor education and training for the residents of Massachusetts, to provide research on employment trends and work issues, and to create a state-wide archive to document the rich history of working people in the Commonwealth we recommend an FY25 funding increase of $4 million to create the Massachusetts Labor Institute, apportioned between the existing Labor Education Centers at UMass Amherst, UMass Boston, UMass Dartmouth, and UMass Lowell.

## Pension Issues

**Strengthen the Pension Cost-Of-Living-Adjustment (COLA) System.**

It has been over a decade since Massachusetts last raised the base on which the annual COLA is calculated and retired educators cannot afford to wait another year for action, especially as we continue to navigate this period of high inflation. Under the current COLA system, a retiree who has earned a pension of $50,000 can see the value of that pension erode by 20 percent or more over 10 years. The FY25 budget can begin to address this woefully inadequate system by including language to begin to raise the COLA base towards $18,000 from its current level of $13,000 and by providing an FY25 COLA percentage increase above the typical 3 percent.

Thank you for your consideration of the priorities of 117,000 MTA members whose life work is expanding opportunity for the young people and working adults who attend our schools, colleges and universities.

Thank you,

Max Page
President, Massachusetts Teachers Association

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