

May 11, 2006

Dear Friend,

Yesterday, my Senate colleagues and I announced our plan to reform Chapter 70, the mechanism by which the state provides funding for public schools. Based on the legislation, our community's public schools will see a significant increase in funding compared to previous years. More importantly, the Senate's comprehensive package will phase in major additional funding over the next five years by simplifying the formula, increasing its transparency, rectifying inequities between comparable municipalities, and reducing an overemphasis on property values that is detrimental to suburban communities.

While other proposals for education funding in 2007 increased aid to cities and towns, only the Senate's boosts spending as a first step in a series of reform measures that will guarantee expanded aid in coming years. For too long, suburban communities have received short shrift in the budgeting process. Our new formula helps address fundamental inequities, especially those effecting suburban communities, by:

- \_ Placing an equal emphasis on median income and property values, rather than focusing almost entirely on the latter when determining a community's financial need.
- \_ Setting the maximum local contribution for any district at 80% of the foundation budget, a big improvement for any municipality already spending major local funds.
- \_ Establishing state aid target share at 40% of the statewide foundation budget.
- \_ Increasing the assumed in-district special education enrollment and, thereby, increasing special education funding.
- \_ Reducing the number of categories used to calculate foundation budgets, which simplifies the formula to better represent the needs of suburban schools.
- \_ Provides increased funding for schools with rapid enrollment growth.

Since the beginning of my tenure in the Senate, I have said that education reform cannot only be about increasing aid. Rather, without changing the basic mechanism for determining state support, our community would continue to receive less than it should. In the Senate plan, we have provided more funding, but have also presented a far-reaching vision for how schools should be financed in the future. Our children are too important not to create a long-term plan for how best to foster their education.

In 2002, the Senate tried to pass Chapter 70 reform. Unfortunately, the House never took up the bill. Since then, we have further refined our legislation to make sure it fixes basic problems with the formula, and addresses the concerns that so many of you have articulated in recent months. Though the passage of our current bill is not guaranteed, I will do everything in my power to see that it becomes law.

If, in the meantime, you have any questions about school finance, please feel free to contact either me or my Aide, Jim Soland. I look forward to continuing to discuss the future of our schools in the coming months.

Best Regards,

Steven A. Baddour  
State Senator  
First Essex District