

FY 2025 BUDGET RECOMMENDATION BUDGET BRIEF

Maura T. Healey, Governor | Kimberley Driscoll, Lt. Governor



Access to Education

Jake Rooney and Amelia Marceau, Fiscal Policy Analysts

Introduction

Access to education has been woven into the fabric of Massachusetts since its founding. For years, Massachusetts has been and continues to be a national leader in education, with the best schools and educators in the country. This is no accident. Through state programming and local partnerships, the Healey-Driscoll Administration is committed to maintaining this competitive advantage by making high-quality education available to all Massachusetts residents, regardless of age, zip-code, or socio-economic status. Over the course of the first year of this administration, the Executive Office of Education has advanced this commitment to student success by:

- Launching MassReconnect, providing free community college to students age 25 or older without a prior higher education credential.
- Fully funding the Student Opportunity Act, delivering historic local school aid to cities and towns throughout Massachusetts.
- Guaranteeing universal no-cost school meals for all public K-12 students in Massachusetts.
- Awarding new Innovation Career Pathway designations to 27 additional high schools across Massachusetts, growing the program by more than 30%.
- Expanding the Early College program, allowing more than 8,200 students to attend a college course for free while still in high school.
- Announcing \$84 million for an historic expansion of financial aid, making public higher education more affordable for 25,000 students, and providing tuition and fee-free higher education to all Pell Grant recipients.
- Making in-state tuition and state financial aid available to undocumented Massachusetts students.
- Sustaining \$475 million of state investment for Commonwealth Cares for Children stabilization grants.
- Implementing \$65 million of new child care provider rate increases.

The FY25 House 2 recommendation reaffirms this commitment, proposing \$11.8 billion across child care, K-12, and higher education segments.

House 2 proposes significant investment in education from Fair Share revenues, which are described in detail in the Budget Brief on this topic:

- **Fair Share Investments in Education & Transportation**

Gateway to PreK: Early Education Access and Affordability

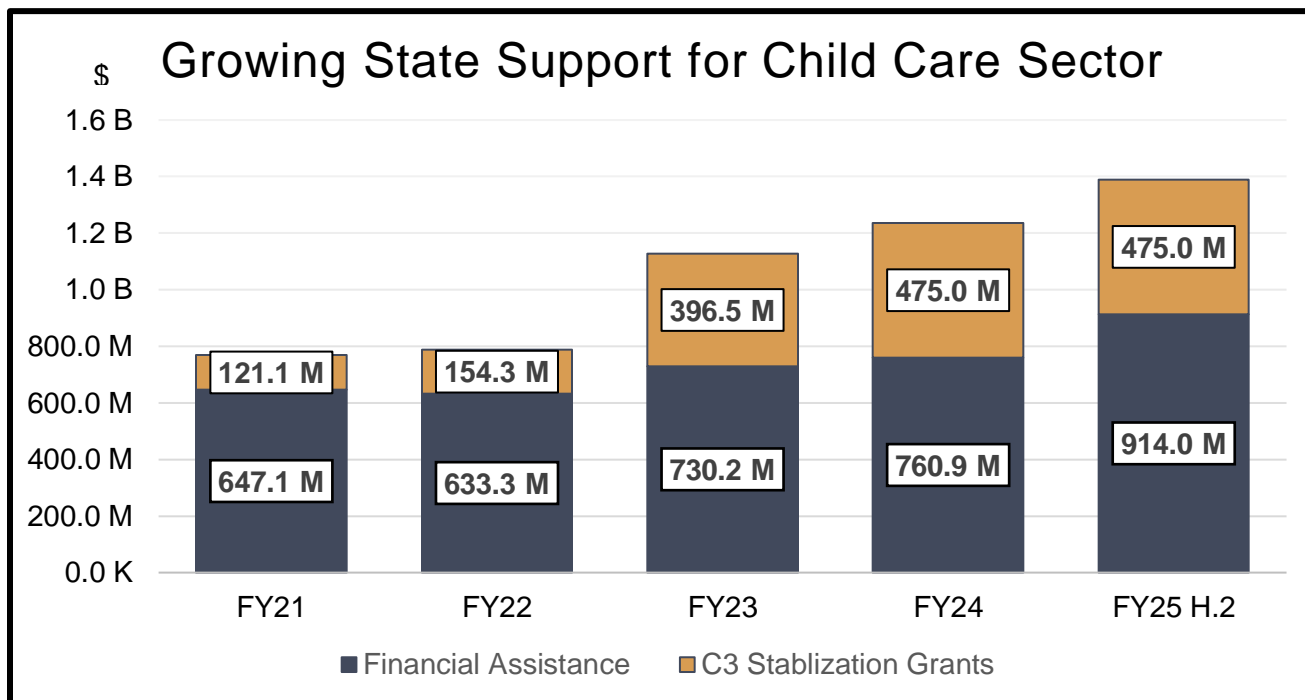
Ensuring the stability and affordability of the child care sector is critical for the early education of the state's youngest learners. When families can afford to enroll their children in child care and pre-k programs that provide high-quality care, it benefits the entire Massachusetts economy.

With child care costs in Massachusetts among the highest in the country, many families struggle to afford the full cost of high-quality early education. To improve family access, House 2 provides \$914 million in child care financial assistance for nearly 60,000 Massachusetts children through the Department of Early Education and Care (EEC).

Under EEC's equitable parent fee schedule, virtually all families receiving financial assistance pay a fee that is 7% of their income or lower. This funding includes \$75 million to expand child care financial assistance to 4,000 additional families with incomes up to 85% of state median income, taking an important first step towards broader state support for family affordability.

Additionally, House 2 bolsters family access by annualizing \$65 million in FY24 child care provider rate increases and proposing \$20 million for new rate increases in FY25. Increased rates will expand care opportunities for families receiving child care vouchers, while helping support providers and the early education and care workforce. These changes supplement other improvements announced last fall to streamline the existing application process and reduce barriers to accessing child care subsidies.

House 2 also sustains \$475 million of state investment in the Commonwealth Cares for Children (C3) program, continuing critical stabilization grants to child care providers even as federal pandemic-era funding ends. The C3 program represents a paradigmatic shift in the way child care providers are supported, basing monthly payments on fixed program, staff, and facilities costs. In doing so, C3 grants have helped to mitigate challenges providers have always faced—even before the pandemic—in balancing steep operating costs with the often-competing goals of fair workforce compensation and affordability for families. As a result, providers have added classrooms to serve more working families across Massachusetts.



House 2 also recommends \$38.7 million for the Commonwealth Preschool Partnership Initiative (CPPI), a targeted effort to expand access to high-quality preschool for four-year-olds across the state, with a focus on Gateway Cities. House 2 proposes an \$18.2 million expansion to CPPI, allowing additional districts to participate in the program and expand district-wide preschool access. These investments ensure that all 4-year-olds receive equal access to high quality preschool, while ensuring multiple provider options exist to meet the needs of working families.

As the child care sector continues its recovery from the pandemic, an emphasis on workforce recruitment and retention is also paramount. Many of the above investments will further support this essential mission. Sustaining C3 stabilization grants in FY25, while increasing financial assistance reimbursement rates, will allow providers to raise salaries, hire additional staff, and offer professional development opportunities. House 2 continues to support the Early Education and Care Staff Pilot Program, which gives workers in EEC-licensed child care programs priority access to financial assistance for their own child care needs. This pilot program serves as a vital support for the sector's workforce, including early educators and support staff, transportation, and kitchen staff. It is also an effective recruitment and retention tool for providers.

To support this important work, House 2 also continues \$10 million for an early education career pathways program at the state's community colleges, informed by industry needs and supplementing significant investments in public higher education more generally.

Literacy Launch: Reading Success from Age 3 through Grade 3

House 2 proposes funding to jump-start the Healey-Driscoll Administration's new Literacy Launch program to improve early literacy rates among the state's youngest learners. This

Budget Brief: Access to Education

strategic investment of \$30 million represents year one of a new, multi-year initiative to improve how our youngest students learn to read. Literacy Launch will build off demonstrated best practices to support districts with professional development, technical assistance, assessment and screening, and the adoption of evidence-based, high-quality materials to ensure that all school districts and child care providers have the knowledge and materials needed for successful literacy education.

A Promise to Massachusetts' Learners: The Student Opportunity Act

The Student Opportunity Act (SOA), enacted in 2019, has supported historic investments to advance high-quality K-12 education across the state. House 2 fully implements the fourth year of this landmark legislation, recommending \$7.6 billion to ensure that a high-quality education is available to all learners in Massachusetts, regardless of zip code or socio-economic status.

The cornerstone of state funding for K-12 education comes through the Chapter 70 aid program. Chapter 70 establishes a foundation budget representing the total cost of a high-quality education for all students within a school district, and then partners with districts to ensure this funding is available. House 2 proposes funding Chapter 70 school aid at \$6.86 billion, a \$263 million (+4%) increase over FY24. This increase builds on last year's historic investment in Chapter 70, which represented the largest nominal increase in the history of the program.

For more information on how House 2 recommends supporting school districts and municipalities, please see the **Local Aid Budget Brief**.



Early College and Pathways

To expand student access to career and college readiness programming, House 2 includes \$47.8 million for high school pathways programs such as Early College and Innovation Career Pathways, including a \$5 million dollar investment in broader pathway program support. This investment will expand opportunities for high school students across the state to explore college and career pathways before graduating high school.

Account	FY25 H.2
Early College Programs	15.0 M
Dual Enrollment Grant and Subsidies	12.6 M
School-to-Career Connecting Activities	7.3 M
Career Technical Partnership Grants	5.4 M
Early College and Innovation Pathways (Fair Share)	5.0 M
Career and Technical Education Program	2.5 M
Total	47.8 M

Early College programs combine high school and college programming, providing students with opportunities to complete college-level coursework for free while exploring potential future career paths. By reducing the time and expense of earning college credentials and by demystifying the experience, early college programs increase the likelihood that individuals will complete their college degree or certificate programs. As of FY24, 58 Massachusetts high schools are participating in more than 50 partnerships with institutions of higher education.

The Innovation Career Pathways program connects high school students with applied, hands-on coursework and work opportunities in high-demand industries, such as clean energy, manufacturing, healthcare, and information technology. As of FY24, 78 high schools in Massachusetts have Innovation Career Pathways programs, allowing nearly 7,000 students to enroll in the program.

The Early College program recommended in this budget would provide approximately 10,000 students the opportunity to participate in pathways programs for the 2024-2025 school year, allowing them to earn up to 12 college credits before graduating from high school. House 2 would also give 8,400 students the opportunity to enroll in Innovation Career Pathways coursework across priority industries.

Support Mental Health

Schools serve not only as a place for students to learn, but also as a support system for children from birth through young adulthood, during an important period in their behavioral and mental health development. While its significance predates the pandemic, challenges of recent years have underscored the importance of focusing on student mental health. Acknowledging this, House 2 proposes \$24.9 million for mental and social-emotional health supports, including funds to develop and implement a statewide birth through higher education framework for mental and behavioral health.

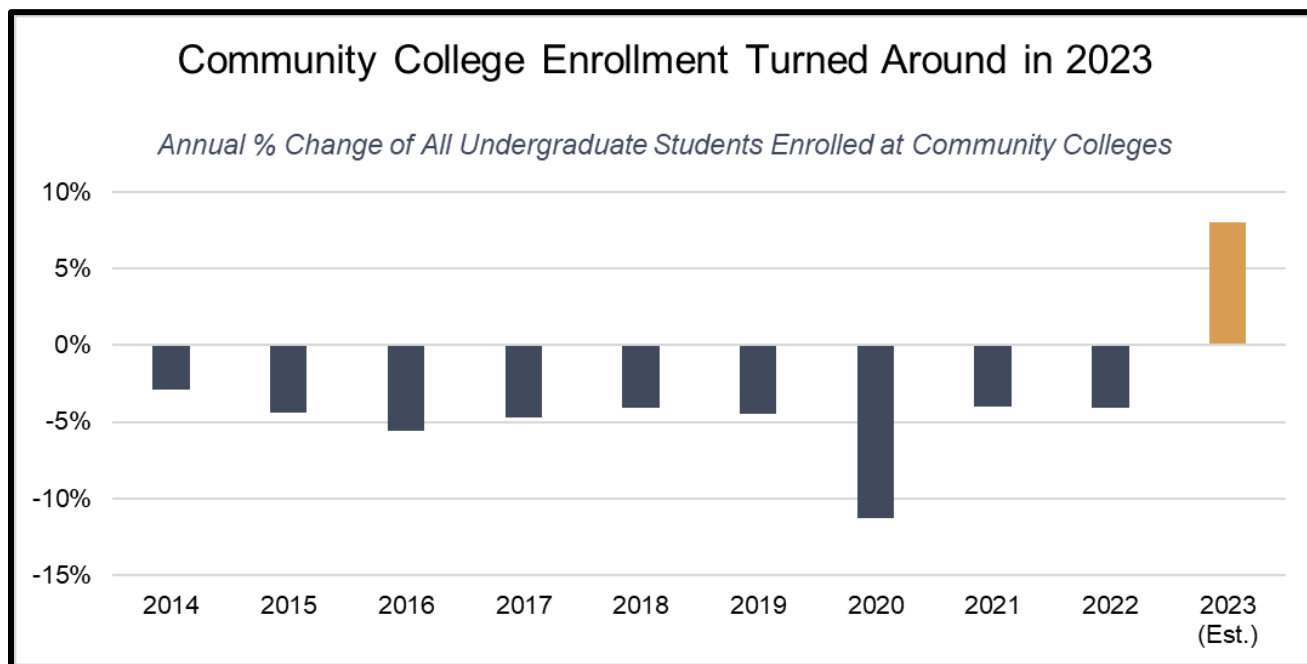
Account	FY25 H.2
Social Emotional Learning Grants	6.0 M
Early Childhood Mental Health Consultation Services	5.0 M
Mental Health Systems and Wrap-around Supports (Fair Share)	5.0 M
State University & Community College Mental Health	4.2 M
UMass Student Behavioral Health Services	4.0 M
Safe and Supportive Schools	0.7 M
Total	24.9 M

Affordable Higher Education and Strategic Investments

House 2 advances the Healey-Driscoll Administration's commitment to accessible and high-quality higher education, expanding college and career pathway opportunities for high school students and sustaining historic financial aid expansion to make public higher education more affordable. House 2 also proposes leveraging Fair Share revenues to unlock capital asset transformation across the state's higher education campuses.

MassReconnect provides students 25 years of age and older without a higher education credential the opportunity to obtain a free associate degree at any public community college in Massachusetts. This program empowers students to complete their education and pursue training for in-demand jobs across industries, including health care, education, clean energy, advanced manufacturing, and behavioral health. Since its creation, more than 4,500 students have received MassReconnect grants, including more than 2,000 *new* students 25 years and older who enrolled in community colleges this past fall semester. More than 8,400 new students ages 25+ enrolled in community colleges in fall 2023, a 45% increase over fall 2022.

Overall, enrollment across the state's 15 community colleges grew by 8.7% in fall 2023 as MassReconnect opened doors to opportunity for thousands of returning students. FY25 House 2 furthers this important investment, recommending \$24 million in funding for MassReconnect, a \$4 million (+20%) increase above FY24 GAA.



To improve access to higher education, House 2 proposes \$255.2 million overall for financial aid and student success. In addition to our growing investment in MassReconnect, this includes \$80 million in Fair Share funding to sustain the expansion of MASSGrant Plus and support additional financial aid expansion. MASSGrant Plus covers tuition, fees, books, and supply costs for Pell Grant-eligible students and reduces out-of-pocket expenses for middle-income students by up to half. Additionally, this investment also includes \$175.2 million for the Massachusetts State Scholarship Program, which provides financial assistance to Massachusetts students enrolled in and pursuing a program of higher education in any approved public or independent college, university, school of nursing or any other approved institution furnishing a program of higher education.

Higher Education Capital Funding

Institutional supports are essential to maintaining functional and modern campuses for students. House 2 recognizes the importance of investments in high-quality infrastructure for our public institutions of higher education, recommending \$125 million in Fair Share funding to expand bonding capacity and support capital improvements across campuses. These investments will support the study, design, and construction of campus instructional lab facilities, infrastructure modernization, decarbonization, and critical repairs, while helping to address the growing backlog of deferred maintenance across higher education institutions.

Fair Share revenues offer the opportunity to leverage this new funding source for transformative investments in the state's higher education facilities. In order to make the most of our Fair Share capital investments, House 2 calls for the Secretary of Administration and Finance to convene a working group to develop a comprehensive facility financing plan that will consider the future needs of the public higher education system to provide affordable, equitable, and competitive higher education in Massachusetts.

Budget Brief: Access to Education

This planning effort is expected to result in creation of a permanent financing structure to leverage Fair Share revenues to support the issuance of up to \$2.5 billion of debt for the benefit of public higher education capital needs over 10 years.

The working group will examine and develop recommendations on ways in which public higher education facilities in Massachusetts can better serve the educational needs of students, prepare the workforce of the future, unlock talent and opportunity, promote the mental health and wellness of students, support equity and inclusion, provide access to diverse and non-traditional students, manage cost and improve facility conditions, uplift and support our communities, prepare for future economic growth and investment in the state, incubate innovation, facilitate opportunities for housing production, and remain consistent with the state's ambitious decarbonization, climate resiliency, and mitigation goals.

Through these strategic and historic education investments, the Healey-Driscoll Administration will continue to make high-quality education more accessible and attainable throughout the state, at every stage of learning and life.