



THE GENERAL COURT OF MASSACHUSETTS

JOINT COMMITTEE ON EDUCATION

TITLE: *An Act relative to educational opportunity for students*

CURRENT STATUTE (for reference):

- MGL Ch. 10 establishes the department of the state treasurer and its functions.
- MGL 10:35LLL establishes the Garden of Peace Trust Fund
- MGL Ch. 15 establishes the department of elementary and secondary education (DESE)
- MGL 69:1 indicates that the powers and duties of the department of elementary and secondary education include ensuring a quality education to all children including English learners and children with disabilities.
- MGL 69:1I pertains to the performances of public school districts and individual public schools and student assessments.
- MGL 70:2 provides definitions related to school funding for chapters 70, 15, 69, and 71.
- MGL 70:3 establishes a foundation budget for all municipal school districts, regional school districts, and vocational schools.
- MGL 70:3A pertains to the data necessary to generate the required minimum local contribution and state aid components as well as required bimonthly updates from DESE.
- The first sentence of MGL 70:4 requires a periodic foundation budget review commission to review how foundation budgets are calculated and make recommendations for potential changes to those calculations.
- MGL 70:5 establishes that overburden aid for municipalities will be reduced by 75 per cent of any increase from the following year.
- MGL 70:6 pertains to contributions by municipalities for the support of their local schools and school districts.
- MGL 70:7 establishes criteria for reducing the amount appropriated to a district.

- MGL 70:9 requires districts to report annually the amount they spend on certain expenses.
- MGL 70:10 stipulates how municipal aid will be calculated.
- MGL 70:12 stipulates that the amount for state school aid each year will be equal to the adjusted prior year amount and the education improvement amount.
- MGL 70:13 explains how funds are allocated among municipalities and indicates that any additional funds should first be used to cover minimum aid and then allocated to cover foundation aid, equity aid, and overburden aid.
- MGL 70B:7 limits the amount of grants approved by the school building authority in a given fiscal year.
- MGL 71:1 refers to maintaining the number of school days, prohibits double sessions, stipulates subjects that should be taught, gives regulations around establishing a 12 month school year, and provides for the creation of a model violence prevention curriculum.
- MGL 71:89 establishes that charter schools are public schools and that their purpose is to provide innovative programs in education and greater choices for parents and students. This section also defines Commonwealth and Horace Mann charter schools
- MG 71B:5A establishes the special education reimbursement program.
- MGL 71B:14 provides that districts will receive reimbursement for transportation costs associated with students in special education programs.

SUMMARY:

SECTION 1: Amends MGL Ch. 10 by inserting a new section establishing a Twenty-First Century Education Trust Fund, to be administered by the Commissioner of Elementary and Secondary Education in consultation with the Twenty-First Century Education Advisory Council.

SECTION 2: Requires the definitions in MGL 70:2 to apply to Ch. 15.

SECTION 3: Requires the definitions in MGL 70:2 to apply to Ch. 69.

SECTION 4: Adds 2 new sections to MGL Ch. 69 as follows:

Section 1R. (a) Charges the Commissioner with establishing statewide targets and annual benchmarks for addressing persistent disparities in student achievement among student subgroups by subject matter and grade level, both in the aggregate and within subcategories.

(b) Requires districts to establish targets for addressing persistent disparities in student achievement that are consistent with state targets, and develop 3 year plans to meet said targets with input from parents and relevant community stakeholders.

(c) Requires a district's 3 year plan to include a description of how Ch.70 funds will be allocated by foundation category among schools to support the 3 year plan and the relationship between the allocation of funds and the needs of the district's English learners and low-income students, a description of the programs and supports the district will implement to address persistent disparities in student achievement, metrics the district will use to measure their success. DESE is directed to develop standard metrics that may be incorporated into districts' 3 year plans which may include results from statewide assessments, English proficiency assessments, and grade level completion and attendance data.

(d) Requires districts submit 3-year plans to DESE to ensure it sets forth clear and achievable goals and standards for student improvement and annually submit plans to track success. Districts will be required to amend plans not in compliance with DESE standards Plans shall be made available on both DESE's and submitting districts' websites.

(e) Requires the Commissioner to submit an annual December 31st report to the legislature on the statewide progress being made addressing persistent disparities in student achievement.

(f) Enables DESE to authorize school districts to combine reporting required in this section with that required in MGL 69:11.

Section 1S. (a) Charges the Secretary of Education with collecting and making publicly available district and high school level data on student preparedness for workforce and post-graduated success. This shall be done in consultation with the data advisory commission established in SECTION 14, school districts, DESE, DHE, and other relevant state agencies

(b) Requires the Secretary to report annually, by December 31, to the legislature on student preparedness for workforce and post-graduate success. Report shall include factors that limit access to any programs indicated in this section.

(c) Enables DESE to authorize school districts to combine the reporting required in this section with that required in MGL 69:11.

SECTION 5: Amends MGL Ch.70 by striking and replacing sections 2 and 3 with the following:

Section 2. (a) Establishes a definitions section to be applied to this chapter as well as chapters 15, 69, and 71:

- "Assumed in-school special education enrollment" – changes this definition to 4% (as opposed to 3.75%) of the total foundation enrollment in a district plus 5% (as opposed to 4.75%) of vocational school enrollment
- "Assumed tuitioned-out special education enrollment" – same as current statute
- "Base aid" – updates this definition by eliminating outdated language

- “Board” – updates as “the board of elementary and secondary education”
- “Chapter 70 school aid” – a **new term** defined as, for each district, the greater of foundation aid or the sum of base aid and minimum aid
- “Combined effort yield” – a **new term** defined as the sum of a municipality’s equalized property valuation multiplied by the uniform property percentage and its municipal income multiplied by the uniform income percentage
- “Commissioner” – updates as the “commissioner of elementary and secondary education”
- “Department” – updates as “the department of elementary and secondary education”
- “District” or “School district” – expands upon this definition in current statute to include independent vocational schools or vocational/agricultural schools operated by a county
- “Effort reduction percentage” – a **new term** defined as the percentage of excess effort to be reduced in a given fiscal year and applied to each municipality with excess effort in the calculation of the required local contribution
- “English learner” – a **new term** that provides reference to MGL 71A:2
- “Equalized property valuation” – slightly changes current definition by specifying that this shall mean the most recent equalized property valuation for a municipality (as opposed to the annual equalized property valuation for a municipality)
- “Excess effort” – a **new term** defined as a municipality’s preliminary local contribution minus its target local contribution, but not less than 0
- “Foundation aid” – updates current definition to mean the difference between the district’s foundation budget and the required local contribution (as opposed to aid amounts payable to municipalities in any fiscal year equal to the foundation gap multiplied by the statewide foundation aid percent)
- “Foundation allotments” – a **new term** defined as the sum of the foundation category costs for each district and specifies that in each year, the rate for employee benefits and fixed charges shall not be less than the prior year’s rate adjusted by the foundation employee benefits inflation rate while the per pupil rate for each foundation category shall not be less than the prior year’s foundation per pupil rate adjusted by the foundation inflation index

- “Foundation budget” – updates this definition to reflect current practice/foundation categories and eliminates outdated language pertaining to calculations based on foundation categories that are no longer in use
- “Foundation employee benefits inflation rate” – a **new term** that is defined as the average annual rate of growth for the employer’s share of the average premium of all Group Insurance Commission (GIC) plans over the past 3 fiscal years as calculated by the GIC
- “Foundation enrollment” – no substantive change from current statute
- “Foundation increments” – a **new term** defined as the additional resources provided for low-income students and English learners; the foundation increment for low-income students shall be based on the low-income group into which each district is assigned, which shall be determined by the share of low-income students in the district (expressed as a percent of total enrollment)
- “Foundation inflation index” – updates this definition to reflect current practice
- “General revenue sharing aid” – updates this definition
- “Low income” – a **new term** that is defined as a designation for those students whose families’ incomes are not more than 185% of the federal poverty guidelines used to determine financial eligibility for certain federal programs; provided, that the Department is charged with developing a method to estimate the share of low-income students in each district if a consistent and accurate method for determining low-income eligibility of all students is not available for all districts
- “Minimum aid” – updates this definition to mean the greater of a district’s minimum aid adjustment and a district’s foundation enrollment multiplied by a per pupil dollar amount specified annually in the general appropriations act, which shall not be less than \$30
- “Minimum aid adjustment” – a **new term** that is defined as the sum of chapter 70 aid for each district as described in MGL 70:3 based upon foundation rates established prior to this act and a district’s foundation enrollment multiplied by \$30
- “Municipal income” – a **new term** that is defined as the most recent aggregate personal income for a municipality as determined by the Department of Revenue
- “Municipal revenue growth factor” – no substantive change from current statute
- “Net school spending” – updates this definition to include tuition payments for students attending charter schools
- “Preliminary local contribution” – updates this definition by eliminating language pertaining to outdated methods of calculation

- “Required local contribution” – a **new term** defined as a municipality’s preliminary local contribution; if the preliminary local contribution is greater than the target local contribution, then the preliminary local contribution shall be reduced by the product of its excess effort and the effort reduction percentage; codifies into law the 2006 equity reform
- “Required net school spending” – a **new term** defined as the sum of a district’s chapter 70 school aid and its required local contribution
- “Target local contribution” – a **new term** defined as the lesser of a municipality’s combined effort yield or 82.5% of its total foundation budget
- “Target local share” – a **new term** defined as the percentage of each municipality’s foundation budget
- “Uniform income percentage” and “uniform property percentage” – a **new term** defined as (i) the factors calculated by the Commissioner so that the total state equalized property valuation multiplied by the uniform property percentage is equal to the total statewide municipal income multiplied by the uniform income percentage and (ii) the total state target local contribution is equal to a per cent of total state foundation budget which shall not exceed 59%
- “Wage adjustment factor” – no substantive change

(b) Requires the Board to promulgate regulations as needed to implement this section and file said regulations with the legislature not less than 60 days before adoption.

Section 3. (a) Sets forth foundation budget rates by enrollment category and foundation increment. These rates, adjusted for inflation will be used to determine the foundation budget for districts in a given year.

(b) Requires the Board to promulgate regulations as needed to implement this section and file said regulations with the legislature not less than 60 days before adoption.

SECTION 6: Amends MGL 70:3A by striking outdated language.

SECTION 7: Amends MGL 70:4 by striking language that requires there to periodically be a foundation budget review and replacing it with new language that specifies that such commission shall be established not less than every 10 years.

SECTION 8: Repeals an outdated section of current statute – MGL 70:5.

SECTION 9: Amends MGL 70: 6 to reflect technical changes and align district spending requirements with current practices as follows:

Section 6. Requires each municipality to annually appropriate for the support of its public schools in an amount not less than the net school spending requirement and not less than its minimum required local contribution for each regional school district to which the municipality belongs.

Charges the Commissioner with estimating and reporting such amounts to each municipality and regional school districts no later than March 1 for the following fiscal year and with revising such estimates within 30 days of the enactment of the annual general appropriations act.

SECTION 10: Repeals an outdated section of current statute – MGL 70:7.

SECTION 11: Further amends MGL Ch. 70 by striking and replacing sections 9 and 10 with the following:

Section 9. Charges the Commissioner with requiring each school district to report district and school level data on expenditures and staffing for each foundation budget category with said reports made publicly available on the department’s website.

Section 10. Aligns district spending requirements with current practices.

SECTION 12: Repeals an outdated section of current statute – MGL 70:12.

SECTION 13: Further amends MGL Ch. 70 by striking and replacing section 13 with the stipulation that if, in a fiscal year, the amount appropriated for chapter 70 school is less than that prescribed in sections 2 and 3, foundation aid shall be prioritized.

SECTION 14: Further amends MGL Ch. 70 by adding 2 new sections as follows:

Section 16. (a) Establishes a Twenty-First Century Education program to address persistent disparities in achievement among student subgroups and to share best practices for classroom learning and increase efficiency within and across school districts and enables the Commissioner to expend funds from the Twenty-First Century Education Trust Fund established in MGL 10:35MMM for this program.

(b) Establishes a 6-person Twenty-First Century Education Advisory Council whose members shall have diverse expertise and demonstrated success in areas such as improving educational outcomes through nontraditional programming, replicating effective, evidence-based practices, or evaluating various educational approaches.

(c) Charges the Commissioner with consulting with said advisory council on the implementation of the Twenty-First Century Education Program.

Enables the advisory council to receive and consider input from expert individuals, educators, school administrators, and other relevant organizations with expertise consistent with this section.

(d) Establishes a competitive grant program for all public schools and districts to be administered by the Commissioner, who may give preference to applications that include: (a) approaches to addressing persistent disparities in achievement among student subgroups; and (b) ways to increase efficiencies and educational quality within and across districts.

Enables the Commissioner to provide funds and other supports to ensure that every public school and district, including those implementing turnaround plans, has the opportunity to apply for said grants.

(e) Requires public schools and districts awarded funds under this section to work with the Commissioner to analyze the effectiveness of their initiatives and participate in the replication of effective best practices.

(f) Enables a public school or district that is awarded funds under this section to submit to the Commissioner a written request for a waiver of 1 or more provisions of state education regulations so that they can implement programs, schedules or other services to improve student learning.

(g) Enables monies in the fund to be used to support the replication and dissemination of best practices generated through the grant program or proven turnaround efforts.

(h) Requires the Commissioner to submit an annual report to the legislature on the expenditures from the Twenty-First Century Education Trust Fund.

Section 17. (a) Charges the Commissioner with convening a Data Advisory Commission for the purpose of improving the use of state, district, and school-level data to inform effective resource allocations at the district and school levels. The Commission will be comprised of 13 members and will make recommendations on using data more effectively to assess student needs and address persistent disparities in achievement.

(b) Charges the data advisory commission with annually reporting on its progress to the Board and requires said report to be made publicly available.

SECTION 15: Amends MGL Ch. 70B to increase the limit on the estimated amount of grants approved by the Massachusetts School Building Authority to \$750,000,000 (for fiscal year 2020). The cap, which is currently around \$600,000,000, will be annually updated for inflation.

SECTION 16: Amends MGL Ch. 71 by inserting a new section that stipulates definitions in MGL 70:2 shall apply to MGL Ch. 71.

SECTION 17: Amends MGL 71B:5A by striking and replacing subsections (a) through (c) with the following:

(a) Establishes a special education reimbursement program to reimburse municipalities for eligible instructional costs and required out-of-district transportation costs associated with educating students receiving special education services.

(b) Establishes definitions that amend the state’s special education circuit breaker program to establish an annual eligibility threshold based on the current amount, updated for inflation annually.

(c) Makes 75% of all instruction and out of district transportation costs that exceed the approved costs threshold eligible for reimbursement.

SECTION 18: Further amends MGL 71B:5A by adding a new subsection that requires priority be given to instructional costs if, in a fiscal year, the amount appropriated under this section is less than that prescribed in subsection (c).

SECTION 19: Repeals an outdated section of current statute – MGL 71B:14.

SECTION 20: (a) Charges the Division of Local Services and DESE with jointly conducting a study and reporting on the equity and accuracy of the method of determining each municipality’s ability to contribute toward education funding and the calculation of each municipality’s required local contribution.

(b) Requires the Division and DESE to file a report with the legislature on this study, which shall be an examination of the foundation budget contribution changes put in place in 2006 and an assessment of the impact of the foundation budget changes made in this act on those changes.

(c) Requires the report to include recommendations on revisions to the method of determining required local contribution, the maximum required local contribution as a percentage of the foundation budget, and the target state share of statewide foundation budget to improve equity, predictability, and accuracy.

SECTION 21: (a) Establishes a 9-member special commission to study and make recommendations on the long-term fiscal health of rural school districts that are facing or may face declining enrollment.

(b) Charges the commission with studying and reporting on economic and enrollment trends and projections in rural communities and an analysis of the fiscal health of regional school districts, including recommendations on ways to reorganize schools and districts and consolidate various functions.

(c) Requires the commission to file its report and recommendations with the legislature by June 30, 2020.

SECTION 22: Charges DESE with submitting a report to the legislature on a method for estimating the number of low-income students by November 1, 2020 for use in fiscal year 2022. In fiscal year 2021, the number of low-income students in each district shall be the greater of the current direct certification count or the share of the low-income students based on such measure used in fiscal year 2016, applied to the current projected enrollment for the district.

SECTION 23: Establishes a funding schedule for the appropriations of charter school tuition reimbursements, as follows:

- not less than 75% of all eligible costs in fiscal year 2021;
- not less than 90 per cent of all eligible costs in fiscal year 2022; and
- not less than 100 per cent of all eligible costs in fiscal year 2023.

SECTION 24: Stipulates that the reimbursement of the costs of out-of-district transportation costs for students receiving special education services shall be in accordance with the following schedule:

- 25% of all required out-of-district transportation costs eligible for reimbursement in fiscal year 2021;
- 50% of all required out-of-district transportation costs in eligible for reimbursement in fiscal year 2022;
- 75% of all required out-of-district transportation costs eligible for reimbursement in fiscal year 2023; and
- 100% of all required out-of-district transportation costs eligible for reimbursement in fiscal year 2024.

SECTION 25: Requires the first annual report submitted pursuant to subsection (b) of MGL 69:1S to assess the availability of the information identified in said section 1S and establish a plan to enable the collection and dissemination of said information by schools and districts.

SECTION 26: Requires the foundation and increment amounts set forth in this act to be fully incorporated in the general appropriations act no later than fiscal year 2027.