

HOUSE No. 2824

The Commonwealth of Massachusetts

PRESENTED BY:

Natalie M. Higgins and Christine P. Barber

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to support educational opportunity for all.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|------------------------------------|-----------------------|------------------|
| <i>Natalie M. Higgins</i> | <i>4th Worcester</i> | <i>1/17/2023</i> |
| <i>Christine P. Barber</i> | <i>34th Middlesex</i> | <i>1/17/2023</i> |
| <i>Mindy Domb</i> | <i>3rd Hampshire</i> | <i>1/23/2023</i> |
| <i>Lindsay N. Sabadosa</i> | <i>1st Hampshire</i> | <i>1/24/2023</i> |
| <i>Manny Cruz</i> | <i>7th Essex</i> | <i>1/24/2023</i> |
| <i>Samantha Montaño</i> | <i>15th Suffolk</i> | <i>1/24/2023</i> |
| <i>Susannah M. Whipps</i> | <i>2nd Franklin</i> | <i>1/24/2023</i> |
| <i>Kenneth I. Gordon</i> | <i>21st Middlesex</i> | <i>1/24/2023</i> |
| <i>Patricia A. Duffy</i> | <i>5th Hampden</i> | <i>1/24/2023</i> |
| <i>Tram T. Nguyen</i> | <i>18th Essex</i> | <i>1/25/2023</i> |
| <i>Brian W. Murray</i> | <i>10th Worcester</i> | <i>1/25/2023</i> |
| <i>Jack Patrick Lewis</i> | <i>7th Middlesex</i> | <i>1/26/2023</i> |
| <i>Margaret R. Scarsdale</i> | <i>1st Middlesex</i> | <i>1/26/2023</i> |
| <i>James K. Hawkins</i> | <i>2nd Bristol</i> | <i>1/27/2023</i> |
| <i>David Henry Argosky LeBoeuf</i> | <i>17th Worcester</i> | <i>1/31/2023</i> |
| <i>Ryan M. Hamilton</i> | <i>15th Essex</i> | <i>1/31/2023</i> |
| <i>Vanna Howard</i> | <i>17th Middlesex</i> | <i>2/3/2023</i> |
| <i>Carol A. Doherty</i> | <i>3rd Bristol</i> | <i>2/3/2023</i> |

| | | |
|------------------------------|--------------------------------|-------------------|
| <i>Mary S. Keefe</i> | <i>15th Worcester</i> | <i>2/8/2023</i> |
| <i>Tricia Farley-Bouvier</i> | <i>2nd Berkshire</i> | <i>2/8/2023</i> |
| <i>James B. Eldridge</i> | <i>Middlesex and Worcester</i> | <i>2/21/2023</i> |
| <i>Erika Uytterhoeven</i> | <i>27th Middlesex</i> | <i>2/23/2023</i> |
| <i>Mike Connolly</i> | <i>26th Middlesex</i> | <i>10/17/2023</i> |
| <i>Danillo A. Sena</i> | <i>37th Middlesex</i> | <i>3/15/2024</i> |

HOUSE No. 2824

By Representatives Higgins of Leominster and Barber of Somerville, a petition (accompanied by bill, House, No. 2824) of Natalie M. Higgins, Christine P. Barber and others relative to the imposition of an annual excise tax upon certain private institutions of higher learning. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 2931 OF 2021-2022.]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act to support educational opportunity for all.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 63 of the General Laws, as appearing in the 2012 Official Edition,
2 is hereby amended by inserting after section 38FF the following section:

3 SECTION 38GG. (a) Any private institution of higher learning that has an endowment
4 fund with aggregate funds in excess of \$1,000,000,000 shall be subject to an annual excise of 2.5
5 per cent of all monies in aggregate in said endowment fund. For the purposes of this section an
6 endowment fund shall be an institutional fund, which may consist of multiple funds, of a private
7 institution of higher learning not wholly expendable by the institution on a current basis under
8 the terms of the applicable gift instrument. All monies collected from this annual excise shall be
9 deposited in the Educational Opportunity for All Trust Fund established by subsection (b) of this
10 section.

11 (b) There is hereby established and set up on the books of the commonwealth a separate
12 fund to be known as the Educational Opportunity for All Trust Fund, hereinafter called the fund.
13 The fund shall be administered by the executive office of education, as directed by the
14 Educational Opportunity for All Trust Fund Board of Trustees established in subsection (c), and
15 in consultation with the department of higher education and the department of early education
16 and care. The fund shall be used exclusively for the purposes of subsidizing the cost of higher
17 education, early education and child care for lower-income and middle-class residents of the
18 commonwealth. No expenditure from the fund shall cause the fund to be in deficiency at the
19 close of a fiscal year.

20 (c) The Educational Opportunity Trust Fund shall be managed by a board to be known as
21 the Educational Opportunity for All Trust Fund Board of Trustees, hereby established, which
22 shall have general supervision of the trust and shall direct all expenditures from the fund. The
23 full duties and obligations of the board shall be set forth in a declaration of trust to be adopted by
24 the board. The board of trustees shall consist of 7 trustees, including the commissioner of the
25 department of higher education or a designee, the commissioner of the department of early
26 education & care or a designee, and 5 additional trustees, 1 of whom shall have demonstrated
27 expertise in higher education appointed by the President of the Senate, 1 of whom shall have
28 demonstrated expertise in early education and child care appointed by the Speaker of the House,
29 1 of whom shall have demonstrated expertise in representing the child care workforce as a leader
30 in a labor organization appointed by the President of the Senate, 1 of whom shall be an employee
31 of a Massachusetts community college as defined in section 10 of Chapter 15A appointed by the
32 Speaker of the House, and 1 of whom shall be an employee of a private institution of higher
33 learning subject to

34 the annual excise tax established in subsection (a) of this section appointed by the
35 secretary of education. The appointed trustees shall serve for terms of two years. Trustees shall
36 be eligible for reappointment. The members of the board shall elect 1 of the trustees to serve as
37 the chair.