

SENATE No. 2350

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

SENATE, September 24, 2019

The committee on Ways and Means to whom was referred the Senate Bill relative to educational opportunity for students (Senate, No. 2348),-- reports, recommending that the same ought to pass with an amendment substituting a new draft with the same title (Senate, No. 2350).

For the committee,
Michael J. Rodrigues

SENATE No. 2350

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An Act relative to educational opportunity for students.

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 10 of the General Laws is hereby amended by inserting after
2 section 35LLL the following section:-

3 Section 35MMM. (a) There shall be a Twenty-First Century Education Trust Fund that
4 shall be administered by the commissioner of elementary and secondary education in
5 consultation with the Twenty-First Century Education Advisory Council. The fund shall be
6 credited with: (i) appropriations, bond proceeds or other money authorized or transferred by the
7 general court and specifically designated to be credited to the fund; (ii) funds from public and
8 private sources, including, but not limited to gifts, grants and donations; and (iii) any interest
9 earned on such money. Revenues deposited in the fund that are unexpended at the end of a fiscal
10 year shall not revert to the General Fund and shall be available for expenditure in the following
11 fiscal year. No expenditure made from the fund shall cause the fund to become deficient at any
12 point.

13 (b) Annually, not later than December 1, the commissioner shall submit a report detailing
14 expenditures from the trust fund to the clerks of the house of representatives and the senate, the
15 house and senate committees on ways and means and the joint committee on education.

16 SECTION 2. Chapter 15 of the General Laws is hereby amended by inserting after
17 section 1 the following section:-

18 Section 1¼. The definitions in section 2 of chapter 70 shall apply to this chapter.

19 SECTION 3. Chapter 69 of the General Laws is hereby amended by inserting after
20 section 1 the following section:-

21 Section 1¼. The definitions in section 2 of chapter 70 shall apply to this chapter.

22 SECTION 4. Said chapter 69 is hereby further amended by inserting after section 1Q,
23 inserted by section 2 of chapter 438 of the acts of 2018, the following 2 sections:-

24 Section 1R. (a) The commissioner shall establish statewide targets for addressing
25 persistent disparities in achievement among student subgroups in the aggregate and within
26 subcategories, including, but not limited to, subject matter and grade level. The targets shall
27 include annual benchmarks on the progress expected to be achieved in the aggregate and by
28 subcategory.

29 (b) Each district shall establish targets for addressing persistent disparities in achievement
30 among student subgroups consistent with the state targets. Each district shall develop a 3-year
31 plan to meet the targets. In developing the plan, the district shall consider input from parents and
32 other relevant community stakeholders.

33 (c) The 3-year plan shall be submitted in a form and manner prescribed by the
34 department and shall include, but not be limited to:

35 (i) a description of how funds received pursuant to chapter 70 will be allocated
36 among schools in the district, by foundation category, to be used in support of the plan; provided,
37 however, that the description shall include an explanation of the relationship between the
38 allocation of the funds and the educational needs of English learners and low-income students;

39 (ii) a description of the evidence-based programs, supports and interventions that
40 the school district will implement to address persistent disparities in achievement among student
41 subgroups, including, but not limited to: (A) expanded learning time in the form of a longer
42 school day or school year; (B) increased opportunity for common planning time for teachers; (C)
43 wraparound services to support students' social-emotional and physical health; (D) hiring school
44 personnel to best support improved student performance; (E) increased or improved professional
45 development; (F) purchase of curriculum materials and equipment that are aligned with the
46 statewide curriculum frameworks; and (G) expanding early education and pre-kindergarten
47 programming within the district, including those provided in partnership with community-based
48 organizations;

49 (iii) identification of outcome metrics used by the district to measure success in
50 addressing persistent disparities in achievement among student subgroups; provided, however,
51 that the department shall develop standard metrics that may be incorporated in district plans and
52 may include: (A) results from the statewide student assessment; (B) results from the English
53 proficiency assessment administered to English learners; (C) grade level completion and
54 attendance data; (D) participation in advanced coursework; and (E) other indicators of district
55 and school climate, diversity and performance; and

56 (iv) a description of how the district will effectuate and measure increased parent
57 engagement.

58 (d) Each district shall submit its plan to the department every 3 years. Upon receipt of a
59 district plan, the commissioner shall review the plan to ensure that it sets forth clear and
60 achievable goals and measurable standards for student improvement that comply with the
61 requirements of this section; provided, however, that the district shall amend any plan deemed
62 not in compliance. Following the submission of a 3-year plan, each district shall annually, not
63 later than April 1, submit to the department: (i) relevant data, pursuant to its plan, to assess
64 success in addressing persistent disparities in achievement among student subgroups; and (ii)
65 amendments to the plan that reflect changes deemed necessary to improve district performance
66 in meeting plan goals. Each plan shall be made publicly available on both the submitting
67 district's website and the department's website.

68 (e) Annually, not later than December 31, the commissioner shall submit a report to the
69 clerks of the senate and the house of representatives and the joint committee on education on the
70 progress made in addressing persistent disparities in achievement among student subgroups in
71 the aggregate and within subcategories on a statewide basis; provided, however, that district and
72 school level data shall be made available on the department's website along with the report.

73 (f) The department may authorize school districts to combine the reporting required in
74 this section with the reporting required from school districts pursuant to section 11.

75 Section 1S. (a) The secretary of education, in consultation with the data advisory
76 commission established in section 17 of chapter 70 and in conjunction with each public school
77 district, the department of elementary and secondary education, the department of higher
78 education and other relevant state agencies, shall collect and make publicly available data on
79 student preparedness for workforce and post-graduate success by school district and high school.
80 The data shall provide information on the success of students in completing coursework,

81 matriculating to post-secondary education or training coursework, completing post-secondary
82 coursework or training and entering the workforce. The data collected and made publicly
83 available shall include, but not be limited to:

84 (i) student access to high quality instruction and coursework, including, but not
85 limited to, the number of students enrolled in: (A) a MassCore curriculum; and (B) advanced
86 placement coursework;

87 (ii) student participation rates in college and career readiness programming; and

88 (iii) postsecondary application and acceptance rates.

89 (b) Annually, not later than December 31, the secretary shall report on student
90 preparedness for workforce and post-graduate success by school district and high school,
91 including any factors that limit access to any programs indicated in this section, to the clerks of
92 the house of representatives and the senate, the joint committee on education and the joint
93 committee on labor and workforce development.

94 (c) The department may authorize school districts to combine the reporting required in
95 this section with the reporting required from school districts pursuant to section 11.

96 SECTION 5. Chapter 70 of the General Laws is hereby amended by striking out sections
97 2 and 3, as appearing in the 2018 Official Edition, and inserting in place thereof the following 2
98 sections:-

99 Section 2. (a) As used in this chapter and in chapters 15, 69 and 71, the following words
100 shall have the following meanings unless the context clearly requires otherwise:

101 “Assumed in-school special education enrollment”, 4 per cent of the total foundation
102 enrollment in a district, not including vocational or preschool enrollment, plus 5 per cent of
103 vocational school enrollment.

104 “Assumed tuitioned-out special education enrollment”, 1 per cent of the total foundation
105 enrollment in a district, not including vocational or preschool enrollment.

106 “Base aid”, in a fiscal year, the amount of chapter 70 school aid provided to the district in
107 the prior fiscal year.

108 “Board”, the board of elementary and secondary education.

109 “Chapter 70 school aid”, for each district, the greater of: (i) foundation aid; or (ii) the sum
110 of base aid and minimum aid; provided, however, that no nonoperating district shall receive
111 chapter 70 school aid in an amount greater than its foundation budget.

112 “Combined effort yield”, the sum of: (i) a municipality’s equalized property valuation
113 multiplied by the uniform property percentage; and (ii) its municipal income multiplied by the
114 uniform income percentage.

115 “Commissioner”, the commissioner of elementary and secondary education.

116 “Department”, the department of elementary and secondary education.

117 “District” or ”School district”, the school department of a city or town, a regional school
118 district, an independent vocational school or a vocational school or agricultural school operated
119 by a county.

120 “Effort reduction percentage”, the percentage of excess effort to be reduced in a given
121 fiscal year, as specified annually in the general appropriations act, and applied to each
122 municipality with excess effort in the calculation of the required local contribution.

123 “English learner”, as defined in section 2 of chapter 71A.

124 “Equalized property valuation”, the most recent equalized property valuation for a
125 municipality as determined by the department of revenue pursuant to sections 9, 10 and 10C of
126 chapter 58.

127 “Excess effort”, a municipality’s preliminary local contribution minus its target local
128 contribution; provided, however, that “excess effort” shall not be less than 0.

129 “Foundation aid”, for each district, the difference between the district’s foundation
130 budget and the required local contribution.

131 “Foundation allotments”, the sum of the foundation category costs for each district;
132 provided, however, that the sum in each foundation category shall be the product of enrollment
133 in each foundation enrollment category that is eligible for the respective foundation category and
134 the per-pupil rate assigned to each foundation category; provided further, that in each year, the
135 per-pupil rate for each foundation category, except employee benefits and fixed charges, shall
136 not be less than the prior year’s foundation per-pupil rate adjusted by the foundation inflation
137 index; and provided further, that in each year, the rate for employee benefits and fixed charges
138 shall not be less than the prior year’s rate adjusted by the foundation employee benefits inflation
139 rate.

140 “Foundation budget”, the sum of the foundation allotments for the following foundation
141 categories: (i) administration; (ii) instructional leadership; (iii) classroom and specialist teachers;
142 (iv) other teaching services; (v) professional development; (vi) instructional materials, equipment
143 and technology; (vii) guidance and psychological services; (viii) pupil services; (ix) operations
144 and maintenance; (x) employee benefits and fixed charges; and (xi) special education tuition.

145 “Foundation employee benefits inflation rate”, the average annual rate of growth for the
146 employer share of the average premium of all group insurance commission plans over the 3 prior
147 fiscal years as calculated by the group insurance commission.

148 “Foundation enrollment”, in a fiscal year, the number of students on October 1 for whom the
149 district is financially responsible, including students attending programs outside of the district for

150 whom the district is required to pay tuition; provided, however, that each student shall be
151 assigned to 1 of the following categories: (i) preschool; (ii) kindergarten, half-time; (iii)
152 kindergarten, full-time; (iv) elementary school; (v) junior high school or middle school; (vi) high
153 school; or (vii) vocational school.

154 “Foundation increments”, the additional resources provided for the education of students
155 designated as English learners or low-income; provided, however, that the increments shall be
156 constituted by the product of a district’s foundation enrollment deemed eligible for such
157 increments and the amounts assigned for each foundation category; provided further, that for
158 low-income students, the amount of the foundation increment shall be determined by the low-
159 income group into which each district is assigned; provided further, that districts shall be
160 assigned low-income groups based on the share of low-income students in the district; and
161 provided further, that the share of low-income students in the district shall be the quotient of: (i)
162 the number of low-income students as calculated under this section; and (ii) the foundation
163 enrollment.

164 “Foundation inflation index”, the lesser of: (i) the ratio of the value of the implicit price
165 deflator for state and local government purchases in the third quarter of the prior fiscal year to its
166 value in the third quarter of the fiscal year 2 years prior; and (ii) 1.045.

167 “General revenue sharing aid”, the amount of assistance from the commonwealth to a city or
168 town in a fiscal year from: (i) payments in lieu of taxes for state-owned land; and (ii) amounts
169 appropriated through items 1233-2400 and 1233-2350 in the annual general appropriations act.

170 “Low-income”, a designation for those students whose family’s income is not more than
171 185 per cent of the federal poverty guidelines used to determine financial eligibility for certain
172 federal programs; provided, however, that if a consistent and accurate method for determining

173 the income eligibility of all students is not available for all districts, the department shall develop
174 a method to estimate the share of low-income students in each district; and provided further, that
175 the department shall submit a report to the clerks of the house of representatives and the senate,
176 the house and senate chairs of the joint committee on education and the chairs of the house and
177 senate committees on ways and means on any estimation method not later than November 1 prior
178 to the implementation of any new estimation method in the following fiscal year.

179 “Minimum aid”, the greater of: (i) the difference between a district’s minimum aid
180 adjustment and the greater of a district’s base aid or foundation aid; and (ii) a district’s
181 foundation enrollment multiplied by a per-pupil dollar amount specified annually in the general
182 appropriations act, but which shall not be less than \$30, which shall be the minimum aid
183 increment above base aid.

184 “Minimum aid adjustment”, in each fiscal year, the sum of: (i) chapter 70 aid for each district
185 as described in section 3; provided, however, that the base and incremental rates used in the
186 calculation shall be those set forth in section 3 of chapter 41 of the acts of 2019; and (ii) a
187 district’s foundation enrollment multiplied by \$30.

188 “Municipal income”, the most recent aggregate personal income for a municipality as
189 determined by the department of revenue.

190 “Municipal revenue growth factor”, the change in local general revenues calculated by
191 subtracting 1 from the quotient calculated by dividing the sum of: (i) the maximum levy for the
192 fiscal year estimated by multiplying the levy limit of the prior fiscal year by a factor equal to
193 102.5 per cent plus the average of the percentage increases in the levy limit due to new growth
194 adjustments over the last 3 available years as certified by the department of revenue or as
195 otherwise estimated by the division of local services in the department of revenue where it

196 appears that a municipality may not be entitled to increase its minimum levy limit by 2.5 per
197 cent; provided, however, that if the highest percentage during such 3-year period exceeds the
198 average of the other 2 years' percentages by more than 2 percentage points, then the lowest 3 of
199 the last 4 years shall be used for such calculation; (ii) the amount of general revenue-sharing aid
200 for the fiscal year; and (iii) other budgeted recurring receipts, not including user fees or other
201 charges determined by the division of local services to be associated with the provision of
202 specific municipal services for the prior fiscal year, by the sum of: (A) the actual levy limit for
203 the prior fiscal year; (B) the amount of general revenue-sharing aid received for the prior fiscal
204 year; and (C) other recurring receipts, not including user fees or other charges determined by the
205 division of local services to be associated with the provision of specific municipal services
206 budgeted by the municipality for the fiscal year preceding the prior fiscal year, if any; provided
207 further, that for the purposes of this calculation, the levy limit shall exclude any amounts
208 generated by overrides applicable to any year after the fiscal year ending June 30, 1993; provided
209 further, that in the absence of an actual levy limit for the prior fiscal year, the actual levy limit
210 for the prior fiscal year shall be estimated by multiplying the actual levy limit of the fiscal year
211 preceding the prior fiscal year by a factor equal to 102.5 per cent plus the average of the
212 percentage increases in the levy limit due to new growth as specified above; provided further,
213 that such factor shall not be greater than the factor determined by subtracting 1 from the quotient
214 calculated by dividing total state school aid for the current fiscal year by total state school aid for
215 the prior fiscal year; and provided further, that in making any calculations required by this
216 definition, the division of local services may substitute more current information or such other
217 information as would produce a more accurate estimate of the change in a municipality's general
218 local revenues and the department shall use such growth factor to calculate preliminary

219 contribution, minimum contribution and any other factor that directly or indirectly uses the
220 municipal growth factor.

221 “Net school spending”, the total amount spent for the support of public education, including
222 tuition payments for children residing in the district who attend a school in another district or
223 other approved facility, including a charter school, determined without regard to whether such
224 amounts are regularly charged to school or nonschool accounts by the municipality for
225 accounting purposes; provided, however, that “net school spending” shall not include any
226 spending for school construction, long-term debt service, school meals, transportation of students
227 to and from their homes or adult and community learning programs; provided further, that “net
228 school spending” shall also not include expenditures from grants, other state aid programs,
229 tuition revenue or revenue from activities, admissions and other charges or any other revenue
230 attributable to public education; provided further, that such revenue shall be made available to
231 the school district that generated the revenue in addition to any financial resources made
232 available by municipalities or from state assistance; provided further, that the department, in
233 consultation with the department of revenue, shall promulgate regulations to ensure a uniform
234 method of determining which municipal expenditures are appropriated for the support of public
235 education and which revenues are attributable to public education in accordance with this
236 chapter; and provided further, that the regulations shall include provisions for resolving disputes
237 that may arise between municipal and school officials.

238 “Preliminary local contribution”, the product of: (i) a municipality’s required local
239 contribution for the prior fiscal year; and (ii) the sum of the municipality’s municipal revenue
240 growth factor and 1.

241 “Required local contribution”, a municipality’s preliminary local contribution; provided,
242 however, that if the preliminary local contribution is greater than the target local contribution,
243 then the preliminary local contribution shall be reduced by the product of its excess effort and the
244 effort reduction percentage; provided further, that if the preliminary local contribution as a
245 percentage of the foundation budget is between 2.5 and 7.5 percentage points below the target
246 local share, then the preliminary local contribution shall be increased by 1 per cent; provided
247 further, that if the preliminary local contribution as a percentage of the foundation budget is more
248 than 7.5 percentage points below the target local share, then the preliminary local contribution
249 shall be increased by 2 per cent; provided further, that in a municipality with a combined effort
250 yield equal to or greater than 175 per cent of its foundation budget, the required local
251 contribution shall not be less than 82.5 percent of the municipality’s foundation budget; and
252 provided further, that the commissioner shall allocate each municipality’s required local
253 contribution among the districts to which the municipality belongs and such allocation shall be in
254 proportion to each district’s share of the municipality’s foundation budget.

255 “Required net school spending”, the sum of a district’s chapter 70 school aid and its required
256 local contribution.

257 “Target local contribution”, the lesser of: (i) a municipality’s combined effort yield; or (ii)
258 82.5 per cent of its total foundation budget.

259 “Target local share”, the percentage of each municipality’s foundation budget represented by
260 its target local contribution.

261 “Uniform income percentage” and “uniform property percentage”, factors calculated
262 annually by the commissioner so that: (i) the total state equalized property valuation multiplied
263 by the uniform property percentage is equal to the total statewide municipal income multiplied

264 by the uniform income percentage; and (ii) the total state target local contribution is equal to a
265 per cent of the total state foundation budget specified annually in the general appropriations act
266 which shall not exceed 59 per cent.

267 “Wage adjustment factor”, an adjusted difference between the average annual wage for all
268 jobs in the labor market area in which a municipality is located and the average annual wage in
269 the commonwealth; provided, however, that average annual wage figures shall be published
270 annually by the division of employment and training; provided further, that the wage adjustment
271 factor shall be the sum of: (i) 1; and (ii) a fraction, the numerator of which shall be the product
272 of: (A) $\frac{1}{3}$ and the difference resulting from subtracting the average annual wage in the
273 commonwealth from the average annual wage of the community; and (B) the denominator of
274 which shall be the average annual wage in the commonwealth; provided further, that the average
275 annual wage of the community shall be the sum of: (a) 0.8 multiplied by the average annual
276 wage for all jobs in the labor market area in which the municipality is located; and (b) 0.2
277 multiplied by the average annual wage of the municipality; and provided further, that the “wage
278 adjustment factor” shall not be less than 1.

279 (b) The board shall promulgate regulations as needed to implement this section. The board
280 shall submit any regulations to the house and senate committees on ways and means and the joint
281 committee on education not less than 60 days before adoption. The joint committee on education
282 shall review and may comment on these regulations during that time period.

283 Section 3. (a) There shall be a foundation budget for the school district in each
284 municipality, for each regional school district, independent vocational school and vocational
285 school and agricultural school operated by a county.

286 The foundation budget shall be calculated based on each district’s foundation enrollment
 287 for the prior fiscal year. Foundation budgets shall be based on the per pupil amounts in table 1
 288 and the foundation increment amounts in table 2; provided, however, that the special education
 289 in-school and special education tuitioned-out enrollments shall be assumed enrollments.
 290 Beginning in fiscal year 2021 and in each year thereafter, the employee benefits and fixed
 291 charges allotments shall be adjusted by the foundation employee benefits inflation index and all
 292 other foundation allotments and foundation increments shall be adjusted by the foundation
 293 inflation index.

294 Each district’s wage adjustment factor shall be applied to all of the foundation budget
 295 allotments except the allotments for instructional materials, equipment and technology, employee
 296 benefits and fixed charges and special education tuition.

Table 1: Base Foundation Budget Amounts

	Administration	Instructional Leadership	Classroom & Specialist Teachers	Other Teaching Services	Professional Development	Instructional Materials, Equipment & Technology	Guidance & Psychological	Pupil Services	Operations & Maintenance	Employee Benefits/Fixed Charges	Special Ed Tuition	Total, all categories
Pre-School	195.97	353.93	1,622.88	416.22	64.18	234.89	188.97	46.96	450.66	745.55	0.00	4,320.21
Kindergarten (half)	195.97	353.93	1,622.88	416.22	64.18	234.89	188.97	46.96	450.66	745.55	0.00	4,320.21
Kindergarten (full)	391.93	707.86	3,245.76	832.47	128.42	469.78	377.95	93.97	901.30	1,491.09	0.00	8,640.53
Elementary	391.93	707.86	3,245.72	832.47	128.44	469.78	377.95	140.93	901.30	1,491.09	0.00	8,687.47
Junior/Middle	391.93	707.86	2,856.25	599.25	139.24	469.78	377.95	230.21	977.13	1,610.72	0.00	8,360.32
High School	391.93	707.86	4,200.34	498.88	135.01	751.65	394.09	530.85	947.43	1,422.01	0.00	9,980.05
Vocational	391.93	707.86	7,140.62	498.88	223.21	1,315.37	394.09	530.85	1,773.15	1,789.60	0.00	14,765.56
Special Ed in-school	2,704.98	0.00	8,925.75	8,333.85	430.57	375.82	0.00	0.00	3,021.59	3,392.84	0.00	27,185.40
Special Ed tuitioned-out	3,390.47	0.00	0.00	51.80	0.00	0.00	0.00	0.00	0.00	0.00	32,190.68	35,632.95

297 For each student identified as being low income or an English learner, the increments in the
 298 following table shall be added to each foundation budget allotment.

Table 2: Incremental Foundation Budget Amounts

	Administration	Instructional Leadership	Classroom & Specialist Teachers	Other Teaching Services	Professional Development	Instructional Materials, Equipment & Technology	Guidance & Psychological	Pupil Services	Operations & Maintenance	Employee Benefits/Fixed Charges	Special Ed Tuition	Total, all categories
EL PK-5	100.50	175.87	1,231.05	175.87	50.24	125.61	75.37	25.13	301.48	276.36	0.00	2,537.49
EL 6-8	107.79	188.62	1,320.30	188.62	53.89	134.72	80.84	26.95	323.34	296.39	0.00	2,721.46
EL High School	129.34	226.35	1,584.36	226.35	64.66	161.66	97.00	32.34	388.01	355.67	0.00	3,265.74
0-5.99% Low-income	47.77	226.34	2,209.55	0.00	107.20	16.43	89.47	464.92	0.00	357.41	0.00	3,519.10
6-11.99% Low-income	50.76	240.49	2,347.65	0.00	113.90	17.46	95.06	493.98	0.00	379.75	0.00	3,739.05
12-17.99% Low-income	53.74	254.64	2,485.75	0.00	120.60	18.49	100.66	523.04	0.00	402.09	0.00	3,958.99
18-23.99% Low-income	56.73	268.78	2,623.85	0.00	127.30	19.51	106.25	552.09	0.00	424.43	0.00	4,178.94
24-29.99% Low-income	59.71	282.93	2,761.94	0.00	134.00	20.54	111.84	581.15	0.00	446.77	0.00	4,398.88
30-35.99% Low-income	66.88	316.88	3,093.38	0.00	150.07	23.01	125.26	650.89	0.00	500.38	0.00	4,926.75
36-41.99% Low-income	74.05	350.83	3,424.81	0.00	166.15	25.47	138.68	720.63	0.00	553.99	0.00	5,454.61
42-47.99% Low-income	81.21	384.78	3,756.24	0.00	182.23	27.94	152.10	790.36	0.00	607.60	0.00	5,982.48
48-53.99% Low-income	88.38	418.74	4,087.68	0.00	198.31	30.40	165.52	860.10	0.00	661.21	0.00	6,510.34
54-69.99% Low-income	95.54	452.69	4,419.11	0.00	214.39	32.87	178.94	929.84	0.00	714.83	0.00	7,038.21
70-79.99% Low-income	107.49	509.27	4,971.50	0.00	241.19	36.97	201.31	1,046.07	0.00	804.18	0.00	7,917.98
80%+ Low-income	119.43	565.86	5,523.89	0.00	267.99	41.08	223.68	1,162.30	0.00	893.53	0.00	8,797.76

299 (b) The board shall promulgate regulations as needed to implement this section. The
 300 board shall submit any regulations to the senate and house committees on ways and means and
 301 the joint committee on education not less than 60 days before adoption. The joint committee on
 302 education shall review and may comment on these regulations during that time period.

303 SECTION 6. Section 3A of said chapter 70, as so appearing, is hereby amended by
 304 striking out the last sentence.

305 SECTION 7. Section 4 of said chapter 70, as so appearing, is hereby amended by striking
 306 out the first sentence and inserting in place thereof the following sentence:-

307 Upon action of the general court, there shall be a foundation budget review commission
308 to review the way foundation budgets are calculated and to make recommendations for potential
309 changes in those calculations as the commission deems appropriate; provided, however, that the
310 commission shall be established not less than every 10 years.

311 SECTION 8. Section 5 of said chapter 70 is hereby repealed.

312 SECTION 9. Said chapter 70 is hereby further amended by striking out section 6, as so
313 appearing, and inserting in place thereof the following section:-

314 Section 6. In addition to the amounts appropriated for long-term debt service, school
315 meals, adult education, student transportation and tuition revenue, each municipality shall
316 annually appropriate for the support of public schools in the municipality in an amount not less
317 than the net school spending requirement. Each municipality shall also appropriate not less than
318 its minimum required local contribution for each regional school district to which the
319 municipality belongs.

320 The commissioner shall estimate and report such amounts to each municipality and
321 regional school district as early as possible, but not later than March 1, for the following fiscal
322 year and shall revise such estimates within 30 days following the enactment of the general
323 appropriations act.

324 Notwithstanding the terms of any regional school district agreements to the contrary, no
325 regional school district shall be required to submit a budget to its members before receiving the
326 commissioner's initial estimate. Each regional school district budget shall provide for not less
327 than the net school spending requirement. The district may choose to spend additional amounts;
328 provided, however, that such decisions shall be made and such amounts charged to members
329 according to the district's regional agreement.

330 SECTION 10. Section 7 of said chapter 70 is hereby repealed.

331 SECTION 11. Said chapter 70 is hereby further amended by striking out sections 9 and
332 10, as appearing in the 2018 Official Edition, and inserting in place thereof the following 2
333 sections:-

334 Section 9. Each school district shall report district and school level data to the
335 commissioner, in a form and manner prescribed by the commissioner, on expenditures and
336 staffing for each foundation budget category. The reports shall provide actual spending for each
337 foundation budget category. The reports shall be made publicly available on the department
338 website.

339 Section 10. Subject to appropriation, each municipality, regional school district,
340 independent vocational school and county operating an agricultural school or vocational school
341 shall receive chapter 70 school aid as provided in this chapter. Tuition payments required
342 pursuant to section 89 of chapter 71 and section 12B of chapter 76 shall be deducted from such
343 aid.

344 SECTION 12. Section 12 of said chapter 70 is hereby repealed.

345 SECTION 13. Said chapter 70 is hereby further amended by striking out section 13, as
346 appearing in the 2018 Official Edition, and inserting in place thereof the following section:-

347 Section 13. If the amount appropriated for chapter 70 school aid in a fiscal year is less
348 than the amount prescribed in sections 2 and 3, priority shall be given to funding foundation aid.

349 SECTION 14. Said chapter 70 is hereby further amended by adding the following 2
350 sections:-

351 Section 16. (a) There shall be a Twenty-First Century Education Program to address
352 persistent disparities in achievement among student subgroups, improve educational

353 opportunities for all students, share best practices for improving classroom learning and support
354 efficiencies within and across school districts. The commissioner may expend funds from the
355 Twenty-First Century Education Trust Fund established in section 35MMM of chapter 10 for
356 this program.

357 (b) There shall be a Twenty-First Century Education Advisory Council. The advisory
358 council shall consist of: 4 members to be appointed by the governor; 1 member to be appointed
359 by the president of the senate; and 1 member to be appointed by the speaker of the house of
360 representatives. The members of the advisory council shall have diverse expertise with
361 demonstrated success in at least 1 of the following areas: (i) addressing disparities in
362 achievement among student subgroups; (ii) serving as educator or administrator in a school with
363 a high percentage of low-income students; (iii) improving educational outcomes through
364 implementation of nontraditional programming in classrooms; (iv) replicating effective,
365 evidence-based practices for ensuring student academic success; or (v) evaluating the success of
366 educational approaches designed to address disparities in achievement among student
367 populations.

368 (c) The commissioner shall consult with the Twenty-First Century Education Advisory
369 Council on implementation of the Twenty-First Century Education Program consistent with this
370 section.

371 The advisory council shall, from time to time, make recommendations to the
372 commissioner on the improvement of the design, oversight or implementation of the program.

373 The advisory council may receive and consider reports and input from expert individuals,
374 educators, school administrators, parents, community-based organizations, voluntary education

375 organizations and other relevant public and private organizations recognized as having expertise
376 consistent with this section.

377 (d) There shall be a competitive grant program developed and administered by the
378 commissioner and supported by the Twenty-First Education Trust Fund for all public schools
379 and school districts. All grant applications shall include: (i) an evaluation plan, including
380 identification of the researcher or organization responsible for ongoing evaluation; (ii) a
381 statement of the expected impact; (iii) a preliminary estimate of the cost of the intervention; (iv)
382 identification of a comparison group for the purpose of assessing effectiveness; and (v) a
383 mechanism for determining how the proposal may be effectively replicated.

384 In approving grant applications, the commissioner may give preference to applications
385 that include: (A) evidence-based educational approaches to address persistent disparities in
386 student achievement that improve student outcomes; provided, however, that preference shall be
387 given to applications that are submitted by schools or districts with a high percentage of low-
388 income students and English learners, which may include schools or districts implementing
389 turnaround plans; and (B) approaches to increase efficiencies and educational program quality
390 within and across school districts; provided, however, that preference shall be given to
391 applications submitted by schools or districts in rural areas with low or declining enrollment.

392 The commissioner may provide funds and other resources to districts as needed to ensure
393 that every public school and school district has the opportunity to apply for grants; provided,
394 however, that the commissioner may provide funds and other resources to assist in the
395 development of grant applications for public schools implementing turnaround plans.

396 (e) Public schools and school districts awarded funds pursuant to this section shall work
397 with the commissioner to: (i) analyze the effectiveness of their initiatives; and (ii) participate in
398 the replication of effective evidence-based practices for public schools.

399 (f) A public school or school district that is awarded funds pursuant to this section may
400 submit a written request for a waiver of 1 or more provisions of the education regulations of the
401 commonwealth to permit the school or school district to initiate programs, schedules or services
402 that shall improve student learning. The commissioner may grant a regulatory waiver if the
403 commissioner: (i) determines the waiver is necessary to support the proposed initiative; and (ii)
404 notifies the board of elementary and secondary education not less than 30 days prior to acting on
405 any such waiver request.

406 (g) Money in the fund may be used to support the replication of effective practices and
407 the dissemination of best practices generated through the competitive grant program and
408 turnaround efforts that have been proven to address persistent disparities in achievement among
409 student subgroups.

410 (h) Annually, not later than December 1, the commissioner shall submit a report detailing
411 expenditures from the trust fund to the clerks of the senate and house of representatives, the
412 chairs of the senate and house committees on ways and means and the joint committee on
413 education.

414 Section 17. (a) There shall be a data advisory commission to promote the improved use of
415 state, district and school-level data to inform effective resource allocations at the district and
416 school levels.

417 The data advisory commission shall assist the department in identifying, analyzing and
418 making recommendations on high-impact, cost-effective data strategies for assessing student
419 needs and addressing persistent disparities in achievement, including, but not limited to:

420 (i) establishing a data collection and reporting system to: (A) track funding
421 allocated for low-income students and students identified as English learners pursuant to chapter
422 71A and ensure spending is targeted to the intended populations; and (B) allow for access to
423 school-level expenditures and data across all districts to inform the public and policy-makers of
424 high impact, cost-effective school-level interventions and investments;

425 (ii) strengthening the department’s capacity to analyze and report staffing,
426 scheduling and financial data in ways that support strategic resource allocation decisions at the
427 district and school levels, including a review of national best practice models that ensure greater
428 financial transparency;

429 (iii) strengthening district capacity to use state, district and school-level data to
430 inform strategic resource allocation and implementation decisions; and

431 (iv) streamlining data reporting, eliminating duplicative reporting requirements
432 and improving data quality.

433 (b) The data advisory commission shall consist of: the commissioner of elementary and
434 secondary education, who shall serve as chair; the secretary of education, or a designee; 1
435 member to be appointed by each of the following organizations, all of whom shall have
436 demonstrated knowledge, experience and interest in data collection and analysis for the purpose
437 of improving student performance: the Massachusetts Association of School Committees, Inc.;
438 the Massachusetts Association of School Superintendents, Inc.; the Massachusetts School
439 Administrators Association, Incorporated; the Massachusetts Association of School Business

440 Officials, Inc.; the Massachusetts Association of Vocational Administrators, Inc.; the
441 Massachusetts Association of Regional Schools, Inc.; and the Massachusetts Business Alliance
442 for Education, Inc.; and 4 members to be appointed by the commissioner, 1 of whom shall be a
443 teacher in a district of not less than 15,000 students who has had experience in an
444 underperforming or chronically underperforming school that has utilized data to successfully
445 improve student performance, 1 of whom shall be a parent of a student currently enrolled at a
446 kindergarten, elementary school, middle school or junior high school or high school in the
447 commonwealth and 2 of whom have professional experience and knowledge in the area of data
448 collection, quality and usage in establishing education policy and improving student outcomes.

449 (c) The data advisory commission shall report annually, not later than December 1, on its
450 progress to the board of elementary and secondary education; provided, however, that the report
451 shall be made publicly available on the department's website.

452 SECTION 15. Chapter 70B of the General Laws is hereby amended by striking out
453 section 7, as appearing in the 2018 Official Edition, and inserting in place thereof the following
454 section:-

455 Section 7. There shall be a limit on the estimated amount of grants approved by the
456 authority during a fiscal year. For fiscal year 2020, the limit shall be \$750,000,000. For each
457 fiscal year thereafter, the limit shall be the limit for the previous fiscal year plus the lower of: (i)
458 the rate of growth in the dedicated sales tax revenue amount as defined in subsection (a) of
459 section 35BB of chapter 10; or (ii) 4.5 per cent.

460 SECTION 16. Chapter 71 of the General Laws is hereby amended by inserting after
461 section 1 the following section:-

462 Section 1¼. The definitions in section 2 of chapter 70 shall apply to this chapter.

463 SECTION 17. Section 5A of Chapter 71B of the General Laws, as appearing in the 2018
464 Official Edition, is hereby amended by striking out subsections (a) to (c), inclusive, and inserting
465 in place thereof the following 3 subsections:-

466 (a) For the purposes of this section, the following words shall have the following
467 meanings:

468 “Approved costs threshold”, \$45,793 in fiscal year 2020 and adjusted by the foundation
469 inflation index in each subsequent year.

470 “Instructional costs”, only those costs directly attributable to providing the special
471 education services on the student’s individual education plan, such as salary of educational
472 personnel, salary of related services personnel, costs for specialized books, materials or
473 equipment, tuition costs if the student is receiving services from other than the local public
474 school, consultant costs if directly attributable to the student’s instructional program and
475 instructional costs of extended day or year services if such services are a part of the individual
476 education plan; provided, however, that such costs shall be prorated as appropriate to reflect
477 group activities or costs for part-time services; provided further, that “instructional costs” shall
478 not include transportation costs, administrative or overhead costs, the costs of adapting
479 classrooms or materials that are used by more than 1 student, the costs of fringe benefits of
480 personnel employed by the school district or the costs associated with evaluation, development
481 of the individual education plan or service coordination for the student with disabilities; and
482 provided further, that “instructional costs” for the purposes of this reimbursement program shall
483 not include the salary of personnel providing educational services when such services are not
484 specially designed instruction for the student with disabilities.

485 (b) There shall be, subject to appropriation, a special education reimbursement program.
486 The program shall reimburse municipalities for the eligible instructional costs and for the cost of
487 required out-of-district transportation associated with implementing individual education plans
488 of students receiving special education services pursuant to this chapter. The reimbursements
489 shall be in addition to amounts distributed pursuant to chapter 70 and shall not be included in the
490 calculation of base aid, as defined in said chapter 70, for any subsequent fiscal year. Charter
491 schools shall receive reimbursements under this section in the same manner as districts.

492 The department shall promulgate regulations to define, consistent with this section, the
493 costs associated with implementing individual education plans for pupils that shall be eligible for
494 reimbursement under the program.

495 (c) Instructional and transportation costs eligible for reimbursement under the program
496 shall be reported by a school district to the department in a form and manner as prescribed by the
497 commissioner. For each such school district, the department shall review the report and approve
498 those per pupil instructional and transportation costs that are eligible for reimbursement pursuant
499 to the program not less than 30 days after the date of submission. Based upon the approved costs,
500 the department shall calculate the reimbursement due to a municipality. The costs of programs
501 shall be reimbursed at 75 per cent of all the instructional and transportation costs that exceed the
502 approved costs threshold.

503 Notwithstanding the preceding paragraph, the reimbursement rate for students who have
504 no parent or guardian living in the commonwealth and for any school age child placed in a
505 school district other than a home town by, or under the auspices of, the department of transitional
506 assistance or the department of children and families shall be 100 per cent of all instructional and
507 transportation costs that exceed the approved costs threshold.

508 SECTION 18. Said section 5A of said chapter 71B, as so appearing, is hereby further
509 amended by adding the following subsection:-

510 (h) If in a fiscal year the amount appropriated pursuant to this section is less than the
511 amount prescribed in subsection (c), then priority shall be given to instructional costs.

512 SECTION 19. Section 14 of said chapter 71B is hereby repealed.

513 SECTION 20. (a) The division of local services and the department of elementary and
514 secondary education shall jointly conduct a study and report on the equity, predictability and
515 accuracy of the method of determining each municipality's ability to contribute toward education
516 funding and the calculation of each municipality's required local contribution as defined in
517 section 2 of chapter 70 of the General Laws; provided, however, that the division and the
518 department shall solicit public comment.

519 (b) Not later than December 1, 2020, the division of local services and the department of
520 elementary and secondary education shall file a report with the clerks of the senate and the house
521 of representatives, the joint committee on education and the senate and house committees on
522 ways and means.

523 The report shall include, but not be limited to: (i) a summary of target aid share and local
524 contribution changes first instituted in chapter 139 of the acts of 2006 and their impact on the
525 equity, predictability and accuracy of the method of determining required local contribution and
526 target local share; (ii) a survey of changes in municipal required local contribution as a share of
527 the foundation budget from fiscal year 2006 to fiscal year 2020, inclusive, for districts of
528 different target share levels, including a review of the number of communities with a maximum
529 local contribution of 82.5 per cent of the foundation budget; (iii) an assessment of the impact of
530 enrollment demographics, including districts with flat or declining enrollment, on the distribution

531 of chapter 70 school aid and the relationship between target local share and the chapter 70 school
532 aid share of the foundation budget; (iv) an analysis of the accuracy in the calculation of
533 municipal combined effort yield and the municipal revenue growth factor in determining a
534 municipality's ability to contribute; (v) an analysis of the impact of statewide increases to the
535 foundation budget on target local share and required local contribution; and (vi) an assessment of
536 the impact of the 82.5 per cent maximum local contribution of foundation on the equity of
537 required local contributions and the distribution of chapter 70 school aid.

538 The report shall also make recommendations to refine or revise the method of
539 determining required local contribution, the maximum required local contribution as a
540 percentage of the foundation budget and the target state share of statewide foundation budget and
541 other elements of the chapter 70 school aid formula to improve equity, predictability and
542 accuracy.

543 SECTION 21. (a) There shall be a special commission to study and make
544 recommendations concerning the long-term fiscal health of rural school districts that are facing
545 or may face declining student enrollment.

546 The commission shall consist of: 1 member who shall be appointed by the president of
547 the senate, who shall serve as co-chair; 1 member who shall be appointed by the minority leader
548 of the senate; 1 member who shall be appointed by the speaker of the house of representatives,
549 who shall serve as co-chair; 1 member who shall be appointed by the minority leader of the
550 house of representatives; the deputy commissioner of the division of local services within the
551 department of revenue, or a designee; and 4 members appointed by the governor, 1 of whom
552 shall be a representative of the Massachusetts Association of Regional Schools, Inc., 1 of whom
553 shall be a representative of the Massachusetts Association of School Committees, Inc., 1 of

554 whom shall be a representative of the Massachusetts Association of School Business Officials,
555 Inc. and 1 of whom shall be a representative of the Massachusetts Association of School
556 Superintendents, Inc. A majority of the commission's members shall be residents of areas served
557 by rural school districts. Members shall not receive compensation for their services, but may
558 receive reimbursement for reasonable expenses incurred in carrying out their responsibilities as
559 members of the commission. The commissioner of elementary and secondary education shall
560 furnish reasonable staff and other support for the work of the commission.

561 (b) The commission shall study and report on: (i) long-term economic, demographic and
562 student enrollment trends and projections in rural communities; (ii) long-term fiscal trends in
563 rural school districts experiencing declining enrollment; (iii) an analysis of the fiscal health of
564 regional school districts and the impact of regionalization on each contributing municipality,
565 especially in low-income and middle-income areas, including funding impacts on each
566 contributing municipality; and (iv) recommendations for: (A) reorganizing schools and school
567 districts; (B) consolidating administrative, transportation and governance functions; (C)
568 expanding the use of technology to deliver instruction and enable operating efficiencies; and (D)
569 encouraging ways to reduce costs and improve educational outcomes. The commission, in
570 formulating its recommendations, shall take into account the best policies and practices in other
571 states. The commission shall hold not less than 5 public meetings and may hold hearings and
572 other forums as it considers necessary.

573 (c) The commission shall file its report and recommendations with the clerks of the
574 senate and the house of representatives and the joint committee on education not later than
575 December 1, 2020.

576 SECTION 22. (a) Notwithstanding subsection (d) of section 1R of chapter 69 of the
577 General Laws, each school district shall submit its first 3-year plan pursuant to said subsection
578 (d) of said section 1R of said chapter 69 to the department of elementary and secondary
579 education not later than April 1, 2020.

580 (b) The first annual report submitted pursuant to said subsection (d) of said section 1R of
581 said chapter 69 shall assess the availability of the information identified in said section 1R of
582 said chapter 69 and set forth a plan to enable the collection and dissemination of the information
583 by district and school.

584 SECTION 23. Notwithstanding section 2 of chapter 70 of the General Laws, the
585 department shall submit a report to the joint committee on education and the senate and house
586 committees on ways and means recommending a method for estimating the number of low-
587 income students, consistent with the definition in said section 2 of said chapter, not later than
588 November 1, 2020 for use in fiscal year 2022; provided, however, that the report may also assess
589 the impact of the method for estimating the number of low-income students on the organization
590 of districts into low-income groups; and provided further, that in fiscal year 2021, the number of
591 low-income students in each district shall be the greater of: (i) the current direct certification
592 count implemented by the department; or (ii) the share of the low-income students based on such
593 measure used in chapter 46 of the acts of 2015 applied to the foundation enrollment for the
594 district.

595 SECTION 24. Notwithstanding any general or special law to the contrary, appropriations
596 for reimbursements to certain cities, towns and regional school districts of charter school tuition
597 and the per pupil capital needs component included in the charter school tuition amount for
598 commonwealth charter schools as calculated under subsections (ff) and (gg) of section 89 of

599 chapter 71 of the General Laws shall be made in accordance with the following funding
600 schedule: (i) not less than 75 percent of all eligible costs in fiscal year 2021; (ii) not less than 90
601 per cent of all eligible costs in fiscal year 2022; and (iii) not less than 100 per cent of all eligible
602 costs in fiscal year 2023.

603 SECTION 25. Notwithstanding any general or special law to the contrary, required out-
604 of-district transportation costs associated with implementing individual education plans of
605 students receiving special education services shall be eligible for reimbursement under section
606 5A of chapter 71B of the General Laws in accordance with the following schedule: (i) 25 per
607 cent of all required out-of-district transportation costs eligible for reimbursement in fiscal year
608 2021; (ii) 50 per cent of all required out-of-district transportation costs eligible for
609 reimbursement in fiscal year 2022; (iii) 75 per cent of all required out-of-district transportation
610 costs eligible for reimbursement in fiscal year 2023; and (iv) 100 per cent of all required out-of-
611 district transportation costs eligible for reimbursement in fiscal year 2024.

612 SECTION 26. Notwithstanding any general or special laws to the contrary, the
613 foundation and increment amounts set forth in section 5 shall be fully incorporated in the general
614 appropriations act not later than fiscal year 2027, subject to appropriation; provided, however,
615 that in each year prior to full incorporation, the general appropriations act shall increase
616 foundation and increment amounts over the prior year in an equitable and consistent manner.