SENATE . . . . . No. 2102

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court
(2015-2016)

SENATE, Tuesday, January 19, 2016

The committee on Higher Education to whom was referred the petitions (accompanied by bill, Senate, No. 653) of Harriette L. Chandler, James J. O'Day and Daniel M. Donahue for legislation relative to in-state tuition retention for UMMS; (accompanied by resolve, Senate, No. 658) of Eileen M. Donoghue, James B. Eldridge, Kathleen O'Connor Ives, Bruce E. Tarr and other members of the General Court for legislation to provide for an investigation and study into expanding targeted student loan forgiveness programs; (accompanied by resolve, Senate, No. 659) of Eileen M. Donoghue and James Arciero for legislation to provide for an investigation and study by a special commission relative to a more robust public higher education oversight structure; (accompanied by bill, Senate, No. 660) of Eileen M. Donoghue, James B. Eldridge, Stephen L. DiNatale, James Arciero and others for legislation relative to fees at community colleges and state universities; (accompanied by bill, Senate, No. 663) of Eileen M. Donoghue for legislation to provide tuition retention at the University of Massachusetts; and (on the residue of Senate, No. 678) of Michael O. Moore, Jason M. Lewis and Carmine L. Gentile for legislation relative to strengthening and expanding affordable, quality higher education opportunities for residents of the Commonwealth for legislation relative to strengthening and expanding affordable, quality higher education opportunities for residents of the Commonwealth,- reports the accompanying bill (Senate, No. 2102).

For the committee,
Michael O. Moore

SENATE . . . . . No. 2102

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court
(2015-2016)

An Act relative to strengthening and expanding affordable, quality higher education opportunities for residents of the Commonwealth.

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

SECTION 1. To provide for supplementing certain items in the general appropriations act and other appropriations acts for fiscal year 2016, the sums set forth in section 2 are hereby appropriated from the General Fund unless specifically designed otherwise in this act or in those appropriations acts, for the several purposes and subject to the conditions specified in this act or in those appropriations acts, and subject to the laws regulating the disbursement of public funds for the fiscal years ending June 30, 2016. These sums shall be in addition to any amounts previously appropriated and made available for the purposes of those items. These sums shall be made available until June 30, 2017.

SECTION 2.

EXECUTIVE OFFICE OF EDUCATION

Department of Higher Education

7066-0019 ……$4,000,000

7066-1221 ……. $1,500,000

7070-0066 ……. $2,000,000

SECTION 2A. To provide for certain unanticipated obligations of the commonwealth, to provide for an alteration of purpose for current appropriations, and to meet certain requirements of law, the sums set forth in this section are hereby appropriated from the General Fund unless specifically designated otherwise in this section, for the several purposes and subject to the conditions specified in this section, and subject to the laws regulating the disbursement of public funds for the fiscal year ending June 30, 2016. These sums shall be in addition to any amounts previously appropriated and made available for the purposes of these items. These sums shall be made available until June 30, 2017.

EXECUTIVE OFFICE OF EDUCATION

Department of Elementary and Secondary Education

XXXX-XXXX For the development and implementation of standards and curriculum on financial literacy……..……..$1,000,000

Department of Higher Education

7066-0115 For the purposes of continuing the implementation of section 15E of chapter 15A of the General Laws to encourage private fundraising by the commonwealth's public institutions of higher education for the endowment and capital outlay programs of those institutions; provided, that the board of higher education shall implement this program in a manner which ensures that each institution shall have an opportunity to secure matching funds from this item; provided further, that $10,000,000 shall be allocated to the university of

Massachusetts; provided further, that $5,000,000 shall be allocated to state universities; provided further, that $5,000,000 shall be allocated to community colleges; provided further, that if any funds allocated herein for disbursement to state universities and community colleges shall be unused, the remaining funds shall be made available to the university of Massachusetts; provided further, that, to the greatest extent possible, the state universities, community colleges, and the university of Massachusetts shall utilize the funds to increase the number of scholarship opportunities for students ……$20,000,000

XXXX-XXXX For the continued development and implementation of the transfer system required by section 9 (hh) of chapter 15A of the General Laws, as inserted by this act……$2,500,000

XXXX-XXXX For the Education Rewards Grant Program Fund established by section 2SSS of chapter 29 of the General Laws…… $1,500,000

XXXX-XXXX For the Licensed Certified Social Worker Student Education Loan Repayment Pilot Program Trust Fund established by this act……$1,200,000

XXXX-XXXX For the Massachusetts Educational Financing Authority to assist in carrying out the early college planning and financing efforts being undertaken by the Authority, and the lower income family postsecondary education savings incentive matching grant pilot program established by this act; provided, that not less than $1,500,000 shall be expended for the lower income family postsecondary savings incentive matching grant pilot program and shall be credited to the Lower Income Family Postsecondary Education Savings Incentive Matching Grant Pilot Program Trust Fund established by this act ……$2,500,000

XXXX-XXXX For the Completion Grant Incentive Fund Pilot Program established by the board of higher education to increase the graduation and success rates of low income students who are enrolled in certificate or degree programs by providing incentive grants to persist and to complete their degree or certificate program of study over a maximum of four years ……$3,000,000

XXXX-XXXX For a pilot program to be established by the Massachusetts Educational Financing Authority in accordance with section 5 of Chapter 15C of the General Laws to assist in refinancing higher education loans financed through the Authority that have higher interest rates……$10,000,000

XXXX-XXXX For a community colleges internship incentive grant program to be administered by the department of higher education; provided, that the commonwealth shall contribute funds to each community college in an amount to match private contributions in each fiscal year; provided further, that the commonwealth's contribution shall be equal to $1 for every $1 privately contributed to each community college's board of trustees or foundation; provided further, that the maximum total contribution from the commonwealth shall be no greater than the amount appropriated herein; provided further, that funds from this program shall not result in any direct or indirect reduction in the commonwealth's appropriation to the institution's operations, scholarships, financial aid or any state appropriation; provided further, the department of higher education shall establish guidelines and criteria for the administration of the program…..$2,000,000

Community Colleges

7516-XXXX For the TAFDC Career Pathways Trust Fund established in section 2RRRR of chapter 29 of the General Laws, inserted by this act, provided that the program shall be administered by the Middlesex Community College through its entity, the Massachusetts Community College Executive Office; provided, further, that no more than $100,000 shall be used to administer the program……$1,100,000

7516-XXXX For education opportunity coordinators established in section 22B of chapter 15A of the General Laws, inserted by this act, to assist recipients of transitional aid to families with dependent children in earning a community college certificate or two-year associate's degree..……$1,250,000

SECTION 3. Section 1 of chapter 15A of the General Laws, as appearing in the 2014 Official Edition, is hereby amended by inserting after the 3rd paragraph, the following paragraph:- It is hereby further declared to be the policy of the commonwealth to ensure that the university of Massachusetts, each state university, and each community college has at its disposal adequate funds to provide, foster and support high quality institutions of public higher education that serve the interests of the commonwealth and its residents in the manner described in this section. For that purpose, it is hereby further declared to be the policy of the commonwealth to make annually to the university of Massachusetts, each state university, and each community college appropriations which, with all other unrestricted funds that are available, in the case of each, for expenditure in the conduct of its affairs and the support of its mission, are sufficient to fully fund its operating requirements. It is hereby further declared to be the policy of the commonwealth to provide adequate funds to the university of Massachusetts, each state university, and each community college for capital needs including the repair, renovation, construction, reconstruction, improvement, maintenance, demolition, expansion,

acquisition, furnishing, or equipping of buildings, structures, facilities and other infrastructure, including, but not limited to, technology infrastructure, necessary to maintain high quality institutions of higher education.

SECTION 4. Section 9 of said chapter 15A, as so appearing, is hereby amended by inserting after the word “education”, in line 243, the following:- ; (hh) to build and maintain, in conjunction with the university of Massachusetts, the state universities, and the community colleges, a transfer system providing individual students with clear and consistent information on the student’s progress toward fulfilling degree requirements in any undergraduate program at any public institution of higher education in the state; provided, that the system shall include a standard core of course offering and numbering that are honored for common credit toward degrees and certificates across the commonwealth’s public institutions of higher education, and course-to-course equivalencies across these institutions that will enable students to transfer from one public institution of higher education to another without loss of credit, including, but not limited to, allowing credits earned toward a student’s designated major at one institution of public higher in the state to be transferred and applied to the same major at any other institution of public higher education in the state; provided further, that the board shall coordinate the implementation of the system and all public institutions of higher education institutions in the state shall utilize the system for all undergraduate programs and course offerings; provided further, that the board, in consultation with the University of Massachusetts, the state universities, and the community colleges, shall determine the form in which all data and course equivalencies shall be submitted by these institutions.

SECTION 5. Section 9 of said chapter 15A, as so appearing, is hereby by further amended by adding the following paragraph:- All postsecondary educational institutions

offering courses and programs leading to degrees or certificates to residents of the commonwealth shall provide uniform student financial aid information to every prospective student who has been accepted for admission to the institution. Each institution shall provide this information prior to the institution's enrollment deadline for purposes of providing each student with time to make an informed decision about enrollment. Each institution shall use the financial aid shopping sheet or such other standardized document developed by the U.S. Department of Education, or the board of higher education to provide this information. Each institution annually shall post on its website a list and description of all scholarships, grants, or other funds that do not have to be paid back that are available at the institution to assist students in paying for their education. Each institution shall inform students about any income based loan repayment programs and public interest or other loan forgiveness programs available for borrowers of student loans. In addition, all public institutions of higher education in the state shall work with American Student Assistance through its SALT or other programs and the Massachusetts Educational Financing Authority to provide financial literacy for students attending these institutions.

The board of higher education shall develop a clear and consistent definition of what constitutes student financial aid which shall be used by all postsecondary educational institutions offering courses and programs leading to degrees or certificates to residents of the commonwealth.

SECTION 6. Section 15F of said chapter 15A, as so appearing, is hereby amended by inserting in lines 12, 21, 23 24, 28, 29, 31, and 35 after the word "credit", the words:-and for-credit.

SECTION 7. Section 16 of said chapter 15A, as so appearing, is hereby amended by adding the following paragraph:- No state scholarship funds under this section, any other section of this chapter, or other state student financial aid however provided, shall be made available to, or on behalf, of any student enrolled in any postsecondary educational institution which the board of higher education determines does not meet the requirements of this paragraph. To meet the requirements of this paragraph, a postsecondary educational institution shall demonstrate to the board that it has: (a) not more than 40% of its undergraduate students borrowing student loans; (b) graduation rates of not less than 30% for undergraduate students taking 150% or less of the expected time to complete degree requirements, as most recently reported by the U.S. Department of Higher Education, provided, that graduation rates shall include students who transfer; or (c) an average 3 year cohort default rate that is not more than 20%, as most recently reported by the U.S. Department of Education. The board of higher education shall promulgate rules and regulations to implement this paragraph including, but not limited to, procedures and processes for annually determining which postsecondary educational institutions meet the requirements of this paragraph, and a process for an institution to appeal a determination that they do not meet the necessary requirements. The board of higher education shall annually post a list of institutions that meet the requirements of this paragraph on the department of higher education's website. No state scholarship funds under this section, any other section of this chapter, or other state student financial aid however provided, that is made available to, or on behalf, of any student enrolled in any for-profit postsecondary educational institution shall be used for purposes of marketing or advertising.

SECTION 8: Said chapter15A is hereby further amended by inserting after section 22A the following new section:-

Section 22B. (a) Middlesex Community College shall establish education opportunity coordinator positions, through its entity, the Massachusetts Community College Executive Office. The coordinators shall work with recipients of cash assistance through transitional aid to families with dependent children who enroll in community colleges across the state for the purpose of earning a certificate or two-year degree. Each community college shall have at least 1 on-campus coordinator. Coordinators shall provide focused assistance to recipients, including but not limited to developing career plans, identifying a program of study, accessing financial aid and work study, and helping obtain other supports such as childcare and transportation assistance. The coordinators shall work with recipients, community colleges, and case managers at the department of transitional assistance. Middlesex Community College, through its entity, the Massachusetts Community College Executive Office, shall enter into a memorandum of understanding with the community colleges to ensure coordinators execute the duties of this paragraph.

(b) Middlesex Community College, through its entity, the Massachusetts Community College Executive Office, and in collaboration with the department of transitional assistance, shall annually file a report with the chairs of the joint committee on higher education, the joint committee on children, families, and persons with disabilities, and the house and senate committees on ways and means that shall include, but not be limited to:- (1) information regarding the efficacy of community college placements in developing careers for recipients of cash assistance; (2) the number of recipients enrolled in certificate or two-year degree programs at community colleges; (3) the number of recipients enrolled in a certificate or two-year degree program receiving grants under the TAFDC Career Pathways Trust Fund established in section 2RRRR of chapter 29; (4) graduation rates of recipients of cash assistance enrolled in a

certificate or two-year degree program; (5) employment rates of former recipients 6 months after completing a degree or certificate program; and (6) employment rates of former recipients 1 year after completing a degree or certificate program. No personal identifying information shall be used in the report. The first report shall be filed on or before August 1 two years after said TAFDC Career Pathways Trust Fund is established and annually, on or before August 1, after that.

SECTION 9. Said chapter 15A is hereby further amended by inserting after section 44, the following section:-

Section 45. There shall be a Partnership to Advance Collaboration and Efficiency, herein referred to as PACE. The purposes of PACE shall be to foster collaborations that promote operational efficiencies, cost savings, increased productivity, and increase and enhance high quality higher education opportunities for residents of the commonwealth at the public institutions of higher education set forth in section 5. Initiatives undertaken by PACE shall include, but not be limited to, cooperative efforts directed at increasing joint purchasing, expanding shared services, increasing innovative measures for delivering higher education, and enhancing academic opportunities for students. PACE shall be governed by a steering committee consisting of the following: the president of the university of Massachusetts; 2 persons from the university of Massachusetts appointed by the president to serve for terms not exceeding 4 years, as the president may determine; 3 presidents of the state universities to be selected by vote of the presidents of the 9 state universities conducted at least once every 4 years; 3 presidents of the community colleges to be selected by vote of the presidents of the 15 community colleges to be conducted at least once every 4 years; and the commissioner of higher education. Notwithstanding any general of special law to the contrary, the steering committee

may hire staff, enter into contracts, interagency or other agreements, apply for federal, state, or other grants, establish subcommittees, and do whatever it deems necessary to carry out the purposes of PACE. The steering committee shall annually submit, on or before March 1, to the joint committee on higher education and the house and senate committees on ways and means a report detailing the results of all PACE initiatives undertaken during the prior year. Monies saved as a result of initiatives undertaken pursuant to this section shall supplement, not offset, or reduce state appropriations provided to the university of Massachusetts, the state universities, and the community colleges, and shall be used by the institutions to reduce the cost of education for students attending these institutions.

SECTION 10. Paragraph (B) of section 2 of chapter 18 of the General Laws, as appearing in the 2014 Official Edition, is hereby amended by adding the following clause:-

(t) take all necessary actions, including connecting individuals with education opportunity coordinators established in section 22B of chapter 15A, to ensure that individuals receiving cash assistance through transitional aid to families with dependent children may engage in community college programs where assessment shows their chances of achieving long-term careers will improve.

SECTION 11. The second sentence of section 2SSS of chapter 29 of the General Laws, as appearing in the 2014 Official Edition, is hereby amended by inserting, in line 5, after the word “accredited”, the words:- public or nonprofit.

SECTION 12. Section 2SSS of said chapter 29, as so appearing, is hereby amended by striking out the penultimate sentence, in lines 25-26, inclusive, and inserting in place thereof the following sentence:- The amount of the award shall be applied towards student financial need in

excess of the financial need met by other federal and state grants without regard to the amount that may be available through loans.

SECTION 13. Said chapter 29 is hereby further amended by inserting after section 2QQQQ the following section:-

2RRRR. (a) There is hereby established and set up on the books of the commonwealth a separate fund to be known as the TAFDC Career Pathways Trust Fund, hereinafter referred to as the fund, to which shall be credited any appropriations, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto. Middlesex Community College, hereinafter referred to as the college, shall hold the fund in an account or accounts separate from other funds or accounts; provided, that the fund shall be administered by the Massachusetts Community Colleges Executive Office. Amounts credited to the fund shall be used by the college, without further appropriation, to carry out the purposes of the fund as set forth in this section. Any monies unexpended at the end of the fiscal year shall remain in the fund and may be expended by the college without further appropriation.

(b) The fund shall be used to provide and fund employment opportunities for students enrolled in a certificate or two-year associate's degree program at any community college who receive cash assistance under transitional aid to families with dependent children.

(c) Both full-time and part-time students shall be eligible for funds under this section; provided, that full-time students shall have first priority for funds; provided, further that a full-time student shall not displace a part-time student, if the part-time student is already receiving funds under this section.

(d) Funds expended shall, to the greatest extent feasible, be for jobs at: (1) the community college; (2) an off-campus placement that provides career development opportunities that are related to the student's course of study; or (3) an off-campus community service placement as defined in subsection (f).

(e) The share from funds distributed shall not exceed 80 percent of the total compensation paid to students, with the exception of jobs at the community college the student attends, or that provide career development opportunities related to the student's course of study. Employers shall pay the costs of any employee benefits, including all payments due as an employer's contribution under the state workman's compensation laws, federal Social Security laws, and other applicable laws. The federal work-study program shall not be used to provide the employer's share of student compensation.

(f) An off-campus community service placement shall include direct service planning, career development or applied research that is designed to improve the quality of life for residents of the community served, particularly low-income residents, in such fields as health care, child care, education, literacy training, welfare, social services, public safety, crime prevention and control, transportation, recreation, housing and neighborhood improvement, rural development, and community improvement. Placements shall be identified by the Massachusetts Community Colleges Executive Office through formal or informal consultation with local nonprofit, governmental, and community-based organizations.

The placement shall not be at an organization for whom a substantial portion of its mission is political activities, including but not limited to electing candidates, influencing ballot questions, and raising money for political campaigns.

(g) Students shall be paid the rate of pay as compared to entry-level salaries and wages provided other employees engaged in similar work, provided total applicant resources shall be considered to ensure to the maximum extent feasible that students may remain qualified for other federal and state public assistance programs. The office may make reasonable adjustments to salaries and wages to maximize a student's participation in other federal and state public assistance programs.

(h) Funds shall not be expended under the program to compensate students for hours worked in excess of an average of 15 hours per week over the period of enrollment or 40 hours per week during vacation period. A student shall not be concurrently employed in the same position by the fund and the federal work-study program and exceed the 15 hours per week average.

(i) Students may receive academic credit for work experience gained through jobs obtained through the fund.

(j) Monies received from the Massachusetts TAFDC Career Pathways Trust Fund established in section 2RRRR of chapter 29 of the General Laws shall not count against a recipient's income, assets, or any other eligibility standard in qualifying for cash assistance benefits.

(k) The college and the board of higher education, hereinafter referred to as the board, shall enter a memorandum of understanding to ensure that funds are properly expended and disbursed. The college shall enter into agreements with employers, community colleges, the department of transitional assistance, and others for the operation of the fund. These agreements

shall include such provisions as the office may deem necessary or appropriate to carry out the purposes of this section. These agreements shall be made available to the board upon request.

SECTION 14. Paragraph (2) of section 2 of chapter 62 of the General Laws, as appearing in the 2014 Official Edition, is hereby amended by inserting after subparagraph (Q) the following subparagraph:-

(R) Amounts received by an employee paid by the employer as contributions to a prepaid tuition program or college savings program established by the commonwealth or any instrumentality or authority thereof held by the employee if the contributions are made pursuant to section 82 of chapter 63 of the General Laws. The amount excluded from the gross income of an employee for the taxable year shall not exceed $1,000.

SECTION 15. Section 3 B of said chapter 62, as so appearing, is hereby amended by inserting after subparagraph (17) the following subparagraph:-

(18) In the case of single individual person or married person filing a separate return or a head of household whose gross income does not exceed $150,000, either a deduction or a tax credit in an amount equal to the amount expended in a taxable year for the purchase of an interest in, or contributed in a taxable year to an account in, a prepaid tuition program or college savings program established by the commonwealth or any instrumentality or authority thereof; provided, that the total amount deducted in a taxable year shall not exceed $5,000, and in the case of a tax credit, the tax credit shall not exceed $1,250. In the case of a married couple filing a joint return whose gross income does not exceed $300,000, either a deduction or a tax credit in an amount equal to the amount expended in a taxable year for the purchase of an interest in, or contributed in a taxable year to an account in, a prepaid tuition program or college savings program

established by the commonwealth or any instrumentality or authority thereof; provided, the total amount deducted in a taxable year shall not exceed $10,000, and in the case of a tax credit, the tax credit shall not exceed $2,500.

SECTION 16. Chapter 62 of the General Laws is hereby amended by inserting after section 6N, the following section:-

Section 6O. A person filing an individual or joint return may elect to have any refund to which the person is entitled electronically deposited in an account in a prepaid tuition or college savings program established by the commonwealth or any instrumentality or authority thereof.

A deposit under this section may be made with respect to any taxable year at the time of filing a return of the tax established by this chapter for the taxable year. The commissioner shall prescribe the manner in which the deposit shall be made on the face of the return required by section 5 of chapter 62C. The commissioner shall consult with the Massachusetts Educational Financing Authority in carrying out this section.

SECTION 17. Chapter 63 of the General Laws is hereby amended by inserting after section 81, the following section:-

Section 82. A taxpayer who, during the taxable year, makes a contribution to a prepaid tuition program or college savings program established by the commonwealth or any instrumentality or authority thereof in an amount matching a contribution to said programs made in the same taxable year by any employee of the taxpayer whose income does not exceed 200 per cent of the federal poverty level shall be allowed a credit against the tax liability imposed under this chapter in an amount equal to 25 per cent of that matching contribution, but not to exceed $1,000 per contributing employee per taxable year. For partners, shareholders of Subchapter S

corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there is allowed a credit pursuant to this section to be determined in accordance with the determination of income and distributive share of income according to this chapter and Subchapter S of the Internal Revenue Code. If the amount of the credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The tax credit shall be applied to the earliest year for which there is a tax liability. If there are credits for more than one year that are available to offset a liability, the earlier credit shall be applied first.

SECTION 18. Chapter 69 of the General Laws is hereby amended by inserting after section 1P the following section:-

Section 1Q. To equip students with the knowledge and skills needed to become self-supporting and to enable students to make critical decisions regarding personal finances, the department of elementary and secondary education shall authorize and assist in the implementation of standards and objectives on personal financial literacy. The components of personal financial literacy covered in the standards and objectives shall include: understanding loans, borrowing money, interest, credit card debt, and online commerce; rights and responsibilities of renting or buying a home; saving, investing and planning for retirement; banking and financial services; balancing a checkbook; state and federal taxes; paying for postsecondary education; and charitable giving.

The department, in consultation with the advisory committee established under Section 200 (b) of chapter 138 of the Acts of 2012, shall develop standards and objectives on personal financial literacy, for grades pre-kindergarten to 12, inclusive within the existing mathematics

curriculum. The department shall make available to school districts, charter schools, approved private day or residential schools, and collaborative schools a list of resources to aid in the selection of materials and curriculum on personal financial literacy. The department shall identify and offer information on cost-effective methods for fulfilling the professional development activities needed to implement said standards and objectives. The department may consult with private, nonprofit, or other government institutions in order to identify and offer said information. The department may apply for any federal, state, or other funding, including funding available through the Financial Literacy Trust Fund, as established by section 35QQ of chapter 10 of the General Laws, as amended by Chapter 14 of the Acts of 2011.

SECTION 19. (a) There shall be a licensed certified social worker student education loan repayment pilot program, hereinafter referred to as the pilot program, for the purpose of increasing and retaining access to child welfare services and social services in the commonwealth. The pilot program shall provide financial assistance to eligible program participants to assist them in repaying student education loans, as defined in this section; provided, that the pilot program shall be limited to a total of 100 licensed certified social workers. The pilot program shall be administered by the board of higher education established under section 4 of chapter 15A of the General Laws. The board, in collaboration with the executive office of health and human services, shall promulgate guidelines governing the pilot program. The guidelines shall include, but need not be limited to, the following provisions: (1) eligibility shall be limited to persons with incomes that do not exceed 500% of the federal poverty level; (2) eligibility shall be limited to persons entering the field of social work after July 1, 2014; (3) eligibility shall be limited to social workers who are licensed certified social workers as defined in section 130 of chapter 112 of the General Laws and who are employed in child

welfare, or in a geographic or programmatic setting defined as high need under the guidelines governing the pilot program; (4) the commonwealth shall repay a student education loan at a rate not to exceed $250 per month for a period not to exceed 48 months; (5) payments by the commonwealth shall be made directly to the lender on behalf of a pilot program participant, and shall cover only loan payments owed by the participant in the months during which the participant works in the commonwealth as a licensed certified social worker in child welfare, or in a geographic or programmatic setting defined as high need under pilot program guidelines; (6) procedures for selecting 100 pilot program participants among eligible applicants; and (7) measures to deal with situations in which a pilot program participant ceases to comply with program requirements. For the purposes of this section, the term student education loan shall mean any indebtedness, including interest on such indebtedness, incurred to pay tuition, fees or other direct expenses incurred in connection with the pursuit of an undergraduate or graduate degree by an applicant, but shall not include loans made by any person related to the applicant, or loans paid by credit card.

(b) There is hereby established and set up on the books of the commonwealth a separate fund to be known as the Licensed Certified Social Worker Student Education Loan Repayment Pilot Program Trust Fund, hereinafter referred to as the Licensed Certified Social Worker Education Loan Repayment Fund, to which shall be credited any appropriations or other monies authorized by the general court and designated to be credited thereto. The board of higher education shall hold the Licensed Certified Social Worker Education Loan Repayment Fund in an account separate from other funds or accounts. Amounts credited to the Licensed Certified Social Worker Education Loan Repayment Fund shall be used, without further appropriation, by

the commissioner of higher education or his designee, to carry out the licensed certified social worker student education loan repayment pilot program established in this section.

(c) The licensed certified social worker student education loan repayment pilot program shall expire once the final payment is made under this section by the board of higher education on behalf of all pilot program participants. The board of higher education shall evaluate the effectiveness of the pilot program and its benefits and costs to the commonwealth and shall submit a report, together with its recommendations on whether a permanent program should be established and if so how such program should be structured, to the house and senate committees on ways and means and the joint committee on higher education, not less than one year prior to the expiration of the pilot program.

SECTION 20. (a) Notwithstanding any general or special law to the contrary, a portion of the Educational Rewards Grant Program Fund established by section 2SSS of chapter 29 of the General Laws, as determined by the department of workforce development and the board of higher education, shall be used for a "Supports for Success" pilot program to assist grant recipients complete their degree or certificate programs; provided, that supports provided through said pilot may include, but need not be limited to, intensive advising and counseling, college and career success courses, work study jobs in the students' field of study, learning communities, curricula redesign to support blended or accelerated remediation, mentoring or tutoring, and child care and transportation assistance.

(b) On or before December 1 of each year, the department of workforce development and the board of higher education shall submit to the the chairs of house and senate committees on ways and means and the chairs of the joint committee on higher education a report on use in the

prior fiscal year of the Educational Rewards Grant Program Fund established by section 2SSS of chapter 29 of the General Laws; provided, that such report shall include, but need not be limited to, the number of grants awarded, the amount of each grant, the level of educational attainment of grant recipients before the grant was awarded, degrees and certificates awarded to recipients, recipient demographic information, recipient retention rates while receiving the grant, and analysis of the strengths and areas of needed improvement in the Educational Rewards Grant Program and the "Supports for Success" pilot program and recommendations for such improvements.

SECTION 21. (a) Notwithstanding any general or special law to the contrary, the board of higher education shall establish a pilot program to promote student employment partnerships between graduates of public and private institutions of higher education in the state and the state's business community. The board shall establish rules and regulations governing the implementation and administration of the pilot program, including, but not limited to, any income eligibility requirements for participating students. The pilot program shall consist of not more than 3 public institutions of higher education and not more than 2 private institutions of higher education in the state, and not more than 5 business entities in the state selected by the board of higher education in consultation with the secretary of housing and economic development. Business entities may consist of, but need not be limited to, employers from the financial services, life sciences, high technology, and health care industries. Not more than 100 students may participate in the pilot program. Students eligible to participate in the program shall be in good academic standing at one of the institutions selected to participate in the program, and must have obtained fifty percent or more of the credits needed to graduate.

(b) Business entities selected to participate in the pilot program shall supplement a percentage of a participating student's tuition and fees, and in providing this assistance shall receive a 20% state income tax credit on the first $5,000 of tuition and fees paid by the participating business entity. In exchange for receiving tuition and fee assistance from a participating entity, graduating students shall agree to work in the state for the business entity for an agreed upon period of time, which shall not exceed 24 months. In the event a participating student is unable to perform work for the business entity upon graduation, the student shall refund all or a portion of the financial assistance provided by the business entity, unless the student's failure to perform is based upon a condition or conditions set forth by the board, including, but not limited to, the inability of the business entity to provide the agreed upon employment. If upon a participating student's graduation, the business entity is not able to provide the agreed upon employment for the student, the business entity shall reimburse the state for the amount of the tax credit the business entity received for the student.

(c) Not later than 3 years after the commencement of the pilot program, the board of higher education shall file a report with the house and senate committee on ways and means, and the joint committees on higher education, and revenue detailing the results of the pilot program and any recommendations as to whether the program should be continued or expanded.

SECTION 22. (a) As used in this section, the following words shall, unless the context otherwise requires, have the following meanings:

(1) "Application", an application for a matching grant under the pilot program.

(2) "Authority", the Massachusetts Educational Financing Authority established under Chapter 803 of the Acts of 1982, as amended.

(3) "Federal poverty level", the most recent poverty income guidelines published in the calendar year by the U.S. Department of Health and Human Services.

(4) "Participant", a qualified individual or family who has been approved for a matching grant under the pilot program.

(5) " Pilot Program", the lower income family postsecondary education savings incentive matching grant pilot program established by this section.

(6) "Qualified individual or family", an individual or family who resides within the state of Massachusetts and whose household income is not more than 250% of the federal poverty level for the tax year prior to the year in which the application is submitted.

(b) There shall be a lower income family postsecondary education savings incentive matching grant pilot program, herein referred to as the pilot program. The purpose of the pilot program is to help lower income individuals and families save for postsecondary education through prepaid tuition programs or college savings accounts established by the Authority by providing a state matching grant for the savings.

(c) The Authority shall:

(1) Implement and administer the pilot program, and may enter into any contracts or agreements with other entities it deems necessary to assist in developing and carrying out the pilot program;

(2) Develop marketing plans, educational and promotional material for the pilot program;

(3) Prescribe the procedure for, and requirements relating to, the submission and approval of applications;

(4) Adopt any rules and regulations and policies deemed necessary for implementation and administration of the pilot program; and

(5) Do all things necessary and proper to carry out the purposes of this section.

(d) Applications shall be submitted to the Authority in the manner and form required by the Authority. Applications shall be accompanied by any information deemed necessary by the Authority. Applications, with proof of income, must be submitted each year using the applicant's household income from the previous tax year.

(e) The Authority may approve up to a total of 250 applications. Applications shall be approved on a first come, first served basis. The Authority shall provide written notice, to an applicant, of the approval or non-approval of the person's application.

(f) The amount of contributions made to an account by a participant who establishes a prepaid tuition program or college savings account with the Authority shall be matched by the state if the participant contributes at least $150 during the calendar year for which the application has been approved. The aggregate of all matching amounts for any participant shall not exceed $1,000 in any calendar year.

(g) The Authority shall deposit in the prepaid tuition program or college savings account of each participant the amount determined by the Authority to meet the matching obligation due to the participant under subsection (f) for the preceding calendar year.

(h) The Authority shall ensure that all withdrawals of matching funds are used for postsecondary education.

(i) Not later than 5 years after the commencement of the pilot program, the Authority shall submit to the secretary of administration and finance, the house and senate committees on ways and means, and the joint committee on higher education a report evaluating the impact of the pilot program. The report shall include the number of accounts opened under the pilot program, the amount of moneys contributed to accounts by the participants, the average income of the participants, an analysis of the success of the pilot program in meeting the purpose of the pilot program, a recommendation as to whether the pilot program should be continued or expanded, and any other information deemed appropriate by the Authority.

(j) Notwithstanding any general or special laws to the contrary, monies deposited in a prepaid tuition program or college savings account established under this section shall not count against any recipient's income, assets, or any other eligibility standard in qualifying for any benefits under Transitional Aid to Families with Dependent Children, or other state programs, including, but not limited to, housing, fuel assistance, health care, or student financial aid whether in the form of scholarships, grants, tuition or fee waivers, loans or any other state assistance in paying for postsecondary education.

(k) There is hereby established and set up on the books of the commonwealth a separate fund to be known as the Lower Income Family Postsecondary Education Savings Incentive Matching Grant Pilot Program Trust Fund, hereinafter referred to as the fund, to which shall be credited any appropriations, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto. The Authority, shall hold the fund in an account or

accounts separate from other funds or accounts. Amounts credited to the fund shall be used by the Authority, without further appropriation, to carry out the lower income family postsecondary education savings incentive matching grant pilot program. Appropriations unexpended at the end of the fiscal year shall remain in the fund and may be expended by the Authority without further appropriation.

SECTION 23. The department of higher education shall study and make recommendations on the "Pay It Forward, Pay It Back" concept for financing postsecondary education whereby, in lieu of paying any tuition or fees, students would sign a binding commitment to pay the state or the state's public higher educational institutions a certain percentage of their annual income for a specified number of years following graduation. The study shall examine the desirability and feasibility of establishing a program to implement the concept in the commonwealth at the state's public higher education institutions, and shall include, but not be limited to, the following: the costs, sources of funding, including, but not limited, state appropriations, use of state bond funds, or pooling of private investment funds, impact on students, and the impact on existing state funding for the operation of the state's public higher education institutions, and on state scholarships and grants. The department shall also ascertain the impact any state laws, including, but not limited to, the state constitution and case law regarding annual appropriations of state funds, pledge of the commonwealth's credit, and the ability of one legislature to bind future legislatures would have on the feasibility of a establishing and funding a program to implement the concept in the state. In so doing, the department shall consult with persons it deems necessary, including, but not limited to, the state's bond counsel and the Massachusetts Educational Financing Authority. The department shall report its findings and recommendations to the board of higher education, the joint

committee on higher education, and the house and senate committees on ways and means on or before December 31, 2017.

SECTION 24. Notwithstanding any general or special law to the contrary, the commonwealth shall appropriate in addition to the amounts provided for the ordinary maintenance of the university of Massachusetts, the state universities, and the community colleges in line items 7100-0200, 7109-0100, 7110-0100, 7112-0100, 7113-0100, 7114-0100, 7115-0100, 7116-0100, 7117-0100, 7118-0100, 7502-0100, 7503-0100, 7504-0100, 7505-0100, 7506-0100, 7507-0100, 7508-0100, 7509-0100, 7510-0100, 7511-0100, 7512-0100, 7514-0100, 7515-0100, 7516-0100, 7518-0100 in the general appropriations act for fiscal year 2016, the total amount of such appropriations shall be increased as follows: in fiscal year 2017, by a total of not less than an additional $95,000,000; in fiscal year 2018, by a total of not less than an additional $95,000,000; in fiscal year 2019, by a total of not less than an additional $95,000,000; in fiscal year 2020, by a total of not less than an additional $95,000,000; and in fiscal year 2021, by a total of not less than an additional $95,000,000. The dollar amounts specified in this paragraph shall be increased to reflect any increases in inflation and collective bargaining increases. If the additional funds required under this paragraph are provided in each fiscal year to the university of Massachusetts, the state universities, and the community colleges, each institution receiving sufficient additional funding shall freeze tuition and mandatory curriculum fee increases for the academic year during which the funding is provided.

SECTION 25. Notwithstanding any general or special laws to the contrary, the commonwealth shall appropriate in addition to the amount provided for scholarships and financial aid in line item 7070-0065 in the general appropriations act for fiscal year 2016, the total amount of such appropriation shall be increased as follows: in fiscal year 2017, by a total

of not less than an additional $42,000,000; in fiscal year 2018, by a total of not less than an additional $42,000,000; in fiscal year 2019, by a total of not less than an additional $42,000,000; in fiscal year 2020, by a total of not less than an additional $42,000,000; and in fiscal year 2021, by a total of not less than an additional $42,000,000. The additional funding required by this paragraph shall be made available for the so-called MASSGrant program administered by the board of higher education.

SECTION 26. The president of the university of Massachusetts, in consultation with the chair of the board of trustees of the university and the chancellors of the campuses, shall develop a funding formula to determine the allocation of state appropriations received by the university in the annual state budget to the individual campuses. The formula shall consist of two parts: base funding and performance funding. Base funding shall be based upon and allocated on factors relating to the cost of operation. Performance funding shall be based upon and allocated on factors relating to outcomes. At undergraduate campuses, the outcome afforded the most weight for performance funding shall be increasing the number of students who complete their degrees; provided that, additional points shall be given for graduating students who might have been considered at-risk of not completing their education, including students from lower income households, African-American students, Latino students, adult students, students with severe disabilities, and those who may have been less academically prepared upon entry. Additional performance outcomes may be included in the formula as deemed relevant to the mission of the university, and for the university of Massachusetts medical school. The funding formula may be updated as needed from time to time, and shall be available for use commencing with the fiscal year 2017 annual budget. The president shall file the funding formula with the executive office

for administration and finance, the senate and house committees on ways and means, and the joint committee on higher education.

SECTION 27. Notwithstanding any general or special law to the contrary, all tuition received by the boards of trustees of each of the state universities and community colleges paid by students attending the state universities and community colleges who reside in the state shall be retained by the respective board of trustees in a revolving trust fund and shall be expended as the administration of the respective state university or community college directs. Any balance in the trust fund at the close of the fiscal years shall be available for expenditures in subsequent fiscal years and shall not revert to the General Fund. For any employees of the state universities and community colleges who are paid from tuition retained pursuant to this section, fringe benefits shall be funded as if those employees' salaries were supported by state appropriations. This section shall apply only to fringe benefits associated with salaries paid from tuition retained by the boards of trustees of the state universities and community colleges as a direct result of the implementation of this section.

SECTION 28. (a) Notwithstanding the provisions of any general or special law to the contrary, not later than the start of the fall semester of 2018 and for each semester thereafter, if a public institution of higher education determines, by use of multiple commonly accepted measures of skill level, that a student is likely to succeed in college level work with supplemental support, the public institution of higher education shall offer the student remedial support that is embedded with the corresponding entry level course in a college level program. The embedded support shall be offered during the same semester as and in conjunction with the entry level course for purposes of providing the student with supplemental support in the entry level course.

(b) Not later than the start of the fall semester of 2018 and for each semester thereafter, if a public institution of higher education determines, by use of multiple commonly accepted measures of skill level, that a student is below the skill level required for success in college level work, the public institution of higher education shall offer the student the opportunity to participate in an intensive college readiness program before the start of the next semester. The student shall complete the intensive college readiness program prior to receiving embedded remedial support, as provided in subsection (a) of this section. The board of higher education, in consultation with the university of Massachusetts, the state universities, and the community colleges, shall develop options for an intensive college readiness program.

(c) Not later than the start of the fall semester of 2018 and for each semester thereafter, no public institution of higher education shall offer any remedial support, including remedial courses, that is not embedded with the corresponding entry level course, as required pursuant to subsection (a) of this section, or offered as part of an intensive college readiness program, except the institution may offer a student a maximum of one semester of remedial support that is not embedded, provided (1) the support is intended to advance the student toward earning a degree, and (2) the program of remedial support is approved by the board of higher education.

(d) Not later than the start of the fall semester of 2018 and for each semester thereafter, board of higher education and the board of elementary and secondary education shall complete curricular alignment to enable the successful completion of the high school mathematics and language arts curricula, as described in Massachusetts Curriculum Frameworks for English Language Arts/Literacy and Mathematics as adopted by the board of elementary and secondary education, to be the indicator of readiness for college level work. A public institution of higher education may use available evaluation instruments to assess adults, who are returning to or first

enrolling in a higher education program at a public institution of higher education after spending time in the workforce, for readiness for college level work.

(e) Not later than the start of the school year commencing July 1, 2018, and for each school year thereafter, the board of higher education shall ensure that each public institution of higher education works with the department of elementary of secondary education and the local and regional school districts to (1) use available evaluation methods for early assessment of the potential for college readiness of each student enrolled in the eighth and tenth grades in a public school, and (2) share the results of the assessment with the student, the student's parents or legal guardian and the public school in which the student is enrolled.