

**HOUSE . . . . . No. 3523**

---

**The Commonwealth of Massachusetts**

PRESENTED BY:

***Solomon Goldstein-Rose***

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

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

An Act relative to investing in education by closing a tax loophole.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Solomon Goldstein-Rose</i>	<i>3rd Hampshire</i>	<i>1/18/2017</i>
<i>Dylan Fernandes</i>	<i>Barnstable, Dukes and Nantucket</i>	
<i>Denise Provost</i>	<i>27th Middlesex</i>	

**HOUSE . . . . . No. 3523**

By Mr. Goldstein-Rose of Amherst, a petition (accompanied by bill, House, No. 3523) of Solomon Goldstein-Rose, Dylan Fernandes and Denise Provost for legislation to increase the rate of taxable income of interest and dividends and further regulating school funding. Revenue.

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninetieth General Court  
(2017-2018)**

An Act relative to investing in education by closing a tax loophole.

*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. Section 4 of chapter 62 of the General Laws, as appearing in the 2014  
2 Official Edition, is hereby amended by striking out, in line 7, the figure “5.95” and inserting in  
3 place thereof the following figure:- 12.

4 SECTION 2. Section 2 of chapter 70 of the General Laws, as appearing in the 2014  
5 Official Edition, is hereby amended by striking out the definition of “Assumed in-school special  
6 education enrollment”, and inserting in place thereof the following definition:-

7 “Assumed in-school special education enrollment”, 4 per cent of total foundation  
8 enrollment in a district not counting vocational or preschool enrollment, plus 5 per cent of  
9 vocational enrollment.

10 SECTION 3. Section 2 of said chapter 70, as so appearing, is hereby amended by striking  
11 out the definition of “Assumed tuitioned-out special education enrollment”, and inserting in  
12 place thereof the following definition:-

13           “Assumed tuitioned-out special education enrollment”, 4 times the statewide foundation  
14 budget per-pupil amount less the statewide foundation budget per-pupil amount plus out-of-  
15 district special education cost rate; provided, that effective for state fiscal year 2017 such value  
16 shall become the base rate and shall be increased by the positive difference by a percentage  
17 amount equal to the percentage rise in the United States Consumer Price Index for January first  
18 of that year over the level of said Index for January first of the previous year.

19           SECTION 4. Section 2 of said chapter 70, as so appearing, is hereby amended by striking  
20 out the definition of “Foundation benefits”, and inserting in place thereof the following  
21 definition:-

22           “Foundation benefits”, the amount allotted within a district’s foundation budget for the  
23 purchase of retired employee health insurance, employee benefits and other insurance in any  
24 fiscal year. The foundation benefits shall be the sum of the following:

25           (a) \$4,320 multiplied by the wage adjustment factor multiplied by the sum of the  
26 foundation teaching staff, the foundation support staff, the foundation assistants, the foundation  
27 principals, the foundation clerical staff, the foundation health care staff, the foundation central  
28 office professional staff and the foundation custodial staff; plus

29

30           (b) \$460 multiplied by the sum of the foundation teaching staff, the foundation support  
31 staff, the foundation assistants, the foundation principals, the foundation clerical staff, the  
32 foundation health care staff, the foundation central office professional staff and the foundation  
33 custodial staff; plus

34 (c) \$230 multiplied by the foundation vocational staff; plus

35 (d) the fiscal year per capita cost of retired employee health insurance; provided that if  
36 there is a conflict between the language of this clause and any other general or special law the  
37 addition of this benefit shall control.

38 SECTION 5. Section 2 of said chapter 70, as so appearing, is hereby amended by  
39 inserting after the definition of “Professional development allotment” the following definition:-

40 “Employee health insurance”, the average group insurance commission rate adjusted by  
41 any increase in such rate; provided, that the group insurance commission shall annually, on or  
42 before June 30, provide the department with data necessary for the determination of such rate or  
43 any increase thereof.

44 SECTION 6. (a) Notwithstanding subsection (ff) of section 89 of chapter 71 of the  
45 General Laws or any other general or special law or rule or regulation to the contrary, each  
46 commonwealth charter school provided for in said section 89 shall agree with the department of  
47 elementary and secondary education upon a target number of students which is the expected need  
48 of the local community for that charter school and is at or under the physical capacity of the  
49 school building.

50 (b) Each commonwealth charter school shall receive all of its funding from the  
51 commonwealth, in an amount equal to the statewide average per-pupil expenditure in the  
52 previous school year times the target number of students agreed upon for that school. In each  
53 year, the school shall receive \$500 extra for each student enrolled above the target number, and  
54 \$500 less for the number of students below the target number which are enrolled in that year. No  
55 money shall be transferred from districts or district schools, as those terms are defined in said

56 section 89 of said chapter 71, to commonwealth charter schools. District school funding and  
57 budgets shall in no way be affected by the number of students residing in that district who attend  
58 charter schools.

59 (c) State reimbursement to district schools shall sunset after the 2017-2018 school year.