

**HOUSE . . . . . No. 497**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Bradley H. Jones, Jr.***

*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 Chapter 70 funding.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Bradley H. Jones, Jr.</i>	<i>20th Middlesex</i>	<i>1/16/2019</i>
<i>Randy Hunt</i>	<i>5th Barnstable</i>	<i>1/28/2019</i>
<i>David F. DeCoste</i>	<i>5th Plymouth</i>	<i>1/28/2019</i>
<i>Steven S. Howitt</i>	<i>4th Bristol</i>	<i>1/30/2019</i>
<i>Mathew J. Muratore</i>	<i>1st Plymouth</i>	<i>1/30/2019</i>
<i>Michael J. Soter</i>	<i>8th Worcester</i>	<i>1/31/2019</i>
<i>Paul K. Frost</i>	<i>7th Worcester</i>	<i>1/31/2019</i>
<i>Kimberly N. Ferguson</i>	<i>1st Worcester</i>	<i>2/1/2019</i>
<i>Donald H. Wong</i>	<i>9th Essex</i>	<i>1/31/2019</i>
<i>David K. Muradian, Jr.</i>	<i>9th Worcester</i>	<i>2/1/2019</i>
<i>Hannah Kane</i>	<i>11th Worcester</i>	<i>2/1/2019</i>

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By Mr. Jones of North Reading, a petition (accompanied by bill, House, No. 497) of Bradley H. Jones, Jr. and others for legislation to make changes to the school funding formula and to implement certain recommendations of the foundation budget review commission. Education.

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**The Commonwealth of Massachusetts**

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**In the One Hundred and Ninety-First General Court  
(2019-2020)**  
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An Act relative to Chapter 70 funding.

*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 2 of chapter 70 of the General Laws, as appearing in the 2016  
2 Official Edition, is hereby amended by striking out the definition of “Assumed in-school special  
3 education enrollment” and inserting in place there the following definition:-

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

7 SECTION 2. Said section 2 of said chapter 70, as so appearing, is hereby further  
8 amended by inserting after the definition of “District or School district” the following  
9 definition:-

10 “Employee health insurance rate”, the employer share of the average active employee  
11 premium for all group insurance commission plans for the 3 previous fiscal years; provided,

12 however, that the group insurance commission shall annually, not later than June 30, provide the  
13 department with data necessary for the determination of the rate or an increase of it.

14 SECTION 3. Said section 2 of said chapter 70, as so appearing, is hereby further  
15 amended by striking out the definition of “Foundation benefits” and inserting in place thereof the  
16 following definition:-

17 “Foundation benefits”, the amount allotted within a district's foundation budget for  
18 employee benefits and fixed charges; provided, however, that the allotment shall be equal to 1.29  
19 times the sum of: (i) the employee health insurance rate multiplied by the number of active  
20 employees for whom the district provides health insurance; and (ii) the retired employee health  
21 insurance rate multiplied by the number of the district’s retired employees receiving health  
22 insurance through the district or any of its member municipalities; and provided further, that  
23 each district shall annually, not later than June 30, provide the department with data necessary to  
24 determine the number of retired employees.

25 SECTION 4. Said section 2 of said chapter 70, as so appearing, is hereby further  
26 amended by striking the definition of “foundation special education tuition” and inserting in  
27 place thereof the following definition:-

28 “Foundation special education tuition”, the amount allotted within a district’s foundation  
29 budget for special education tuition in any fiscal year. The value shall be the product of 3 times  
30 the statewide foundation budget per pupil amount and the assumed tuitioned-out special  
31 education enrollment.

32 SECTION 5. Said section 2 of said chapter 70, as so appearing, is hereby further  
33 amended by inserting after the definition of “Professional development allotment” the following  
34 definition:-

35 “Retired employee health insurance rate”, the weighted average of the group insurance  
36 commission premium for all retiree plans for the 3 previous fiscal years; provided, however, that  
37 the group insurance commission shall annually, not later than June 30, provide the department  
38 with data necessary for the determination of such rate.

39 SECTION 6. Chapter 70 of the General laws is hereby further amended by inserting after  
40 section 4 the following section:-

41 Section 4A. Notwithstanding any general or special law to the contrary, paragraphs 4, 17,  
42 43, 85, and 117 of section 2 of chapter 70 shall be fully implemented by fiscal year 2024;  
43 provided, that the rates for implementation shall be determined annually by the legislature based  
44 on cost estimates to be provided annually by the department; provided further, that if revenue  
45 projections for the following fiscal year significantly exceed the available revenues for the  
46 current fiscal year, the rates for assumed in-school special education enrollment and foundation  
47 benefits may increase at higher rates to be determined by the legislature.

48 (a) The commissioner, shall convene a data advisory commission to promote the  
49 improved use of state, district and school-level data to inform effective resource allocations at  
50 the local level.

51 The data advisory commission shall assist the department in identifying, analyzing, and  
52 making recommendations on high-impact, cost effective strategies for addressing student needs  
53 including, but not limited to:

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

59 (ii) strengthening the department's capacity to analyze and report staffing, scheduling and  
60 financial data in ways that support strategic resource allocation decisions at the district and  
61 school levels, including a review of national practice models that ensure greater financial  
62 transparency;

63 (iii) strengthening district capacity to use state, district and school data to use  
64 benchmarking tools to inform strategic resource allocation and implementation decisions; and

65 (iv) streamlining financial reporting, eliminating duplicative reporting requirements and  
66 improving data quality.

67 The data advisory commission shall include the commissioner of elementary and  
68 secondary education, who shall serve as chair, the secretary of education, or a designee, and 1  
69 member to be appointed by each of the following organizations, all of whom shall have a  
70 demonstrated knowledge, experience and interest in data collection for purposes of improving  
71 student performance: the Massachusetts Association of School Committees, Inc.; the  
72 Massachusetts Association of School Superintendents, Inc.; the Massachusetts School  
73 Administrators Association, Incorporated; the Massachusetts Association of School Business  
74 Officials, Inc.; the Massachusetts Association of Vocational Administrators, Inc.; the  
75 Massachusetts Association of Regional Schools, Inc.; and 3 members to be appointed by the

76 commissioner, 1 of whom shall be a teacher in a district of 15,000 or more students who has had  
77 experience in a level 4 or 5 school that has utilized data to successfully improve student  
78 performance, and 2 members with professional experience and knowledge in the area of data  
79 collection, quality and usage in establishing public policy.

80 (b) The data advisory commission shall report annually on its progress to the board of  
81 elementary and secondary education, the clerks of the house of representatives and the senate,  
82 the house and senate chairs of the joint committee on education and the chairs of the house and  
83 senate committees on ways and means by December 1. The report shall include  
84 recommendations to achieve the requirements of this section. The department may, in  
85 consultation with the data advisory committee, develop or procure the data collection and  
86 reporting system described in subsection (a).

87 SECTION 7. Not later than July 1, 2019 the commissioner of the department of education  
88 shall develop an implementation plan for purposes of informing the FY 2021 budget on  
89 recommendations made by the 2015 foundation budget review commission report relative to  
90 converting the English learner increase from a base rate to an increment on the base rate, and  
91 increasing the low-income increment component of the foundation budget calculation in order to  
92 best serve low-income students and English learner populations.

93 The commissioner shall work with an independent research consultant with proven  
94 experience in education data and public policy research to assist in the development of  
95 implementation models, which shall include:

96 (i) defining the foundation budget category for “low-income” and amount of increment  
97 attributable to low-income students for the purpose of calculating chapter 70 aid;

98 (ii) options for how districts may be grouped based on low-income enrollment for the  
99 purpose of calculating chapter 70 aid;

100 (iii) improvements to better align data with the executive office of health and human  
101 services for the purpose of counting low-income students, including options for improved  
102 identification methods, and efforts to encourage families to enroll in state assistance programs  
103 and ensure districts have appropriate information and outreach tools;

104 (iv) options for a distribution formula for holding harmless those districts the department  
105 recognizes were negatively impacted by changes made to the calculation of low-income students,  
106 including districts where the increased rate did not fully compensate for a lower number of  
107 students identified under the economically disadvantaged metric implemented in 2016;

108 (v) options for changing the English learner base rate to an increment in the chapter 70  
109 formula beginning with the FY2021 budget, including recommendations on: (a) applying the  
110 middle school increment to all grade levels in the calculation of the English learner increment;  
111 (b) the degree to which the English learner increment should be differentiated based on the  
112 various levels of support required of English learners and (c) applying the increment to  
113 vocational school students;

114 (vi) types of interventions, supports and practices that have proven to be effective in  
115 improving performance for low-income students and English learners and have proven  
116 successful in closing the student achievement gap in districts with large populations of low-  
117 income students, including, but not limited to: instructional improvement; a study of staffing  
118 patterns and program offerings, and the costs incurred in providing such supports; and, models

119 for offering sufficient guidance for supporting district and school decision-making relative to  
120 effective and efficient resource allocation.

121 Prior to issuing a final study, the commissioner shall hold not fewer than 2 public  
122 meetings and provide ample opportunity for public and stakeholder input relative to any initial  
123 findings.

124 The implementation plan, together with any recommendations and findings, shall be filed  
125 with the house and senate committees on ways and means and the joint committee on education  
126 not later than July 1, 2019; provided a copy shall be made publicly available on the website of  
127 the department of elementary and secondary education.

128 SECTION 8. Subject to appropriation, the commissioner of the department of education  
129 shall hire an independent research consultant with proven experience in results-driven, education  
130 data analysis and public policy research in order to assist with the implementation of section 6 of  
131 this act.

132 SECTION 9. Sections 1 to 5, inclusive, shall take effect on December 31, 2019.