HOUSE DOCKET, NO. 500 FILED ON: 1/13/2023

HOUSE . . . . . No. 3567

The Commonwealth of Massachusetts

PRESENTED BY:

Natalie M. Blais

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

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

An Act to provide a sustainable future for rural schools.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Natalie M. Blais	*1st Franklin*	*1/13/2023*
Mindy Domb	*3rd Hampshire*	*1/21/2023*
Todd M. Smola	*1st Hampden*	*1/25/2023*
Smitty Pignatelli	*3rd Berkshire*	*1/25/2023*
Susannah M. Whipps	*2nd Franklin*	*1/25/2023*
Aaron L. Saunders	*7th Hampden*	*1/26/2023*
Lindsay N. Sabadosa	*1st Hampshire*	*1/26/2023*
Vanna Howard	*17th Middlesex*	*2/1/2023*
Mary S. Keefe	*15th Worcester*	*2/6/2023*
Joanne M. Comerford	*Hampshire, Franklin and Worcester*	*3/20/2023*
Kimberly N. Ferguson	*1st Worcester*	*3/28/2023*
John Barrett, III	*1st Berkshire*	*3/29/2023*
Daniel R. Carey	*2nd Hampshire*	*3/29/2023*
Joseph D. McKenna	*18th Worcester*	*4/3/2023*
Michelle L. Ciccolo	*15th Middlesex*	*4/6/2023*
Brian M. Ashe	*2nd Hampden*	*4/10/2023*
Kelly W. Pease	*4th Hampden*	*4/18/2023*
Nicholas A. Boldyga	*3rd Hampden*	*5/10/2023*

Kathleen R. LaNatra	*12th Plymouth*	*5/10/2023*
Dylan A. Fernandes	*Barnstable, Dukes and Nantucket*	*5/11/2023*
Paul A. Schmid III	*8th Bristol*	*5/11/2023*
Josh S. Cutler	*6th Plymouth*	*5/15/2023*
Margaret R. Scarsdale	*1st Middlesex*	*7/17/2023*
Jacob R. Oliveira	*Hampden, Hampshire and Worcester*	*7/17/2023*
Dawne Shand	*1st Essex*	*7/20/2023*
Adrianne Pusateri Ramos	*14th Essex*	*9/13/2023*
Paul W. Mark	*Berkshire, Hampden, Franklin and Hampshire*	*1/23/2024*

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HOUSE . . . . . No. 3567

By Representative Blais of Deerfield, a petition (accompanied by bill, House, No. 3567) of Natalie M. Blais and others relative to rural schools. Education.

The Commonwealth of Massachusetts

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

An Act to provide a sustainable future for rural schools.

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. Chapter 12C of the General Laws is hereby amended by adding the following section:-

Section 25. (a) For the purposes of this section "rural school district" shall mean a school district with both of the following: (i) a student density of not more than 35 students per square mile and (ii) a per capita income of less than the average annual estimated, state-wide per capita income.

(b) The center shall perform a review of a rural school district's health insurance plans to determine if any alternative, cost saving plans or plan designs are available to the rural school district. The center shall perform a review of each rural school district located within the commonwealth annually for rural school districts that purchase their own insurance plans and once every 3 years for rural school districts that are part of purchasing groups.

12 (c) The center shall provide a report to a rural school district following the review
13 required by subsection (b). The report shall contain any recommendations from the center,
14 including recommendations related to membership in purchasing groups, combining plan design
15 changes with health cost reimbursement arrangements and any other cost reducing strategies that
16 will not increase insurance costs for employees.

17 (d) The center shall provide assistance to rural school districts in implementing any of the
18 recommendations it provides pursuant to subsection (c).

19 SECTION 2. Chapter 15 of the General Laws is hereby amended by adding the following
20 section:-

21 Section 67. (a) There shall be within the department an office of shared services, which
22 shall be under the supervision and management of the director of shared services. The director
23 shall be appointed by the commissioner.

24 (b) The office of shared services shall oversee the formation of regional school districts
25 and superintendent unions in the commonwealth. The director of shared services shall assist
26 school districts that are considering forming or are in the process of forming regional school
27 districts and superintendent unions with the research, development and execution of shared
28 services projects and shared services agreements.

29 SECTION 3. Section 19 of chapter 15A of the General Laws, as appearing in the 2020
30 Official Edition, is hereby amended by inserting after the figure "71", in line 83, the following
31 words:- ; provided, however that paraprofessionals seeking to obtain licensure as special
32 educators shall have priority for such grants.

33 SECTION 4. Section 2 of chapter 70 of the General Laws, as appearing in the 2020
34 Official Edition, is hereby amended by inserting after the definition "Required net school
35 spending" the following definition:-

36 "Rural school district", a school district with both of the following: (i) a student density
37 of not more than 35 students per square mile and (ii) a per capita income of less than the average
38 annual estimated, state-wide per capita income.

39 SECTION 5. Section 10 of chapter 70B, as so appearing, is hereby amended by adding
40 the following subsection:-

41 (d) Notwithstanding the first paragraph of this section, the grant percentage for approved
42 school facilities projects in regional school districts shall be at least 90 per cent.

43 SECTION 6. Said chapter 70B of the General Laws is hereby further amended by adding
44 the following section:-

45 Section 22. (a) Upon the closure of a school as a result of a school district regionalization
46 effort, the authority shall relieve any debt that was accrued as a result of the establishment and
47 maintenance of the school's facilities that is owed to the authority by the municipality wherein
48 the school is located.

49 (b) Upon the closure of a school as a result of a school district regionalization effort, the
50 authority, in collaboration with the executive office of economic development, shall offer
51 assistance to the municipality wherein the school is located for the development of a plan for
52 demolition or use of the school building for other purposes, including any technical assistance
53 for school building reuse and the retrofitting of school buildings for other purposes.

54 SECTION 7. Chapter 71 of the General Laws is hereby amended by inserting after
55 section 7C the following 2 sections:-

56 Section 7D. (a) To provide for the reimbursement of the part of the cost of transportation
57 not reimbursable under section 7A, the state treasurer shall annually, on or before November 20,
58 pay to a rural school district the sums required for full reimbursement of extraordinary
59 transportation costs incurred directly by a rural school district as a result of the transportation
60 between school and home of any pupil.

61 (b) Rural school districts may establish a Rural School Transportation Reimbursement
62 Account. Reimbursements made by the commonwealth pursuant to this section may be deposited
63 into the account.

64 (c) Regional school districts that receive reimbursement pursuant to section 16C shall not
65 be eligible for school transportation reimbursement pursuant to this section.

66 Section 7E. (a) There is hereby established and set upon the books of the commonwealth
67 a separate fund known as the Non-Resident Pupil Transportation Fund. The fund shall be
68 credited with: (i) appropriations or other money authorized or transferred by the general court
69 and specifically designated to be credited to the fund; (ii) funds from public and private sources,
70 including, but not limited to gifts, grants and donations; and (iii) any interest earned on such
71 money. Amounts credited shall not be subject to appropriation and shall be expended by the
72 department to reimburse schools for the costs associated with the transportation of pupils who
73 attend schools in school districts that are not located within the municipality that the pupil
74 resides in to be administered by the department in accordance with this section.

75 (b) A qualified school district eligible for funding shall include any school district that
76 enrolls pupils in its schools who reside outside of the municipality where the school is located.

77 (c) Annually, not later than December 1, the department shall submit a report to the house
78 and senate committees on ways and means detailing the calculation and planned distribution of
79 funds to school

80 districts; provided, that, funds distributed from this section shall not be considered
81 chapter 70 aid for the calculation of the minimum required local contribution for the upcoming
82 fiscal year.

83 (d) Every 5 years, the department shall determine the adequacy of funding for the
84 purposes of this section and recommend to the general court any necessary adjustment.

85 SECTION 8. Section 16D of said chapter 71, as appearing in the 2020 Official Edition, is
86 hereby amended by striking out subsection (g) and inserting in place thereof the following
87 subsection:-

88 (g) A regional school district shall receive state aid for the transitional costs associated
89 with the establishment of the regional school district. A regional school district shall be entitled
90 to aid under this subsection for the first 3 years of its operation. The state treasurer shall, upon
91 certification by the commissioner, annually, on or before November 20, pay to each regional
92 school district in its first 3 years of operation $200 per pupil enrolled by the regional school
93 district.

94 SECTION 9. Said section 16D of said chapter 71, as so appearing, is hereby further
95 amended by adding the following subsection:-

96 (h) A regional school district shall receive state aid to cover the salaries of temporary
97 school district employees, including, but limited to, an assistant superintendent, assistant
98 business manager, assistant information technology director and assistant pupil services director.
99 A regional school district shall receive aid under this subsection for the first 2 years of its
100 operation. The state treasurer shall, upon certification by the commissioner, annually, on or
101 before November 20, pay to each regional school district in its first 2 years of operation a sum to
102 be determined by the commissioner.

103 SECTION 10. Said chapter 71 is hereby further amended by inserting after section 16I
104 the following 3 sections:-

105 Section 16J. (a) There is hereby established and set upon the books of the commonwealth
106 a separate fund known as the School District Regionalization Grant Fund. The fund shall be
107 credited with: (i) appropriations or other money authorized or transferred by the general court
108 and specifically designated to be credited to the fund; (ii) funds from public and private sources,
109 including, but not limited to gifts, grants and donations; and (iii) any interest earned on such
110 money. Amounts credited shall not be subject to appropriation and shall be expended by the
111 department to fund a grant program for the study, planning and implementation of school district
112 regionalization efforts to be administered by the department in accordance with this section; and
113 provided further, that grant funds awarded pursuant to this section shall be distributed evenly
114 over a 3 year period.

115 (b) A qualified school eligible for funding are towns and regional school districts,
116 excluding vocational schools, independent agricultural, technical schools and charter schools;
117 provided, that a school district shall be eligible for a school district regionalization grant if it is

118 considering forming, is in the process of forming or has formed within the past 5 years a regional
119 school district or regionalizing services; provided, that, that school district regionalization grants
120 shall be allocated equitably in the following priority order: (i) school districts with significant
121 enrollment decline; (ii) school districts where existing school space is underutilized; and (iii)
122 school districts where the regionalization proposal will produce significant expansion of
123 available academic resources and supports as a result of cost savings.

124 (c) Annually, not later than February 1, any district receiving funds under this item shall
125 submit a report to the department outlining the progress the district has made in studying,
126 planning or implementing regionalization or regionalization services.

127 (d) Annually, not later than December 1, the department shall submit a report to the
128 house and senate committees on ways and means detailing the calculation and planned
129 distribution of funds to school districts; provided, that, funds distributed from this section shall
130 not be considered chapter 70 aid for the calculation of the minimum required local contribution
131 for the upcoming fiscal year.

132 (e) Every 5 years, the department shall determine the adequacy of funding for the
133 purposes of this section and recommend to the general court any necessary adjustment.

134 (f) A grant awarded to a school district pursuant to this section shall not exceed
135 $1,500,000 over a 3 year period.

136 Section 16K. (a) There is hereby established and set upon the books of the
137 commonwealth a separate fund known as the Regional School District Foundational Aid Fund.
138 The fund shall be credited with: (i) appropriations or other money authorized or transferred by
139 the general court and specifically designated to be credited to the fund; (ii) funds from public and

140 private sources, including, but not limited to gifts, grants and donations; and (iii) any interest
141 earned on such money. Amounts credited shall not be subject to appropriation and shall be
142 expended by the department to fund a grant program for regional school districts that experience
143 a drop in foundational aid as a result of regionalization to be administered by the department in
144 accordance with this section.

145 (b) A qualified school eligible for funding are regional school districts, excluding
146 vocational schools, independent agricultural, technical schools and charter schools; provided,
147 that any regional school district within its first 5 years of operation that has received less
148 foundational aid than any of its member school districts received in the 5 years preceding
149 regionalization shall be entitled to a grant equal to the difference in foundational funding
150 between the member school district prior to regionalization and the foundational funding
151 received by the regional school district.

152 (c) Annually, not later than December 1, the department shall submit a report to the house
153 and senate committees on ways and means detailing the calculation and planned distribution of
154 funds to school districts; provided, that, funds distributed from this section shall not be
155 considered chapter 70 aid for the calculation of the minimum required local contribution for the
156 upcoming fiscal year.

157 (d) Every 5 years, the department shall determine the adequacy of funding for the
158 purposes of this section and recommend to the general court any necessary adjustment.

159 Section 16L. (a) There is hereby established and set upon the books of the
160 commonwealth a separate fund known as the Superintendent Union Formation Grant Fund. The
161 fund shall be credited with: (i) appropriations or other money authorized or transferred by the

162 general court and specifically designated to be credited to the fund; (ii) funds from public and
163 private sources, including, but not limited to gifts, grants and donations; and (iii) any interest
164 earned on such money. Amounts credited shall not be subject to appropriation and shall be
165 expended by the department to fund a grant program for the development of superintendent
166 unions to be administered by the department in accordance with this section.

167 (b) A qualified school eligible for funding are school districts, excluding vocational
168 schools, independent agricultural, technical schools and charter schools; provided, that a school
169 district shall be eligible for a superintendent union formation grant if (i) school district
170 regionalization is not desired by the school district community or is not practicable for any
171 reason and (ii) the school district is considering forming, is in the process of forming or has
172 formed within the past 5 years a superintendent union pursuant to section 61.

173 (c) Annually, not later than February 1, any district receiving funds under this item shall
174 submit a report to the department outlining progress the district has made in studying, planning
175 or implementing a superintendent union.

176 (d) Annually, not later than December 1, the department shall submit a report to the
177 house and senate committees on ways and means detailing the calculation and planned
178 distribution of funds to school districts; provided, that, funds distributed from this section shall
179 not be considered chapter 70 aid for the calculation of the minimum required local contribution
180 for the upcoming fiscal year.

181 (e) Every 5 years, the department shall determine the adequacy of funding for the
182 purposes of this section and recommend to the general court any necessary adjustment.

183 (f) A grant awarded pursuant to this section shall not exceed $250,000 annually.

184 SECTION 11. Said chapter 71 is hereby further amended by adding the following 2
185 sections:-

186 Section 100. (a) There is hereby established and set upon the books of the commonwealth
187 a separate fund known as the Rural Schools Aid Fund. The fund shall be credited with: (i)
188 appropriations or other money authorized or transferred by the general court and specifically
189 designated to be credited to the fund; (ii) funds from public and private sources, including, but
190 not limited to gifts, grants and donations; and (iii) any interest earned on such money. Annually,
191 not later than December 1, the comptroller shall transfer $60,000,000 from the General Fund to
192 the fund. Amounts credited shall not be subject to appropriation and shall be expended by the
193 department to support the long-term fiscal health of rural school districts to be administered by
194 the department in accordance with this section.

195 (b) A qualified school eligible for funding are towns and regional school districts,
196 excluding vocational schools, independent agricultural, technical schools and charter schools;
197 provided, that a school district shall be eligible for rural school aid if a school district has a
198 student density of not more than 35 students per square mile and an average annual per capita
199 income of not more than the average annual per capita income for the commonwealth for the
200 same period; provided further, that rural school aid shall be allocated equitably in the following
201 priority order: (i) school districts serving less than 11 students per square mile; (ii) school
202 districts serving not more than 21 students per square mile; and (iii) school districts serving not
203 more than 35 students per square mile;

204 (c) Annually, not later than December 1, the department shall submit a report to the house
205 and senate committees on ways and means detailing: (i) its recommendations for additional

206 adjustments to the rural school aid calculation for the upcoming fiscal year to improve the
207 accuracy and equity of the student density component and the per capita income component; and
208 (ii) the calculation and planned distribution of funds to school districts; and provided further, that
209 funds distributed from this section shall not be considered chapter 70 aid for the calculation of
210 the minimum required local contribution for the upcoming fiscal year.

211 (d) Every 5 years, the department shall determine the adequacy of funding for the
212 purposes of this section and recommend to the general court any necessary adjustment.

213 Section 101. (a) There is hereby established and set upon the books of the commonwealth
214 a separate fund known as the Declining Enrollment Fund. The fund shall be credited with: (i)
215 appropriations or other money authorized or transferred by the general court and specifically
216 designated to be credited to the fund; (ii) funds from public and private sources, including, but
217 not limited to gifts, grants and donations; and (iii) any interest earned on such money. Amounts
218 credited shall not be subject to appropriation and shall be expended by the department to support
219 the long-term fiscal health of school districts with declining student enrollment to be
220 administered by the department in accordance with this section.

221 (b) A qualified school eligible for funding are towns and regional school districts,
222 excluding vocational schools, independent agricultural, technical schools and charter schools;
223 provided, that a school district shall be eligible for declining enrollment aid if it has a decline in
224 student enrollment of at least 35 per cent over the 20 years prior to the school district's
225 application for funds; provided further, that declining enrollment aid shall be allocated equitably
226 on a per-pupil basis with priority given to school districts that have experienced the greatest
227 percentage decline in student enrollment.

228 (c) Annually, not later than February 1, any district receiving funds under this item shall
229 submit a plan to the department outlining the district's plans to use such funds.

230 (d) Annually, not later than December 1, the department shall submit a report to the
231 house and senate committees on ways and means detailing the calculation and planned
232 distribution of funds to school districts; provided, that, funds distributed from this section shall
233 not be considered chapter 70 aid for the calculation of the minimum required local contribution
234 for the upcoming fiscal year.

235 (e) Every 5 years, the department shall determine the adequacy of funding for the
236 purposes of this section and recommend to the general court any necessary adjustment.

237 SECTION 12. The definition of "Instructional costs", in subsection (a) of said section 5A
238 of said chapter 71B of the General Laws is hereby amended by adding the following sentence:-
239 Instructional costs shall include partial costs of salaries for highly specialized staff when a full-
240 time equivalent staff person is not needed but a full-time salary is necessary to procure a
241 qualified professional.

242 SECTION 13. Subsection (c) of section 5A of chapter 71B of the General Laws, as
243 appearing in the 2020 Official Edition, is hereby amended by striking out the fourth sentence and
244 inserting in place thereof the following sentence:- The costs of programs shall be reimbursed at
245 100 per cent of all the instructional and transportation costs that exceed the approved costs
246 threshold; provided, that such reimbursement shall be paid in the year in which the costs are
247 incurred.

248 SECTION 14. Said chapter 71B of the General Laws is hereby further amended by
249 adding the following section:-

250 Section 17. (a) There shall be within the department a program to support the
251 development of specialized teachers with targeted funding for local educator preparation
252 programs for special education.

253 (b) The department shall facilitate the funding and implementation of the program so that
254 school districts can coordinate with educational collaboratives and other providers to build "grow
255 your own" programs and provide paid time off, or childcare stipends, to paraprofessionals
256 studying to become licensed special education teachers.

257 (c) The program shall provide similar support to teachers currently licensed in other
258 subjects to become special education teachers.

259 (d) The department shall develop special education instructor assessments that can be
260 used as an alternative to Massachusetts Tests for Educator Licensure (MTEL) or develop
261 licensure criteria that will supersede passing the MTEL.

262 SECTION 15. (a) Notwithstanding any general or special law to the contrary, the
263 department of elementary and secondary education shall conduct a review of special education
264 regulations of the department as they pertain to the needs of rural school districts.

265 (b) The department shall request public comment and discussions with special education
266 advocates, school administrators, parents, and experts to explore reform of regulations under 603
267 CMR 28.00.

268 (c) The department shall publish a web page that serves as a one-stop resource to allow
269 the public to obtain information and provide comments on individual rules and guidelines under
270 review as well as the department's regulatory review program generally.

271 SECTION 16. (a) There is hereby established, pursuant to section 2A of chapter 4 of the
272 General Laws, a special education financing legislative commission to review the
273 commonwealth's system for financing special education and make recommendations for a more
274 equitable system that provides adequate funding to local school districts to meet the costs of
275 providing high quality education to students with disabilities.

276 (b) The commission's review shall evaluate the commonwealth's current special
277 education financing structure and make recommendations to achieve the following goals:

278 (1) special education funds shall be sufficient to allow all schools to provide a high
279 quality education in the least restrictive environment that meets the unique needs of each eligible
280 student;

281 (2) special education funds provided to school districts shall recognize the variation in the
282 resources that are required to provide students with different disabilities a high quality education;

283 (3) districts with more students receiving special education services shall equitably
284 receive more state special education assistance funding than districts with fewer students
285 receiving special education services;

286 (4) districts with less local resources shall equitably receive more state special education
287 assistance funding than districts with more local resources;

288 (5) special education funds shall be relatively predictable and stable to enable school
289 districts to budget effectively and implement multi-year plans;

290 (6) the special education funding system shall promote the efficient use of funds without
291 incentivizing the under or misdiagnosis of students with disabilities;

292 (7) the special education funding system shall promote flexibility and innovation in
293 providing high quality education;

294 (8) the special education funding system shall limit local financial responsibility for
295 providing education to students with extraordinary needs; and

296 (9) the special education funding system shall provide sufficient funds to meet the costs
297 of transportation of special education students.

298 (c) In carrying out the review, the commissioner of elementary and secondary education
299 shall provide to the commission any data and information relevant to the commission's charge.
300 The commissioner of elementary and secondary education shall furnish reasonable staff and
301 other support for the work of the commission.

302 (d) Prior to issuing its recommendations, the commission shall conduct not fewer than 4
303 public hearings across regions of the commonwealth.

304 (e) The members of the commission shall include: the house and senate chairs of the joint
305 committee on education, who shall serve as co-chairs; the governor or a designee; the secretary
306 of education; the commissioner of elementary and secondary education; the commissioner of
307 early education and care; the director of the Massachusetts office on disability; the speaker of the
308 house of representatives or a designee; the president of the senate or a designee; the minority
309 leader of the house of representatives or a designee; the minority leader of the senate or a
310 designee; the chair of the house committee on ways and means or a designee; the chair of the
311 senate committee on ways and means or a designee; the house and senate chairs of the joint
312 committee on children, families and persons with disabilities and 1 member to be appointed by
313 each of the following organizations: the Massachusetts Municipal Association, Inc., the

314 Massachusetts Business Alliance for Education, Inc., the Massachusetts Association of School
315 Committees, Inc., the Massachusetts Association of School Superintendents, Inc., the
316 Massachusetts Teachers Association, the American Federation of Teachers Massachusetts, the
317 Massachusetts Association of Vocational Administrators, Inc., the Massachusetts Association of
318 Regional Schools, Inc., Massachusetts Advocates for Children, Federation for Children with
319 Special Needs, ARC of Mass, and the Parent Professional Advocacy League of Massachusetts.
320 Members shall not receive compensation for their services but may receive reimbursement for
321 the reasonable expenses incurred in carrying out their responsibilities as members of the
322 commission.

323 (f) It shall not constitute a violation of chapter 268A of the General Laws for a person
324 employed by a school district to serve on the commission or to participate in commission
325 deliberations that may have a financial impact on the district employing that person or on the rate
326 at which that person may be compensated. The commission may establish procedures to ensure
327 that no such person participates in commission deliberations that may directly affect the school
328 districts employing those persons or that may directly affect the rate at which those persons are
329 compensated.

330 (g) The commission shall file its report with the clerks of the house of representatives and
331 the senate on or before June 30, 2024. A copy of the report and recommendations shall be made
332 publicly available on the website of the department of elementary and secondary education and
333 submitted to the joint committee on education, the joint committee on children, families and
334 persons with disabilities, and the house and senate committees on ways and means.