

HOUSE No. 3955

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, January 21, 2016.

The committee on the Higher Education to whom were referred the petition (accompanied by bill, House, No. 1044) of Sean Garballey and Jennifer E. Benson for legislation to eliminate Form 901 higher education institution financial reporting requirements, petition (accompanied by bill, House, No. 1045) of Sean Garballey and Ellen Story relative to the finances and funding of public higher educational institutions, petition (accompanied by bill, House, No. 1046) of Sean Garballey and others relative to public higher education access and policies, petition (accompanied by bill, House, No. 1058) of James J. O’Day and others relative to in-state tuition and fee retention for University of Massachusetts Medical School students, petition (accompanied by bill, House, No. 1062) of Jeffrey N. Roy and others for an investigation by a special commission (including members of the General Court) relative to the “Pay it Forward” model of higher education financing, petition (accompanied by bill, House, No. 1074) of John W. Scibak and Ellen Story relative to tuition and charges at the University of Massachusetts, and on the residue of the joint petition (accompanied by bill, House, No. 1068) of Tom Sannicandro, Michael Moore and others relative to strengthening and expanding affordable, quality higher education opportunities for residents of the Commonwealth,, reports, in part, recommending that the accompanying bill (House, No. 3955) ought to pass.

For the committee,

TOM SANNICANDRO.

HOUSE No. 3955

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.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to assist in providing forthwith affordable postsecondary educational opportunities for residents of the commonwealth, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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

1

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

10 SECTION 2.

11 EXECUTIVE OFFICE OF EDUCATION

12 Department of Higher Education

13 7066-0019 \$4,000,000

14 7066-1221 \$1,500,000

15 7070-0066 \$2,000,000

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

24 EXECUTIVE OFFICE OF EDUCATION

25 Department of Elementary and Secondary Education

26 XXXX-XXXX For the development and implementation of standards and curriculum
27 on financial literacy \$1,000,000

28 Department of Higher Education

29 7066-0115 For the purposes of continuing the implementation of section 15E of chapter
30 15A of the General Laws to encourage private fundraising by the commonwealth’s public

31 institutions of higher education for the endowment and capital outlay programs of those
32 institutions; provided, that the board of higher education shall implement this program in a
33 manner which ensures that each institution shall have an opportunity to secure matching funds
34 from this item; provided further, that \$10,000,000 shall be allocated to the university of
35 Massachusetts; provided further, that \$5,000,000 shall be allocated to state universities; provided
36 further, that \$5,000,000 shall be allocated to community colleges; provided further, that if any
37 funds allocated herein for disbursement to state universities and community colleges shall be
38 unused, the remaining funds shall be made available to the university of Massachusetts; provided
39 further, that, to the greatest extent possible, the state universities, community colleges, and the
40 university of Massachusetts shall utilize the funds to increase the number of scholarship
41 opportunities for students \$20,000,000

42 XXXX-XXXX For the continued development and implementation of the transfer system
43 required by section 9 (hh) of chapter 15A of the General Laws, as inserted by this act
44 \$2,500,000

45 XXXX-XXXX For the Education Rewards Grant Program Fund established by section
46 2SSS of chapter 29 of the General Laws \$1,500,000

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

49 XXXX-XXXX For the Massachusetts Educational Financing Authority to assist in
50 carrying out the early college planning and financing efforts being undertaken by the Authority,
51 and the lower income family postsecondary education savings incentive matching grant pilot
52 program established by this act; provided, that not less than \$1,500,000 shall be expended for the

53 lower income family postsecondary savings incentive matching grant pilot program and shall be
54 credited to the Lower Income Family Postsecondary Education Savings Incentive Matching
55 Grant Pilot Program Trust Fund established by this act \$2,500,000

56 XXXX-XXXX For the Completion Grant Incentive Fund Pilot Program established by
57 the board of higher education to increase the graduation and success rates of low income students
58 who are enrolled in certificate or degree programs by providing incentive grants to persist and to
59 complete their degree or certificate program of study over a maximum of four years
60 \$3,000,000

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

65 XXXX-XXXX For a community colleges internship incentive grant program to be
66 administered by the department of higher education; provided, that the commonwealth shall
67 contribute funds to each community college in an amount to match private contributions in each
68 fiscal year; provided further, that the commonwealth's contribution shall be equal to \$1 for every
69 \$1 privately contributed to each community college's board of trustees or foundation; provided
70 further, that the maximum total contribution from the commonwealth shall be no greater than the
71 amount appropriated herein; provided further, that funds from this program shall not result in any
72 direct or indirect reduction in the commonwealth's appropriation to the institution's operations,
73 scholarships, financial aid or any state appropriation; provided further, the department of higher

74 education shall establish guidelines and criteria for the administration of the program

75 \$2,000,000

76 Community Colleges

77 7516-XXXX For the TAFDC Career Pathways Trust Fund established in section 2RRRR

78 of chapter 29 of the General Laws, inserted by this act, provided that the program shall be

79 administered by the Middlesex Community College through its entity, the Massachusetts

80 Community College Executive Office; provided, further, that no more than \$100,000 shall be

81 used to administer the program \$1,100,000

82 7516-XXXX For education opportunity coordinators established in section 22B of

83 chapter 15A of the General Laws, inserted by this act, to assist recipients of transitional aid to

84 families with dependent children in earning a community college certificate or two-year

85 associate's degree \$1,250,000

86 SECTION 3. Section 1 of chapter 15A of the General Laws, as appearing in the 2014

87 Official Edition, is hereby amended by inserting after the 3rd paragraph, the following

88 paragraph:- It is hereby further declared to be the policy of the commonwealth to ensure that the

89 university of Massachusetts, each state university, and each community college has at its

90 disposal adequate funds to provide, foster and support high quality institutions of public higher

91 education that serve the interests of the commonwealth and its residents in the manner described

92 in this section. For that purpose, it is hereby further declared to be the policy of the

93 commonwealth to make annually to the university of Massachusetts, each state university, and

94 each community college appropriations which, with all other unrestricted funds that are

95 available, in the case of each, for expenditure in the conduct of its affairs and the support of its

96 mission, are sufficient to fully fund its operating requirements. It is hereby further declared to be
97 the policy of the commonwealth to provide adequate funds to the university of Massachusetts,
98 each state university, and each community college for capital needs including the repair,
99 renovation, construction, reconstruction, improvement, maintenance, demolition, expansion,
100 acquisition, furnishing, or equipping of buildings, structures, facilities and other infrastructure,
101 including, but not limited to, technology infrastructure, necessary to maintain high quality
102 institutions of higher education.

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

119 universities, and the community colleges, shall determine the form in which all data and course
120 equivalencies shall be submitted by these institutions.

121 SECTION 5. Section 9 of said chapter 15A, as so appearing, is hereby by further
122 amended by adding the following paragraph:- All postsecondary educational institutions
123 offering courses and programs leading to degrees or certificates to residents of the
124 commonwealth shall provide uniform student financial aid information to every prospective
125 student who has been accepted for admission to the institution. Each institution shall provide
126 this information prior to the institution's enrollment deadline for purposes of providing each
127 student with time to make an informed decision about enrollment. Each institution shall use the
128 financial aid shopping sheet or such other standardized document developed by the U.S.
129 Department of Education, or the board of higher education to provide this information. Each
130 institution annually shall post on its website a list and description of all scholarships, grants, or
131 other funds that do not have to be paid back that are available at the institution to assist students
132 in paying for their education. Each institution shall inform students about any income based loan
133 repayment programs and public interest or other loan forgiveness programs available for
134 borrowers of student loans. In addition, all public institutions of higher education in the state
135 shall work with American Student Assistance through its SALT or other programs and the
136 Massachusetts Educational Financing Authority to provide financial literacy for students
137 attending these institutions.

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

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

145 SECTION 7. Section 16 of said chapter 15A, as so appearing, is hereby amended by
146 adding the following paragraph:- No state scholarship funds under this section, any other section
147 of this chapter, or other state student financial aid however provided, shall be made available to,
148 or on behalf, of any student enrolled in any postsecondary educational institution which the
149 board of higher education determines does not meet the requirements of this paragraph. To
150 meet the requirements of this paragraph, a postsecondary educational institution shall
151 demonstrate to the board that it has: (a) not more than 40% of its undergraduate students
152 borrowing student loans; (b) graduation rates of not less than 30% for undergraduate students
153 taking 150% or less of the expected time to complete degree requirements, as most recently
154 reported by the U.S. Department of Higher Education, provided, that graduation rates shall
155 include students who transfer; or (c) an average 3 year cohort default rate that is not more than
156 20%, as most recently reported by the U.S. Department of Education. The board of higher
157 education shall promulgate rules and regulations to implement this paragraph including, but not
158 limited to, procedures and processes for annually determining which postsecondary educational
159 institutions meet the requirements of this paragraph, and a process for an institution to appeal a
160 determination that they do not meet the necessary requirements. The board of higher education
161 shall annually post a list of institutions that meet the requirements of this paragraph on the
162 department of higher education’s website. No state scholarship funds under this section, any
163 other section of this chapter, or other state student financial aid however provided, that is made

164 available to, or on behalf, of any student enrolled in any for-profit postsecondary educational
165 institution shall be used for purposes of marketing or advertising.

166 SECTION 8: Said chapter 15A is hereby further amended by inserting after section 22A
167 the following new section:-

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

181 (b) Middlesex Community College, through its entity, the Massachusetts Community
182 College Executive Office, and in collaboration with the department of transitional assistance,
183 shall annually file a report with the chairs of the joint committee on higher education, the joint
184 committee on children, families, and persons with disabilities, and the house and senate
185 committees on ways and means that shall include, but not be limited to:- (1) information

186 regarding the efficacy of community college placements in developing careers for recipients of
187 cash assistance; (2) the number of recipients enrolled in certificate or two-year degree programs
188 at community colleges; (3) the number of recipients enrolled in a certificate or two-year degree
189 program receiving grants under the TAFDC Career Pathways Trust Fund established in section
190 2RRRR of chapter 29; (4) graduation rates of recipients of cash assistance enrolled in a
191 certificate or two-year degree program; (5) employment rates of former recipients 6 months after
192 completing a degree or certificate program; and (6) employment rates of former recipients 1 year
193 after completing a degree or certificate program. No personal identifying information shall be
194 used in the report. The first report shall be filed on or before August 1 two years after said
195 TAFDC Career Pathways Trust Fund is established and annually, on or before August 1, after
196 that.

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

199 Section 45. There shall be a Partnership to Advance Collaboration and Efficiency,
200 herein referred to as PACE. The purposes of PACE shall be to foster collaborations that promote
201 operational efficiencies, cost savings, increased productivity, and increase and enhance high
202 quality higher education opportunities for residents of the commonwealth at the public
203 institutions of higher education set forth in section 5. Initiatives undertaken by PACE shall
204 include, but not be limited to, cooperative efforts directed at increasing joint purchasing,
205 expanding shared services, increasing innovative measures for delivering higher education, and
206 enhancing academic opportunities for students. PACE shall be governed by a steering
207 committee consisting of the following: the president of the university of Massachusetts; 2
208 persons from the university of Massachusetts appointed by the president to serve for terms not

209 exceeding 4 years, as the president may determine; 3 presidents of the state universities to be
210 selected by vote of the presidents of the 9 state universities conducted at least once every 4 years;
211 3 presidents of the community colleges to be selected by vote of the presidents of the 15
212 community colleges to be conducted at least once every 4 years; and the commissioner of higher
213 education. Notwithstanding any general or special law to the contrary, the steering committee
214 may hire staff, enter into contracts, interagency or other agreements, apply for federal, state, or
215 other grants, establish subcommittees, and do whatever it deems necessary to carry out the
216 purposes of PACE. The steering committee shall annually submit, on or before March 1, to the
217 joint committee on higher education and the house and senate committees on ways and means a
218 report detailing the results of all PACE initiatives undertaken during the prior year. Monies
219 saved as a result of initiatives undertaken pursuant to this section shall supplement, not offset, or
220 reduce state appropriations provided to the university of Massachusetts, the state universities,
221 and the community colleges, and shall be used by the institutions to reduce the cost of education
222 for students attending these institutions.

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

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

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

233 SECTION 12. Section 2SSS of said chapter 29, as so appearing, is hereby amended by
234 striking out the penultimate sentence, in lines 25-26, inclusive, and inserting in place thereof the
235 following sentence:- The amount of the award shall be applied towards student financial need in
236 excess of the financial need met by other federal and state grants without regard to the amount
237 that may be available through loans.

238 SECTION 13. Said chapter 29 is hereby further amended by inserting after section
239 2QQQQ the following section:-

240 2RRRR. (a) There is hereby established and set up on the books of the
241 commonwealth a separate fund to be known as the TAFDC Career Pathways Trust Fund,
242 hereinafter referred to as the fund, to which shall be credited any appropriations, bond proceeds
243 or other monies authorized by the general court and specifically designated to be credited
244 thereto. Middlesex Community College, hereinafter referred to as the college, shall hold the fund
245 in an account or accounts separate from other funds or accounts; provided, that the fund shall be
246 administered by the Massachusetts Community Colleges Executive Office. Amounts credited to
247 the fund shall be used by the college, without further appropriation, to carry out the purposes of
248 the fund as set forth in this section. Any monies unexpended at the end of the fiscal year shall
249 remain in the fund and may be expended by the college without further appropriation.

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

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

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

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

268 (f) An off-campus community service placement shall include direct service
269 planning, career development or applied research that is designed to improve the quality of life
270 for residents of the community served, particularly low-income residents, in such fields as health
271 care, child care, education, literacy training, welfare, social services, public safety, crime

272 prevention and control, transportation, recreation, housing and neighborhood improvement, rural
273 development, and community improvement. Placements shall be identified by the Massachusetts
274 Community Colleges Executive Office through formal or informal consultation with local
275 nonprofit, governmental, and community-based organizations.

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

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

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

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

292 (j) Monies received from the Massachusetts TAFDC Career Pathways Trust
293 Fund established in section 2RRRR of chapter 29 of the General Laws shall not count against a

294 recipient's income, assets, or any other eligibility standard in qualifying for cash assistance
295 benefits.

296 (k) The college and the board of higher education, hereinafter referred to as the
297 board, shall enter a memorandum of understanding to ensure that funds are properly expended
298 and disbursed. The college shall enter into agreements with employers, community colleges, the
299 department of transitional assistance, and others for the operation of the fund. These agreements
300 shall include such provisions as the office may deem necessary or appropriate to carry out the
301 purposes of this section. These agreements shall be made available to the board upon request.

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

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

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

312 (18) In the case of single individual person or married person filing a separate return or
313 a head of household whose gross income does not exceed \$150,000, either a deduction or a tax
314 credit in an amount equal to the amount expended in a taxable year for the purchase of an interest
315 in, or contributed in a taxable year to an account in, a prepaid tuition program or college savings

316 program established by the commonwealth or any instrumentality or authority thereof; provided,
317 that the total amount deducted in a taxable year shall not exceed \$5,000, and in the case of a tax
318 credit, the tax credit shall not exceed \$1,250. In the case of a married couple filing a joint return
319 whose gross income does not exceed \$300,000, either a deduction or a tax credit in an amount
320 equal to the amount expended in a taxable year for the purchase of an interest in, or contributed
321 in a taxable year to an account in, a prepaid tuition program or college savings program
322 established by the commonwealth or any instrumentality or authority thereof; provided, the total
323 amount deducted in a taxable year shall not exceed \$10,000, and in the case of a tax credit, the
324 tax credit shall not exceed \$2,500.

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

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

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

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

337 Section 82. A taxpayer who, during the taxable year, makes a contribution to a prepaid
338 tuition program or college savings program established by the commonwealth or any
339 instrumentality or authority thereof in an amount matching a contribution to said programs made
340 in the same taxable year by any employee of the taxpayer whose income does not exceed 200 per
341 cent of the federal poverty level shall be allowed a credit against the tax liability imposed under
342 this chapter in an amount equal to 25 per cent of that matching contribution, but not to exceed
343 \$1,000 per contributing employee per taxable year. For partners, shareholders of Subchapter S
344 corporations, and owners of limited liability companies, if the liability company is treated as a
345 partnership for purposes of federal and State income taxation, there is allowed a credit pursuant
346 to this section to be determined in accordance with the determination of income and distributive
347 share of income according to this chapter and Subchapter S of the Internal Revenue Code. If the
348 amount of the credit exceeds the tax liability for the year, the excess may be carried forward and
349 applied to the tax liability of the 5 taxable years following the excess credit year. The tax credit
350 shall be applied to the earliest year for which there is a tax liability. If there are credits for more
351 than one year that are available to offset a liability, the earlier credit shall be applied first.

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

354 Section 1Q. To equip students with the knowledge and skills needed to become self-
355 supporting and to enable students to make critical decisions regarding personal finances, the
356 department of elementary and secondary education shall authorize and assist in the
357 implementation of standards and objectives on personal financial literacy. The components of
358 personal financial literacy covered in the standards and objectives shall include: understanding
359 loans, borrowing money, interest, credit card debt, and online commerce; rights and

360 responsibilities of renting or buying a home; saving, investing and planning for retirement;
361 banking and financial services; balancing a checkbook; state and federal taxes; paying for
362 postsecondary education; and charitable giving.

363 The department, in consultation with the advisory committee established under Section
364 200 (b) of chapter 138 of the Acts of 2012, shall develop standards and objectives on personal
365 financial literacy, for grades pre-kindergarten to 12, inclusive within the existing mathematics
366 curriculum. The department shall make available to school districts, charter schools, approved
367 private day or residential schools, and collaborative schools a list of resources to aid in the
368 selection of materials and curriculum on personal financial literacy. The department shall
369 identify and offer information on cost-effective methods for fulfilling the professional
370 development activities needed to implement said standards and objectives. The department may
371 consult with private, nonprofit, or other government institutions in order to identify and offer
372 said information. The department may apply for any federal, state, or other funding, including
373 funding available through the Financial Literacy Trust Fund, as established by section 35QQ of
374 chapter 10 of the General Laws, as amended by Chapter 14 of the Acts of 2011.

375 SECTION 19. (a) There shall be a licensed certified social worker student education loan
376 repayment pilot program, hereinafter referred to as the pilot program, for the purpose of
377 increasing and retaining access to child welfare services and social services in the
378 commonwealth. The pilot program shall provide financial assistance to eligible program
379 participants to assist them in repaying student education loans, as defined in this section;
380 provided, that the pilot program shall be limited to a total of 100 licensed certified social
381 workers. The pilot program shall be administered by the board of higher education established
382 under section 4 of chapter 15A of the General Laws. The board, in collaboration with the

383 executive office of health and human services, shall promulgate guidelines governing the pilot
384 program. The guidelines shall include, but need not be limited to, the following provisions: (1)
385 eligibility shall be limited to persons with incomes that do not exceed 500% of the federal
386 poverty level; (2) eligibility shall be limited to persons entering the field of social work after July
387 1, 2014; (3) eligibility shall be limited to social workers who are licensed certified social workers
388 as defined in section 130 of chapter 112 of the General Laws and who are employed in child
389 welfare, or in a geographic or programmatic setting defined as high need under the guidelines
390 governing the pilot program; (4) the commonwealth shall repay a student education loan at a rate
391 not to exceed \$250 per month for a period not to exceed 48 months; (5) payments by the
392 commonwealth shall be made directly to the lender on behalf of a pilot program participant, and
393 shall cover only loan payments owed by the participant in the months during which the
394 participant works in the commonwealth as a licensed certified social worker in child welfare, or
395 in a geographic or programmatic setting defined as high need under pilot program guidelines; (6)
396 procedures for selecting 100 pilot program participants among eligible applicants; and (7)
397 measures to deal with situations in which a pilot program participant ceases to comply with
398 program requirements. For the purposes of this section, the term student education loan shall
399 mean any indebtedness, including interest on such indebtedness, incurred to pay tuition, fees or
400 other direct expenses incurred in connection with the pursuit of an undergraduate or graduate
401 degree by an applicant, but shall not include loans made by any person related to the applicant,
402 or loans paid by credit card.

403 (b) There is hereby established and set up on the books of the commonwealth a separate
404 fund to be known as the Licensed Certified Social Worker Student Education Loan Repayment
405 Pilot Program Trust Fund, hereinafter referred to as the Licensed Certified Social Worker

406 Education Loan Repayment Fund, to which shall be credited any appropriations or other monies
407 authorized by the general court and designated to be credited thereto. The board of higher
408 education shall hold the Licensed Certified Social Worker Education Loan Repayment Fund in
409 an account separate from other funds or accounts. Amounts credited to the Licensed Certified
410 Social Worker Education Loan Repayment Fund shall be used, without further appropriation, by
411 the commissioner of higher education or his designee, to carry out the licensed certified social
412 worker student education loan repayment pilot program established in this section.

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

421 SECTION 20. (a) Notwithstanding any general or special law to the contrary, a portion
422 of the Educational Rewards Grant Program Fund established by section 2SSS of chapter 29 of
423 the General Laws, as determined by the department of workforce development and the board of
424 higher education, shall be used for a “Supports for Success” pilot program to assist grant
425 recipients complete their degree or certificate programs; provided, that supports provided
426 through said pilot may include, but need not be limited to, intensive advising and counseling,
427 college and career success courses, work study jobs in the students’ field of study, learning

428 communities, curricula redesign to support blended or accelerated remediation, mentoring or
429 tutoring, and child care and transportation assistance.

430 (b) On or before December 1 of each year, the department of workforce development
431 and the board of higher education shall submit to the the chairs of house and senate committees
432 on ways and means and the chairs of the joint committee on higher education a report on use in
433 the prior fiscal year of the Educational Rewards Grant Program Fund established by section
434 2SSS of chapter 29 of the General Laws; provided, that such report shall include, but need not be
435 limited to, the number of grants awarded, the amount of each grant, the level of educational
436 attainment of grant recipients before the grant was awarded, degrees and certificates awarded to
437 recipients, recipient demographic information, recipient retention rates while receiving the grant,
438 and analysis of the strengths and areas of needed improvement in the Educational Rewards Grant
439 Program and the “Supports for Success” pilot program and recommendations for such
440 improvements.

441 SECTION 21. (a) Notwithstanding any general or special law to the contrary, the board
442 of higher education shall establish a pilot program to promote student employment partnerships
443 between graduates of public and private institutions of higher education in the state and the
444 state’s business community. The board shall establish rules and regulations governing the
445 implementation and administration of the pilot program, including, but not limited to, any
446 income eligibility requirements for participating students. The pilot program shall consist of not
447 more than 3 public institutions of higher education and not more than 2 private institutions of
448 higher education in the state, and not more than 5 business entities in the state selected by the
449 board of higher education in consultation with the secretary of housing and economic
450 development. Business entities may consist of, but need not be limited to, employers from the

451 financial services, life sciences, high technology, and health care industries. Not more than 100
452 students may participate in the pilot program. Students eligible to participate in the program
453 shall be in good academic standing at one of the institutions selected to participate in the
454 program, and must have obtained fifty percent or more of the credits needed to graduate.

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

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

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

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

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

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

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

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

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

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

491 (c) The Authority shall:

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

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

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

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

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

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

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

509 (f) The amount of contributions made to an account by a participant who establishes a
510 prepaid tuition program or college savings account with the Authority shall be matched by the
511 state if the participant contributes at least \$150 during the calendar year for which the application

512 has been approved. The aggregate of all matching amounts for any participant shall not exceed
513 \$1,000 in any calendar year.

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

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

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

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

534 (k) There is hereby established and set up on the books of the commonwealth a separate
535 fund to be known as the Lower Income Family Postsecondary Education Savings Incentive
536 Matching Grant Pilot Program Trust Fund, hereinafter referred to as the fund, to which shall be
537 credited any appropriations, bond proceeds or other monies authorized by the general court and
538 specifically designated to be credited thereto. The Authority, shall hold the fund in an account or
539 accounts separate from other funds or accounts. Amounts credited to the fund shall be used by
540 the Authority, without further appropriation, to carry out the lower income family postsecondary
541 education savings incentive matching grant pilot program. Appropriations unexpended at the
542 end of the fiscal year shall remain in the fund and may be expended by the Authority without
543 further appropriation.

544 SECTION 23. The department of higher education shall study and make
545 recommendations on the “Pay It Forward, Pay It Back” concept for financing postsecondary
546 education whereby, in lieu of paying any tuition or fees, students would sign a binding
547 commitment to pay the state or the state’s public higher educational institutions a certain
548 percentage of their annual income for a specified number of years following graduation. The
549 study shall examine the desirability and feasibility of establishing a program to implement the
550 concept in the commonwealth at the state’s public higher education institutions, and shall
551 include, but not be limited to, the following: the costs, sources of funding, including, but not
552 limited, state appropriations, use of state bond funds, or pooling of private investment funds,
553 impact on students, and the impact on existing state funding for the operation of the state’s
554 public higher education institutions, and on state scholarships and grants. The department shall
555 also ascertain the impact any state laws, including, but not limited to, the state constitution and
556 case law regarding annual appropriations of state funds, pledge of the commonwealth’s credit,

557 and the ability of one legislature to bind future legislatures would have on the feasibility of a
558 establishing and funding a program to implement the concept in the state. In so doing, the
559 department shall consult with persons it deems necessary, including, but not limited to, the
560 state's bond counsel and the Massachusetts Educational Financing Authority. The department
561 shall report its findings and recommendations to the board of higher education, the joint
562 committee on higher education, and the house and senate committees on ways and means on or
563 before December 31, 2017.

564 SECTION 24. Notwithstanding any general or special law to the contrary, the
565 commonwealth shall appropriate in addition to the amounts provided for the ordinary
566 maintenance of the university of Massachusetts, the state universities, and the community
567 colleges in line items 7100-0200, 7109-0100, 7110-0100, 7112-0100, 7113-0100, 7114-0100,
568 7115-0100, 7116-0100, 7117-0100, 7118-0100, 7502-0100, 7503-0100, 7504-0100, 7505-0100,
569 7506-0100, 7507-0100, 7508-0100, 7509-0100, 7510-0100, 7511-0100, 7512-0100, 7514-0100,
570 7515-0100, 7516-0100, 7518-0100 in the general appropriations act for fiscal year 2016, the total
571 amount of such appropriations shall be increased as follows: in fiscal year 2017, by a total of not
572 less than an additional \$95,000,000; in fiscal year 2018, by a total of not less than an additional
573 \$95,000,000; in fiscal year 2019, by a total of not less than an additional \$95,000,000; in fiscal
574 year 2020, by a total of not less than an additional \$95,000,000; and in fiscal year 2021, by a
575 total of not less than an additional \$95,000,000. The dollar amounts specified in this paragraph
576 shall be increased to reflect any increases in inflation and collective bargaining increases. If the
577 additional funds required under this paragraph are provided in each fiscal year to the university
578 of Massachusetts, the state universities, and the community colleges, each institution receiving

579 sufficient additional funding shall freeze tuition and mandatory curriculum fee increases for the
580 academic year during which the funding is provided.

581 SECTION 25. Notwithstanding any general or special laws to the contrary, the
582 commonwealth shall appropriate in addition to the amount provided for scholarships and
583 financial aid in line item 7070-0065 in the general appropriations act for fiscal year 2016, the
584 total amount of such appropriation shall be increased as follows: in fiscal year 2017, by a total
585 of not less than an additional \$42,000,000; in fiscal year 2018, by a total of not less than an
586 additional \$42,000,000; in fiscal year 2019, by a total of not less than an additional \$42,000,000;
587 in fiscal year 2020, by a total of not less than an additional \$42,000,000; and in fiscal year 2021,
588 by a total of not less than an additional \$42,000,000. The additional funding required by this
589 paragraph shall be made available for the so-called MASSGrant program administered by the
590 board of higher education.

591 SECTION 26. The president of the university of Massachusetts, in consultation with the
592 chair of the board of trustees of the university and the chancellors of the campuses, shall develop
593 a funding formula to determine the allocation of state appropriations received by the university in
594 the annual state budget to the individual campuses. The formula shall consist of two parts: base
595 funding and performance funding. Base funding shall be based upon and allocated on factors
596 relating to the cost of operation. Performance funding shall be based upon and allocated on
597 factors relating to outcomes. At undergraduate campuses, the outcome afforded the most weight
598 for performance funding shall be increasing the number of students who complete their degrees;
599 provided that, additional points shall be given for graduating students who might have been
600 considered at-risk of not completing their education, including students from lower income
601 households, African-American students, Latino students, adult students, students with severe

602 disabilities, and those who may have been less academically prepared upon entry. Additional
603 performance outcomes may be included in the formula as deemed relevant to the mission of the
604 university, and for the university of Massachusetts medical school. The funding formula may be
605 updated as needed from time to time, and shall be available for use commencing with the fiscal
606 year 2017 annual budget. The president shall file the funding formula with the executive office
607 for administration and finance, the senate and house committees on ways and means, and the
608 joint committee on higher education.

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

621 SECTION 28. (a) Notwithstanding the provisions of any general or special law to the
622 contrary, not later than the start of the fall semester of 2018 and for each semester thereafter, if a
623 public institution of higher education determines, by use of multiple commonly accepted
624 measures of skill level, that a student is likely to succeed in college level work with supplemental

625 support, the public institution of higher education shall offer the student remedial support that is
626 embedded with the corresponding entry level course in a college level program. The embedded
627 support shall be offered during the same semester as and in conjunction with the entry level
628 course for purposes of providing the student with supplemental support in the entry level course.

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

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

645 (d) Not later than the start of the fall semester of 2018 and for each semester thereafter,
646 board of higher education and the board of elementary and secondary education shall complete

647 curricular alignment to enable the successful completion of the high school mathematics and
648 language arts curricula, as described in Massachusetts Curriculum Frameworks for English
649 Language Arts/Literacy and Mathematics as adopted by the board of elementary and secondary
650 education, to be the indicator of readiness for college level work. A public institution of higher
651 education may use available evaluation instruments to assess adults, who are returning to or first
652 enrolling in a higher education program at a public institution of higher education after spending
653 time in the workforce, for readiness for college level work.

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