

SENATE No. 1304

The Commonwealth of Massachusetts

PRESENTED BY:

Edward J. Kennedy

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 providing for reserve funds for school districts.

PETITION OF:

NAME:

Edward J. Kennedy

DISTRICT/ADDRESS:

First Middlesex

SENATE No. 1304

By Mr. Kennedy, a petition (accompanied by bill, Senate, No. 1304) of Edward J. Kennedy for legislation to provide for reserve funds for school districts. Municipalities and Regional Government.

The Commonwealth of Massachusetts

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

An Act providing for reserve funds for school districts.

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. Chapter 40 of the General Laws, as appearing in the 2020 Official Edition,
2 is hereby amended by inserting after Section 13, the following new section:

3 "Section 13E1/2. Any school district which accepts this section, by a majority vote of the
4 school committee and a majority vote of the legislative body or, in the case of a regional school
5 district by a majority vote of the legislative bodies in a majority of the member communities of
6 the district, may establish and appropriate or transfer money to a reserve fund to be utilized in the
7 upcoming fiscal years, to pay, without further appropriation, for any and all unanticipated or
8 unbudgeted costs. The balance in such reserve fund shall not exceed 10 per cent of the annual net
9 school spending of the school district.

10 Funds shall only be distributed from the reserve funds after a majority vote of the school
11 committee and a majority vote of the board of selectman or city council, or, in the case of a

12 regional school district by a majority vote of the board of selectmen or city council in a majority
13 of the member communities of the district.

14 The district treasurer may invest the monies in the manner authorized in section 54 of
15 chapter 44 and any interest earned thereon shall be credited to and become part of the fund."

16 Notwithstanding any general or special law to the contrary, the money held in this reserve
17 fund shall not be used against the required contributions by municipalities towards net school
18 spending.