

SENATE No. 284

The Commonwealth of Massachusetts

PRESENTED BY:

Jason M. Lewis

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 implement the recommendations of the Chapter 70 foundation budget review commission.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Jason M. Lewis</i>	<i>Fifth Middlesex</i>	
<i>Chris Walsh</i>	<i>6th Middlesex</i>	<i>1/24/2017</i>
<i>Jennifer E. Benson</i>	<i>37th Middlesex</i>	<i>1/25/2017</i>
<i>Barbara A. L'Italien</i>	<i>Second Essex and Middlesex</i>	<i>1/25/2017</i>
<i>Steven Ultrino</i>	<i>33rd Middlesex</i>	<i>2/2/2017</i>
<i>Michael S. Day</i>	<i>31st Middlesex</i>	<i>2/2/2017</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>	<i>2/2/2017</i>
<i>Colleen M. Garry</i>	<i>36th Middlesex</i>	<i>2/2/2017</i>

SENATE No. 284

By Mr. Lewis, a petition (accompanied by bill, Senate, No. 284) of Jason M. Lewis, Chris Walsh, Jennifer E. Benson, Barbara A. L'Italien and other members of the General Court for legislation to implement the recommendations of the Chapter 70 foundation budget review commission. Education.

The Commonwealth of Massachusetts

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

An Act to implement the recommendations of the Chapter 70 foundation budget review commission.

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 29 of the General Laws is hereby amended by inserting after
2 section 5B the following section:-

3 Section 5B½. (a) On or before January 15 the secretary of administration and finance
4 shall meet with the house and senate committees on ways and means and shall jointly determine
5 an implementation schedule to fulfill the recommendations filed on November 2, 2015 by the
6 foundation budget review commission established under section 4 of chapter 70. The
7 implementation schedule shall establish a foundation budget as defined in section 2 of said
8 chapter 70 incorporating the categories of tuitioned-out special education rate, assumed in-school
9 special education enrollment, low-income increment, low-income enrollment, foundation
10 benefits, retired employee health insurance and English language learner increment as defined in
11 section 2 of chapter 70 over a period of 7 fiscal years; provided, however, that in the first year of

12 the term of office of a governor who has not served in the preceding year the parties shall
13 determine an implementation schedule not later than January 31 of that year. Said schedule of
14 implementation shall not exceed 7 fiscal years and shall in each fiscal year set the appropriation
15 required to fully fund the foundation budget incorporating the aforementioned categories by
16 fiscal year 2025 in equal increments for each fiscal year. In determining the schedule of
17 implementation, the secretary of administration and finance and house and senate committees on
18 ways and means shall hold a public hearing and receive testimony from the commissioner of
19 elementary and secondary education and other interested parties. The schedule may be amended
20 by agreement of the senate and house ways and means committees in any of the 7 fiscal years to
21 reflect changes in enrollment, inflation, student populations, or other factors that would affect the
22 remaining costs in the schedule; provided, however, that the final year of the schedule shall not
23 surpass fiscal year 2025, but the schedule may be fully implemented prior to fiscal year 2025.
24 The implementation schedule shall be included in a joint resolution and placed before the
25 members of the general court for their consideration. The implementation schedule shall be
26 subject to appropriation.

27 SECTION 2. Section 2 of chapter 70 of the General Laws, as so appearing, is hereby
28 amended by striking out the definition of “Assumed in-school special education enrollment” and
29 inserting in place thereof the following definition:-

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

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

36 “Foundation benefits”, the amount allotted within a district’s foundation budget for the
37 purchase of retired employee health insurance, employee benefits and other insurance in any
38 fiscal year; provided, however, that the foundation benefits shall be the sum of the following:

39 (i) \$4,320 multiplied by the wage adjustment factor or the employee health insurance
40 rate, whichever is less, multiplied by the sum of the foundation teaching staff, the foundation
41 support staff, the foundation assistants, the foundation principals, the foundation clerical staff,
42 the foundation health care staff, the foundation central office professional staff and the
43 foundation custodial staff; plus

44 (ii) \$460 multiplied by the sum of the foundation teaching staff, the foundation support
45 staff, the foundation assistants, the foundation principals, the foundation clerical staff, the
46 foundation health care staff, the foundation central office professional staff and the foundation
47 custodial staff; plus

48 (iii) \$230 multiplied by the foundation vocational staff; plus

49 (iv) the retired employee health insurance rate multiplied by the number of retired
50 employees.

51 SECTION 4. Said section 2 of said chapter 70, as so appearing, is hereby further
52 amended by inserting after the word “allotment,”, in line 188, the second time it appears, the
53 following words:- English language learner increment, low-income increment.

54 SECTION 5. Said section 2 of said chapter 70, as so appearing, is hereby further
55 amended by inserting after the definition of “District” the following 2 definitions:-

56 “Employee health insurance rate”, the average group insurance commission premium for
57 all plans for the 3 previous fiscal years; provided, however, that the group insurance commission
58 shall annually, on or before June 30, provide the department with data necessary for the
59 determination of such rate or any increase thereof.

60 “English language learner increment”, the amount allotted within a district for English
61 language learners, as defined in section 3 of chapter 71A, including students enrolled in
62 vocational-technical schools. The English language learner increment shall be determined by
63 multiplying the number of English language learners within in a district by \$2,361 in fiscal year
64 2019, adjusted annually thereafter according to the foundation inflation index.

65 SECTION 6. Said section 2 of said chapter 70, as so appearing, is hereby further
66 amended by inserting after the definition of “Low-income enrollment” the following definition:-

67 “Low-income increment”, the amount allotted within a district for each student with a
68 family income at or below 185 per cent of the federal poverty level. The department shall rank
69 each district and divide the districts into septiles; provided, however, that each district shall be
70 assigned a low-income septile based on its low income percentage which shall be calculated as
71 its number of low-income students divided by the total foundation enrollment; provided further,
72 that each septile shall be assigned a low-income rate where the rate for the lowest percentage
73 septile shall be \$3,474 and each subsequent septile shall increase by equal amounts up to the
74 highest percentage septile rate of \$8,179; and provided further, that beginning in fiscal year

75 2019, the rates for each septile shall be annually adjusted according to the foundation inflation
76 index.

77 SECTION 7. Said section 2 of said chapter 70, as so appearing, is hereby further
78 amended by inserting after the definition of “Professional development allotment” the following
79 2 definitions:-

80 “Retired employee”, an employee of a school district who retired while employed by that
81 district and who receives health insurance benefits through that district.

82 “Retired employee health insurance rate”, the average group insurance commission
83 premium for all retiree plans for the 3 previous fiscal years; provided, however, that the group
84 insurance commission shall annually, on or before June 30, provide the department with data
85 necessary for the determination of such rate or any increase thereof.

86 SECTION 8. Said section 2 of said chapter 70, as so appearing, is hereby further
87 amended by inserting after the definition of “Total foundation staff” the following definition:-

88 “Tuitioned-out special education rate”, 4 times the statewide foundation budget per-pupil
89 amount less the sum of the statewide foundation budget per-pupil amount and out-of-district
90 special education cost rate; provided, however, that the fiscal year 2018 value shall become the
91 base rate and shall be annually adjusted according to the foundation inflation index.