

SENATE No. 2365

Senate, October 3, 2019 – Text of the Senate Bill relative to educational opportunity for students (being the text of Senate document number 2350, printed as amended)

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act relative to educational opportunity for students.

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 10 of the General Laws is hereby amended by inserting after
2 section 35LLL the following section:-

3 Section 35MMM. (a) There shall be a Twenty-First Century Education Trust Fund that
4 shall be administered by the commissioner of elementary and secondary education in
5 consultation with the Twenty-First Century Education Advisory Council. The fund shall be
6 credited with: (i) appropriations, bond proceeds or other money authorized or transferred by the
7 general court and specifically designated to be credited to the fund; (ii) funds from public and
8 private sources, including, but not limited to gifts, grants and donations; and (iii) any interest
9 earned on such money. Revenues deposited in the fund that are unexpended at the end of a fiscal
10 year shall not revert to the General Fund and shall be available for expenditure in the following
11 fiscal year. No expenditure made from the fund shall cause the fund to become deficient at any
12 point.

13 (b) Annually, not later than December 1, the commissioner shall submit a report detailing
14 expenditures from the trust fund to the clerks of the house of representatives and the senate, the
15 house and senate committees on ways and means and the joint committee on education.

16 SECTION 2. Chapter 15 of the General Laws is hereby amended by inserting after
17 section 1 the following section:-

18 Section 1¼. The definitions in section 2 of chapter 70 shall apply to this chapter.

19 SECTION 3. Section 13E of chapter 40 of the General Laws, as appearing in the 2018
20 Official Edition, is hereby amended by inserting after the word “education”, in line 8, the
21 following words:- and recovery high school programs.

22 SECTION 4. Chapter 69 of the General Laws is hereby amended by inserting after
23 section 1 the following section:-

24 Section 1¼. The definitions in section 2 of chapter 70 shall apply to this chapter.

25 SECTION 5. Said chapter 69 is hereby further amended by striking out section 1Q,
26 inserted by section 2 of chapter 438 of the acts of 2018, and inserting in place thereof the
27 following 3 sections:-

28 Section 1R. (a) Financial literacy standards established pursuant to section 1D shall
29 promote an understanding of personal finances including, but not limited to: (i) loans; (ii) interest
30 and interest accrual; (iii) credit card debt; (iv) online commerce; (v) rights and responsibilities of
31 renting or buying a home; (vi) saving, investing and planning for retirement; (vii) the role of
32 banking and financial services; (viii) balancing a checkbook; (ix) state and federal taxes; (x)
33 charitable giving; (xi) evaluating media content, including online content, that relates to personal
34 finance matters; and (xii) saving, investing and planning for higher education or professional
35 training.

36 (b) A school district, charter school, approved private day or residential school or
37 collaborative school may incorporate the financial literacy standards established pursuant to
38 section 1D and subsection (a) into existing curriculum including, but not limited to, mathematics,
39 history and social sciences, technology or business.

40 (c) The department shall make resources available to school districts, charter schools,
41 approved private day or residential schools and collaborative schools to assist in the selection of
42 materials and curriculum on personal financial literacy. The department shall identify and offer
43 information on resources for professional development activities and instruction on personal
44 financial literacy. The department may consult with private or non-profit experts in the field of
45 behavioral science or related disciplines and government stakeholders to identify such resources.

46 (d) The department may apply for federal, state or other funding, including funding
47 available through the Economic Empowerment Trust Fund established pursuant to section 35QQ
48 of chapter 10, to implement this section.

49 (e) Upon the action of the general court, there shall periodically be a review by the
50 department relative to the implementation of the financial literacy standards, including a study of
51 financial literacy programs being offered in the commonwealth to students in kindergarten to
52 grade 12. The general court may direct the commissioner to consult with the office of the state
53 treasurer to, subject to appropriation, convene a working group consisting of educators
54 experienced in teaching curriculum related to financial literacy or personal finance and any
55 individuals or organizations the department deems relevant with expertise in financial services,
56 including, but not limited to, banking, borrowing and consumer protection. The review shall
57 include a report on best practices and recommended improvements to the financial literacy

58 standards. The report shall be submitted to the clerks of the house of representatives and the
59 senate and the joint committee on education.

60 Section 1S. (a) The commissioner shall establish statewide targets for addressing
61 persistent disparities in achievement among student subgroups in the aggregate and within
62 subcategories consistent with the state plan under the federal Every Student Succeeds Act of
63 2015. The targets shall include annual benchmarks on the progress expected to be achieved in the
64 aggregate and by subcategory.

65 (b) There shall be targets for addressing persistent disparities in achievement among
66 student subgroups for each district. Each district shall develop a 3-year plan that is consistent
67 with district targets. Each district's plan shall be developed by the superintendent, with the
68 approval of the school committee, and shall consider input and recommendations from parents,
69 including, but not limited to, special education and English learner parent advisory councils,
70 school improvement councils, educators in the school district and other relevant community
71 stakeholders.

72 (c) The 3-year plan shall be submitted in a form and manner prescribed by the department
73 and shall include, but not be limited to:

74 (i) a description of how funds received pursuant to chapter 70, as well as other local,
75 state, federal and grant-based funding sources, will be allocated among schools in the district, by
76 foundation category, to be used in support of the plan; provided, however, that the description
77 shall include an explanation of the relationship between the allocation of the funds and the
78 educational needs of English learners and low-income students;

79 (ii) a description of the evidence-based programs, supports and interventions that the
80 school district will implement to address persistent disparities in achievement among student
81 subgroups, which may include, but shall not be limited to: (A) expanded learning time in the
82 form of a longer school day or school year; (B) increased opportunity for common planning time
83 for teachers; (C) wraparound services to support students' social-emotional and physical health;
84 (D) hiring school personnel to best support improved student performance; (E) increased or
85 improved professional development; (F) purchase of curriculum materials and equipment that are
86 aligned with the statewide curriculum frameworks; (G) expanding early education and pre-
87 kindergarten programming within the district, including those provided in partnership with
88 community-based organizations; and (H) increasing college and career readiness;

89 (iii) identification of input resources, outcome metrics and other goals used by the district
90 to measure success in addressing persistent disparities in achievement among student subgroups;
91 provided, however, that the department shall develop standard metrics that may be incorporated
92 in district plans and may include: (A) results from the statewide student assessment, including
93 student growth; (B) results from the English proficiency assessment administered to English
94 learners; (C) grade level completion and attendance data; (D) participation in advanced
95 coursework; and (E) other indicators of district and school climate, diversity and performance,
96 including those developed by the Massachusetts Consortium for Innovative Education
97 Assessment; and

98 (iv) a description of opportunities offered in the district for parent engagement regarding
99 learning, development and well-being, including, but not limited to, any engagement
100 opportunities or outreach targeted to parents of low-income students, English learners, students
101 receiving special education services or other student subgroups who may benefit from such

102 additional opportunities or outreach; provided, however, that the plan shall also identify specific
103 measures designed to support opportunities for parent engagement.

104 (d) Each district shall submit its plan to the department every 3 years. Upon receipt of a
105 district plan, the commissioner may recommend plan amendments that ensure that the plan sets
106 forth clear and achievable goals and measurable standards for student improvement that comply
107 with the requirements of this section. The commissioner shall ensure that: (i) each district plan is
108 consistent with any broad or targeted support plan for underperforming or chronically
109 underperforming schools in the district; and (ii) districts make plan amendments necessary to
110 ensure consistency. Following the submission of a 3-year plan, each district shall annually, not
111 later than April 1, submit to the department: (i) relevant data, pursuant to its plan, to assess
112 success in addressing persistent disparities in achievement and opportunity among student
113 subgroups; and (ii) amendments to the plan that are necessary to improve district performance in
114 meeting plan goals. Each plan shall be made publicly available on both the submitting district's
115 website and the department's website.

116 (e) Annually, not later than December 31, the commissioner shall submit a report to the
117 clerks of the senate and the house of representatives and the joint committee on education on the
118 progress made in addressing persistent disparities in achievement among student subgroups in
119 the aggregate and within subcategories on a statewide basis; provided, however, that district and
120 school level data shall be made available on the department's website along with the report.

121 (f) The department may authorize school districts to combine the reporting required in
122 this section with the reporting required from school districts pursuant to section 11.

123 (g) Nothing in this section shall affect education funds received by districts pursuant to
124 section 2 of chapter 70 or the distribution of education aid or reimbursement funding distributed
125 under sections 2 or 3 of the general appropriations act.

126 Section 1T. (a) The secretary of education, in consultation with the data advisory
127 commission established in section 17 of chapter 70 and in conjunction with each public school
128 district, the department of elementary and secondary education, the department of higher
129 education and other relevant state agencies, shall collect and make publicly available data on
130 student preparedness for workforce and post-graduate success by school district and high school.
131 The data shall provide information on the success of students in completing coursework,
132 matriculating to post-secondary education or training coursework, completing post-secondary
133 coursework or training and entering the workforce. The data collected and made publicly
134 available shall include, but not be limited to:

135 (i) student access to high quality instruction and coursework, including, but not limited
136 to, the number of students enrolled in: (A) a MassCore curriculum; and (B) advanced placement
137 coursework;

138 (ii) student participation rates in college and career readiness programming and the
139 percentage of students in internships and earning industry-recognized credentials;

140 (iii) post-secondary application, acceptance, remediation, persistence and graduation
141 rates; and

142 (iv) the percentage of students who, 16 months after their high school graduation, are
143 attending an institution of higher education or another type of educational or training program or
144 are employed with a sustainable wage.

145 (b) Annually, not later than December 31, the secretary shall report on student
146 preparedness for workforce and post-graduate success by school district and high school,
147 including any factors that limit access to any programs indicated in this section, to the clerks of
148 the house of representatives and the senate, the joint committee on education and the joint
149 committee on labor and workforce development; provided, however, that the report shall make
150 recommendations on the advisability of establishing statewide and regional targets for student
151 preparedness for workforce and post-secondary education.

152 (c) The department may authorize school districts to combine the reporting required in
153 this section with the reporting required from school districts pursuant to section 11.

154 SECTION 6. Chapter 70 of the General Laws is hereby amended by striking out sections
155 2 and 3, as appearing in the 2018 Official Edition, and inserting in place thereof the following 2
156 sections:-

157 Section 2. (a) As used in this chapter and in chapters 15, 69 and 71, the following words
158 shall have the following meanings unless the context clearly requires otherwise:

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

162 “Assumed tuitioned-out special education enrollment”, 1 per cent of the total foundation
163 enrollment in a district, not including vocational or preschool enrollment.

164 “Base aid”, in a fiscal year, the amount of chapter 70 school aid provided to the district in
165 the prior fiscal year.

166 “Board”, the board of elementary and secondary education.

167 “Chapter 70 school aid”, for each district, the greater of: (i) foundation aid; or (ii) the sum
168 of base aid and minimum aid; provided, however, that no nonoperating district shall receive
169 chapter 70 school aid in an amount greater than its foundation budget.

170 “Combined effort yield”, the sum of: (i) a municipality’s equalized property valuation
171 multiplied by the uniform property percentage; and (ii) its municipal income multiplied by the
172 uniform income percentage.

173 “Commissioner”, the commissioner of elementary and secondary education.

174 “Department”, the department of elementary and secondary education.

175 “District” or ”School district”, the school department of a city or town, a regional school
176 district, an independent vocational school or a vocational school or agricultural school operated
177 by a county.

178 “Effort reduction percentage”, the percentage of excess effort to be reduced in a given
179 fiscal year, as specified annually in the general appropriations act, and applied to each
180 municipality with excess effort in the calculation of the required local contribution.

181 “English learner”, as defined in section 2 of chapter 71A.

182 “Equalized property valuation”, the most recent equalized property valuation for a
183 municipality as determined by the department of revenue pursuant to sections 9, 10 and 10C of
184 chapter 58.

185 “Excess effort”, a municipality’s preliminary local contribution minus its target local
186 contribution; provided, however, that “excess effort” shall not be less than 0.

187 “Foundation aid”, for each district, the difference between the district’s foundation
188 budget and the required local contribution.

189 “Foundation allotments”, the sum of the foundation category costs for each district;
190 provided, however, that the sum in each foundation category shall be the product of enrollment
191 in each foundation enrollment category that is eligible for the respective foundation category and
192 the per-pupil rate assigned to each foundation category; provided further, that in each year, the
193 per-pupil rate for each foundation category, except employee benefits and fixed charges, shall
194 not be less than the prior year’s foundation per-pupil rate adjusted by the foundation inflation
195 index; and provided further, that in each year, the rate for employee benefits and fixed charges
196 shall not be less than the prior year’s rate adjusted by the foundation employee benefits inflation
197 rate.

198 “Foundation budget”, the sum of the foundation allotments for the following foundation
199 categories: (i) administration; (ii) instructional leadership; (iii) classroom and specialist teachers;
200 (iv) other teaching services; (v) professional development; (vi) instructional materials, equipment
201 and technology; (vii) guidance and psychological services; (viii) pupil services; (ix) operations
202 and maintenance; (x) employee benefits and fixed charges; and (xi) special education tuition.

203 “Foundation employee benefits inflation rate”, the average annual rate of growth for the
204 employer share of the average premium of all group insurance commission plans over the 3 prior
205 fiscal years as calculated by the group insurance commission.

206 “Foundation enrollment”, in a fiscal year, the number of students on October 1 for whom the
207 district is financially responsible, including students attending programs outside of the district for
208 whom the district is required to pay tuition; provided, however, that each student shall be
209 assigned to 1 of the following categories: (i) preschool; (ii) kindergarten, half-time; (iii)
210 kindergarten, full-time; (iv) elementary school; (v) junior high school or middle school; (vi) high
211 school; or (vii) vocational school.

212 “Foundation increments”, the additional resources provided for the education of students
213 designated as English learners or low-income; provided, however, that the increments shall be
214 constituted by the product of a district’s foundation enrollment deemed eligible for such
215 increments and the amounts assigned for each foundation category; provided further, that for
216 low-income students, the amount of the foundation increment shall be determined by the low-
217 income group into which each district is assigned; provided further, that districts shall be
218 assigned low-income groups based on the share of low-income students in the district; and
219 provided further, that the share of low-income students in the district shall be the quotient of: (i)
220 the number of low-income students as calculated under this section; and (ii) the foundation
221 enrollment.

222 “Foundation inflation index”, the lesser of: (i) the ratio of the value of the implicit price
223 deflator for state and local government purchases in the third quarter of the prior fiscal year to its
224 value in the third quarter of the fiscal year 2 years prior; and (ii) 1.045.

225 “General revenue sharing aid”, the amount of assistance from the commonwealth to a city or
226 town in a fiscal year from: (i) payments in lieu of taxes for state-owned land; and (ii) amounts
227 appropriated through items 1233-2400 and 1233-2350 in the annual general appropriations act.

228 “Low-income”, a designation for those students whose family’s income is not more than
229 185 per cent of the federal poverty guidelines used to determine financial eligibility for certain
230 federal programs; provided, however, that if a consistent and accurate method for determining
231 the income eligibility of all students is not available for all districts, the department shall develop
232 a method to estimate the share of low-income students in each district; and provided further, that
233 the department shall submit a report to the clerks of the house of representatives and the senate,
234 the joint committee on education and the house and senate committees on ways and means on

235 any estimation method not later than November 1 prior to the implementation of any new
236 estimation method in the following fiscal year.

237 “Minimum aid”, the greater of: (i) the difference between a district’s minimum aid
238 adjustment and base aid; and (ii) a district’s foundation enrollment multiplied by a per-pupil
239 dollar amount specified annually in the general appropriations act, but which shall not be less
240 than \$30, which shall be the minimum aid increment above base aid.

241 “Minimum aid adjustment”, in each fiscal year, the sum of: (i) chapter 70 aid for each district
242 as described in section 3; provided, however, that the base and incremental rates used in the
243 calculation shall be those set forth in section 3 of chapter 41 of the acts of 2019; and (ii) a
244 district’s foundation enrollment multiplied by \$30.

245 “Municipal income”, the most recent aggregate personal income for a municipality as
246 determined by the department of revenue.

247 “Municipal revenue growth factor”, the change in local general revenues calculated by
248 subtracting 1 from the quotient calculated by dividing the sum of: (i) the maximum levy for the
249 fiscal year estimated by multiplying the levy limit of the prior fiscal year by a factor equal to
250 102.5 per cent plus the average of the percentage increases in the levy limit due to new growth
251 adjustments over the last 3 available years as certified by the department of revenue or as
252 otherwise estimated by the division of local services within the department of revenue where it
253 appears that a municipality may not be entitled to increase its minimum levy limit by 2.5 per
254 cent; provided, however, that if the highest percentage during such 3-year period exceeds the
255 average of the other 2 years' percentages by more than 2 percentage points, then the lowest 3 of
256 the last 4 years shall be used for such calculation; (ii) the amount of general revenue-sharing aid
257 for the fiscal year; and (iii) other budgeted recurring receipts, not including user fees or other

258 charges determined by the division of local services to be associated with the provision of
259 specific municipal services for the prior fiscal year, by the sum of: (A) the actual levy limit for
260 the prior fiscal year; (B) the amount of general revenue-sharing aid received for the prior fiscal
261 year; and (C) other recurring receipts, not including user fees or other charges determined by the
262 division of local services to be associated with the provision of specific municipal services
263 budgeted by the municipality for the fiscal year preceding the prior fiscal year, if any; provided
264 further, that for the purposes of this calculation, the levy limit shall exclude any amounts
265 generated by overrides applicable to any year after the fiscal year ending June 30, 1993; provided
266 further, that in the absence of an actual levy limit for the prior fiscal year, the actual levy limit
267 for the prior fiscal year shall be estimated by multiplying the actual levy limit of the fiscal year
268 preceding the prior fiscal year by a factor equal to 102.5 per cent plus the average of the
269 percentage increases in the levy limit due to new growth as specified above; provided further,
270 that such factor shall not be greater than the factor determined by subtracting 1 from the quotient
271 calculated by dividing total state school aid for the current fiscal year by total state school aid for
272 the prior fiscal year; and provided further, that in making any calculations required by this
273 definition, the division of local services may substitute more current information or such other
274 information as would produce a more accurate estimate of the change in a municipality's general
275 local revenues and the department shall use such growth factor to calculate preliminary
276 contribution, minimum contribution and any other factor that directly or indirectly uses the
277 municipal growth factor.

278 “Net school spending”, the total amount spent for the support of public education, including
279 tuition payments for children residing in the district who attend a school in another district or
280 other approved facility, including a charter school, determined without regard to whether such

281 amounts are regularly charged to school or nonschool accounts by the municipality for
282 accounting purposes; provided, however, that “net school spending” shall not include any
283 spending for school construction, long-term debt service, school meals, transportation of students
284 to and from their homes or adult and community learning programs; provided further, that “net
285 school spending” shall also not include expenditures from grants, other state aid programs,
286 tuition revenue or revenue from activities, admissions and other charges or any other revenue
287 attributable to public education; provided further, that such revenue shall be made available to
288 the school district that generated the revenue in addition to any financial resources made
289 available by municipalities or from state assistance; provided further, that the department, in
290 consultation with the department of revenue, shall promulgate regulations to ensure a uniform
291 method of determining which municipal expenditures are appropriated for the support of public
292 education and which revenues are attributable to public education in accordance with this
293 chapter; and provided further, that the regulations shall include provisions for resolving disputes
294 that may arise between municipal and school officials.

295 “Preliminary local contribution”, the product of: (i) a municipality’s required local
296 contribution for the prior fiscal year; and (ii) the sum of the municipality’s municipal revenue
297 growth factor and 1.

298 “Required local contribution”, a municipality’s preliminary local contribution; provided,
299 however, that if the preliminary local contribution is greater than the target local contribution,
300 then the preliminary local contribution shall be reduced by the product of its excess effort and the
301 effort reduction percentage; provided further, that if the preliminary local contribution as a
302 percentage of the foundation budget is between 2.5 and 7.5 percentage points below the target
303 local share, then the preliminary local contribution shall be increased by 1 per cent; provided

304 further, that if the preliminary local contribution as a percentage of the foundation budget is more
305 than 7.5 percentage points below the target local share, then the preliminary local contribution
306 shall be increased by 2 per cent; provided further, that in a municipality with a combined effort
307 yield equal to or greater than 175 per cent of its foundation budget, the required local
308 contribution shall not be less than 82.5 percent of the municipality's foundation budget; and
309 provided further, that the commissioner shall allocate each municipality's required local
310 contribution among the districts to which the municipality belongs and such allocation shall be in
311 proportion to each district's share of the municipality's foundation budget.

312 "Required net school spending", the sum of a district's chapter 70 school aid and its required
313 local contribution.

314 "Target local contribution", the lesser of: (i) a municipality's combined effort yield; or (ii)
315 82.5 per cent of its total foundation budget.

316 "Target local share", the percentage of each municipality's foundation budget represented by
317 its target local contribution.

318 "Uniform income percentage" and "uniform property percentage", factors calculated
319 annually by the commissioner so that: (i) the total state equalized property valuation multiplied
320 by the uniform property percentage is equal to the total statewide municipal income multiplied
321 by the uniform income percentage; and (ii) the total state target local contribution is equal to a
322 per cent of the total state foundation budget specified annually in the general appropriations act
323 which shall not exceed 59 per cent.

324 "Wage adjustment factor", an adjusted difference between the average annual wage for all
325 jobs in the labor market area in which a municipality is located and the average annual wage in
326 the commonwealth; provided, however, that average annual wage figures shall be published

327 annually by the division of employment and training; provided further, that the wage adjustment
328 factor shall be the sum of: (i) 1; and (ii) a fraction, the numerator of which shall be the product
329 of: (A) $\frac{1}{3}$ and the difference resulting from subtracting the average annual wage in the
330 commonwealth from the average annual wage of the community; and (B) the denominator of
331 which shall be the average annual wage in the commonwealth; provided further, that the average
332 annual wage of the community shall be the sum of: (a) 0.8 multiplied by the average annual
333 wage for all jobs in the labor market area in which the municipality is located; and (b) 0.2
334 multiplied by the average annual wage of the municipality; and provided further, that the “wage
335 adjustment factor” shall not be less than 1.

336 (b) The board shall promulgate regulations as needed to implement this section. The board
337 shall submit any regulations to the house and senate committees on ways and means and the joint
338 committee on education not less than 60 days before adoption. The joint committee on education
339 shall review and may comment on these regulations during that time period.

340 Section 3. (a) There shall be a foundation budget for the school district in each
341 municipality, for each regional school district, independent vocational school and vocational
342 school and agricultural school operated by a county.

343 The foundation budget shall be calculated based on each district’s foundation enrollment
344 for the prior fiscal year. Foundation budgets shall be based on the per pupil amounts in table 1
345 and the foundation increment amounts in table 2; provided, however, that the special education
346 in-school and special education tuitioned-out enrollments shall be assumed enrollments.

347 Beginning in fiscal year 2021 and in each year thereafter, the employee benefits and fixed
348 charges allotments shall be adjusted by the foundation employee benefits inflation index and all

349 other foundation allotments and foundation increments shall be adjusted by the foundation
 350 inflation index.

351 Each district’s wage adjustment factor shall be applied to all of the foundation budget
 352 allotments except the allotments for instructional materials, equipment and technology, employee
 353 benefits and fixed charges and special education tuition.

Table 1: Base Foundation Budget Amounts

	Administration	Instructional Leadership	Classroom & Specialist Teachers	Other Teaching Services	Professional Development	Instructional Materials, Equipment & Technology	Guidance & Psychological	Pupil Services	Operations & Maintenance	Employee Benefits/Fixed Charges	Special Ed Tuition	Total, all categories
Pre-School	195.97	353.93	1,622.88	416.22	64.18	234.89	188.97	46.96	450.66	745.55	0.00	4,320.21
Kindergarten (half)	195.97	353.93	1,622.88	416.22	64.18	234.89	188.97	46.96	450.66	745.55	0.00	4,320.21
Kindergarten (full)	391.93	707.86	3,245.76	832.47	128.42	469.78	377.95	93.97	901.30	1,491.09	0.00	8,640.53
Elementary	391.93	707.86	3,245.72	832.47	128.44	469.78	377.95	140.93	901.30	1,491.09	0.00	8,687.47
Junior/Middle	391.93	707.86	2,856.25	599.25	139.24	469.78	377.95	230.21	977.13	1,610.72	0.00	8,360.32
High School	391.93	707.86	4,200.34	498.88	135.01	751.65	394.09	530.85	947.43	1,422.01	0.00	9,980.05
Vocational	391.93	707.86	7,140.62	498.88	223.21	1,315.37	394.09	530.85	1,773.15	1,789.60	0.00	14,765.56
Special Ed in-school	2,704.98	0.00	8,925.75	8,333.85	430.57	375.82	0.00	0.00	3,021.59	3,392.84	0.00	27,185.40
Special Ed tuitioned-out	3,450.56	0.00	0.00	52.71	0.00	0.00	0.00	0.00	0.00	0.00	32,761.24	36,264.51

354 For each student identified as being low-income or an English learner, the increments in the
 355 following table shall be added to each foundation budget allotment.

Table 2: Incremental Foundation Budget Amounts

	Administration	Instructional Leadership	Classroom & Specialist Teachers	Other Teaching Services	Professional Development	Instructional Materials, Equipment & Technology	Guidance & Psychological	Pupil Services	Operations & Maintenance	Employee Benefits/Fixed Charges	Special Ed Tuition	Total, all categories
EL PK-5	100.50	175.87	1,231.05	175.87	50.24	125.61	75.37	25.13	301.48	276.36	0.00	2,537.49
EL 6-8	107.79	188.62	1,320.30	188.62	53.89	134.72	80.84	26.95	323.34	296.39	0.00	2,721.46
EL High School	129.34	226.35	1,584.36	226.35	64.66	161.66	97.00	32.34	388.01	355.67	0.00	3,265.74
0-5.99% Low-income	47.77	226.34	2,209.55	0.00	107.20	16.43	89.47	464.92	0.00	357.41	0.00	3,519.10

6-11.99% Low- income	50.76	240.49	2,347.65	0.00	113.90	17.46	95.06	493.98	0.00	379.75	0.00	3,739.05
12-17.99% Low- income	53.74	254.64	2,485.75	0.00	120.60	18.49	100.66	523.04	0.00	402.09	0.00	3,958.99
18-23.99% Low- income	56.73	268.78	2,623.85	0.00	127.30	19.51	106.25	552.09	0.00	424.43	0.00	4,178.94
24-29.99% Low- income	59.71	282.93	2,761.94	0.00	134.00	20.54	111.84	581.15	0.00	446.77	0.00	4,398.88
30-35.99% Low- income	66.88	316.88	3,093.38	0.00	150.07	23.01	125.26	650.89	0.00	500.38	0.00	4,926.75
36-41.99% Low- income	74.05	350.83	3,424.81	0.00	166.15	25.47	138.68	720.63	0.00	553.99	0.00	5,454.61
42-47.99% Low- income	81.21	384.78	3,756.24	0.00	182.23	27.94	152.10	790.36	0.00	607.60	0.00	5,982.48
48-53.99% Low- income	88.38	418.74	4,087.68	0.00	198.31	30.40	165.52	860.10	0.00	661.21	0.00	6,510.34
54-69.99% Low- income	95.54	452.69	4,419.11	0.00	214.39	32.87	178.94	929.84	0.00	714.83	0.00	7,038.21
70-79.99% Low- income	107.49	509.27	4,971.50	0.00	241.19	36.97	201.31	1,046.07	0.00	804.18	0.00	7,917.98
80%+ Low- income	119.43	565.86	5,523.89	0.00	267.99	41.08	223.68	1,162.30	0.00	893.53	0.00	8,797.76

356 (b) The board shall promulgate regulations as needed to implement this section. The
357 board shall submit any regulations to the senate and house committees on ways and means and
358 the joint committee on education not less than 60 days before adoption. The joint committee on
359 education shall review and may comment on these regulations during that time period.

360 SECTION 7. Section 3A of said chapter 70, as so appearing, is hereby amended by
361 striking out the last sentence.

362 SECTION 8. Section 4 of said chapter 70, as so appearing, is hereby amended by striking
363 out the first sentence and inserting in place thereof the following sentence:-

364 Upon action of the general court, there shall be a foundation budget review commission
365 to review the way foundation budgets are calculated and to make recommendations for potential
366 changes in those calculations as the commission deems appropriate; provided, however, that the
367 commission shall be established not less than every 10 years.

368 SECTION 9. Section 5 of said chapter 70 is hereby repealed.

369 SECTION 10. Said chapter 70 is hereby further amended by striking out section 6, as
370 appearing in the 2018 Official Edition, and inserting in place thereof the following section:-

371 Section 6. In addition to the amounts appropriated for long-term debt service, school
372 meals, adult education, student transportation and tuition revenue, each municipality shall
373 annually appropriate for the support of public schools in the municipality in an amount not less
374 than the net school spending requirement. Each municipality shall also appropriate not less than
375 its minimum required local contribution for each regional school district to which the
376 municipality belongs.

377 The commissioner shall estimate and report such amounts to each municipality and
378 regional school district as early as possible, but not later than March 1, for the following fiscal
379 year and shall revise such estimates within 30 days following the enactment of the general
380 appropriations act.

381 Notwithstanding the terms of any regional school district agreements to the contrary, no
382 regional school district shall be required to submit a budget to its members before receiving the
383 commissioner's initial estimate. Each regional school district budget shall provide for not less
384 than the net school spending requirement. The district may choose to spend additional amounts;
385 provided, however, that such decisions shall be made and such amounts charged to members
386 according to the district's regional agreement.

387 SECTION 11. Section 7 of said chapter 70 is hereby repealed.

388 SECTION 12. Said chapter 70 is hereby further amended by striking out sections 9 and
389 10, as appearing in the 2018 Official Edition, and inserting in place thereof the following 2
390 sections:-

391 Section 9. Each school district shall report district and school level data to the
392 commissioner, in a form and manner prescribed by the commissioner, on expenditures and
393 staffing for each foundation budget category. The reports shall provide actual spending for each
394 foundation budget category. The reports shall be made publicly available on the department
395 website.

396 Section 10. Subject to appropriation, each municipality, regional school district,
397 independent vocational school and county operating an agricultural school or vocational school
398 shall receive chapter 70 school aid as provided in this chapter. Tuition payments required
399 pursuant to section 89 of chapter 71 and section 12B of chapter 76 shall be deducted from such
400 aid.

401 SECTION 13. Section 12 of said chapter 70 is hereby repealed.

402 SECTION 14. Said chapter 70 is hereby further amended by striking out section 13, as
403 appearing in the 2018 Official Edition, and inserting in place thereof the following section:-

404 Section 13. If the amount appropriated for chapter 70 school aid in a fiscal year is less
405 than the amount prescribed in sections 2 and 3, priority shall be given to funding foundation aid.

406 SECTION 15. Said chapter 70 is hereby further amended by adding the following 2
407 sections:-

408 Section 16. (a) There shall be a Twenty-First Century Education Program to address
409 persistent disparities in achievement among student subgroups, improve educational
410 opportunities for all students, share best practices for improving classroom learning and support
411 efficiencies within and across school districts. The commissioner may expend funds from the
412 Twenty-First Century Education Trust Fund established in section 35MMM of chapter 10 for
413 this program.

414 (b) There shall be a Twenty-First Century Education Advisory Council. The advisory
415 council shall consist of: 4 members to be appointed by the governor; 1 member to be appointed
416 by the president of the senate; and 1 member to be appointed by the speaker of the house of
417 representatives. The members of the advisory council shall have diverse expertise with
418 demonstrated success in at least 1 of the following areas: (i) addressing disparities in
419 achievement among student subgroups; (ii) serving as educator or administrator in a school with
420 a high percentage of low-income students; (iii) improving educational outcomes through
421 implementation of nontraditional programming in classrooms; (iv) replicating effective,
422 evidence-based practices for ensuring student academic success; or (v) evaluating the success of
423 educational approaches designed to address disparities in achievement among student
424 populations.

425 (c) The commissioner shall consult with the Twenty-First Century Education Advisory
426 Council on implementation of the Twenty-First Century Education Program consistent with this
427 section.

428 The advisory council shall, from time to time, make recommendations to the
429 commissioner on the improvement of the design, oversight or implementation of the program.

430 The advisory council may receive and consider reports and input from expert individuals,
431 educators, school administrators, parents, community-based organizations, voluntary education
432 organizations and other relevant public and private organizations recognized as having expertise
433 consistent with this section.

434 (d) There shall be a competitive grant program developed and administered by the
435 commissioner and supported by the Twenty-First Century Education Trust Fund for all public
436 schools and school districts. All grant applications shall include: (i) an evaluation plan, including

437 identification of the researcher or organization responsible for ongoing evaluation; (ii) a
438 statement of the expected impact; (iii) a preliminary estimate of the cost of the intervention; (iv)
439 identification of a comparison group for the purpose of assessing effectiveness; and (v) a
440 mechanism for determining how the proposal may be effectively replicated.

441 In approving grant applications, the commissioner may give preference to applications
442 that include: (A) evidence-based educational approaches to address persistent disparities in
443 student achievement that improve student outcomes or increase student preparedness for
444 workforce and post-secondary education; provided, however, that preference shall be given to
445 applications that are submitted by schools or districts with a high percentage of low-income
446 students and English learners, which may include schools or districts implementing turnaround
447 plans; and (B) approaches to increase efficiencies and educational program quality within and
448 across school districts; provided, however, that preference shall be given to applications
449 submitted by schools or districts in rural areas with low or declining enrollment.

450 The commissioner may provide funds and other resources to districts as needed to ensure
451 that every public school and school district has the opportunity to apply for grants; provided,
452 however, that the commissioner may provide funds and other resources to assist in the
453 development of grant applications for public schools implementing turnaround plans.

454 (e) Public schools and school districts awarded funds pursuant to this section shall work
455 with the commissioner to: (i) analyze the effectiveness of their initiatives; and (ii) participate in
456 the replication of effective evidence-based practices for public schools.

457 (f) A public school or school district that is awarded funds pursuant to this section may
458 submit a written request for a waiver of 1 or more provisions of the education regulations of the
459 commonwealth to permit the school or school district to initiate programs, schedules or services

460 that shall improve student learning. The commissioner may grant a regulatory waiver if the
461 commissioner: (i) determines the waiver is necessary to support the proposed initiative; and (ii)
462 notifies the board of elementary and secondary education not less than 30 days prior to acting on
463 any such waiver request.

464 (g) Money in the fund may be used to support the replication of effective practices and
465 the dissemination of best practices generated through the competitive grant program and
466 turnaround efforts that have been proven to address persistent disparities in achievement among
467 student subgroups.

468 (h) Annually, not later than December 1, the commissioner shall submit a report detailing
469 expenditures from the trust fund to the clerks of the senate and house of representatives, the
470 senate and house committees on ways and means and the joint committee on education.

471 Section 17. (a) There shall be a data advisory commission to promote the improved use of
472 state, district and school-level data to inform effective resource allocations at the district and
473 school levels.

474 The data advisory commission shall assist the department in identifying, analyzing and
475 making recommendations on high-impact, cost-effective data strategies for assessing student
476 needs and addressing persistent disparities in achievement, including, but not limited to:

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

482 (ii) strengthening the department’s capacity to analyze and report staffing, scheduling and
483 financial data in ways that support strategic resource allocation decisions at the district and
484 school levels, including a review of national best practice models that ensure greater financial
485 transparency;

486 (iii) strengthening district capacity to use state, district and school-level data to inform
487 strategic resource allocation and implementation decisions; and

488 (iv) streamlining data reporting, eliminating duplicative reporting requirements and
489 improving data quality.

490 (b) The data advisory commission shall consist of: the commissioner of elementary and
491 secondary education, who shall serve as chair; the secretary of education, or a designee; 1
492 member to be appointed by each of the following organizations, all of whom shall have
493 demonstrated knowledge, experience and interest in data collection and analysis for the purpose
494 of improving student performance: the Massachusetts Association of School Committees, Inc.;
495 the Massachusetts Association of School Superintendents, Inc.; the Massachusetts School
496 Administrators Association, Incorporated; the Massachusetts Association of School Business
497 Officials, Inc.; the Massachusetts Association of Vocational Administrators, Inc.; the
498 Massachusetts Association of Regional Schools, Inc.; and the Massachusetts Business Alliance
499 for Education, Inc.; and 4 members to be appointed by the commissioner, 1 of whom shall be a
500 teacher in a district of not less than 15,000 students who has had experience in an
501 underperforming or chronically underperforming school that has utilized data to successfully
502 improve student performance, 1 of whom shall be a parent of a student currently enrolled at a
503 kindergarten, elementary school, middle school or junior high school or high school in the

504 commonwealth and 2 of whom have professional experience and knowledge in the area of data
505 collection, quality and usage in establishing education policy and improving student outcomes.

506 (c) The data advisory commission shall report annually, not later than December 1, on its
507 progress to the board of elementary and secondary education; provided, however, that the report
508 shall be made publicly available on the department's website.

509 SECTION 16. Chapter 70B of the General Laws is hereby amended by striking out
510 section 7, as appearing in the 2018 Official Edition, and inserting in place thereof the following
511 section:-

512 Section 7. There shall be a limit on the estimated amount of grants approved by the
513 authority during a fiscal year. For fiscal year 2020, the limit shall be \$800,000,000. For each
514 fiscal year thereafter, the limit shall be the limit for the previous fiscal year plus the lower of: (i)
515 the rate of growth in the dedicated sales tax revenue amount as defined in subsection (a) of
516 section 35BB of chapter 10; or (ii) 4.5 per cent.

517 SECTION 17. Chapter 71 of the General Laws is hereby amended by inserting after
518 section 1 the following section:-

519 Section 1¼. The definitions in section 2 of chapter 70 shall apply to this chapter.

520 SECTION 18. Section 5A of Chapter 71B of the General Laws, as appearing in the 2018
521 Official Edition, is hereby amended by striking out subsections (a) to (c), inclusive, and inserting
522 in place thereof the following 3 subsections:-

523 (a) For the purposes of this section, the following words shall have the following
524 meanings:

525 "Approved costs threshold", \$45,793 in fiscal year 2020 and adjusted by the foundation
526 inflation index in each subsequent year.

527 “Instructional costs”, only those costs directly attributable to providing the special
528 education services on the student’s individual education plan, such as salary of educational
529 personnel, salary of related services personnel, costs for specialized books, materials or
530 equipment, tuition costs if the student is receiving services from other than the local public
531 school, consultant costs if directly attributable to the student’s instructional program and
532 instructional costs of extended day or year services if such services are a part of the individual
533 education plan; provided, however, that such costs shall be prorated as appropriate to reflect
534 group activities or costs for part-time services; provided further, that “instructional costs” shall
535 not include transportation costs, administrative or overhead costs, the costs of adapting
536 classrooms or materials that are used by more than 1 student, the costs of fringe benefits of
537 personnel employed by the school district or the costs associated with evaluation, development
538 of the individual education plan or service coordination for the student with disabilities; and
539 provided further, that “instructional costs” for the purposes of this reimbursement program shall
540 not include the salary of personnel providing educational services when such services are not
541 specially designed instruction for the student with disabilities.

542 (b) There shall be, subject to appropriation, a special education reimbursement program.
543 The program shall reimburse municipalities for the eligible instructional costs and for the cost of
544 required out-of-district transportation associated with implementing individual education plans
545 of students receiving special education services pursuant to this chapter. The reimbursements
546 shall be in addition to amounts distributed pursuant to chapter 70 and shall not be included in the
547 calculation of base aid, as defined in said chapter 70, for any subsequent fiscal year. Charter
548 schools shall receive reimbursements under this section in the same manner as districts.

549 The department shall promulgate regulations to define, consistent with this section, the
550 costs associated with implementing individual education plans for pupils that shall be eligible for
551 reimbursement under the program.

552 (c) Instructional and transportation costs eligible for reimbursement under the program
553 shall be reported by a school district to the department in a form and manner as prescribed by the
554 commissioner. For each such school district, the department shall review the report and approve
555 those per pupil instructional and transportation costs that are eligible for reimbursement pursuant
556 to the program not less than 30 days after the date of submission. Based upon the approved costs,
557 the department shall calculate the reimbursement due to a municipality. The costs of programs
558 shall be reimbursed at 75 per cent of all the instructional and transportation costs that exceed the
559 approved costs threshold.

560 Notwithstanding the preceding paragraph, the reimbursement rate for students who have
561 no parent or guardian living in the commonwealth and for any school age child placed in a
562 school district other than a home town by, or under the auspices of, the department of transitional
563 assistance or the department of children and families shall be 100 per cent of all instructional and
564 transportation costs that exceed the approved costs threshold.

565 SECTION 19. Said section 5A of said chapter 71B, as so appearing, is hereby further
566 amended by adding the following subsection:-

567 (h) If in a fiscal year the amount appropriated pursuant to this section is less than the
568 amount prescribed in subsection (c), then priority shall be given to instructional costs.

569 SECTION 20. Section 14 of said chapter 71B is hereby repealed.

570 SECTION 21. (a) The division of local services and the department of elementary and
571 secondary education shall jointly conduct a study and report on the equity, predictability and

572 accuracy of the method of determining each municipality's ability to contribute toward education
573 funding and the calculation of each municipality's required local contribution as defined in
574 section 2 of chapter 70 of the General Laws; provided, however, that the division and the
575 department shall solicit public comment.

576 (b) Not later than December 1, 2020, the division of local services and the department of
577 elementary and secondary education shall file a report with the clerks of the senate and the house
578 of representatives, the joint committee on education and the senate and house committees on
579 ways and means.

580 The report shall include, but not be limited to: (i) a summary of target aid share and local
581 contribution changes first instituted in chapter 139 of the acts of 2006 and their impact on the
582 equity, predictability and accuracy of the method of determining required local contribution and
583 target local share; (ii) a survey of changes in municipal required local contribution as a share of
584 the foundation budget from fiscal year 2006 to fiscal year 2020, inclusive, for districts of
585 different target share levels, including a review of the number of communities with a maximum
586 local contribution of 82.5 per cent of the foundation budget; (iii) an assessment of the impact of
587 enrollment demographics, including districts with flat or declining enrollment, on the distribution
588 of chapter 70 school aid and the relationship between target local share and the chapter 70 school
589 aid share of the foundation budget; (iv) an analysis of the accuracy in the calculation of
590 municipal combined effort yield and the municipal revenue growth factor in determining a
591 municipality's ability to contribute; (v) an analysis of the impact of statewide increases to the
592 foundation budget on target local share and required local contribution; (vi) an analysis of the
593 impact of Proposition 2½ on the ability of municipalities to make their required local
594 contributions in the short-term and long-term and recommendations to mitigate the constraints of

595 Proposition 2½; (vii) an analysis of the placement of municipalities in a labor market area for the
596 purpose of determining their wage adjustment factor and the advisability of alternate methods of
597 determining municipality wage adjustment factors; (viii) an analysis of the efficacy of the
598 aggregate wealth model in determining an appropriate target local contribution for communities
599 with populations of not more than 6,500 with high wealth residents; and (ix) an assessment of the
600 impact of the 82.5 per cent maximum local contribution of foundation on the equity of required
601 local contributions and the distribution of chapter 70 school aid.

602 The report shall also make recommendations to refine or revise the method of
603 determining required local contribution, the maximum required local contribution as a
604 percentage of the foundation budget and the target state share of statewide foundation budget and
605 other elements of the chapter 70 school aid formula to improve equity, predictability and
606 accuracy.

607 SECTION 22. (a) There shall be a special commission to study and make
608 recommendations concerning the long-term fiscal health of rural school districts that are facing
609 or may face declining student enrollment.

610 The commission shall consist of: the house and senate chairs of the joint committee on
611 education, who shall serve as co-chairs; 1 member who shall be appointed by the minority leader
612 of the senate; 1 member who shall be appointed by the minority leader of the house of
613 representatives; the deputy commissioner of the division of local services within the department
614 of revenue, or a designee; the secretary of the executive office of education, or a designee; 1
615 member who shall be appointed by and from the rural policy advisory commission; and 6
616 members appointed by the governor, 1 of whom shall be a representative of the Massachusetts
617 Association of Regional Schools, Inc., 1 of whom shall be a representative of the Massachusetts

618 Association of School Committees, Inc., 1 of whom shall be a representative of the
619 Massachusetts Teachers Association, 1 of whom shall be a representative of the American
620 Federation of Teachers, Massachusetts, 1 of whom shall be a representative of the Massachusetts
621 Association of School Business Officials, Inc. and 1 of whom shall be a representative of the
622 Massachusetts Association of School Superintendents, Inc. A majority of the commission's
623 members shall be residents of areas served by rural school districts. Members shall not receive
624 compensation for their services but may receive reimbursement for reasonable expenses incurred
625 in carrying out their responsibilities as members of the commission. The commissioner of
626 elementary and secondary education shall furnish reasonable staff and other support for the work
627 of the commission.

628 (b) In making its recommendations, the commission shall consider: (i) long-term
629 economic, demographic and student enrollment trends and projections in communities that are
630 rural or experiencing population decline; (ii) long-term fiscal trends in school districts
631 experiencing declining student enrollment; (iii) an analysis of the fiscal health of regional school
632 districts and the impact of regionalization on each contributing municipality, especially in low-
633 income and middle-income areas, including funding impacts on each contributing municipality;
634 (iv) the impact of the rural school aid grant program established in item 7061-9813 of chapter
635 154 of the acts 2018 and any need to expand the program to address student enrollment decline;
636 and (v) best policies and practices in other states.

637 The commission shall make recommendations for: (i) improving and expanding the rural
638 school aid grant program and the feasibility of including a low and declining student enrollment
639 factor within the existing rural school aid formula; (ii) establishing and including a low and
640 declining student enrollment factor within the foundation budget; (iii) expanding the use of

641 technology to deliver instruction; (iv) enabling operating efficiencies; (v) exploring the use of
642 shared services; (vi) optimizing schools and school districts; (vii) encouraging improvement of
643 fiscal health and educational outcomes; and (viii) other matters related to educational
644 opportunities in rural areas subject to the discretion of the commission. The commission shall
645 include with its recommendations any cost estimates and feasibility associated with the
646 commission's recommendations.

647 The commission shall also consider and incorporate into its recommendations the
648 findings of: (i) the department of elementary and secondary education's 2018 report titled "Fiscal
649 Conditions in Rural School Districts" that was filed pursuant to section 127 of chapter 47 of the
650 acts of 2017; and (ii) the report of the special commission on improving efficiencies relative to
651 student transportation that was filed pursuant to section 77 of chapter 154 of the acts of 2018.

652 (c) The commission shall hold not less than 5 public meetings and may hold additional
653 hearings and other forums that it considers necessary. The commission shall file its report and
654 recommendations with the clerks of the senate and the house of representatives, the joint
655 committee on education and the rural policy advisory commission not later than December 1,
656 2020.

657 SECTION 23. (a) Notwithstanding subsection (d) of section 1S of chapter 69 of the
658 General Laws, each school district shall submit its first 3-year plan pursuant to said subsection
659 (d) of said section 1S of said chapter 69 to the department of elementary and secondary
660 education not later than April 1, 2020.

661 (b) The first annual report submitted pursuant to said subsection (d) of said section 1S of
662 said chapter 69 shall assess the availability of the information identified in said section 1S of said

663 chapter 69 and set forth a plan to enable the collection and dissemination of the information by
664 district and school.

665 SECTION 24. Notwithstanding section 2 of chapter 70 of the General Laws, the
666 department shall submit a report to the joint committee on education and the senate and house
667 committees on ways and means recommending a method for estimating the number of low-
668 income students, consistent with the definition in said section 2 of said chapter 70, not later than
669 November 1, 2020 for use in fiscal year 2022; provided, however, that the report may also assess
670 the impact of the method for estimating the number of low-income students on the organization
671 of districts into low-income groups; and provided further, that in fiscal year 2021, the number of
672 low-income students in each district shall be the greater of: (i) the current direct certification
673 count implemented by the department; or (ii) the share of the low-income students based on such
674 measure used in chapter 46 of the acts of 2015 applied to the foundation enrollment for the
675 district.

676 SECTION 25. Notwithstanding any general or special law to the contrary, appropriations
677 for reimbursements to certain cities, towns and regional school districts of charter school tuition
678 and the per pupil capital needs component included in the charter school tuition amount for
679 commonwealth charter schools as calculated under subsections (ff) and (gg) of section 89 of
680 chapter 71 of the General Laws shall be made in accordance with the following funding
681 schedule: (i) not less than 75 percent of the total eligible state obligation in fiscal year 2021; (ii)
682 not less than 90 per cent of the total eligible state obligation in fiscal year 2022; and (iii) not less
683 than 100 per cent of the total eligible state obligation in fiscal year 2023; provided, however, that
684 in fiscal year 2023 and in any year thereafter, in certifying the consolidated net surplus, the
685 comptroller shall determine if the appropriation for line item 7061-9010 meets the full

686 obligation; and provided further, that if the obligation is not met, the comptroller shall transfer an
687 amount from available funds necessary to fulfill that obligation.

688 SECTION 26. Notwithstanding any general or special law to the contrary, required out-
689 of-district transportation costs associated with implementing individual education plans of
690 students receiving special education services shall be eligible for reimbursement under section
691 5A of chapter 71B of the General Laws in accordance with the following schedule: (i) 25 per
692 cent of all required out-of-district transportation costs eligible for reimbursement in fiscal year
693 2021; (ii) 50 per cent of all required out-of-district transportation costs eligible for
694 reimbursement in fiscal year 2022; (iii) 75 per cent of all required out-of-district transportation
695 costs eligible for reimbursement in fiscal year 2023; and (iv) 100 per cent of all required out-of-
696 district transportation costs eligible for reimbursement in fiscal year 2024.

697 SECTION 27. Notwithstanding any general or special law to the contrary, the department
698 of elementary and secondary education, in consultation with the principals of the 5 recovery high
699 schools in the commonwealth, shall examine the costs associated with sending students to a
700 recovery high school, as defined in subsection (a) of section 91 of chapter 71 of the General
701 Laws, and shall determine the average cost per pupil at recovery high schools in the
702 commonwealth. The department shall submit its findings to the house and senate committees on
703 ways and means, the joint committee on education and the joint committee on mental health,
704 substance use and recovery not later than March 1, 2020.

705 SECTION 28. (a) Notwithstanding any general or special law to the contrary, the
706 Massachusetts School Building Authority, in consultation with the school building advisory
707 board, shall review and provide a report on eligible expenses and reimbursement rates in the
708 school building assistance program.

709 (b) The report shall include, but not be limited to, an analysis and recommendations.

710 The analysis shall include, but not be limited to: (i) the impact of the maximum grant
711 percentage under the first paragraph of section 10 of chapter 70B of the General Laws on
712 communities adopting certain practices under paragraph (C) of subsection (a) of said section 10
713 of said chapter 70B; (ii) reimbursement rates per square foot relative to construction costs; (iii)
714 eligible expenses and the efficacy of establishing certain priority for expenses not currently
715 eligible or not currently being adopted at advisable rates including, but not limited to, deleading
716 projects, school safety and security updates and asbestos removal.

717 The recommendations shall include, but not be limited to, ways to: (i) improve the
718 adoption of best practices in a community that has reached the maximum grant percentage; (ii)
719 increase reimbursement rates per square foot relative to construction costs to better reflect
720 growth in construction costs; and (iii) provide reimbursement for expenses currently incurred but
721 not reimbursed for or to provide certain priority for expenses listed under clause (iii) of the
722 second paragraph of subsection (b).

723 (c) The report, including the analysis, recommendations and any proposed legislation,
724 shall be filed with the clerks of the house of representatives and senate, the joint committee on
725 education and the house and senate committees on ways and means not later than March 1, 2020.

726 SECTION 29. Notwithstanding any general or special law to the contrary, the department
727 of elementary and secondary education shall provide an analysis of funding levels that reimburse
728 municipalities and school districts for education services including, but not limited to,
729 reimbursements related to: (i) transportation costs for regional school districts; (ii) transportation
730 costs associated with children and youth experiencing homelessness, as defined by the

731 McKinney-Vento Homeless Assistance Act of 1987; (iii) special education costs covered under
732 the circuit breaker established pursuant to section 5A of chapter 71B of the General Laws; and
733 (iv) costs eligible for reimbursement related to smart growth programs authorized under chapter
734 40S of the General Laws.

735 The analysis shall: (i) determine any shortfall between the current funding level and the
736 full statutory obligation; (ii) review the history of reimbursement funding as a share of the full
737 statutory obligation; (iii) project the funding level required to meet the full statutory obligation in
738 each of the next 3 fiscal years; and (iv) include recommendations to ensure that statutory
739 obligated funding is provided. The analysis shall be submitted to the clerks of the house of
740 representatives and the senate not later than April 15, 2020.

741 SECTION 30. Notwithstanding any general or special laws to the contrary, the
742 foundation and increment amounts set forth in section 6 shall be fully incorporated in the general
743 appropriations act not later than fiscal year 2027, subject to appropriation; provided, however,
744 that in each year prior to full incorporation, the general appropriations act shall provide increases
745 relative to full incorporation in a consistent manner, including equitable increases to the
746 foundation and increment amounts over the prior year.

747 In each fiscal year prior to full incorporation, not later than December 15, the department
748 of elementary and secondary education shall submit a report to the clerks of the house of
749 representatives and senate, the house and senate committees on ways and means and the joint
750 committee on education detailing the status of the phasing in of such amounts; provided,
751 however, that the report shall include, but not be limited to: (i) the final foundation and
752 increment amounts under section 3 of the general appropriations act from the prior year; (ii) the
753 additional amount necessary to meet the foundation rate and increment amounts under section 3

754 of chapter 70 of the General Laws, adjusted for inflation; (iii) the amount of aid distributed
755 through item 7061-0008 of the general appropriations act attributable to increases to foundation
756 rates and increments in excess of inflation; (iv) the increase in chapter 70 aid in the upcoming
757 fiscal year necessary to achieve 1/7 of the difference between the foundation and increment
758 amounts under section 3 of chapter 41 of the acts of 2019 and the foundation and increment
759 amounts included in said section 3 of said chapter 70; and (v) the projected amount necessary to
760 satisfy statutory obligations for funding in items 7061-9010 and 7061-0012 of the general
761 appropriations act.