

Amendment #246 to H4400

An Act modernizing the foundation budget for the 21st century

Mr. Garballey of Arlington moves to amend the bill by adding the following sections:

SECTION X. Chapter 29 of the General Laws, as appearing in the 2014 Official Edition, is amended by inserting after section 5B the following section:-

Section 5B½. (a) Notwithstanding the provisions of any general or special law to the contrary, as used in this section the following terms shall have the following meanings:

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

“Foundation Benefits”, the amount allotted within a district's foundation budget for employee benefits and fixed charges; provided, however, that the allotment shall be equal to 1.29 times the sum of: (i) the employee health insurance rate multiplied by the number of active employees for whom the district provides health insurance; and (ii) the retired employee health insurance rate multiplied by the number of the district's retired employees.

“Employee health insurance rate”, the employer share of the average group insurance commission premium for the plans for the 3 previous fiscal years; provided, however, that the group insurance commission shall annually, not later than June 30, provide the department with data necessary for the determination of the rate or an increase of it.

“English learner enrollment”, the number of students identified as English learners pursuant to chapter 71A, including students enrolled in vocational and technical schools.

“English learner increment”, the additional amount allotted within a district's foundation budget for additional services for English learners, including those enrolled in vocational and technical schools; provided, however, that the value of the increment for fiscal year 2019 shall be \$2,355.58 multiplied by the number of English learners in the district and shall be adjusted annually thereafter by the foundation inflation index.

“Low-income enrollment”, the number of children attending school in a district regardless of residence or tuition-paying status, with a family income not more than 185 per cent of the federal poverty level; provided, however, that a “low-income child” or “low-income student” shall mean a child who meets these eligibility standards; and provided further, that in determining the total number of low-income students, the department shall use the preceding year's actual number of low-income elementary, junior high or middle school, high school and vocational students and ½ of the preceding year's actual number of low-income kindergarten and preschool students.

“Low-income increment”, the additional amount allotted within a district's foundation budget for each student with a family income not more than 185 per cent of the federal poverty level; provided, however, that the department shall rank each district and divide the districts into deciles; provided further, that each district shall be assigned a low-income decile based on its low income

percentage which shall be calculated as its number of low-income students divided by the total foundation enrollment; provided further, that each decile shall be assigned a low-income increment where the increment for the lowest percentage decile shall be fifty per cent of the statewide per pupil amount for students with a family income more than 185 per cent of the federal poverty level and the increment for the highest percentage decile shall be one hundred percent of the statewide per pupil amount for students with a family income more than 185 per cent of the federal poverty level.

“Retired employee health insurance rate”, the average group insurance commission premium for all retiree plans for the 3 previous fiscal years; provided, however, that the group insurance commission shall annually, not later than June 30, provide the department with data necessary for the determination of such rate or any increase of it.

“Tuitioned-out special education rate”, four times the statewide foundation budget per pupil amount minus the statewide foundation budget per pupil amount for the prior fiscal year.

(b) Annually, not later than January 15, the secretary of administration and finance shall meet with the senate and house committees on ways and means to jointly determine an implementation schedule to fulfill the recommendations filed on November 2, 2015 by the foundation budget review commission established in section 4 of chapter 70. The implementation schedule shall establish a foundation budget as defined in section 2 of said chapter 70 incorporating the categories, as defined in paragraph (a), of tuitioned-out special education rate, assumed in-school special education enrollment, low-income increment, low-income enrollment, foundation benefits, employee health insurance rate, retired employee health insurance rate and English language learner increment; provided, however, that in the first year of the term of office of a governor who has not served in the preceding year, the parties shall determine an implementation schedule not later than January 31 of that year. In determining the implementation schedule, the secretary of administration and finance and the senate and house committees on ways and means shall hold a public hearing and receive testimony from the commissioner of elementary and secondary education and other interested parties. The schedule may be amended by agreement of the senate and house committees on ways and means in any fiscal year to reflect changes in enrollment, inflation, student populations or other factors that may affect the remaining costs in the schedule. The implementation schedule shall be included in a joint resolution and placed before the members of the general court for their consideration annually, along with any proposed legislation necessary to execute and implement the schedule, not later than February 15. The implementation schedule shall be subject to appropriation. Upon completion of the implementation schedule, a joint resolution shall be placed before the members of the general court affirming that the recommendations of the commission have been fulfilled; provided, however, that the determination of an annual implementation schedule shall no longer be required upon the adoption of the resolution.

SECTION XX. Said chapter 70 is hereby further amended by inserting after section 4 the following section:-

Section 4A. (a) The department, in consultation with the executive office of education, shall convene a data advisory committee to promote the improved use of school-level data to inform effective resource allocation decisions at the local level. The data advisory committee shall include, but not be limited to, a representative from the following organizations: the Massachusetts Association of School Committees, Inc.; the Massachusetts Association of School Superintendents, Inc.; the Massachusetts Association of School

Business Officials, Inc.; the Massachusetts Association of Vocational Administrators, Inc.; and the Massachusetts Association of Regional Schools, Inc. The data advisory committee shall assist the department to identify, advise and analyze cost-effective ways to achieve the following goals including, but not limited to:

- (i) streamlining financial reporting, eliminating duplicate reporting requirements and improving data quality;
 - (ii) strengthening the department's capacity to analyze and report staffing, scheduling and financial data in ways that support strategic resource allocation decisions at the district and school level;
 - (iii) strengthening district capacity to use data to make strategic resource allocation decisions; and
 - (iv) establishing a data collection and reporting system that: (A) tracks funding allocated for English language learner and low-income students to ensure that spending is targeted to the intended populations and to provide a data source for the foundation budget review commission about the accuracy and adequacy of the low-income and English language learner increments; and (B) allows for access to school-level expenditures and data across all districts to inform the public and policy-makers about effective school-level interventions and investments.
- (b) The data advisory committee shall report its progress to the board of elementary and secondary education, the senate and house chairs of the joint committee on education and the chairs of the senate and house committees on ways and means not less than semiannually, by December 1 and June 1, and shall make recommendations as necessary for the department to achieve the goals of this section. The department may, in consultation with the data advisory group, develop or procure the data collection and reporting system under clause (iv) of subsection (a).

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REPRESENTATIVE:

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- John C. Velis
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