

HOUSE No. 4137

The committee on Ways and Means, to whom was referred the Senate Bill relative to educational opportunity for students (Senate, No. 2365), reports recommending that the same ought to pass with an amendment striking all after the enacting clause and inserting in place thereof the text contained in House document numbered 4137.

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546 SECTION 20. (a) The division of local services and the department of elementary and
547 secondary education shall jointly conduct a study and report on the equity, predictability and
548 accuracy of the method of determining each municipality's ability to contribute toward education
549 funding and the calculation of each municipality's required local contribution as defined in

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550 section 2 of chapter 70 of the General Laws; provided, however, that the division and the
551 department shall solicit public comment.

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

556 The report shall include, but not be limited to: (i) a summary of target aid share and local
557 contribution changes first instituted in chapter 139 of the acts of 2006 and their impact on the
558 equity, predictability and accuracy of the method of determining required local contribution and
559 target local share; (ii) a survey of changes in municipal required local contribution as a share of
560 the foundation budget from fiscal year 2006 to fiscal year 2020, inclusive, for districts of
561 different target share levels, including a review of the number of communities with a maximum
562 local contribution of 82.5 per cent of the foundation budget; (iii) an assessment of the impact of
563 enrollment demographics, including districts with flat or declining enrollment, on the distribution

564 of chapter 70 school aid and the relationship between target local share and the chapter 70 school
565 aid share of the foundation budget; (iv) an analysis of the accuracy in the calculation of
566 municipal combined effort yield and the municipal revenue growth factor in determining a
567 municipality's ability to contribute; (v) an analysis of the impact of statewide increases to the
568 foundation budget on target local share and required local contribution; and (vi) an assessment of
569 the impact of the 82.5 per cent maximum local contribution of foundation on the equity of
570 required local contributions and the distribution of chapter 70 school aid.

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

SENATE VERSION
FILED ON: 10/3/2019
SENATE No. 2365

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

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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

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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.