

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Rosenberg, Stan (SEN)

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 passage of the accompanying bill:

An Act to improve and endow public education.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Rosenberg, Stan (SEN)	Hampshire and Franklin

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. S01902 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT TO IMPROVE AND ENDOW PUBLIC EDUCATION.

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. There shall be established and set up on the books of the Commonwealth a separate fund
2 to be known as the public school improvement fund. All monies in said fund shall be used solely for
3 improvement, operation, and maintenance of public elementary and secondary education. The fund shall
4 be subject to Article LXIII of the Constitution of Massachusetts and none of the monies in said fund shall
5 be expended except in accordance with this section and upon appropriation by the General Court. Interest
6 earned by the fund shall be retained as part of said fund. No appropriation shall be made from the fund
7 unless the annual state appropriation for the purpose of maintaining and operating public schools,
8 including regional schools and independent vocational school districts, is equal to or greater than the
9 appropriation for such purposes for the fiscal year ending June 30, 2005.

10 SECTION 2. There shall be established and set up on the books of the Commonwealth a separate fund to
11 be known as the public higher education improvement fund. All monies in said fund shall be used solely
12 for the improvement, operation, and maintenance of public higher education. The fund shall be subject to
13 Article LXIII of the Constitution of Massachusetts and none of the monies in said fund shall be expended
14 except in accordance with this section and upon appropriation by the General Court. Interest earned by
15 the fund shall be retained as part of said fund. No appropriation shall be made from the fund unless the
16 annual state appropriation for the purpose of maintaining and operating the public colleges and

17 universities and public higher education is equal to or greater than the appropriation for such purpose for
18 the fiscal year ending June 30, 2005.

19 SECTION 3. There shall be established and maintained under the authority of the board of higher
20 education a public higher education endowment fund. Interest earned through the investment of funds in
21 said endowment fund shall be expended solely for the improvement and maintenance of public higher
22 education in accordance with this section. There shall be no expenditure of funds derived directly from
23 the excise imposed in section 2 of chapter 64H and deposited in the endowment fund. Private
24 contributions may also be deposited in the endowment fund.

25 Within the endowment fund, there shall be established a fiscal emergency reserve which shall
26 consist of an amount of not less than 10 percent of the endowment fund. The board may, during a fiscal
27 emergency, authorize the expenditure of funds credited to the fiscal emergency reserve for the purpose of
28 supplementing annual operating appropriations to public colleges and universities. For the purpose of this
29 section, "fiscal emergency" shall mean a fiscal year during which the annual appropriation to an
30 institution of higher education is at least 10 percent less the annual appropriation to said institution in the
31 previous fiscal year.

32 Said board shall authorize the expenditure of interest earned in the endowment fund for the
33 purpose of awarding matching grants to public institutions of higher education for the development and
34 expansion of public service and research at public institutions of higher education, as appropriate to said
35 institutions; and for other purposes, excluding the operation of any institution of public higher education,
36 which the board may deem appropriate; provided that said grants shall be held and expended in
37 conjunction with funds raised by or for any such institutions.

38 Said board shall appoint an unpaid investment advisory committee which shall have general
39 supervision over the investment and reinvestment of funds in the endowment fund. Said committee shall
40 consist of seven members as follows: the chair of the board of higher education, who shall serve as chair
41 of the committee; the president of the university of Massachusetts, the president of a state college, the
42 president of a community college, and three members who shall be qualified by training and experience in
43 the investment of funds as the result of having been principally employed in such occupation for a period
44 of at least five years. Each member of the committee shall serve for a term of three years. Any member
45 may be re-appointed and may serve more than one term.

46 Subject to the approval of said board, the investment advisory committee shall invest and reinvest
47 the funds in the endowment fund. Funds shall be invested as much as is reasonably possible to benefit the
48 mission of public institutions of higher education and campus populations and to benefit the economic
49 climate within the Commonwealth, provided that such investments are consistent with sound investment

50 policy. The investment advisory committee shall annually, on or before January 31, file with the
51 secretary of administration and finance a report listing all funds in the endowment fund and all
52 investments held by the fund.

53 SECTION 4. The Massachusetts cultural council, as created by section 52 of chapter 10 of the General
54 Laws, is hereby authorized and directed to establish and maintain a Massachusetts cultural endowment
55 fund. Interest earned through the investment of funds in said endowment fund shall be expended solely
56 for the purposes of stimulating and encouraging the practice, study, and appreciation of the arts,
57 humanities, and interpretive sciences in the public interest. There shall be no expenditure of funds
58 derived directly from the excise imposed in section 2 of chapter 64H and deposited in the endowment
59 fund. Private contributions may also be deposited in the endowment fund. The council shall appoint an
60 unpaid investment advisory committee of seven members which shall have general supervision over the
61 investment and reinvestment of funds in the endowment fund. The council shall annually, on or before
62 January 31, file with the secretary of administration and finance a report listing all funds in the
63 endowment fund and all investments held by the fund.

64 SECTION 5. The Massachusetts historical commission, as created by section 26 of chapter 9 of the
65 General Laws, is hereby authorized and directed to establish and maintain a Massachusetts historical
66 preservation endowment fund. Interest earned through the investment of funds in said endowment fund
67 shall be expended solely for the purpose of preserving and maintaining historical buildings, properties,
68 and landmarks. There shall be no expenditure of funds directly from the excise imposed in section 2 of
69 chapter 64H and deposited in the endowment fund. Private contributions may also be deposited in the
70 endowment fund. The commission shall appoint an unpaid investment advisory committee of seven
71 members which shall have the general supervision over the investment and reinvestment of funds in the
72 endowment fund. The commission shall annually, on or before January 31, file with the secretary of
73 administration and finance a report listing all funds in the endowment fund and all investments held by
74 the fund.

75 SECTION 6. The Massachusetts board of library commissioners, as created by section 14 of chapter 78
76 of the General Laws, is hereby authorized and directed to establish and maintain a public libraries
77 endowment fund. Interest earned through the investment of funds in said endowment fund shall be
78 expended solely for the purpose of improving public libraries, the regional library systems, and the
79 Massachusetts library and information network. There shall be no expenditure of funds derived directly
80 from the excise impose in section 2 of chapter 64H and deposited in the endowment fund. Private
81 contributions may also be deposited in the endowment fund. The board of library commissioners shall
82 appoint an unpaid investment advisory committee of seven members which shall have general supervision
83 over the investment and reinvestment of funds in the endowment fund. The board of library

84 commissioners shall annually, on or before January 31, file with the secretary of administration and
85 finance a report listing all the funds in the endowment fund and all investments held by the fund.

86 SECTION 7. Chapter 64H of the General Laws, as appearing in the 2002 Official Edition, is hereby
87 amended in section 2 by striking out the word "five" and inserting in place thereof the word:- six.

88 SECTION 8. One-sixth of the excise imposed in section 2 of chapter 64H shall be appropriated entirely
89 and solely for the purposes of public education, the arts, humanities, historical preservation, and public
90 libraries in accordance with this section. The sum of all revenues from one-sixth of said excise shall be
91 apportioned annually as follows:

92 (a) not more than 62.5 percent of said amount shall be deposited in the public school improvement fund
93 established by section 1 of this act;

94 (b) not more than 25 percent of said amount shall be deposited in the public higher education
95 improvement fund established by section 2 of this act;

96 (c) not less than 5 percent of said amount shall be deposited in the public higher education endowment
97 fund established by section 3 of this act;

98 (d) not less than 2 percent and not more than 3 percent of said amount shall be appropriated to the
99 Massachusetts cultural council, as created by section 52 of chapter 10 of the General Laws; provided,
100 however, that said amount shall be no less than the amount appropriated in the same fiscal year to said
101 council from the state arts lottery fund;

102 (e) not less than 2.5 percent of said amount shall be deposited in the Massachusetts cultural endowment
103 fund established by section 4 of this act;

104 (f) not less than one-half percent shall be appropriated to the Massachusetts historical commission for
105 the purposes of preserving and maintaining historic buildings, properties, and landmarks; provided,
106 however, that one-half of said amount shall be deposited in the Massachusetts historical preservation
107 endowment fund established by section 5 of this act.

108 (g) not less than 1 percent of said amount shall be appropriated to the board of library commissioners, as
109 created by section 14 of chapter 78 of the General Laws; provided, however, that said amount shall be
110 additional assistance to libraries of the Commonwealth and shall not supplant any existing appropriation.

111 (h) not less than 1 percent shall be deposited in the public libraries endowment fund, established in
112 section 6 of this act.