SENATE DOCKET, NO. 987 FILED ON: 1/20/2011

SENATE . . . . . No. 1614

The Commonwealth of Massachusetts

PRESENTED BY:

Stanley C. Rosenberg

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:

An Act to improve and endow public education..

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Stanley C. Rosenberg	*Hampshire and Franklin*

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SENATE . . . . . No. 1614

By Mr. Rosenberg, a petition (accompanied by bill, Senate, No. 1614) of Stanley C. Rosenberg for legislation to improve and endow public education, the arts and humanities, historical preservation, and libraries in the Commonwealth. State Administration and Regulatory Oversight.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
SENATE
, NO. *1453* OF 2009-2010.]

The Commonwealth of Massachusetts

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:

SECTION 1. There shall be established and set up on the books of the Commonwealth a separate fund to be known as the public school improvement fund. All monies in said fund shall be used solely for improvement, operation, and maintenance of public elementary and secondary education. The fund shall be subject to Article LXIII of the Constitution of Massachusetts and none of the monies in said fund shall be expended except in accordance with this section and upon appropriation by the General Court. Interest earned by the fund shall be retained as part of said fund. No appropriation shall be made from the fund unless the annual state appropriation for the purpose of maintaining and operating public schools, including regional schools and independent vocational school districts, is equal to or greater than the appropriation for such purposes for the fiscal year ending June 30, 2005.

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

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

21 SECTION 3. There shall be established and maintained under the authority of
22 the board of higher education a public higher education endowment fund. Interest earned
23 through the investment of funds in said endowment fund shall be expended solely for the
24 improvement and maintenance of public higher education in accordance with this section. There
25 shall be no expenditure of funds derived directly from the excise imposed in section 2 of chapter
26 64Hsection 4 of chapter 62 and deposited in the endowment fund. Private contributions may
27 also be deposited in the endowment fund.

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

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

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

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

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

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

70 SECTION 5. The Massachusetts historical commission, as created by section
71 26 of chapter 9 of the General Laws, is hereby authorized and directed to establish and maintain
72 a Massachusetts historical preservation endowment fund. Interest earned through the investment
73 of funds in said endowment fund shall be expended solely for the purpose of preserving and
74 maintaining historical buildings, properties, and landmarks. There shall be no expenditure of
75 funds directly from the excise imposed in section 2 of chapter 64Hsection 4 of chapter 62 and
76 deposited in the endowment fund. Private contributions may also be deposited in the endowment
77 fund. The commission shall appoint an unpaid investment advisory committee of seven
78 members which shall have the general supervision over the investment and reinvestment of funds
79 in the endowment fund. The commission shall annually, on or before January 31, file with the
80 secretary of administration and finance a report listing all funds in the endowment fund and all
81 investments held by the fund.

82 SECTION 6. The Massachusetts board of library commissioners, as created
83 by section 14 of chapter 78 of the General Laws, is hereby authorized and directed to establish
84 and maintain a public libraries endowment fund. Interest earned through the investment of funds
85 in said endowment fund shall be expended solely for the purpose of improving public libraries,
86 the regional library systems, and the Massachusetts library and information network. There shall
87 be no expenditure of funds derived directly from the excise impose in section 2 of chapter
88 64Hsection 4 of chapter 62 and deposited in the endowment fund. Private contributions may
89 also be deposited in the endowment fund. The board of library commissioners shall appoint an
90 unpaid investment advisory committee of seven members which shall have general supervision
91 over the investment and reinvestment of funds in the endowment fund. The board of library
92 commissioners shall annually, on or before January 31, file with the secretary of administration
93 and finance a report listing all the funds in the endowment fund and all investments held by the
94 fund.

95 SECTION 7. Chapter 64H 62 of the General Laws, as appearing in the 2002
96 2008 Official Edition, is hereby amended in section 2 4 by striking out the word number
97 “five5.3” in line 10 and inserting in place thereof the wordnumber:- six”5.5”.

98 SECTION 8. One-sixth Two-tenths of the excise imposed in section 2 of
99 chapter 64Hsection 4 of chapter 62 shall be appropriated entirely and solely for the purposes of
100 public education, the arts, humanities, historical preservation, and public libraries in accordance
101 with this section. The sum of all revenues from Two-tenths one-sixth of said excise shall be
102 apportioned annually as follows:

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

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

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

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

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

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