

# HOUSE . . . . . No. 5

Accompanying the first recommendation of the Board of Education  
(House, No. 4). Education.

## The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT PROVIDING FOR FAIR AND EQUITABLE SCHOOL FUNDING.

*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 70 of the General Laws is hereby  
2 amended by striking out section 2 and inserting in place thereof  
3 the following:—

4 Section 2A. As used in this chapter and in chapters 15, 69 and  
5 71, the following words shall, unless the context clearly requires  
6 otherwise, have the following meanings:—

7 “Administration allotment”, the amounts allotted within a dis-  
8 trict's foundation budget for administration in any fiscal year. The  
9 administration allotment shall be the sum of:

10 (a) 149.92 dollars multiplied by the foundation pre-school  
11 enrollment and the foundation half-day kindergarten enrollment;  
12 plus

13 (b) 299.85 dollars multiplied by the foundation full-day kinder-  
14 garten enrollment, the foundation elementary enrollment, the  
15 foundation junior high/middle school enrollment, the foundation  
16 high school enrollment, the foundation English learner full-day  
17 enrollment and the foundation vocational enrollment; plus

18 (c) 2,069.49 dollars multiplied by the assumed in-school  
19 special education enrollment and the assumed tuitioned-out  
20 special education enrollment; plus

21 (d) 149.93 dollars multiplied by the foundation English learner  
22 pre-school enrollment and by the foundation English learner half-  
23 day kindergarten enrollment.

24 “Assumed in-school special education enrollment”, 3.75 per-  
25 cent of total foundation enrollment in a district not counting voca-

26 tional or preschool enrollment, plus 4.75 per cent of vocational  
27 enrollment.

28 “Assumed tuitioned-out special education enrollment”, 1 per  
29 cent of the total foundation enrollment in a district, not counting  
30 vocational or pre-school enrollment.

31 “Board”, the board of education.

32 “Classroom and specialist teachers allotment”, the amount  
33 allotted within a district’s foundation budget for classroom and  
34 specialist teachers in any fiscal year. The classroom and specialist  
35 teachers allotment shall be the sum of:

36 (a) 1,241.62 dollars multiplied by the foundation pre-school  
37 enrollment and the foundation half-day kindergarten enrollment;  
38 plus

39 (b) 2,483.24 dollars multiplied by the foundation full-day  
40 kindergarten enrollment and the foundation elementary enroll-  
41 ment; plus

42 (c) 2,185.23 dollars multiplied by the foundation junior  
43 high/middle school enrollment; plus

44 (d) 3,213.57 dollars multiplied by the foundation high school  
45 enrollment; plus

46 (e) 6,828.85 dollars multiplied by the assumed in-school special  
47 education enrollment; plus

48 (f) 1,846.03 dollars multiplied by the foundation English  
49 learner pre-school enrollment and the foundation English learner  
50 half-day kindergarten enrollment; plus

51 (g) 3,692.05 dollars multiplied by the foundation English  
52 learner, full-day enrollment; plus

53 (h) 5,463.09 dollars multiplied by the foundation vocational  
54 enrollment; plus

55 (i) 2,210.24 dollars multiplied by the foundation low-income  
56 elementary enrollment; plus

57 (j) 1,663.93 dollars multiplied by the foundation low-income  
58 secondary enrollment.

59 “Commissioner”, the commissioner of the department of educa-  
60 tion.

61 “Department”, the department of education as established in  
62 section 1A of chapter 69.

63 “District” or “School district”, the school department of a city  
64 or town, and a regional school district.

65 “Employee benefits and fixed charges allotment”, the amount  
66 allotted within a district’s foundation budget for employee bene-  
67 fits and fixed charges. The employee benefits and fixed charges  
68 allotment shall be the sum of:

69 (a) 310.78 dollars multiplied by the foundation pre-school  
70 enrollment and the foundation half-day kindergarten enrollment;  
71 plus

72 (b) 621.57 dollars multiplied by the foundation full-day kinder-  
73 garten enrollment and the foundation elementary enrollment; plus

74 (c) 590.99 dollars multiplied by foundation junior high/middle  
75 school enrollment; plus

76 (d) 567.80 dollars multiplied by the foundation high school  
77 enrollment; plus

78 (e) 2,618.91 dollars multiplied by the assumed in-school special  
79 education enrollment; plus

80 (f) 390.96 dollars multiplied by the foundation English learner,  
81 pre-school enrollment and the foundation English learner, half-day  
82 kindergarten enrollment; plus

83 (g) 781.92 dollars multiplied by the foundation English learner,  
84 full-day enrollment; plus

85 (h) 922.15 dollars multiplied by the foundation vocational  
86 enrollment; plus

87 (i) 226.78 dollars multiplied by the foundation low-income ele-  
88 mentary enrollment and the foundation low-income secondary  
89 enrollment.

90 “Enrollment categories”, each student, including students  
91 enrolled in special education programs and students who reside  
92 in the district and who attend either a public school in that district  
93 or a school for which the district of residence pays tuition, shall  
94 be placed in one and only one of the following enrollment cate-  
95 gories depending on the grade and program to which the student is  
96 assigned:

97 (a) “English learner enrollment,” the number of students  
98 enrolled in English language learner programs established under  
99 chapter 71A but, in the case of an innovative program, only the  
100 English learner students, as defined in section 2 of chapter 71A,  
101 enrolled in such a program shall be considered in calculating Eng-  
102 lish learner enrollment in a district.

103 (b) “Elementary enrollment”, the number of students enrolled  
104 in grades 1 through 5 and not enrolled in English learner, or voca-  
105 tional programs in a district.

106 (c) “High school enrollment”, the number of students enrolled  
107 in grades 9 through 12 and not enrolled in English learner, or  
108 vocational programs in a district.

109 (d) “Junior high/middle school enrollment”, the number of stu-  
110 dents enrolled in grades 6 through 8 and not enrolled in English  
111 learner, or vocational programs in a district.

112 (e) “Full-day kindergarten enrollment”, the number of students  
113 enrolled in full-day kindergarten and not enrolled in English  
114 learner or vocational programs in a district who are not charged  
115 tuition for the second half of the day.

116 (f) “Half-day kindergarten enrollment”, the number of students  
117 enrolled in half-day kindergarten and not enrolled in English  
118 learner or vocational programs in a district, or enrolled in full-day  
119 kindergarten but who are charged tuition for the second half of the  
120 day.

121 (g) “Pre-school enrollment”, the number of students enrolled in  
122 pre-school programs run in connection with the special education  
123 program in a district. The foundation pre-school enrollment of  
124 pupils without approved individual education plans may not  
125 exceed twice the number of pre-school students enrolled under  
126 approved individual education plans.

127 (h) “Vocational enrollment”, the number of students enrolled in  
128 vocational education programs or an agricultural school in a dis-  
129 trict.

130 “Foundation budget”, the sum of a district’s administration  
131 allotment; instructional leadership allotment; classroom and spe-  
132 cialist teachers allotment; other teaching services allotment; pro-  
133 fessional development allotment; instructional materials,  
134 equipment and technology allotment; guidance and psychological  
135 allotment; pupil services allotment; operations and maintenance  
136 allotment; employee benefits and fixed charges allotment; and  
137 special education tuition allotment. The base year for calculating  
138 the foundation budget shall be fiscal year 2007. The base year  
139 foundation budget shall be calculated according to the formulas in  
140 this section using foundation enrollment as described in this  
141 section. For fiscal years thereafter, the foundation budget shall be

142 the base year foundation budget, as adjusted for enrollment and  
143 for inflation as set forth in section 3 of this chapter.

144 “Foundation enrollment”, the student enrollment of a district in  
145 any fiscal year. The foundation enrollment is defined as the sum  
146 of foundation full-day kindergarten, elementary, junior  
147 high/middle school, high school, English learner, and vocational  
148 enrollment plus one-half the sum of foundation pre-school and  
149 half-day kindergarten enrollment, including students enrolled in  
150 the program for the elimination of racial imbalance under  
151 section 12A of chapter 76. By March first of each calendar year,  
152 the department shall certify the foundation enrollment for the next  
153 fiscal year as the actual enrollment as reported the previous  
154 October.

155 “Foundation inflation index”, in fiscal year 2007, the founda-  
156 tion inflation index shall equal 1.000. In fiscal year 2008 and in  
157 each fiscal year thereafter, the foundation inflation index shall  
158 equal the prior year’s foundation inflation index multiplied by the  
159 ratio of the value of the implicit price deflator for state and local  
160 government purchases in the first quarter of the prior fiscal year to  
161 its value in the first quarter of the fiscal year two fiscal years  
162 prior.

163 “Guidance and psychological allotment”, the amount allotted  
164 within a district’s foundation budget for guidance and psycholog-  
165 ical services. The guidance and psychological allotment shall be  
166 the sum of:

167 (a) 90.34 dollars multiplied by the foundation pre-school  
168 enrollment and the foundation half-day kindergarten enrollment;  
169 plus

170 (b) 180.68 dollars multiplied by the foundation full-day kinder-  
171 garten enrollment and the foundation elementary enrollment; plus

172 (c) 240.53 dollars multiplied by foundation junior high/middle  
173 school enrollment and the foundation English learner, full-day  
174 enrollment; plus

175 (d) 301.51 dollars multiplied by the foundation high school  
176 enrollment and the foundation vocational enrollment; plus

177 (e) 120.26 dollars multiplied by the foundation English learner,  
178 pre-school enrollment and the foundation English learner, half-day  
179 kindergarten enrollment.

180 “Instructional leadership allotment”, the amounts allotted  
181 within a district’s foundation budget for instructional leadership in

182 any fiscal year. The instructional leadership allotment shall be the  
183 sum of:

184 (a) 270.78 dollars multiplied by the foundation pre-school  
185 enrollment, the foundation half-day kindergarten enrollment, the  
186 foundation English learner, pre-school enrollment and the founda-  
187 tion English learner, half-day kindergarten enrollment; plus

188 (b) 541.56 dollars multiplied by the foundation full-day kinder-  
189 garten enrollment, the foundation elementary enrollment, the  
190 foundation junior high/middle school enrollment, the foundation  
191 high school enrollment, the foundation English learner, full-day  
192 enrollment and the foundation vocational enrollment.

193 “Instructional materials, equipment and technology allotment”,  
194 the amount allotted within a district's foundation budget for  
195 instructional materials, equipment and technology. The instruc-  
196 tional materials, equipment and technology allotment shall be the  
197 sum of:

198 (a) 179.71 dollars multiplied by the foundation pre-school  
199 enrollment, the foundation half-day kindergarten enrollment, the  
200 foundation English learner, pre-school enrollment and the founda-  
201 tion English learner, half-day kindergarten enrollment; plus

202 (b) 359.41 dollars multiplied by the foundation full-day kinder-  
203 garten enrollment, the foundation elementary enrollment, the  
204 foundation junior high/middle school enrollment and the founda-  
205 tion English learner, full-day enrollment; plus

206 (c) 575.06 dollars multiplied by the foundation high school  
207 enrollment; plus

208 (d) 287.53 dollars multiplied by the assumed in-school special  
209 education enrollment; plus

210 (e) 1,006.35 dollars multiplied by the foundation vocational  
211 enrollment.

212 “Low-income enrollment”, the number of children attending  
213 school in a district regardless of residence or tuition-paying status,  
214 who are eligible for free or reduced-cost lunches under eligibility  
215 guidelines promulgated by the federal government under 42  
216 U.S.C. 1758. A low-income child or student is a child who meets  
217 these eligibility standards. In determining the total number of low-  
218 income students, the department shall use the preceding year's  
219 actual number of low-income elementary, junior high/middle  
220 school, high school, English learners, and vocational students, and

221 one-half the preceding year's actual number of low-income  
222 kindergarten and pre-school students.

223 "Municipal foundation budget", a city or town's local district's  
224 foundation budget plus the sum of its share of the foundation bud-  
225 gets at regional districts or at agricultural schools of which it is a  
226 member. A city or town's share of the foundation budget at  
227 regional districts or agricultural schools shall be based upon its  
228 share of the total foundation enrollment from all member munici-  
229 palities at those districts and schools.

230 "Operations and maintenance allotment", the amount allotted  
231 within a district's foundation budget for operations and mainte-  
232 nance. The operations and maintenance allotment shall be the sum  
233 of:

234 (a) 344.78 dollars multiplied by the foundation pre-school  
235 enrollment and the foundation half-day kindergarten enrollment;  
236 plus

237 (b) 689.56 dollars multiplied by the foundation full-day kinder-  
238 garten enrollment and the foundation elementary enrollment; plus

239 (c) 747.58 dollars multiplied by foundation junior high/middle  
240 school enrollment; plus

241 (d) 724.85 dollars multiplied by the foundation high school  
242 enrollment; plus

243 (e) 2,311.74 dollars multiplied by the assumed in-school special  
244 education enrollment; plus

245 (f) 466.77 dollars multiplied by the foundation English learner,  
246 pre-school enrollment and the foundation English learner, half-day  
247 kindergarten enrollment; plus

248 (g) 933.53 dollars multiplied by the foundation English learner,  
249 full-day enrollment; plus

250 (h) 1,356.57 dollars multiplied by the foundation vocational  
251 enrollment; plus

252 (i) 345.04 dollars multiplied by the foundation low-income ele-  
253 mentary enrollment and the foundation low-income secondary  
254 enrollment.

255 "Other teaching services allotment", the amount allotted within  
256 a district's foundation budget for other teaching services. The  
257 other teaching services allotment shall be the sum of:

258 (a) 318.44 dollars multiplied by the foundation pre-school  
259 enrollment and the foundation half-day kindergarten enrollment;  
260 plus

261 (b) 636.89 dollars multiplied by the foundation full-day kinder-  
262 garten enrollment and the foundation elementary enrollment; plus  
263 (c) 458.47 dollars multiplied by the foundation junior  
264 high/middle school enrollment; plus  
265 (d) 381.68 dollars multiplied by the foundation high school  
266 enrollment and the foundation vocational enrollment; plus  
267 (e) 6,375.99 dollars multiplied by the assumed in-school special  
268 education enrollment; plus  
269 (f) 31.63 dollars multiplied by the assumed tuitioned-out  
270 special education enrollment; plus  
271 (g) 254.63 dollars multiplied by the foundation English learner,  
272 pre-school enrollment and the foundation English learner, half-day  
273 kindergarten enrollment; plus  
274 (h) 509.26 dollars multiplied by the foundation English learner,  
275 full-day enrollment.  
276 “Professional development allotment”, the amount allotted  
277 within a district's foundation budget for professional development.  
278 The professional development allotment shall be the sum of:  
279 (a) 49.12 dollars multiplied by the foundation pre-school  
280 enrollment and the foundation half-day kindergarten enrollment;  
281 plus  
282 (b) 98.25 dollars multiplied by the foundation full-day kinder-  
283 garten enrollment and the foundation elementary enrollment; plus  
284 (c) 106.53 dollars multiplied by the foundation junior  
285 high/middle school enrollment; plus  
286 (d) 103.29 dollars multiplied by the foundation high school  
287 enrollment; plus  
288 (e) 329.42 dollars multiplied by the assumed in-school special  
289 education enrollment; plus  
290 (f) 66.51 dollars multiplied by the foundation English learner,  
291 pre-school enrollment and the foundation English learner, half-day  
292 kindergarten enrollment; plus  
293 (g) 133.02 dollars multiplied by the foundation English learner,  
294 full-day enrollment; plus  
295 (h) 170.77 dollars multiplied by the foundation vocational  
296 enrollment; plus  
297 (i) 49.17 dollars multiplied by the foundation low-income ele-  
298 mentary enrollment and the foundation low-income secondary  
299 enrollment.

300 “Pupil services allotment”, the amount allotted within a dis-  
301 trict’s foundation budget for pupil services. The pupil services  
302 allotment shall be the sum of:

303 (a) 35.94 dollars multiplied by the foundation pre-school  
304 enrollment and the foundation half-day kindergarten enrollment;  
305 plus

306 (b) 71.89 dollars multiplied by the foundation full-day kinder-  
307 garten enrollment; plus

308 (c) 107.83 dollars multiplied by the foundation elementary  
309 enrollment and the foundation English learner, full-day enroll-  
310 ment; plus

311 (d) 176.12 dollars multiplied by foundation junior high/middle  
312 school enrollment; plus

313 (e) 406.13 dollars multiplied by the foundation high school  
314 enrollment and the foundation vocational enrollment; plus

315 (f) 53.92 dollars multiplied by the foundation English learner,  
316 pre-school enrollment and the foundation English learner, half-day  
317 kindergarten enrollment.

318 “Special education tuition allotment”, the amount allotted  
319 within a district’s foundation budget for special education tuition.  
320 The special education tuition allotment shall be the sum of  
321 19,648.85 dollars multiplied by the assumed tuitioned-out special  
322 education enrollment.

323 “Wage adjustment factor”, an adjusted difference between the  
324 average annual wage for all jobs in the labor market area in which  
325 a municipality is located and the average annual wage in the com-  
326 monwealth. Average annual wage figures shall be published annu-  
327 ally by the division of employment and training. The wage  
328 adjustment factor shall be the sum of 1 plus a fraction, the numer-  
329 ator of which shall be the product of one-third and the difference  
330 resulting from subtracting the average annual wage in the com-  
331 monwealth from the average annual wage of the community; and  
332 the denominator of which shall be the average annual wage in the  
333 commonwealth.

334 For the purposes of this section, the average annual wage of the  
335 community shall be the sum of:

336 (a) eight-tenths multiplied by the average annual wage for all  
337 jobs in the labor market area in which the municipality is located;  
338 plus

339 (b) two-tenths multiplied by the average annual wage of the  
340 municipality.

341 The wage adjustment factor shall not be less than 1 for any  
342 community.

343 Section 2B. As used in this chapter and in chapters 15, 69 and  
344 71, the following words shall, unless the context clearly requires  
345 otherwise, have the following meanings:—

346 “Chapter 70 aid”, for each district, the sum of its foundation  
347 aid, full foundation down payment increment, growth aid incre-  
348 ment, and minimum aid increment, minus any reduction to founda-  
349 tion.

350 “Combined effort yield”, the sum of a municipality’s equalized  
351 property valuation multiplied by its uniform property percentage  
352 plus its income multiplied by its uniform income percentage.

353 “Effort reduction percentage”, the percentage of excess effort to  
354 be reduced in any given year, applied uniformly to each munici-  
355 pality with excess effort in the calculation of required local contri-  
356 bution in any given year. The effort reduction percentage will be  
357 40 percent in fiscal year 2008, 60 percent in fiscal year 2009, 80  
358 percent in fiscal year 2010, and 100 percent in fiscal year 2011  
359 and thereafter.

360 “Equalized property valuation”, the most recent equalized prop-  
361 erty valuation for a municipality as determined by the department  
362 of revenue under the provisions of sections 9, 10 and 10C of  
363 chapter 58.

364 “Excess effort”, the positive difference, if any, between a  
365 municipality's target local contribution and its preliminary contri-  
366 bution.

367 “Foundation aid”, the positive difference between a district’s  
368 foundation budget and its required district contribution.

369 “Full foundation down payment increment”, a percentage of the  
370 positive difference between 100 per cent of a district’s target aid  
371 share and its foundation aid, provided that the result is greater  
372 than zero. In FY08 the percentage shall be 40 percent; in FY09 it  
373 shall be 60 percent; and in FY10 it shall be 80 percent.

374 “Full foundation down payment increment”, a percentage of the  
375 positive difference between a district’s target aid share multiplied  
376 by its foundation budget, and its foundation aid. In fiscal year  
377 2008 the percentage shall be 40 percent; in fiscal year 2009 it  
378 shall be 60 percent; and in fiscal year 2010 it shall be 80 percent.

379 “General revenue-sharing aid”, the amount of assistance from  
380 the commonwealth to be received by a city or town in a fiscal year  
381 from the following local aid programs: (1) payments in lieu of  
382 taxes for state-owned lands distributed under section 17 of chapter  
383 58, (2) the distribution to cities and towns of the balance of the  
384 State Lottery Fund in accordance with the provisions of clause (c)  
385 of section 35 of chapter 10, and (3) additional assistance, as dis-  
386 tributed under section 18E of chapter 58.

387 “Growth aid target”, the positive difference if any between a  
388 district’s current year foundation budget and its prior year founda-  
389 tion budget, multiplied by its target aid share, plus its prior year  
390 chapter 70 aid. The growth aid target shall be zero for any district  
391 whose current year foundation budget is less than or equal to its  
392 prior year foundation budget.

393 “Growth aid increment,” the positive difference if any, between  
394 a district’s growth aid target and the sum of its foundation aid and  
395 full foundation down payment increment.

396 “Income”, total income from all sources as reported by resi-  
397 dents of a municipality on income tax returns submitted to the  
398 Massachusetts department of revenue for the most recent available  
399 calendar year.”Income percentage”, the uniform percentage of  
400 each municipality’ total income that yields one-half of the  
401 statewide total of combined effort yields in any fiscal year.

402 “Maximum local contribution”, 82.5 per cent of a municipali-  
403 ty’s foundation budget.

404 “Minimum per pupil increase”, sum of a district’s prior year  
405 chapter 70 aid and 50 dollars times a district’s foundation enroll-  
406 ment.

407 “Minimum aid increment”, the positive difference if any when  
408 the sum of a district’s foundation aid, full foundation down pay-  
409 ment increment, and growth aid increment is subtracted from its  
410 minimum per pupil increase.

411 “Municipal revenue growth factor”, the change in local general  
412 revenues calculated by subtracting 1 from the quotient calculated  
413 by dividing the sum of: (1) the maximum levy for the fiscal year  
414 estimated by multiplying the levy limit of the prior fiscal year by  
415 a factor equal to 102.5 per cent plus the average of the percentage  
416 increases in the levy limit due to new growth adjustments over the  
417 last 3 available years as certified by the department of revenue or

418 as otherwise estimated by the division of local services of the  
419 department of revenue where it appears that a municipality may  
420 not be entitled to increase its minimum levy limit by 2.5 per cent;  
421 provided, however, that if the highest percentage during such 3  
422 years exceeds the average of the other 2 years' percentages by  
423 more than 2 percentage points, then the lowest 3 of the last 4  
424 years shall be used for such calculation; (2) the amount of general  
425 revenue-sharing aid for the fiscal year; and (3) other budgeted  
426 recurring receipts not including user fees or other charges deter-  
427 mined by the division of local services to be associated with the  
428 provision of specific municipal services for the prior fiscal year,  
429 by the sum of: (1) the actual levy limit for the prior fiscal year; (2)  
430 the amount of general revenue-sharing aid received for the prior  
431 fiscal year; and (3) other recurring receipts not including user fees  
432 or other charges determined by such division of municipal serv-  
433 ices to be associated with the provision of specific municipal serv-  
434 ices budgeted by the municipality for the fiscal year preceding the  
435 prior fiscal year, if any; provided, however, that for the purposes  
436 of this calculation, the levy limit shall exclude any amounts gener-  
437 ated by overrides applicable to any year after the fiscal year  
438 ending June 30, 1993; provided, further, that, in the absence of an  
439 actual levy limit for the prior fiscal year, the actual levy limit for  
440 the prior fiscal year shall be estimated by multiplying the actual  
441 levy limit of the fiscal year preceding the prior fiscal year by a  
442 factor equal to 102.5 per cent plus the average of the percentage  
443 increases in the levy limit due to new growth as specified above;  
444 and, provided, further, that, in making any of the calculations  
445 required by this definition, the division of local services may sub-  
446 stitute more current information or such other information as  
447 would produce a more accurate estimate of the change in a munic-  
448 ipality's general local revenues and the department shall use such  
449 growth factor to calculate preliminary contribution, required local  
450 contribution and any other factor that directly or indirectly uses  
451 the municipal revenue growth factor.

452 "Net school spending", the total amount spent for the support  
453 of public education, including teacher salary deferrals and tuition  
454 payments for children residing in the district who attend a school  
455 in another district or other approved facility, determined without  
456 regard to whether such amounts are regularly charged to school or

457 non-school accounts by the municipality for accounting purposes.  
458 Net school spending shall not include any spending for long-term  
459 debt service, and shall not include spending for school lunches, or  
460 student transportation. Net school spending shall also not include  
461 tuition revenue or revenue from activity, admission, other charges  
462 or any other revenue attributable to public education. Such revenue  
463 will be made available to the school district that generated  
464 such revenue in addition to any financial resources made available  
465 by municipalities or state assistance. The department, in consultation  
466 with the department of revenue, shall promulgate regulations  
467 to ensure a uniform method of determining which municipal  
468 expenditures are appropriated for the support of public education  
469 and which revenues are attributable to public education in accordance  
470 with this section. The regulations shall include provisions  
471 for resolving disputes which may arise between municipal and  
472 school officials.

473 “Reduction to foundation”, the positive difference if any,  
474 between the sum of a district's foundation aid, full foundation  
475 down payment increment, growth aid increment, and minimum  
476 aid increment, and its foundation budget.

477 “Preliminary contribution”, the product of (a) a municipality's  
478 required local contribution for the prior fiscal year, and (b) 1 plus  
479 the municipal revenue growth factor for the current year.

480 “Property percentage”, the uniform percentage of each municipality's  
481 total equalized property valuation that yields one-half of  
482 the statewide total of combined effort yields in any fiscal year.

483 “Required local contribution”, the municipality's preliminary  
484 contribution minus the product of its excess effort, if any, multiplied  
485 by the effort reduction percentage. The required municipal  
486 contribution shall be apportioned to each district to which the  
487 municipality belongs, in proportion to the municipality's foundation  
488 budget at those districts.

489 “Required district contribution”, a local district's share of the  
490 municipality's required local contribution or, in a regional district  
491 or agricultural school, the sum of member municipalities' required  
492 local contributions apportioned to that regional district or agricultural  
493 school.

494 “Statewide target local share”, the sum of all municipalities'  
495 target local contributions, as a percentage of the sum of all municipal  
496 foundation budgets, which shall be set at 59 per cent.

497 “Target aid share”, for a local district, 100 per cent minus the  
498 municipality’s target local share. For a regional district or agricul-  
499 tural school, the target aid share shall be 100 per cent minus each  
500 member municipality’s target local share, multiplied by each  
501 municipality’s share of the regional district’s enrollment, com-  
502 bined for all members of the district.

503 “Target local contribution”, the lesser of a municipality’s com-  
504 bined effort yield and its maximum local contribution.

505 “Target local share”, a municipality’s target local contribution  
506 as a percentage of its municipal foundation budget.

1 SECTION 2. Section 3 of said chapter 70, as so appearing, is  
2 hereby amended by striking out lines 1 through 17 and inserting in  
3 place thereof the following:— The factors to be inflated shall be  
4 the monetary values for the administration allotment, the instruc-  
5 tional leadership allotment, the classroom and specialist teachers  
6 allotment, the other teaching services allotment, the professional  
7 development allotment, the instructional materials, equipment and  
8 technology allotment, the guidance and psychological allotment,  
9 the pupil services allotment, the operations and maintenance allot-  
10 ment, the employee benefits and fixed charges allotment, and the  
11 special education tuition allotment. The administration allot-  
12 ment, the instructional leadership allotment, the classroom and  
13 specialist teachers allotment, the other teaching services allot-  
14 ment, the professional development allotment, the guidance and  
15 psychological allotment, the pupil services allotment, and the  
16 operations and maintenance allotment shall be further adjusted by  
17 multiplying each allotment’s resulting amount by a district’s wage  
18 adjustment factor.

1 SECTION 3. Sections 5, 7, 9, 12, 13 and 14 of said chapter 70  
2 are hereby repealed.

1 SECTION 4. Section 6 of said chapter 70, as so appearing, is  
2 hereby amended by striking out, in line 6, the word “minimum”  
3 and is hereby further amended by striking out, in line 8, the words  
4 “but not including equity aid”.

1 SECTION 5. Section 10 of said chapter 70, as so appearing, is  
2 hereby amended by striking out lines 1 through 7 and inserting in  
3 place thereof the following: “Subject to appropriation, the amount  
4 of state aid to be paid to each municipality, regional school dis-  
5 trict, and agricultural school district shall be chapter 70 aid as  
6 defined in section 2B of this chapter. If in any given year state  
7 appropriations are insufficient to meet all aid calculated under this  
8 chapter, appropriations shall be applied first to foundation aid,  
9 then to full foundation down payment increments, then to growth  
10 aid increments, and lastly to minimum aid increments.”