
Chapter 44. AN ACT AUTHORIZING THE TOWN OF CHELMSFORD TO CONVEY CERTAIN CONSERVATION LAND.

Be it enacted, etc., as follows:

The conservation commission of the town of Chelmsford is hereby authorized to convey a certain parcel of conservation land to the board of selectmen of said town. Said board of selectmen is hereby authorized to convey said parcel of land to be used for residential-related purposes. Said parcel is described in a deed recorded in the Middlesex county northern district registry of deeds in Book 2223, Page 140.

Approved July 10, 1997.

Chapter 45. AN ACT AUTHORIZING THE CITY OF MALDEN TO USE CERTAIN PARK LAND FOR SCHOOL PURPOSES.

Be it enacted, etc., as follows:

SECTION 1. The city of Malden is hereby authorized to use certain parcels of land conveyed to said city for park and playground purposes for the construction, maintenance and use of schools and educational facilities, facilities for athletic, sports and community programs and activities, and for general recreational uses. Said parcels are shown on the city of Malden Assessor's Map 154, Block 50600, Lot 606 (Hunting Field) and on Assessor's Map 85A, Block 38600, Lot 601 (Newman Park).

SECTION 2. The change in use of said portions of said park lands is contingent upon suitable replacement park lands being provided, as approved by the secretary of environmental affairs and the National Park Service, where applicable.

SECTION 3. This act shall take effect upon its passage.

Approved July 10, 1997.

Chapter 46. AN ACT RELATIVE TO CHARTER SCHOOLS.

Be it enacted, etc., as follows:

SECTION 1. Chapter 69 of the General Laws is hereby amended by inserting after section 1L the following section:-

Section 1M. The board shall establish a discretionary grant program for the purpose of providing planning grants to assist in the development and establishment of charter schools pursuant to section 89 of chapter 71.

SECTION 2. Chapter 71 of the General Laws is hereby amended by striking out section 89, as most recently amended by sections 223 to 225, inclusive, of chapter 151 of the acts of 1996, and inserting in place thereof the following section:-

Section 89. (a) A commonwealth charter school shall be a public school, operated under a charter granted by the board of education, which operates independently of any school committee and is managed by a board of trustees. The board of trustees of a commonwealth charter school, upon receiving a charter from the board of education, shall be deemed to be public agents authorized by the commonwealth to supervise and control the charter school.

(b) A Horace Mann charter school shall be a public school or part of a public school operated under a charter approved by the local school committee in which the school is located and by the local collective bargaining agent; provided, however, that all charters shall be granted by the board of education. Horace Mann charter schools shall be operated and managed by a board of trustees independent of the school committees which approve said schools.

(c) For the purposes of this chapter, the words "charter school" or "charter schools" shall refer to both commonwealth charter schools and Horace Mann charter schools unless specifically stated otherwise.

(d) The purposes for establishing charter schools are: (1) to stimulate the development of innovative programs within public education; (2) to provide opportunities for innovative learning and assessments; (3) to provide parents and students with greater options in choosing schools within and outside their school districts; (4) to provide teachers with a vehicle for establishing schools with alternative, innovative methods of educational instruction and school structure and management; (5) to encourage performance-based educational programs; (6) to hold teachers and school administrators accountable for students' educational outcomes; and (7) to provide models for replication in other public schools.

(e) Persons or entities eligible to submit an application to establish a charter school shall include, but not be limited to a non-profit business or corporate entity, two or more certified teachers or ten or more parents; provided, however, that no for profit business or corporate entity shall be eligible to apply for a charter. Said application may be filed in conjunction with a college, university, museum or other similar non-profit entity. Private and parochial schools shall not be eligible for charter school status.

(f) The board of education shall establish the information needed in an application for the approval of a charter school; provided, however, that said application shall include but not be limited to a description of: (1) the method for admission to a charter school; (2) the mission, purpose, innovation and specialized focus of the proposed charter school; (3) procedures for teacher evaluation and professional development for teachers and administrators; (4) the school governance and bylaws; (5) the financial plan for the operation of the school; (6) the educational program, instructional methodology and services to be offered to students; (7) the number and qualifications of teachers and administrators to be employed; (8) the organization of the school in terms of ages of students or grades to be taught along with an estimate of the total enrollment of the school; (9) the provision of school facilities and pupil transportation; and (10) a statement of equal educational opportu-

Chap. 46

nity which shall state that charter schools shall be open to all students, on a space available basis, and shall not discriminate on the basis of race, color, national origin, creed, sex, ethnicity, sexual orientation, mental or physical disability, age, ancestry, athletic performance, special need, or proficiency in the English language, and academic achievement. In the case of a Horace Mann charter school, the application shall include a statement of the non-instructional services which will continue to be provided by the local school district. There shall be no application fee for admission to a charter school.

(g) An application submitted for the establishment of a commonwealth charter school shall: (1) be submitted to the board of education for approval pursuant to this section; and (2) be filed with the local school committee for the school district in which the charter school is to be located. Before final approval to establish a commonwealth charter school the board of education shall hold a public hearing on said applications, and solicit and review comments on the application from the local school committee for the school district in which said charter school is to be located.

(h) Applications to establish a charter school shall be submitted to the board each year by November 15. The board shall review the applications and grant new charters in February of the following year.

(i) The board of education shall make the final determination on granting charter school status and may condition charters on the applicant's taking certain actions or maintaining certain conditions. No more than 50 charter schools shall be allowed to operate in the commonwealth at any time. In any fiscal year, no public school district's total charter school tuition payment to commonwealth charter schools shall exceed 6 per cent of said district's net school spending. Of the total number of charter schools in the state, 13 shall be reserved for Horace Mann charter schools and 37 shall be reserved for commonwealth charter schools; provided, however, that in the event that fewer than 13 proposals for Horace Mann schools are submitted to the board of education within three years of the effective date of this act, not more than five charter school slots for said Horace Mann charter schools shall be made available for commonwealth charter schools. Under no circumstances shall the total number of students attending commonwealth charter schools exceed 2 per cent of the total number of students attending public schools in the commonwealth. In approving new charters in any year, the board may give priority to proposals for schools located in low performing districts or schools based upon, but not limited to, such indicators as scores on state wide assessments, and drop out rates. The board may also give priority to schools that have demonstrated broad community support, an innovative educational plan, and a demonstrated commitment to assisting the district in which it is located in bringing about educational change.

(j) A charter school established under a charter granted by the board shall be a body politic and corporate with all powers necessary or desirable for carrying out its charter program, including, but not limited to, the following:-

(1) to adopt a name and corporate seal; provided, however, that any name selected must include the words "charter school";

(2) to sue and be sued, but only to same extent and upon the same conditions that a town can be sued;

(3) to acquire real property, from public or private sources, by lease, lease with an option to purchase, or by gift, for use as a school facility; however, in the case of a Horace Mann charter school, the approval of the local school committee shall be obtained before acquisition of any such real property owned or controlled by such body;

(4) to receive and disburse funds for school purposes;

(5) to make contracts and leases for the procurement of services, equipment and supplies; provided, however, that if the charter school intends to procure substantially all educational services under contract with another person, the terms of such a contract must be approved by the board either as part of the original charter or by way of an amendment thereto; provided, further that the board shall not approve any such contract terms, the purpose or effect of which is to avoid the prohibition of this section against charter school status for private and parochial schools;

(6) to incur temporary debt in anticipation of receipt of funds; provided that a Horace Mann school shall obtain the approval of the local school committee and appropriate local appropriating authorities and officials relative to any proposed lien or encumbrance upon public school property or relative to any financial obligation for which the local school district shall become legally obligated; and provided further that notwithstanding any law to the contrary, the terms of repayment of any charter school's debt shall not exceed the duration of the school's charter without the approval of the board;

(7) to solicit and accept any grants or gifts for school purposes;

(8) to have such other powers available to a business corporation formed under chapter 156B that are not inconsistent with this chapter.

(k) Charter schools shall not charge any public school for the use or replication of any part of their curriculum subject to the prescriptions of any contract between the charter schools and any third party providers.

(l) Charter schools shall be open to all students, on a space available basis, and shall not discriminate on the basis of race, color, national origin, creed, sex, ethnicity, sexual orientation, mental or physical disability, age, ancestry, athletic performance, special need, or proficiency in the English language or a foreign language, and academic achievement. Charter schools may limit enrollment to specific grade levels and may structure curriculum around particular areas of focus such as mathematics, science, or the arts.

(m) Preference for enrollment in a commonwealth charter school shall be given to students who reside in the city or town in which the charter school is located. Priority for enrollment in a Horace Mann charter school shall be given first to students actually enrolled in said school on the date that the application is filed with the board of education and to their siblings; second to other students actually enrolled in the public schools of the district where the Horace Mann charter school is to be located and third, to other resident students.

(n) If the total number of students who are eligible to attend and apply to a charter school and who reside in the city or town in which the charter school is located, or are sib-

lings of students already attending said charter school is greater than the number of spaces available, then an admissions lottery, including all eligible students applying, shall be held to fill all of the spaces in that school from among said students. If there are more spaces available than eligible applicants from the city or town in which said charter school is located and who are siblings of current students, and more eligible applicants than spaces left available, then a lottery shall be held to determine which of said applicants shall be admitted; provided, however, that any lottery conducted for Horace Mann charter schools shall reflect the enrollment priorities of this section. Notwithstanding the provisions of this subsection, upon application by the board of trustees of a charter school or by the persons or entities seeking to establish a charter school, the board of education may amend or grant a charter designating such school a regional charter school; provided, however, that such regional charter school shall be exempt from the local preference provision of this paragraph; provided further, that such regional charter school shall continue to grant a preference of siblings of currently enrolled students; and provided further, that if the number of applicants remaining is greater than the number of spaces available, such regional charter school shall conduct a single lottery to determine which applicants shall be admitted. There shall be no tuition charge for students attending charter schools.

(o) Each charter school shall annually, no later than April 1, notify each public school district in writing of the number of students who will be attending the charter school from that district the following September as well as the number of new students who will be transferring from that district to the charter school in the following September. In 1997 charter schools shall provide the required enrollment information no later than August. Tuition for charter school students shall only be paid for the number of students for whom notification has been reported by April 1. Tuition for charter school students shall be paid only for students actually enrolled in said school.

(p) A student may withdraw from a charter school at any time and enroll in another public school where said student resides. A student may be expelled from a charter school based on criteria determined by the board of trustees, and approved by the board of education, with the advice of the principal and teachers; provided, however, that charter school policies shall be consistent with sections 37H and 37H½.

(q) A charter school may be located in part of an existing public school building, in space provided on a private work site, in a public building, or any other suitable location. A charter school may own, lease or rent its space. Nothing contained in this section shall preclude computer, cable, or other technology-based learning in conjunction with classroom based learning.

(r) The school committee of each district where a Horace Mann charter school is located shall develop a plan to disseminate innovative practices of said charter school to other public schools within the district subject to the provisions of any contract between the Horace Mann charter school and any third party provider.

(s) The commissioner shall facilitate the dissemination of successful innovation programs of charter schools and provide technical assistance for other school districts to replicate such programs.

(t) A charter school shall operate in accordance with its charter and the provisions of law regulating other public schools; provided, however, that the provisions of sections 41 and 42 shall not apply to employees of commonwealth charter schools. Charter schools shall comply with the provisions of chapters 71A and 71B; provided, however, that the fiscal responsibility of any special needs student currently enrolled in or determined to require a private day or residential school shall remain with the school district where the student resides. If a charter school expects that a special needs student currently enrolled in the charter school may be in need of the services of a private day or residential school, it shall convene an individual education plan team meeting for said student. Notice of the team meeting shall be provided to the special education department of the school district in which the child resides at least five days in advance. Personnel from the school district in which the child resides shall be allowed to participate in the team meeting concerning future placement of the child.

(u) Horace Mann charter schools shall be exempt from local collective bargaining agreements to the extent provided by the terms of its charter; provided, however, that employees of the Horace Mann charter school shall continue to be members of the local collective bargaining unit and shall accrue seniority and shall receive, at a minimum, the salary and benefits established in the contract of the local collective bargaining unit where said Horace Mann charter school is located. Employees of Horace Mann charter schools shall be exempt from all union and school committee work rules to the extent provided by said school's charter. Employees in Horace Mann charter schools shall be required to work the full work day and work year to the extent provided by the terms of the individual charter school proposal.

(v) Notwithstanding the provisions of this section or any other general or special law to the contrary, for the purposes of chapter 268A a charter school shall be deemed to be a state agency and the appointing official of a member of the board of trustees of a charter school shall be deemed to be the commissioner of education. The members of the board of trustees of all charter schools operating under the provisions of this section shall file a statement of financial interest with the state ethics commission, pursuant to section 5 of chapter 268B.

(w) Students in charter schools shall be required to meet the same performance standards, testing and portfolio requirements set by the board of education for students in other public schools.

(x) The board of trustees, in consultation with the teachers, shall determine the school's curriculum and develop the school's annual budget. The board of trustees of each Horace Mann charter school shall annually submit to the superintendent and school committee of the district in which such school is located a budget request for the following fiscal year. The school committee shall act on such budget request in conjunction with its actions on the district's overall budget. Each Horace Mann charter school shall receive in response to the budget request not less than it would have under the district's budgetary allocation rules. The board of trustees may appeal any disproportionate budgetary allocation

Chap. 46

to the commissioner, who shall determine an equitable funding level for such school and shall require the school committee to provide such funding.

(y) Following the appropriation of the district's operating budget for the fiscal year, the amount approved by the local appropriating authority for the operation of each Horace Mann charter school shall be available for expenditure by the board of trustees of such school for any lawful purpose without further approval by the superintendent or the school committee. In no case shall a Horace Mann charter school expend or incur obligations in excess of its budget request; provided, however, that a Horace Mann charter school shall be authorized to spend federal and state grants and other funds received independent of the school district not accounted for in said charter school's budget request without prior approval from the superintendent or the school committee.

(z) Upon approval of a Horace Mann charter school by the board of education, the superintendent of the school district where the Horace Mann charter school is to be located shall reassign, to the extent provided by the terms of its charter, any faculty member who wishes to be reassigned to another school located within said district.

(aa) Employees of charter schools shall be considered public employees for purposes of tort liability under chapter 258 and for collective bargaining purposes under chapter 150E. The board of trustees shall be considered the public employer for purposes of tort liability under said chapter 258 and for collective bargaining purposes under said chapter 150E; provided, however, that in the case of a Horace Mann charter school, the school committee of the school district in which the Horace Mann charter school is located shall remain the employer for collective bargaining purposes under said chapter 150E. Teachers employed by a charter school shall be subject to the state teacher retirement system under chapter 32 and service in a charter school shall be "creditable service" within the meaning thereof.

(bb) Each local school district shall be required to grant a leave of absence to any teacher in the public schools system requesting such leave in order to teach in a commonwealth charter school. A teacher may request a leave of absence for up to two years.

(cc) At the end of the second year the teacher may either return to his former teaching position or, if he chooses to continue teaching at said commonwealth charter school, resign from his school district position.

(dd) Notwithstanding section 59C, the internal form of governance of a charter school shall be determined by the school's charter.

(ee) A charter school shall comply with all applicable state and federal health and safety laws and regulations.

(ff) The children who reside in the school district in which the charter school is located shall be provided transportation to the charter school by the resident district's school committee on the same terms and conditions as transportation is provided to children attending local district schools. In providing such transportation, said school committee shall accommodate the particular school day and school year of the charter school; provided, however, that in the event that a school committee limits transportation for district school

students, the school district shall not be required to provide transportation to any commonwealth charter school beyond said limitations. In no case shall charter schools receive funds for transportation above the amount actually required by the charter school pursuant to this section. If the sending district provides an alternative method of transportation for students enrolled in the sending district's public schools, it shall not be assessed for transportation costs which exceed the per pupil cost of said alternative. Costs for transportation shall be included only if transportation is provided for students in the same program and grade level as those in the charter school. Students who do not reside in the district in which the charter school is located shall be eligible for transportation in accordance with section 12B of chapter 76.

(gg) Each charter school shall submit to the board of education, to the local school committee, to each parent or guardian of its enrolled students, and to each parent or guardian contemplating enrollment in that charter school an annual report. The annual report shall be issued no later than August 1 of each year for the preceding school year. The annual report shall be in such form as may be prescribed by the board and shall include at least the following components: (1) discussion of progress made toward the achievement of the goals set forth in the charter; and (2) a financial statement setting forth by appropriate categories, the revenue and expenditures for the year just ended.

(hh) Each charter school shall keep an accurate account of all its activities and all its receipts and expenditures and shall annually cause an independent audit to be made of its accounts. Such audit shall be filed annually on or before January 1 with the department of education and the state auditor and shall be in a form prescribed by said auditor. Said auditor may investigate the budget and finances of charter schools and their financial dealings, transactions and relationships, and shall have the power to examine the records of charter schools and to prescribe methods of accounting and the rendering of periodic reports.

(ii) If a charter school student previously attended a private or parochial school or was home schooled, the commonwealth shall assume the first year cost for that student and shall not reduce the sending district's chapter 70 aid for that student's tuition in that fiscal year.

(jj) Individuals or groups may complain to a charter school's board of trustees concerning any claimed violations of the provisions of this section by the school. If, after presenting their complaint to the trustees, the individuals or groups believe their complaint has not been adequately addressed, they may submit their complaint to the board of education which shall investigate such complaint and make a formal response.

(kk) A charter granted by the board of education shall be for five years. The board may revoke a school's charter if the school has not fulfilled any conditions imposed by the board in connection with the grant of the charter or the school has violated any provision of its charter. The board may place the charter school on a probationary status to allow the implementation of a remedial plan after which, if said plan is unsuccessful, the charter may be summarily revoked.

Chap. 46

(ll) The board of education shall develop procedures and guidelines for revocation and renewal of a school's charter; provided, however, that a charter for a Horace Mann charter school shall not be renewed by the board without a vote of support from the school committee and local collective bargaining agent in the district where said charter school is located.

(mm) Notwithstanding any other provision of this section, no school building assistance funds, so-called, shall be awarded to a commonwealth charter school for the purpose of constructing, reconstructing or improving said school.

(nn) Commonwealth charter schools shall be funded as follows: if a student attending a charter school resides in a district with a positive foundation gap, as defined in section 2 of chapter 70, the commonwealth shall pay a tuition amount to the charter school equal to the average cost per student in said district. If the student resides in a district that does not have a positive foundation gap, as so defined, the commonwealth shall pay a tuition amount to the charter school equal to the lesser of: (1) the average cost per student in said district; and (2) the average cost per student in the district in which the charter school is located. The state treasurer is hereby authorized and directed to deduct said charter school tuition amount from the total education aid, as defined in said chapter 70, of the district in which the student resides prior to the distribution of said aid. In the case of a child residing in a municipality which belongs to a regional school district, the charter school tuition amount shall be deducted from said chapter 70 education aid of the school district appropriate to the grade level of the child. If, in a single district, the total of all such deductions exceeds the total of said education aid, this excess amount shall be deducted from other aid appropriated to the city or town. If, in a single district, the total of all such deductions exceeds the total state aid appropriated, the commonwealth shall appropriate this excess amount; provided, however, that if said district has exempted itself from the provisions of chapter 70 by accepting section 14 of said chapter 70, the commonwealth shall assess said district for said excess amount. The state treasurer is hereby further authorized to disburse to the charter school an amount equal to each student's charter school tuition amount as defined above. The board of education shall adopt regulations for determining the average cost per student in calculating charter school tuition amounts for the purpose of this subsection, and in adopting said regulations shall consult with the executive office for administration and finance and shall consider the actual cost per student, the variation in cost for different grade levels and different programs, a charter school's capital costs, the advisability of establishing a maximum amount for such average cost, and the impact on existing charter schools, other public schools in the district, and new charter schools.

(oo) Beginning in fiscal year 1999, any district whose total charter school tuition amount is greater than its total charter school tuition amount for the previous year shall be reimbursed by the commonwealth in accordance with this paragraph and subject to appropriation; provided, however, that no funds for said reimbursements shall be deducted from funds distributed pursuant to chapter 70. The reimbursement amount shall be equal to

100 per cent of the increase in the year in which the increase occurs; 60 per cent of that amount in the first year following; and 40 per cent of that amount in the second year following.

(pp) The commissioner of education shall collect data on the racial, ethnic and socio-economic make-up of the student enrollment of each charter school in the commonwealth. The commissioner shall also collect data on the number of students enrolled in each charter school who have individual education plans pursuant to chapter 71B and those requiring transitional bilingual education services. Said data shall be filed annually with the clerks of the house and senate and with the joint committee on education, arts and humanities not later than December 1.

SECTION 3. The second sentence of section 19 of chapter 267 of the acts of 1995, as appearing in section 525 of chapter 151 of the acts of 1996, is hereby amended by striking out the word "thirty" and inserting in place thereof the following word:- forty.

SECTION 4. No charter school proposal given conditional approval by the secretary of education prior to the effective date of this act shall be given priority status by the board of education when granting new charter schools pursuant to this act.

SECTION 5. Reimbursements made pursuant to section 19 of chapter 267 of the acts of 1995, as amended by section 525 of chapter 151 of the acts of 1996, shall be limited to tuition charges for charter schools which began operation before July 1, 1998. Said reimbursement shall be based on the tuition charge for said school in fiscal year 1998 or the tuition charge for said school in the year in which reimbursement is being made, whichever is less.

SECTION 6. Notwithstanding any provision or law to the contrary, any public school district that transfers 5 per cent or more of its net school spending to commonwealth charter schools in fiscal year 97 shall not in any future fiscal year have more than an additional 3 per cent of said district's net school spending transferred to commonwealth charter schools for charter school tuition payments.

SECTION 7. (a) The board of education shall conduct an evaluation of charter school tuition payments and compare said tuition payments with the actual costs of educating students in charter schools and the actual costs of educating said students in their respective public schools. Said evaluation shall also include, but not be limited to the following matters: an evaluation of the fiscal effects of charter school financing on municipal and regional public school districts; and evaluation of whether and to what extent the innovative practice of the charter schools can be replicated in public school systems; and a study how and how effectively charter schools stimulate or diminish innovative practice in public school systems. Said evaluation shall be filed with the clerks of the senate and the house of representatives, the senate and house committees on ways and means, and the joint committee on education, arts, and humanities no later than September 30, 1997.

(b) The board of education shall, after a public hearing, adopt the regulations for determining the average cost per student in calculating charter school tuition amounts, as required by subsection (nn) of section 89 of chapter 71 of the General Laws, as appearing

in this act, not later than October 1, 1997. Said regulations shall take effect for the school year beginning in September 1998.

SECTION 8. The department of education shall study the advisability of legislation authorizing local school committees to grant charters to existing public schools, to be known as district charter schools. Said study shall also consider the effect of such legislation on federal funding, and whether schools now designated as pilot schools by the Boston school committee should be designated as such district charter schools. The department shall report the results of said study, together with proposed legislation if any, to the joint committee on education, arts and humanities, not later than November 1, 1997.

SECTION 9. A full evaluation of the costs associated with the establishment of charter schools shall be conducted by a commission consisting of the house and senate chairmen of the joint committee on education, arts and humanities or their designees; the chair of the house committee on ways and means or his designee; the chair of the senate committee on ways and means or his designee; the secretary of administration and finance or his designee; the commissioner of education or his designee; and a member of the Massachusetts Teachers Association. Said study shall include, but not be limited to, whether or not those responsible for the administration or those choosing to enroll in charter schools shall make a contribution towards the operation of said charter school, the cost of transportation and necessary school supplies. A report of said study shall be filed with the clerks of the senate and the house of representatives not later than December 31, 1997.

SECTION 10. The inspector general shall conduct a study of the operation, practices and activities at the established charter schools in the commonwealth. Said study shall include, but not be limited to, an analysis and evaluation of contracting practices and related matters and whether any procedures, practices, programs or measures may be employed or implemented to ensure that the charter schools are in conformance with state laws governing contracting, related-party transactions, record keeping and the expenditure of public funds. The inspector general shall submit the findings and recommendations of said study to the house and senate committees on ways and means and the joint committee on education, arts and humanities not later than December 31, 1997.

SECTION 11. Notwithstanding the provisions of section 27C of chapter 29 of the General Laws or of any special or general law to the contrary, the administrators of charter schools in the commonwealth who are the procurement officers for said schools shall participate in the Massachusetts public purchasing official certification program conducted by the office of the inspector general in order to earn a Massachusetts public purchasing official certificate.

SECTION 12. For the purposes of evaluating charter schools established under section 89 of chapter 71 of the General Laws, the education reform review commission established pursuant to section 79 of chapter 71 of the acts of 1993 shall conduct an independent evaluation of charter schools. For purposes of this evaluation only, said commission shall also include as additional members a parent of a student enrolled in a charter school and a charter school leader or teacher. Said evaluation shall be reported to the

joint committee on education, arts and humanities, along with proposed recommendations and drafts of legislation necessary to carry its recommendations into effect, not later than December 31, 1999.

Approved July 11, 1997.

Chapter 47. AN ACT ASSISTING IN MAKING HEALTH CARE AVAILABLE TO LOW INCOME UNINSURED AND UNDERINSURED RESIDENTS OF THE COMMONWEALTH.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is immediately to assist in making health care services available to low income uninsured and underinsured residents of the commonwealth, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public health and convenience.

Be it enacted, etc., as follows:

SECTION 1. The second sentence of section 2FF of chapter 29 of the General Laws, as appearing in the 1996 Official Edition, is hereby amended by striking out clause (b) and inserting in place thereof the following three clauses:- (b) any appropriations transferred to said fund pursuant to the provisions of subsection (9) of section 9B of chapter 118E, any federal reimbursement received for medical benefits provided to expansion beneficiaries as defined by subsection 2 of section 9A of said chapter 118E, any other appropriations or monies made available by law for the purposes of the demonstration project known as MassHealth established pursuant to said section 9A of chapter 118E, and any premiums, grants, gifts, or other contributions explicitly made to said fund; (c) any income derived from the investment of amounts credited to said fund; and (d) any federal reimbursements received for benefits and payments provided pursuant to section 9C of said chapter 118E.

SECTION 2. Subsection (b) of section 21 of chapter 62C of the General Laws is hereby amended by striking out clause (9), as appearing in the 1996 Official Edition, and inserting in place thereof the following clause:-

(9) The disclosure to the commissioner of transitional assistance or the commissioner of medical assistance, upon his written request, of the fact that a specific bank or other entity paying interest income, doing business in the commonwealth has filed for any year a report under section 8 with respect to interest paid by it to a designated recipient of transitional assistance under any program administered by the department of transitional assistance or the division of medical assistance and of the amount of the interest so reported, together with the identification of the account with respect to which the interest was paid.

SECTION 3. Section 1 of chapter 62D of the General Laws is hereby amended by striking out the definition of "Claimant agency", as so appearing, and inserting in place thereof the following definition:-