

2023 -- S 0235

LC000909

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO EDUCATION -- THE EDUCATION EQUITY AND PROPERTY TAX  
RELIEF ACT

Introduced By: Senators Murray, Pearson, Acosta, Euer, Picard, Felag, Zurier, DiPalma,  
Lawson, and Lauria

Date Introduced: February 16, 2023

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7.2-3 of the General Laws in Chapter 16-7.2 entitled "The  
2 Education Equity and Property Tax Relief Act" is hereby amended to read as follows:

3 **16-7.2-3. Permanent foundation education aid established.**

4 (a) Beginning in the 2012 fiscal year, the following foundation education-aid formula shall  
5 take effect. The foundation education aid for each district shall be the sum of the core instruction  
6 amount in subdivision (a)(1) and the amount to support high-need students in subdivision (a)(2),  
7 which shall be multiplied by the district state-share ratio calculated pursuant to § 16-7.2-4 to  
8 determine the foundation aid.

9 (1) The core-instruction amount shall be an amount equal to a statewide, per-pupil core-  
10 instruction amount as established by the department of elementary and secondary education,  
11 derived from the average of northeast regional expenditure data for the states of Rhode Island,  
12 Massachusetts, Connecticut, and New Hampshire from the National Center for Education Statistics  
13 (NCES) that will adequately fund the student instructional needs as described in the basic education  
14 program and multiplied by the district average daily membership as defined in § 16-7-22.  
15 Expenditure data in the following categories: instruction and support services for students,  
16 instruction, general administration, school administration, and other support services from the  
17 National Public Education Financial Survey, as published by NCES, and enrollment data from the  
18 Common Core of Data, also published by NCES, will be used when determining the core-

1 instruction amount. The core-instruction amount will be updated annually. For the purpose of  
2 calculating this formula, school districts' resident average daily membership shall exclude charter  
3 school and state-operated school students.

4 (2) The amount to support high-need students beyond the core-instruction amount shall be  
5 determined by multiplying a student success factor of forty percent (40%) by the core instruction  
6 per-pupil amount described in subdivision (a)(1) and applying that amount for each resident child  
7 whose family income is at or below one hundred eighty-five percent (185%) of federal poverty  
8 guidelines, hereinafter referred to as "poverty status." By October 1, 2022, as part of its budget  
9 submission pursuant to § 35-3-4 relative to state fiscal year 2024 and thereafter, the department of  
10 elementary and secondary education shall develop and utilize a poverty measure that in the  
11 department's assessment most accurately serves as a proxy for the poverty status referenced in this  
12 subsection and does not rely on the administration of school nutrition programs. The department  
13 shall utilize this measure in calculations pursuant to this subsection related to the application of the  
14 student success factor, in calculations pursuant to § 16-7.2-4 related to the calculation of the state  
15 share ratio, and in the formulation of estimates pursuant to subsection (b) below. The department  
16 may also include any recommendations which seek to mitigate any disruptions associated with the  
17 implementation of this new poverty measure or improve the accuracy of its calculation.

18 (b) The department of elementary and secondary education shall provide an estimate of the  
19 foundation education aid cost as part of its budget submission pursuant to § 35-3-4. The estimate  
20 shall include the most recent data available as well as an adjustment for average daily membership  
21 growth or decline based on the prior year experience.

22 (c) In addition, the department shall report updated figures based on the average daily  
23 membership as of October 1 by December 1.

24 (d) Local education agencies may set aside a portion of funds received under subsection  
25 (a) to expand learning opportunities such as after school and summer programs, full-day  
26 kindergarten and/or multiple pathway programs, provided that the basic education program and all  
27 other approved programs required in law are funded.

28 (e) The department of elementary and secondary education shall promulgate such  
29 regulations as are necessary to implement fully the purposes of this chapter.

30 (f) The department shall review the student success factor of forty percent (40%) provided  
31 in subsection (a)(2) of this section to determine whether that weight ensures local education  
32 agencies receive the funding necessary to meet students' instructional needs. The department shall  
33 complete its review and report its findings to the governor, the president of the senate, and the  
34 speaker of the house by October 1, 2023.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO EDUCATION -- THE EDUCATION EQUITY AND PROPERTY TAX  
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- 1           This act would require a review by the department of elementary and secondary education
- 2 of the formula components used to compute the aid needed to support high need students.
- 3           This act would take effect upon passage.

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