

2023 -- H 6330

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

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A N A C T

RELATING TO EDUCATION – FOUNDATION LEVEL SCHOOL SUPPORT

Introduced By: Representatives McNamara, Shekarchi, Bennett, Solomon, Vella-Wilkinson, and Shanley

Date Introduced: April 26, 2023

Referred To: House Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 16-7-39 and 16-7-40 of the General Laws in Chapter 16-7 entitled  
2 "Foundation Level School Support [See Title 16 Chapter 97 — The Rhode Island Board of  
3 Education Act]" are hereby amended to read as follows:

4           **16-7-39. Computation of school housing-aid ratio.**

5           For each community, the percent of state aid for school housing costs shall be computed in  
6 the following manner:

7           (1) The adjusted equalized weighted assessed valuation for the district is divided by the  
8 resident average daily membership for the district (grades twelve (12) and below); (2) The adjusted  
9 equalized weighted assessed valuation for the state is divided by the resident average daily  
10 membership for the state (grades twelve (12) and below); (1) is then divided by (2) and the resultant  
11 ratio is multiplied by a factor currently set at sixty-two percent (62%) which represents the  
12 approximate average district share of school support; the resulting product is then subtracted from  
13 one hundred percent (100%) to yield the housing aid share ratio, provided that in no case shall the  
14 ratio be less than thirty percent (30%). Provided, that effective July 1, 2010, and annually at the  
15 start of each fiscal year thereafter, the thirty percent (30%) floor on said housing-aid share shall be  
16 increased by five percent (5%) increments each year until said floor on the housing-aid share ratio  
17 reaches a minimum of not less than forty percent (40%). This provision shall apply only to school  
18 housing projects completed after June 30, 2010, that received approval from the board of regents  
19 prior to June 30, 2012. Provided further, for the fiscal year beginning July 1, 2012, and for

1 subsequent fiscal years, the minimum housing aid share shall be thirty-five percent (35%) for all  
2 projects receiving council on elementary and secondary education approval after June 30, 2012.  
3 The resident average daily membership shall be determined in accordance with § 16-7-22(1).

4 (2) No district shall receive a combined total of more than twenty (20) incentive percentage  
5 points for projects that commence construction by December 30, ~~2023~~ 2024, and five (5) incentive  
6 points for projects that commence construction thereafter; provided further, these caps shall be in  
7 addition to amounts received under §§ 16-7-40(a)(1) and 16-7-40(a)(2). Furthermore, a district's  
8 share shall not be decreased by more than half of its regular share irrespective of the number of  
9 incentive points received nor shall a district's state share increase by more than half of its regular  
10 share, including amounts received under §§ 16-7-40(a)(1) and 16-7-40(a)(2), irrespective of the  
11 number of incentive points received.

12 **16-7-40. Increased school housing ratio.**

13 (a)(1) In the case of regional school districts, the school housing aid ratio shall be increased  
14 by two percent (2%) for each grade so consolidated.

15 (2) Regional school districts undertaking renovation project(s) shall receive an increased  
16 share ratio of four percent (4%) for those specific project(s) only, in addition to the combined share  
17 ratio calculated in § 16-7-39 and this subsection.

18 (b) In the case of projects undertaken by districts specifically for the purposes of school  
19 safety and security, the school housing aid share ratio shall be increased by five percent (5%) for  
20 these specific projects only, in the calculation of school housing aid. The increased share ratio shall  
21 continue to be applied for as long as the project(s) receives state housing aid. In order to qualify for  
22 the increased share ratio, seventy-five percent (75%) of the project costs must be specifically  
23 directed to school safety and security measures. The council on elementary and secondary  
24 education shall promulgate rules and regulations for the administration and operation of this  
25 section.

26 (c) For purposes of addressing health and safety deficiencies as defined by the school  
27 building authority, including the remediation of hazardous materials, the school housing aid ratio  
28 shall be increased by five percent (5%) so long as the construction of the project commences by  
29 December 30, ~~2023~~ 2024, is completed by December 30, ~~2028~~ 2029, and a two hundred fifty  
30 million dollar (\$250,000,000) general obligation bond is approved on the November 2018 ballot.  
31 In order to qualify for the increased share ratio, twenty-five percent (25%) of the project costs or a  
32 minimum of five hundred thousand dollars (\$500,000) must be specifically directed to this purpose.

33 (d) For purposes of educational enhancement, including projects devoted to the  
34 enhancement of early childhood education and career and technical education, the school housing

1 aid ratio shall be increased by five percent (5%) so long as construction of the project commences  
2 by December 30, ~~2023~~ 2024, is completed by December 30, ~~2028~~ 2029, and a two hundred fifty  
3 million dollar (\$250,000,000) general obligation bond is approved on the November 2018 ballot.  
4 In order to qualify for the increased share ratio, twenty-five percent (25%) of the project costs or a  
5 minimum of five hundred thousand dollars (\$500,000) must be specifically directed to these  
6 purposes.

7 (e) For replacement of a facility that has a facilities condition index of sixty-five percent  
8 (65%) or higher, the school housing ratio shall be increased by five percent (5%) so long as  
9 construction of the project commences by December 30, ~~2023~~ 2024, is completed by December 30,  
10 ~~2028~~ 2029, does not receive a bonus pursuant to subsection (f) or subsection (g), and a two hundred  
11 fifty million dollar (\$250,000,000) general obligation bond is approved on the November 2018  
12 ballot. In order to qualify for the increased share ratio, twenty-five percent (25%) of the project  
13 costs or a minimum of five hundred thousand dollars (\$500,000) must be specifically directed to  
14 this purpose.

15 (f) For any new construction or renovation that increases the functional utilization of any  
16 facility from less than sixty percent (60%) to more than eighty percent (80%), including the  
17 consolidation of school buildings within or across districts, the school housing aid ratio shall be  
18 increased by five percent (5%) so long as construction of the project commences by December 30,  
19 ~~2023~~ 2024, is completed by December 30, ~~2028~~ 2029, and a two hundred fifty million dollar  
20 (\$250,000,000) general obligation bond is approved on the November 2018 ballot. In order to  
21 qualify for the increased share ratio, twenty-five percent (25%) of the project costs or a minimum  
22 of five hundred thousand dollars (\$500,000) must be specifically directed to this purpose.

23 (g) For any new construction or renovation that decreases the functional utilization of any  
24 facility from more than one hundred twenty percent (120%) to between eighty-five percent (85%)  
25 to one hundred five percent (105%), the school housing ratio shall be increased by five percent  
26 (5%) so long as construction of the project commences by December 30, ~~2023~~ 2024, is completed  
27 by December 30, ~~2028~~ 2029, and a two hundred fifty million dollar (\$250,000,000) general  
28 obligation bond is approved on the November 2018 ballot. In order to qualify for the increased  
29 share ratio, twenty-five percent (25%) of the project costs or a minimum of five hundred thousand  
30 dollars (\$500,000) must be specifically directed to this purpose.

31 (h) For consolidation of two (2) or more school buildings, within or across districts into  
32 one school building, the school housing aid ratio shall be increased by five percent (5%) so long as  
33 construction of the project commences by December 30, ~~2023~~ 2024, is completed by December 30,  
34 ~~2028~~ 2029, a two hundred fifty million dollar (\$250,000,000) general obligation bond is approved

1 on the November 2018 ballot, and does not receive a bonus pursuant to subsection (f) or subsection  
2 (g). In order to qualify for the increased share ratio, twenty-five percent (25%) of the project costs  
3 or a minimum of five hundred thousand dollars (\$500,000) must be specifically directed to this  
4 purpose.

5 (i) Any regionalized and/or non-regionalized school district receiving an increased share  
6 ratio for a project approved prior to July 1, 2018, shall continue to receive the increased share ratio  
7 for as long as the project receives state housing aid.

8 [\(j\) The deadlines for construction and completion set forth in this section are not related to,](#)  
9 [or conditioned on, the two hundred fifty million dollar \(\\$250,000,000\) general obligation bond](#)  
10 [approved by state voters on the November 2022 ballot. Increased housing aid provided for in this](#)  
11 [section is funded from state bonds proceeds, annual state appropriations, and other sources.](#)

12 SECTION 2. Section 16-105-3 of the General Laws in Chapter 16-105 entitled "School  
13 Building Authority" is hereby amended to read as follows:

14 **16-105-3. Roles and responsibilities.**

15 The school building authority roles and responsibilities shall include:

16 (1) Management of a system with the goal of ensuring equitable and adequate school  
17 housing for all public school children in the state;

18 (2) Prevention of the cost of school housing from interfering with the effective operation  
19 of the schools;

20 (3) Management of school housing aid in accordance with statute;

21 (4) Reviewing and making recommendations to the council on elementary and secondary  
22 education on necessity of school construction applications for state school housing aid and the  
23 school building authority capital fund, based on the recommendations of the school building  
24 authority advisory board;

25 (5) Promulgating, managing, and maintaining school construction regulations, standards,  
26 and guidelines applicable to the school housing program, based on the recommendations of the  
27 school building authority advisory board, created in § 16-105-8. Said regulations shall require  
28 conformance with the minority business enterprise requirements set forth in § 37-14.1-6;

29 (6) Developing a prequalification and review process for prime contractors, architects, and  
30 engineers seeking to bid on projects in excess of ten million dollars (\$10,000,000) in total costs  
31 subject to inflation. Notwithstanding any general laws to the contrary, a prequalification shall be  
32 valid for a maximum of two (2) years from the date of issuance. Factors to be considered by the  
33 school building authority in granting a prequalification to prime contractors shall include, but not  
34 be limited to, the contractor's history of completing complex projects on time and on budget, track

1 record of compliance with applicable environmental and safety regulations, evidence that  
2 completed prior projects prioritized the facility's future maintainability, and compliance with  
3 applicable requirements for the use of women and minority owned subcontractors;

4 (i) At least annually, a list of prequalified contractors, architects, and engineers shall be  
5 publicly posted with all other program information;

6 (7) Providing technical assistance and guidance to school districts on the necessity of  
7 school construction application process;

8 (8) Providing technical advice and assistance, training, and education to cities, towns,  
9 and/or local education agencies and to general contractors, subcontractors, construction or project  
10 managers, designers and others in planning, maintenance, and establishment of school facility  
11 space;

12 (9) Developing a project priority system, based on the recommendations of the school  
13 building authority advisory board, in accordance with school construction regulations for the school  
14 building authority capital fund, subject to review and, if necessary, to be revised on intervals not to  
15 exceed five (5) years. Project priorities shall include, but not be limited to, the following order of  
16 priorities:

17 (i) Projects to replace or renovate a building that is structurally unsound or otherwise in a  
18 condition seriously jeopardizing the health and safety of school children where no alternative exists;

19 (ii) Projects needed to prevent loss of accreditation;

20 (iii) Projects needed for the replacement, renovation, or modernization of the HVAC  
21 system in any schoolhouse to increase energy conservation and decrease energy-related costs in  
22 said schoolhouse;

23 (iv) Projects needed to replace or add to obsolete buildings in order to provide for a full  
24 range of programs consistent with state and approved local requirements; and

25 (v) Projects needed to comply with mandatory, instructional programs;

26 (10) Maintaining a current list of requested school projects and the priority given them;

27 (11) Collecting and maintaining readily available data on all the public school facilities in  
28 the state;

29 (12) Collecting, maintaining, and making publicly available quarterly progress reports of  
30 all ongoing school construction projects that shall include, at a minimum, the costs of the project  
31 and the time schedule of the project;

32 (13) Recommending policies and procedures designed to reduce borrowing for school  
33 construction programs at both state and local levels;

34 (14) At least every five (5) years, conducting a needs survey to ascertain the capital

1 construction, reconstruction, maintenance, and other capital needs for schools in each district of the  
2 state, including public charter schools;

3 (15) Developing a formal enrollment projection model or using projection models already  
4 available;

5 (16) Encouraging local education agencies to investigate opportunities for the maximum  
6 utilization of space in and around the district;

7 (17) Collecting and maintaining a clearinghouse of prototypical school plans that may be  
8 consulted by eligible applicants;

9 (18) Retaining the services of consultants, as necessary, to effectuate the roles and  
10 responsibilities listed within this section;

11 (19) No district shall receive a combined total of more than twenty (20) incentive  
12 percentage points for projects that commence construction by December 30, ~~2023~~ 2024, and five  
13 (5) incentive points for projects that commence construction thereafter; provided further, these caps  
14 shall be in addition to amounts received under §§ 16-7-40(a)(1) and 16-7-40(a)(2). Furthermore, a  
15 district's share shall not be decreased by more than half of its regular share irrespective of the  
16 number of incentive points received, nor shall a district's state share increase by more than half of  
17 its regular share, including amounts received under §§ 16-7-40(a)(1) and 16-7-40(a)(2), irrespective  
18 of the number of incentive points received. Notwithstanding any provision of the general laws to  
19 the contrary, the reimbursement or aid received under this chapter or chapter 38.2 of title 45 shall  
20 not exceed one hundred percent (100%) of the sum of the total project costs plus interest costs. If  
21 a two hundred and fifty million dollar (\$250,000,000) general obligation bond is approved on the  
22 November 2018 ballot, projects approved between May 1, 2015, and January 1, 2018, are eligible  
23 to receive incentive points (above and beyond what the project was awarded at the time of approval)  
24 pursuant to § 16-7-39 and § 16-7-40. Provided, however, any project approved during this time  
25 period with a project cost in excess of one million five hundred thousand dollars (\$1,500,000),  
26 which does not include an owner's program manager and a commissioning agent, shall only be  
27 eligible to receive five (5) incentive points. Incentive points awarded pursuant to the provisions of  
28 this subsection shall only be applied to reimbursements occurring on or after July 1, 2018. Any  
29 project approved between May 1, 2015, and January 1, 2018, that is withdrawn and/or resubmitted  
30 for approval shall not be eligible for any incentive points.

31 SECTION 3. 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 – FOUNDATION LEVEL SCHOOL SUPPORT

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1           This act would amend provisions of state law that provide for increased housing aid for  
2 certain school building projects by extending the deadlines for commencement and completion of  
3 these school building projects by one year to December 30, 2024 and December 30, 2029,  
4 respectively.

5           This act would take effect upon passage.

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