

2015 -- S 0603

LC001942

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

A N A C T

RELATING TO EDUCATION -- POSTSECONDARY EDUCATION PERFORMANCE
FUNDING

Introduced By: Senators Paiva Weed, Gallo, DaPonte, McCaffrey, and Algieri

Date Introduced: March 04, 2015

Referred To: Senate Education

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 16 of the General Laws entitled "EDUCATION" is hereby amended
2 by adding thereto the following chapter:

3 CHAPTER 105

4 THE PERFORMANCE FUNDING ACT OF 2015

5 **16-105-1. Short title.** -- This act shall be known and may be cited as "The Performance
6 Funding Act of 2015."

7 **16-105-2. Public postsecondary performance-based funding.** -- The commissioner of
8 postsecondary education is hereby directed to implement a performance-based funding formula
9 that meets the requirements of this chapter, in consultation with the council on postsecondary
10 education.

11 **16-105-3. Performance-based funding – Community College of Rhode Island.** – (a)
12 Beginning in FY 2018, funding for the Community College of Rhode Island (CCRI) shall include
13 a performance-based component utilizing all additional allocations of otherwise unrestricted
14 higher education general funds greater than the base amount received pursuant to the FY 2016
15 budget as enacted of total unrestricted state higher education funding.

16 (b) Data on which to base performance-based measures as described in subsection (c) of
17 this section shall be defined by the commissioner of postsecondary education and begin to be
18 collected in the FY 2016. These measures may include and incorporate outcomes or goals from

1 multiple previous years. The lack of information from previous years, however, will not affect the
2 use of performance-based measures.

3 (c) The performance-based measures shall include the following metrics:

4 (1) For first-time, full-time students, the number and percentage, including growth
5 thereof, of associate degrees awarded to students within two (2) years and three (3) years,
6 including summer graduates; for part-time students, performance-based measures shall be based
7 on incremental milestones made toward achieving degree or certificate completion;

8 (2) The number of one-year industry-recognized certificates earned by students within an
9 expected amount of time as determined by the commissioner of postsecondary education and
10 weighted to increase high demand, high wage field certificates;

11 (3) One measure as agreed to by the president of CCRI and the commissioner of
12 postsecondary education; and

13 (4) Any other measures that are deemed appropriate by the council of postsecondary
14 education.

15 (d) The commissioner of postsecondary education may assign weights to the
16 forementioned metrics to reinforce the mission of CCRI, the economic needs of the state and the
17 socio-economic status of the students.

18 **16-105-4. Performance-based funding – Rhode Island College and University of**
19 **Rhode Island.** – (a) Beginning in FY 2018, funding for Rhode Island (RIC) and the University of
20 Rhode Island (URI) shall include a performance-based component utilizing all additional
21 allocations of otherwise unrestricted higher education general funds greater than the base amount
22 received pursuant to the FY 2016 budget as enacted, of total unrestricted state higher education
23 funding.

24 (b) Data on which to base performance-based measures as described in subsection (c) of
25 this section shall be defined by the commissioner of postsecondary education and begin to be
26 collected in the FY 2016. These measures may include and incorporate outcomes or goals from
27 multiple previous years. The lack of information from previous years, however, will not affect the
28 use of performance-based measures.

29 (c) The performance-based measures shall include the following metrics:

30 (1) The number and percentage, including growth of bachelor's degrees awarded to first-
31 time, full-time students within four (4) years and six (6) years including summer graduates; and

32 (2) The number of degrees tied to Rhode Island's high demand, high wage employment
33 opportunities;

34 (3) One measure that applies only to RIC as agreed to by the president of RIC and the

1 commissioner of postsecondary education and one measure that applies only to URI as agreed to
2 by the president of URI and the commissioner of postsecondary education; and

3 (4) Any other measures that are deemed appropriate by the council of postsecondary
4 education.

5 (d) The commissioner of postsecondary education may assign weights to the
6 forementioned metrics to either or both of the institutions to reinforce the mission of RIC and
7 URI, the economic needs of the state and the socio-economic status of the students.

8 **16-105-5. Performance not achieved. --** If an institution has failed to meet any of the
9 performance metrics set forth in this chapter or as defined by the commissioner of postsecondary
10 education, the associated funds shall be distributed to the institution for corrective action and
11 oversight by the office of the postsecondary commissioner.

12 **16-105-6. Accountability – Authority to revise and transparency. –** (a) The
13 commissioner of postsecondary education shall monitor, publish and report to the council on
14 postsecondary education the level of performance on all metrics identified in this chapter for
15 Community College of Rhode Island, Rhode Island College, and the University Rhode Island.

16 (b) The commissioner of postsecondary education shall revise the metrics at a time when
17 performance has reached a pre-defined level as determined by the commissioner of postsecondary
18 education, in consultation with the appropriate college or university president. Future metrics
19 shall further goals identified by the board of education, and the governor's workforce board.

20 (c) Each public higher education institution shall publish its performance on all of its
21 associated metrics prescribed in this chapter on its website.

22 **16-105-7. State higher education funding formula. --** The commissioner of
23 postsecondary education shall develop and present to the board of education and the general
24 assembly a proposal for a method for calculating budgetary needs of the public postsecondary
25 institutions, that shall include the performance funding component required in this chapter, on or
26 before April 1, 2016. Implementation of a state higher education funding formula shall be
27 contingent upon the approval of the general assembly.

28 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 -- POSTSECONDARY EDUCATION PERFORMANCE
FUNDING

1 This act would establish "The Performance Funding Act of 2015" to provide a
2 mechanism for funding Rhode Island's post-secondary state schools based upon the number of
3 students earning degrees and credits at those schools.

4 This act would take effect upon passage.

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