

2016 -- H 7428

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO EDUCATION -- POSTSECONDARY EDUCATION PERFORMANCE
FUNDING

Introduced By: Representatives McNamara, Amore, Naughton, Ruggiero, and
Lombardi

Date Introduced: January 29, 2016

Referred To: House Finance

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 106

4 THE PERFORMANCE FUNDING ACT OF 2016

5 **16-106-1. Short title. --** This act shall be known and may be cited as "The Performance
6 Funding Act of 2016."

7 **16-106-2. 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 **16-106-3. Performance-based funding – Community College of Rhode Island. – (a)**
12 Beginning in FY 2019, funding for the Community College of Rhode Island ("CCRI") shall
13 include a performance-based component utilizing all additional allocations of otherwise
14 unrestricted higher education general revenue greater than the base amount received pursuant to
15 the FY 2017 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, in consultation
18 with the council on postsecondary education. Measures shall begin to be collected in FY 2017.

1 These measures may include and incorporate outcomes or goals from multiple previous years.
2 The lack of information from previous years, however, will not affect the use of performance-
3 based measures.

4 (c) The performance-based measures shall be consistent with the purposes, role, scope
5 and mission of the community college, and shall include the following metrics:

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

11 (2) The number of one year industry recognized certificates earned by students within an
12 expected amount of time, and weighted to increase high demand, high wage field certificates
13 consistent with CCRI's purpose;

14 (3) One measure as agreed to by the commissioner of postsecondary education and the
15 president of CCRI, who shall consider faculty, staff and student input; and

16 (4) Any other measures that are deemed appropriate by the council on postsecondary
17 education.

18 (d) Weights may be assigned to any of the aforementioned metrics to reinforce the
19 purposes, role, scope and mission of CCRI, the economic needs of the state and the socio-
20 economic status of the students. The commissioner may consider the college's improvements in
21 said metrics when determining whether the college has satisfied the annual measure despite not
22 reaching the overall goal.

23 (e) The commissioner shall provide faculty and students an opportunity to provide input
24 on the development of performance measures.

25 **16-106-4. Performance-based funding – Rhode Island College and University of**
26 **Rhode Island.** – (a) Beginning in FY 2019, funding for Rhode Island College ("RIC") and the
27 University of Rhode Island ("URI") shall include a performance-based component utilizing all
28 additional allocations of otherwise unrestricted higher education general revenue greater than the
29 base amount received pursuant to the FY 2017 budget as enacted, of total unrestricted state higher
30 education funding.

31 (b) Data on which to base performance-based measures as described in subsection (c) of
32 this section shall be defined by the commissioner of postsecondary education, in consultation
33 with the council on postsecondary education. Measures shall begin to be collected in FY 2017.
34 These measures may include and incorporate outcomes or goals from multiple previous years.

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

3 (c) RIC and URI shall each have unique measures consistent with each institution's
4 purpose, role, scope and mission. The performance-based measures shall include the following
5 metrics:

6 (1) The number and percentage, including growth in relation to enrollment and prior
7 years of bachelor's degrees awarded to first-time, full-time students within four (4) years and six
8 (6) years including summer graduates;

9 (2) The number of degrees awarded that are tied to Rhode Island's high demand, high
10 wage employment opportunities consistent with the institution's mission;

11 (3) One measure that applies only to RIC as agreed to by the commissioner of
12 postsecondary education and the president of RIC, who shall consider faculty, staff and student
13 input; and one measure that applies only to URI as agreed to by the commissioner of
14 postsecondary education and the president of URI, who shall consider faculty, staff and student
15 input; and

16 (4) Any other measures that are deemed appropriate by the council on postsecondary
17 education.

18 (d) Weights may be assigned to any of the aforementioned metrics to either or both of the
19 institutions to reinforce the mission of RIC and URI, respectively, the economic needs of the state
20 and the socio-economic status of the students. The commissioner may consider the institutions'
21 improvements in said metrics when determining whether it has satisfied the annual measure
22 despite not reaching the overall goal.

23 (e) The commissioner shall provide faculty and students an opportunity to provide input
24 on the development of performance measures.

25 **16-106-5. Performance not achieved.** – If a public institution of higher education has
26 failed to achieve one or more of the performance-based metrics set forth in accordance with this
27 chapter, the funds associated with each unachieved metric, shall be distributed to the same
28 institution for corrective action, with oversight by the office of the postsecondary commissioner.

29 **16-106-6. Accountability – Authority to revise and transparency.** – (a) The
30 commissioner of postsecondary education shall monitor, publish and report to the council on
31 postsecondary education the level of performance on all metrics identified in accordance with this
32 chapter for the Community College of Rhode Island, Rhode Island College, and the University
33 Rhode Island.

34 (b) The commissioner of postsecondary education, in consultation with the council on

1 postsecondary education, shall revise the metrics at a time when performance has reached a pre-
2 defined level. Future metrics shall further goals identified by the board of education and the
3 governor's workforce board, and the applicable purpose and mission of the institution of higher
4 education to which they apply.

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

7 **16-106-7. State postsecondary education funding formula.** – (a) Implementation of a
8 state postsecondary education funding formula shall be contingent upon the approval of the
9 general assembly. On or before April 1, 2017, the commissioner of postsecondary education shall
10 present to the board of education and the general assembly, the following:

11 (1) A proposal for the further definition of the budget for "otherwise unrestricted higher
12 education general revenue" in accordance with §§16-106-3(a) and 16-106-4(a); and

13 (2) With input from an advisory workgroup composed of representatives of the
14 administration and faculty of Community College of Rhode Island, Rhode Island College, and the
15 University of Rhode Island, the commissioner shall develop a proposal for a funding formula for
16 calculating budgetary needs of the public postsecondary institutions.

17 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 2016" that would provide that
2 new, unrestricted funding, for Rhode Island's postsecondary state schools be based upon certain
3 performance measures.

4 This act would take effect upon passage.

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