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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

RELATING TO EDUCATION - THE EDUCATION EQUITY AND PROPERTY TAX RELIEF

Introduced By: Senators Felag, P Fogarty, Kettle, Coyne, and Algieri

Date Introduced: February 01, 2017

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 16-7.2-6 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           **16-7.2-6. Categorical programs, state funded expenses.**

4           In addition to the foundation education aid provided pursuant to § 16-7.2-3, the  
5 permanent foundation education-aid program shall provide direct state funding for:

6           (a) Excess costs associated with special education students. Excess costs are defined  
7 when an individual special education student's cost shall be deemed to be "extraordinary".  
8 Extraordinary costs are those educational costs that exceed the state-approved threshold based on  
9 an amount above five times the core foundation amount (total of core-instruction amount plus  
10 student success amount). The department of elementary and secondary education shall prorate the  
11 funds available for distribution among those eligible school districts if the total approved costs for  
12 which school districts are seeking reimbursement exceed the amount of funding appropriated in  
13 any fiscal year; and the department of elementary and secondary education shall also collect data  
14 on those educational costs that exceed the state-approved threshold based on an amount above  
15 four (4) times the core-foundation amount.

16           (b) Career and technical education costs to help meet initial investment requirements  
17 needed to transform existing, or create new, comprehensive, career and technical education  
18 programs and career pathways in critical and emerging industries and to help offset the higher-  
19 than-average costs associated with facilities, equipment maintenance and repair, and supplies

1 necessary for maintaining the quality of highly specialized programs that are a priority for the  
2 state. The department shall develop criteria for the purpose of allocating any and all career and  
3 technical education funds as may be determined by the general assembly on an annual basis. The  
4 department of elementary and secondary education shall prorate the funds available for  
5 distribution among those eligible school districts if the total approved costs for which school  
6 districts are seeking reimbursement exceed the amount of funding available in any fiscal year;

7 (c) Programs to increase access to voluntary, free, high-quality pre-kindergarten  
8 programs. The department shall recommend criteria for the purpose of allocating any and all early  
9 childhood program funds as may be determined by the general assembly;

10 (d) Central Falls, Davies, and the Met Center Stabilization Fund is established to assure  
11 that appropriate funding is available to support their students. Additional support for Central Falls  
12 is needed due to concerns regarding the city's capacity to meet the local share of education costs.  
13 This fund requires that education aid calculated pursuant to § 16-7.2-3 and funding for costs  
14 outside the permanent foundation education-aid formula, including, but not limited to,  
15 transportation, facility maintenance, and retiree health benefits shall be shared between the state  
16 and the city of Central Falls. The fund shall be annually reviewed to determine the amount of the  
17 state and city appropriation. The state's share of this fund may be supported through a reallocation  
18 of current state appropriations to the Central Falls school district. At the end of the transition  
19 period defined in § 16-7.2-7, the municipality will continue its contribution pursuant to § 16-7-24.  
20 Additional support for the Davies and the Met Center is needed due to the costs associated with  
21 running a stand-alone high school offering both academic and career and technical coursework.  
22 The department shall recommend criteria for the purpose of allocating any and all stabilization  
23 funds as may be determined by the general assembly; and

24 (e) Excess costs associated with transporting students to out-of-district non-public  
25 schools and within regional school districts. (1) This fund will provide state funding for the costs  
26 associated with transporting students to out-of-district non-public schools, pursuant to chapter  
27 21.1 of title 16. The state will assume the costs of non-public out-of-district transportation for  
28 those districts participating in the statewide system; and (2) This fund will provide direct state  
29 funding for the excess costs associated with transporting students within regional school districts,  
30 established pursuant to chapter 3 of title 16. This fund requires that the state and regional school  
31 district share equally the student transportation costs net any federal sources of revenue for these  
32 expenditures. The department of elementary and secondary education shall prorate the funds  
33 available for distribution among those eligible school districts if the total approved costs for  
34 which school districts are seeking reimbursement exceed the amount of funding available in any

1 fiscal year.

2 (f) Public school districts that are regionalized shall be eligible for a regionalization  
3 bonus as set forth below.

4 (1) As used herein, the term "regionalized" shall be deemed to refer to a regional school  
5 district established under the provisions of chapter 3 of title 16 including the Chariho Regional  
6 School district.

7 (2) For those districts that are regionalized as of July 1, 2010, the regionalization bonus  
8 shall commence in FY 2012. For those districts that regionalize after July 1, 2010, the  
9 regionalization bonus shall commence in the first fiscal year following the establishment of a  
10 regionalized school district as set forth in chapter 3 of title 16, including the Chariho Regional  
11 School District.

12 (3) The regionalization bonus in the first and subsequent fiscal ~~year~~ years shall be two  
13 percent (2.0%) of the state's share of the foundation education aid for the regionalized district as  
14 calculated pursuant to §§ 16-7.2-3 and 16-7.2-4 in that fiscal year.

15 (4) ~~The regionalization bonus in the second fiscal year shall be one percent (1.0%) of the~~  
16 ~~state's share of the foundation education aid for the regionalized district as calculated pursuant to~~  
17 ~~§§ 16-7.2-3 and 16-7.2-4 in that fiscal year.~~

18 (5) ~~The regionalization bonus shall cease in the third fiscal year.~~

19 (6) The regionalization bonus for the Chariho regional school district shall be applied to  
20 the state share of the permanent foundation education aid for the member towns.

21 (7) The department of elementary and secondary education shall prorate the funds  
22 available for distribution among those eligible regionalized school districts if the total, approved  
23 costs for which regionalized school districts are seeking a regionalization bonus exceed the  
24 amount of funding appropriated in any fiscal year.

25 (g) Additional state support for English learners (EL). For FY 2017 only, the amount to  
26 support EL students shall be determined by multiplying an EL factor of ten percent (10%) by the  
27 core-instruction per-pupil amount defined in § 16-7.2-3(a)(1) and applying that amount of  
28 additional state support to EL students identified using widely adopted, independent standards  
29 and assessments identified by the Commissioner. All categorical funds distributed pursuant to this  
30 subsection must be used to provide high-quality, research-based services to EL students and  
31 managed in accordance with requirements set forth by the commissioner of elementary and  
32 secondary education. The department of elementary and secondary education shall collect  
33 performance reports from districts and approve the use of funds prior to expenditure. The  
34 department of elementary and secondary education shall ensure the funds are aligned to activities

1 that are innovative and expansive and not utilized for activities the district is currently funding.  
2 The department of elementary and secondary education shall prorate the funds available for  
3 distribution among eligible recipients if the total calculated costs exceed the amount of funding  
4 available in any fiscal year.

5 (h) Categorical programs defined in (a) through (f) shall be funded pursuant to the  
6 transition plan in § 16-7.2-7.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO EDUCATION - THE EDUCATION EQUITY AND PROPERTY TAX RELIEF

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1           This act would amend the provisions of the Education Equity and Property Tax Relief  
2 Act by setting the amount of the regionalization bonus at two percent (2%) of the state's share of  
3 the foundation education aid formula, and by removing the provision that the bonus would cease  
4 in the third fiscal year after regionalization.

5           This act would take effect upon passage.

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