

2021 -- H 5216

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO EDUCATION -- FUNDING OF CHARTER PUBLIC SCHOOLS (SEE TITLE
16 CHAPTER 97 - THE RHODE ISLAND BOARD OF EDUCATION ACT)

Introduced By: Representatives O'Brien, Corvese, Kazarian, Williams, McNamara,
Ajello, Casimiro, and Amore

Date Introduced: January 27, 2021

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-77.1-2 of the General Laws in Chapter 16-77.1 entitled "Funding
2 of Charter Public Schools [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]"
3 is hereby amended to read as follows:

4 **16-77.1-2. Operating costs.**

5 (a) Operating costs of a charter public school shall be the total of the per pupil payments
6 for each student attending the charter public school. The per pupil payment for each student shall
7 be determined based on the per pupil cost for the district of residence of each student. The state's
8 share of the per pupil amount for each student attending the charter public school shall be paid by
9 the state directly to the charter public school and shall be the percent, or share ratio, previously
10 calculated under chapter 7 of this title; provided, that in no case shall the ratio be less than thirty
11 percent (30%), minus the five percent (5%) of per pupil cost designated for indirect cost support to
12 the student's school district as defined in subsection (b). The five percent (5%) indirect cost amount
13 shall be deducted from the district per pupil cost before the state share is derived by applying the
14 share ratio to the district per pupil cost. The local share of the per pupil amount for each student
15 attending the charter public school shall be paid to the charter public school by the district of
16 residence of the student and shall be the per pupil cost for the district of residence of the student
17 minus the state share of that per pupil cost as designated in this section.

18 (b) In addition to all state aid to education paid to a local district pursuant to chapter 7.1 of

1 this title, the state will pay an additional amount to the district for each student from this district
2 who is attending a charter public school. The additional amount of state aid per pupil shall be five
3 percent (5%) of the districts per pupil cost. The additional state aid shall be for the purpose of
4 assisting local school districts to undertake the indirect costs borne by a district when its student
5 attends a charter public school.

6 (c) The state department of elementary and secondary education shall annually determine
7 both the state and local share of each charter public school's operating costs by deriving the
8 respective shares associated with each student reported as a member of the charter public school as
9 of June 30 of the reference year as defined in § 16-7-16(11) (or the enrollment as of October 1 of
10 the current school year in the first year of operation of a charter school). All other data used in this
11 determination shall be based upon the reference year as defined in § 16-7-16(11).

12 (d) The state shall make payments of its share of operating costs to each charter public
13 school on a quarterly basis in July, October, January, and April. The July and October payments
14 will be based upon the reported student membership of the charter public school as of June 30 of
15 the reference year as defined in § 16-7-16(11) (or the enrollment as of October 1 of the current
16 school year in the first year of operation of a charter school). Charter public schools will report
17 current student enrollment, including district of residence for school purposes of each student
18 enrolled, and each district will report current total district operating expenses and total district
19 enrollments (including district students enrolled in charter public schools) annually by October 1.
20 If the October 1 data on a charter public school's student enrollment show a ten percent (10%) or
21 greater increase or decrease in students from the June membership count, the third and fourth
22 quarter payments to the charter public school will be adjusted to reflect actual student enrollment
23 in the charter public school.

24 (e) Local district payments to charter public schools for each district's students enrolled in
25 the charter public school shall also be made quarterly as designated in subsection (d); the first local
26 district payment shall be made by August 15 instead of July. Any local school district more than
27 thirty (30) days in arrears on a quarterly payment for its student(s) enrolled in a charter public
28 school shall have the amount of the arrearage deducted from state aid to that district and the
29 withheld arrearage shall be paid by the state directly to the charter public school.

30 (f) Local school districts with student(s) enrolled in a charter public school shall continue
31 to report these students in the total census of district public school students and will receive state
32 aid for all these students pursuant to the provisions of chapter 7.1 of this title.

33 (g) All entitlements except those provided for in § 16-24-6.2 shall be ratably reduced if less
34 than one hundred percent (100%) of the expenditures is appropriated.

1 (h) For fiscal year 2007, the indirect aid paid to districts pursuant to this section shall equal
2 the amount received in the fiscal year 2006 enacted budget by the 2005 general assembly.

3 (i) In the event a student enrolled in a charter school is disenrolled and/or returned back to
4 a sending school prior to the end of an academic year, then the charter school shall remit payment
5 equal to all public funds received by the charter school for that academic year for the education of
6 the disenrolled and/or returned student. The payment shall be sent to the public school and/or school
7 district responsible for receiving the student from the charter school. The funds remitted to the
8 public school or district responsible for receiving the student shall not be reduced and no pro rata
9 allocation shall be applied for any period of educational services provided by the charter school to
10 the student.

11 SECTION 2. Section 16-77.2-5 of the General Laws in Chapter 16-77.2 entitled "District
12 Charter School [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby
13 amended to read as follows:

14 **16-77.2-5. Budgets and funding.**

15 (a) It is the intent of the general assembly that funding pursuant to this chapter shall be
16 neither a financial incentive nor a financial disincentive to the establishment of a district charter
17 school. Funding for each district charter school shall consist of state revenue and municipal or
18 district revenue in the same proportions that funding is provided for other schools within the
19 sending school district(s).

20 (b) Funding additional to that authorized from the sending school district(s) may be
21 allocated to the district charter school from the sending school district(s) to the extent that the
22 combined percentage of students eligible for free or reduced-cost lunch, students with limited
23 English proficiency, and students requiring special education exceed the combined percentage of
24 those students in the sending school district(s) as a whole. The commissioner shall promulgate rules
25 and regulations consistent with this section regarding the allocation of funds from sending school
26 districts to district charter schools.

27 (c) All services, centrally or otherwise provided by the school district in which the district
28 charter school is located, that the district charter school decides to utilize including, but not limited
29 to, transportation, food services, custodial services, maintenance, curriculum, media services,
30 libraries, nursing, and warehousing, shall be subject to negotiation between a district charter school
31 and the school district in which the district charter school is located and paid for out of the revenues
32 of the district charter school. Disputes with regard to cost of services requested from the school
33 district in which the district charter school is located will be adjudicated by the commissioner.

34 (d) A district charter school shall be eligible to receive other aids, grants, Medicaid revenue,

1 and other revenue according to Rhode Island law, as though it were a school district. Federal aid
2 received by the state shall be used to benefit students in the charter public school, if the school
3 qualifies for the aid, as though it were a school district.

4 (e) A district charter school may negotiate and contract directly with third parties for the
5 purchase of books, instructional materials, and any other goods and services that are not being
6 provided by the sending school district(s) pursuant to the charter.

7 [\(f\) If a charter school subject to the provisions of this chapter shall disenroll or return a](#)
8 [student to the original sending school then the charter school shall remit payment pursuant to the](#)
9 [provisions of § 16-77.1-2\(i\).](#)

10 SECTION 3. Section 16-77.3-5 of the General Laws in Chapter 16-77.3 entitled
11 "Independent Charter Schools [See Title 16 Chapter 97 - The Rhode Island Board of Education
12 Act]" is hereby amended to read as follows:

13 **16-77.3-5. Budgets and funding.**

14 (a) It is the intent of the general assembly that funding pursuant to this chapter shall be
15 neither a financial incentive nor a financial disincentive to the establishment of an independent
16 charter school. Funding for each independent charter school shall consist of state revenue and
17 municipal or district revenue in the same proportions that funding is provided for other schools
18 within the sending school district(s).

19 (b) Funding additional to that authorized from the sending school district(s) by subsection
20 (b) may be allocated to the independent charter school from the sending school district(s) to the
21 extent that the combined percentage of students eligible for free or reduced-cost lunch, students
22 with limited English proficiency, and students requiring special education exceed the combined
23 percentage of those students in the sending school district(s) as a whole. The commissioner shall
24 promulgate rules and regulations consistent with this section regarding the allocation of funds from
25 sending school districts to independent charter schools.

26 (c) An independent charter school shall be eligible to receive other aids, grants, Medicaid
27 revenue, and other revenue according to Rhode Island law, as though it were a school district.
28 Federal aid received by the state shall be used to benefit students in the independent charter school,
29 if the school qualifies for the aid, as though it were a school district.

30 (d) An independent charter school may negotiate and contract directly with third parties
31 for the purchase of books, instructional materials, and any other goods and services that are not
32 being provided by the sending school district(s) pursuant to the charter.

33 [\(e\) If a charter school subject to the provisions of this chapter shall disenroll or return a](#)
34 [student to the original sending school then the charter school shall remit payment pursuant to the](#)

1 [provisions of § 16-77.1-2\(i\).](#)

2 SECTION 4. Section 16-77.4-5 of the General Laws in Chapter 16-77.4 entitled "Mayoral
3 Academies [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby
4 amended to read as follows:

5 **16-77.4-5. Budgets and funding.**

6 (a) It is the intent of the general assembly that funding pursuant to this chapter shall be
7 neither a financial incentive nor a financial disincentive to the establishment of a mayoral academy.
8 Funding for each mayoral academy shall consist of state revenue and municipal or district revenue
9 in the same proportions that funding is provided for other schools within the sending school
10 district(s).

11 (b) Funding additional to that authorized from the sending school district(s) may be
12 allocated to the mayoral academy from the sending school district(s) to the extent that the combined
13 percentage of students eligible for free or reduced-cost lunch, students with limited English
14 proficiency, and students requiring special education exceed the combined percentage of those
15 students in the sending school district(s) as a whole. The commissioner shall promulgate rules and
16 regulations consistent with this section regarding the allocation of funds from sending school
17 districts to mayoral academies.

18 (c) A mayoral academy shall be eligible to receive other aids, grants, Medicaid revenue,
19 and other revenue according to Rhode Island law, as though it were a school district. Federal aid
20 received by the state shall be used to benefit students in a mayoral academy, if the school qualifies
21 for the aid, as though it were a school district.

22 (d) A mayoral academy may negotiate and contract directly with third parties for the
23 purchase of books, instructional materials, and any other goods and services that are not being
24 provided by the sending school district(s) pursuant to the charter.

25 [\(e\) If a charter school subject to the provisions of this chapter shall disenroll or return a](#)
26 [student to the original sending school then the charter school shall remit payment pursuant to the](#)
27 [provisions of § 16-77.1-2\(i\).](#)

28 SECTION 5. 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 -- FUNDING OF CHARTER PUBLIC SCHOOLS (SEE TITLE
16 CHAPTER 97 - THE RHODE ISLAND BOARD OF EDUCATION ACT)

1 This act would require charter schools that disenroll or return a student to the original
2 sending school prior to the end of an academic year, to return all public funds received by the
3 charter school to educate that student for that academic year.

4 This act would take effect upon passage.

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