

2023 -- H 6113

LC002196

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO EDUCATION -- THE EDUCATION EQUITY AND PROPERTY TAX
RELIEF ACT

Introduced By: Representatives Shanley, Donovan, Solomon, and Caldwell

Date Introduced: March 03, 2023

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7.2-3 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 **16-7.2-3. Permanent foundation education aid established.**

4 (a) Beginning in the 2012 fiscal year, the following foundation education-aid formula shall
5 take effect. The foundation education aid for each district shall be the sum of the core instruction
6 amount in subdivision (a)(1) and the amount to support high-need students in subdivision (a)(2),
7 which shall be multiplied by the district state-share ratio calculated pursuant to § 16-7.2-4 to
8 determine the foundation aid.

9 (1) The core-instruction amount shall be an amount equal to a statewide, per-pupil core-
10 instruction amount as established by the department of elementary and secondary education,
11 derived from the average of northeast regional expenditure data for the states of Rhode Island,
12 Massachusetts, Connecticut, and New Hampshire from the National Center for Education Statistics
13 (NCES) that will adequately fund the student instructional needs as described in the basic education
14 program and multiplied by the district average daily membership as defined in § 16-7-22.
15 Expenditure data in the following categories: instruction and support services for students,
16 instruction, general administration, school administration, and other support services from the
17 National Public Education Financial Survey, as published by NCES, and enrollment data from the
18 Common Core of Data, also published by NCES, will be used when determining the core-

1 instruction amount. The core-instruction amount will be updated annually. For the purpose of
2 calculating this formula, school districts' resident average daily membership shall exclude charter
3 school and state-operated school students.

4 (2) The amount to support high-need students beyond the core-instruction amount shall be
5 determined by multiplying a student success factor of forty percent (40%) by the core instruction
6 per-pupil amount described in subdivision (a)(1) and applying that amount for each resident child
7 whose family income is at or below one hundred eighty-five percent (185%) of federal poverty
8 guidelines, hereinafter referred to as "poverty status." By October 1, 2022, as part of its budget
9 submission pursuant to § 35-3-4 relative to state fiscal year 2024 and thereafter, the department of
10 elementary and secondary education shall develop and utilize a poverty measure that in the
11 department's assessment most accurately serves as a proxy for the poverty status referenced in this
12 subsection and does not rely on the administration of school nutrition programs. The department
13 shall utilize this measure in calculations pursuant to this subsection related to the application of the
14 student success factor, in calculations pursuant to § 16-7.2-4 related to the calculation of the state
15 share ratio, and in the formulation of estimates pursuant to subsection (b) below. The department
16 may also include any recommendations which seek to mitigate any disruptions associated with the
17 implementation of this new poverty measure or improve the accuracy of its calculation. Provided,
18 effective July 1, 2023, excess costs associated with special education students shall also be included
19 in calculating direct state aid funding provided to school districts as part of the permanent
20 foundation education-aid program. As used herein, the term "excess costs associated with special
21 education students" includes both expenses deemed to be "extraordinary" pursuant to §16-7.2-6(a),
22 as well as the additional costs incurred by a school district to educate a student determined to have
23 a mild to moderate intellectual disability which costs are above the cost to educate a student who
24 is not identified with a mild to moderate intellectual disability.

25 (b) The department of elementary and secondary education shall provide an estimate of the
26 foundation education aid cost as part of its budget submission pursuant to § 35-3-4. The estimate
27 shall include the most recent data available as well as an adjustment for average daily membership
28 growth or decline based on the prior year experience.

29 (c) In addition, the department shall report updated figures based on the average daily
30 membership as of October 1 by December 1.

31 (d) Local education agencies may set aside a portion of funds received under subsection
32 (a) to expand learning opportunities such as after school and summer programs, full-day
33 kindergarten and/or multiple pathway programs, provided that the basic education program and all
34 other approved programs required in law are funded.

1 (e) The department of elementary and secondary education shall promulgate such
2 regulations as are necessary to implement fully the purposes of this chapter.

3 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 -- THE EDUCATION EQUITY AND PROPERTY TAX
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- 1 This act would include the costs of educating students with intellectual disabilities in
- 2 calculating direct state aid funding from the permanent foundation education-aid program.
- 3 This act would take effect upon passage.

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