

2023 -- S 0454

LC001814

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO EDUCATION -- FOUNDATION LEVEL SCHOOL SUPPORT

Introduced By: Senators DiPalma, LaMountain, Britto, Ujifusa, Murray, Acosta, Felag,  
Zurier, Euer, and Pearson

Date Introduced: March 03, 2023

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 16-7-39 and 16-7-40 of the General Laws in Chapter 16-7 entitled  
2 "Foundation Level School Support [See Title 16 Chapter 97 — The Rhode Island Board of  
3 Education Act]" are hereby amended to read as follows:

4 **16-7-39. Computation of school housing-aid ratio.**

5 For each community, the percent of state aid for school housing costs shall be computed in  
6 the following manner:

7 (1) The adjusted equalized weighted assessed valuation for the district is divided by the  
8 resident average daily membership for the district (grades twelve (12) and below); (2) The adjusted  
9 equalized weighted assessed valuation for the state is divided by the resident average daily  
10 membership for the state (grades twelve (12) and below); (1) is then divided by (2) and the resultant  
11 ratio is multiplied by a factor currently set at sixty-two percent (62%) which represents the  
12 approximate average district share of school support; the resulting product is then subtracted from  
13 one hundred percent (100%) to yield the housing aid share ratio, provided that in no case shall the  
14 ratio be less than thirty percent (30%). Provided, that effective July 1, 2010, and annually at the  
15 start of each fiscal year thereafter, the thirty percent (30%) floor on said housing-aid share shall be  
16 increased by five percent (5%) increments each year until said floor on the housing-aid share ratio  
17 reaches a minimum of not less than forty percent (40%). This provision shall apply only to school  
18 housing projects completed after June 30, 2010, that received approval from the board of regents  
19 prior to June 30, 2012. Provided further, for the fiscal year beginning July 1, 2012, and for

1 subsequent fiscal years, the minimum housing aid share shall be thirty-five percent (35%) for all  
2 projects receiving council on elementary and secondary education approval after June 30, 2012.  
3 The resident average daily membership shall be determined in accordance with § 16-7-22(1).  
4 Provided further, that effective July 1, 2023, and for subsequent fiscal years, the minimum housing  
5 aid share ratio shall be forty percent (40%) for all local education agencies.

6 (2) No district shall receive a combined total of more than twenty (20) incentive percentage  
7 points for projects that commence construction by December 30, 2023, and five (5) incentive points  
8 for projects that commence construction thereafter; provided further, these caps shall be in addition  
9 to amounts received under §§ 16-7-40(a)(1) and 16-7-40(a)(2). Furthermore, a district's share shall  
10 not be decreased by more than half of its regular share irrespective of the number of incentive points  
11 received nor shall a district's state share increase by more than half of its regular share, including  
12 amounts received under §§ 16-7-40(a)(1) and 16-7-40(a)(2), irrespective of the number of incentive  
13 points received.

14 **16-7-40. Increased school housing ratio.**

15 (a)(1) In the case of regional school districts, the school housing aid ratio shall be increased  
16 by two percent (2%) for each grade so consolidated.

17 (2) Regional school districts undertaking renovation project(s) shall receive an increased  
18 share ratio of four percent (4%) for those specific project(s) only, in addition to the combined share  
19 ratio calculated in § 16-7-39 and this subsection.

20 (b) In the case of projects undertaken by districts specifically for the purposes of school  
21 safety and security, the school housing aid share ratio shall be increased by five percent (5%) for  
22 these specific projects only, in the calculation of school housing aid. The increased share ratio shall  
23 continue to be applied for as long as the project(s) receives state housing aid. In order to qualify for  
24 the increased share ratio, seventy-five percent (75%) of the project costs must be specifically  
25 directed to school safety and security measures. The council on elementary and secondary  
26 education shall promulgate rules and regulations for the administration and operation of this  
27 section.

28 (c) For purposes of addressing health and safety deficiencies as defined by the school  
29 building authority, including the remediation of hazardous materials, the school housing aid ratio  
30 shall be increased by five percent (5%) so long as the construction of the project commences by  
31 ~~December 30, 2023~~ June 30, 2024, is completed by December 30, 2028, and a two hundred fifty  
32 million dollar (\$250,000,000) general obligation bond is approved on the November 2018 ballot.  
33 In order to qualify for the increased share ratio, twenty-five percent (25%) of the project costs or a  
34 minimum of five hundred thousand dollars (\$500,000) must be specifically directed to this purpose.

1 (d) For purposes of educational enhancement, including projects devoted to the  
2 enhancement of early childhood education and career and technical education, the school housing  
3 aid ratio shall be increased by five percent (5%) so long as construction of the project commences  
4 by ~~December 30, 2023~~ June 30, 2024, is completed by December 30, 2028, and a two hundred fifty  
5 million dollar (\$250,000,000) general obligation bond is approved on the November 2018 ballot.  
6 In order to qualify for the increased share ratio, twenty-five percent (25%) of the project costs or a  
7 minimum of five hundred thousand dollars (\$500,000) must be specifically directed to these  
8 purposes.

9 (e) For replacement of a facility that has a facilities condition index of sixty-five percent  
10 (65%) or higher, the school housing ratio shall be increased by five percent (5%) so long as  
11 construction of the project commences by ~~December 30, 2023~~ June 30, 2024, is completed by  
12 December 30, 2028, does not receive a bonus pursuant to subsection (f) or subsection (g), and a  
13 two hundred fifty million dollar (\$250,000,000) general obligation bond is approved on the  
14 November 2018 ballot. In order to qualify for the increased share ratio, twenty-five percent (25%)  
15 of the project costs or a minimum of five hundred thousand dollars (\$500,000) must be specifically  
16 directed to this purpose.

17 (f) For any new construction or renovation that increases the functional utilization of any  
18 facility from less than sixty percent (60%) to more than eighty percent (80%), including the  
19 consolidation of school buildings within or across districts, the school housing aid ratio shall be  
20 increased by five percent (5%) so long as construction of the project commences by ~~December 30,~~  
21 ~~2023~~ June 30, 2024, is completed by December 30, 2028, and a two hundred fifty million dollar  
22 (\$250,000,000) general obligation bond is approved on the November 2018 ballot. In order to  
23 qualify for the increased share ratio, twenty-five percent (25%) of the project costs or a minimum  
24 of five hundred thousand dollars (\$500,000) must be specifically directed to this purpose.

25 (g) For any new construction or renovation that decreases the functional utilization of any  
26 facility from more than one hundred twenty percent (120%) to between eighty-five percent (85%)  
27 to one hundred five percent (105%), the school housing ratio shall be increased by five percent  
28 (5%) so long as construction of the project commences by ~~December 30, 2023~~ June 30, 2024, is  
29 completed by December 30, 2028, and a two hundred fifty million dollar (\$250,000,000) general  
30 obligation bond is approved on the November 2018 ballot. In order to qualify for the increased  
31 share ratio, twenty-five percent (25%) of the project costs or a minimum of five hundred thousand  
32 dollars (\$500,000) must be specifically directed to this purpose.

33 (h) For consolidation of two (2) or more school buildings, within or across districts into  
34 one school building, the school housing aid ratio shall be increased by five percent (5%) so long as

1 construction of the project commences by December 30, 2023, is completed by December 30, 2028,  
2 a two hundred fifty million dollar (\$250,000,000) general obligation bond is approved on the  
3 November 2018 ballot, and does not receive a bonus pursuant to subsection (f) or subsection (g).  
4 In order to qualify for the increased share ratio, twenty-five percent (25%) of the project costs or a  
5 minimum of five hundred thousand dollars (\$500,000) must be specifically directed to this purpose.

6 (i) Any regionalized and/or non-regionalized school district receiving an increased share  
7 ratio for a project approved prior to July 1, 2018, shall continue to receive the increased share ratio  
8 for as long as the project receives state housing aid.

9 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 -- FOUNDATION LEVEL SCHOOL SUPPORT

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1           This act would amend the computation of school housing-aid for school housing projects  
2 and would provide that construction of certain projects commence in June, 2024, rather than  
3 December, 2023 in order to align such projects with the fiscal year.

4           This act would take effect upon passage.

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