

2025 -- H 6003

LC000860

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO TOWNS AND CITIES -- LOW - AND MODERATE- INCOME HOUSING

Introduced By: Representatives Casey, Phillips, J. Brien, Giraldo, DeSimone, Messier,
Alzate, Stewart, Felix, and Slater

Date Introduced: February 28, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 45-53 of the General Laws entitled "Low and Moderate Income
2 Housing" is hereby amended by adding thereto the following section:

3 **45-53-17. Education aid to be indexed to achieving low- and moderate-income housing**
4 **levels..**

5 (a) Effective January 1, 2026, a community's receipt of permanent foundation education
6 aid pursuant to chapter 7.2 of title 16 shall be indexed to a municipality's ability to successfully
7 meet its low- and moderate-income housing goals as provided for in this chapter, in the following
8 manner:

9 (1) For purposes of this section, commencing on January 1, 2026, and for each successive
10 year thereafter, every community shall have a five (5) year period to meet the goal of ten percent
11 (10%) of the year-round units or, in the case of certain urban towns or cities, fifteen percent (15%)
12 of the occupied rental housing units as being low- and moderate-income housing, as provided for
13 in § 45-53-3. If a community's minimum percentage requirements of low- or moderate-income
14 housing are adjusted by statute, then the provisions of this section shall be indexed and tied to those
15 adjustments such that whether a community's education aid is increased or decreased will be
16 dependent upon the adjusted minimum amount of low- and moderate-income housing that is
17 required;

18 (2) After the five (5) year period provided for in subsection (a)(1) of this section, and for
19 each year thereafter, any community that exceeds the required minimum goals identified in

1 subsection (a)(1) of this section for low- and moderate-income housing shall have its education aid
2 increased in a percentage amount equal to the percentage by which the community exceeds its
3 required minimum goals of ten percent (10%) or fifteen percent (15%) whichever is applicable.
4 Any community which receives an increase in education aid pursuant to the provisions of this
5 section shall be eligible to receive increases as long as the community maintains an amount of low-
6 and moderate-income housing in excess of the community's statutory minimum requirements.

7 (3) The statewide planning program within the department of administration shall certify
8 to the general assembly on or before April 1 of each year as to the percentage and amount of low-
9 and moderate-income housing in a municipality as of the previous year, for purposes of
10 implementing this section.

11 (b) As used herein:

12 (1) "Community" means the municipality or municipalities serviced by, a part of, or in a
13 given school district; and

14 (2) "Education aid" means the permanent foundation education aid received by each school
15 district established pursuant to the provisions of chapter 7.2 of title 16, "The Education Equity and
16 Property Tax Relief Act."

17 SECTION 2. Section 16-7.2-3 of the General Laws in Chapter 16-7.2 entitled "The
18 Education Equity and Property Tax Relief Act" is hereby amended to read as follows:

19 **16-7.2-3. Permanent foundation education aid established.**

20 (a) Beginning in the 2012 fiscal year, the following foundation education-aid formula shall
21 take effect. The foundation education aid for each district shall be the sum of the core instruction
22 amount in subsection (a)(1) of this section and the amount to support high-need students in
23 subsection (a)(2) of this section, which shall be multiplied by the district state-share ratio calculated
24 pursuant to § 16-7.2-4 to determine the foundation aid.

25 (1) The core instruction amount shall be an amount equal to a statewide, per-pupil core
26 instruction amount as established by the department of elementary and secondary education,
27 derived from the average of northeast regional expenditure data for the states of Rhode Island,
28 Massachusetts, Connecticut, and New Hampshire from the National Center for Education Statistics
29 (NCES) that will adequately fund the student instructional needs as described in the basic education
30 program and multiplied by the district average daily membership as defined in § 16-7-22.
31 Expenditure data in the following categories: instruction and support services for students,
32 instruction, general administration, school administration, and other support services from the
33 National Public Education Financial Survey, as published by NCES, and enrollment data from the
34 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:

6 (i) Multiplying a student success factor of forty percent (40%) by the core instruction per-
7 pupil amount described in subsection (a)(1) of this section and applying that amount for each
8 resident child whose family income is at or below one hundred eighty-five percent (185%) of
9 federal poverty guidelines, hereinafter referred to as "poverty status." By October 1, 2022, as part
10 of its budget submission pursuant to § 35-3-4 relative to state fiscal year 2024 and thereafter, the
11 department of elementary and secondary education shall develop and utilize a poverty measure that
12 in the department's assessment most accurately serves as a proxy for the poverty status referenced
13 in this subsection and does not rely on the administration of school nutrition programs. The
14 department shall utilize this measure in calculations pursuant to this subsection related to the
15 application of the student success factor, in calculations pursuant to § 16-7.2-4 related to the
16 calculation of the state share ratio, and in the formulation of estimates pursuant to subsection (b)
17 below. The department may also include any recommendations which seek to mitigate any
18 disruptions associated with the implementation of this new poverty measure or improve the
19 accuracy of its calculation. Beginning with the FY 2024 calculation, students whose family income
20 is at or below one hundred eighty-five percent (185%) of federal poverty guidelines will be
21 determined by participation in the supplemental nutrition assistance program (SNAP). The number
22 of students directly certified through the department of human services shall be multiplied by a
23 factor of 1.6; and

24 (ii) Multiplying a multilingual learner (MLL) factor of twenty percent (20%) by the core
25 instruction per-pupil amount described in subsection (a)(1) of this section, applying that amount
26 for each resident child identified in the three lowest proficiency categories using widely adopted,
27 independent standards and assessments in accordance with subsection (f)(1) of this section and as
28 identified by the commissioner and defined by regulations of the council on elementary and
29 secondary education. Local education agencies shall report annually to the department of
30 elementary and secondary education by September 1, outlining the planned and prior year use of
31 all funding pursuant to this subsection to provide services to MLL students in accordance with
32 requirements set forth by the commissioner of elementary and secondary education. The
33 department shall review the use of funds to ensure consistency with established best practices.

34 (b) The department of elementary and secondary education shall provide an estimate of the

1 foundation education aid cost as part of its budget submission pursuant to § 35-3-4. The estimate
2 shall include the most recent data available as well as an adjustment for average daily membership
3 growth or decline based on the prior year experience.

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

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

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

12 (f)(1) By October 1, 2023, as part of its budget submission pursuant to § 35-3-4 relative to
13 state fiscal year 2025, the department of elementary and secondary education shall evaluate the
14 number of students by district who qualify as multilingual learner (MLL) students and MLL
15 students whose family income is at or below one hundred eighty-five percent (185%) of federal
16 poverty guidelines. The submission shall also include segmentation of these populations by levels
17 as dictated by the WIDA multilingual learner assessment tool used as an objective benchmark for
18 English proficiency. The department shall also prepare and produce expense data sourced from the
19 uniform chart of accounts to recommend funding levels required to support students at the various
20 levels of proficiency as determined by the WIDA assessment tool. Utilizing this information, the
21 department shall recommend a funding solution to meet the needs of multilingual learners; this may
22 include but not be limited to inclusion of MLL needs within the core foundation formula amount
23 through one or multiple weights to distinguish different students of need or through categorical
24 means.

25 (2) By October 1, 2024, as part of its budget submission pursuant to § 35-3-4 relative to
26 state fiscal year 2026, the department of elementary and secondary education shall develop
27 alternatives to identify students whose family income is at or below one hundred eighty-five percent
28 (185%) of federal poverty guidelines through participation in state-administered programs,
29 including, but not limited to, the supplemental nutrition assistance program (SNAP), and RiteCare
30 and other programs that include the collection of required supporting documentation. The
31 department may also include any recommendations that seek to mitigate any disruptions associated
32 with implementation of this new poverty measure or improve the accuracy of its calculation.

33 (3) The department shall also report with its annual budget request information regarding
34 local contributions to education aid and compliance with §§ 16-7-23 and 16-7-24. The report shall

1 also compare these local contributions to state foundation education aid by community. The
2 department shall also report compliance to each city or town school committee and city or town
3 council.

4 [\(g\) The provisions of § 45-53-16 indexing education aid to achieving low- and moderate-](#)
5 [income housing levels shall be applied after the yearly amount of education aid provided for under](#)
6 [subsection \(a\) of this section is calculated.](#)

7 SECTION 3. This act shall take effect on January 1, 2026.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO TOWNS AND CITIES -- LOW - AND MODERATE- INCOME HOUSING

1 This act would provide for increases or decreases in the amount of foundation level school
2 support that a community would receive, based upon a community's ability to meet and surpass its
3 minimum low- and moderate-income housing requirements.

4 This act would take effect on January 1, 2026.

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