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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO EDUCATION - THE EDUCATION EQUITY AND PROPERTY TAX RELIEF

Introduced By: Senators Felag, Coyne, Seveney, DiPalma, and Kettle

Date Introduced: January 11, 2018

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 two (2), three (3), and 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 ensure
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;

24 (e) Excess costs associated with transporting students to out-of-district non-public
25 schools. This fund will provide state funding for the costs associated with transporting students to
26 out-of-district non-public schools, pursuant to chapter 21.1 of title 16. The state will assume the
27 costs of non-public out-of-district transportation for those districts participating in the statewide
28 system. The department of elementary and secondary education shall prorate the funds available
29 for distribution among those eligible school districts if the total approved costs for which school
30 districts are seeking reimbursement exceed the amount of funding available in any fiscal year;

31 (f) Excess costs associated with transporting students within regional school districts.
32 This fund will provide direct state funding for the excess costs associated with transporting
33 students within regional school districts, established pursuant to chapter 3 of title 16. This fund
34 requires that the state and regional school district share equally the student transportation costs

1 net any federal sources of revenue for these expenditures. The department of elementary and
2 secondary education shall prorate the funds available for distribution among those eligible school
3 districts if the total approved costs for which school districts are seeking reimbursement exceed
4 the amount of funding available in any fiscal year;

5 (g) Public school districts that are regionalized shall be eligible for a regionalization
6 bonus as set forth below:

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

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

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

18 ~~(4) The regionalization bonus in the second fiscal year shall be one percent (1.0%) of the~~
19 ~~state's share of the foundation education aid for the regionalized district as calculated pursuant to~~
20 ~~§§ 16-7.2-3 and 16-7.2-4 in that fiscal year;~~

21 ~~(5) The regionalization bonus shall cease in the third fiscal year;~~

22 (6) The regionalization bonus for the Chariho regional school district shall be applied to
23 the state share of the permanent foundation education aid for the member towns; and

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

28 (h) Additional state support for English learners (EL). The amount to support EL students
29 shall be determined by multiplying an EL factor of ten percent (10%) by the core-instruction per-
30 pupil amount defined in § 16-7.2-3(a)(1) and applying that amount of additional state support to
31 EL students identified using widely adopted, independent standards and assessments identified by
32 the commissioner. All categorical funds distributed pursuant to this subsection must be used to
33 provide high-quality, research-based services to EL students and managed in accordance with
34 requirements set forth by the commissioner of elementary and secondary education. The

1 department of elementary and secondary education shall collect performance reports from
2 districts and approve the use of funds prior to expenditure. The department of elementary and
3 secondary education shall ensure the funds are aligned to activities that are innovative and
4 expansive and not utilized for activities the district is currently funding. The department of
5 elementary and secondary education shall prorate the funds available for distribution among
6 eligible recipients if the total calculated costs exceed the amount of funding available in any fiscal
7 year; and

8 (i) Categorical programs defined in (a) through (g) shall be funded pursuant to the
9 transition plan in § 16-7.2-7.

10 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 RELIEF

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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