

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

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

Introduced By: Senators Pearson, DiPalma, Seveney, Satchell, and Rogers

Date Introduced: March 12, 2020

Referred To: Senate Education

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."

9 (b) The department of elementary and secondary education shall provide the following as
10 part of its budget submission pursuant to § 35-3-4:

11 (1) ~~an~~ An estimate of the foundation education aid cost ~~as part of its budget submission~~
12 ~~pursuant to § 35-3-4~~. The estimate shall include the most recent data available as well as an
13 adjustment for average daily membership growth or decline based on the prior year experience;
14 and

15 (2) The amount of the state and local share of education funding calculated for each local
16 education agency ("LEA") receiving state education aid in the budget. This information shall also
17 be provided to each LEA and published on the department's website.

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

20 (d) Cities and towns shall be required to appropriate sufficient funds to meet their local
21 share of education funding, calculated pursuant to subsection (b)(2) of this section, by FY 2022, or
22 by the timeline contained in the education funding plan that is approved by the director of revenue
23 (the "director"), whichever is later. If a municipality will not be able to appropriate such funds, the
24 chief executive of the city or town shall notify the department and the director by November of the
25 preceding fiscal year. The chief executive, in consultation with the department and the director,
26 shall develop an education funding plan for the municipality to meet its local share within five (5)
27 years. The plan shall be approved by the director. In extraordinary circumstances, the director may
28 approve a period greater than five (5) years; provided that, the director notifies the governor,
29 president of the senate, and the speaker of the house of the extraordinary circumstances that prevent
30 the municipality from meeting its local share within a five (5) year period.

31 ~~(d)~~(e) 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)~~(f) 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

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

1 This act would require the department of elementary and secondary education to include
2 the amount of state and local share of education funding calculated for each local education agency
3 receiving state aid and require cities and towns to appropriate sufficient funds to meet their local
4 share of education funding.

5 This act would take effect upon passage.

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