It is enacted by the General Assembly as follows:

SECTION 1. Section 16-7.2-3 of the General Laws in Chapter 16-7.2 entitled “The Education Equity and Property Tax Relief Act” is hereby amended to read as follows:


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

(1) The core-instruction amount shall be an amount equal to a statewide, per-pupil core-instruction amount as established by the department of elementary and secondary education, derived from the average of northeast regional expenditure data for the states of Rhode Island, Massachusetts, Connecticut, and New Hampshire from the National Center for Education Statistics (NCES) that will adequately fund the student instructional needs as described in the basic education program and multiplied by the district average daily membership as defined in § 16-7.2-22. Expenditure data in the following categories: instruction and support services for students, instruction, general administration, school administration, and other support services from the National Public Education Financial Survey, as published by NCES, and enrollment data from the Common Core of Data, also published by NCES, will be used when determining the core-
instruction amount. The core-instruction amount will be updated annually. For the purpose of
calculating this formula, school districts' resident average daily membership shall exclude charter
school and state-operated school students.

(2) The amount to support high-need students beyond the core-instruction amount shall be
determined by multiplying a student success factor of forty percent (40%) by the core instruction
per-pupil amount described in subdivision (a)(1) and applying that amount for each resident child
whose family income is at or below one hundred eighty-five percent (185%) of federal poverty
guidelines, hereinafter referred to as "poverty status."

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

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

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

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

(f) The department shall review the student success factor of forty percent (40%) provided
in subsection (a)(2) of this section to determine whether that weight ensures local education
agencies receive the funding necessary to meet students' instructional needs. The department shall
complete its review and report its findings to the governor, the president of the senate, and the
speaker of the house by October 1, 2020.

SECTION 2. This act shall take effect upon passage.
EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
AN ACT
RELATING TO EDUCATION - THE EDUCATION EQUITY AND PROPERTY TAX RELIEF ACT

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1 This act would require a review by the department of the formula components used to compute the aid needed to support high need students.

2 This act would take effect upon passage.

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