

2021 -- H 6287

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LC002757
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO EDUCATION -- SCHOOL FUNDING

Introduced By: Representatives Slater, O'Brien, Cardillo, and Diaz

Date Introduced: April 29, 2021

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7-23 of the General Laws in Chapter 16-7 entitled "Foundation
2 Level School Support [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is
3 hereby amended to read as follows:

4 **16-7-23. Community requirements -- Adequate minimum budget provision.**

5 (a) The school committee's budget provisions of each community for current expenditures
6 in each budget year shall provide for an amount from all sources sufficient to support the basic
7 program and all other approved programs shared by the state. Each community shall contribute
8 local funds to its school committee in an amount not less than its local contribution for schools in
9 the previous fiscal year except to the extent permitted by §§ 16-7-23.1 and 16-7-23.2. Provided,
10 that for the fiscal years 2010 and 2011 each community shall contribute to its school committee in
11 an amount not less than ninety-five percent (95.0%) of its local contribution for schools for the
12 fiscal year 2009; and provided further, that for fiscal years 2021, 2022 and 2023, each community
13 shall contribute to its school committee in an amount not less than ninety-five percent (95%) of its
14 local contribution for schools for the fiscal year 2019. Calculation of the annual local contribution
15 shall not include Medicaid revenues received by the municipality or district pursuant to chapter 8
16 of title 40 and shall not include any funds received by the district from the Elementary and
17 Secondary School Emergency Relief Fund in connection with relief for the COVID-19 pandemic.

18 A community that has a decrease in enrollment may compute maintenance of effort on a per-pupil
19 rather than on an aggregate basis when determining its local contribution; furthermore, a

1 community that experiences a nonrecurring expenditure for its schools may deduct the nonrecurring
2 expenditure in computing its maintenance of effort. The deduction of nonrecurring expenditures
3 shall be with the approval of the commissioner; provided, however, that any expense incurred as a
4 result of the COVID-19 pandemic shall be deemed a nonrecurring expenditure under this section.
5 Provided, however, that notwithstanding any provision of this title to the contrary, debt service that
6 is no longer carried on the books of any school district shall not be included in any school district's
7 annual budget, nor shall nonrecurring debt service be included in maintenance of effort as set forth
8 in this chapter, nor shall any nonrecurring debt service be included in the operating budget of any
9 school district. For the purposes set forth above, nonrecurring capital lease payments shall be
10 considered nonrecurring debt service. The courts of this state shall enforce this section by means
11 of injunctive relief.

12 (b) Districts' annual maintenance expenditures must meet the requirements of subsection
13 (b)(1), (b)(2), or (b)(3) of this section.

14 (1) A minimum of three percent (3%) of the operating budget shall be dedicated exclusively
15 for maintenance expenditures as defined in § 16-7-36(7) provided that for FY 2019, that amount
16 shall be one percent (1%), for FY 2020, that amount shall be one and one-half percent (1.5%), for
17 FY 2021 that amount shall be two percent (2%), and for FY 2022 that amount shall be two and
18 one-half percent (2.5%).

19 (2) A minimum of three percent (3%) of the replacement value shall be dedicated
20 exclusively for maintenance expenditures as defined in § 16-7-36(7) provided that for FY 2019,
21 that amount shall be one percent (1%), for FY 2020 that amount shall be one and one-half percent
22 (1.5%), for FY 2021 that amount shall be two percent (2%), and for FY 2022 that amount shall be
23 two and one-half percent (2.5%).

24 (3) A minimum of three dollars (\$3.00), subject to inflation, per square foot of building
25 space shall be dedicated exclusively for maintenance expenditures as defined in § 16-7-36(7).

26 (c) The department of elementary and secondary education shall be responsible for
27 establishing a reporting mechanism to ensure the intent of this section is being met. In the event
28 that a district does not meet its minimum expenditure requirement in a given year, the state shall
29 direct state housing aid paid pursuant to § 16-7-41 or § 16-105-5, in an amount equal to the shortfall,
30 to a restricted fund created by the district and dedicated solely to meeting maintenance
31 requirements.

32 (d) Whenever any state funds are appropriated for educational purposes, the funds shall be
33 used for educational purposes only and all state funds appropriated for educational purposes must
34 be used to supplement any and all money allocated by a city or town for educational purposes and,

1 in no event, shall state funds be used to supplant, directly or indirectly, any money allocated by a
2 city or town for educational purposes. All state funds shall be appropriated by the municipality to
3 the school committee for educational purposes in the same fiscal year in which they are
4 appropriated at the state level even if the municipality has already adopted a school budget. All
5 state and local funds unexpended by the end of the fiscal year of appropriation shall remain a
6 surplus of the school committee and shall not revert to the municipality. Any surplus of state or
7 local funds appropriated for educational purposes shall not in any respect affect the requirement
8 that each community contribute local funds in an amount not less than its local contribution for
9 schools in the previous fiscal year, subject to subsection (a) of this section, and shall not in any
10 event be deducted from the amount of the local appropriation required to meet the maintenance of
11 effort provision in any given year.

12 SECTION 2. Section 16-7.1-5 of the General Laws in Chapter 16-7.1 entitled "The Paul
13 W. Crowley Rhode Island Student Investment Initiative [See Title 16 Chapter 97 - The Rhode
14 Island Board of Education Act]" is hereby amended to read as follows:

15 **16-7.1-5. Intervention and support for failing schools.**

16 (a) The board of regents shall adopt a series of progressive support and intervention
17 strategies consistent with the Comprehensive Education Strategy and the principles of the "School
18 Accountability for Learning and Teaching" (SALT) of the board of regents for those schools and
19 school districts that continue to fall short of performance goals outlined in the district strategic
20 plans. These strategies shall initially focus on: (1) technical assistance in improvement planning,
21 curriculum alignment, student assessment, instruction, and family and community involvement; (2)
22 policy support; (3) resource oversight to assess and recommend that each school has adequate
23 resources necessary to meet performance goal; and (4) creating supportive partnerships with
24 education institutions, business, governmental, or other appropriate nonprofit agencies. If after a
25 three (3) year period of support there has not been improvement in the education of students as
26 determined by objective criteria to be developed by the board of regents, then there shall be
27 progressive levels of control by the department of elementary and secondary education over the
28 school and/or district budget, program, and/or personnel. This control by the department of
29 elementary and secondary education may be exercised in collaboration with the school district and
30 the municipality. If further needed, the school shall be reconstituted. Reconstitution responsibility
31 is delegated to the board of regents and may range from restructuring the school's governance,
32 budget, program, personnel, and/or may include decisions regarding the continued operation of the
33 school. The board of regents shall assess the district's capacity and may recommend the provision
34 of additional district, municipal and/or state resources. If a school or school district is under the

1 board of regents' control as a result of actions taken by the board pursuant to this section, the local
2 school committee shall be responsible for funding that school or school district at the same level as
3 in the prior academic year increased by the same percentage as the state total of school aid is
4 increased.

5 (b) For FY 2007, the department shall dedicate one hundred thousand dollars (\$100,000)
6 from funds appropriated to support progressive support and intervention and SALT visits to support
7 the Rhode Island Consortium for Instructional Leadership and Training. This consortium is
8 engaged in training school leaders to be more effective instructional leaders in the standards based
9 instruction environment.

10 (c) For fiscal years 2021, 2022 and 2023, any school or school district under the Rhode
11 Island board of education's control as a result of actions taken pursuant to § 16-7.1-5 shall contribute
12 to its school committee in an amount not less than ninety-five percent (95%) of its local contribution
13 for schools for the fiscal year 2019. Calculation of the annual local contribution shall not include
14 Medicaid revenues received by the municipality or district pursuant to chapter 8 of title 40 and shall
15 not include any funds received by the district from the Elementary and Secondary School
16 Emergency Relief Fund in connection with relief for the COVID-19 pandemic. A community that
17 has a decrease in enrollment may compute maintenance of effort on a per-pupil rather than on an
18 aggregate basis when determining its local contribution; furthermore, a community that experiences
19 a nonrecurring expenditure for its schools may deduct the nonrecurring expenditure in computing
20 its maintenance of effort. The deduction of nonrecurring expenditures shall be with the approval of
21 the commissioner; provided, however, that any expense incurred as a result of the COVID-19
22 pandemic shall be deemed a nonrecurring expenditure under this section.

23 SECTION 3. 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 -- SCHOOL FUNDING

1 This act would modify the foundation level of support required of municipalities, excluding
2 funds received by the school district from the Elementary and Secondary School Emergency Relief
3 Fund, in connection with relief due to the COVID-19 pandemic.

4 This act would take effect upon passage.

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