

2021 -- S 0373

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LC000830  
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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

Introduced By: Senators Pearson, DiPalma, Seveney, Gallo, and Murray

Date Introduced: February 25, 2021

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 16-7.2-5 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           **16-7.2-5. Charter public schools, the William M. Davies, Jr. Career and Technical**  
4 **High School, and the Metropolitan Regional Career and Technical Center.**

5           (a) Charter public schools, as defined in chapter 77 of this title, the William M. Davies, Jr.  
6 Career and Technical High School (Davies), and the Metropolitan Regional Career and Technical  
7 Center (the Met Center) shall be funded pursuant to § 16-7.2-3. If the October 1 actual enrollment  
8 data for any charter public school shows a ten percent (10%) or greater change from the prior year  
9 enrollment which is used as the reference year average daily membership, the last six (6) monthly  
10 payments to the charter public school will be adjusted to reflect actual enrollment. The state share  
11 of the permanent foundation education aid shall be paid by the state directly to the charter public  
12 schools, Davies, and the Met Center pursuant to § 16-7.2-9 and shall be calculated using the state-  
13 share ratio of the district of residence of the student as set forth in § 16-7.2-4. The department of  
14 elementary and secondary education shall provide the general assembly with the calculation of the  
15 state share of permanent foundation education aid for charter public schools delineated by school  
16 district.

17           (b) The local share of education funding shall be paid to the charter public school, Davies,  
18 and the Met Center by the district of residence of the student and shall be the local, per-pupil cost  
19 calculated by dividing the local appropriation to education from property taxes, net of debt service,

1 and capital projects, as defined in the uniform chart of accounts by the average daily membership  
2 for each city and town, pursuant to § 16-7-22, for the reference year.

3 (c) Beginning with the new enrollments for the 2022-2023 academic year, the local share  
4 of education funding shall be paid to charter public schools based upon a comparison of  
5 performance data between the specific school from which the student is coming and the specific  
6 charter school that will be receiving the student. For purposes of this subsection, performance shall  
7 be defined pursuant to § 16-97.1-1.

8 (1) If the receiving charter school has outperformed the student's specific school in each of  
9 the prior two (2) academic years, the local share of education funding paid to the receiving charter  
10 school shall be one hundred percent (100%) of the local, per-pupil cost described in subsection (b)  
11 of this section.

12 (2) If the student's specific school has outperformed the receiving charter school in each of  
13 the prior two (2) academic years, the local share of education funding paid to the receiving charter  
14 school shall be fifty percent (50%) of the local, per-pupil cost described in subsection (b) of this  
15 section.

16 (3) In any fiscal year, no school district's total charter school expenses, defined as the sum  
17 of tuitions and state education aid paid to charter schools for students from that district, shall exceed  
18 nine percent (9%) of the district's adopted budget; however, if the council on elementary and  
19 secondary education determines that the school district is in the lowest ten percent (10%) of all  
20 statewide student performance scores released in each of the two (2) consecutive academic years  
21 prior to the date the student submits the charter school application, the school district's total charter  
22 school expense may exceed nine percent (9%) of the district's adopted budget; provided that, it  
23 shall not exceed eighteen percent (18%); provided, further, if in FY 2022 any district's total charter  
24 school expenses exceed the nine percent (9%) or eighteen percent (18%) caps prescribed in this  
25 subsection, no new enrollments shall be allowed from that district to charter schools until the  
26 district's charter school expenses are in compliance with the caps in this subsection.

27 ~~(d)~~ Beginning in FY 2017, there shall be a reduction to the local per pupil funding paid  
28 by the district of residence to charter public schools, Davies, and the Met Center. This reduction  
29 shall be equal to the greater (i) Of seven percent (7%) of the local, per-pupil funding of the district  
30 of residence pursuant to subsection (b) or (ii) The per-pupil value of the district's costs for non-  
31 public textbooks, transportation for non-public students, retiree health benefits, out-of-district  
32 special-education tuition and transportation, services for students age eighteen (18) to twenty-one  
33 (21) years old, pre-school screening and intervention, and career and technical education, tuition  
34 and transportation costs, debt service and rental costs minus the average expenses incurred by

1 charter schools for those same categories of expenses as reported in the uniform chart of accounts  
2 for the prior preceding fiscal year pursuant to § 16-7-16(11) and verified by the department of  
3 elementary and secondary education. In the case where audited financials result in a change in the  
4 calculation after the first tuition payment is made, the remaining payments shall be based on the  
5 most recent audited data. For those districts whose greater reduction occurs under the calculation  
6 of (ii), there shall be an additional reduction to payments to mayoral academies with teachers who  
7 do not participate in the state teacher's retirement system under chapter 8 of title 36 equal to the  
8 per-pupil value of teacher retirement costs attributable to unfunded liability as calculated by the  
9 state's actuary for the prior preceding fiscal year.

10 ~~(d)~~(e) Local district payments to charter public schools, Davies, and the Met Center for  
11 each district's students enrolled in these schools shall be made on a quarterly basis in July, October,  
12 January, and April; however, the first local-district payment shall be made by August 15, instead  
13 of July. Failure of the community to make the local-district payment for its student(s) enrolled in a  
14 charter public school, Davies, and/or the Met Center may result in the withholding of state  
15 education aid pursuant to § 16-7-31.

16 ~~(e) Beginning in FY 2017, school districts with charter public school, Davies, and the Met~~  
17 ~~Center enrollment, that, combined, comprise five percent (5%) or more of the average daily~~  
18 ~~membership as defined in § 16-7-22, shall receive additional aid for a period of three (3) years. Aid~~  
19 ~~in FY 2017 shall be equal to the number of charter public school, open enrollment schools, Davies,~~  
20 ~~or the Met Center students as of the reference year as defined in § 16-7-16 times a per pupil amount~~  
21 ~~of one hundred seventy five dollars (\$175). Aid in FY 2018 shall be equal to the number of charter~~  
22 ~~public school, open enrollment schools, Davies, or the Met Center students as of the reference year~~  
23 ~~as defined in § 16-7-16 times a per pupil amount of one hundred dollars (\$100). Aid in FY 2019~~  
24 ~~shall be equal to the number of charter public school, open enrollment schools, Davies, or the Met~~  
25 ~~Center students as of the reference year as defined in § 16-7-16 times a per pupil amount of fifty~~  
26 ~~dollars (\$50.00). The additional aid shall be used to offset the adjusted fixed costs retained by the~~  
27 ~~districts of residence.~~

28 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

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1           This act would amend the local share of education funding to be paid to charter public  
2 schools based on a comparison of performance data between the specific school from which the  
3 student is coming and the specific charter school that will be receiving the student.

4           This act would take effect upon passage.

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