LC004921

# STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2016**

## AN ACT

### RELATING TO EDUCATION -- PROPERTY TAX RELIEF

Introduced By: Senators Pichardo, Metts, Goldin, and Nesselbush

Date Introduced: February 25, 2016

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

Education Equity and Property Tax Relief Act" is hereby amended to read as follows:

<u>16-7.2-6. Categorical programs, state funded expenses. --</u> In addition to the foundation

education aid provided pursuant to § 16-7.2-3 the permanent foundation education aid program

shall provide direct state funding for:

(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

an amount above five times the core foundation amount (total of core instruction amount plus

student success amount) The department of elementary and secondary education shall prorate the

funds available for distribution among those eligible school districts if the total approved costs for

which school districts are seeking reimbursement exceed the amount of funding appropriated in

any fiscal year;

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(b) Career and technical education costs to help meet initial investment requirements

needed to transform existing or create new comprehensive career and technical education

16 programs and career pathways in critical and emerging industries and to help offset the higher

17 than average costs associated with facilities, equipment maintenance and repair, and supplies

18 necessary for maintaining the quality of highly specialized programs that are a priority for the

19 state. The department shall recommend criteria for the purpose of allocating any and all career

- and technical education funds as may be determined by the general assembly on an annual basis.
- 2 The department of elementary and secondary education shall prorate the funds available for
- 3 distribution among those eligible school districts if the total approved costs for which school
- 4 districts are seeking reimbursement exceed the amount of funding available in any fiscal year;
  - (c) Programs to increase access to voluntary, free, high-quality pre-kindergarten
  - programs. The department shall recommend criteria for the purpose of allocating any and all early
- 7 childhood program funds as may be determined by the general assembly;
- 8 (d) Central Falls Stabilization Fund is established to assure that appropriate funding is
- 9 available to support the community, including students from the community that attend the
- 10 charter schools, Davies, and the Met Center pursuant to § 16-7.2-5, due to concerns regarding the
- city's capacity to meet the local share of education costs. This fund requires that education aid
- 12 calculated pursuant to § 16-7.2-3 and funding for costs outside the permanent foundation
- 13 education aid formula, including but not limited to transportation, facility maintenance, and
- 14 retiree health benefits shall be shared between the state and the city of Central Falls. The fund
- shall be annually reviewed to determine the amount of the state and city appropriation. The state's
- share of this fund may be supported through a reallocation of current state appropriations to the
- 17 Central Falls school district. At the end of the transition period defined in § 16-7.2-7, the
- municipality will continue its contribution pursuant to § 16-7-24; and
- 19 (e) Excess costs associated with transporting students to out of district non-public
- schools and within regional school districts. (1) This fund will provide state funding for the costs
- 21 associated with transporting students to out of district non-public schools, pursuant to title 16,
- 22 Chapter 21.1. The state will assume the costs of non-public out-of-district transportation for those
- districts participating in the statewide system; and (2) This fund will provide direct state funding
- 24 for the excess costs associated with transporting students within regional school districts,

established pursuant to title 16, chapter 3. This fund requires that the state and regional school

- district share equally the student transportation costs net any federal sources of revenue for these
- 27 expenditures. The department of elementary and secondary education shall prorate the funds
- available for distribution among those eligible school districts if the total approved costs for
- which school districts are seeking reimbursement exceed the amount of funding available in any
- 30 fiscal year.

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- 31 (f) Public school districts that are regionalized shall be eligible for a regionalization
- 32 bonus as set forth below.
- 33 (1) As used herein, the term "regionalized" shall be deemed to refer to a regional school
- 34 district established under the provisions of chapter 16-3 including the Chariho Regional School

1	district.
2	(2) For those districts that are regionalized as of July 1, 2010, the regionalization bonus
3	shall commence in FY 2012. For those districts that regionalize after July 1, 2010, the
4	regionalization bonus shall commence in the first fiscal year following the establishment of a
5	regionalized school district as set forth section 16-3, including the Chariho Regional School
6	District.
7	(3) The regionalization bonus in the first fiscal year shall be two percent (2.0%) of the
8	state's share of the foundation education aid for the regionalized district as calculated pursuant to
9	§§ 16-7.2-3 and 16-7.2-4 in that fiscal year.
10	(4) The regionalization bonus in the second fiscal year shall be one percent (1.0%) of the
11	state's share of the foundation education aid for the regionalized district as calculated pursuant to
12	§§ 16-7.2-3 and 16-7.2-4 in that fiscal year.
13	(5) The regionalization bonus shall cease in the third fiscal year.
14	(6) The regionalization bonus for the Chariho regional school district shall be applied to
15	the state share of the permanent foundation education aid for the member towns.
16	(7) The department of elementary and secondary education shall prorate the funds
17	available for distribution among those eligible regionalized school districts if the total approve
18	costs for which regionalized school districts are seeking a regionalization bonus exceed the
19	amount of funding appropriated in any fiscal year.
20	(g) Categorical programs defined in (a) through (f) shall be funded pursuant to the
21	transition plan in § 16-7.2-7.
22	(h) Costs associated with English learners (EL) The amount to support EL students
23	shall be determined by multiplying an EL factor of ten percent (10%) by the core instruction per

(h) Costs associated with English learners (EL). - The amount to support EL students shall be determined by multiplying an EL factor of ten percent (10%) by the core instruction per pupil amount defined in §16-7.2-3(a)(1) and applying that amount to EL students identified using widely adopted, independent standards and assessments identified by the commissioner. All categorical funds distributed pursuant to this subsection must be used to provide high-quality, research-based services to EL students and managed in accordance with requirements set forth by the commissioner of elementary and secondary education. This categorical program shall be fully funded; however, such funding shall be pursuant to the transition plan in §16-7.2-7.

SECTION 2. This act shall take effect on July 1, 2016.

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## **EXPLANATION**

### BY THE LEGISLATIVE COUNCIL

OF

# AN ACT

## RELATING TO EDUCATION -- PROPERTY TAX RELIEF

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