LC001729

### 2017 -- S 0690

## STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### JANUARY SESSION, A.D. 2017

#### AN ACT

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

Introduced By: Senators Quezada, Metts, Goodwin, Goldin, and Miller Date Introduced: March 30, 2017 Referred To: Senate Finance

It is enacted by the General Assembly as follows:

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:

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16-7.2-6. Categorical programs, state funded expenses.

4 In addition to the foundation education aid provided pursuant to § 16-7.2-3, the 5 permanent foundation education-aid program shall provide direct state funding for:

6 (a) Excess costs associated with special education students. Excess costs are defined when an individual special education student's cost shall be deemed to be "extraordinary". 7 8 Extraordinary costs are those educational costs that exceed the state-approved threshold based on 9 an amount above five times the core foundation amount (total of core-instruction amount plus 10 student success amount). The department of elementary and secondary education shall prorate the 11 funds available for distribution among those eligible school districts if the total approved costs for 12 which school districts are seeking reimbursement exceed the amount of funding appropriated in 13 any fiscal year; and the department of elementary and secondary education shall also collect data 14 on those educational costs that exceed the state-approved threshold based on an amount above 15 four (4) times the core-foundation amount.

16 (b) Career and technical education costs to help meet initial investment requirements 17 needed to transform existing, or create new, comprehensive, career and technical education 18 programs and career pathways in critical and emerging industries and to help offset the higherthan-average costs associated with facilities, equipment maintenance and repair, and supplies necessary for maintaining the quality of highly specialized programs that are a priority for the state. The department shall develop 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. 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 fiscal year;

8 (c) Programs to increase access to voluntary, free, high-quality pre-kindergarten 9 programs. The department shall recommend criteria for the purpose of allocating any and all early 10 childhood program funds as may be determined by the general assembly;

11 (d) Central Falls, Davies, and the Met Center Stabilization Fund is established to assure 12 that appropriate funding is available to support their students. Additional support for Central Falls 13 is needed due to concerns regarding the city's capacity to meet the local share of education costs. 14 This fund requires that education aid calculated pursuant to § 16-7.2-3 and funding for costs 15 outside the permanent foundation education-aid formula, including, but not limited to, 16 transportation, facility maintenance, and retiree health benefits shall be shared between the state 17 and the city of Central Falls. The fund shall be annually reviewed to determine the amount of the 18 state and city appropriation. The state's share of this fund may be supported through a reallocation 19 of current state appropriations to the Central Falls school district. At the end of the transition 20 period defined in § 16-7.2-7, the municipality will continue its contribution pursuant to § 16-7-24. 21 Additional support for the Davies and the Met Center is needed due to the costs associated with 22 running a stand-alone high school offering both academic and career and technical coursework. 23 The department shall recommend criteria for the purpose of allocating any and all stabilization 24 funds as may be determined by the general assembly; and

25 (e) Excess costs associated with transporting students to out-of-district non-public 26 schools and within regional school districts. (1) This fund will provide state funding for the costs 27 associated with transporting students to out-of-district non-public schools, pursuant to chapter 28 21.1 of title 16. The state will assume the costs of non-public out-of-district transportation for 29 those districts participating in the statewide system; and (2) This fund will provide direct state 30 funding for the excess costs associated with transporting students within regional school districts, 31 established pursuant to chapter 3 of title 16. This fund requires that the state and regional school 32 district share equally the student transportation costs net any federal sources of revenue for these 33 expenditures. The department of elementary and secondary education shall prorate the funds 34 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
 fiscal year.

3 (f) Public school districts that are regionalized shall be eligible for a regionalization
4 bonus as set forth below.

5 (1) As used herein, the term "regionalized" shall be deemed to refer to a regional school 6 district established under the provisions of chapter 3 of title 16 including the Chariho Regional 7 School district.

8 (2) For those districts that are regionalized as of July 1, 2010, the regionalization bonus 9 shall commence in FY 2012. For those districts that regionalize after July 1, 2010, the 10 regionalization bonus shall commence in the first fiscal year following the establishment of a 11 regionalized school district as set forth in chapter 3 of title 16, including the Chariho Regional 12 School District.

(3) The regionalization bonus in the first fiscal year shall be two percent (2.0%) of the
state's share of the foundation education aid for the regionalized district as calculated pursuant to
§§ 16-7.2-3 and 16-7.2-4 in that fiscal year.

(4) The regionalization bonus in the second fiscal year shall be one percent (1.0%) of the
state's share of the foundation education aid for the regionalized district as calculated pursuant to
§§ 16-7.2-3 and 16-7.2-4 in that fiscal year.

(5) The regionalization bonus shall cease in the third fiscal year.

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20 (6) The regionalization bonus for the Chariho regional school district shall be applied to21 the state share of the permanent foundation education aid for the member towns.

(7) The department of elementary and secondary education shall prorate the funds available for distribution among those eligible regionalized school districts if the total, approved costs for which regionalized school districts are seeking a regionalization bonus exceed the amount of funding appropriated in any fiscal year.

26 (g) Additional state support for English learners (EL). For FY 2017 only, the amount to 27 support EL students shall be determined by multiplying an EL factor of ten percent (10%) by the 28 core instruction per pupil amount defined in § 16-7.2-3(a)(1) and applying that amount of 29 additional state support to EL students identified using widely adopted, independent standards 30 and assessments identified by the Commissioner. All categorical funds distributed pursuant to this 31 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 32 33 secondary education. The department of elementary and secondary education shall collect 34 performance reports from districts and approve the use of funds prior to expenditure. The

1 department of elementary and secondary education shall ensure the funds are aligned to activities 2 that are innovative and expansive and not utilized for activities the district is currently funding. 3 The department of elementary and secondary education shall prorate the funds available for distribution among eligible recipients if the total calculated costs exceed the amount of funding 4 5 available in any fiscal year. 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 6 7 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 8 9 commissioner. All categorical funds distributed pursuant to this subsection must be used to 10 provide high-quality, research-based services to EL students and managed in accordance with 11 requirements set forth by the commissioner of elementary and secondary education. This 12 categorical program shall be fully funded; however, such funding shall be pursuant to the 13 transition plan in §16-7.2-7. 14 (h) Categorical programs defined in (a) through (f) shall be funded pursuant to the 15 transition plan in § 16-7.2-7.

16 SECTION 2. This act shall take effect on July 1, 2017.

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#### **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 amend the state aid funding formula for compensation of school districts

2 for the additional costs of students learning English.

This act would take effect on July 1, 2017.

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