

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

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

Introduced By: Senator Roger Picard

Date Introduced: January 16, 2019

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 16-7.2-3 and 16-7.2-4 of the General Laws in Chapter 16-7.2
2 entitled "The Education Equity and Property Tax Relief Act" are hereby amended to read as
3 follows:

4 **16-7.2-3. Permanent foundation education aid established.**

5 (a) Beginning in the 2012 fiscal year, the following foundation education-aid formula
6 shall take effect. The foundation education aid for each district shall be the sum of the core
7 instruction amount in subdivision (a)(1), ~~and~~ the amount to support high-need students in
8 subdivision (a)(2); [and the amount to support school districts in subsection \(a\)\(3\) of this section](#)
9 which shall be multiplied by the district state-share ratio calculated pursuant to § 16-7.2-4, to
10 determine the foundation aid.

11 (1) The core-instruction amount shall be an amount equal to a statewide, per-pupil core-
12 instruction amount as established by the department of elementary and secondary education,
13 derived from the average of northeast regional expenditure data for the states of Rhode Island,
14 Massachusetts, Connecticut, and New Hampshire from the National Center for Education
15 Statistics (NCES) that will adequately fund the student instructional needs as described in the
16 basic education program and multiplied by the district average daily membership as defined in §
17 16-7-22. Expenditure data in the following categories: instruction and support services for
18 students, instruction, general administration, school administration, and other support services

1 from the National Public Education Financial Survey, as published by NCES, and enrollment data
2 from the Common Core of Data, also published by NCES, will be used when determining the
3 core-instruction amount. The core-instruction amount will be updated annually. For the purpose
4 of calculating this formula, school districts' resident average daily membership shall exclude
5 charter school and state-operated school students.

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

11 (3) The amount to support school districts with students residing in housing taxed in
12 accordance with § 44-5-13.11, shall be determined by multiplying a housing factor of forty
13 percent (40%) by the core instruction per pupil amount described in § 16-7.2-3(a)(1), and
14 applying that amount to all resident children residing in housing taxed in accordance with § 44-5-
15 13.11.

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

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

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

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

28 **16-7.2-4. Determination of state's share.**

29 (a) For each district, the state's share of the foundation education aid calculated pursuant
30 to § 16-7.2-3(a) shall use a calculation that considers a district's revenue-generating capacity and
31 concentration of high-need students. The calculation is the square root of the sum of the state-
32 share ratio for the community calculation, pursuant to § 16-7-20, squared plus the percentage of
33 students residing in housing taxed in accordance with § 44-5-13.11 squared, plus the district's
34 percentage of students in grades PK-6 in poverty status squared, divided by two.

1 (b) For purposes of determining the state's share, school district student data used in this
2 calculation shall include charter school and state school students. These ratios are used in the
3 permanent foundation education aid formula calculation described in § 16-7.2-5.

4 SECTION 2. This act shall take effect upon passage and shall apply to all school years
5 commencing on or after July 1, 2019.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO EDUCATION -- THE EDUCATION EQUITY AND PROPERTY TAX
RELIEF ACT

1 This act would amend the calculation of the permanent foundation education aid to
2 school districts, and would make an adjustment based upon students residing in qualified low-
3 income housing.

4 This act would take effect upon passage and would apply to all school years commencing
5 on or after July 1, 2019.

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