

2019 -- H 5619

LC001692

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO EDUCATION - LOW- AND MODERATE-INCOME HOUSING

Introduced By: Representatives Morin, Carson, Williams, Phillips, and Vella-Wilkinson

Date Introduced: February 27, 2019

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7.2-3 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 **16-7.2-3. Permanent foundation education aid established.**

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

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

1 of calculating this formula, school districts' resident average daily membership shall exclude
2 charter school and state-operated school students.

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

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

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

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

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

20 (d) The provisions of § 45-53-10 shall be applied after the yearly amount of education aid
21 provided for under subsection (a) of this section is calculated.

22 SECTION 2. Chapter 45-53 of the General Laws entitled "Low and Moderate Income
23 Housing" is hereby amended by adding thereto the following section:

24 **45-53-10. Education aid to be indexed to achieving low- and moderate-income**
25 **housing levels.**

26 (a) Effective January 1, 2020, a community's receipt of permanent foundation education
27 aid pursuant to chapter 7.2 of title 16 shall be indexed to a municipality's ability to successfully
28 meet its low- and moderate-income housing goals as provided for in this chapter, in the following
29 manner:

30 (1) For purposes of this section, commencing on January 1, 2020, and for each successive
31 year thereafter, every community shall have a five (5) year period to meet the goal of ten percent
32 (10%) of the year-round units or, in the case of certain urban towns or cities, fifteen percent
33 (15%) of the occupied rental housing units as being low- and moderate-income housing, as
34 provided for in § 45-53-3. If a community's minimum percentage requirements of low- or

1 moderate-income housing are adjusted by statute, then the provisions of this section shall be
2 indexed and tied to those adjustments such that whether a community's education aid is increased
3 or decreased will be dependent upon the adjusted minimum amount of low- and moderate-income
4 housing that is required;

5 (2) After the five (5) year period provided for in subsection (a)(1) of this section, and for
6 each year thereafter, any community that exceeds the required minimum goals identified in
7 subsection (a)(1) of this section for low- and moderate-income housing shall have its education
8 aid increased in a percentage amount equal to the percentage by which the community exceeds its
9 required minimum goals of ten percent (10%) or fifteen percent (15%) whichever is applicable.
10 Any community which receives an increase in education aid pursuant to the provisions of this
11 section shall be eligible to receive increases so long as the community maintains an amount of
12 low- and moderate-income housing in excess of the community's statutory minimum
13 requirements.

14 (3) The division of planning of the department of administration shall certify to the
15 general assembly on or before April 1 of each year as to the percentage and amount of low- and
16 moderate-income housing in a municipality as of the previous year, for purposes of implementing
17 this section.

18 (b) As used herein:

19 (1) "Community" means the municipality or municipalities serviced by, a part of, or in a
20 given school district.

21 (2) "Education aid" means the permanent foundation education aid received by each
22 school district established pursuant to the provisions of chapter 7.2 of title 16, the ("education
23 equity and property tax relief act").

24 SECTION 3. This act shall take effect on January 1, 2020.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO EDUCATION - LOW- AND MODERATE-INCOME HOUSING

1 This act would provide for increases in the amount of foundation level school support
2 that a community would receive, based upon a community's ability to meet and surpass its
3 minimum low- and moderate-income housing requirements.

4 This act would take effect on January 1, 2020.

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