

2016 -- S 2392

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LC003949
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO EDUCATION - THE PERFORMANCE INCENTIVE FUNDING ACT OF
2016

Introduced By: Senators Paiva Weed, Ruggerio, Goodwin, Gallo, and Metts

Date Introduced: February 11, 2016

Referred To: Senate Education

It is enacted by the General Assembly as follows:

1 SECTION 1. TITLE 16 of the General Laws entitled "EDUCATION" is hereby amended
2 by adding thereto the following chapter:

3 CHAPTER 106

4 THE PERFORMANCE INCENTIVE FUNDING ACT OF 2016

5 **16-106-1. Short title. --** This chapter shall be known and may be cited as "The
6 Performance Incentive Funding Act of 2016".

7 **16-106-2. Public postsecondary performance incentive funding. --** The commissioner
8 of postsecondary education is hereby directed to implement a performance incentive funding
9 formula that meets the requirements of this chapter, in consultation with the council on
10 postsecondary education.

11 **16-106-3. Performance incentive funding – Community College of Rhode Island. --**
12 (a) Beginning in FY 2018, funding for the Community College of Rhode Island ("CCRI") shall
13 include a performance-based component utilizing all additional allocations of otherwise
14 unrestricted higher education general revenue greater than the base amount received pursuant to
15 the FY 2016 budget as enacted of total unrestricted state higher education funding.

16 (b) Data on which to base performance measures as described in subsection (c) of this
17 section shall be defined by the commissioner of postsecondary education, in consultation with the
18 council on postsecondary education. Measures shall begin to be collected in FY 2017.

1 These measures may include and incorporate outcomes or goals from multiple previous
2 years. The lack of information from previous years, however, will not affect the use of
3 performance-based measures.

4 (c) The performance-based measures shall be consistent with the purpose, role, scope and
5 mission of CCRI, and shall include the following metrics:

6 (1) For first-time, full-time students, the number and percentage, including growth
7 thereof in relation to enrollment and in prior years, of associate's degrees awarded to students
8 within two (2) years and three (3) years, including summer graduates; for part-time students,
9 performance-based measures shall be based on incremental milestones made toward achieving
10 degree or certificate completion;

11 (2) The number of one year or longer industry recognized certificates earned by students
12 within an expected amount of time, and weighted to increase high demand, high wage field
13 certificates consistent with CCRI's purpose;

14 (3) One measure as agreed to by the commissioner of postsecondary education and the
15 president of CCRI, who shall consider faculty, staff and student input; and

16 (4) Any other measures that are deemed appropriate by the council of postsecondary
17 education.

18 (d) Weight may be assigned to any of the aforementioned metrics to reinforce the
19 purpose, role, scope and mission of CCRI, the economic needs of the state and the socio-
20 economic status of the students. The commissioner may consider the college's improvements in
21 said metrics when determining whether the college has satisfied the annual measure despite not
22 reaching the overall goal.

23 (e) The commissioner shall provide faculty and students an opportunity to provide input
24 on the development of performance measures.

25 **16-106-4. Performance incentive funding – Rhode Island College and University of**
26 **Rhode Island. --** (a) Beginning in FY 2018, funding for Rhode Island College ("RIC") and the
27 University of Rhode Island ("URI") shall include a performance-based component utilizing all
28 additional allocations of otherwise unrestricted higher education general revenue greater than the
29 base amount received pursuant to the FY 2016 budget as enacted, of total unrestricted state higher
30 education funding.

31 (b) Data on which to base performance measures as described in subsection (c) of this
32 section shall be defined by the commissioner of postsecondary education, in consultation with the
33 council on postsecondary education. Measures shall begin to be collected in FY 2017.

34 These measures may include and incorporate outcomes or goals from multiple previous

1 years. The lack of information from previous years, however, will not affect the use of
2 performance-based measures.

3 (c) Rhode Island College and the University of Rhode Island shall each have unique
4 measures consistent with each institution's purpose, role, scope and mission. The performance-
5 based measures shall include the following metrics:

6 (1) The number and percentage, including growth in relation to enrollment and prior
7 years of bachelor's degrees awarded to first-time, full-time students within four (4) years and six
8 (6) years including summer graduates;

9 (2) The number of degrees awarded that are tied to Rhode Island's high demand, high
10 wage employment opportunities consistent with the institution's mission;

11 (3) One measure that applies only to RIC as agreed to by the commissioner of
12 postsecondary education and the president of RIC, who shall consider faculty, staff and student
13 input; and one measure that applies only to URI as agreed to by the commissioner of
14 postsecondary education and the president of URI, who shall consider faculty, staff and student
15 input; and

16 (4) Any other measures that are deemed appropriate by the council of postsecondary
17 education.

18 (d) Weight may be assigned to any of the aforementioned metrics to either or both of the
19 institutions to reinforce the missions of RIC and URI, respectively, the economic needs of the
20 state and the socio-economic status of the students. The commissioner may consider the
21 institutions' improvements in said metrics when determining whether it has satisfied the annual
22 measure despite not reaching the overall goal.

23 (e) The commissioner shall provide faculty and students an opportunity to provide input
24 on the development of performance measures.

25 **16-106-5. Performance not achieved.** -- If a public institution of higher education has
26 failed to achieve one or more of the performance metrics set forth in accordance with this chapter,
27 the funds associated with each unachieved metric shall be distributed to the same institution for
28 corrective action, with oversight by the office of the postsecondary commissioner.

29 **16-106-6. Accountability – Authority to revise and transparency.** -- (a) The
30 commissioner of postsecondary education shall monitor, publish and report to the council on
31 postsecondary education the level of performance on all metrics identified in accordance with this
32 chapter for the Community College of Rhode Island, Rhode Island College, and the University of
33 Rhode Island.

34 (b) The commissioner of postsecondary education, in consultation with the council of

1 postsecondary education, shall revise the metrics at a time when performance has reached a pre-
2 defined level. Future metrics shall further goals identified by the board of education and the
3 governor's workforce board, and the applicable purpose and mission of the institution of higher
4 education to which they apply.

5 (c) Each public higher education institution shall publish its performance on all of its
6 associated metrics prescribed in this chapter on its website.

7 **16-106-7. State postsecondary education funding formula. --** (a) Implementation of a
8 state postsecondary education funding formula shall be contingent upon the approval of the
9 general assembly. On or before October 1, 2016, the commissioner of postsecondary education
10 shall present to the board of education and the general assembly, the following:

11 (1) A proposal for the further definition of the budget for "otherwise unrestricted higher
12 education general revenue" in accordance with §§16-106-3(a) and 16-106-4(a); and

13 (2) With input from an advisory workgroup composed of representatives of the
14 administration and faculty of Community College of Rhode Island, Rhode Island College, and
15 University of Rhode Island, the commissioner shall develop a proposal for a funding formula for
16 calculating budgetary needs of the public postsecondary institutions.

17 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO EDUCATION - THE PERFORMANCE INCENTIVE FUNDING ACT OF
2016

1 This act would add a performance-based component to the state funding formulas for
2 CCRI, RIC and URI. It directs the commissioner of postsecondary education, along with the
3 council on postsecondary education, to create a performance formula by utilizing certain specific
4 measures. Implementation of a postsecondary education funding formula would need prior
5 approval of the general assembly.

6 This act would take effect upon passage.

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