

**ARTICLE 13 SUBSTITUTE A**

RELATING TO EDUCATION

SECTION 1. Sections 16-7.1-3, 16-7.1-9, and 16-7.1-11.1 of the General Laws in Chapter 16-7.1 entitled “The Rhode Island Student Investment Initiative” are hereby amended to read as follows:

**16-7.1-3. Accountability for district and school expenditures.** – All school districts shall implement a uniform program to track educational expenditures and investments. ~~To ensure that each district's report on educational expenditures accurately reflects actual experience,~~ All school districts shall prepare annual reports of its programs which shall be submitted to the department of elementary and secondary education by July 31 of each year. ~~the~~ The business office in each school district shall annually declare that the facts and figures presented in the district expenditure report are accurate to the best of their knowledge. In the event that a report is not submitted within thirty days of July 31, state educational aid to the school district may be withheld. In addition, each school committee shall annually ratify the district expenditure report and transmit the report to the commissioner of elementary and secondary education no later than ~~November 1~~ September 30 of each year. Furthermore, the commissioner of elementary and secondary education in conjunction with the Rhode Island Association of School Business Officials shall determine the feasibility of and implement when appropriate a standard chart of accounts for all school districts. If implemented, the municipalities shall integrate use of this chart of accounts with municipal accounts as appropriate.

**16-7.1-9. Student language assistance investment fund.** – The general assembly recognizes the strength Rhode Island's growing cultural diversity brings to the overall economic and social health of the state. Therefore, the general assembly establishes the Student Language Assistance Investment Fund to target state resources to assist students who require additional language educational services. The general assembly shall annually appropriate some sum and distribute it based on each district's proportion of ~~full-time equivalent~~ limited English proficiency students statewide in the reference year as defined in § 16-7-16. ~~For purposes of this section, full time equivalent for limited English proficiency students is defined in § 16-54-4.~~ These resources shall be used to close student performance gaps in accordance with the district's strategic plan pursuant to § 16-7.1-2.

1           **16-7.1-11.1. Full day kindergarten investment fund.** – (a) Beginning in fiscal year  
2 2001, the general assembly shall appropriate and distribute to each locally or regionally operated  
3 district a sum equal to the number of full-time kindergarten students ~~enrolled in~~ reported as a  
4 member of each district as ~~of the previous October 1~~ of the reference year as defined in §16-7-  
5 16(11) times a per pupil amount, which shall be:

6           (1) Fifteen hundred dollars (\$1,500) for those districts with a tax effort index of below  
7 0.6 as calculated pursuant to § 16-7.1-6;

8           (2) One thousand dollars (\$1,000) for those districts with a tax effort index of below 1.0  
9 as calculated pursuant to § 16-7.1-6; and

10           (3) Five hundred dollars (\$500) for all other districts.

11           (b) Funding under this section shall be in addition to any and all other aid received by  
12 the district, including aid received under this chapter, chapter 77.1 of this title, and any minimum  
13 increase of aid provided for under § 16-7.1-15.

14           SECTION 2. Section 16-64-1.1 of the General Laws in Chapter 16-64 entitled  
15 “Residence of Children for School Purposes” is hereby amended to read as follows:

16           **16-64-1.1. Payment and reimbursement for educational costs of children placed in**  
17 **foster care, group homes, or other residential facility by a Rhode Island state agency.** – (a)

18 Children placed in foster care by a Rhode Island licensed child placing agency or a Rhode Island  
19 governmental agency shall be entitled to the same free appropriate public education provided to  
20 all other residents of the city or town where the child is placed. The city or town shall pay the cost  
21 of the education of the child during the time the child is in foster care in the city or town.

22           (b) Children placed by DCYF in a group home or other residential facility that does not  
23 include the delivery of educational services are to be educated by the community in which the  
24 group home or other residential facility is located, and those children shall be entitled to the same  
25 free appropriate public education provided to all other residents of the city or town where the  
26 child is placed. For purposes of payment and reimbursement for educational costs under this  
27 chapter, the term "group home or other residential facility" shall not include independent living  
28 programs. Each city and town that contains one or more group homes or other residential  
29 facilities that do not include delivery of educational services will receive funds as part of state aid  
30 to education in accordance with the following provisions:

31           (1) On ~~December 31~~ June 30 of each year the DCYF shall provide the department of  
32 elementary and secondary education with a precise count of how many group home or other  
33 residential facility "beds" exist in each Rhode Island city or town, counting only those "beds" in  
34 facilities that do not include the delivery of educational services. The number of "beds" in each

1 group home or other residential facility shall be equal to the maximum number of children that  
2 may be placed in that group home or other residential facility on any given night according to the  
3 applicable licensure standards of the DCYF;

4 (2) On ~~December 31~~ June 30 of each year the DCYF shall provide the department of  
5 elementary and secondary education with a precise count of the total number of students aged  
6 three (3) to twenty-one (21) in DCYF care on that date who reside in group homes in the state of  
7 Rhode Island, as well as an accurate accounting of the percentage of those children that are  
8 eligible for special education and related services pursuant to the Individuals with Disabilities  
9 Education Act [20 U.S.C. § 1400 et seq.] as of that date;

10 (3) Each city or town shall receive state education aid in an amount equal to the number  
11 of group home or other residential facility "beds" in that community multiplied by a per pupil  
12 rate, subject to appropriation, intended to reflect the average cost per pupil based on the blend of  
13 regular education and special education students in group homes as derived from figures supplied  
14 on ~~December 31~~ June 30 of the ~~preceding~~ reference year as defined in §16-7-16(11). Any city or  
15 town may petition the commissioner of elementary and secondary education for additional state  
16 education aid pursuant to this section in any year in which the total number of group home or  
17 other residential facility "beds" is increased by more than five (5) in any annual cycle.

18 (4) The general assembly shall annually appropriate a sum sufficient to distribute to  
19 each city or town the aid required by this subsection based upon the DCYF count provided on  
20 ~~December 31~~ June 30 of the ~~preceding~~ reference year as defined in §16-7-16(11) and that aid  
21 shall be distributed by the department of elementary and secondary education. For an  
22 appropriation to be made for payments to be made for the 2001-2002 school year the DCYF shall  
23 establish a count as required in this subsection upon passage of this legislation [July 5, 2001].  
24 This count shall be determined based on the group home and other residential facility "beds" in  
25 existence in each community as of December 31 of the preceding year.

26 (c) Children placed by DCYF in a residential treatment program, group home, or other  
27 residential facility, whether or not located in the state of Rhode Island, which includes the  
28 delivery of educational services, provided by that facility (excluding facilities where students are  
29 taught on grounds for periods of time by teaching staff provided by the school district in which  
30 the facility is located), shall have the cost of their education paid for as provided for in subsection  
31 (d) of this section and § 16-64-1.2. The city or town determined to be responsible to DYCF for a  
32 per-pupil special education cost pursuant to § 16-64-1.2 shall pay its share of the cost of  
33 educational services to DCYF or to the facility providing educational services.

34 (d) Children placed by DCYF in group homes, child caring facilities, community

1 residences, or other residential facilities shall have the entire cost of their education paid for by  
2 DCYF if:

3 (1) The facility is operated by the state of Rhode Island or the facility has a contract  
4 with DCYF to fund a pre-determined number of placements or part of the facility's program;

5 (2) The facility is state-licensed; and

6 (3) The facility operates an approved on-grounds educational program, whether or not  
7 the child attends the on-grounds program.

8 SECTION 3. Section 16-77.1-2 of the General Laws in Chapter 16-77.1 entitled  
9 "Funding of Charter Public Schools" is hereby amended to read as follows:

10 **16-77.1-2. Operating costs.** – (a) Operating costs of a charter public school shall be the  
11 total of the per pupil payments for each student attending the charter public school. The per pupil  
12 payment for each student shall be determined based on the per pupil cost for the district of  
13 residence of each student. The state's share of the per pupil amount for each student attending the  
14 charter public school shall be paid by the state directly to the charter public school and shall be  
15 the percent, or share ratio, previously calculated under chapter 7 of this title minus the five  
16 percent (5%) of per pupil cost designated for indirect cost support to the student's school district  
17 as defined in subsection (b). The five percent (5%) indirect cost amount shall be deducted from  
18 the district per pupil cost before the state share is derived by applying the share ratio to the district  
19 per pupil cost. The local share of the per pupil amount for each student attending the charter  
20 public school shall be paid to the charter public school by the district of residence of the student  
21 and shall be the per pupil cost for the district of residence of the student minus the state share of  
22 that per pupil cost as designated in this section.

23 (b) In addition to all state aid to education paid to a local district pursuant to chapter 7.1  
24 of this title, the state will pay an additional amount to the district for each student from this  
25 district who is attending a charter public school. The additional amount of state aid per pupil shall  
26 be five percent (5%) of the district's per pupil cost. The additional state aid shall be for the  
27 purpose of assisting local school districts to undertake the indirect costs borne by a district when  
28 its student attends a charter public school.

29 (c) The state department of elementary and secondary education shall annually  
30 determine both the state and local share of each charter public school's operating costs by  
31 deriving the respective shares associated with each student ~~enrolled in~~ [reported as a member of](#)  
32 the charter public school as of ~~October 1~~ [June 30](#) of the ~~prior school~~ [reference](#) year [as defined in](#)  
33 [§16-7-16 \(11\)](#) (or [the enrollment](#) as of October 1 of the current school year in the first year of  
34 operation of a charter school). All other data used in this determination shall be based upon the

1 reference year as defined in § 16-7-16(11).

2 (d) The state shall make payments of its share of operating costs to each charter public  
3 school on a quarterly basis in July, October, January, and April. The July and October payments  
4 will be based upon the reported student ~~enrollment~~ membership of the charter public school as of  
5 ~~October 1 of the prior school~~ June 30 of the reference year as defined in §16-7-16(11) (or the  
6 enrollment as of October 1 of the current school year in the first year of operation of a charter  
7 school). Charter public schools will report current student enrollment, including district of  
8 residence for school purposes of each student enrolled, and each district will report current total  
9 district operating expenses and total district enrollments (including district students enrolled in  
10 charter public schools) annually by October 1. If the October 1 data on a charter public school's  
11 student enrollment show a ten percent (10%) or greater increase or decrease in students  
12 ~~enrollment~~ from the ~~preceding October 1~~ June membership count, the third and fourth quarter  
13 payments to the charter public school will be adjusted to reflect actual student enrollment in the  
14 charter public school.

15 (e) Local district payments to charter public schools for each district's students enrolled  
16 in the charter public school shall also be made quarterly as designated in subsection (d); the first  
17 local district payment shall be made by August 15 instead of July. Any local school district more  
18 than thirty (30) days in arrears on a quarterly payment for its student(s) enrolled in a charter  
19 public school shall have the amount of the arrearage deducted from state aid to that district and  
20 the withheld arrearage shall be paid by the state directly to the charter public school.

21 (f) Local school districts with student(s) enrolled in a charter public school shall  
22 continue to report these students in the total census of district public school students and will  
23 receive state aid for all these students pursuant to the provisions of chapter 7.1 of this title.

24 (g) All entitlements except those provided for in § 16-24-6.2 shall be ratably reduced if  
25 less than one hundred percent (100%) of the expenditures is appropriated.

26 SECTION 4. Sections 16-77-3, 16-77-5, and 16-77-8 of the General Laws Chapter 16-77  
27 entitled "Establishment of Charter Public Schools" are hereby amended to read as follows:

28 **16-77-3. Commissioner of elementary and secondary education and local school**  
29 **committee authorized to recommend the granting of a charter.** – (a) The commissioner of  
30 elementary and secondary education and/or the school committee where the charter public school  
31 is to be located are authorized in response to an application to recommend to the board of regents  
32 for elementary and secondary education the granting of a revocable charter authorizing operation  
33 of a charter public school for up to five (5) years, subject to renewal for additional five-year  
34 periods.

1 (b) Persons or entities eligible to submit an application to establish a charter school shall  
2 be limited to:

3 (1) Existing public schools;

4 (2) Groups of public school personnel;

5 (3) Public school districts;

6 (4) Established Rhode Island nonprofit organizations in accordance with subsection (i) of  
7 this section provided that these nonprofit organizations shall have existed for at least two (2)  
8 years and must exist for a substantial reason other than to operate a school;

9 (5) A group of school districts; or

10 (6) Colleges and universities within the state of Rhode Island.

11 (c) No existing public school shall be converted into a charter public school unless a  
12 majority of the parents and/or guardians of the students currently assigned to the school and two-  
13 thirds (2/3) of the certified teaching personnel currently assigned to the school approve the  
14 proposed charter, as provided in § 16-77-4.1.

15 (d) No private or parochial schools shall be eligible for charter school status, nor shall a  
16 charter school be affiliated in any way with a sectarian school or religious institution. Any charter  
17 school authorized by this chapter shall be nonsectarian and nonreligious in its programs,  
18 admissions policies, employment practices, and all other operations. The board of regents shall  
19 not approve a charter to a school whose overall operation or education program is managed by a  
20 for profit entity.

21 (e) School professionals employed by a local or regional school committee or the state of  
22 Rhode Island shall be entitled to a two (2) year leave of absence, without compensation, in order  
23 to be employed in a charter school, provided this leave shall be extended upon request for an  
24 additional two (2) years. At any time during or upon completion of this leave of absence, a school  
25 professional may return to work in the school district in the position in which he or she was  
26 previously employed or a comparable position. This leave of absence shall not be deemed to be  
27 an interruption of service for purposes of seniority and teachers' retirement.

28 (f) No child shall be required to attend a charter public school nor shall any teacher be  
29 required to teach in a charter public school. The school committee shall make accommodations to  
30 facilitate the transfer of students who do not wish to participate in the charter public school into  
31 other public schools. It shall also make accommodations for those students who wish to  
32 participate to transfer into the charter public school as space permits. If the total number of  
33 students who are eligible to attend and apply to a charter school is greater than the number of  
34 spaces available, the charter school shall conduct a lottery to determine which students shall be

1 admitted.

2 (g) The commissioner is empowered to promulgate rules and regulations consistent with  
3 this chapter, in conformance with chapter 35 of title 42, for the creation and operation of charter  
4 public schools. These rules and regulations shall set forth the process for rescission of state  
5 approval of a charter school, including appropriate protections to ensure the continued provision  
6 of education services to the students of the charter school whose charter is rescinded.

7 (h) All charter schools shall adhere to financial record keeping, reporting, auditing  
8 requirements, and procedures in the same manner as required of local public school districts and  
9 in accordance with federal and state laws and regulations.

10 (i) Any nonprofit organization which seeks to establish a charter school must submit its  
11 financial records and financial plan for operating the school to the auditor general, who shall  
12 review the records, the financial plan, and the financial integrity of the organization. At the time  
13 of initial charter application the financial records and financial recordkeeping system of the  
14 nonprofit organization and the proposed financial plan for the charter school shall be reviewed by  
15 the auditor general and the auditor general shall, while the application is being considered for  
16 preliminary approval by the board of regents, provide an initial determination to the board of  
17 regents, the commissioner of elementary and secondary education, and the speaker of the house  
18 of representatives indicating that the auditor general is satisfied that the nonprofit organization is  
19 financially responsible. Final approval for operation of the public charter school shall not be  
20 granted by the board of regents until the auditor general has approved the financial plan and  
21 financial record keeping system and is satisfied that the nonprofit organization is financially  
22 responsible. The auditor general shall notify the board of regents, the commissioner of elementary  
23 and secondary education, and the speaker of the house of representatives of the findings. During  
24 the year immediately preceding the September in which the public charter school is to begin  
25 operation, the charter applicant shall make any additional submissions to the auditor general  
26 prescribed by the auditor general in the initial determination. Additional submissions during the  
27 year prior to the September in which the public charter school is to begin operation shall include,  
28 but not be limited to, evidence submitted to the auditor general not later than June 1 prior to the  
29 opening of the public charter school of the existence of an agreement, option for lease or  
30 purchase, lease agreement or purchase agreement, contingent upon general assembly funding, for  
31 a facility in which the public charter school will operate in its first year of operation. The auditor  
32 general shall have the authority to review charter schools on an annual basis or require the charter  
33 school to have an annual certified audit in accordance with the same federal and state standards  
34 that are applicable to local public school districts. If as a result of any annual audit the auditor

1 general believes there are financial irregularities, the auditor general shall withdraw the original  
2 approval and the board of regents shall withdraw its approval for the charter school to continue  
3 operation.

4 ~~(j) Notwithstanding the provisions of this section, the Board of Regents shall not grant~~  
5 ~~final approval for any new charter school to begin operations in the 2005-2006 school year.~~

6 Notwithstanding the provisions of this section, the Board of Regents shall not grant final  
7 approval for any new charter school to begin operations in the 2006-2007 or 2007-2008 school  
8 year.

9 **16-77-5. Process for consideration of proposed charter.** – (a) If the commissioner of  
10 elementary and secondary education or the local school committee finds the application to be  
11 incomplete, further information may be requested and required. The commissioner shall develop  
12 regulations for amending an approved charter, consistent with the provisions of this chapter.

13 (b) After having received a satisfactory application, the commissioner of elementary and  
14 secondary education will provide for a public comment period of not less than sixty (60) days,  
15 during which they will hold at least two (2) public hearings on the application. These hearings  
16 will be held in the district where the proposed charter school is to be located. Any person may file  
17 with the committee and/or the commissioner comments, recommendations, and/or objections  
18 relevant to the granting of a charter.

19 (c) A copy of the completed application for a charter public school at an existing public  
20 school shall be provided to the collective bargaining agent for the teachers in that school district  
21 at the time that it is filed with the school committee and the commissioner. The teachers through  
22 their collective bargaining agent shall be afforded the opportunity to present their analysis of and  
23 recommendations regarding the proposed charter to the school committee and the board of  
24 regents for elementary and secondary education prior to any determination by those entities. If the  
25 teachers' union objects to the proposed charter or to any provision of it, it shall set forth the  
26 reasons for those objections in detail. These objections and recommendations shall be considered  
27 and responded to by the school committee and the commissioner before making any  
28 recommendation to the board of regents, and by the board of regents prior to its determination.

29 (d) The commissioner and the local school committee will each decide on whether or not  
30 to recommend the granting of the charter within ninety (90) days after the conclusion of the  
31 public comment period.

32 (e) If the commissioner of elementary and secondary education or the local school  
33 committee recommend the granting of the charter public school petition, the matter shall be  
34 referred to the board of regents for a decision on whether or not to grant a charter. Notice of the

1 granting or denial of the application will be supplied. The decision of the board of regents,  
2 complete with reasons and conditions, shall be made available to the public and to the applicant.

3 (f) The commissioner, with the approval of the board of regents for elementary and  
4 secondary education, may grant a variance to any provision of title 16 other than those  
5 enumerated in § 16-77-11 and to any department of education regulation and to any school  
6 district regulation which does not affect the health and safety or civil rights of pupils in charter  
7 public schools.

8 (g) All charter applications shall be matters of public record and will be provided to  
9 members of the public upon request.

10 ~~(h) Notwithstanding the provisions of this section, the Board of Regents shall not grant~~  
11 ~~final approval for any new charter school to begin operations in the 2005-2006 school year.~~

12 Notwithstanding the provisions of this section, the Board of Regents shall not grant final  
13 approval for any new charter school to begin operations in the 2006-2007 or 2007-2008 school  
14 year.

15 **16-77-8. Oversight by commissioner.** – (a) Individuals or groups may complain to a  
16 charter school's governing body concerning any claimed violation of the provisions of this  
17 chapter by the school. If, after presenting their complaint to the governing body, the individuals  
18 or groups believe their complaint has not been adequately addressed, they may submit their  
19 complaint to the commissioner of elementary and secondary education who shall hear and decide  
20 the issue pursuant to §§ 16-39-1 and 16-39-2.

21 (b) Charter school approval for establishment or continuation shall be for up to a five  
22 (5) year period. In either case, board of regents approval is required. However, the charter may  
23 be revoked at any time if the school:

24 (1) Materially violates provisions contained in the charter;

25 (2) Fails to meet or pursue the educational objectives contained in the charter;

26 (3) Fails to comply with fiscal accountability procedures as specified in the charter; or

27 (4) Violates provisions of law that have not been granted variance by the board of  
28 regents.

29 (c) After denying or prior to nonrenewing or revoking a charter, the department of  
30 elementary and secondary education will hold a hearing on the issues in  
31 controversy under § 16-39-1.

32 (d) No more than twenty (20) charters, serving no more than four percent (4%) of the  
33 state's school age population, shall be granted. At least ten (10) of the twenty (20) total charters  
34 shall be reserved for charter school applications which are designed to increase the educational

1 opportunities for at-risk pupils. ~~No more than two (2) charters may be granted in a single school~~  
2 ~~district, except that if a district has more than twenty thousand (20,000) students then four (4)~~  
3 ~~charters may be granted.~~

4 SECTION 5. Section 16-77.1-2 of the General Laws in Chapter 16-77.1 entitled  
5 "Funding of Charter Public Schools" is hereby amended to read as follows:

6 **16-77.1-2. Operating costs.** -- (a) Operating costs of a charter public school shall be the  
7 total of the per pupil payments for each student attending the charter public school. The per pupil  
8 payment for each student shall be determined based on the per pupil cost for the district of  
9 residence of each student. The state's share of the per pupil amount for each student attending the  
10 charter public school shall be paid by the state directly to the charter public school and shall be  
11 the percent, or share ratio, previously calculated under chapter 7 of this title ; provided, that in no  
12 case shall the ratio be less than thirty percent (30%), minus the five percent (5%) of per pupil cost  
13 designated for indirect cost support to the student's school district as defined in subsection (b).  
14 The five percent (5%) indirect cost amount shall be deducted from the district per pupil cost  
15 before the state share is derived by applying the share ratio to the district per pupil cost. The local  
16 share of the per pupil amount for each student attending the charter public school shall be paid to  
17 the charter public school by the district of residence of the student and shall be the per pupil cost  
18 for the district of residence of the student minus the state share of that per pupil cost as designated  
19 in this section.

20 (b) In addition to all state aid to education paid to a local district pursuant to chapter 7.1  
21 of this title, the state will pay an additional amount to the district for each student from this  
22 district who is attending a charter public school. The additional amount of state aid per pupil shall  
23 be five percent (5%) of the districts per pupil cost. The additional state aid shall be for the  
24 purpose of assisting local school districts to undertake the indirect costs borne by a district when  
25 its student attends a charter public school.

26 (c) The state department of elementary and secondary education shall annually determine  
27 both the state and local share of each charter public school's operating cost by deriving the  
28 respective shares associated with each student enrolled in the charter public school as of October  
29 1 of the prior school year (or as of October 1 of the current school year in the first year of  
30 operation of a charter school). All other data used in this determination shall be based upon the  
31 reference year as defined in section 16-7-16(11).

32 (d) The state shall make payments of its share of operating cost to each charter public  
33 school on a quarterly basis in July, October, January, and April. The July and October payments  
34 will be based upon the reported student enrollment of the charter public school as of October 1 of

1 the prior school year (or as of October 1 of the current school year in the first year of operation of  
2 a charter school). Charter public schools will report current student enrollment, including district  
3 of residence for school purposes of each student enrolled, and each district will report current  
4 total district operating expenses and total district enrollments (including district students enrolled  
5 in charter public schools) annually by October 1. If the October 1 data on a charter public school's  
6 student enrollment show a ten percent (10%) or greater increase or decrease in student enrollment  
7 from the preceding October 1, the third and fourth quarter payments to the charter public school  
8 will be adjusted to reflect actual student enrollment in the charter public school.

9 (e) Local district payments to charter public schools for each district's students enrolled  
10 in the charter public school shall also be made quarterly as designated in subsection (d); the first  
11 local district payment shall be made by August 15 instead of July. Any local school district more  
12 than thirty (30) days in arrears on a quarterly payment for its student(s) enrolled in a charter  
13 public school shall have the amount of the arrearage deducted from state aid to that district and  
14 the withheld arrearage shall be paid by the state directly to the charter public school.

15 (f) Local school districts with student(s) enrolled in a charter public school shall continue  
16 to report these students in the total census of district public school students and will receive state  
17 aid for all these students pursuant to the provisions of chapter 7.1 of this title.

18 (g) All entitlements except those provided for in section 16-24-6.2 shall be ratably  
19 reduced if less than one hundred percent (100%) of the expenditures is appropriated.

20 SECTION 6. Sections 16-7.1-10 and 16-7.1-15 of the General Laws in Chapter 16-7.1  
21 entitled "The Rhode Island Student Investment Initiative" are hereby amended to read as follows:

22 **16-7.1-10. Professional development investment fund.** – (a) In order to continue  
23 developing the skills of Rhode Island's teachers, administrators and staff, the general assembly  
24 establishes a Professional Development Investment Fund. The general assembly shall annually  
25 appropriate some sum and distribute it based on a pupil-teacher ratio that shall be adjusted  
26 annually by the commissioner of elementary and secondary education. School districts, including  
27 collaboratives established pursuant to chapter 16-3.1, may use funds received under this category  
28 of education aid to replace up to, but no more than, fifty percent (50%) of the amount the school  
29 district spent for professional development programs in the previous fiscal year. The expenditure  
30 of these funds shall be determined by a committee at each school consisting of the school  
31 principal, two (2) teachers selected by the teaching staff of the school, and two (2) parents of  
32 students attending the school. Schools that enroll students in the early grades (kindergarten  
33 through grade three (3)) must expend these funds on the development of scientific research based,  
34 as described in the No Child Left Behind Act of 2001, Title 1, Part B, Section 1208 [20 U.S.C. §

1 6368], reading instruction to improve students reading performance. Schools that have met their  
2 performance targets in reading for the current academic year and are not designated as a school in  
3 need of improvement, may expend their Professional Development Investment Funds on  
4 professional development in the core academic subjects of mathematics, writing, or reading to  
5 improve student performance.

6 Collaborative programs between schools are encouraged. These resources shall be used to  
7 close student performance gaps in accordance with the school's and district's strategic plan  
8 pursuant to § 16-7.1-2. Additional funds shall be allocated to the department of elementary and  
9 secondary education to support teacher and administrator professional development in all  
10 districts, including, but not limited to:

- 11 (1) Supporting mentoring systems;
- 12 (2) Providing school districts with program support to assist teachers in local school  
13 districts to improve reading instruction and enhance the integration of reading  
14 throughout the curriculum with the goal of improving student performance to high  
15 standards;
- 16 (3) Support for the design and implementation of leadership development for the  
17 teacher to assume leadership roles or ultimately prepare for administrator;
- 18 (4) Development of a plan for formal training of school leaders in standards based  
19 instruction, school improvement planning, effective use of data in the  
20 decision-making process, community involvement and creation of governance structures;
- 21 (5) Support for national board certification of teachers, application fees for a certificate  
22 of clinical competence issued by the American speech-language hearing  
23 association, and grants for coordination and support of school based teacher professional  
24 development; and
- 25 (6) The practice of scientific research based reading instruction to improve reading  
26 performance.

27 (b) In FY 2003, the additional funds allocated to the department of elementary and  
28 secondary education pursuant to this section shall be used only to support the activities described  
29 in subdivisions (a)(2) and (a)(5) of this section.

30 (c) Out of the funds appropriated by the general assembly for professional development  
31 in subsection (a) of this section, twenty-five percent (25%) shall be set aside for district-wide  
32 professional development activities. The expenditure of this district-wide professional  
33 development set-aside shall be determined by a committee in each district consisting of the  
34 superintendent or his or her designee, three (3) teachers appointed by the collective bargaining

1 agent, and one member of the Rhode Island department of elementary and secondary education  
2 field service team servicing that school district designated by the commissioner of elementary and  
3 secondary education. The expenditure must be aligned with the district strategic plan as well as  
4 ongoing professional development programs approved by the department of elementary and  
5 secondary education. Collaborative programs between school districts are permissible.

6 (d) Beginning in FY 2006, professional development funds shall only be spent with  
7 the prior approval of the commissioner of elementary and secondary education upon submission  
8 of a district level plan which incorporates the school level plans and which details the use of the  
9 funds. These plans shall to the extent possible call for professional development activities that  
10 are embedded or do not otherwise encroach upon student instruction time. The requirements of  
11 this paragraph shall apply to both district-wide professional development activities and  
12 professional development activities determined by the school-level committees.

13 **16-7.1-15. The Rhode Island student investment initiative.** – (a) Each locally or  
14 regionally operated school district shall receive as a base the same amount of school aid as each  
15 district received in fiscal year 1997-1998, adjusted to reflect the increases or decreases in aid  
16 enacted to meet the minimum and maximum funding levels established for FY 2000 through FY  
17 ~~2004~~ 2005. Each school district shall also receive school aid through each investment fund for  
18 which that district qualifies pursuant to §§ 16-7.1-8, 16-7.1-9, 16-7.1-10, 16-7.1-11, 16-7.1-12,  
19 16-7.1-16 and 16-7.1-19. These sums shall be in addition to the base amount described in this  
20 section. Calculation and distribution of education aid under §§ 16-5-31, 16-5-32, 16-7-20, 16-7-  
21 20.5, 16-7-34.2, 16-7-34.3, 16-24-6, 16-54-4, and 16-67-4 is hereby suspended. The funding of  
22 the purposes and activities of chapter 67 of this title, the Rhode Island Literacy and Dropout  
23 Prevention Act of 1967, shall be the same amount of the base amount of each district funded for  
24 that purpose in fiscal year 1997-1998. In addition each district shall expend three percent (3%) of  
25 its student equity and early childhood funds under the provisions of chapter 67 of this title.

26 (b) Funding for full day kindergarten programs in accordance with § 16-7.1-11.1 shall  
27 be in addition to funding received under this section.

28 (c) Funding distributed under §§ 16-77.1-2(b) and 16-64-1.1 shall be in addition to  
29 funding distributed under this section.

30 (d) There shall be an appropriation to ensure that total aid distributed to communities in  
31 FY ~~2005~~ 2006 under this section and §§ 16-7.1-11.1, 16-64-1.1 and 16-77.1-2(b) shall be ~~not less~~  
32 ~~than aid received in FY 2004~~ as follows:

33	<u>Barrington</u>	<u>2,479,907</u>
34	<u>Burrillville</u>	<u>13,145,661</u>

1	<a href="#"><u>Charlestown</u></a>	<a href="#"><u>1,910,676</u></a>
2	<a href="#"><u>Coventry</u></a>	<a href="#"><u>19,151,316</u></a>
3	<a href="#"><u>Cranston</u></a>	<a href="#"><u>33,943,638</u></a>
4	<a href="#"><u>Cumberland</u></a>	<a href="#"><u>12,646,981</u></a>
5	<a href="#"><u>East Greenwich</u></a>	<a href="#"><u>1,860,042</u></a>
6	<a href="#"><u>East Providence</u></a>	<a href="#"><u>25,530,776</u></a>
7	<a href="#"><u>Foster</u></a>	<a href="#"><u>1,351,283</u></a>
8	<a href="#"><u>Glocester</u></a>	<a href="#"><u>3,065,960</u></a>
9	<a href="#"><u>Hopkinton</u></a>	<a href="#"><u>5,954,153</u></a>
10	<a href="#"><u>Jamestown</u></a>	<a href="#"><u>507,432</u></a>
11	<a href="#"><u>Johnston</u></a>	<a href="#"><u>10,413,088</u></a>
12	<a href="#"><u>Lincoln</u></a>	<a href="#"><u>7,062,603</u></a>
13	<a href="#"><u>Little Compton</u></a>	<a href="#"><u>351,839</u></a>
14	<a href="#"><u>Middletown</u></a>	<a href="#"><u>10,014,086</u></a>
15	<a href="#"><u>Narragansett</u></a>	<a href="#"><u>1,809,860</u></a>
16	<a href="#"><u>Newport</u></a>	<a href="#"><u>11,253,278</u></a>
17	<a href="#"><u>New Shoreham</u></a>	<a href="#"><u>101,451</u></a>
18	<a href="#"><u>North Kingstown</u></a>	<a href="#"><u>11,434,463</u></a>
19	<a href="#"><u>North Providence</u></a>	<a href="#"><u>12,623,955</u></a>
20	<a href="#"><u>North Smithfield</u></a>	<a href="#"><u>4,611,787</u></a>
21	<a href="#"><u>Pawtucket</u></a>	<a href="#"><u>63,782,029</u></a>
22	<a href="#"><u>Portsmouth</u></a>	<a href="#"><u>5,962,443</u></a>
23	<a href="#"><u>Providence</u></a>	<a href="#"><u>185,048,912</u></a>
24	<a href="#"><u>Richmond</u></a>	<a href="#"><u>5,903,843</u></a>
25	<a href="#"><u>Scituate</u></a>	<a href="#"><u>3,250,400</u></a>
26	<a href="#"><u>Smithfield</u></a>	<a href="#"><u>5,407,726</u></a>
27	<a href="#"><u>South Kingstown</u></a>	<a href="#"><u>9,948,816</u></a>
28	<a href="#"><u>Tiverton</u></a>	<a href="#"><u>5,659,091</u></a>
29	<a href="#"><u>Warwick</u></a>	<a href="#"><u>35,894,621</u></a>
30	<a href="#"><u>Westerly</u></a>	<a href="#"><u>6,528,189</u></a>
31	<a href="#"><u>West Warwick</u></a>	<a href="#"><u>19,499,965</u></a>
32	<a href="#"><u>Woonsocket</u></a>	<a href="#"><u>45,425,511</u></a>
33	<a href="#"><u>Bristol-Warren</u></a>	<a href="#"><u>19,554,956</u></a>
34	<a href="#"><u>Exeter-West Greenwich</u></a>	<a href="#"><u>7,308,493</u></a>

1	<u>Chariho</u>	<u>380,004</u>
2	<u>Foster-Glocester</u>	<u>5,466,199</u>
3	<u>Central Falls</u>	<u>41,319,965</u>

4 This special provision shall not limit entitlements as determined by application of other  
5 formula provisions in this section.

6 (e) *Children with disabilities.* (1) Based on its review of special education within the  
7 context of Rhode Island school reform, the general assembly recommends addressing the needs of  
8 all children and preventing disability through scientific research based, as described in the No  
9 Child Left Behind Act of 2001, Title 1, Part B, Section 1208 [20 U.S.C. § 6368], reading  
10 instruction and the development of Personal Literacy Programs for students in the early grades  
11 performing below grade level in reading and implement a system of student accountability that  
12 will enable the state to track individual students over time. Additionally, the department of  
13 elementary and secondary education must provide districts with rigorous criteria and procedures  
14 for identifying students with learning disabilities and speech/language impairments. Additional  
15 study is required of factors that influence programming for students with low incidence  
16 disabilities; those with disabilities that severely compromise life functions; and programming for  
17 students with disabilities through urban special education. Alternatives for funding special  
18 education require examination.

19 (2) All departments and agencies of the state shall furnish any advice and information,  
20 documentary and otherwise, to the general assembly and its agents that is deemed necessary or  
21 desirable by the study to facilitate the purposes of this section.

22 SECTION 7. Section 16-8-10.1 of the General Laws in Chapter 16-8 entitled “Federal  
23 Aid” is hereby amended to read as follows:

24 **16-8-10.1. Mandatory school breakfast programs.** – (a) All public schools shall make  
25 a breakfast program available to students attending the school. The breakfast meal shall meet any  
26 rules and regulations that are adopted by the commissioner.

27 (b) ~~Any costs (other than transportation costs) associated with this program in excess of~~  
28 ~~available federal money shall be borne exclusively by the state of Rhode Island and not by~~  
29 ~~municipalities.~~ The state of Rhode Island shall provide school districts a per breakfast subsidy for  
30 each breakfast served to students. The general assembly shall annually appropriate some sum and  
31 distribute it based on each district’s proportion of the number of breakfasts served in the prior  
32 school year relative to the statewide total in the same year. This subsidy shall augment the  
33 nonprofit school food service account and be used for expenses incurred in providing nutritious  
34 breakfast meals to students.

1 SECTION 8. Section 16-7-41 of the General Laws in Chapter 16-7 entitled "Foundation  
2 Level School Support" is hereby amended to read as follows:

3 **16-7-41. Computation of school housing aid.** -- (a) In each fiscal year the state shall pay  
4 for the benefit of each community a grant to be applied to the cost of school housing equal to the  
5 following:

6 The cost of each new school housing project certified to the commissioner of elementary  
7 and secondary education not later than July 15 of the fiscal year shall be divided by the actual  
8 number of years of the bond issued by the local community or the Rhode Island Health and  
9 Educational Building Corporation in support of the specific project, times the school housing aid  
10 ratio; and provided, further, with respect to costs of new school projects financed with proceeds  
11 of bonds issued by the local community or the Rhode Island Health and Educational Building  
12 Corporation in support of the specific project, the amount of the school housing aid payable in  
13 each fiscal year shall not exceed the amount arrived at by multiplying the principal of the bonds  
14 payable in each fiscal year by the school housing aid ratio and which principal amount over the  
15 life of the bonds, shall, in no event, exceed the costs of each new school housing project certified  
16 to the commissioner of elementary and secondary education. If a community fails to specify or  
17 identify the appropriate reimbursement schedule, the commissioner of elementary and secondary  
18 education may at his or her discretion set up to a five (5) year reimbursement cycle for projects  
19 under five hundred thousand dollars (\$500,000); up to ten (10) years for projects up to three  
20 million dollars (\$3,000,000); and up to twenty (20) years for projects over three million dollars  
21 (\$3,000,000).

22 (b) Aid shall be provided for the same period as the life of the bonds issued in support of  
23 the project and at the school housing aid ratio applicable to the local community at the time of the  
24 bonds issued in support of the project.

25 (c) Aid shall be paid either to the community or in the case of projects financed through  
26 the Rhode Island Health and Educational Building Corporation, to the Rhode Island Health and  
27 Educational Building Corporation or its designee including, but not limited to, a trustee under a  
28 bond indenture or loan and trust agreement, in support of bonds issued for specific projects of the  
29 local community in accordance with this section, section 16-7-40 and section 16-7-44.  
30 Notwithstanding the preceding, in case of failure of any city, town or district to pay the amount  
31 due in support of bonds issued on behalf of a city or town school project financed by the Rhode  
32 Island Health and Educational Building Corporation, upon notification by the Rhode Island  
33 Health and Educational Building Corporation, the general treasurer shall deduct the amount from  
34 aid provided under this section, section 16-7-40 and section 16-7-44 due the city, town or district

1 [and direct said funding to the Rhode Island Health and Educational Building Corporation or its](#)  
2 [designee.](#)

3 (d) Payments shall be made in accordance with section 16-7-40 and this section.

4 SECTION 9. (a) The department of elementary and secondary education shall adopt rules  
5 and regulations for the approval of school construction projects eligible for reimbursement by the  
6 state. The rules and regulations for approval of projects for housing aid reimbursement shall be on  
7 the basis of project enrollments and a uniform system of allowable square feet per student and  
8 cost per square foot.

9 (b) The rules and regulations shall be submitted to the general assembly by January 1,  
10 2007 with copies to the president of the senate, the speaker of the house, the chairperson of the  
11 senate finance committee, the chairperson of the house finance committee, the senate fiscal  
12 advisor and the house fiscal advisor.

13 SECTION 10. Section 45-13-13 of the General Laws in Chapter 45-13 entitled "State  
14 Aid" is hereby repealed.

15 ~~**45-13-13. Adjustments to tax levy, assessed value, and full value when computing**~~  
16 ~~**state aid.** --- (a) Whenever the director of administration computes the relative wealth of~~  
17 ~~municipalities for the purpose of distributing state aid in accordance with title 16 and the~~  
18 ~~provisions of section 45-13-12, the following adjustments shall be made:~~

19 ~~-(1) The tax levy of each municipality shall be adjusted upward by the amount of~~  
20 ~~payment in lieu of tax revenue estimated to be received by a municipality pursuant to a tax treaty~~  
21 ~~agreement authorized by a special public law or by reason of agreements between a municipality~~  
22 ~~and the economic development corporation in accordance with section 42-64-20;~~

23 ~~-(2) Simultaneously, the assessed value, full value and equalized weighted assessed value~~  
24 ~~of the municipality shall also be adjusted upward to reflect the imputed value of the tax treaty~~  
25 ~~property as if the payment in lieu of tax revenues received pursuant to the agreements identified~~  
26 ~~above had resulted from a tax levy;~~

27 ~~-(3) Fire district tax levies within a city or town shall be included as part of the total levy~~  
28 ~~attributable to that city or town.~~

29 ~~-(b) The changes as required by subdivisions (a)(1) through (a)(3) shall be incorporated~~  
30 ~~into the computation of entitlements effective for distribution in fiscal year 2002-2003 and~~  
31 ~~thereafter.~~

32 SECTION 11. Sections 1, 2, 3, 4, and 5 of this Article shall take effect upon passage and  
33 sections 6 and 7 shall take effect on July 1, 2005.

34