

2015 -- H 5540

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LC001344  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

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

Introduced By: Representatives Reilly, Edwards, Ruggiero, and Canario

Date Introduced: February 25, 2015

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7.2-7 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 **16-7.2-7. Transition plan.** -- (a) (1) The general assembly shall annually determine the  
4 appropriation of education aid pursuant to this chapter using a transition plan to begin in fiscal  
5 year 2012, not to exceed seven (7) years for LEA's for whom the calculated education aid  
6 pursuant to § 16-7.2-3 is more than the education aid the LEA is receiving as of the effective date  
7 of the formula, and ten (10) years for LEA's for whom the calculated education aid pursuant to §  
8 16-7.2-3 is less than the education aid the LEA is receiving as of the effective date of the formula.

9 (2) Provided, that for the fiscal year commencing July 1, 2015, a floor shall be  
10 established for the education aid provided pursuant to this chapter to the towns of Middletown  
11 and Portsmouth. For such towns, the floor shall be equal to the amount of education aid provided  
12 in the fiscal year immediately preceding the implementation of the permanent foundation  
13 education aid funding formula established pursuant to §16-7.2-3. Permanent foundation education  
14 aid to the towns of Middletown and Portsmouth shall not be reduced from this amount without  
15 further action of the general assembly. Provided, there shall not be any retroactive payments to  
16 the towns of Middletown and Portsmouth for any fund reductions which occurred in the  
17 intervening years between the implementation of the permanent foundation education aid funding  
18 formula and June 30, 2015.

1           (b) The local share of funding pursuant to § 16-7.2-5 shall be transitioned  
2 proportionately over a period not to exceed five (5) years. The transition shall provide a  
3 combination of direct aid to districts, funds for the categorical programs, and district savings  
4 through state-assumed costs, as determined by the general assembly on an annual basis. Updates  
5 to any components of the permanent foundation education aid formula, such as student data,  
6 property values, and/or median family income, that result in an increase or decrease in state  
7 education aid that impacts the total state and local contribution by more than three percent (3%)  
8 shall be transitioned over a period of time not to exceed three (3) years.

9           (c) For districts that are converting from a half-day to a full-day kindergarten program  
10 for the 2014-2015 school year and after, as defined by § 16-99-4, the increase in aid provided  
11 pursuant to the formula for the increased reference average daily membership due to the  
12 conversion of the kindergarten students from 0.5 full-time equivalent to 1.0 full-time equivalent is  
13 not subject to the transition plan in subsection (a); instead, the increased kindergarten full-time  
14 equivalents will be funded at the fully transitioned value of the formula beginning in FY 2017.

15           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 EDUCATION EQUITY AND PROPERTY TAX  
RELIEF ACT

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1           This act would restore the amount of education aid given to the towns of Middletown and  
2   Portsmouth to those amounts and levels in effect for the fiscal year prior to the implementation of  
3   the permanent foundation education aid formula.

4           This act would take effect upon passage.

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