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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

A N A C T

RELATING TO EDUCATION -- FUNDING OF CHARTER PUBLIC SCHOOLS

Introduced By: Senators Gallo, Ruggerio, Goodwin, and Lynch

Date Introduced: February 11, 2015

Referred To: Senate Education

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-77.1-2 of the General Laws in Chapter 16-77.1 entitled
2 "Funding of Charter Public Schools [See Title 16 Chapter 97 - The Rhode Island Board of
3 Education Act]" is hereby amended to read as follows:
4 **16-77.1-2. Operating costs.** -- (a) Operating costs of a charter public school shall be the
5 total of the per pupil payments for each student attending the charter public school. The per pupil
6 payment for each student shall be determined based on the per pupil cost for the district of
7 residence of each student. The state's share of the per pupil amount for each student attending the
8 charter public school shall be paid by the state directly to the charter public school and shall be
9 the percent, or share ratio, previously calculated under chapter 7 of this title; provided, that in no
10 case shall the ratio be less than thirty percent (30%), minus the five percent (5%) of per pupil cost
11 designated for indirect cost support to the student's school district as defined in subsection (b).
12 The five percent (5%) indirect cost amount shall be deducted from the district per pupil cost
13 before the state share is derived by applying the share ratio to the district per pupil cost. The local
14 share of the per pupil amount for each student attending the charter public school shall be paid to
15 the charter public school by the district of residence of the student and shall be the per pupil cost
16 for the district of residence of the student minus the state share of that per pupil cost as designated
17 in this section [and minus allocations not born by the charter school based on uniform chart of](#)
18 [accounts data such as out of district special education and district costs required by the basic](#)
19 [education plan.](#)

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

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

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

25 (e) Local district payments to charter public schools for each district's students enrolled
26 in the charter public school shall also be made ~~quarterly as designated in subsection (d); the first~~
27 ~~local district payment shall be made by August 15 instead of July~~ at the end of the district's
28 school quarter for those students actually enrolled in the charter school during the quarter. Any
29 local school district more than thirty (30) days in arrears on a quarterly payment for its student(s)
30 enrolled in a charter public school shall have the amount of the arrearage deducted from state aid
31 to that district and the withheld arrearage shall be paid by the state directly to the charter public
32 school.

33 (f) Local school districts with student(s) enrolled in a charter public school shall continue
34 to report these students in the total census of district public school students and will receive state

1 aid for all these students pursuant to the provisions of chapter 7.1 of this title.

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

4 (h) For fiscal year 2007, the indirect aid paid to districts pursuant to this section shall
5 equal the amount received in the fiscal year 2006 enacted budget by the 2005 general assembly.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would change the method in determining the local share of the per pupil amount
2 for each student attending the charter public school by allowing deductions for allocations not
3 born by the charter school based on uniform chart of accounts data. Local district payments to
4 charter public schools would be made at the end of the district's school quarter for those students
5 enrolled in the charter school during the quarter.

6 This act would take effect upon passage.

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