

2017 -- H 5845

LC001947

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO EDUCATION - THE EDUCATION EQUITY AND PROPERTY TAX RELIEF
ACT - SCHOOL FUNDING FORMULA

Introduced By: Representatives Tanzi, Shanley, Fogarty, Marshall, and Carson

Date Introduced: March 02, 2017

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.**

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

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

18 (c) For districts that are converting from a half-day to a full-day kindergarten program for

1 the 2014-2015 school year and after, as defined by § 16-99-4, the increase in aid provided
2 pursuant to the formula for the increased reference average daily membership due to the
3 conversion of the kindergarten students from 0.5 full-time equivalent to 1.0 full-time equivalent is
4 not subject to the transition plan in subsection (a); instead, the increased kindergarten full-time
5 equivalents will be funded at the fully transitioned value of the formula beginning in FY 2017.

6 (d) Notwithstanding the provisions of subsection (a) of this section, the general assembly
7 recognizes that the LEA's for whom the calculated education aid pursuant to §16-7.2-3 is less
8 than the education aid the LEA was receiving as of the effective date of the formula has been
9 unduly burdensome on said LEA's. Therefore, for the fiscal years 2018, 2019, and 2020, the
10 calculated education aid pursuant to §16-7.2-3 shall remain the same as in fiscal year 2017.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO EDUCATION - THE EDUCATION EQUITY AND PROPERTY TAX RELIEF
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1 This act would freeze the amount of education aid for local school agencies that are
2 scheduled to receive less aid under the funding formula. The education aid would be frozen at the
3 rate provided in fiscal year 2017 for a period of three (3) years.

4 This act would take effect upon passage.

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