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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 Ackerman, Casey, Regunberg, Tobon, and Amore

Date Introduced: February 11, 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 commencing with the fiscal year beginning July 1, 2015, LEA's for

10 whom the calculated education aid pursuant to § 16-7.2-3 is more than the education aid it is

11 receiving as of the effective date of the formula, the transition plan shall be accelerated so that

12 such districts receive one hundred percent (100%) of the amount of the appropriation of education

13 aid due under the formula. Provided, further, that for any municipality receiving additional

14 education aid through this acceleration of the transition plan which municipality spends more

15 than the average per pupil spending in the state, that municipality may elect to reduce its local

16 maintenance of effort payments up to the amount of additional funding being received by the

17 municipality through this acceleration.

18   (3) Districts receiving less than the education aid the LEA is receiving as of the effective

1   date of the formula shall remain on the ten (10) year transition plan.

2   (b) The local share of funding pursuant to § 16-7.2-5 shall be transitioned proportionately

3   over a period not to exceed five (5) years. The transition shall provide a combination of direct aid

4   to districts, funds for the categorical programs, and district savings through state-assumed costs,

5   as determined by the general assembly on an annual basis. Updates to any components of the

6   permanent foundation education aid formula, such as student data, property values, and/or median

7   family income, that result in an increase or decrease in state education aid that impacts the total

8   state and local contribution by more than three percent (3%) shall be transitioned over a period of

9   time not to exceed three (3) years.

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

11   the 2014-2015 school year and after, as defined by § 16-99-4, the increase in aid provided

12   pursuant to the formula for the increased reference average daily membership due to the

13   conversion of the kindergarten students from 0.5 full-time equivalent to 1.0 full-time equivalent is

14   not subject to the transition plan in subsection (a); instead, the increased kindergarten full-time

15   equivalents will be funded at the fully transitioned value of the formula beginning in FY 2017.

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

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

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ACT

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1   This act would accelerate the transition plan for calculating state aid to education. The act

2   would specifically accelerate the amounts paid to those local educational agencies which receive

3   more than the education aid the LEA was receiving as of the effective date of the school funding

4   formula, but keeps the transition plan in place for those districts receiving less education aid.

5   This act would take effect upon passage.