

2018 -- S 2662

LC003672

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

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

Introduced By: Senators Pearson, Picard, Nesselbush, Miller, and Satchell

Date Introduced: March 20, 2018

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7.2-5 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 **16-7.2-5. Charter public schools, the William M. Davies, Jr. Career and Technical**
4 **High School, and the Metropolitan Regional Career and Technical Center.**

5 (a) Charter public schools, as defined in chapter 77 of this title, the William M. Davies,
6 Jr. Career and Technical High School (Davies), and the Metropolitan Regional Career and
7 Technical Center (the Met Center) shall be funded pursuant to § 16-7.2-3. If the October 1 actual
8 enrollment data for any charter public school shows a ten percent (10%) or greater change from
9 the prior year enrollment which is used as the reference year average daily membership, the last
10 six (6) monthly payments to the charter public school will be adjusted to reflect actual enrollment.
11 The state share of the permanent foundation education aid shall be paid by the state directly to the
12 charter public schools, Davies, and the Met Center pursuant to § 16-7.2-9 and shall be calculated
13 using the state-share ratio of the district of residence of the student as set forth in § 16-7.2-4. The
14 department of elementary and secondary education shall provide the general assembly with the
15 calculation of the state share of permanent foundation education aid for charter public schools
16 delineated by school district.

17 (b) The local share of education funding shall be paid to the charter public school,
18 Davies, and the Met Center by the district of residence of the student and shall be the local, per-

1 pupil cost ~~calculated by dividing~~ which consists of the local appropriation to education from
2 property taxes, net of debt service, ~~and~~ capital projects, and the local share of education funding
3 paid to the charter public schools, Davies, and the Met Center in reference year 2014, as defined
4 in the uniform chart of accounts divided by the average daily membership for each city and town,
5 pursuant to § 16-7-22, for the reference year.

6 (c) Beginning in FY 2017, there shall be a reduction to the local per pupil funding paid by
7 the district of residence to charter public schools, Davies, and the Met Center. This reduction
8 shall be equal to the greater (i) Of seven percent (7%) of the local, per-pupil funding of the
9 district of residence pursuant to subsection (b) or (ii) The per-pupil value of the district's costs for
10 non-public textbooks, transportation for non-public students, retiree health benefits, out-of-district
11 special-education tuition and transportation, services for students age eighteen (18) to twenty-one
12 (21) years old, pre-school screening and intervention, and career and technical education, tuition
13 and transportation costs, debt service and rental costs minus the average expenses incurred by
14 charter schools for those same categories of expenses as reported in the uniform chart of accounts
15 for the prior preceding fiscal year pursuant to § 16-7-16(11) and verified by the department of
16 elementary and secondary education. In the case where audited financials result in a change in the
17 calculation after the first tuition payment is made, the remaining payments shall be based on the
18 most recent audited data. For those districts whose greater reduction occurs under the calculation
19 of (ii), there shall be an additional reduction to payments to mayoral academies with teachers who
20 do not participate in the state teacher's retirement system under chapter 8 of title 36 equal to the
21 per-pupil value of teacher retirement costs attributable to unfunded liability as calculated by the
22 state's actuary for the prior preceding fiscal year.

23 (d) Local district payments to charter public schools, Davies, and the Met Center for each
24 district's students enrolled in these schools shall be made on a quarterly basis in July, October,
25 January, and April; however, the first local-district payment shall be made by August 15, instead
26 of July. Failure of the community to make the local-district payment for its student(s) enrolled in
27 a charter public school, Davies, and/or the Met Center may result in the withholding of state
28 education aid pursuant to § 16-7-31.

29 (e) Beginning in FY 2017, school districts with charter public school, Davies, and the
30 Met Center enrollment, that, combined, comprise five percent (5%) or more of the average daily
31 membership as defined in § 16-7-22, shall receive additional aid for a period of three (3) years.
32 Aid in FY 2017 shall be equal to the number of charter public school, open-enrollment schools,
33 Davies, or the Met Center students as of the reference year as defined in § 16-7-16 times a per-
34 pupil amount of one hundred seventy-five dollars (\$175). Aid in FY 2018 shall be equal to the

1 number of charter public school, open-enrollment schools, Davies, or the Met Center students as
2 of the reference year as defined in § 16-7-16 times a per-pupil amount of one hundred dollars
3 (\$100). Aid in FY 2019 shall be equal to the number of charter public school, open-enrollment
4 schools, Davies, or the Met Center students as of the reference year as defined in § 16-7-16 times
5 a per-pupil amount of fifty dollars (\$50.00). The additional aid shall be used to offset the adjusted
6 fixed costs retained by the districts of residence.

7 (f) Beginning in FY 2019, in school districts with charter public school, Davies, and the
8 Met Center enrollments that, combined, comprise five percent (5%) or more of the average daily
9 membership as defined in § 16-7-22, the state shall pay in full the local share or contribution of
10 charter public school tuition for the number of students attending the charter public schools in
11 excess of five percent (5%) of the average daily membership. These payments shall be credited to
12 each sending district in proportion to the percentage of students from the district who are
13 attending the charter public school. As used in this subsection, the term "charter public school"
14 includes Davies and the Met Center, as well as all district charter schools, independent charter
15 schools, and mayoral academies.

16 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 -- EDUCATION EQUITY AND PROPERTY TAX RELIEF
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1 This act would provide that beginning in FY 2019, the state would pay the local share or
2 contribution of charter public school tuition for the number of students attending the charter
3 public schools in excess of five percent (5%) of the average daily membership of all pupils
4 attending public schools within those school districts.

5 This act would take effect upon passage.

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