

2014 -- H 8260

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LC005774
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

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

Introduced By: Representatives Malik, Marshall, Kennedy, Gallison, and Valencia

Date Introduced: May 29, 2014

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) 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 section 16-7.2-3 is more than the education aid the LEA is receiving as of the
7 effective date of the formula, and ten (10) years for LEA's for whom the calculated education aid
8 pursuant to section 16-7.2-3 is less than the education aid the LEA is receiving as of the effective
9 date of the formula.

10 (1) Provided, that for the fiscal year commencing July 1, 2014, a floor shall be
11 established for the education aid provided pursuant to this chapter to any regional school district
12 established pursuant to the provisions of chapter 3 of this title and which regional school district's
13 calculated education aid pursuant to § 16-7.2-3 is less than the education aid the regional district
14 was receiving as of the effective date of the formula. For such regional school districts, the floor
15 shall be equal to the amount provided in the immediately preceding fiscal year 2014. Any
16 reduction in education aid provided to such regional school districts through the transition plan
17 provided for herein shall be locked at the rate and amounts of fiscal year 2014. For all fiscal years
18 commencing on or after July 1, 2014, such regional school districts shall not be subject to any

1 [further reductions in education aid over the ten \(10\) year period provided for in subsection \(a\) of](#)
2 [this section, or at any time thereafter, without further action of the general assembly,](#)
3 [notwithstanding the calculations established pursuant to § 16-7.2-3.](#)

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

12 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
ACT

1 This act would limit the reduction in education aid pursuant to the education aid formula
2 for all regional school districts that receive less aid under the new school funding formula. The
3 reduction is limited to the amount of aid provided for in fiscal year 2014. For all fiscal years
4 commencing on or after July 1, 2014, the regional school districts which received less aid would
5 not be subject to any further reductions in education aid over the ten (10) year period.

6 This act would take effect upon passage.

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