

2014 -- H 7746

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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 - SCHOOL FUNDING FORMULA

Introduced By: Representatives Tanzi, Canario, Finn, Valencia, and Walsh

Date Introduced: February 27, 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 (b) The local share of funding pursuant to section 16-7.2-5 shall be transitioned
11 proportionately over a period not to exceed five (5) years. The transition shall provide a
12 combination of direct aid to districts, funds for the categorical programs, and district savings
13 through state-assumed costs, as determined by the general assembly on an annual basis, Updates
14 to any components of the permanent foundation education aid formula, such as student data,
15 property values, and/or median family income, that result in an increase or decrease in state
16 education aid that impacts the total state and local contribution by more than three percent (3%)
17 shall be transitioned over a period of time not to exceed three (3) years.

18 (c) Notwithstanding the provisions of subsection (a) of this section, the general assembly

1 recognizes that the LEA's for whom the calculated education aid pursuant to § 16-7.2-3 is less
2 than the education aid the LEA was receiving as of the effective date of the formula has been
3 unduly burdensome on said LEA's. Therefore, for the fiscal years 2015, 2016 and 2017, the
4 calculated education aid pursuant to § 16-7.2-3 shall remain the same as in fiscal year 2014.

5 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 2014 for a period of three years.

4 This act would take effect upon passage.

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