

2014 -- H 7182

=====
LC003116
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

—————
A N A C T

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

Introduced By: Representatives Ackerman, Shekarchi, Casey, Amore, and Blazejewski

Date Introduced: January 23, 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)(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 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 (2) Provided, that commencing with the fiscal year beginning July 1, 2014, LEA's for
11 whom the calculated education aid pursuant to section 16-7.2-3 is more than the education aid it
12 is receiving as of the effective date of the formula, the transition plan shall be accelerated so that
13 such districts receive one hundred percent (100%) of the amount of the appropriation of education
14 aid due under the formula. Provided, further, that for any municipality receiving additional
15 education aid through this acceleration of the transition plan which municipality spends more
16 than the average per pupil spending in the state, that municipality may elect to reduce its local
17 maintenance of effort payments up to the amount of additional funding being received by the
18 municipality through this acceleration.

1 (3) Districts receiving less than the education aid the LEA is receiving as of the effective
2 date of the formula shall remain on the ten (10) year transition plan.

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

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

=====
LC003116
=====

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 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.

=====
LC003116
=====