

2014 -- H 8023

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

A N A C T

RELATING TO EDUCATION - FUNDING OF PUBLIC CHARTER SCHOOLS

Introduced By: Representatives Serpa, Kennedy, O'Brien, Tomasso, and Guthrie

Date Introduced: April 03, 2014

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-77.1-2 of the General Laws in Chapter 16-77.1 entitled
2 "Funding of Charter Public Schools [See Title 16 Chapter 97 - The Rhode Island Board of
3 Education Act]" is hereby amended to read as follows:
4 **16-77.1-2. Operating costs.** -- (a) Operating costs of a charter public school shall be the
5 total of the per pupil payments for each student attending the charter public school. The per pupil
6 payment for each student shall be determined based on the per pupil cost for the district of
7 residence of each student. The state's share of the per pupil amount for each student attending the
8 charter public school shall be paid by the state directly to the charter public school and shall be
9 the percent, or share ratio, previously calculated under chapter 7 of this title; provided, that in no
10 case shall the ratio be less than thirty percent (30%), minus the five percent (5%) of per pupil cost
11 designated for indirect cost support to the student's school district as defined in subsection (b).
12 The five percent (5%) indirect cost amount shall be deducted from the district per pupil cost
13 before the state share is derived by applying the share ratio to the district per pupil cost. The local
14 share of the per pupil amount for each student attending the charter public school shall be paid to
15 the charter public school by the district of residence of the student and shall be the per pupil cost
16 for the district of residence of the student minus the state share of that per pupil cost as designated
17 in this section [and minus allocations not borne by the charter school based on the uniform chart of](#)
18 [accounts \(UCOA\) data such as out of district special education and district costs required by the](#)
19 [basic education plan \(BEP\).](#)

1 (b) In addition to all state aid to education paid to a local district pursuant to chapter 7.1
2 of this title, the state will pay an additional amount to the district for each student from this
3 district who is attending a charter public school. The additional amount of state aid per pupil shall
4 be five percent (5%) of the districts per pupil cost. The additional state aid shall be for the
5 purpose of assisting local school districts to undertake the indirect costs borne by a district when
6 its student attends a charter public school.

7 (c) The state department of elementary and secondary education shall annually determine
8 both the state and local share of each charter public school's operating costs by deriving the
9 respective shares associated with each student reported as a member of the charter public school
10 as of June 30 of the reference year as defined in section 16-7-16(11) (or the enrollment as of
11 October 1 of the current school year in the first year of operation of a charter school). All other
12 data used in this determination shall be based upon the reference year as defined in section 16-7-
13 16(11).

14 (d) The state shall make payments of its share of operating costs to each charter public
15 school on a quarterly basis in July, October, January, and April. The July and October payments
16 will be based upon the reported student membership of the charter public school as of June 30 of
17 the reference year as defined in section 16-7-16(11) (or the enrollment as of October 1 of the
18 current school year in the first year of operation of a charter school). Charter public schools will
19 report current student enrollment, including district of residence for school purposes of each
20 student enrolled, and each district will report current total district operating expenses and total
21 district enrollments (including district students enrolled in charter public schools) annually by
22 October 1. If the October 1 data on a charter public school's student enrollment show a ten
23 percent (10%) or greater increase or decrease in students from the June membership count, the
24 third and fourth quarter payments to the charter public school will be adjusted to reflect actual
25 student enrollment in the charter public school.

26 (e) Local district payments to charter public schools for each district's students enrolled
27 in the charter public school shall also be made quarterly [at the end of the district's school quarter](#)
28 [for those students actually enrolled in the charter school during the quarter](#) as designated in
29 subsection (d); the first local district payment shall be made by August 15 instead of July. Any
30 local school district more than thirty (30) days in arrears on a quarterly payment for its student(s)
31 enrolled in a charter public school shall have the amount of the arrearage deducted from state aid
32 to that district and the withheld arrearage shall be paid by the state directly to the charter public
33 school.

34 (f) Local school districts with student(s) enrolled in a charter public school shall continue

1 to report these students in the total census of district public school students and will receive state
2 aid for all these students pursuant to the provisions of chapter 7.1 of this title.

3 (g) All entitlements except those provided for in section 16-24-6.2 shall be ratably
4 reduced if less than one hundred percent (100%) of the expenditures is appropriated.

5 (h) For fiscal year 2007, the indirect aid paid to districts pursuant to this section shall
6 equal the amount received in the fiscal year 2006 enacted budget by the 2005 general assembly.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would change the method of determining the local share of the per pupil cost for
2 each student attending a charter school by subtracting from the local share, allocations not borne
3 by the charter school, based on the Uniform Chart of Accounts (UCOA). It would also provide
4 that local district payments to charter public schools are to be made by the end of the district's
5 school quarter.

6 This act would take effect upon passage.

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