

2017 -- H 5753

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LC001928  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

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

Introduced By: Representatives Marshall, Price, Filippi, Chippendale, and Donovan

Date Introduced: March 01, 2017

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.**

4           (a)(1) The general assembly shall annually determine the appropriation of education aid  
5 pursuant to this chapter using a transition plan to begin in fiscal year 2012, not to exceed seven  
6 (7) years for LEA's for whom the calculated education aid pursuant to § 16-7.2-3 is more than the  
7 education aid the LEA is receiving as of the effective date of the formula, and ten (10) years for  
8 LEA's for whom the calculated education aid pursuant to § 16-7.2-3 is less than the education aid  
9 the LEA is receiving as of the effective date of the formula.

10           (2) Provided, that for the fiscal year commencing July 1, 2017, a financial 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 when the district's calculated  
13 education aid pursuant to §16-7.2-3 is less than the education aid the regional district was  
14 receiving as of the effective date of the formula. For such regional school districts, the financial  
15 floor shall be equal to the amount provided in the immediately preceding fiscal year (FY 2017).  
16 Any reduction in education aid provided to such regional school districts through the transition  
17 plan provided for herein shall be locked at the rate and amounts of fiscal year 2017. For all fiscal  
18 years commencing on or after July 1, 2017, such regional school districts shall not be subject to

1 [any further reductions in education aid over the ten \(10\) year period provided for in subsection](#)  
2 [\(a\)\(1\) of 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 § 16-7.2-5 shall be transitioned proportionately  
5 over a period not to exceed five (5) years. The transition shall provide a combination of direct aid  
6 to districts, funds for the categorical programs, and district savings through state-assumed costs,  
7 as determined by the general assembly on an annual basis. Updates to any components of the  
8 permanent foundation education aid formula, such as student data, property values, and/or median  
9 family income, that result in an increase or decrease in state education aid that impacts the total  
10 state and local contribution by more than three percent (3%) shall be transitioned over a period of  
11 time not to exceed three (3) years.

12 (c) For districts that are converting from a half-day to a full-day kindergarten program for  
13 the 2014-2015 school year and after, as defined by § 16-99-4, the increase in aid provided  
14 pursuant to the formula for the increased reference average daily membership due to the  
15 conversion of the kindergarten students from 0.5 full-time equivalent to 1.0 full-time equivalent is  
16 not subject to the transition plan in subsection (a); instead, the increased kindergarten full-time  
17 equivalents will be funded at the fully transitioned value of the formula beginning in FY 2017.

18 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

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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 would be limited to the amount of aid provided for in Fiscal Year 2017. For all fiscal  
4 years commencing on or after July 1, 2017, the regional school districts which received less aid  
5 would not be subject to any further reductions in education aid over the remaining portion of the  
6 ten (10) year phase-in period provided for by the education aid formula.

7           This act would take effect upon passage.

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