

2017 -- S 0568

LC001647

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO EDUCATION-FOUNDATION LEVEL SCHOOL SUPPORT

Introduced By: Senators DiPalma, Pearson, Doyle, and Seveney

Date Introduced: March 15, 2017

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7-23 of the General Laws in Chapter 16-7 entitled "Foundation
2 Level School Support [See Title 16 Chapter 97 - The Rhode Island Board Of Education Act]" is
3 hereby amended to read as follows:

4 **16-7-23. Community requirements -- Adequate minimum budget provision.**

5 (a) The school committee's budget provisions of each community for current
6 expenditures in each budget year shall provide for an amount from all sources sufficient to
7 support the basic program and all other approved programs shared by the state. Effective in fiscal
8 year 2018 and except to the extent permitted by §§16-7-23.1 and 16-7-23.2, Each each
9 community shall contribute local funds to its school committee the greater of the following two
10 (2) amounts:

11 ~~(1) in an amount not less than its~~ The local contribution for schools in the previous fiscal
12 year ~~except to the extent permitted by §§ 16-7-23.1 and 16-7-23.2. Provided, that for the fiscal~~
13 ~~years 2010 and 2011 each community shall contribute to its school committee in an amount not~~
14 ~~less than ninety five percent (95.0%) of its~~ increased in accordance with the CPI-U measure from
15 the most recent state fiscal year; or

16 (2) The local contribution for schools for the fiscal year 2009 in the previous fiscal year
17 increased on a per pupil basis for each additional pupil when average daily membership as
18 defined in §16-7-16(2) increases by at least one percent (1%) for two (2) consecutive years.

19 (b) Calculation of the annual local contribution shall not include Medicaid revenues

1 received by the municipality or district pursuant to chapter 8 of title 40. A community which has
2 a decrease in enrollment may compute maintenance of effort on a per pupil rather than on an
3 aggregate basis when determining its local contribution but must still adjust its net contribution
4 after the deduction for enrollment decline by the most recent state fiscal year CPI-U increase.
5 Furthermore, a community which experiences a nonrecurring expenditure for its schools may
6 deduct the nonrecurring expenditure in computing its maintenance of effort. The deduction of
7 nonrecurring expenditures shall be with the approval of the commissioner. Provided, however,
8 that notwithstanding any provision of this title to the contrary, debt service that is no longer
9 carried on the books of any school district shall not be included in any school districts' annual
10 budget, nor shall non-recurring debt service be included in maintenance of effort as set forth in
11 this chapter, nor shall any ~~non-recurring~~ nonrecurring debt service be included in the operating
12 budget of any school district. For the purposes set forth above non-recurring capital lease
13 payments shall be considered non-recurring debt service. The courts of this state shall enforce this
14 section by means of injunctive relief.

15 ~~(b)~~(c) Whenever any state funds are appropriated for educational purposes, the funds
16 shall be used for educational purposes only and all state funds appropriated for educational
17 purposes must be used to supplement any and all money allocated by a city or town for
18 educational purposes and, in no event, shall state funds be used to supplant, directly or indirectly,
19 any money allocated by a city or town for educational purposes. All state funds shall be
20 appropriated by the municipality to the school committee for educational purposes in the same
21 fiscal year in which they are appropriated at the state level even if the municipality has already
22 adopted a school budget. All state and local funds unexpended by the end of the fiscal year of
23 appropriation shall remain a surplus of the school committee and shall not revert to the
24 municipality. Any surplus of state or local funds appropriated for educational purposes shall not
25 in any respect affect the requirement that each community contribute local funds in an amount ~~not~~
26 ~~less than its local contribution for schools in the previous fiscal year, subject to~~ determined by
27 subsection (a) of this section, and shall not in any event be deducted from the amount of the local
28 appropriation required to meet the maintenance of effort provision in any given year.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO EDUCATION-FOUNDATION LEVEL SCHOOL SUPPORT

1 This act would amend the maintenance of effort provisions to require that local aid be
2 determined by the amount of the previous year's aid, plus inflation or the local contribution for
3 schools for the previous fiscal year plus and increase on a per pupil basis for each additional pupil
4 when average daily membership increases by at least one percent (1%) for two (2) consecutive
5 years.

6 This act would take effect upon passage.

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