

2017 -- S 0920

LC002718

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

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

Introduced By: Senators Pearson, Miller, Gallo, Sheehan, and Satchell

Date Introduced: May 30, 2017

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 16-7.2-5 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 **16-7.2-5. Charter public schools, the William M. Davies, Jr. Career and Technical**
4 **High School, and the Metropolitan Regional Career and Technical Center.**

5 (a) Charter public schools, as defined in chapter 77 of this title, the William M. Davies,
6 Jr. Career and Technical High School (Davies), and the Metropolitan Regional Career and
7 Technical Center (the Met Center) shall be funded pursuant to § 16-7.2-3. If the October 1 actual
8 enrollment data for any charter public school shows a ten percent (10%) or greater change from
9 the prior year enrollment which is used as the reference year average daily membership, the last
10 six (6) monthly payments to the charter public school will be adjusted to reflect actual enrollment.
11 The state share of the permanent foundation education aid shall be paid by the state directly to the
12 charter public schools, Davies, and the Met Center pursuant to § 16-7.2-9 and shall be calculated
13 using the state-share ratio of the district of residence of the student as set forth in § 16-7.2-4. The
14 department of elementary and secondary education shall provide the general assembly with the
15 calculation of the state share of permanent foundation education aid for charter public schools
16 delineated by school district.

17 (b) The local share of education funding shall be paid to the charter public school,
18 Davies, and the Met Center by the district of residence of the student and shall be the local, per-

1 pupil cost calculated by dividing the local appropriation to education from property taxes, net of
2 debt service, and capital projects, as defined in the uniform chart of accounts by the average daily
3 membership for each city and town, pursuant to § 16-7-22, for the reference year.

4 (c) Beginning in FY 2017, there shall be a reduction to the local per pupil funding paid by
5 the district of residence to charter public schools, Davies, and the Met Center. This reduction
6 shall be equal to the greater (i) Of seven percent (7%) of the local, per-pupil funding of the
7 district of residence pursuant to subsection (b) or (ii) The per-pupil value of the district's costs for
8 non-public textbooks, transportation for non-public students, retiree health benefits, out-of-district
9 special-education tuition and transportation, services for students age eighteen (18) to twenty-one
10 (21) years old, pre-school screening and intervention, and career and technical education, tuition
11 and transportation costs, debt service and rental costs minus the average expenses incurred by
12 charter schools for those same categories of expenses as reported in the uniform chart of accounts
13 for the prior preceding fiscal year pursuant to § 16-7-16(11) and verified by the department of
14 elementary and secondary education. In the case where audited financials result in a change in the
15 calculation after the first tuition payment is made, the remaining payments shall be based on the
16 most recent audited data. ~~For those districts whose greater reduction occurs under the calculation~~
17 ~~of (ii), there~~ There shall be an additional reduction to payments to mayoral academies and any
18 other state-operated school with teachers who do not participate in the state teacher's retirement
19 system under chapter 8 of title 36 equal to the per-pupil value of teacher retirement costs
20 attributable to unfunded liability as calculated by the state's actuary for the prior preceding fiscal
21 year.

22 (d) Local district payments to charter public schools, Davies, and the Met Center for each
23 district's students enrolled in these schools shall be made on a quarterly basis in July, October,
24 January, and April; however, the first local-district payment shall be made by August 15, instead
25 of July. Failure of the community to make the local-district payment for its student(s) enrolled in
26 a charter public school, Davies, and/or the Met Center may result in the withholding of state
27 education aid pursuant to § 16-7-31.

28 (e) Beginning in FY 2017, school districts with charter public school, Davies, and the
29 Met Center enrollment, that, combined, comprise five percent (5%) or more of the average daily
30 membership as defined in § 16-17-22, shall receive additional aid for a period of three (3) years.
31 Aid in FY 2017 shall be equal to the number of charter public school, open-enrollment schools,
32 Davies, or the Met Center students as of the reference year as defined in § 16-7-16 times a per-
33 pupil amount of one hundred seventy-five dollars (\$175). Aid in FY 2018 shall be equal to the
34 number of charter public school, open-enrollment schools, Davies, or the Met Center students as

1 of the reference year as defined in § 16-7-16 times a per-pupil amount of one hundred dollars
2 (\$100). Aid in FY 2019 shall be equal to the number of charter public school, open-enrollment
3 schools, Davies, or the Met Center students as of the reference year as defined in § 16-7-16 times
4 a per-pupil amount of fifty dollars (\$50.00). The additional aid shall be used to offset the adjusted
5 fixed costs retained by the districts of residence.

6 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 provide for a reduction to local per pupil funding for state-operated
- 2 schools that do not have teachers who participate in the state teacher's retirement system.
- 3 This act would take effect upon passage.

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