

2019 -- H 5449

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LC001377
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO EDUCATION - FOUNDATION LEVEL SCHOOL SUPPORT

Introduced By: Representatives Jacquard, and Fogarty

Date Introduced: February 14, 2019

Referred To: House Municipal Government

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. Each community
8 shall contribute local funds to its school committee in an amount not less than its local
9 contribution for schools in the previous fiscal year except to the extent permitted by §§ 16-7-23.1
10 and 16-7-23.2. Provided, that for the fiscal years 2010 and 2011 each community shall contribute
11 to its school committee in an amount not less than ninety-five percent (95.0%) of its local
12 contribution for schools for the fiscal year 2009. Calculation of the annual local contribution shall
13 not include Medicaid revenues received by the municipality or district pursuant to chapter 8 of
14 title 40. A community that has a decrease in enrollment may compute maintenance of effort on a
15 per-pupil rather than on an aggregate basis when determining its local contribution; furthermore,
16 a community that experiences a nonrecurring expenditure for its schools may deduct the
17 nonrecurring expenditure in computing its maintenance of effort. The deduction of nonrecurring
18 expenditures shall be with the approval of the commissioner. Provided, however, that
19 notwithstanding any provision of this title to the contrary, debt service that is no longer carried on

1 the books of any school district shall not be included in any school district's annual budget, nor
2 shall nonrecurring debt service be included in maintenance of effort as set forth in this chapter,
3 nor shall any nonrecurring debt service be included in the operating budget of any school district.
4 For the purposes set forth above, nonrecurring capital lease payments shall be considered
5 nonrecurring debt service. The courts of this state shall enforce this section by means of
6 injunctive relief.

7 (b) Districts' annual maintenance expenditures must meet the requirements of subsection
8 (b)(1), (b)(2), or (b)(3) of this section.

9 (1) A minimum of three percent (3%) of the operating budget shall be dedicated
10 exclusively for maintenance expenditures as defined in § 16-7-36(7) provided that for FY 2019,
11 that amount shall be one percent (1%), for FY 2020, that amount shall be one and one-half
12 percent (1.5%), for FY 2021 that amount shall be two percent (2%), and for FY 2022 that amount
13 shall be two and one-half percent (2.5%).

14 (2) A minimum of three percent (3%) of the replacement value shall be dedicated
15 exclusively for maintenance expenditures as defined in § 16-7-36(7) provided that for FY 2019,
16 that amount shall be one percent (1%), for FY 2020 that amount shall be one and one-half percent
17 (1.5%), for FY 2021 that amount shall be two percent (2%), and for FY 2022 that amount shall be
18 two and one-half percent (2.5%).

19 (3) A minimum of three dollars (\$3.00), subject to inflation, per square foot of building
20 space shall be dedicated exclusively for maintenance expenditures as defined in § 16-7-36(7).

21 (4) A city or town has the option to transfer responsibility and expenditures for school
22 building maintenance to the municipal side of the local government; provided, that this shall not
23 reduce any obligations imposed by this section or for maintenance of effort.

24 (c) The department of elementary and secondary education shall be responsible for
25 establishing a reporting mechanism to ensure the intent of this section is being met. In the event
26 that a district does not meet its minimum expenditure requirement in a given year, the state shall
27 direct state housing aid paid pursuant to § 16-7-41 or § 16-105-5, in an amount equal to the
28 shortfall, to a restricted fund created by the district and dedicated solely to meeting maintenance
29 requirements.

30 (d) Whenever any state funds are appropriated for educational purposes, the funds shall
31 be used for educational purposes only and all state funds appropriated for educational purposes
32 must be used to supplement any and all money allocated by a city or town for educational
33 purposes and, in no event, shall state funds be used to supplant, directly or indirectly, any money
34 allocated by a city or town for educational purposes. All state funds shall be appropriated by the

1 municipality to the school committee for educational purposes in the same fiscal year in which
2 they are appropriated at the state level even if the municipality has already adopted a school
3 budget. All state and local funds unexpended by the end of the fiscal year of appropriation shall
4 remain a surplus of the school committee and shall not revert to the municipality. Any surplus of
5 state or local funds appropriated for educational purposes shall not in any respect affect the
6 requirement that each community contribute local funds in an amount not less than its local
7 contribution for schools in the previous fiscal year, subject to subsection (a) of this section, and
8 shall not in any event be deducted from the amount of the local appropriation required to meet the
9 maintenance of effort provision in any given year.

10 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 - FOUNDATION LEVEL SCHOOL SUPPORT

- 1 This act would allow a city or town to transfer responsibility and expenditures for school
- 2 building maintenance to the municipal side of the local government.
- 3 This act would take effect upon passage.

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