

2017 -- S 0252

LC000606

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, and Picard

Date Introduced: February 15, 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, and an additional reduction to payments to  
12 mayoral academies with teachers who do not participate in the state teachers' retirement system  
13 under chapter 8 of title 36 equal to the per-pupil value of teacher retirement costs attributable to  
14 unfunded liability as calculated by the state's actuary for the prior preceding fiscal year, minus the  
15 average expenses incurred by charter schools for those same categories of expenses as reported in  
16 the uniform chart of accounts for the prior preceding fiscal year pursuant to § 16-7-16(11) and  
17 verified by the department of elementary and secondary education. In the case where audited  
18 financials result in a change in the calculation after the first tuition payment is made, the  
19 remaining payments shall be based on the most recent audited data. ~~For those districts whose~~  
20 ~~greater reduction occurs under the calculation of (ii), there shall be an additional reduction to~~  
21 ~~payments to mayoral academies with teachers who do not participate in the state teacher's~~  
22 ~~retirement system under chapter 8 of title 36 equal to the per pupil value of teacher retirement~~  
23 ~~costs attributable to unfunded liability as calculated by the state's actuary for the prior preceding~~  
24 ~~fiscal year.~~

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

31 (e) Beginning in FY 2017, school districts with charter public school, Davies, and the  
32 Met Center enrollment, that, combined, comprise five percent (5%) or more of the average daily  
33 membership as defined in § 16-17-22, shall receive additional aid for a period of three (3) years.  
34 Aid in FY 2017 shall be equal to the number of charter public school, open-enrollment schools,

1 Davies, or the Met Center students as of the reference year as defined in § 16-7-16 times a per-  
2 pupil amount of one hundred seventy-five dollars (\$175). Aid in FY 2018 shall be equal to the  
3 number of charter public school, open-enrollment schools, Davies, or the Met Center students as  
4 of the reference year as defined in § 16-7-16 times a per-pupil amount of one hundred dollars  
5 (\$100). Aid in FY 2019 shall be equal to the number of charter public school, open-enrollment  
6 schools, Davies, or the Met Center students as of the reference year as defined in § 16-7-16 times  
7 a per-pupil amount of fifty dollars (\$50.00). The additional aid shall be used to offset the adjusted  
8 fixed costs retained by the districts of residence.

9 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  
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1           This act would adjust the charter school tuition hold back provision in last year's budget  
2 by allowing the school districts to choose between withholding seven percent (7%) or the  
3 difference in unique costs.

4           This act would take effect upon passage.

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