

2016 -- H 8006

=====
LC005548
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

—————
A N A C T

RELATING TO EDUCATION - COMMUNITY REQUIREMENTS - ADEQUATE MINIMUM
BUDGET PROVISION

Introduced By: Representatives Chippendale, Winfield, and Keable

Date Introduced: March 25, 2016

Referred To: House 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. --** (a)
5 The school committee's budget provisions of each community for current expenditures in each
6 budget year shall provide for an amount from all sources sufficient to support the basic program
7 and all other approved programs shared by the state. Each community shall contribute local funds
8 to its school committee in an amount not less than its local contribution for schools in the
9 previous fiscal year except to the extent permitted by §§ 16-7-23.1 and 16-7-23.2. Provided, that
10 for the fiscal years 2010 and 2011 each community shall contribute to its school committee in an
11 amount not less than ninety-five percent (95.0%) of its local contribution for schools for the fiscal
12 year 2009. Calculation of the annual local contribution shall not include Medicaid revenues
13 received by the municipality or district pursuant to chapter 8 of title 40. A community which has
14 a decrease in enrollment may compute maintenance of effort on a per pupil rather than on an
15 aggregate basis when determining its local contribution; furthermore, a community which
16 experiences a nonrecurring expenditure for its schools may deduct the nonrecurring expenditure
17 in computing its maintenance of effort. The deduction of nonrecurring expenditures shall be with
18 the approval of the commissioner. Provided, however, that notwithstanding any provision of this

1 title to the contrary, debt service that is no longer carried on the books of any school district shall
2 not be included in any school districts' annual budget, nor shall non-recurring debt service be
3 included in maintenance of effort as set forth in this chapter, nor shall any ~~non-recurring non-~~
4 recurring debt service be included, nor shall any non-recurring capital expenses, as defined in the
5 Governmental Accounting, Auditing, and Financial Reporting Blue Book, 20th Edition, be
6 included in the ~~operating annual~~ budget or in the maintenance of effort of any school district. For
7 the purposes set forth above non-recurring capital lease payments shall be considered non-
8 recurring debt service. The courts of this state shall enforce this section by means of injunctive
9 relief.

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

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

=====
LC005548
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO EDUCATION - COMMUNITY REQUIREMENTS - ADEQUATE MINIMUM
BUDGET PROVISION

- 1 This act would provide that any non-recurring capital expenses shall not be included in
- 2 the annual budget or in the maintenance of effort of any school district.
- 3 This act would take effect upon passage.

=====
LC005548
=====