



RHODE ISLAND KIDS COUNT

ONE UNION STATION
PROVIDENCE, RHODE ISLAND 02903
401/351-9400 • 401/351-1758 (FAX)

Testimony Re: Senate Bill 568 Re: Maintenance of Effort Provisions for Local School Aid

Senate Finance Committee

April 25, 2017

Stephanie Geller, Senior Policy Analyst

Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony today. Rhode Island KIDS COUNT would like to voice its support for Senate Bill 568. This bill would require that local aid be determined by the amount of the previous year's aid with adjustments for inflation and increases in average daily membership.

Specifically, this bill proposes that effective in Fiscal Year 2018 each community shall contribute local funds to its school committee equal to the greater of the following two amounts:

- (1) The local contribution for schools in the previous fiscal year with increases based on the Consumer Price Index (CPI-U) for urban consumers from the most recent state fiscal year.
- (2) The local contribution for the fiscal year 2009 increased on a per pupil basis for each additional pupil when average daily membership increases by at least one percent for two consecutive years.

This bill is consistent with the recommendations of the Funding Formula Working Group's 2016 report which recommended that "funding formula maintenance-of-effort language for cities and towns should be strengthened to account for reasonable factors such as inflation and enrollment increases."

Maintenance of Effort (MOE) is a widely used and well-established method of ensuring that local appropriation for education remains relatively consistent from year to year. MOE requirements create a safeguard that prevents cities and towns from shifting funding away from critical areas, especially when the state or federal government is providing funding to help them meet their obligations.

Thank you for the leadership that the General Assembly has shown in developing a fair and equitable funding formula and ensuring that our schools receive adequate funding and thank you for the opportunity to testify today.