

How will new Rhode Island Law S3050 impact Middletown Public Schools?

26 Oliphant Lane
Middletown, RI 02842
(401) 849-2122
www.ri.net/middletown

RI Law S3050 Informational Brochure

New Rhode Island Law S3050 will have big impact on public schools

What is S3050?

It is a legislative bill in Rhode Island that was signed into law last summer. Its impact will be heavily felt by public school districts across the state because the law limits the annual increase on a town's or cities tax levy to 5.25% for fiscal year 2007-2008. A tax levy is the amount of money a town raises through the property tax to cover the school district's budget and town budget. *This new law does not affect the tax rate, just the dollar amount raised through taxes.* Basically, it sets a limit on how much money a town or city can raise through taxes. While that limit or cap is set at 5.25% for fiscal year 2007-2008, each year it will drop by .25% until it reaches 4% in 2013. The bill states that there should be an increase in State aid funding. However, given the State budget deficit, school departments are not hopeful that increased funding will happen.

What is the purpose of this new law?

State legislators introduced this bill as a way of curbing property tax increases, but more importantly to encourage labor unions, the state of Rhode Island, and Town/City Councils and School Committees to spend our tax money more wisely and efficiently. State Senate Majority Leader M. Teresa Paiva Weed, the sponsor of the bill, wants to see towns/cities and school committees working together collaboratively to save money, curb costs and eliminate inefficient business practices.

What impact will this law have on public schools?

For Middletown, as well as many other Rhode Island public schools, it will mean each year there will be less and less money to spend on improving public education for our children. This new state legislation is aimed at curbing escalating property tax rates, encouraging schools and towns/cities to work together more efficiently to reduce costs, and closely look at teachers' salary and benefit packages. Educational programming will suffer unless a predictable State Aid formula is achieved.

How can you learn more about S3050?

Check out this website:

<http://www.rilin.state.ri.us/BillText06/SenateText06/S3050.htm>