Resolution
Stabilization of State Educational Aid

WHEREAS: The state of Rhode Island provides direct financial support to municipalities to supplement the cost of good government by offering an alternative to higher taxation; and;

WHEREAS: it is critical to a municipalities financial stability and success to have the ability to plan to the future with assurance that funding estimates used in those calculations are stable and then realized by the municipality; and

WHEREAS: the majority of State Education Aid, provided by the State, is determined by a funding formula which is recalculated annually but does not take into consideration factors such as: R.I.G.L. § 16-7-23 which mandates that each "community shall contribute local funds to its school committee in an amount not less than its local contribution for schools in the previous fiscal year"; and

WHEREAS: the Motor Vehicle Excise Tax Phase out Reimbursement which, per R.I.G.L., was forecasted out to 2024, at an amount certain, for each community is now in jeopardy of changing for FY 2020, 2021, 2022, & 2023 due to the Governor's budget proposal currently under consideration; and

WHEREAS: municipalities have many obligations, which are constantly growing, but the realization of restrictions such as: R.I.G.L. § 44-5-2 which caps the amount a municipality may levy in excess of the amount levied by the municipality for its previous fiscal year; and the negative impact of increasing taxation to our residents coupled with the instability of revenues, whether or not from state aid, could create a perilous fiscal forecast for our future; and

WHEREAS: consideration of a “Maintenance of Effort” funding plan for municipalities similar to R.I.G.L. § 16-7-23, which was adopted by our legislators as an attempt to maintain stability for our schools by ensuring predictable and accountable school funding from each municipality, may be a tool to ensure the same stability for municipal government; and

NOW THEREFORE BE IT RESOLVED; the Warren Town Council respectfully requests the Honorable Gina Raimondo, Governor and our Legislators in the House and Senate to work towards the stabilization of funding and increased equity in the distribution of State Aid to all communities in Rhode Island.

Date: April 9, 2019

Keri M. Cronin – President
John W. Hanley - Vice President
Joseph A. DePasquale
Steven P. Calenda
P. Brandt Heckert

Keri M. Cronin, President