

Department of Administration BUDGET OFFICE One Capitol Hill Providence, R.I. 02908-5886

## Memorandum

To:

The Honorable Helio Melo

Chairman, House Finance Committee

The Honorable Daniel DaPonte

Chairman, Senate Finance Committee

From:

Thomas A. Mullaney

Executive Director/State Budget Officer

Date:

May 27, 2011

Subject:

Article 10, Section 5 Amendment – 11-H-5894

Relating to School for the Deaf

The Governor requests amendment to Section 5 of Article 10, Relating to School for the Deaf to further define the fee for service program at the school. The amendment removes reference to RIGL §16-26-7.1 and instead includes all changes in the proposed new section of law §16-26-12, Other Sources of Funding. Specifically, this amendment clarifies the 2009 General Assembly's legislative intent for the fee for service charged to local school districts for providing services beyond the core services afforded to all deaf students at the school. This clarifying language was requested by the Department of Elementary and Secondary Education as a result of a lawsuit filed by several communities regarding this new fee for service program and is intended to make clear that the legislative intent was for such a program to be established in FY 2010. This amendment also splits the original subsection (a) into two subsections and changes the number of times per year that school districts would receive invoices from the school from monthly to three times per year.

There are two copies of the amended article section attached to this letter. The first version highlights the changes from the Governor's original submission. In cases where we are striking previously proposed language, we show a double strike-out. Where we are proposing new language in addition to previously submitted language, we show the change as a double-underline. All single underlined and single strike-out language that remains reflects our original submission. The second version is a clean version of the article including all proposed revisions.

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If you have any questions or need any additional information concerning this article, please feel free to contact me at 222-6300.

TAM:sma 11-62

## Attachment

cc: Representative Brian Newberry
Senator Dennis L. Algiere
Sharon Reynolds Ferland
Peter Marino
Christine Hunsinger
Elizabeth Leach

1	REVISED
2	ARTICLE 10
3	SECTION 5
4	RELATING TO SCHOOL FOR THE DEAF
5	SECTION 5. Section 16-26-12 of the General Laws in Chapter 16-26 entitled "School for the
-6	Deaf" is hereby amended by additiing the following section thereto:
7	§ 16-26-12 Other sources of funding (a) The 2009 general assembly, through the FY 2010
8	appropriation act, established a fee for service program, also known as a tuition program, for the Rhode
9	Island School for the Deaf effective July 1, 2009 in accordance with the fee structure developed and
10	implemented by the department of elementary and secondary education. Under this fee for service
11	program, and the provisions of R.I.G.L. section 16-26-7.1 notwithstanding, districts shall be assessed
12	tuition to cover the costs of educational services that are additional to the core deaf and hard of hearing
13	education program that is provided to resident students at the Rhode Island School for the Deaf.
14	(b) Tuition assessed at the School for the Deaf to cover costs of educational services that are additional to
15	the core deaf and hard of hearing education program shall be based on a graduated tuition schedule
16	correlating to the varying needs of students. Districts shall receive three (3) times each school year.
17	invoices summarizing the basis for the tuition charged. There shall be deducted from the final aid
18	payment to each school district at the end of the fiscal year any amounts owed to the state for these
19	additional educational services. All tuition paid by districts and any aid deducted for non-payment shall
20	be deposited in a restricted receipt account and shall be exempt from the indirect cost recovery provisions
21	of section 35-4-7.
22	(c) The School for the Deaf is hereby authorized to rent or lease space in its school building. The school
23	shall deposit any revenues from such agreements into a restricted receipt account, to be known as the
24	School for the Deaf Rental Income Account, to be used for the same educational purposes that its state

- 1 appropriation is used for. Any such rental agreements must receive prior approval from the school's
- 2 board of trustees and by the state properties committee.
- 3 (d) Except for the fee for service program, which became effective on July 1, 2009, this article shall
- 4 apply retroactively to July 1, 2010.

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5	SECTION 5. Section 16-26-7.1 of the General Laws in Chapter 16-26 entitled "School for the
6	Deaf" is hereby amended to read as follows:
7	§ 16-26-7.1 Regional hearing impaired programs. — (a) Each city and town may contract with
8	the Rhode Island School for the Deaf to establish and operate programs for the hearing impaired.
9	(b) When these programs are operated by the Rhode Island School for the Deaf, each
10	participating city or town shall be assessed for the cost of the program in the proportion that their
11	enrollment bears to the total enrollment in the program. The assessments shall be deposited in a restricted
12	receipt account for the purpose of funding expenditures necessary to operate the regional program.
13	(e) The provisions of R.I.G.L. § 16-26-7.1(a) and (b) notwithstanding, districts shall be assessed
14	tuition to cover the costs of educational services that are additional to the core deaf and hard of hearing
15	education program that is provided to resident students at the Rhode Island School for the Deaf. This
16	tuition shall be based on a graduated tuition schedule that is based on the varying needs of students. The
17	department of elementary and secondary education shall develop and implement the schedule. Districts
18	shall receive quarterly invoices summarizing the basis for the tuition charged. There shall be deducted
19	from the final aid payment to each school district at the end of the fiscal year any amounts owed to the
20	state for these additional educational services.
21	SECTION 5. Section 16-26-12 of the General Laws in Chapter 16-26 entitled "School for the
22	Deaf" is hereby amended by adding the following section thereto:
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§ 16-26-12 Other sources of funding (a) The 2009 general assembly, through the FY 2010 1 appropriation act, established a fee for service program, also known as a tuition program, for the Rhode 2 Island School for the Deaf effective July 1, 2009 in accordance with the fee structure developed and 3 implemented by the department of elementary and secondary education. Under this fee for service 4 program, and the provisions of R.I.G.L. section 16-26-7.1 notwithstanding, districts shall be assessed 5 tuition to cover the costs of educational services that are additional to the core deaf and hard of hearing 6 education program that is provided to resident students at the Rhode Island School for the Deaf. This 7 tuition shall be based on a graduated tuition schedule that is based on the varying needs of students.. The 8 department of elementary and secondary education shall develop and implement this schedule. Districts 9 shall receive monthly invoices summarizing the basis for the tuition charged. There shall be deducted 10 from the final aid payment to each school district at the end of the fiscal year any amounts owed to the state for these additional educational services. All tuition paid by districts and any aid deducted for non-12 payment shall be deposited in a restricted receipt account and shall be exempt from the indirect cost recovery provisions of section 35-4-7. (b) Tuition assessed at the School for the Deaf to cover costs of educational services that are additional to the core deaf and hard of hearing education program shall be based on a graduated tuition schedule correlating to the varying needs of students. Districts shall receive three (3) times each school year, invoices summarizing the basis for the tuition charged. There shall be deducted from the final aid payment to each school district at the end of the fiscal year any amounts owed to the state for these 19 additional educational services. All tuition paid by districts and any aid deducted for non-payment shall 20 be deposited in a restricted receipt account and shall be exempt from the indirect cost recovery provisions of section 35-4-7. 22 (c) The School for the Deaf is hereby authorized to rent or lease space in its school building. The school shall deposit any revenues from such agreements into a restricted receipt account, to be known as the 24

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