

**2026 -- H 7163**

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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2026**

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**A N A C T**

**RELATING TO EDUCATION -- FOUNDATION LEVEL SCHOOL SUPPORT**

Introduced By: Representatives Donovan, O'Brien, Casimiro, Boylan, Speakman, Messier, Furtado, Cortvriend, Kislak, and Potter

Date Introduced: January 16, 2026

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.**

5        (a) The school committee's budget provisions of each community for current expenditures  
6        in each budget year shall provide for an amount from all sources sufficient to support the basic  
7        program and all other approved programs shared by the state. Each community shall contribute  
8        local funds to its school committee in an amount not less than its local contribution for schools in  
9        the previous fiscal year except to the extent permitted by §§ 16-7-23.1 and 16-7-23.2. Provided,  
10       that for the fiscal years 2010 and 2011 each community shall contribute to its school committee in  
11       an amount not less than ninety-five percent (95.0%) of its local contribution for schools for the  
12       fiscal 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 that has a  
14       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 that experiences  
16       a nonrecurring expenditure for its schools may deduct the nonrecurring expenditure in computing  
17       its maintenance of effort. The deduction of nonrecurring expenditures shall be with the approval of  
18       the commissioner. Provided, however, that notwithstanding any provision of this title to the  
19       contrary, debt service that is no longer carried on the books of any school district shall not be

1 included in any school district's annual budget, nor shall nonrecurring debt service be included in  
2 maintenance of effort as set forth in this chapter, nor shall any nonrecurring debt service be included  
3 in the operating budget of any school district. For the purposes set forth above, nonrecurring capital  
4 lease payments shall be considered nonrecurring debt service. The courts of this state shall enforce  
5 this section by means of injunctive relief.

6 (b) Districts' annual maintenance expenditures must meet the requirements of subsection  
7 (b)(1), (b)(2), or (b)(3) of this section.

8 (1) A minimum of three percent (3%) of the operating budget shall be dedicated exclusively  
9 for maintenance expenditures as defined in § 16-7-36(7) provided that for FY 2019, that amount  
10 shall be one percent (1%), for FY 2020, that amount shall be one and one-half percent (1.5%), for  
11 FY 2021 that amount shall be two percent (2%), and for FY 2022 that amount shall be two and  
12 one-half percent (2.5%).

13 (2) A minimum of three percent (3%) of the replacement value shall be dedicated  
14 exclusively for maintenance expenditures as defined in § 16-7-36(7) provided that for FY 2019,  
15 that amount shall be one percent (1%), for FY 2020 that amount shall be one and one-half percent  
16 (1.5%), for FY 2021 that amount shall be two percent (2%), and for FY 2022 that amount shall be  
17 two and one-half percent (2.5%).

18 (3) A minimum of three dollars (\$3.00), subject to inflation, per square foot of building  
19 space shall be dedicated exclusively for maintenance expenditures as defined in § 16-7-36(7).

20 (c) The department of elementary and secondary education shall be responsible for  
21 establishing a reporting mechanism to ensure the intent of this section is being met. In the event  
22 that a district does not meet its minimum expenditure requirement in a given year, the state shall  
23 direct state housing aid paid pursuant to § 16-7-41 or § 16-105-5, in an amount equal to the shortfall,  
24 to a restricted fund created by the district and dedicated solely to meeting maintenance  
25 requirements.

26 (d) Whenever any state funds are appropriated for educational purposes, the funds shall be  
27 used for educational purposes only and all state funds appropriated for educational purposes must  
28 be used to supplement any and all money allocated by a city or town for educational purposes and,  
29 in no event, shall state funds be used to supplant, directly or indirectly, any money allocated by a  
30 city or town for educational purposes. All state funds shall be appropriated by the municipality to  
31 the school committee for educational purposes in the same fiscal year in which they are  
32 appropriated at the state level even if the municipality has already adopted a school budget. All  
33 state and local funds unexpended by the end of the fiscal year of appropriation shall remain a  
34 surplus of the school committee and shall not revert to the municipality. Any surplus of state or

1 local funds appropriated for educational purposes shall not in any respect affect the requirement  
2 that each community contribute local funds in an amount not less than its local contribution for  
3 schools in the previous fiscal year, subject to subsection (a) of this section, and shall not in any  
4 event be deducted from the amount of the local appropriation required to meet the maintenance of  
5 effort provision in any given year.

6 (e) The State of Rhode Island shall only opt in to the federal school voucher tax credit for  
7 contributions to scholarship-granting organizations established in Pub. L. 119-21, 139 Stat. 72, §  
8 70411 (2025) if the general assembly and the governor both approve such an opt in. The governor  
9 may not opt in nor transmit a list of scholarship granting organizations for this program unless the  
10 general assembly has passed a bill that has been signed by the governor which authorizes this  
11 participation.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO EDUCATION -- FOUNDATION LEVEL SCHOOL SUPPORT

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- 1        This act would prohibit participation in the federal school voucher tax credit for
- 2        contributions to scholarship-granting organizations unless both the general assembly and the
- 3        governor approve such participation.
- 4        This act would take effect upon passage.

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