

2026 -- H 8581

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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 -- THE EDUCATION EQUITY AND PROPERTY TAX  
RELIEF ACT

Introduced By: Representatives Casey, J. Brien, and Phillips

Date Introduced: May 22, 2026

Referred To: House Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 16-7.2-5 of the General Laws in Chapter 16-7.2 entitled "The  
2 Education Equity and Property Tax Relief Act" is hereby amended to read as follows:

3           **16-7.2-5. Charter public schools, the William M. Davies, Jr. Career and Technical**  
4 **High School, and the Metropolitan Regional Career and Technical Center.**

5           (a) Charter public schools, as defined in chapter 77 of this title, the William M. Davies, Jr.  
6 Career and Technical High School (Davies), and the Metropolitan Regional Career and Technical  
7 Center (the Met Center) shall be funded pursuant to § 16-7.2-3. If the October 1 actual enrollment  
8 data for any charter public school shows a ten percent (10%) or greater change from the prior year  
9 enrollment that is used as the reference year average daily membership, the last six (6) monthly  
10 payments to the charter public school will be adjusted to reflect actual enrollment. The state share  
11 of the permanent foundation education aid shall be paid by the state directly to the charter public  
12 schools, Davies, and the Met Center pursuant to § 16-7.2-9 and shall be calculated using the state-  
13 share ratio of the district of residence of the student as set forth in § 16-7.2-4. The department of  
14 elementary and secondary education shall provide the general assembly with the calculation of the  
15 state share of permanent foundation education aid for charter public schools delineated by school  
16 district.

17           (b) The local share of education funding shall be paid to the charter public school, Davies,  
18 and the Met Center by the district of residence of the student and shall be the local, per-pupil cost

1 calculated by dividing the local appropriation to education from property taxes, net of debt service,  
2 and capital projects, as defined in the uniform chart of accounts by the average daily membership  
3 for each city and town, pursuant to § 16-7-22, for the reference year.

4 (c) Beginning in FY 2017, there shall be a reduction to the local per-pupil funding paid by  
5 the district of residence to charter public schools, Davies, and the Met Center. This reduction shall  
6 be equal to the greater (i) Of seven percent (7%) of the local, per-pupil funding of the district of  
7 residence pursuant to subsection (b) or (ii) The per-pupil value of the district's costs for non-public  
8 textbooks, transportation for non-public students, retiree health benefits, out-of-district special-  
9 education tuition and transportation, services for students age eighteen (18) to twenty-one (21)  
10 years old, pre-school screening and intervention, and career and technical education, tuition and  
11 transportation costs, debt service and rental costs minus the average expenses incurred by charter  
12 schools for those same categories of expenses as reported in the uniform chart of accounts for the  
13 prior preceding fiscal year pursuant to § 16-7-16(11) and verified by the department of elementary  
14 and secondary education. In the case where audited financials result in a change in the calculation  
15 after the first tuition payment is made, the remaining payments shall be based on the most recent  
16 audited data. For those districts whose greater reduction occurs under the calculation of (ii), there  
17 shall be an additional reduction to payments to mayoral academies with teachers who do not  
18 participate in the state teacher's retirement system under chapter 8 of title 36 equal to the per-pupil  
19 value of teacher retirement costs attributable to unfunded liability as calculated by the state's  
20 actuary for the prior preceding fiscal year. ~~Notwithstanding the foregoing, beginning with FY 2026,~~  
21 ~~the reduction to the local per-pupil funding shall not exceed fourteen percent (14%).~~

22 (d) Local district payments to charter public schools, Davies, and the Met Center for each  
23 district's students enrolled in these schools shall be made on a quarterly basis in July, October,  
24 January, and April; however, the first local-district payment shall be made by August 15, instead  
25 of July. Failure of the community to make the local-district payment for its student(s) enrolled in a  
26 charter public school, Davies, and/or the Met Center may result in the withholding of state  
27 education aid pursuant to § 16-7-31.

28 (e) Beginning in FY 2017, school districts with charter public school, Davies, and the Met  
29 Center enrollment, that, combined, comprise five percent (5%) or more of the average daily  
30 membership as defined in § 16-7-22, shall receive additional aid for a period of three (3) years. Aid  
31 in FY 2017 shall be equal to the number of charter public school, open-enrollment schools, Davies,  
32 or the Met Center students as of the reference year as defined in § 16-7-16 times a per-pupil amount  
33 of one hundred seventy-five dollars (\$175). Aid in FY 2018 shall be equal to the number of charter  
34 public school, open-enrollment schools, Davies, or the Met Center students as of the reference year

1 as defined in § 16-7-16 times a per-pupil amount of one hundred dollars (\$100). Aid in FY 2019  
2 shall be equal to the number of charter public school, open-enrollment schools, Davies, or the Met  
3 Center students as of the reference year as defined in § 16-7-16 times a per-pupil amount of fifty  
4 dollars (\$50.00). The additional aid shall be used to offset the adjusted fixed costs retained by the  
5 districts of residence.

6 (f) [Deleted by P.L. 2023, ch. 79, art. 8, § 2.]

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO EDUCATION -- THE EDUCATION EQUITY AND PROPERTY TAX  
RELIEF ACT

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- 1           This act would remove the fiscal year 2026 fourteen percent (14%) limitation for reduction
- 2   to the local per-pupil funding for charter schools.
- 3           This act would take effect upon passage.

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