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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 -- FEDERAL AID

Introduced By: Senators Lawson, Gallo, Ciccone, Tikoian, LaMountain, Bissailon,
Murray, Urso, Britto, and Thompson

Date Introduced: February 13, 2026

Referred To: Senate Education

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 16-8 of the General Laws entitled "Federal Aid [See Title 16 Chapter
2 97 — The Rhode Island Board of Education Act]" is hereby amended by adding thereto the
3 following section:

4 **16-8-9.1. School lunch program -- Fees, transparency, and payment protections.**

5 (a) Prohibition and permitted fees by meal service collection providers.

6 (1) Meal service collection providers shall only impose fees that directly correspond to the
7 actual costs of collecting or processing payments for school meals and shall not generate profit or
8 revenue beyond those costs.

9 (2) Fees for any other purpose, including profit, convenience, or administrative gain, are
10 prohibited.

11 (3) Any fee permitted under this subsection shall be capped at a percentage of the
12 transaction amount, which shall not exceed two percent (2%) of the amount deposited into a student
13 meal account, or a lower percentage as may be established by the Rhode Island department of
14 education by regulation.

15 (4) All funds collected from families or provided by public agencies for school meals shall
16 be applied primarily to the cost of meal service and the limited allowable collection costs under
17 this subsection.

18 (5) For purposes of this section, "meal service collection provider" means any vendor,
19 contractor, payment processor, or entity engaged by a school, school district, or the Rhode Island

1 department of education to collect, process, or manage school meal payments.

2 (b) No-Fee payment options.

3 (1) The Rhode Island department of education (RIDE) shall ensure that all public schools
4 and school districts provide at least one no-fee payment method for parents, guardians, or students
5 to make payments for school meals and any other school-related fees managed through a payment
6 platform.

7 (2) No-fee options may include, but are not limited to, in-person payments, mailed
8 payments, electronic transfers without vendor-imposed fees, or any other method approved by
9 RIDE.

10 (3) RIDE shall promulgate rules and regulations establishing uniform statewide standards
11 for no-fee payment access.

12 (4) Local education agencies, under the guidance of RIDE, shall notify parents and
13 guardians of the available no-fee payment options and the procedures to use them. Notifications
14 shall be clear, timely, and accessible through multiple channels including, but not limited to, email,
15 school websites, and written communications.

16 (c) Fee disclosure requirements for payment platforms.

17 (1) Any payment processing platform, online portal, or digital collection system used by a
18 school or school district shall clearly and conspicuously disclose to users:

19 (i) Whether any user fees will be charged;

20 (ii) The amount and type of each fee; and

21 (iii) Whether a no-fee payment option is available and how to access it.

22 (2) Disclosure shall occur prior to the completion of any transaction and shall not be
23 obscured, minimized, or pre-checked.

24 (3) Districts shall ensure that contracts with vendors comply with these disclosure
25 requirements. Any contract entered into after the effective date of this section that fails to comply
26 shall be voidable at the option of the district.

27 (d) Rulemaking. RIDE shall promulgate rules and regulations necessary to implement and
28 enforce the provisions of this section, including vendor compliance, accessibility standards, and
29 uniform disclosure requirements.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would provide an end to transaction fees for school lunches in all districts. The
2 department would ensure there is at least one no-fee payment method for school lunches. This act
3 would also require that any payment processing platform used by the district clearly discloses
4 whether fees will be charged.

5 This act would take effect upon passage.

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