



*Distinctive Communities
Powerful Alliance*

May 7, 2026

The Honorable Joseph M. McNamara, Chair
House Education Committee
Rhode Island State House
82 Smith Street
Providence, RI 02903

RE: HOUSE BILL 7421 – AN ACT RELATING TO TOWNS AND CITIES -- STATE AID

Chair McNamara and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns, we write in support of House Bill 7421, which would require the Department of Revenue, in collaboration with local education agencies, to publish an annual report identifying school district costs that are partially funded or unfunded by the State.

The League appreciates the intent of this legislation to provide greater transparency regarding the fiscal pressures facing local school districts and the municipalities that support them. Cities and towns across Rhode Island continue to experience increasing financial obligations associated with education services, many of which are only partially reimbursed or not fully recognized within existing state aid structures. Establishing a formal reporting mechanism to identify these costs will help provide policymakers, municipal leaders, and taxpayers with a clearer understanding of the ongoing fiscal challenges facing local communities.

The League particularly supports the bill's requirement that this information be incorporated into the budget development process and made publicly available through the state transparency portal. This will help ensure that conversations surrounding education funding are informed by a more complete accounting of the actual costs borne at the local level.

The League respectfully suggests one additional consideration as the legislation moves forward. We encourage clarification that the report include not only costs associated with statutory mandates, but also mandates or requirements imposed through state regulations, administrative rules, guidance, or compliance obligations that may create additional fiscal burdens for school districts and municipalities. In many cases, local costs arise not solely from enacted statute, but from regulatory implementation requirements that nonetheless carry significant operational and budgetary impacts.

The League believes House Bill 7421 represents a constructive step toward improving fiscal transparency and strengthening the dialogue surrounding state and local education funding responsibilities.

Thank you for your consideration of this legislation. The League appreciates the opportunity to offer its support and looks forward to continued collaboration on issues impacting Rhode Island's cities and towns.

Thank you for your consideration of our perspective on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Rossi", is written over a light blue horizontal line.

Randy R. Rossi
Executive Director

Cc: Honorable Members of House Education Committee