



May 26, 2026

The Honorable Marvin L. Abney, Chairman
House Finance Committee
State House
Providence, RI 02903

Re: House Bill 8581, An Act Relating to Education – The Education Equity and Property Tax Relief Act

Dear Chairman Abney:

On behalf of Rhode Island's Mayoral Academies and charter public schools, we write to share our opposition to House Bill 8581. This bill would remove the 14% cap for the local share of tuition that can be held by a sending community, again subjecting mayoral academies to unknown potential financial impact.

Beginning in the 2015-2016 school year, mayoral academies were subject to an additional calculation to determine if more than 7% of tuition would be kept by the sending district. This complex formula would be determined by the Rhode Island Department of Education and would be made known late in the school year. The timing and budget impact forced impacted schools to make difficult decisions with little opportunity to plan.

The unlimited potential holdback made budgeting extremely difficult. For example, Blackstone Valley Prep experienced annual holdbacks of as much as 40% representing a financial impact of almost \$780,000. This impact was from only one community exceeding the 7% threshold for all other charter schools. If two of the schools sending communities had a 40% holdback this would have represented an almost \$2 million impact to the school. This significant budget impact would not have been known until May.

It is important to note that there were many years where the holdback was the standard 7% that all charters are subjected to by law. In years when the 7% threshold was exceeded this was unexpected money for the sending communities.

Last year, the General Assembly recognized the significant financial strain and uncertainty the unlimited holdback had on the impacted schools and enacted a maximum 14% holdback for certain schools whose teachers do not participate in the state pension system. While this is double the

maximum for other charter public schools, it provided mayoral academies with the opportunity to understand the maximum potential financial exposure from year to year. This allowed the schools to budget with more predictability and staff their schools accordingly.

House Bill 8581 would reverse the law enacted by the General Assembly last year and again endanger the long-term viability of impacted schools. This change would potentially force our students, and their families, to scramble to find another school to continue their education.

Across our schools, we are seeing strong academic growth, increasing family demand, and meaningful student success outcomes. We remain deeply committed to partnering with the State of Rhode Island, local communities, and families to expand access to excellent public education opportunities for all students.

For the reasons stated, we ask the Committee to not take any action on House Bill 8581.

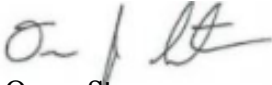
Sincerely,



Sarah Anderson
CEO, Blackstone Valley Prep



Tom McDermott
Executive Director, Rhode Island Achievement First



Owen Stearns
CEO, Excel Academy

cc: House Finance Committee Members