



**Testimony Re: Senate Bill 2635 Relating to Education – Federal Aid –
Transaction Fees on School Meals**

Senate Education Committee

March 4, 2026

Stephanie Geller, EdM, Deputy Director

Madam Chair and members of the Committee, thank you for the opportunity to provide testimony today. Rhode Island KIDS COUNT would like to voice its support for Senate Bill 2635. We would like to thank Senate President Lawson for sponsoring this bill and Senators Gallo, Ciccone, Tikoin, Bissaillon, Murray, LaMountain, Urso, Britto, and Thompson for co-sponsoring. This bill would limit transaction fees for school meals and ensure there is at least one no-fee payment method available. In addition, this bill would require that any payment processing platform used by districts clearly discloses whether fees will be charged.

Rhode Island KIDS COUNT is a member of the Healthy School Meals for All Coalition and believes that all children, regardless of income should have access to nutritious meals. Providing free meals to all students eliminates the stigma associated with students receiving subsidized meals or accruing meal debt, increases participation, and reduces administrative burden on school districts. It simply makes sense for our kids, our schools, and our state.

We will continue to advocate for Healthy School Meals for All. In the meantime, this bill would help alleviate some of the burden that families face when they are charged a fee for every transaction they make.

Families who deposit money into school meal accounts do so to ensure their children are fed and ready to learn. Those dollars should go toward providing meals, not toward unnecessary or profit-generating processing fees. Working families across Rhode Island are already managing rising household costs. Even seemingly small transaction fees add up over the course of a school year, particularly for families with multiple children or those who must make frequent smaller deposits. No parent should be required to pay extra simply to put money on their child's lunch account.

Importantly, this legislation does not prohibit reasonable cost recovery. It allows food service providers to impose fees that directly correspond to actual processing costs, while prohibiting charges designed to generate profit or administrative gain. The reasonable 2% cap establishes clear boundaries and accountability while still allowing vendors to operate responsibly. Equally critical is the requirement that every school district provide at least one no-fee payment option. Access to student meals should never depend on a family's ability to absorb electronic transaction fees. Guaranteeing a no-fee option

ensures fairness and equity for all families, regardless of income or payment method.

The bill's transparency provisions are also essential. Families deserve clear, conspicuous disclosure of any fees before completing a transaction, along with clear notice of available no-fee alternatives. Transparency builds trust between families and schools and ensures informed decision-making.

Finally, by directing the Rhode Island Department of Education to create and oversee uniform statewide standards, this legislation promotes consistency, strengthens vendor accountability, and ensures that public and family meal funds are used primarily for their intended purpose: feeding students.

This bill protects families, promotes fairness, and keeps school meal dollars where they belong, in the cafeteria, supporting student health and academic success. We urge you to support this important legislation.

Thank you for the opportunity to provide this testimony.

.