

May 28, 2026

The Honorable Louis DiPalma
Chair, Senate Finance Committee

RE: Concern with S-2139

Dear Chairman DiPalma and Members of the Senate Finance Committee,

I am writing to express concern with Senate Bill 2139, which would modify Section 16-7-23 of the Rhode Island General Laws to create unnecessary additional steps to the establishment of Scholarship Granting Organizations (SGOs) in Rhode Island.

As background, the One Big Beautiful Bill Act (OBBBA; HR1; PL 119-21) established a program that allows dollar-for-dollar tax credits for contributions to Scholarship Granting Organizations (SGOs) to support funding K-12 school students. The Guidance for this program has not yet been issued by US Treasury, but it is anticipated that the SGOs can support students in independent, parochial, and public schools. However, this can only happen if states (via the Governor, by federal law) submit a list of eligible SGOs to US Treasury by December 31, 2026. Failure to submit this list on time will mean Rhode Island students definitely cannot access these scholarships in 2027 and potentially cannot ever.

While much ado is made around parochial schools leveraging these scholarships, the statutory language does provide a unique opportunity to financially help underprivileged RI *public* school students. Out of school programs, STEM initiatives, co-curricular activities like art and music, and special needs supports could all be offered free of charge to deserving public school students through the right SGOs. Indeed, I have proactively stood up such an SGO in Rhode Island—4TREE Scholarships—to do just this. And I am not alone: There are other local nonprofits ready and able to provide a range of support for public school students through gubernatorially named SGOs. But if the State does not opt in to this program, we forfeit all opportunity to steer these funds where most needed. I believe Senate Bill 2139 would cut off our proverbial nose to spite our face. RI should be proactive in this arena and be a model for other states still contemplating this program. Requiring a new law above and beyond SB2139 to be passed, that has not yet been introduced, just weeks before the end of session, would effectively forfeit Rhode Island's unique opportunity to financially help underprivileged public school students in state in 2027 and potentially beyond.

It should also be noted that, since this is a federal tax credit, Rhode Islanders who want to donate to eligible organizations outside of Rhode Island and take the tax credit may do so. Failure to act on the part of the State of Rhode Island does not hinder RI taxpayers from leveraging the credit; it only stops RI students from getting the advantage.

In conclusion, I urge the Committee to hold S2139 for further study in order to ensure that Rhode Island students, especially our public school students, are not unnecessarily delayed in their ability—or denied the ability—to receive scholarships for additive educational opportunities.

Thank you for your consideration,



Thomas Fairchild
Resident, Warren, RI; Board Chair, 4TREE Scholarships (RI Domestic Nonprofit # 001806733)

cc: Senator Ciccone, III, Vice Chair; Senator Felag, Second Vice Chair; Senator Acosta, Secretary; Senator DiMario; Senator Morgan; Senator Sosnowski; Senator Thompson; Senator Vargas; Senator Zurier