

**2026 -- H 7388**

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LC003196

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**S T A T E   O F   R H O D E   I S L A N D**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2026**

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**A N   A C T**

**RELATING TO EDUCATION -- THE PAUL W. CROWLEY RHODE ISLAND STUDENT INVESTMENT INITIATIVE**

Introduced By: Representatives Cortvriend, and Finkelman

Date Introduced: January 28, 2026

Referred To: House Finance

It is enacted by the General Assembly as follows:

1        SECTION 1. Chapter 16-7.1 of the General Laws entitled "The Paul W. Crowley Rhode  
2        Island Student Investment Initiative [See Title 16 Chapter 97 — The Rhode Island Board of  
3        Education Act]" is hereby amended by adding thereto the following section:

4        **16-7.1-20. High-cost special education fund for excess costs associated with special**  
5        **education students.**

6        (a) The general assembly recognizes the need to support the academic instruction of  
7        students who require high-cost special needs instruction, which costs constitute excess costs  
8        associated with special education students. To help accomplish this support, there is hereby  
9        established a high-cost special education fund (the "fund") to enable participating municipalities to  
10        pool their financial resources through voluntary contributions to a fund from which awards pursuant  
11        to the provisions of subsection (c) of this section may be made at a later date when a municipality  
12        experiences unanticipated high-cost special education expenses for high-cost special needs  
13        instruction.

14        (b) The fund shall be housed within and managed by the office of the general treasurer.  
15        The general treasurer shall invest and manage the fund in order to maximize the combined deposits  
16        from municipalities and generate income to help defray the expense of excess costs associated with  
17        special education students.

18        (c) Awards from the fund to municipalities shall be determined by the department of

1    elementary and secondary education. Awards shall be based on specific needs for the district in  
2    accordance with criteria developed by the department; provided that, these criteria shall seek to  
3    provide assistance to municipalities to assist with extraordinary costs associated with special  
4    education students and shall include, as a factor, the total amount of contributions made by the  
5    municipality up to the date of the request for an award.

6        (d) Participation in the fund shall be voluntary; provided that, a municipality shall be  
7    required to have contributed to the fund in a fiscal year prior to the year in which the municipality  
8    makes application for an award from the fund.

9        (e) The initial contribution to the fund by a municipality shall be equal to the municipality's  
10    high-cost special education expenses for the prior fiscal year.

11        (f) When used in this section, the following words and phrases are construed as follows:

12        (1) "Extraordinary costs" has the same meaning as defined in § 16-7.2-6(a).  
13        (2) "High-cost special education" means financial support provided to school districts with  
14    extraordinary needs and includes excess costs associated with special education students as  
15    provided in § 16-7.2-6(a).

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO EDUCATION -- THE PAUL W. CROWLEY RHODE ISLAND STUDENT  
INVESTMENT INITIATIVE

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- 1        This act would establish a new high-cost special education fund to pool resources and
- 2        generate income to support excess costs associated with providing services to special education
- 3        students.
- 4        This act would take effect upon passage.

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