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STATE OF RHODE ISLAND
IN GENERAL ASSEMBLY
JANUARY SESSION, A.D. 2008

AN ACT
MAKING REVISED APPROPRIATIONS FOR THE SUPPORT OF
THE STATE FOR THE FISCAL YEAR ENDING
JUNE 30, 2008

Introduced By:

Date Introduced:

Referred To:

It is enacted by the General Assembly as follows:

- ARTICLE 1 RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF
FY 2008
- ARTICLE 2 RELATING TO STATE FLEET REPLACEMENT REVOLVING LOAN FUND
- ARTICLE 3 RELATING TO PRIVATIZATION OF STATE SERVICES
- ARTICLE 4 RELATING TO RETIREE HEALTH BENEFITS FUNDING
- ARTICLE 5 RELATING TO CERTIFIED SCHOOL TEACHERS AND MUNICIPAL
EMPLOYEES RIGHT TO BARGAIN
- ARTICLE 6 RELATING TO RESTRICTED RECEIPT ACCOUNTS
- ARTICLE 7 RELATING TO CORRECTIONS REFORM
- ARTICLE 8 RELATING TO PUBLIC OFFICERS AND EMPLOYEES
- ARTICLE 9 RELATING TO THE FAMILY INDEPENDENCE ACT
- ARTICLE 10 RELATING TO MEDICAL ASSISTANCE - ELIGIBILITY
- ARTICLE 11 RELATING TO MEDICAL ASSISTANCE - MANAGED CARE
- ARTICLE 12 RELATING TO ATOMIC ENERGY COMMISSION
- ARTICLE 13 RELATING TO THE RHODE ISLAND TRAINING SCHOOL
- ARTICLE 14 RELATING TO HEALTH CARE COVERAGE FOR CHILD CARE PROVIDERS
- ARTICLE 15 RELATING TO EDUCATION AID
- ARTICLE 16 RELATING TO INSURANCE – CONSUMER REPRESENTATION AT RATE
HEARINGS

1	ARTICLE 17	RELATING TO PROCEEDINGS IN FAMILY COURT
2	ARTICLE 18	RELATING TO STATE AID
3	ARTICLE 19	RELATING TO ADMINISTRATIVE PROCEDURES
4	ARTICLE 20	RELATING TO TAXATION
5	ARTICLE 21	RELATING TO PUBLIC UTILITIES COMMISSION
6	ARTICLE 22	RELATING TO THE REGISTRATION OF VEHICLES
7	ARTICLE 23	RELATING TO ADJUDICATION OF TRAFFIC OFFENSES
8	ARTICLE 24	RELATING TO TOWNS AND CITIES – POLICE OFFICERS AND
9		FIREFIGHTERS RELIEF BENEFITS
10	ARTICLE 25	RELATING TO MOBILE TELEPHONE USE BY MOTOR VEHICLE
11		OPERATORS
12	ARTICLE 26	RELATING TO EFFECTIVE DATE

1 **ARTICLE 1**

2 **RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2008**

3 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in
4 this article, the following general revenue amounts are hereby appropriated out of any money in the
5 treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2008. The
6 amounts identified for federal funds and restricted receipts shall be made available pursuant to
7 Section 35-4-22 and Chapter 42-41 of the Rhode Island General Laws. For the purposes and
8 functions hereinafter mentioned, the state controller is hereby authorized and directed to draw his or
9 her orders upon the general treasurer for the payment of such sums or such portions thereof as may be
10 required from time to time upon receipt by him or her of properly authenticated vouchers.

	FY 2008	FY 2008	FY 2008
	<u>Enacted</u>	<u>Change</u>	<u>Final</u>
Administration			
<i>Central Management</i>			
General Revenue Total	1,549,780	40,951	1,590,731
Federal Funds Total	238,173	(9,495)	228,678
Restricted Receipts Total	0	119,177	119,177
Total - Central Management	1,787,953	150,633	1,938,586
<i>Legal Services</i>			
General Revenue Total	1,836,817	569,955	2,406,772
Other Funds			
Legal Support/DOT	122,057	113,473	235,530
Other Funds Total	122,057	113,473	235,530
Total - Legal Services	1,958,874	683,428	2,642,302
<i>Accounts and Control</i>			
General Revenue Total	3,252,968	245,047	3,498,015
Total - Accounts and Control	3,252,968	245,047	3,498,015
<i>Budgeting</i>			
General Revenue Total	2,090,800	(98,721)	1,992,079
Total - Budgeting	2,090,800	(98,721)	1,992,079
<i>Purchasing</i>			
General Revenue Total	2,398,789	(217,453)	2,181,336
Total - Purchasing	2,398,789	(217,453)	2,181,336
<i>Auditing</i>			
General Revenue Total	1,792,239	(104,386)	1,687,853
Total - Auditing	1,792,239	(104,386)	1,687,853
<i>Human Resources</i>			

1	General Revenue Total	10,067,133	97,386	10,164,519
2	Federal Funds Total	2,065,791	(91,870)	1,973,921
3	Restricted Receipts Total	577,637	(93,868)	483,769
4	Other Funds Total	793,282	(265,276)	528,006
5	Total - Human Resources	13,503,843	(353,628)	13,150,215
6	<i>Personnel Appeal Board</i>			
7	General Revenue Total	96,793	12,820	109,613
8	Total - Personnel Appeal Board	96,793	12,820	109,613
9	Facilities Management			
10	General Revenue Total	36,055,887	290,574	36,346,461
11	Federal Funds Total	7,214,065	560,081	7,774,146
12	Restricted Receipts	1,137,677	(47,451)	1,090,226
13	State Fleet Replacement Restricted Receipts	6,350,000	(6,350,000)	0
14	Restricted Receipts Total	7,487,677	(6,397,451)	1,090,226
15	The State Fleet Replacement restricted receipt account is hereby established, notwithstanding the			
16	provision of Section 34-3-27 of the General Laws, for the purposes of purchasing vehicles for state agencies.			
17	The Department of Administration shall adopt rules and regulations for the use of these funds and submit them			
18	to the Assembly no later than November 1, 2007.			
19	Other Funds Total	555,116	7,360	562,476
20	Total – Facilities Management	51,312,745	(5,539,436)	45,773,309
21	Capital Projects and Property Management			
22	General Revenue Total	3,748,880	(419,968)	3,328,912
23	Total – Capital Projects and Property Management	3,748,880	(419,968)	3,328,912
24	Information Technology			
25	General Revenue Total	17,650,147	1,644,315	19,294,462
26	Federal Funds Total	7,389,800	(1,787,351)	5,602,449
27	Restricted Receipts Total	1,422,572	321,689	1,744,261
28	Other Funds Total	1,403,499	854,047	2,257,546
29	Total – Information Technology	27,866,018	1,032,700	28,898,718
30	<i>Library and Information Services</i>			
31	General Revenue Total	1,100,791	(118,025)	982,766
32	Federal Funds Total	1,084,437	(20,775)	1,063,662
33	Restricted Receipts Total	2,000	0	2,000
34	Total - Library and Information Services	2,187,228	(138,800)	2,048,428
35	<i>Planning</i>			
36	General Revenue Total	3,792,553	(71,112)	3,721,441
37	Federal Funds Total	9,330,126	1,124,079	10,454,205
38	Other Funds			

1	Federal Highway - PL Systems Planning	1,689,264	(116,569)	1,572,695
2	Air Quality Modeling	20,800	0	20,800
3	Other Funds Total	1,710,064	(116,569)	1,593,495
4	Total - Planning	14,832,743	936,398	15,769,141
5	<i>Security Services</i>			
6	General Revenue Total	19,932,620	(264,678)	19,667,942
7	Total – Security Services	19,932,620	(264,678)	19,667,942
8	<i>General</i>			
9	General Revenues			
10	Miscellaneous Grants	660,912	(17,845)	643,067
11	Torts – Courts	400,000	(2,907)	397,093
12	Contingency Fund	0	376,970	376,970
13	Convention Center	12,500,000	(4,100,000)	8,400,000
14	Provided that the funds shall be provided to the Rhode Island Convention Center Authority at the times			
15	and in the amounts determined to be necessary by the State Budget Officer; and provided further, that \$500,000			
16	is reserved to fund expenses related to the relocation of the Providence War Memorial to LaSalle Square, or in			
17	the alternative, the Dunkin Donuts Center. Any funds remaining from this relocation project may be used to			
18	complete the renovation of the Dunkin Donuts Center, if needed.			
19	Transfer to RICAP Fund	0	15,708,368	15,708,368
20	Teachers Retiree Health Subsidy	1,442,024	(1,442,024)	0
21	Economic Development Corporation Grant	7,694,121	(39,437)	7,654,684
22	EDC – RI Airport Corporation Impact	1,004,520	(3,766)	1,000,754
23	Economic Policy Council	300,000	(8,100)	291,900
24	Slater Centers of Excellence	3,000,000	(81,000)	2,919,000
25	EDC EPScore	1,500,000	(40,500)	1,459,500
26	Police/Fire Incentive Pay	675,000	0	675,000
27	Motor Vehicle Excise Tax Payment	135,500,042	(183,500)	135,316,542
28	Property Valuation	1,100,000	0	1,100,000
29	General Revenue Sharing Program	65,111,876	(10,000,000)	55,111,876
30	Payment in Lieu of Tax Exempt Properties	27,766,967	0	27,766,967
31	Distressed Communities Relief Program	10,384,458	0	10,384,458
32	Resource Sharing and State Library Aid	8,773,398	0	8,773,398
33	Library Construction Aid	2,813,141	0	2,813,141
34	General Revenue Total	280,626,459	166,259	280,792,718
35	Restricted Receipts Total	1,295,997	100,000	1,395,997
36	Other Funds			
37	RICAP – State House Renovations	4,000,000	98,624	4,098,624
38	RICAP – State House Terrace Walls/South Stairs	0	24,081	24,081

1	RICAP – Lead Mitigation Group Homes	300,000	0	300,000
2	RICAP – Cranston Street Armory	1,300,000	302,173	1,602,173
3	RICAP - Cannon Building	200,000	179,381	379,381
4	RICAP – Pastore Center Master Plan	600,000	0	600,000
5	RICAP – Zambarano Building Rehabilitation	600,000	151,333	751,333
6	RICAP – Pastore Center Rehabilitation	530,000	0	530,000
7	RICAP – Old State House	500,000	29,845	529,845
8	RICAP – State Office Building	950,000	187,423	1,137,423
9	RICAP – Veterans Auditorium	0	24,068	24,068
10	RICAP – Old Colony House	135,000	48,339	183,339
11	RICAP – Washington County Government Center	0	88,599	88,599
12	RICAP – William Powers Building	750,000	44,957	794,957
13	RICAP – McCoy Stadium	557,000	237,356	794,856
14	RICAP – Fire Code Compliance State Buildings	500,000	22,042	522,042
15	RICAP – Pastore Center Fire Code Compliance	750,000	5,351	755,351
16	RICAP – Pastore Center Water Tanks	480,000	0	480,000
17	RICAP – Ladd Center Water System	50,000	0	50,000
18	RICAP – Pastore Center Environmental Management	250,000	(250,000)	0
19	RICAP – Pastore Center Power Plant	2,000,000	(963,692)	1,036,308
20	RICAP – Replacement of Fueling Tanks	600,000	0	600,000
21	RICAP – Neighborhood Opportunities Program	7,500,000	(7,500,000)	0
22	RICAP – Environmental Compliance	275,000	312,956	587,956
23	RICAP – Computer Center	8,975,000	0	8,975,000
24	RICAP – Biotech Training Facility	0	1,479	1,479
25	RICAP – Pastore Utilities Upgrade	0	504,282	504,282
26	RICAP – DMV Building A&E	0	400,000	400,000
27	RICAP – Forand Building Exterior Shell	0	1,200,000	1,200,000
28	RICAP – OHHS Relocation	0	100,000	100,000
29	RICAP – Business Regulation Relocation	0	100,000	100,000
30	Other Funds Total	31,802,500	(4,651,403)	27,151,097
31	Total – General	313,724,956	(4,385,144)	309,339,812
32	<i>Debt Service Payments</i>			
33	General Revenue Total	126,160,050	4,995,692	131,155,742
34	Federal Funds Total	1,177,854	(231,020)	946,834
35	Restricted Receipts Total	1,542,173	1,652,350	3,194,523
36	Other Funds			
37	RIPTA Debt Service	681,005	(5,766)	675,239
38	Transportation Debt Service	35,442,466	(1,873,678)	33,568,788

1	RIRBA - DLT – Temporary Disability Insurance	45,586	0	45,586
2	COPS - DLT Building – TDI	358,825	(75,266)	283,559
3	COPS – DLT Building	26,320	(19,219)	7,101
4	Other Funds Total	36,554,202	(1,973,929)	34,580,273
5	Total - Debt Service Payments	165,434,279	4,443,093	169,877,372
6	<i>Energy Resources</i>			
7	General Revenue Fund Total	2,236,989	(8,620)	2,228,369
8	Federal Funds Total	19,688,355	(1,157,596)	18,530,759
9	Restricted Receipts Total	200,000	943,888	1,143,888
10	Total – Energy Resources	22,125,344	(222,328)	21,903,016
11	<i>Undistributed Personnel Savings</i>			
12	General Revenue Total	(9,105,434)	9,105,434	0
13	Federal Funds Total	(2,606,705)	2,606,705	0
14	Restricted Receipts Total	(418,650)	418,650	0
15	Other Funds Total	(2,714,920)	2,714,920	0
16	Total – Undistributed Personnel Savings	(14,845,709)	14,845,709	0
17	Grand Total – General Revenue	505,284,261	15,865,470	521,149,731
18	Grand Total – Administration	633,201,363	10,605,286	643,806,649
19	Business Regulation			
20	<i>Central Management</i>			
21	General Revenue Total	1,283,012	(4,910)	1,278,102
22	Total - Central Management	1,283,012	(4,910)	1,278,102
23	<i>Banking and Securities Regulation</i>			
24	General Revenue Total	3,083,499	(125,985)	2,957,514
25	Restricted Receipts Total	145,000	0	145,000
26	Total - Banking and Securities Regulation	3,228,499	(125,985)	3,102,514
27	<i>Commercial Licensing and Racing & Athletics</i>			
28	General Revenue Total	1,362,961	(269,598)	1,093,363
29	Restricted Receipts Total	606,836	(53,584)	553,252
30	Total - Commercial Licensing and Racing and			
31	Athletics	1,969,797	(323,182)	1,646,615
32	<i>Insurance Regulation</i>			
33	General Revenue Total	5,184,809	(160,958)	5,023,851
34	Federal Funds total	51,742	150,000	201,742
35	Restricted Receipts Total	856,129	112,498	968,627
36	Total - Insurance Regulation	6,092,680	101,540	6,194,220
37	<i>Board of Accountancy</i>			
38	General Revenue Total	155,449	(4,090)	151,359

1	Total – Board of Accountancy	155,449	(4,090)	151,359
2	<i>Board for Design Professionals</i>			
3	General Revenue Total	406,186	(13,946)	392,240
4	Total – Board for Design Professionals	406,186	(13,946)	392,240
5	Grand Total - General Revenue Funds	11,475,916	(579,487)	10,896,429
6	Grand Total - Business Regulation	13,135,623	(370,573)	12,765,050
7	Labor and Training			
8	<i>Central Management</i>			
9	General Revenue Total	195,297	(12,713)	182,584
10	Restricted Receipts Total	483,507	(30,763)	452,744
11	Total - Central Management	678,804	(43,476)	635,328
12	<i>Workforce Development Services</i>			
13	General Revenue Total	2,500	3,796	6,296
14	Federal Funds Total	13,368,113	6,654,414	20,022,527
15	Restricted Receipts Total	14,952,134	(3,287,686)	11,664,448
16	Other Funds			
17	Reed Act – Woonsocket Network Office	0	75,000	75,000
18	Reed Act – Rapid Job Entry	798,997	(3,975)	795,022
19	Reed Act – Workforce Development	5,200,000	(1,012,108)	4,187,892
20	Other Funds Total	5,998,997	(941,083)	5,057,914
21	Of the \$5.6 million <u>\$5.1 million</u> appropriated from Other Reed Act funds, \$798,997 <u>\$795,022</u> may			
22	be used solely for the Rapid Job Entry Program to engage welfare recipients in employment preparation and			
23	placement through employment assessment workshop and job club/job search workshop activities; and \$5.2			
24	million <u>\$4.2 million</u> may be used for the administration of this state’s employment compensation law and public			
25	employment service offices.			
26	Total - Workforce Development Services	34,321,744	2,429,441	36,751,185
27	<i>Workforce Regulation and Safety</i>			
28	General Revenue Total	2,736,797	(257,188)	2,479,609
29	Total - Workforce Regulation and Safety	2,736,797	(257,188)	2,479,609
30	<i>Income Support</i>			
31	General Revenue Total	3,175,354	105,602	3,280,956
32	Federal Funds Total	14,756,732	258,045	15,014,777
33	Restricted Receipts Total	1,760,639	111,724	1,872,363
34	Other Funds			
35	Temporary Disability Insurance Fund	177,634,956	(1,305,632)	176,329,324
36	Employment Security Fund	212,759,436	16,366,598	229,126,034
37	Other Funds Total	390,394,392	15,060,966	405,455,358
38	Total - Income Support	410,087,117	15,536,337	425,623,454

1	<i>Injured Workers Services</i>			
2	Restricted Receipts Total	11,087,418	(1,699)	11,085,719
3	Total - Injured Workers Services	11,087,418	(1,699)	11,085,719
4	<i>Labor Relations Board</i>			
5	General Revenue Total	473,214	(45,472)	427,742
6	Total - Labor Relations Board	473,214	(45,472)	427,742
7	Grand Total - General Revenue Funds	6,583,162	(205,975)	6,377,187
8	Grand Total - Labor and Training	459,385,094	17,617,943	477,003,037
9	Department of Revenue			
10	<i>Director of Revenue</i>			
11	General Revenue Total	751,500	(320,286)	431,214
12	Total – Director of Revenue	751,500	(320,286)	431,214
13	<i>Office of Revenue Analysis</i>			
14	General Revenue Total	750,003	(391,882)	358,121
15	Total – Office of Revenue Analysis	750,003	(391,882)	358,121
16	<i>Lottery Division</i>			
17	Other Funds Total	214,697,422	(12,048,981)	202,648,441
18	Total – Lottery Division	214,697,422	(12,048,981)	202,648,441
19	<i>Property Valuation</i>			
20	General Revenue Total	849,819	(61,296)	788,523
21	Total – Property Valuation	849,819	(61,296)	788,523
22	<i>Taxation</i>			
23	General Revenue Total	17,820,994	(1,783,706)	16,037,288
24	Federal Funds Total	1,235,454	(75,195)	1,160,259
25	Restricted Receipts Total	830,406	46,500	876,906
26	Other Funds			
27	Motor Fuel Tax Invasion	0	128,907	128,907
28	Temporary Disability Insurance	910,131	(119,045)	791,086
29	Total – Other Funds	910,131	9,862	919,993
30	Total – Taxation	20,796,985	(1,802,539)	18,994,446
31	<i>Registry of Motor Vehicles</i>			
32	General Revenues Total	18,403,641	(852,943)	17,550,698
33	Federal Funds Total	99,691	869,047	968,738
34	Restricted Receipts Total	15,100	0	15,100
35	Total – Registry of Motor Vehicles	18,518,432	16,104	18,534,536
36	Grand Total – General Revenue	38,575,957	(3,410,113)	35,165,844
37	Grand Total – Revenue	256,364,161	(14,608,880)	241,755,281

1	Legislature			
2	General Revenue Total	34,440,361	(856,174)	33,584,187
3	Restricted Receipts Total	1,523,721	(72,186)	1,451,535
4	Grand Total – Legislature	35,964,082	(928,360)	35,035,722
5	Lieutenant Governor			
6	General Revenue Total	925,112	(85,296)	839,816
7	Grand Total - Lieutenant Governor	925,112	(85,296)	839,816
8	State			
9	<i>Administration</i>			
10	General Revenue Total	1,685,414	(26,951)	1,658,463
11	Total – Administration	1,685,414	(26,951)	1,658,463
12	<i>Corporations</i>			
13	General Revenue Total	1,798,880	54,708	1,853,588
14	Total – Corporations	1,798,880	54,708	1,853,588
15	<i>State Archives</i>			
16	General Revenue Total	88,909	(88,909)	0
17	Federal Funds Total	40,121	(1,823)	38,298
18	Restricted Receipts Total	443,476	115,026	558,502
19	Total - State Archives	572,506	24,294	596,800
20	<i>Elections</i>			
21	General Revenue Total	583,210	28,136	611,346
22	Federal Funds Total	546,623	(12,418)	534,205
23	Total – Elections	1,129,833	15,718	1,145,551
24	<i>State Library</i>			
25	General Revenue Total	689,592	(14,309)	675,283
26	Total - State Library	689,592	(14,309)	675,283
27	<i>Office of Civics and Public Information</i>			
28	General Revenue Total	190,131	53,878	244,009
29	Total - Office of Civics and Public Information	190,131	53,878	244,009
30	Grand Total - General Revenue Funds	5,036,136	6,553	5,042,689
31	Grand Total – State	6,066,356	107,338	6,173,694
32	General Treasurer			
33	<i>Treasury</i>			
34	General Revenue Total	2,589,641	(124,964)	2,464,677
35	Federal Funds Total	291,066	(11,339)	279,727
36	Restricted Receipts Total	10,000	(10,000)	0
37	Other Funds			
38	Temporary Disability Insurance Fund	293,140	(53,155)	239,985

1	Other Funds Total	293,140	(53,155)	239,985
2	Total – Treasury	3,183,847	(199,458)	2,984,389
3	<i>State Retirement System</i>			
4	Restricted Receipts			
5	Admin Expenses - State Retirement System	6,131,739	197,927	6,329,666
6	Retirement - Treasury Investment Operations	877,497	39,173	916,670
7	Restricted Receipts Total	7,009,236	237,100	7,246,336
8	Total - State Retirement System	7,009,236	237,100	7,246,336
9	<i>Unclaimed Property</i>			
10	Restricted Receipts Total	23,095,200	1,491,473	24,586,673
11	Total - Unclaimed Property	23,095,200	1,491,473	24,586,673
12	<i>RI Refunding Bond Authority</i>			
13	General Revenue Total	40,349	(3,853)	36,496
14	Total - RI Refunding Bond Authority	40,349	(3,853)	36,496
15	<i>Crime Victim Compensation Program</i>			
16	General Revenue Total	278,560	(5,996)	272,594
17	Federal Funds Total	1,625,080	(754,621)	870,459
18	Restricted Receipts Total	1,657,851	(297,207)	1,360,644
19	Total - Crime Victim Compensation Program	3,561,491	(1,057,794)	2,503,697
20	Grand Total - General Revenue Funds	2,908,550	(134,783)	2,773,767
21	Grand Total – General Treasurer	36,890,123	467,468	37,357,591
22	Board of Elections			
23	General Revenue Total	1,437,214	(147,267)	1,289,947
24	Federal Funds Total	586,894	44,434	631,328
25	Grand Total - Board of Elections	2,024,108	(102,833)	1,921,275
26	Rhode Island Ethics Commission			
27	General Revenue Total	1,410,451	(79,991)	1,330,460
28	Grand Total - Rhode Island Ethics Commission	1,410,451	(79,991)	1,330,460
29	Office of Governor			
30	General Revenue Total	4,921,696	(147,968)	4,773,728
31	From the appropriation for contingency shall be paid such sums as may be required at the discretion of the			
32	Governor to fund expenses for which appropriations may not exist. Such contingency funds may also be used			
33	for expenditures in departments and agencies where appropriations are insufficient, or where such requirements			
34	are due to unforeseen conditions or are non-recurring items of an unusual nature. Said appropriation may also			
35	be used for the payment of bills incurred due to emergencies or to any offense against public peace and			
36	property, in accordance with the provisions of Titles 11 and 45 of the General Laws of 1956, as amended. All			
37	expenditures and transfers from this account shall be approved by the Governor.			
38	Grand Total - Office of Governor	4,921,696	(147,968)	4,773,728

1	Public Utilities Commission			
2	General Revenue Total	661,246	(13,618)	647,628
3	Federal Funds Total	100,124	(3,027)	97,097
4	Restricted Receipts Total	6,334,717	(140,990)	6,193,727
5	Grand Total - Public Utilities Commission	7,096,087	(157,635)	6,938,452
6	Rhode Island Commission on Women			
7	General Revenue Total	108,203	(3,873)	104,330
8	Grand Total - Rhode Island Commission on Women	108,203	(3,873)	104,330
9	Commission for Human Rights			
10	General Revenue Total	984,197	(32,520)	951,677
11	Federal Funds Total	404,743	(33,853)	370,890
12	Grand Total - Commission for Human Rights	1,388,940	(66,373)	1,322,567
13	Office of Health and Human Services			
14	General Revenue Total	307,152	80,024	387,176
15	Federal Funds Total	5,826,265	1,332,407	7,158,672
16	Restricted Receipts Total	445,548	(131,177)	314,371
17	Grand Total – Office of Health and Human Services	6,578,965	1,281,254	7,860,219
18	Children, Youth, and Families			
19	<i>Central Management</i>			
20	General Revenue Total	5,903,045	984,651	6,887,696
21	Federal Funds Total	3,359,730	(507,769)	2,851,961
22	Total - Central Management	9,262,775	476,882	9,739,657
23	<i>Children's Behavioral Health Services</i>			
24	General Revenue Total	18,805,572	(2,452,058)	16,353,514
25	Federal Funds Total	13,268,634	(228,149)	13,040,485
26	Other Funds			
27	RICAP – Groden Center Mt. Hope	0	16,445	16,445
28	Other Funds Total	0	16,445	16,445
29	Total - Children's Behavioral Health Services	32,074,206	(2,663,762)	29,410,444
30	<i>Juvenile Correctional Services</i>			
31	General Revenue Total	29,680,225	1,125,160	30,805,385
32	Federal Funds Total	610,837	(842)	609,995
33	Restricted Receipts Total	6,000	4,000	10,000
34	Other Funds			
35	RICAP – Girl’s Facility – Training School	700,000	(700,000)	0
36	Other Funds Total	700,000	(700,000)	0
37	Total - Juvenile Correctional Services	30,997,062	428,318	31,425,380

1	<i>Child Welfare</i>			
2	General Revenue			
3	General Revenues	88,661,014	3,216,306	91,877,320
4	18 to 21 Year Olds	6,000,000	(162,000)	5,838,000
5	General Revenue Total	94,661,014	3,054,306	97,715,320
6	Federal Funds			
7	Federal Funds	58,426,893	(21,076)	58,405,817
8	18 to 21 Year Olds	4,545,000	166,421	4,711,421
9	Federal Funds Total	62,971,893	145,345	63,117,238
10	The General Assembly shall appropriate quarterly allotments to the Department of Children, Youth and			
11	Families for child welfare for FY 2008. The state controller shall not allow the department to spend any more			
12	than \$23.7 million <u>\$24.4 million</u> from general revenues and \$15.7 million <u>\$15.8 million</u> from federal funds by			
13	September 30, 2007, no more than \$47.4 million <u>\$48.9 million</u> from general revenues and \$31.4 million <u>\$31.6</u>			
14	<u>million</u> from federal funds by December 31, 2007, and no more than \$71.1 million <u>\$73.3 million</u> from general			
15	revenues and \$47.1 million <u>\$47.4 million</u> from federal funds by March 31, 2008.			
16	Restricted Receipts Total	1,747,941	0	1,747,941
17	Other Funds			
18	RICAP – Camp E-Hun-Tee	85,000	0	85,000
19	RICAP – Fire Code Upgrades	750,000	3,690	753,690
20	Other Funds Total	835,500	3,690	838,690
21	Total - Child Welfare	160,215,848	3,203,341	163,419,189
22	<i>Higher Education Incentive Grants</i>			
23	General Revenue Total	200,000	(5,400)	194,600
24	Total – Higher Education Incentive Grants	200,000	(5,400)	194,600
25	Grand Total - General Revenue Funds	149,249,856	2,706,659	151,956,515
26	Grand Total - Children, Youth, and Families	232,749,891	1,439,379	234,189,270
27	Elderly Affairs			
28	General Revenue			
29	General Revenues	16,521,951	(275,496)	16,246,455
30	RIPAE	2,081,654	(943,244)	1,138,410
31	Safety and Care of the Elderly	600	(16)	584
32	General Revenue Total	18,604,205	(1,218,756)	17,385,449
33	Federal Funds Total	13,056,931	(151,332)	12,905,599
34	Restricted Receipts Total	690,000	640,000	1,330,000
35	Other Funds			
36	Intermodal Surface Transportation Fund	4,685,000	0	4,685,000
37	Other Funds Total	4,685,000	0	4,685,000
38	Grand Total - Elderly Affairs	37,036,136	(730,088)	36,306,048

1	Health			
2	<i>Central Management</i>			
3	General Revenue Total	4,901,329	(112,213)	4,789,116
4	Federal Funds Total	4,856,361	3,221,099	8,077,460
5	Restricted Receipts Total	3,716,866	698,009	4,414,875
6	Total - Central Management	13,474,556	3,806,895	17,281,451
7	<i>State Medical Examiner</i>			
8	General Revenue Total	2,156,986	(23,215)	2,133,771
9	Federal Funds Total	141,556	(9,935)	131,621
10	Total - State Medical Examiner	2,298,542	(33,150)	2,265,392
11	<i>Family Health</i>			
12	General Revenue Total	2,588,535	(112,475)	2,476,060
13	Federal Funds Total	29,851,256	3,839,657	33,690,913
14	Restricted Receipts Total	18,186,461	(814,208)	17,372,253
15	Total - Family Health	50,626,252	2,912,974	53,539,226
16	<i>Health Services Regulation</i>			
17	General Revenue Total	6,522,612	(119,619)	6,402,993
18	Federal Funds Total	4,913,651	1,841,606	6,755,257
19	Restricted Receipts Total	436,904	(39,919)	396,985
20	Total - Health Services Regulation	11,873,167	1,682,068	13,555,235
21	<i>Environmental Health</i>			
22	General Revenue Total	3,999,516	(224,427)	3,777,089
23	Federal Funds Total	6,124,861	(363,379)	5,761,482
24	Restricted Receipts Total	3,062,911	(154,828)	2,908,083
25	Total - Environmental Health	13,187,288	(740,634)	12,446,654
26	<i>Health Laboratories</i>			
27	General Revenue Total	8,170,513	(1,390,484)	6,780,029
28	Federal Funds Total	2,063,939	255,447	2,319,386
29	Total - Health Laboratories	10,234,452	(1,135,037)	9,099,415
30	<i>Disease Prevention and Control</i>			
31	General Revenues Total	6,147,635	(186,081)	5,961,554
32	Federal Funds Total	17,353,763	753,333	18,107,096
33	Other Funds			
34	Walkable Communities Initiative	28,676	734	29,410
35	Other Funds Total	28,676	734	29,410
36	Total - Disease Prevention and Control	23,530,074	567,986	24,098,060
37	Grand Total - General Revenue Funds	34,487,126	(2,166,514)	32,320,612
38	Grand Total – Health	125,224,331	7,061,102	132,285,433

1 **Human Services**

2 *Central Management*

3	General Revenue Total	9,113,855	1,210,371	10,324,226
4	Federal Funds Total	4,251,568	194,875	4,446,443
5	Restricted Receipts Total	1,746,265	248,682	1,994,947
6	Total - Central Management	15,111,688	1,653,928	16,765,616

7 *Child Support Enforcement*

8	General Revenue Total	3,830,853	(612,928)	3,217,925
9	Federal Funds Total	7,569,577	(130,261)	7,439,316
10	Restricted Receipts Total	50,000	(50,000)	0
11	Total – Child Support Enforcement	11,450,430	(793,189)	10,657,241

12 *Individual and Family Support*

13	General Revenue Total	24,754,511	(2,117,604)	22,636,907
14	Federal Funds Total	52,883,675	2,642,322	55,525,997
15	Restricted Receipts Total	134,150	0	134,150
16	Other Funds			
17	RICAP – Blind Vending Facilities	100,000	0	100,000
18	RICAP – Forand Building Exterior Improvements	1,200,000	(1,200,000)	0
19	Other Funds Total	1,300,000	(1,200,000)	100,000
20	Total - Individual and Family Support	79,072,336	(675,282)	78,397,054

21 *Veterans' Affairs*

22	General Revenue Total	17,109,472	959,340	18,068,812
23	Federal Funds Total	6,384,850	3,050,669	9,435,519
24	Restricted Receipts Total	1,516,550	580,761	2,097,311
25	Total - Veterans' Affairs	25,010,872	4,590,770	29,601,642

26 *Health Care Quality, Financing and Purchasing*

27	General Revenue Total	23,023,393	(2,012,006)	21,011,387
28	Federal Funds Total	43,746,840	(1,865,455)	41,881,385
29	Restricted Receipts Total	186,714	19,766	206,480
30	Total - Health Care Quality,			
31	Financing & Purchasing	66,956,947	(3,857,695)	63,099,252

32 *Medical Benefits*

33	General Revenues			
34	Hospitals	127,761,587	2,576,412	130,337,999
35	Nursing Facilities	171,867,087	(3,852,863)	168,014,224
36	Provided that \$154,280,987 <u>\$150,579,223</u> is for long term care for nursing homes and hospice care			
37	and \$17,586,100 <u>\$17,435,001</u> is for long term care for home and community based services.			
38	Managed Care	259,157,517	(10,155,447)	249,002,070

1	Pharmacy	63,239,985	(2,472,321)	60,767,664
2	Other	55,380,738	(627,262)	54,753,476
3	General Revenue Total	677,406,914	(14,531,481)	662,875,433
4	Federal Funds			
5	Hospitals	115,822,763	12,941,439	128,764,202
6	Long Term Care	189,938,417	(4,470,003)	185,468,414
7	Provided that \$170,524,517 <u>\$166,222,173</u> is for long term care for nursing homes and hospice care			
8	and \$19,413,900 <u>\$19,246,241</u> is for long term care for home and community based services.			
9	Managed Care	293,562,936	(3,715,311)	289,847,625
10	Special Education	20,733,240	0	20,733,240
11	Pharmacy	23,999,516	(311,836)	23,687,680
12	Other	60,550,556	(51,276)	60,499,280
13	Federal Funds Total	704,607,428	4,393,013	709,000,441
14	Restricted Receipts Total	5,590,042	0	5,590,042
15	Total - Medical Benefits	1,387,604,384	(10,138,468)	1,377,465,916
16	<i>Supplemental Security Income Program</i>			
17	General Revenue Total	28,455,740	(152,598)	28,303,142
18	Total - Supplemental Security Income Program	28,455,740	(152,598)	28,303,142
19	<i>Family Independence Program</i>			
20	General Revenues			
21	Child Care	7,442,414	2,713,176	10,155,590
22	TANF/Family Independence Program	15,957,990	(110,262)	15,847,728
23	General Revenue Total	23,400,404	2,602,914	26,003,318
24	Federal Funds Total	84,438,119	122,792	84,560,911
25	Total - Family Independence Program	107,838,523	2,725,706	110,564,229
26	<i>State Funded Programs</i>			
27	General Revenues			
28	General Public Assistance	4,090,076	(599,565)	3,490,511
29	General Revenue Total	4,090,076	(599,565)	3,490,511
30	Federal Funds Total	85,553,476	7,814,100	93,367,576
31	Total - State Funded Programs	89,643,552	7,214,535	96,858,087
32	Grand Total - General Revenue Funds	811,185,218	(15,253,557)	795,931,661
33	Grand Total - Human Services	1,811,144,472	567,707	1,811,712,179
34	Mental Health, Retardation, and Hospitals			
35	<i>Central Management</i>			
36	General Revenue Total	740,606	1,148,211	1,888,817
37	Federal Funds Total	67,080	50,597	117,677
38	Total - Central Management	807,686	1,198,808	2,006,494

1	<i>Hospital and Community System Support</i>			
2	General Revenue Total	4,238,069	(608,228)	3,629,841
3	Federal Funds Total	373,404	40,042	413,446
4	Other Funds			
5	RICAP - Medical Center Rehabilitation	290,000	21,385	311,385
6	RICAP – Community Facilities Fire Code	1,250,000	128,730	1,378,730
7	RICAP – DD Private Waiver Com Facilities-Fire Code	337,500	37,021	374,521
8	Other Funds Total	1,877,500	187,136	2,064,636
9	Total - Hospital and Community System Support	6,488,973	(381,050)	6,107,923
10	<i>Services for the Developmentally Disabled</i>			
11	General Revenue Total	120,497,502	(2,772,590)	117,724,912
12	Federal Funds Total	136,746,550	(2,240,301)	134,506,249
13	Other Funds			
14	RICAP – Regional Center Repair/Rehabilitation	300,000	18,464	318,464
15	RICAP – MR Community Facilities	500,000	0	500,000
16	RICAP – Developmental Disability Group Homes	2,050,000	66,215	2,116,215
17	Other Funds Total	2,850,000	84,679	2,934,679
18	Total - Services for the Developmentally			
19	Disabled	260,094,052	(4,928,212)	255,165,840
20	<i>Integrated Mental Health Services</i>			
21	General Revenue Total	43,958,899	(1,270,511)	42,688,388
22	Federal Funds Total	38,244,839	(2,016,687)	36,228,152
23	Other Funds			
24	RICAP – MH Community Facilities Repair	250,000	0	250,000
25	RICAP – MH Housing Development-Thresholds	400,000	0	400,000
26	Other Funds Total	650,000	0	650,000
27	Total - Integrated Mental Health Services	82,853,738	(3,287,198)	79,566,540
28	<i>Hospital and Community Rehabilitation Services</i>			
29	General Revenue Total	57,019,642	(5,192,316)	51,827,326
30	Federal Funds Total	56,699,247	(6,552,142)	50,147,105
31	Restricted Receipts Total	2,950,000	(446,146)	2,503,834
32	Other Funds			
33	RICAP - Zambarano Buildings and Utilities	590,000	53,273	643,273
34	RICAP – Hospital Consolidation	2,250,000	1,450,000	3,700,000
35	Other Funds Total	2,840,000	1,503,273	4,343,273
36	Total - Hospital and Community			
37	Rehabilitative Services	119,508,889	(10,687,351)	108,821,538

1	<i>Substance Abuse</i>			
2	General Revenue Total	17,004,511	(566,461)	16,438,050
3	Federal Funds Total	11,839,894	1,651,086	13,490,980
4	Restricted Receipts Total	90,000	0	90,000
5	Other Funds			
6	RICAP – Eastman House	0	221,521	221,521
7	RICAP - Asset Protection	200,000	11,936	211,936
8	Other Funds Total	200,000	233,457	433,457
9	Total - Substance Abuse	29,134,405	1,318,082	30,452,487
10	Grand Total - General Revenue Funds	243,459,229	(9,261,895)	234,197,334
11	Grand Total - Mental Health, Retardation,			
12	and Hospitals	498,887,743	(16,766,921)	482,120,822
13	Office of the Child Advocate			
14	General Revenue Total	520,757	(36,188)	484,569
15	Federal Funds Total	40,000	(2,499)	37,501
16	Grand Total – Office of the Child Advocate	560,757	(38,687)	522,070
17	Commission on the Deaf and Hard of Hearing			
18	General Revenue Total	370,154	(43,559)	326,595
19	Federal Funds Total	17,500	(17,500)	0
20	Grand Total - Commission on the Deaf and			
21	Hard of Hearing	387,654	(61,059)	326,595
22	RI Developmental Disabilities Council			
23	Federal Funds Total	461,111	(55,409)	405,702
24	Grand Total - RI Developmental Disabilities Council	461,111	(55,409)	405,702
25	Governor's Commission on Disabilities			
26	General Revenue Total	535,775	(185,149)	350,626
27	Federal Funds Total	181,692	(2,312)	179,380
28	Restricted Receipts Total	50,612	(36,257)	14,355
29	Other Funds			
30	RICAP - Facility Renovation - Handicapped Accessibility	200,000	36,551	236,551
31	Other Funds Total	200,000	36,551	236,551
32	Grand Total - Governor's Commission on			
33	Disabilities	968,079	(187,167)	780,912
34	Mental Health Advocate			
35	General Revenue Total	424,343	(18,797)	405,546
36	Grand Total - Mental Health Advocate	424,343	(18,797)	405,546

1 **Elementary and Secondary Education**

2 *Administration of the Comprehensive Education Strategy*

3 General Revenue

4 General Revenues 21,316,614 (743,740) 20,572,874

5 Statewide – Uniform Chart of Accounts 1,100,000 0 1,100,000

6 General Revenue Total 22,416,614 (743,740) 21,672,874

7 Federal Funds Total 175,671,609 11,191,607 186,863,216

8 Restricted Receipts

9 Restricted Receipts 1,189,897 (136,497) 1,053,400

10 HRIC Adult Education Grants 4,500,000 116,700 4,616,700

11 Restricted Receipts Total 5,689,897 (19,797) 5,670,100

12 Other Funds

13 RICAP – Shepard Building Air Quality 286,500 0 286,500

14 Other Funds Total 286,500 0 286,500

15 Total – Administration of the Comprehensive

16 Education Strategy 204,064,620 10,428,070 214,492,690

17 *Davies Career and Technical School*

18 General Revenue Total 14,571,572 (523,849) 14,047,723

19 Federal Funds Total 1,237,336 187,743 1,425,079

20 Other Funds

21 RICAP – Davies HVAC 364,985 124 365,109

22 RICAP – Davies Asset Protection 82,400 0 82,400

23 RICAP – Davies Roof Repair 507,000 0 507,000

24 Other Funds Total 954,385 124 954,509

25 Total - Davies Career and Technical School 16,763,293 (335,982) 16,427,311

26 *RI School for the Deaf*

27 General Revenue Total 6,807,792 (236,799) 6,570,993

28 Federal Funds Total 367,923 (96,953) 270,970

29 Restricted Receipts Total 0 1,418 1,418

30 Other Funds Total 0 10,181 10,181

31 Total - RI School for the Deaf 7,175,715 (322,153) 6,853,562

32 *Metropolitan Career and Technical School*

33 General Revenue Total 11,487,734 0 11,487,734

34 Total - Metropolitan Career and

35 Technical School 11,487,734 0 11,487,734

1	<i>Education Aid</i>			
2	General Revenue Total	679,417,316	(110,174)	679,307,142
3	Federal Funds Total	1,119,042	(1,044,042)	75,000
4	Restricted Receipts Total	1,459,996	(506)	1,459,490
5	Total – Education Aid	681,996,354	(1,154,722)	680,841,632
6	<i>Central Falls School District</i>			
7	General Revenue Total	43,795,411	(379,189)	43,416,222
8	Total - Central Falls School District	43,795,411	(379,189)	43,416,222
9	<i>Housing Aid</i>			
10	General Revenue Total	52,861,510	(3,197,534)	49,663,976
11	Total – School Housing Aid	52,861,510	(3,197,534)	49,663,976
12	<i>Teacher’s Retirement</i>			
13	General Revenue Total	78,071,710	2,153,645	80,225,355
14	Total – Teacher’s Retirement	78,071,710	2,153,645	80,225,355
15	Grand Total - General Revenue Funds	909,429,659	(3,037,640)	906,392,019
16	Grand Total - Elementary and Secondary			
17	Education	1,096,216,347	7,192,135	1,103,408,482
18	Public Higher Education			
19	<i>Board of Governors/Office of Higher Education</i>			
20	General Revenue Total	8,135,640	(227,492)	7,908,148
21	Federal Funds Total	3,526,446	1,774,368	5,300,814
22	Restricted Receipts Total	200,000	252,851	452,851
23	Total - Board of Governors/Office of			
24	Higher Education	11,862,086	1,799,727	13,661,813
25	<i>University of Rhode Island</i>			
26	General Revenue			
27	General Revenues	77,035,968	(2,139,443)	74,896,525
28	Debt Service	11,203,337	(765,551)	10,437,786
29	General Revenue Total	88,239,305	(2,904,994)	85,334,311
30	Other Funds			
31	University and College Funds	401,968,441	11,921,728	413,890,169
32	Debt – Dining Services	1,115,771	7,500	1,123,271
33	Debt – Education and General	2,556,727	(141,890)	2,414,837
34	Debt – Health Services	130,758	(2,400)	128,358
35	Debt – Housing Loan Funds	5,550,920	142,570	5,693,490
36	Debt – Memorial Union	101,165	(550)	100,615
37	Debt – Ryan Center	388,558	1,671,909	2,060,467
38	Debt – Alton Jones Services	148,728	(200)	148,528

1	Debt – Boss Arena	71,913	(71,913)	0
2	Debt Parking Authority	757,871	(2,000)	755,871
3	Debt – Sponsored Research	101,425	0	101,425
4	RICAP – Asset Protection	4,189,500	607,949	4,797,449
5	RICAP – Superfund	954,000	0	954,000
6	RICAP – Lippitt Hall	4,605,000	0	4,605,000
7	Other Funds Total	422,640,777	14,132,703	436,773,480
8	Total – University of Rhode Island	510,880,082	11,227,709	522,107,791

9 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered
10 balances as of June 30, 2008 relating to the University of Rhode Island are hereby reappropriated to fiscal year
11 2009.

12 *Rhode Island College*

13 General Revenues

14	General Revenues	45,750,547	(1,403,827)	44,346,720
15	Debt Service	2,944,957	(89,027)	2,855,930
16	RIRBA – Rhode Island College	336,386	0	336,386
17	General Revenue Total	49,031,890	(1,492,854)	47,539,036

18 Other Funds

19	University and College Funds	82,943,953	(441,469)	82,502,484
20	Debt – Education and General	295,152	0	295,152
21	Debt – Housing	494,417	0	494,417
22	Debt – Student Center and Dining	172,061	0	172,061
23	Debt – Student Union	172,194	0	172,194
24	RICAP-Asset Protection	1,819,125	293,532	2,112,657
25	Other Funds Total	85,896,902	(147,937)	85,748,965
26	Total – Rhode Island College	134,928,792	(1,640,791)	133,288,001

27 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered
28 balances as of June 30, 2008 relating to Rhode Island College are hereby reappropriated to fiscal year 2009.

29 *Community College of Rhode Island*

30 General Revenues

31	General Revenues	49,254,318	(1,434,029)	47,820,289
32	Debt Service	1,406,894	(25,630)	1,381,264
33	General Revenue Total	50,661,212	(1,459,659)	49,201,553

34	Restricted Receipts Total	693,520	(52,872)	640,648
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35 Other Funds

36	University and College Funds	58,716,203	1,492,226	60,208,429
37	Debt – Bookstore	176,504	(30,837)	145,667
38	RICAP – Knight Campus Nursing Program	60,000	0	60,000

1	RICAP – Fire Code and HVAC	1,700,000	0	1,700,000
2	RICAP-Asset Protection	1,157,625	1,492,425	2,650,050
3	Other Funds Total	61,810,332	2,953,814	64,764,146
4	Total – Community College of RI	113,165,064	1,441,283	114,606,347
5	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered			
6	balances as of June 30, 2008 relating to the Community College of Rhode Island are hereby reappropriated to			
7	fiscal year 2009.			
8	Grand Total – General Revenue Funds	196,068,047	(6,084,999)	189,983,048
9	Grand Total – Public Higher Education	770,836,024	12,827,928	783,663,952
10	RI State Council on the Arts			
11	General Revenues			
12	Operating Support	757,476	(24,105)	733,371
13	Grants	2,020,168	(54,545)	1,965,623
14	General Revenue Total	2,777,644	(78,650)	2,698,994
15	Federal Funds Total	706,453	(34,810)	671,643
16	Restricted Receipts Total	0	200,000	200,000
17	Other Funds			
18	Arts for Public Facilities	3,000,000	(2,000,000)	1,000,000
19	Other Funds Total	3,000,000	(2,000,000)	1,000,000
20	Grand Total - RI State Council on the Arts	6,484,097	(1,913,460)	4,570,637
21	RI Atomic Energy Commission			
22	General Revenue Total	819,869	(21,042)	798,827
23	Federal Funds Total	420,940	116,337	537,277
24	Other Funds			
25	URI Sponsored Research	190,654	49,105	239,759
26	RICAP – RINSC Parking Lot Repair	50,000	0	50,000
27	Other Funds Total	240,654	49,105	289,759
28	Grand Total - RI Atomic Energy Commission	1,481,463	144,400	1,625,863
29	RI Higher Education Assistance Authority			
30	General Revenues			
31	Needs Based Grants and Work Opportunities	10,000,000	(756,500)	9,243,500
32	Authority Operations and Other Grants	1,019,684	(43,392)	976,292
33	General Revenue Total	11,019,684	(799,892)	10,219,792
34	Federal Funds Total	12,612,204	(245,802)	12,366,402
35	Other Funds			
36	Tuition Savings Program – Administration	5,718,516	634,982	6,353,498
37	Other Funds Total	5,718,516	634,982	6,353,498
38	Grand Total - Higher Education Assistance			

1	Authority	29,350,404	(410,712)	28,939,692
2	RI Historical Preservation and Heritage Commission			
3	General Revenue Total	1,577,792	(90,480)	1,487,312
4	Federal Funds Total	529,078	(183)	528,895
5	Restricted Receipts Total	496,294	(4,301)	491,993
6	Grand Total – RI Historical Preservation			
7	and Heritage Commission	2,603,164	(94,964)	2,508,200
8	RI Public Telecommunications Authority			
9	General Revenue Total	1,363,654	(47,458)	1,316,196
10	Other Funds			
11	Corporation for Public Broadcasting	799,656	(65,621)	734,035
12	Other Funds Total	799,656	(65,621)	734,034
13	Grand Total – RI Public Telecommunications			
14	Authority	2,163,310	(113,079)	2,050,231
15	Attorney General			
16	<i>Criminal</i>			
17	General Revenue Total	12,988,267	66,239	13,054,506
18	Federal Funds Total	1,322,964	(48,334)	1,274,630
19	Restricted Receipts Total	339,183	(7,046)	332,137
20	Total – Criminal	14,650,414	10,859	14,661,273
21	<i>Civil</i>			
22	General Revenue Total	4,897,204	(764,256)	4,132,948
23	Restricted Receipts Total	634,364	(25,927)	608,437
24	Total – Civil	5,531,568	(790,183)	4,741,385
25	<i>Bureau of Criminal Identification</i>			
26	General Revenue Total	1,017,634	(52,458)	965,176
27	Federal Funds Total	56,500	36,300	92,800
28	Total - Bureau of Criminal Identification	1,074,134	(16,158)	1,057,976
29	<i>General</i>			
30	General Revenue Total	2,432,200	41,599	2,473,799
31	Other Funds			
32	RICAP – Building Renovations and Repairs	215,000	189,880	404,880
33	Other Funds Total	215,000	189,880	404,880
34	Total – General	2,647,200	231,479	2,878,679
35	Grand Total - General Revenue Funds	21,335,305	(708,876)	20,626,429
36	Grand Total - Attorney General	23,903,316	(564,003)	23,339,313

1	Corrections			
2	<i>Central Management</i>			
3	General Revenue Total	10,466,116	(772,743)	9,693,373
4	Federal Funds Total	359,452	(219,337)	140,115
5	Total - Central Management	10,825,568	(992,080)	9,833,488
6	<i>Parole Board</i>			
7	General Revenue Total	1,259,056	(48,598)	1,210,458
8	Federal Funds Total	33,002	7,998	41,000
9	Total - Parole Board	1,292,058	(40,600)	1,251,458
10	<i>Institutional Corrections</i>			
11	General Revenue Total	160,571,643	(760,726)	159,810,917
12	Federal Funds Total	2,034,829	533,318	2,568,147
13	Other Funds			
14	RICAP – Reintegration Center State Match	1,195,123	1,123,897	2,319,020
15	RICAP – General Renovations - Maximum	400,000	3,105	403,105
16	RICAP – General Renovations – Women’s	1,000,000	26,103	1,026,103
17	RICAP – Women’s Bath Room Renovations	856,000	0	856,000
18	RICAP – Work Release Roof	497,000	484,644	981,644
19	RICAP – Asset Protection	2,500,000	721,711	3,221,711
20	Other Funds Total	6,448,123	2,359,460	8,807,583
21	Total - Institutional Corrections	169,054,595	2,132,052	171,186,647
22	<i>Community Corrections</i>			
23	General Revenue Total	15,657,717	(1,371,370)	14,286,347
24	Federal Funds Total	380,217	424,080	804,297
25	Total – Community Corrections	16,037,934	(947,290)	15,090,644
26	Grand Total - General Revenue Funds	187,954,532	(2,953,437)	185,001,095
27	Grand Total – Corrections	197,210,155	152,082	197,362,237
28	Judiciary			
29	<i>Supreme Court</i>			
30	General Revenues			
31	General Revenues	25,903,138	(1,219,611)	24,683,527
32	Defense of Indigents	3,065,689	(82,774)	2,982,915
33	Judicial Tenure and Discipline	119,705	(3,263)	116,442
34	General Revenue Total	29,088,532	(1,305,648)	27,782,884
35	Federal Funds Total	121,590	243,878	365,468
36	Restricted Receipts Total	1,131,337	323,722	1,455,059
37	Other Funds			
38	RICAP – Judicial HVAC	400,000	0	400,000

1	RICAP – Garrahy Lighting and Ceiling	600,000	0	600,000
2	RICAP – Blackstone Valley Court	0	83,080	83,080
3	RICAP – Asset Protection	450,000	717	450,717
4	Other Funds Total	1,450,000	83,797	1,533,797
5	Total - Supreme Court	31,791,459	(654,251)	31,137,208
6	<i>Superior Court</i>			
7	General Revenue Total	20,417,996	(823,031)	19,594,965
8	Federal Funds Total	535,427	(318,518)	216,909
9	Total - Superior Court	20,953,423	(1,141,549)	19,811,874
10	<i>Family Court</i>			
11	General Revenue Total	17,793,670	(136,287)	17,657,383
12	Federal Funds Total	1,407,102	660,273	2,067,375
13	Total - Family Court	19,200,772	523,986	19,724,758
14	<i>District Court</i>			
15	General Revenue Total	10,505,649	(669,370)	9,836,279
16	Total - District Court	10,505,649	(669,370)	9,836,279
17	<i>Traffic Tribunal</i>			
18	General Revenue Total	7,159,070	(339,013)	6,820,057
19	Total - Traffic Tribunal	7,159,070	(339,013)	6,820,057
20	<i>Workers' Compensation Court</i>			
21	Restricted Receipts Total	7,387,455	(181,507)	7,205,948
22	Total - Workers' Compensation Court	7,387,455	(181,507)	7,205,948
23	Grand Total - General Revenue Funds	84,964,917	(3,273,349)	81,691,568
24	Grand Total – Judiciary	96,997,828	(2,461,704)	94,536,124
25	Military Staff			
26	<i>National Guard</i>			
27	General Revenue Total	1,761,132	(5,617)	1,755,515
28	Federal Funds Total	9,288,875	(367,699)	8,921,176
29	Restricted Receipts Total	145,000	15,000	160,000
30	Other Funds			
31	RICAP - Federal Armories Fire Code Comp.	118,750	(59,335)	59,395
32	RICAP - AMC – Roof Replacement	644,000	0	644,000
33	RICAP - State Armories Fire Code Comp.	250,000	(65,625)	184,375
34	RICAP - Asset Protection	210,000	55,650	265,650
35	RICAP – Quonset Hangar	0	1,335,000	1,335,000
36	RICAP – Logistics/Maint Facilities Fire Code Comp	100,000	(50,000)	50,000
37	RICAP – Woonsocket Building Demolition	71,250	0	71,250
38	RICAP – Schofield Armory Rehabilitation	0	170,471	170,471

1	Other Funds Total	1,394,000	1,386,141	2,780,141
2	Total - National Guard	12,589,007	1,027,825	13,616,832
3	<i>Emergency Management</i>			
4	General Revenue Total	802,732	(60,252)	742,480
5	Federal Funds Total	11,305,824	10,739,740	22,045,564
6	Restricted Receipts Total	262,532	(121,028)	141,504
7	Total - Emergency Management	12,371,088	10,558,460	22,929,548
8	Grand Total - General Revenue Funds	2,563,864	(65,869)	2,497,995
9	Grand Total - Military Staff	24,960,095	11,586,285	36,546,380
10	E-911 Emergency Telephone System			
11	General Revenue Total	4,733,109	146,258	4,879,367
12	Federal Funds Total	0	500,000	500,000
13	Restricted Receipts Total	1,296,943	(422,228)	874,715
14	Grand Total - E-911 Emergency Telephone System	6,030,052	224,030	6,254,082
15	Fire Safety Code Board of Appeal and Review			
16	General Revenue Total	303,435	(13,605)	289,830
17	Grand Total - Fire Safety Code Board of			
18	Appeal and Review	303,435	(13,605)	289,830
19	State Fire Marshal			
20	General Revenue Total	2,671,285	(316,587)	2,354,698
21	Federal Funds Total	227,972	135,505	363,477
22	Grand Total - State Fire Marshal	2,899,257	(181,082)	2,718,175
23	Rhode Island Justice Commission			
24	General Revenue Total	160,815	71,038	231,853
25	Federal Funds Total	4,151,511	358,171	4,509,682
26	Restricted Receipts Total	30,000	103,000	133,000
27	Grand Total - Rhode Island Justice Commission	4,342,326	532,209	4,874,535
28	Municipal Police Training Academy			
29	General Revenue Total	429,252	(1,438)	427,814
30	Federal Funds Total	50,000	16,400	66,400
31	Grand Total - Municipal Police Training Academy	479,252	14,962	494,214
32	State Police			
33	General Revenue Total	52,058,385	(1,369,464)	50,688,921
34	Federal Funds Total	1,091,916	1,275,632	2,367,548
35	Restricted Receipts Total	312,100	149,347	461,447
36	Other Funds			
37	Traffic Enforcement - Municipal Training	378,924	(37,290)	341,634

1	RICAP – Barracks & Training	150,000	0	150,000
2	RICAP – State Police Training Academy	5,000,000	(3,000,000)	2,000,000
3	RICAP – State Police Headquarters Repair	0	134,682	134,682
4	Lottery Commission Assistance	142,099	(4,947)	137,152
5	Airport Corporation	143,923	(5,768)	138,155
6	Road Construction Reimbursement	2,366,598	(10,894)	2,355,704
7	Other Funds Total	8,181,544	(2,924,217)	5,257,327
8	Grand Total - State Police	61,643,945	(2,868,702)	58,775,243
9	Office of Public Defender			
10	General Revenue Total	9,324,951	(308,995)	9,015,956
11	Federal Funds Total	421,833	(62,917)	358,916
12	Grand Total - Office of Public Defender	9,746,784	(371,912)	9,374,872
13	Environmental Management			
14	<i>Office of the Director</i>			
15	General Revenue Total	6,043,464	(266,716)	5,776,748
16	Federal Funds Total	556,097	(133,858)	422,239
17	Restricted Receipts Total	2,504,573	3,550	2,508,123
18	Total – Office of the Director	9,104,134	(397,024)	8,707,110
19	<i>Natural Resources</i>			
20	General Revenue Total	18,318,004	(453,515)	17,864,489
21	Federal Funds Total	17,159,404	750,541	17,909,945
22	Restricted Receipts Total	3,829,816	(299,322)	3,530,494
23	Other Funds			
24	DOT Recreational Projects	117,996	(47,985)	70,011
25	Blackstone Bikepath Design	787,890	424	788,314
26	RICAP - Dam Repair	300,000	0	300,000
27	RICAP – Recreational Facilities Improvement	1,000,000	143,793	1,143,793
28	RICAP – Fort Adams Rehabilitation	250,000	0	250,000
29	RICAP – Jamestown Fishing Pier	100,000	0	100,000
30	RICAP – Wickford Marine Facility	0	510,000	510,000
31	RICAP - Galilee Piers Upgrade	400,000	60,101	460,101
32	RICAP - Newport Piers	950,000	0	950,000
33	Other Funds Total	3,905,886	666,333	4,572,219
34	Total - Natural Resources	43,213,110	664,037	43,877,147
35	<i>Environmental Protection</i>			
36	General Revenue Total	12,051,532	(1,479,307)	10,572,225
37	Federal Funds Total	10,438,032	2,021,244	12,459,276
38	Restricted Receipts Total	10,611,052	(577,797)	10,033,255

1	Other Funds			
2	RICAP – Rosehill Landfill Superfund Site	0	1,275,000	1,275,000
3	Other Funds total	0	1,275,000	1,275,000
4	Total - Environmental Protection	33,100,616	1,239,140	34,339,756
5	Grand Total - General Revenue Funds	36,413,000	(2,199,538)	34,213,462
6	Grand Total - Environmental Management	85,417,860	1,506,153	86,924,013
7	Coastal Resources Management Council			
8	General Revenue Total	1,879,559	61,086	1,940,645
9	Federal Funds Total	1,607,000	163,436	1,770,436
10	Restricted Receipts Total	1,022,100	(627,100)	395,000
11	Other Funds			
12	RICAP – Habitat Restoration Allin’s Cove	0	5,500	5,500
13	RICAP – Providence River Dredging	0	1,590,590	1,590,590
14	Other Funds Total	0	1,596,090	1,596,090
15	Grand Total - Coastal Resources Mgmt. Council	4,508,659	1,193,512	5,702,171
16	State Water Resources Board			
17	General Revenue Total	1,893,081	(264,111)	1,628,970
18	Restricted Receipts	400,000	0	400,000
19	Other Funds			
20	RICAP - Big River Management Area	92,000	9,835	101,835
21	Other Funds Total	92,000	9,835	101,835
22	Grand Total - State Water Resources Board	2,385,081	(254,276)	2,130,805
23	Transportation			
24	<i>Central Management</i>			
25	Federal Funds Total	17,166,840	621,162	17,788,002
26	Other Funds			
27	Gasoline Tax	3,711,727	(2,153,547)	1,558,180
28	Other Funds Total	3,711,727	(2,153,547)	1,558,180
29	Total - Central Management	20,878,567	(1,532,385)	19,346,182
30	<i>Management and Budget</i>			
31	Other Funds			
32	Gasoline Tax	3,010,397	(715,433)	2,294,964
33	Other Funds Total	3,010,397	(715,433)	2,294,964
34	Total - Management and Budget	3,010,397	(715,433)	2,294,964
35	<i>Infrastructure Engineering – GARVEE/Motor Fuel Tax Bond</i>			
36	Federal Funds Total	257,540,116	(35,902,960)	221,637,156
37	Restricted Receipts Total	661,834	782,874	1,444,708
38	Other Funds			

1	Gasoline Tax	46,094,158	1,988,629	48,082,787
2	Land Sale Revenue	2,000,000	7,345,600	9,345,600
3	State Infrastructure Bank	1,000,000	343,714	1,343,714
4	RICAP - RIPTA - Land and Buildings	2,305,486	0	2,305,486
5	RICAP - Pawtucket – Central Falls Train Station	40,000	247	40,247
6	Other Funds Total	51,439,644	9,678,190	61,117,834
7	Total - Infrastructure – Engineering	309,641,594	(25,441,896)	284,199,698
8	<i>Infrastructure Maintenance</i>			
9	Other Funds			
10	Gasoline Tax	39,478,894	2,192,800	41,671,784
11	Non-Land Surplus Property	287,523	48,808	336,331
12	Outdoor Advertising	18,809	483,914	502,723
13	Radio System Upgrade	0	335,000	335,000
14	RICAP – Cherry Hill/Lincoln Facility	625,000	0	625,000
15	RICAP – Maintenance Facilities	200,000	0	200,000
16	Other Funds Total	40,610,316	3,060,522	43,670,838
17	Total - Infrastructure Maintenance	40,610,316	3,060,522	43,670,838
18	Grand Total – Transportation	374,140,874	(24,629,192)	349,511,682
19	Statewide Totals			
20	General Revenue Total	3,403,638,116	(36,579,822)	3,367,058,294
21	Federal Funds Total	2,010,642,340	18,563,160	2,029,205,500
22	Restricted Receipt Funds Total	162,635,736	(4,704,365)	157,931,371
23	Other Funds Total	1,400,492,417	28,955,599	1,429,448,016
24	Statewide Grand Total	6,977,408,609	6,234,572	6,983,643,181

25 SECTION 2. Each line appearing in Section 1 of this Article shall constitute an
26 appropriation.

27 SECTION 3. Notwithstanding any provisions of Chapter 19 in Title 23 of the Rhode Island
28 General Laws, the Rhode Island Resource Recovery Corporation shall transfer to the State Controller
29 the sum of five million dollars (\$5,000,000) on June 30, 2008. The Rhode Resource Recovery
30 Corporation shall fund from Corporation resources a forensic audit of the Corporation’s finances.

31 SECTION 4. Notwithstanding any provisions of Chapter 17.1 in Title 42 and Chapter 12.9 in
32 Title 46 of the Rhode Island General Laws, the Underground Storage Tank Financial Responsibility
33 Fund Review Board shall transfer to the State Controller the sum of two million dollars (\$2,000,000)
34 on June 30, 2008.

35 SECTION 5. Notwithstanding any provisions of Chapter 55 in Title 42 of the Rhode Island
36 General Laws, the Rhode Island Housing and Mortgage Finance Corporation shall transfer to the

1 State Controller the sum of twenty six million twenty thousand two hundred forty seven dollars
 2 (\$26,020,247) on June 30, 2008.

3 SECTION 6. Notwithstanding any provisions of Chapter 8.1 in Title 35 of the Rhode Island
 4 General Laws, the Rhode Island Refunding Bond Authority shall transfer to the State Controller the
 5 sum of three hundred twenty three thousand nine hundred seventy six dollars (\$323,976) on June 30,
 6 2008.

7 SECTION 7. Pursuant to Chapter 7 in Title 13 of the Rhode Island General Laws, the State
 8 Controller shall transfer the sum of one million two hundred fifty thousand dollars (\$1,250,000) from
 9 the Correctional Industries Fund to general fund on June 30, 2008.

10 SECTION 8. (a) The general assembly authorizes the state controller to establish the internal
 11 service accounts shown below, and no other, to finance and account for the operations of state
 12 agencies that provide services to other agencies, institutions and other governmental units on a cost
 13 reimbursed basis. The purpose of these accounts is to ensure that certain activities are managed in a
 14 businesslike manner, promote efficient use of services by making agencies pay the full costs
 15 associated with providing the services, and allocate the costs of central administrative services across
 16 all fund types, so that federal and other non-general fund programs share in the costs of general
 17 government support. The controller is authorized to reimburse these accounts for the cost of work or
 18 services performed for any other department or agency subject to the following expenditure
 19 limitations:

<u>Account</u>	<u>FY 2008 Enacted</u>	<u>FY 2008 Change</u>	<u>FY 2008 Final</u>
20 State Assessed Fringe Benefit Internal Service Account	29,966,436	(370,664)	29,595,772
21 Administration Central Utilities Internal Service Account	19,490,769	4,379,225	23,869,994
22 State Central Mail Internal Service Account	5,683,450	(48,816)	5,634,634
23 State Telecommunications Internal Service Account	3,020,022	82,601	3,102,623
24 State Automotive Fleet Internal Service Account	14,649,606	(31,427)	14,618,179
25 State Fleet Replacement Revolving Loan Fund	0	6,350,000	6,350,000
26 State Surplus Property Internal Service Account	15,715	0	15,715
27 Capital Police Internal Service Account	580,935	(27,208)	553,727
28 Health Insurance Internal Service Fund	258,553,614	(20,820,540)	237,733,074
29 MHRH Central Pharmacy Internal Service Account	10,274,366	(89,055)	10,185,311
30 MHRH Laundry Services Internal Service Account	1,266,493	(33,282)	1,233,211
31 Corrections General Services & Warehouse Internal Service Account	6,054,815	189,372	6,244,187
32 Correctional Industries Internal Service Account	7,455,680	198,258	7,653,938
33 Secretary of State Record Center Internal Service Account	1,177,788	(320,005)	857,783

1 SECTION 9. Appropriation of University and College Funds – There is hereby appropriated
 2 pursuant to section 16-59-9 of the Rhode Island General Laws relating to the appropriation of funds
 3 by the General Assembly for Higher Education, and section 16-59-18 of the General Laws relating to
 4 receipts from sources other than appropriations, any funds received by the Board of Governors for
 5 Higher Education for the fiscal year ending June 30, 2008 payable out of the University and College
 6 Funds.

7 SECTION 10. Appropriation of Lottery Division Funds – There is hereby appropriated to the
 8 Lottery Division any funds required to be disbursed by the Lottery Division for the purposes of
 9 paying commissions or transfers to prize funds for the fiscal year ending June 30, 2008.

10 SECTION 11. Departments and agencies listed below may not exceed the number of full-
 11 time equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do
 12 not include seasonal or intermittent positions whose scheduled period of employment does not exceed
 13 twenty-six consecutive weeks or whose scheduled hours do not exceed nine hundred and twenty-five
 14 (925) hours, excluding overtime, in a one-year period. Nor do they include individuals engaged in
 15 training, the completion of which is a prerequisite of employment. Provided, however, that the
 16 Governor or designee, Speaker of the House of Representatives or designee, and President of the
 17 Senate or designee may authorize an adjustment to any limitation. Prior to the authorization, the State
 18 Budget Officer shall make a detailed written recommendation to the Governor, the Speaker of the
 19 House, and the President of the Senate. A copy of the recommendation and authorization to adjust
 20 shall be transmitted to the chairman of the House Finance Committee, the chairman of the Senate
 21 Finance Committee, the House Fiscal Advisor and the Senate Fiscal Advisor.

22 FTE POSITION AUTHORIZATION

<u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
Administration	1,032.9 <u>1,032.8</u>
Business Regulation	105.0 <u>102.0</u>
Labor and Training	454.9 <u>417.5</u>
Revenue	475.0 <u>465.0</u>
Legislature	298.2 <u>297.9</u>
Office of the Lieutenant Governor	9.5 <u>9.0</u>
Secretary of State	58.0
General Treasurer	88.0
Board of Elections	14.0
Rhode Island Ethics Commission	12.0
Office of the Governor	44.0 <u>45.0</u>

1	Commission for Human Rights	14.5
2	Public Utilities Commission	45.7 <u>45.0</u>
3	Rhode Island Commission on Women	1.0
4	Office of Health and Human Services	5.0 <u>6.0</u>
5	Children, Youth, and Families	805.0 <u>788.5</u>
6	Elderly Affairs	46.0 <u>44.0</u>
7	Health	459.0 <u>437.1</u>
8	Human Services	1,109.0 <u>1,067.6</u>
9	Mental Health, Retardation, and Hospitals	1,761.0 <u>1,657.6</u>
10	Office of the Child Advocate	5.8
11	Commission on the Deaf and Hard of Hearing	3.0
12	RI Developmental Disabilities Council	2.0
13	Governor's Commission on Disabilities	5.6
14	Office of the Mental Health Advocate	3.7
15	Elementary and Secondary Education	335.2 <u>332.0</u>
16	Office of Higher Education	21.0
17	Provided that 1.0 of the total authorization would be available only for a position that is supported by	
18	third- party funds.	
19	University of Rhode Island	1930.1
20	Provided that 602.0 of the total authorization would be available only for positions that are supported	
21	by third-party funds.	
22	Rhode Island College	850.5
23	Provided that 82.0 of the total authorization would be available only for positions that are supported	
24	by third-party funds.	
25	Community College of Rhode Island	748.2
26	Provided that 100.0 of the total authorization would be available only for positions that are supported	
27	by third-party funds.	
28	Rhode Island Council on the Arts	8.6
29	RI Atomic Energy Commission	8.6
30	Higher Education Assistance Authority	46.0 <u>42.6</u>
31	Historical Preservation and Heritage Commission	17.6
32	Public Telecommunications Authority	20.0
33	Office of the Attorney General	234.8
34	Corrections	1,508.6 <u>1515.0</u>

1	Judicial	732.5 <u>732.3</u>
2	Military Staff	110.0 <u>104.0</u>
3	E-911 Emergency Telephone System	53.6 <u>53.5</u>
4	Fire Safety Code Bd. of Appeal and Review	3.0
5	RI State Fire Marshal	35.0
6	Rhode Island Justice Commission	7.6
7	Municipal Police Training Academy	4.0
8	State Police	272.0 <u>268.0</u>
9	Office of the Public Defender	93.5
10	Environmental Management	491.4 <u>482.0</u>
11	Coastal Resources Management Council	30.0
12	Water Resources Board	9.0 <u>6.0</u>
13	Transportation	773.7 <u>733.2</u>
14	Total	<u><u>15,202.3</u></u> <u>14,903.7</u>

15

16 SECTION 12. This article shall take effect upon passage.

17

18 **ARTICLE 2**

19 RELATING TO STATE FLEET REPLACEMENT REVOLVING LOAN FUND

20 SECTION 1. Chapter 42-11 of the General Laws entitled "Department of Administration" is
 21 hereby amended by adding thereto the following section:

22 **42-11-2.4 State Fleet Replacement Revolving Loan Fund.** -- (a) There is hereby created
 23 as a separate fund within the treasury to be known as the state fleet replacement revolving loan fund
 24 which shall be administered by the general treasurer in accordance with the same laws and fiscal
 25 procedures as the general funds of the state. This fund, hereafter referred to as the "revolving loan
 26 fund", shall consist of such sums as the state may from time to time appropriate, as well as money
 27 received from the disposal of used vehicles, loan, interest and service charge payments from
 28 benefiting state agencies, as well as interest earnings, money received from the federal government,
 29 gifts, bequests, donations, or otherwise from any public or private source.

30 (b) This fund shall be used for the purpose of acquiring motor vehicles, both new and used,
 31 and vehicle-related equipment and attachments for state departments and agencies.

32 (c) The proceeds from the repayment of any loans made for the purposes authorized under
 33 this chapter shall be deposited in and returned to the revolving loan fund in order to constitute a
 34 continuing revolving fund for the purposes listed above.

1 (d) The office of state fleet operations of the Rhode Island department of administration shall
2 adopt rules and regulations consistent with the purposes of this chapter and chapter 35 of title 42, in
3 order to provide for the orderly and equitable disbursement and repayment of funds from the
4 revolving loan fund.

5 SECTION 2. This article shall take effect as of July 1, 2007.

6
7 **ARTICLE 3**

8 **RELATING TO PRIVATIZATION OF STATE SERVICES**

9 SECTION 1. Section 37-2.3-3 of the General Laws in Chapter 37-2.3 entitled "Government
10 Oversight and Fiscal Accountability Review Act" is hereby amended to read as follows:

11 **§ 37-2.3-3 Definitions.** – As used in this chapter, the following terms shall have the
12 following meanings:

13 (1) "Agency" includes any executive office, department, division, board, commission, or
14 other office or officer in the executive branch of the government.

15 (2) "Private contractor employee" includes a worker directly employed by a private
16 contractor, as defined in this section, as well as an employee of a subcontractor or an independent
17 contractor that provides supplies or services to a private contractor.

18 (3) "Services" includes, with respect to a private contractor, all aspects of the provision of
19 services provided by a private contractor pursuant to a privatization contract, or any services provided
20 by a subcontractor of a private contractor.

21 (4) "Person" includes an individual, institution, federal, state, or local governmental entity, or
22 any other public or private entity.

23 (5) ~~"Privatization contract" is an agreement or combination or series of agreements by which~~
24 ~~a nongovernmental person or entity agrees with an agency to provide services, valued at one hundred~~
25 ~~thousand dollars (\$100,000) or more, which are substantially similar to and in lieu of, services~~
26 ~~heretofore provided, in whole or in part, by regular employees of an agency.~~

27 "Privatization or "Privatization Contract" means an agreement or combination or series of
28 agreements by which a non-governmental person or entity agrees with an agency to provide services,
29 valued at \$200,000, but as of January 1 each year, the amount shall increase to reflect increases in the
30 consumer price index calculated by the United States Bureau of Labor Statistics for all urban
31 consumers nationally during the most recent 12 month period for which data are available or more,
32 which are substantially similar to and in lieu of, services theretofore provided, in whole or in part, by
33 regular employees of an agency. Any subsequent agreement, including any agreement resulting from
34 a rebidding of previously privatized service, or any agreement renewing or extending a privatization

1 contract, shall not be considered a privatization or a privatization contract. An agreement solely to
2 provide legal, management consulting, planning, engineering or design services shall not be
3 considered a privatization or privatization contract.

4 (6) "Privatization contractor" is any contractor, consultant, subcontractor, independent
5 contractor or private business owner that contracts with a state agency to perform services which are
6 substantially similar to and in lieu of services heretofore provided, in whole or in part, by employees
7 of an agency.

8 SECTION 2. Chapter 42-148 of the Rhode Island General Laws entitled "Privatization of
9 State Services" is hereby repealed in its entirety.

10 CHAPTER 42-148

11 PRIVATIZATION OF STATE SERVICES

12 ~~§ 42-148-1 Statement of intent.~~ If it is determined that privatization of certain
13 governmental functions may be appropriate, the privatization inquiry process should be well defined
14 with appropriate non-partisan, institutional oversight. The principles that guide a privatization inquiry
15 shall include the following:

16 (a) ~~To ensure the potential savings are realized and maximized—build cost controls and~~
17 ~~containment incentives into contracts to eliminate excessive and unreasonable overhead costs and~~
18 ~~profits at the expense of citizens of the state;~~

19 (b) ~~To preserve and promote competition—permit in house program managers and public~~
20 ~~employees to bid for the contract on a level playing field;~~

21 (c) ~~To ensure quality and responsiveness—develop reliable measures of service quality,~~
22 ~~strengthen in house monitoring capacity and expertise, and write contracts with periodic performance~~
23 ~~reporting;~~

24 (d) ~~To ensure accountability, control, and avoidance of conflicts of interest with departmental~~
25 ~~managers—write detailed contract specifications, and require record keeping and periodic reports;~~

26 (e) ~~To address legal and political barriers—involve affected groups in the decision making~~
27 ~~process; and~~

28 (f) ~~To recognize the impact on service recipients, employees, and their families—enable~~
29 ~~public employees to have an opportunity to bid for their work.~~

30 ~~§ 42-148-2 Definitions.~~ When used in this chapter:

31 (a) ~~"In house costs" means a detailed budget breakdown of the current costs of providing the~~
32 ~~service or program proposed for privatization.~~

1 ~~(b) "Statement of work and performance standards" means a clear statement of the nature and~~
2 ~~extent of the work to be performed with measurable performance standards as set forth in § 42-148-~~
3 ~~3(b)(2) of this chapter.~~

4 ~~(c) "In house bid" shall mean the cost of the proposal proffered by in house state programs~~
5 ~~and employees and their representatives pursuant to § 42-148-3(b)(3) of this chapter.~~

6 ~~(d) "Cost comparison" means an analysis of the comparative costs of providing the service in-~~
7 ~~house or by privatization.~~

8 ~~(e) "Conversion differential" means transition costs and costs associated with starting up or~~
9 ~~closing down during conversion to purchase of service or in the event of the need to bring services~~
10 ~~back in house.~~

11 ~~(f) "Transition costs" means the cost of contracting including monitoring vendors for~~
12 ~~accountability, costs associated with unemployment compensation, payment of accrued leave credits,~~
13 ~~bumping, and retention factors for those with statutory status. Transitional costs shall not include~~
14 ~~department overhead or other costs that would continue even if the services were privatized.~~

15 ~~**§ 42-148-3 Preclosure analysis.**~~ (a) ~~Prior to the closure, consolidation or privatization of~~
16 ~~any state facility, function or program, the director of administration or his or her designee, shall~~
17 ~~conduct a thorough cost comparison analysis and evaluate quality performance concerns before~~
18 ~~deciding to purchase services from private vendors rather than provide services directly.~~

19 ~~(b) The director of administration shall, at least sixty (60) days prior to issuing requests for~~
20 ~~bids or proposals, complete the following process:~~

21 ~~(i) Document the current in house costs of providing the services with a detailed budget~~
22 ~~breakdown. The in house cost shall include any department overhead and other costs that would~~
23 ~~continue even if the service was contracted out.~~

24 ~~(ii) Prepare a statement of work and performance standards which shall form the basis for the~~
25 ~~requests for proposals and which shall include the following:~~

26 ~~(A) A clear statement of work with measurable performance standards including qualitative~~
27 ~~as well as quantitative standards that bidders must meet or exceed;~~

28 ~~(B) Requirements that contractors meet affirmative action, disability and other~~
29 ~~nondiscriminatory and service standards currently required of state agencies.~~

30 ~~(C) A clear format that will enable comparison of competitive bids and in house bids. The~~
31 ~~format must require detailed budget breakdowns.~~

32 ~~(c) Prior to the issuance of the RFP current public employees and program recipients must be~~
33 ~~notified of the intent to solicit bid proposals and of the decision timeline.~~

1 ~~(d) If the statement of work and performance standards differs from the current in house~~
2 ~~program procedures and requirements or if current state program employees and their representatives~~
3 ~~believe that they could perform the work more efficiently, an in house state work group shall be~~
4 ~~afforded an opportunity to present a new cost estimate, reflecting any innovations that they could~~
5 ~~incorporate into the work performance standards. This new cost estimate shall be deemed an in house~~
6 ~~bid, which shall form the basis for the eventual cost comparison. The director shall provide technical~~
7 ~~and informational assistance to the in house state work group in its preparation of an in house bid.~~

8 ~~(e) The director may elect to accept the in house bid or proceed to prepare a request for~~
9 ~~proposal ("RFP") which must:~~

- 10 ~~(i) Incorporate the statement of work and performance standards, and~~
- 11 ~~(ii) Require bidders to meet the same statement of work performance standards as required of~~
12 ~~the final in house cost estimate; and~~
- 13 ~~(iii) Include bid forms requiring a sufficiently detailed breakdown of cost categories to allow~~
14 ~~accurate and meaningful comparisons.~~

15 ~~(f) The in house bid developed pursuant to subsection (d) of this section shall be kept~~
16 ~~confidential from bidders.~~

17 ~~**§ 42-148-4 Cost comparison.** The director of administration shall analyze all vendor bids~~
18 ~~as compared to current delivery of service costs or an in house bid, whichever is lower, according to~~
19 ~~the following:~~

- 20 ~~(a) Any cost comparison must include an analysis of:~~
 - 21 ~~(i) Comparative benefits for employees to meet the requirements of the statement of work and~~
22 ~~performance standards;~~
 - 23 ~~(ii) All transition costs as defined in § 42-148-2(f) of this chapter;~~
 - 24 ~~(iii) Any conversion costs as defined in § 42-148-2(e) of this chapter; and~~
 - 25 ~~(iv) Areas where the bidder's costs appear artificially low, thereby putting the state at risk for~~
26 ~~further cost overruns.~~

27 ~~(b) In the event that the state will incur new program costs related to the statement of work~~
28 ~~and performance standards, such costs shall be included in the cost comparison.~~

29 ~~(c) All cost comparisons must include an analysis of whether the cost savings will result in~~
30 ~~meeting the performance and qualitative measures set out in the statement of work and performance~~
31 ~~standards.~~

32 ~~**§ 42-148-5 Award of contract.** After conducting a cost comparison pursuant to section~~
33 ~~42-148-4, the director of administration may award the bid to an outside vendor only if the savings to~~

1 ~~the state is substantial and the quality of performance of service required and specified in statement of~~
2 ~~work and performance standards will be met or exceeded by the outside vendor.~~

3 ~~**§ 42-148-6 Appeal.**—(a) Before any award is final, the affected parties, which shall include~~
4 ~~program recipients, state employees and their representatives shall have a right to appeal the award~~
5 ~~decision of the director of the department of administration.~~

6 ~~(b) The parties shall have sixty (60) days from the date of the award to file an appeal. No~~
7 ~~contracts shall be awarded or services contracted to vendors if an appeal is pending.~~

8 ~~(c) All documentation supporting the cost and quality comparison shall be made available to~~
9 ~~the affected parties upon request after the final decision has been made.~~

10 ~~(d) All appeals of the final decision of an award shall be filed in superior court in Providence~~
11 ~~County.~~

12 ~~**§ 42-148-7 Report of general assembly.**—(a) The director of the department of~~
13 ~~administration shall notify the chairpersons of the house and senate finance committees of their intent~~
14 ~~to request bids or proposals to privatize state services. The notice to the committees shall be provided~~
15 ~~thirty (30) days prior to issuing the request.~~

16 ~~(b) Upon the final decision of an award the director of the department of administration shall~~
17 ~~provide a report to the chairpersons of the house and senate finance committees outlining the bid~~
18 ~~process and analysis conducted in issuing an award.~~

19 ~~**§ 42-148-8 Applicability.**—Notwithstanding any general law or special law to the contrary,~~
20 ~~no award shall be made or privatization contract entered into by the state of Rhode Island unless and~~
21 ~~until the processes and procedures outlined in §§ 42-148-3, 42-148-4 and 42-148-5 have been fully~~
22 ~~complied with in their entirety. All of the aforementioned sections shall apply to all pending awards~~
23 ~~and pending privatization contracts.~~

24 SECTION 3. This article shall take effect upon passage.

25
26 **ARTICLE 4**

27 **RELATING TO RETIREE HEALTH BENEFITS FUNDING**

28 SECTION 1. Section 36-10-2 of the General Laws in Chapter 36-10 entitled “Retirement
29 System – Contributions and Benefits” is hereby amended to read as follows:

30 **§ 36-10-2. State contributions.** – (a) The State of Rhode Island shall make its contribution
31 for the maintenance of the system, including the proper and timely payment of benefits in accordance
32 with the provisions of this chapter and chapters 8, 16, 28, 31 and 42 of this title, by annually
33 appropriating an amount equal to a percentage of the total compensation paid to the active
34 membership. The percentage shall be computed by the actuary employed by the retirement system

1 and shall be certified by the retirement board to the director of administration on or before the
2 fifteenth day of October in each year. In arriving at the yearly employer contribution the actuary shall
3 determine the value of:

4 (1) The contributions made by the members;

5 (2) Income on investments; and

6 (3) Other income of the system.

7 (b) The Actuary shall thereupon compute the yearly employer contribution that will:

8 (1) Pay the actuarial estimate of the normal cost for the next succeeding fiscal year;

9 (2) Amortize the unfunded liability of the system as of June 30, 1999 utilizing a time period
10 not to exceed thirty (30) years.

11 (c) The State of Rhode Island shall remit to the general treasurer the employer's share of the
12 contribution for state employees, state police, and judges on a payroll frequency basis, and for
13 teachers in a manner pursuant to § 16-16-22.

14 ~~(d) From the rate percent computed pursuant to subsection (b), the state shall contribute a~~
15 ~~sum equal to one eighth of one percent (0.125%) of each member's rate of compensation and an~~
16 ~~additional sum equal to one eighth of one percent (0.125%) of each member's rate of compensation~~
17 ~~effective July 1, 1990, as the state's share of the cost of providing retiree health benefits in accordance~~
18 ~~with the provisions of § 36-10-4. Contributions shall be actuarially adjusted to reflect refunds made to~~
19 ~~employees. The contribution shall be placed in a restricted fund and shall be used solely for providing~~
20 ~~health benefits to retirees as provided in § 36-12-4. The adequacy of the fund will be actuarially~~
21 ~~reevaluated during the fiscal year prior to July 1, 1993, to determine the required amount to maintain~~
22 ~~this benefit in effect. If at any time during the aforementioned period the cost for health coverage~~
23 ~~exceeds the contributions in the restricted fund account, the state shall assume the liability for that~~
24 ~~cost by making advances to the restricted fund which advances shall be repaid from any subsequent~~
25 ~~excess funds in the restricted fund.~~

26 ~~(e) In accordance with the intent of § 36-8-20 that the retirement system satisfy the~~
27 ~~requirements of § 401(a) of the Internal Revenue Code of 1986 as amended [26 U.S.C. § 401(a)], the~~
28 ~~restricted fund for providing health benefits to retirees described in subsection (d) shall constitute a~~
29 ~~separate retiree medical benefits account within the meaning of § 401(h) of the code [26 U.S.C. §~~
30 ~~401(h)] and the account shall be administered in accordance with the applicable requirements. Prior to~~
31 ~~the satisfaction of all retiree health liabilities no part of the corpus or income of the account shall be~~
32 ~~used for, or diverted to, any purpose other than the payment of retiree medical benefits in accordance~~
33 ~~with the provisions of § 36-12-4. However, this requirement shall not restrict the collective~~
34 ~~investment of funds of that account with funds of the retirement account. Following the satisfaction of~~

1 ~~all retiree health liabilities, any funds remaining in the retiree medical benefits account shall be paid~~
2 ~~to the state.~~

3 ~~(d)~~(1) In accordance with the intent of § 36-8-20 that the retirement system satisfy the
4 requirements of § 401(a) of the Internal Revenue Code of 1986, the state shall pay to the retirement
5 system:

6 (i) By June 30, 1995, an amount equal to the sum of the benefits paid to state legislators
7 pursuant to § 36-10-10.1 in excess of ten thousand dollars (\$10,000) per member (plus accrued
8 interest on such amount at eight percent (8%)) for all fiscal years beginning July 1, 1991, and ending
9 June 30, 1995, but this amount shall be paid only if § 36-10-10.1(e) becomes effective January 1,
10 1995; and

11 (ii) By December 31, 1994, twenty million seven hundred eighty eight thousand eight
12 hundred twelve dollars and nineteen cents (\$20,788,812.19) plus accrued interest on that amount at
13 eight percent (8%) compounded monthly beginning March 1, 1991, and ending on the date this
14 payment is completed (reduced by amortized amounts already repaid to the retirement system with
15 respect to the amounts withdrawn by the state during the fiscal year July 1, 1990 – June 30, 1991);
16 and

17 (iii) By June 30, 1995, the sum of the amounts paid by the retirement system for retiree health
18 benefits described in § 36-12-4 for all fiscal years beginning July 1, 1989, and ending June 30, 1994,
19 to the extent that the amounts were not paid from the restricted fund described in subsection (c).

20 (2) Any and all amounts paid to the retirement system under this subsection shall not increase
21 the amount otherwise payable to the system by the state of Rhode Island under subsection (a) for the
22 applicable fiscal year. The actuary shall make such adjustments in the amortization bases and other
23 accounts of the retirement system as he or she deems appropriate to carry out the provisions and
24 intent of this subsection.

25 ~~(e)~~(e) In addition to the contributions provided for in subsection (a) through (c) and in order
26 to provide supplemental employer contributions to the retirement system, commencing in fiscal year
27 2006, and each year thereafter:

28 (1) For each fiscal year in which the actuarially determined state contribution rate for state
29 employees is lower than that for the prior fiscal year, the governor shall include an appropriation to
30 that system equivalent to twenty percent (20%) of the rate reduction for the state's contribution rate
31 for state employees to be applied to the actuarial accrued liability of the state employees' retirement
32 system for state employees for each fiscal year;

33 (2) For each fiscal year in which the actuarially determined state contribution rate for teachers
34 is lower than that for the prior fiscal year, the governor shall include an appropriation to that system

1 equivalent to twenty percent (20%) of the rate reduction for the state's share of the contribution rate
2 for teachers to be applied to the actuarial accrued liability of the state employees' retirement system
3 for teachers for each fiscal year;

4 (3) The amounts to be appropriated shall be included in the annual appropriation bill and shall
5 be paid by the general treasurer into the retirement system.

6 ~~(h)~~(f) While the retirement system's actuary shall not adjust the computation of the annual
7 required contribution for the year in which supplemental contributions are received, such
8 contributions once made may be treated as reducing the actuarial liability remaining for amortization
9 in the next following actuarial valuation to be performed.

10 SECTION 2. Section 36-12-4 of the General Laws in Chapter entitled "Insurance Benefits"
11 is hereby amended to read as follows:

12 **§36-12-4. Coverage of retired employees.** (a) *Retired employees who retire on or before*
13 *June 30, 2008.* Any retired employee who retired on or before June 30, 2008 shall be entitled to be
14 covered under §§ 36-12-1 – 36-12-5 for himself and herself and, if he or she so desires, his or her
15 dependents, upon agreeing to pay the total cost of his or her contract at the group rate for the active
16 state employees. Payments of any retired employee for coverage shall be deducted from his or her
17 retirement allowance and remitted from time to time in payment for such contract. In addition, any
18 retired employee who retired on or before June 30, 2008 shall be permitted to purchase coverage for
19 his or her dependents upon agreeing to pay the additional cost of the contract at the group rate for
20 active state employees. Payment for coverage for dependents shall be deducted from his or her
21 retirement allowances and remitted as required in payment for the contract.

22 (b) *State employees who retire subsequent to July 1, 1989, and on or before June 30, 2008.*
23 Employees who retire subsequent to July 1, 1989, and on or before June 30, 2008, from active service
24 of the state, and who were employees of the state as determined by the retirement board under § 36-8-
25 1, shall be entitled to receive for himself or herself a retiree health care insurance benefit as described
26 in § 36-12-1 in accordance with the following formula:

27

28	Years of	Age	State's	Employee's
29	Service	<u>at Retirement</u>	Share	Share
30				
31	10-15	60	50%	50%
32	16-22	60	70%	30%
33	23-27	60	80%	20%
34	28+	--	90%	10%

1	28+	60	100%	0%
2	35+	any	100%	0%

3

4 (e) When the retiree reaches that age which will qualify him or her for Medicare Supplement
5 the formula shall be:

6	Years of	State's	Employee's
7	Service	Share	Share
8			
9	10-15	50%	50%
10	16-19	70%	30%
11	20-27	90%	10%
12	28+	100%	0%

13

14 (c) Retired employees who retire on or after July 1, 2008. Any retired employee who retires
15 on or after July 1, 2008 shall be entitled to be covered under §§ 36-12-1 – 36-12-5 for himself and
16 herself and, if he or she so desires, his or her dependents, upon agreeing to pay the total cost of the
17 contract in the plan in which he or she enrolls. Payments of any retired employee for coverage shall
18 be deducted from his or her retirement allowance and remitted from time to time in payment for such
19 contract. Any retired employee who retires on or after July 1, 2008, shall be permitted to purchase
20 coverage for his or her dependents upon agreeing to pay the additional cost of the contract at the
21 group rate for the plan in which the dependent is enrolled. Payment for coverage for dependents shall
22 be deducted from the retired employee's retirement allowances and remitted as required in payment
23 for the contract.

24 ~~(d) If the retired employee desires, he or she shall be permitted to purchase coverage for his~~
25 ~~or her dependents upon agreeing to pay the additional cost of the contract at the group rate for active~~
26 ~~state employees. Payment for coverage for dependents shall be deducted from his or her retirement~~
27 ~~allowances and remitted as required in payment for the contract.~~

28 (d) State employees who retire on or after July 1, 2008. Employees who retire on or after
29 July 1, 2008 from active service of the state, and who were employees of the state as determined by
30 the retirement board under § 36-8-1, and who have a minimum of twenty (20) years of service, and
31 who are a minimum of fifty-nine (59) years of age, shall be entitled to receive for himself or herself a
32 retiree health care insurance benefit as described in § 36-12-1. The State will subsidize 80% of the
33 cost of the health insurance plan for individual coverage in which the retired state employee is

1 enrolled in. Payments of any retired employee for coverage shall be deducted from his or her
2 retirement allowance and remitted from time to time in payment for such contract.

3 (e) Retired employees, including retired teachers, who are non-Medicare eligible and who
4 reach the age of sixty-five (65) shall be allowed to continue to purchase group health care insurance
5 benefits in the same manner as those provided to retired employees who have not reached the age of
6 sixty-five (65).

7 SECTION 3. Title 36 of the General Laws entitled "Public Officers and Employees" is
8 hereby amended by adding thereto the following chapter:

9 CHAPTER 36-12.1

10 RETIREE HEALTH CARE TRUST FUND

11 **§ 36-12.1-1. Name of act.** This act shall be known as the "Health Insurance and Benefits
12 Funding Act".

13 **§ 36-12.1-2. Statement of purpose.** The purpose of the Health Insurance and Benefits
14 Funding Act is to address the necessity of funding the State's unfunded liability for retiree health care
15 benefits required by recent accounting changes and prudent resource management.

16 **§ 36-12.1-3. Background.** The general assembly finds that the State faces a significant
17 unfunded liability associated with its retiree health care benefits programs. To date, the State has
18 been funding retiree health care benefits on a pay-as-you-go basis. Recently established
19 governmental accounting standards applicable to the State require that the State account for such
20 unfunded costs on an accrued actuarial basis. An actuarial study conducted by the State shows that
21 the State faces an unfunded future liability for retiree health care benefits in excess of six hundred
22 million dollars (\$600,000,000). The creation and eventual funding of a dedicated trust fund for the
23 purpose of financing this liability on accrued actuarial basis is fiscally prudent and will produce
24 significant benefits to the State.

25 **§ 36-12.1-4. Definitions.** The following words and phrases as used in the act, unless a
26 different meaning is plainly required by the context, shall have the following meanings:

27 (1) "Actuary" means the actuary retained by the OPEB Board pursuant to §36-12.1-15 hereof.

28 (2) "Code" means the Internal Revenue Code of 1986, as amended.

29 (3) "Employer" means the state of Rhode Island.

30 (4) "Employee" means all persons who are classified employees as the term "classified
31 employee" is defined under § 36-3-3, and all persons in the unclassified and non-classified service of
32 the state. This includes those non-classified employees of the Board of Governors for Higher
33 Education, the Office of Higher Education, the University of Rhode Island, Rhode Island College,

1 and the Community College of Rhode Island pursuant to §16-59-1 et seq., who are participants in the
2 Board of Governors' alternate retirement plans.

3 (5) "GAAP" shall mean generally accepted accounting principles.

4 (6) "GASB" shall mean governmental accounting standards board.

5 (7) "GASB 43" shall mean the rules promulgated by GASB governing the manner in which
6 financial statements issued by trusts providing OPEB benefits must be prepared in accordance with
7 GAAP, as they may be amended from time to time.

8 (8) "GASB 45" shall mean the rules promulgated by GASB governing the manner in which
9 financial statements issued by employers providing OPEB Benefits must be prepared in accordance
10 with GAAP, as they may be amended from time to time.

11 (9) "OPEB" or "OPEB Benefits" shall mean other post employment benefits, and shall
12 include, without limitation, retiree medical, dental, prescription, vision care, life insurance, long term
13 care benefits and similar post-employment benefits for a Retired Employee and/or his or her
14 Dependants.

15 (10) "OPEB Board" shall mean the board established in §36-12.1-7 to administer the OPEB
16 System.

17 (11) "OPEB System" shall mean the Rhode Island Employee's OPEB System as defined in
18 §36-12.1-5.

19 (12) "OPEB Trust" shall mean the trust fund or funds, including any sub-funds or sub-trusts
20 created by the OPEB Board pursuant to § 36-12 to hold assets of the OPEB System.

21 (13) "Party in Interest" shall mean each member of the OPEB Board, each employee of the
22 OPEB Board, any individual or organization that renders advice to the OPEB Board or the OPEB
23 System; any affiliate of such organization, and any member of the immediate family of any such
24 individual.

25 (14) "Retired Employee", means any person retired from the active service of the state, as
26 determined by the retirement board under § 36-8-1, and also all retired teachers who have elected to
27 come under the OPEB System, or any person who was a non-classified employee of the Board of
28 Governors for Higher Education, the Office of Higher Education, the University of Rhode Island,
29 Rhode Island College, or the Community College of Rhode Island pursuant to §16-59-1 et seq, and
30 who is a participant in the Board of Governors' alternate retirement plans.

31 (15) "Alternate retirement plans" shall mean those retirement plans provided by the Board of
32 Governors for Higher Education for its non-classified employees, and those of the Office of Higher
33 Education, the University of Rhode Island, Rhode Island College, and the Community College of
34 Rhode Island, pursuant to §16-17.1-1 et seq.

1 § 36-12.1-5. Establishment of OPEB system. An OPEB System is hereby established and
2 placed under the management of the OPEB Board for the purpose of providing and administering
3 OPEB Benefits for Retired Employees of the State of Rhode Island and their dependants under the
4 provisions of chapter 36-12, entitled "Insurance Benefits", of this title, and for retired non-classified
5 employees who are participants in the Board of Governors for Higher Education's alternate retirement
6 plans. The OPEB System so created shall begin operation as of July 1, 2008. It shall have the power
7 and privileges of a corporation and shall be known as the "Rhode Island State Employees' and
8 Electing Teachers OPEB System" and by that name all of its business shall be transacted.

9 § 36-12.1-6. Responsibility for administration – rules and regulations. The general
10 administration and the responsibility for the proper operation of the OPEB System and for making
11 effective the provisions of chapter 36-12 of this title are hereby vested in an OPEB Board. The OPEB
12 Board shall, from time to time, establish rules and regulations for the administration and transaction
13 of the business of the OPEB System. Rules and regulations which have been or may be established
14 pursuant to the provisions of this chapter shall be compiled, codified, and published so that they shall
15 be generally available to the members of the system. The OPEB Board shall also perform such other
16 functions as are required for the execution of chapters 12, 12.1 and 12.2 of this title. In its discretion,
17 the OPEB Board may issue regulations governing the application of this Chapter.

18 § 36-12.1-7. Composition of the OPEB board. (a) The OPEB Board shall consist of the
19 State Controller, the State Budget Officer, the State Personnel Administrator and the General
20 Treasurer, or their designees.

21 § 36-12.1-8. Meetings of the OPEB board. Meetings shall be held at such place as may be
22 designated in the call of the meeting, provided at no cost to the state, at the call of the chairperson.

23 § 36-12.1-9. Duties of the OPEB board. The OPEB Board shall be responsible for the
24 administration and operation of the OPEB System, determination of the amount of annual
25 contributions, and oversight of OPEB Benefit payments to Retired Employees and their dependents.
26 The OPEB Board shall have the power to collect contributions from the State of Rhode Island or any
27 municipality thereof, to direct benefit payments, to interpret relevant plan documents, to resolve
28 inconsistencies and ambiguities contained therein, to decide any claims for benefits and to resolve
29 disputes.

30 § 36-12.1-10. Votes of board – record of proceedings. Each member of the board shall be
31 entitled to one vote in the board and a majority of all the votes of the entire board shall be necessary
32 for a decision of the board. The board shall keep a record of all the proceedings which shall be open
33 to public inspection.

1 § 36-12.1-11. Reimbursement of board members. Members of the board shall serve
2 without compensation but shall be reimbursed for any necessary expenditures and no employee shall
3 suffer any loss of salary or wages through serving upon the board.

4 § 36-12.1-12. Annual report and statement. The OPEB Board shall submit to the governor
5 for transmittal to the general assembly, on or before the first day of December in each year, an annual
6 report showing the financial transactions of the system for the fiscal year of the state next preceding
7 said date. The report shall contain, among other things, a financial balance sheet, a statement of
8 income and expenditures, a valuation balance sheet as prepared by the actuary, a detailed statement of
9 investments acquired and disposed of during the year, and such other statistical data as are deemed
10 necessary for a proper interpretation of the condition of the system and the results of its operations.
11 The report shall also embody such other data as may be of use in the advancement of knowledge
12 concerning state employee OPEB and any recommendations of the board for changes in the laws
13 pertaining to the system. The OPEB Board shall cause to be published for distribution among the
14 members of the system a financial statement summarizing the results of operations for the fiscal year.
15 All financial statements issued by the OPEB Board shall conform to the requirements of GAAP.

16 § 36-12.1-13. Executive officers and secretary. – (a) The Board shall elect a Chairperson
17 and Secretary. Moreover, the State Controller shall serve as the Treasurer.

18 (b) Any negotiated agreement entered into after July 1, 2008, between any state or municipal
19 agency or department and an employee or employees, whose conditions are contrary to the general
20 laws or the rules, regulations, and policies as adopted and promulgated by the OPEB Board shall be
21 null and void unless and until approved by formal action of the OPEB Board for good cause shown.

22 § 36-12.1-14. Accounts and statistical records – clerical and professional assistance –
23 disbursements. – The State Controller, under the direction and supervision of the OPEB Board, shall
24 be charged with the establishment and maintenance of such accounts and statistical records as the
25 OPEB Board may require and he or she shall employ such clerical assistance as shall be necessary to
26 carry out properly the provisions of chapters 12, 12.1 and 12.2 of this title. The OPEB Board shall
27 secure the services of an actuary who shall be the actuarial advisor of the board and who shall make
28 the actuarial computations and valuations required by chapters 12, 12.1 and 12.2. The state controller
29 is hereby authorized and directed to draw his or her orders upon the general treasurer for the payment
30 of such sum or sums as may from time to time be necessary, upon receipt by him or her of vouchers
31 for payment of liabilities.

32 § 36-12.1-15. Payment of administrative expenses of the OPEB board and maintaining
33 the OPEB system – restricted receipts account. – (a) There is hereby created within the general
34 fund a restricted receipt account entitled the “OPEB system restricted receipt account”, the proceeds

1 of which shall be used solely to pay the expenses of the OPEB Board, the cost of maintaining the
2 OPEB System, and the costs of administering the OPEB System.

3 (b) For fiscal years 2009 through 2014, the State Controller is authorized to disburse from the
4 fund the cost of the actuarial valuation, and the allocated share of investment manager fees incurred
5 by the State Investment Commission. In fiscal years, 2015 and thereafter, there shall be transferred to
6 this restricted receipt account twenty five (25) basis points where one hundred (100.0) basis points
7 equals one percent (1.0%), of the average total investments before lending activities as reported in the
8 annual report of the auditor general for the next preceding five fiscal years. Any non-encumbered
9 funds on June 30 of any fiscal year shall be credited to the OPEB System.

10 **§ 36-12.1-16. Collection of actuarial and experience data.** – The General Treasurer and the
11 state Retirement System, shall collect and keep in convenient form such data as shall be necessary for
12 the preparation of the mortality and service tables and for the compilation of such other information
13 as shall be required for the actuarial valuation of the assets and liabilities of the OPEB System and to
14 comply with the requirements of GASB 43 and 45.

15 **§ 36-12.1-17. Actuarial investigations authorized by board.** – Immediately after his or her
16 selection, the actuary shall make such investigation of the mortality, service, and compensation
17 experience of the members as the OPEB Board shall authorize for the purpose of determining the
18 proper tables to be prepared and submitted to the OPEB Board for adoption.

19 **§ 36-12.1-18. Periodic actuarial investigations and valuations.** – Every year beginning
20 with fiscal year 2009, the actuary shall make an actuarial investigation into the mortality, service, and
21 compensation experience of the members and beneficiaries of the OPEB System, and shall make a
22 valuation of the assets and liabilities of the system, and, taking into account the result of the
23 investigation and valuation, the OPEB Board shall:

24 (1) Adopt for the OPEB System, such mortality, service, and other tables as shall be deemed
25 necessary in the OPEB System; and

26 (2) Certify the levels of contribution payable by the state of Rhode Island to carry out the
27 provisions of chapters 12, 12.1, and 12.2 of this title.

28 (3) Certify the levels of contribution payable by the Board of Governors for Higher
29 Education to carry out the provisions of chapter 17.1 of title 16.

30 On the basis of such tables as the OPEB Board shall adopt, the actuary shall make an annual
31 valuation of the liabilities of the funds of the system created by this chapter and the investment
32 advisor or investment manager appointed by the OPEB Board shall make an annual valuation of the
33 assets of the OPEB System.

1 § 36-12.1-19. State contributions. – (a) The State of Rhode Island shall make its
2 contribution for the maintenance of the system, including the proper and timely payment of benefits,
3 by annually appropriating an amount equal to a percentage of the total compensation paid to the
4 active membership and teacher payroll base. The percentage shall be computed by the actuary
5 employed by the OPEB Board and shall be certified by the OPEB Board to the director of
6 administration on or before the fifteenth day of October in each year. In arriving at the yearly
7 employer contribution the actuary shall determine the value of:

8 (1) The contributions made by the members;

9 (2) Income on investments; and

10 (3) Other income of the system.

11 (b) The Actuary shall thereupon compute the yearly employer contribution that will:

12 (1) Pay the actuarial estimate of the normal cost for the next succeeding fiscal year;

13 (2) Amortize the unfunded liability of the system as of June 30, 2006 utilizing a time period
14 not to exceed thirty (30) years.

15 (c) The State of Rhode Island shall remit to the general treasurer the employer's share of the
16 contribution for state employees, state police, legislators, and judges on a payroll frequency basis, and
17 for teachers in a manner consistent with sound accounting and actuarial practice.

18 (d) The Board of Governors for Higher Education shall remit to the general treasurer that
19 employer's share of the contribution for its non-classified employees, and those of the University of
20 Rhode Island, Rhode Island College, and the Community College of Rhode Island, pursuant to §16-
21 17.1-1 et seq., and in a manner consistent with sound accounting and actuarial practice.

22 § 36-12.1-20. Establishment of OPEB trust funds. The OPEB Board shall establish one or
23 more trust funds and/or sub trusts to hold the assets of the OPEB System, to be known as the Rhode
24 Island OPEB System Trust. Title and legal ownership of all assets of the OPEB System shall be in
25 the name of the Rhode Island OPEB System Trust. The OPEB Board, or its delegate is authorized to
26 execute one or more trust instruments to effectuate the purposes of this section. However, such trust
27 instruments shall require that: a) all funds held by such trusts shall be used solely to pay benefits
28 pursuant to the OPEB System, and reasonable and legitimate administrative expenses associated
29 therewith; b) no asset of the OPEB System or contribution made by the State of Rhode Island, may be
30 recovered or returned to the State, until the OPEB Board has certified all liabilities of the System
31 have been satisfied; and c) at no time shall the assets of the Rhode Island OPEB System Trust shall
32 be subject to the claims of the creditors of the State of Rhode Island or the creditors of any
33 beneficiary of the OPEB System.

1 **§ 36-12.1-21. Custody and investment of funds.** (a) All money immediately required for
2 the payment of OPEB Benefits shall be invested only in accordance with the written objectives and
3 guidelines established by the state investment commission pursuant to the provisions of chapter 10 of
4 title 35 and other applicable law.

5 **(b) All money not immediately required for the payment of OPEB Benefits shall be invested**
6 in accordance with the provisions of chapter 10 of title 35 and other applicable law and shall be held
7 in a custodial or trust account in accordance with § 36-12.1-5. The trust and custodial account
8 established under this section shall be maintained pursuant to written documents which expressly
9 provide that it shall be impossible at any time prior to the satisfaction of all liabilities with respect to
10 employees and their beneficiaries for any part of the corpus or income to be used for or diverted to
11 purposes other than the payment of OPEB Benefits to employees and their beneficiaries (except as
12 otherwise permitted by § 36-12.1).

13 **§ 36-12.1-22. Disposition of investment earnings.** – The OPEB Board shall credit all earned
14 investment income from interest and dividends on investments and bank deposits during any fiscal
15 year to the Rhode Island OPEB System Trust.

16 **§ 36-12.1-23. Improper interest in investments of board.** – Except as herein provided, no
17 member of the OPEB Board and no employee of the OPEB Board shall have any interest, direct or
18 indirect, in the gains or profits of any investment made by the OPEB Board, nor as such directly or
19 indirectly receive any pay or emolument for his or her services. No member of the OPEB Board or
20 employee of the OPEB Board shall, directly or indirectly, for himself or herself or as an agent, in any
21 manner use the gains or profits, except to make such current and necessary payments as are
22 authorized by the OPEB Board; nor shall any member or employee of the OPEB Board become an
23 endorser or surety or become in any manner an obligor for money loaned or borrowed from the OPEB
24 Board. No member of the OPEB Board shall permit the OPEB System to engage in a transaction
25 that constitutes a sale or exchange, or leasing, of any property between the OPEB System and a party
26 in interest; a lending of money or other extension of credit between the OPEB System and a party in
27 interest; furnishing of goods, services, or facilities between the OPEB System and a party in interest;
28 transfer to, or use by or for the benefit of, a party in interest, of any assets of the OPEB System.

29 **§ 36-12.1-24. Payment of OPEB benefits.** All OPEB Benefits shall be paid from the Rhode
30 Island OPEB System Trust, subject to the oversight and approval of the OPEB Board.

31 **§ 36-12.1-25. Annual audits.** – The auditor general shall conduct upon the request of the
32 OPEB Board a separate annual performance audit of the OPEB System which shall include a report
33 on the actuarial valuation of the assets and liabilities of the OPEB System. The auditor general may
34 examine all records, files, and other documents, and evaluate all policies and procedures for purposes

1 of conducting the audit. The aforementioned performance audit shall be in addition to the annual
2 audit conducted by the auditor general of the financial statements of the OPEB System. A copy of the
3 report shall be given to the governor and the OPEB Board.

4 **§ 36-12.1-26. Internal revenue code qualification.** – (a) *Intent.* It is intended that the OPEB
5 System and the Rhode Island OPEB System Trust satisfy the requirements of §115 or §501(c)(9) of
6 the Internal Revenue Code of 1986 as amended from time to time, 26 U.S.C. §§ 115, 501(c)(9) -
7 ,(hereinafter referred to as the "Code"), in form and operation, to the extent that those requirements
8 apply to a governmental use trust under §115 or a voluntary employee benefit association under
9 §501(c)(9) of the Code. To this end, the following provisions shall be applicable, administered, and
10 interpreted in a manner consistent with maintaining the tax qualification of the OPEB System, and
11 shall supersede any conflicting provisions of chapters 12, 12.1 and 12.2 of this title, [of chapter 16 of
12 title 16, or of chapter 21 of title 45].

13 (b) *Exclusive benefit.* All funds of the OPEB System shall be held in one or more trusts as
14 provided in §36-12.1-21 or if permitted, in accordance with § 401(f) of the code, in one or more
15 custodial accounts treated as trusts or a combination thereof. Under any trust or custodial account, it
16 shall be impossible at any time prior to the satisfaction of all liabilities with respect to employees and
17 their beneficiaries, for any part of the corpus or income to be used for, or diverted to, purposes other
18 than the payment of OPEB allowances and other post employment benefits to Retired Employees and
19 their beneficiaries.

20 **§ 36-12.1-27. Severability.** – (a) If any provision of this chapter 36-12.1 of this title, any
21 rule, or regulation made thereunder, or the application thereof to any person or circumstance is held
22 invalid by a court of competent jurisdiction the remainder of this chapter, rules, or regulations and the
23 application of those provisions to other persons or circumstances shall not be affected thereby.

24 (b) The invalidity of any section or sections or parts of any section or sections of those
25 chapters shall not affect the validity of the remainder of this chapter.

26 SECTION 4. This article shall take effect upon passage. However, the establishment of the
27 Rhode Island State Employees’ and Electing Teachers OPEB System Trust shall occur after July 1,
28 2008.

29
30 **ARTICLE 5**

31 **RELATING TO CERTIFIED SCHOOL TEACHERS AND MUNICIPAL**
32 **EMPLOYEES RIGHT TO BARGAIN**

33 SECTION 1. Section 28-9.3-2 of the General Laws entitled Certified School
34 Teachers’ Arbitration is hereby amended to read as follows:

1 **§ 28-9.3-2 Right to organize and bargain collectively.** – (a) The certified teachers
2 in the public school system in any city, town, or regional school district have the right to
3 negotiate professionally and to bargain collectively with their respective school committees
4 and to be represented by an association or labor organization in the negotiation or collective
5 bargaining concerning hours, salary, working conditions, and all other terms and conditions
6 of professional employment.

7 (b) For purposes of this chapter, "certified teachers" means certified teaching
8 personnel employed in the public school systems in the state of Rhode Island engaged in
9 teaching duties, including support personnel whose positions require a professional
10 certificate issued by the state department of education and personnel licensed by the
11 department of health; or other non-administrative professional employees.

12 (c) Superintendents, assistant superintendents, principals, and assistant principals, and
13 other supervisors above the rank of assistant principal, are excluded from the provisions of
14 this chapter.

15 (d) Notwithstanding the provision of section (a) above, upon passage of this act the
16 right to organize and bargain collectively shall not include the provision of health care for
17 active employees, and all employee contracts executed shall not contain provisions related to
18 health care benefits for active employees. All school district employees whose contracts have
19 expired or are due to expire on or before June 30, 2008 shall receive health care benefits
20 under a state procured health care contract effective July 1, 2008. All school district
21 employees not employed under a contractual agreement shall receive health care benefits
22 under a state procured health contract which incorporates a menu of optional health care
23 choices as determined by the Health Care Advisory Council effective July 1, 2008. School
24 district employees whose contracts expire subsequent to June 30, 2008 shall receive health
25 care benefits under the state health care contract upon the expiration of their current
26 bargaining unit contract.

27 (e) All school district personnel who receive health care benefits under the state
28 procured health care contract shall be subject to state provisions regarding co-sharing of
29 health care plan premium costs.

1 (f) All school districts whose employees receive health care benefits under the state
2 health care contract shall establish buy-back/medical waiver provisions in accordance with
3 the state health care buy-back/medical waiver provisions.

4 (g) A statewide Health Care Advisory Council shall be established to make
5 recommendations regarding plan design, co-sharing and buy-back provisions for the state
6 procured health care contract. The Advisory Council membership shall include the director
7 of the Department of Administration or his/her designee, who shall chair the Council,
8 representatives from the Departments of Administration and Education, labor, the League of
9 Cities and Towns, the Rhode Island School Superintendents' Association, the Rhode Island
10 Association of School Business Officials and the Rhode Island Association of School
11 Committees.

12 (h) School district employees whose contracts have expired but who are employed by
13 a school district that is obligated to a health insurance carrier beyond the date that the
14 contract expires, or who are not employed under a contractual agreement but are employed
15 by a school district that is obligated to a health insurance carrier beyond July 1, 2008, shall
16 receive health care benefits under the state contract upon the expiration of the current
17 obligation with the health insurance carrier.

18 SECTION 2. Section 28-9.4-3 of the General Laws entitled Municipal Employees'
19 Arbitration is hereby amended to read as follows:

20 **§ 28-9.4-3 Right to organize and bargain collectively.** – (a) The municipal
21 employees of any municipal employer in any city, town, or regional school district shall have
22 the right to negotiate and to bargain collectively with their respective municipal employers
23 and to be represented by an employee organization in the negotiation or collective bargaining
24 concerning hours, salary, working conditions, and all other terms and conditions of
25 employment.

26 (b) Notwithstanding the provision of section (a) above, upon passage of this act the
27 right to organize and bargain collectively shall not include the provision of health care for
28 active employees, and all employee contracts shall not contain provisions related to health
29 care benefits for active employees. All school district employees whose contracts have
30 expired or are due to expire on or before June 30, 2008 shall receive health care benefits
31 under a state procured health care contract which incorporates a menu of optional health care

1 choices as determined by the Health Care Advisory Council effective July 1, 2008. All
2 school district employees not employed under a contractual agreement shall receive health
3 care benefits under a state procured health contract effective July 1, 2008. School district
4 employees whose contracts expire subsequent to June 30, 2008 shall receive health care
5 benefits under the state health care contract upon the expiration of their current bargaining
6 unit contract.

7 (c) All school district personnel who receive health care benefits under the state health
8 care contract shall be subject to state provisions regarding co-sharing of health care plan
9 premium costs.

10 (d) All school districts whose employees receive health care benefits under the state
11 health care contract shall establish buy-back/medical waiver provisions in accordance with
12 the state health care buy-back/medical waiver provisions.

13 (e) A statewide Health Care Advisory Council shall be established to make
14 recommendations regarding plan design, co-sharing and buy-back provisions for the state
15 health care contract. The Advisory Council membership shall include the director of the
16 Department of Administration or his/her designee, who shall chair the Council,
17 representatives from the Departments of Administration and Education, labor, the League of
18 Cities and Towns, and the Rhode Island School Superintendents' Association, the Rhode
19 Island Association of School Business Officials and the Rhode Island Association of School
20 Committees.

21 (f) School district employees whose contracts have expired but who are employed by a
22 school district that is obligated to a health insurance carrier beyond the date that the contract
23 expires, or who are not employed under a contractual agreement but are employed by a
24 school district that is obligated to a health insurance carrier beyond July 1, 2008, shall
25 receive health care benefits under the state contract upon the expiration of the current
26 obligation with the health insurance carrier.

27 SECTION 3. Section 28-9.1-4 of the General Laws entitled Firefighters' Arbitration
28 is hereby amended to read as follows:

29 **§ 28-9.1-4 Right to organize and bargain collectively.** – **(a)**The fire fighters in any
30 city or town have the right to bargain collectively with their respective cities or towns and be

1 represented by a labor organization in the collective bargaining as to wages, rates of pay,
2 hours, working conditions, and all other terms and conditions of employment.

3 (b) Notwithstanding the provision of section (a) above, beginning July 1, 2008 the
4 right to organize and bargain collectively shall not include the provision of health care for all
5 firefighters, and all firefighter employee contracts executed subsequent to that date shall not
6 contain provisions related to health care benefits for active employees. Firefighters whose
7 contracts expire subsequent to June 30, 2008 shall receive health care benefits under the state
8 procured health care contract which incorporates a menu of optional health care choices as
9 determined by the Health Care Advisory Council upon the expiration of their current
10 bargaining unit contract and the standards relating to plan design, cost sharing, and buy back
11 shall be as provided for in 28-9.4-3 (d), (e), and (f).

12 (c) Firefighters whose contracts have expired but who are employed by a
13 municipality that is obligated to a health insurance carrier beyond the date that the contract
14 expires, or who are not employed under a contractual agreement but are employed by a
15 municipality that is obligated to a health insurance carrier beyond July 1, 2008, shall receive
16 health care benefits under the state contract upon the expiration of the current obligation with
17 the health insurance carrier.

18 SECTION 4. Section 28-9.2-4 of the General Laws entitled Municipal Police
19 Arbitration is hereby amended to read as follows:

20 **§ 28-9.2-4 Right to organize and bargain collectively.** – (a)The police officers in
21 any city or town have the right to bargain collectively with their respective cities or towns
22 and be represented by a labor organization in the collective bargaining as to wages, rates of
23 pay, hours, working conditions, and all other terms and conditions of employment.

24 (b) Notwithstanding the provision of section (a) above, beginning July 1, 2008 the
25 right to organize and bargain collectively shall not include the provision of health care for all
26 police officers, and all police officer employee contracts executed subsequent to that date
27 shall not contain provisions related to health care benefits for active employees. Police
28 officers whose contracts expire subsequent to June 30, 2008 shall receive health care benefits
29 under the state procured health care contract which incorporates a menu of optional health
30 care choices as determined by the Health Care Advisory Council upon the expiration of their

1 current bargaining unit contract and the standards relating to plan design, cost sharing, and
2 buy back shall be as provided for in 28-9.4-3 (d), (e), and (f).

3 (c) Police Officers whose contracts have expired but who are employed by a
4 municipality that is obligated to a health insurance carrier beyond the date that the contract
5 expires, or who are not employed under a contractual agreement but are employed by a
6 municipality that is obligated to a health insurance carrier beyond July 1, 2008, shall receive
7 health care benefits under the state contract upon the expiration of the current obligation with
8 the health insurance carrier.

9
10 **ARTICLE 6**

11 **RELATING TO RESTRICTED RECEIPT ACCOUNTS**

12 SECTION 1. Section 23-82-5 of the General Laws in Chapter 23-82 entitled
13 “Implementation of the Regional Greenhouse Gas Initiative Act” is hereby amended to read as
14 follows:

15 **§ 23-82-5 Sale of allowances.** – (a) The department shall provide in its regulations that one
16 hundred percent (100%) of all allowances issued under the program in the state of Rhode Island shall
17 be sold. A de minimus portion of allowances may be set aside to support the voluntary renewable
18 energy provisions of the regional greenhouse gas initiative model rule.

19 (b) The department's regulations shall specify the mechanism for sale of allowances,
20 including authorizing the state to make use of any voluntary regional organizations, structures or
21 mechanisms available to states implementing a program of this type, provided that any sale of
22 allowances must be public, competitive and open to all who wish to participate.

23 (c) The department may engage an independent contractor, consumer trustee or other entity
24 experienced in sale or auction design and management, including a regional entity engaged by
25 multiple states to conduct regional sales or auctions, who is determined by the department, in
26 consultation with the office, to be qualified to conduct auctions or sales in a manner that assures the
27 efficiency of the auctions or sales. The selection of any independent contractor, consumer trustee or
28 other entity shall be done in accordance with applicable procedures of the division of purchases.

29 (d) The department shall annually convey one hundred percent (100%) of all carbon
30 allowances established pursuant to this section to the selected independent contractor, consumer
31 trustee or other entity who shall be authorized to receive, hold and sell allowances for the long-term
32 benefit of consumers. The selected independent contractor, consumer trustee or other entity shall
33 conduct the auction or sale, collect the auction proceeds and shall, ~~without further appropriation,~~

1 ~~distribute~~ upon receipt, transfer to the office the proceeds of the auction or sale to be distributed in
2 accordance with section 23-82-6, under the oversight of the department.

3 (e) The department shall require an annual report from the independent contractor, consumer
4 trustee or other entity conducting the auction or sale describing the auction or sale and its results. The
5 report shall be made public and shall also be submitted to the general assembly.

6 (f) All proceeds collected from the auction or sale of allowances pursuant to this section shall
7 be deposited as restricted receipts.

8 SECTION 2. Section 39-2-1.2 of the General Laws in Chapter 39-2 entitled "Duties of
9 Utilities and Carriers" is hereby amended to read as follows:

10 **§ 39-2-1.2 Utility base rate – Advertising, demand side management and renewables.** –

11 (a) In addition to costs prohibited in § 39-1-27.4(b), no public utility distributing or providing heat,
12 electricity, or water to or for the public shall include as part of its base rate any expenses for
13 advertising, either direct or indirect, which promotes the use of its product or service, or is designed
14 to promote the public image of the industry. No public utility may furnish support of any kind, direct,
15 or indirect, to any subsidiary, group, association, or individual for advertising and include the expense
16 as part of its base rate. Nothing contained in this section shall be deemed as prohibiting the inclusion
17 in the base rate of expenses incurred for advertising, informational or educational in nature, which is
18 designed to promote public safety conservation of the public utility's product or service. The public
19 utilities commission shall promulgate such rules and regulations as are necessary to require public
20 disclosure of all advertising expenses of any kind, direct or indirect, and to otherwise effectuate the
21 provisions of this section.

22 (b) Effective as of January 1, 2003, and for a period of ten (10) years thereafter, each electric
23 distribution company shall include charges of 2.0 mills per kilowatt-hour delivered to fund demand
24 side management programs and 0.3 mills per kilowatt-hour delivered to fund renewable energy
25 programs. Existing charges for these purposes and their method of administration shall continue
26 through December 31, 2002. Thereafter, the electric distribution company shall establish and after
27 July 1, 2007, maintain two (2) separate accounts, one for demand side management programs, which
28 shall be administered and implemented by the distribution company, subject to the regulatory
29 reviewing authority of the commission, and one for renewable energy programs, which shall be
30 administered by the office of energy resources through June 30, 2007, and effective July 1, 2007,
31 shall be held and disbursed by the distribution company as directed by the commissioner of the office
32 of energy resources, with the approval, if appropriate, of the trustees of the renewable energy
33 development fund, for the purposes of developing, promoting and supporting renewable energy
34 programs.

1 During the ten (10) year period the commission may, in its discretion, after notice and public
2 hearing, increase the sums for demand side management and renewable resources; thereafter, the
3 commission shall, after notice and public hearing, determine the appropriate charge for these
4 programs. The office of energy resources and/or the administrator of the renewable energy programs
5 shall seek to secure for the state an equitable and reasonable portion of renewable energy credits or
6 certificates created by projects funded through those programs, and shall develop and execute by July
7 1, 2007, a plan to make the program self-sustaining as of January 1, 2013. As used in this section,
8 "renewable energy resources" shall mean: (1) power generation technologies as defined in § 39-26-5,
9 "eligible renewable energy resources", including off-grid and on-grid generating technologies located
10 in Rhode Island as a priority; (2) research and development activities in Rhode Island pertaining to
11 eligible renewable energy resources and to other renewable energy technologies for electrical
12 generation; or (3) projects and activities directly related to implementing eligible renewable energy
13 resources projects in Rhode Island. Technologies for converting solar energy for space heating or
14 generating domestic hot water may also be funded through the renewable energy programs, so long as
15 these technologies are installed on housing projects that have been certified by the executive director
16 of the Rhode Island housing and mortgage finance corporation as serving low-income Rhode Island
17 residents. Fuel cells may be considered an energy efficiency technology to be included in demand
18 sided management programs. Special rates for low-income customers in effect as of August 7, 1996
19 shall be continued, and the costs of all of these discounts shall be included in the distribution rates
20 charged to all other customers. Nothing in this section shall be construed as prohibiting an electric
21 distribution company from offering any special rates or programs for low-income customers which
22 are not in effect as of August 7, 1996, subject to the approval by the commission.

23 (c) The commissioner of the office of energy resources is authorized and may enter into a
24 contract through a competitive bid process with a contractor for the cost effective administration of
25 the renewable energy programs funded by this section. ~~The director shall initiate the competitive bid~~
26 ~~process by the issuance and advertisement of specifications and request for proposals, on or before~~
27 ~~September 1, 2002. The contract resulting from the competitive bid process shall be awarded to~~
28 ~~become effective for a three (3) year period commencing no later than January 1, 2003. A competitive~~
29 ~~bid and contract award for administration of the renewable energy programs may occur every three~~
30 ~~(3) years thereafter, and shall include as a condition that after July 1, 2007 the account for the~~
31 ~~renewable energy programs shall be maintained by the distribution company as provided for in~~
32 ~~subdivision (b) above and, w~~With the approval of the commissioner of the office of energy resources
33 and the trustees of the renewable energy development fund, the renewable energy program may be
34 administered by the economic development corporation. Costs incurred by the office of energy

1 resources in the administration and support of the renewable energy program shall be reimbursed
2 from the proceeds of charges established in subdivision (b) above. All funds collected for this purpose
3 by the office shall be deposited as restricted receipts.

4 (d) Effective January 1, 2007, and for a period of seven (7) years thereafter, each gas
5 distribution company shall include, with the approval of the commission, a charge of up to fifteen
6 cents (\$0.15) per deca therm delivered to demand side management programs, including, but not
7 limited to, programs for cost-effective energy efficiency, energy conservation, combined heat and
8 power systems, and weatherization services for low income households.

9 (e) The gas company shall establish a separate account for demand side management
10 programs, which shall be administered and implemented by the distribution company, subject to the
11 regulatory reviewing authority of the commission. The commission may establish administrative
12 mechanisms and procedures that are similar to those for electric demand side management programs
13 administered under the jurisdiction of the commissions and that are designed to achieve cost-
14 effectiveness and high life-time savings of efficiency measures supported by the program.

15 (f) The commission may, if reasonable and feasible, except from this demand side
16 management change:

17 (i) gas used for distribution generation; and

18 (ii) gas used for the manufacturing processes, where the customer has established a self-
19 directed program to invest in and achieve best effective energy efficiency in accordance with a plan
20 approved by the commission and subject to periodic review and approval by the commission, which
21 plan shall require annual reporting of the amount invested and the return on investments in terms of
22 gas savings.

23 (g) The commission may provide for the coordinated and/or integrated administration of
24 electric and gas demand side management programs in order to enhance the effectiveness of the
25 programs. Such coordinated and/or integrated administration may after March 1, 2009, upon the
26 recommendation of the office of energy resources, be through one or more third-party entities
27 designated by the commission pursuant to a competitive selection process.

28 (h) Effective January 1, 2007, the commission shall allocate from demand-side management
29 gas and electric funds authorized pursuant to this § 39-2-1.2, an amount not to exceed two percent
30 (2%) of such funds on an annual basis for the retention of expert consultants, and reasonable
31 administrations costs of the energy efficiency and resources management council associated with
32 planning, management, and evaluation of energy efficiency programs, renewable energy programs
33 and least-cost procurement, and with regulatory proceedings, contested cases, and other actions

1 pertaining to the purposes, powers and duties of the council, which allocation may by mutual
2 agreement, be used in coordination with the office of energy resources to support such activities.

3 (i) All revenues collected as provided in subsection (h) above shall be transferred to the office
4 on a monthly basis and deposited as restricted receipts.

5 SECTION 3. Section 39-26-7 of the General Laws in Chapter 39-26 entitled “Renewable
6 Energy Standard” is hereby amended to read as follows:

7 **§ 39-26-7 Renewable energy development fund.** – (a) There is hereby authorized and
8 created within the economic development corporation a renewable energy development fund for the
9 purpose of increasing the supply of NE-GIS certificates available for compliance in future years by
10 obligated entities with renewable energy standard requirements, as established in this chapter. The
11 fund shall be located at and administered by the Rhode Island economic development corporation and
12 shall have a board of trustees of five (5) members as follows: the executive director of the economic
13 development corporation, who shall be chairperson; the director of the department of administration
14 or a designee of the director; the administrator of the division of public utilities; and two (2) public
15 members appointed by the governor with advice and consent of the senate, who shall serve terms of
16 three (3) years; provided, however, that no public members may serve more than two (2) consecutive
17 (3) three year terms. One of the public members shall be a representative of an organization that
18 advocates for renewable energy development. Each member shall hold office for the term appointed
19 and until the member's successor shall have been duly appointed and qualified, or until the member's
20 earlier death, resignation or removal. Members of the board of trustees of the fund shall receive no
21 compensation for the performance of their duties, but may be reimbursed for reasonable expenses
22 incurred in carrying out those duties. The board of trustees shall recommend to the economic
23 development corporation:

24 (1) Plans and guidelines for the management and use of the fund, and

25 (2) Its evaluation of proposals and/or actions to obligate, use and/or sell, dispose, trade or
26 exchange assets held by the fund. The board of trustees shall have the power to adopt, with the
27 approval of the economic development corporation, such by-laws as may be necessary or convenient
28 for the conduct of its affairs.

29 (b) The economic development corporation shall enter into agreements with obligated entities
30 to accept alternative compliance payments, consistent with rules of the commission and the purposes
31 set forth in this section; and alternative compliance payments received pursuant to this section shall
32 be trust funds to be held and applied solely for the purposes set forth in this section.

33 (c) The uses of the fund shall include but not be limited to:

1 (1) Stimulating investment in renewable energy development by entering into agreements,
2 including multi-year agreements, for renewable energy certificates;

3 (2) Issuing assurances and/or guarantees to support the acquisition of renewable energy
4 certificates and/or the development of new renewable energy sources for Rhode Island;

5 (3) Establishing escrows, reserves, and/or acquiring insurance for the obligations of the fund;

6 (4) Paying administrative costs of the fund incurred by the economic development
7 corporation, ~~or the board of trustees~~ or the office of energy resources, not to exceed ten percent (10%)
8 of the income of the fund, including, but not limited to, alternative compliance payments. All funds
9 transferred from the economic development corporation to support the office of energy resources'
10 administrative costs shall be deposited as restricted receipts.

11 (d) NE-GIS certificates acquired through the fund may be conveyed to obligated entities or
12 may be credited against the renewable energy standard for the year of the certificate provided that the
13 commission assesses the cost of the certificates to the obligated entity, or entities, benefiting from the
14 credit against the renewable energy standard, which assessment shall be reduced by previously made
15 alternative compliance payments and shall be paid to the fund.

16 (e) The trustees, in cooperation and concurrence with the commissioner of the office of
17 energy resources, consistent with rules as may be adopted by the commission, develop an integrated
18 plan and strategy, by July 1, 2007, for stimulating the development of and financing eligible
19 renewable energy resources.

20 SECTION 4. Section 4-140-4 of the General Laws in Chapter 42-140 entitled "Rhode Island
21 Energy Resources Act" is hereby amended to read as follows:

22 **§ 42-140-4 Commissioner.** – (a) There shall be a commissioner of energy resources, who
23 shall be appointed by the governor with the advice and consent of the senate. The commissioner shall
24 be the director of the office of energy resources and shall have all such powers, consistent with law,
25 as are necessary and/or convenient to effectuate the purposes of the office and administer its
26 functions. The commissioner shall have authority to exercise all of the powers and duties heretofore
27 exercised by the head of the state energy office. In the performance of the duties set forth in this
28 paragraph, the commissioner shall consult with the energy efficiency and resources management
29 council established pursuant to chapter 42-140.1.

30 (b) The commissioner shall have authority to apply for, receive, and administer grants and
31 funds from the federal government and all other public and private entities to accomplish the purposes
32 of the office.

1 (1) All revenues collected by the office from public and private entities, including, but not
2 limited to, demand side management grants from public utilities, shall be deposited as restricted
3 receipts.

4 (c) The commissioner shall have authority to serve as executive secretary of the governor's
5 technical assistance committee, established by § 42-60-4, and shall provide such staff and technical
6 support to the technical assistance committee as the technical assistance committee may require, and
7 shall have authority to carry out any duties assigned to the office by the governor in the event of a
8 declaration of a state energy crisis as authorized under chapter 42-60 relating to energy crisis
9 management.

10 SECTION 5. Section 42-14-9 of the General Laws in Chapter 42-14 entitled "Department of
11 Business Regulation" is hereby amended to read as follows:

12 § 42-14-9 Payment of expenses – Fees. – (a) The general assembly shall annually
13 appropriate such sum as it may deem necessary for the payment of the salary of the administrator of
14 banking and insurance, for the payment of the salaries of his or her deputies and for the payment of
15 the clerical and other assistance, office and traveling expenses of the administrator of banking and
16 insurance, his or her deputies and assistants, and the state controller is hereby authorized and directed
17 to draw his or her orders for the payment of those sums, or so much of them as may from time to time
18 be required, upon receipt by him or her of proper vouchers, approved by the director of business
19 regulation. All fees, charges for examinations and other collections received by him or her as
20 administrator of banking, insurance, and securities shall be paid to the general treasurer for the use of
21 the state.

22 (1) Certain operational costs of the department of business regulation are eligible for
23 reimbursement from third parties, including, but not limited to, costs of licensing, and shall also
24 include the following expenses:

25 (i) All reasonable technology costs related to the examination and licensing process.
26 Technology costs shall include the actual cost of software and hardware utilized in the licensing
27 process and the cost of training personnel in the proper use of the software or hardware.

28 (ii) All necessary and reasonable education and training costs incurred by the state to
29 maintain the proficiency and competence of the examining and licensing personnel. All these costs
30 shall be incurred in accordance with appropriate state of Rhode Island regulations, guidelines and
31 procedures.

32 (iii) All revenues collected pursuant to this section shall be deposited as restricted receipts.

33 (2) There is created within the general fund a restricted receipt account to be known as the
34 "banking division reimbursement account". All funds in the account shall be utilized by the

1 department of business regulation to effectuate the provisions of § 42-14-9(b). All funds received for
2 the securities division pursuant to § 42-14-9(b) shall be deposited in the securities division
3 reimbursement account. The general treasurer is authorized and directed to draw his or her orders on
4 the account upon receipt of properly authenticated vouchers from the department of business
5 regulation.

6 (3) There is created within the general fund a restricted receipt account to be known as the
7 "~~banking division~~ office of the health insurance commissioner reimbursement account". All funds in
8 the account shall be utilized by the department of business regulation to effectuate the provisions of §
9 42-14-9(b) that relate to reimbursements. All funds received for the ~~banking division~~ office of the
10 health insurance commissioner pursuant to § 42-14-9(b) shall be deposited in the banking division
11 reimbursement account. The general treasurer is authorized and directed to draw his or her orders on
12 the account upon receipt of properly authenticated vouchers from the department of business
13 regulation.

14 (4) There is created within the general fund a restricted receipt account to be known as the
15 "securities division reimbursement account". All funds in the account shall be utilized by the
16 department of business regulation to effectuate the provisions of § 42-14-9(b) that relate to
17 reimbursements. All funds received for the securities division pursuant to § 42-14-9(b) shall be
18 deposited in the securities division reimbursement account. The general treasurer is authorized and
19 directed to draw his or her orders on the account upon receipt of properly authenticated vouchers
20 from the department of business regulation.

21 (5) There is created within the general fund a restricted receipt account to be known as the
22 "commercial licensing and racing and athletics division reimbursement account". All funds in the
23 account shall be utilized by the department of business regulation to effectuate the provisions of § 42-
24 14-9(b) that relate to reimbursements. All funds received for the commercial licensing and racing and
25 athletics division pursuant to § 42-14-9(b) shall be deposited in the commercial licensing and racing
26 and athletics division reimbursement account. The general treasurer is authorized and directed to
27 draw his or her orders on the account upon receipt of properly authenticated vouchers from the
28 department of business regulation.

29 (6) There is created within the general fund a restricted receipt account to be known as the
30 "insurance division reimbursement account". All funds in the account shall be utilized by the
31 department of business regulation to effectuate the provisions of § 42-14-9(b) that relate to
32 reimbursements. All funds received for the insurance division pursuant to § 42-14-9(b) shall be
33 deposited in the insurance division reimbursement account. The general treasurer is authorized and

1 directed to draw his or her orders on the account upon receipt of properly authenticated vouchers
2 from the department of business regulation.

3 SECTION 6. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds" is
4 hereby amended to read as follows:

5 **§ 35-4-27 Indirect cost recoveries on restricted receipt accounts.** – Indirect cost
6 recoveries of ten percent (10%) of cash receipts shall be transferred from all restricted receipt
7 accounts, to be recorded as general revenues in the general fund. However, there shall be no transfer
8 from cash receipts with restrictions received exclusively: (1) from contributions from non-profit
9 charitable organizations; (2) from the assessment of indirect cost recovery rates on federal grant
10 funds; or (3) through transfers from state agencies to the department of administration for the
11 payment of debt service. These indirect cost recoveries shall be applied to all accounts, unless
12 prohibited by federal law or regulation, court order, or court settlement. The following restricted
13 receipt accounts shall not be subject to the provisions of this section:

- 14 Department of Human Services
- 15 Veterans' home – Restricted account
- 16 Veterans' home – Resident benefits
- 17 Organ transplant fund
- 18 Veteran's Cemetery Memorial Fund
- 19 Department of Health
- 20 Pandemic medications and equipment account
- 21 Department of Mental Health, Retardation and Hospitals
- 22 Hospital Medicare Part D Receipts
- 23 Department of Environmental Management
- 24 National heritage revolving fund
- 25 Environmental response fund II
- 26 Underground storage tanks
- 27 Rhode Island Council on the Arts
- 28 Art for public facilities fund
- 29 Rhode Island Historical Preservation and Heritage Commission
- 30 Historic preservation revolving loan fund
- 31 Historic Preservation loan fund – Interest revenue
- 32 State Police
- 33 Forfeited property – Retained
- 34 Forfeitures – Federal

1 Forfeited property – Gambling
2 Donation – Polygraph and Law Enforcement Training
3 Attorney General
4 Forfeiture of property
5 Federal forfeitures
6 Attorney General multi-state account
7 Department of Administration
8 Restore and replacement – Insurance coverage
9 Convention Center Authority rental payments
10 Investment Receipts – TANS
11 Car Rental Tax/Surcharge-Warwick Share
12 Affordable Energy Fund
13 Demand Side Management Grants
14 Regional Greenhouse Gas Initiative
15 Legislature
16 Audit of federal assisted programs
17 Department of Elderly Affairs
18 Pharmaceutical Rebates Account
19 ~~Affordable Energy fund~~
20 Department of Children Youth and Families
21 Children's Trust Accounts – SSI
22 Military Staff
23 RI Military Family Relief Fund
24 Treasury
25 Admin. Expenses – State Retirement System
26 Retirement – Treasury Investment Options
27 Business Regulation
28 Banking Division Reimbursement Account
29 Securities Division Reimbursement Account
30 Commercial Licensing and Racing and Athletics Division Reimbursement Account
31 Insurance Division Reimbursement Account
32 Office of the Health Insurance Commissioner Reimbursement Account.

33 SECTION 7. Section 4 of this article shall take effect July 1, 2008. All other sections shall
34 take effect as of July 1, 2007.

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ARTICLE 7

RELATING TO CORRECTIONS REFORM

SECTION 1. Section 13-8-14.1 of the General Laws in Chapter 13-8 entitled “Criminals – Correctional Institutions” is hereby amended to read as follows:

§ 13-8-14.1 Parole standards. – (a) At least once each calendar year the parole board shall adopt standards to be utilized by the board in evaluating applications for parole of persons convicted of a criminal offense and sentenced to the adult correctional institutions. These standards shall establish, with the range of parole eligibility set by statute, the portion of a sentence which should be served ~~upon conviction for each category of criminal offense prior to parole~~ depending on the likelihood of recidivism as determined by a risk assessment, and shall serve as guidelines for the board in making individual parole determinations.

(b) The board shall consider the applicable standard prior to rendering a decision on a parole application, and may make a determination at variance with that standard only upon a finding that the determination is warranted by individualized factors, such as the character and criminal record of the applicant, the nature and circumstances of the offense or offenses for which the applicant was sentenced, the conduct of the applicant while incarcerated, and the criteria set forth in § 13-8-14.

(c) In each case where the board grants an application prior to the time set by the applicable standard or denies an application on or after the time set by that standard, the board shall set forth in writing the rationale for its determination.

SECTION 2. Sections 42-56-24 and 42-56-26 of the General Laws in Chapter 42-56 entitled “Corrections Department” are hereby amended to read as follows:

§ 42-56-24 Time allowed for good behavior. Earned time for good behavior or program participation or completion. – (a) The director, or his or her designee, shall keep a record of the conduct of each prisoner, and for each month that a prisoner who has been sentenced to imprisonment for six (6) months or more and not under sentence to imprisonment for life, appears by the record to have faithfully observed all the rules and requirements of the institutions and not to have been subjected to discipline, and is serving a sentence imposed for violation of sexual offenses under §11-37-2, §11-37-4, §11-37-6, §11-37-8, §11-37-8.1 and §11-37-8.3 or §11-9-1.3, there shall, with the consent of the director of the department of corrections or his or her designee upon recommendation to him or her by the assistant director of institutions/operations, be deducted from the term or terms of sentence of that prisoner the same number of days that there are years in the term of his or her sentence; provided, that when the sentence is for a longer term than ten (10) years, only ten (10) days shall be deducted for one month's good behavior; and provided, further, that in the case of sentences

1 of at least six (6) months and less than one year, one day per month shall be deducted. This sub-
2 section recognizes the serious nature of sex offenses; promotes community safety and protection of
3 the public; and maintains the ability of the department of corrections to oversee the rehabilitation and
4 supervision of sex offenders.

5 (b) For all prisoners serving sentences of more than one (1) month, and not serving a sentence
6 of imprisonment for life or a sentence imposed for violation of the sexual offenses identified in
7 section (a), the director, or his or her designee, shall keep a record of the conduct of each prisoner,
8 and for each month that prisoner has faithfully observed all the rules and requirements of the
9 institutions and has not been subjected to discipline, there shall, with the consent of the director of the
10 department of corrections or his or her designee and upon recommendation by the assistant director of
11 institutions/operations, be deducted from the term or terms of sentence of that prisoner up to ten (10)
12 days for each month's good behavior.

13 ~~(b)(c)~~ For the purposes of computing the number of days to be deducted for good behavior,
14 consecutive sentences shall be counted as a whole sentence.

15 ~~(e)(d)~~ For every day a prisoner shall be shut up or otherwise disciplined for bad conduct, as
16 determined by the assistant director, institutions/ operations, subject to the authority of the director,
17 there shall be deducted one day from the time he or she shall have gained for good conduct.

18 ~~(d)(e)~~ The assistant director, or his or her designee, subject to the authority of the director,
19 shall have the power to restore lost good conduct time in whole or in part upon a showing by the
20 prisoner of subsequent good behavior and disposition to reform.

21 ~~(e)(f)~~ For each month that a prisoner who has been sentenced to imprisonment for more than
22 one (1) six (6) months or more and not under sentence to imprisonment for life who has faithfully
23 engaged in institutional industries there shall, with the consent of the director, upon the
24 recommendations to him or her by the assistant director, institutions/operations, be deducted from the
25 term or terms of the prisoner an additional two (2) days a month. ~~These two (2) days a month shall be~~
26 ~~deducted regardless of the length of the sentence of the prisoner.~~

27 (g) For each month that a prisoner who has been sentenced to imprisonment for more than
28 one (1) month and not under sentence to imprisonment for life has participated faithfully in a program
29 that has been determined by the director or his/her designee to address that prisoner's individual
30 needs that are related to his/her criminal behavior, there may, with the consent of the director and
31 upon the recommendation of the assistant director, rehabilitative services, be deducted from the term
32 or terms of the prisoner up to an additional five (5) days a month. Furthermore, whenever the
33 prisoner has successfully completed such program, there may, with the consent of the director and

1 upon the recommendation by the assistant director, rehabilitative services, be deducted from the term
2 or terms of the prisoner up to an additional thirty (30) days.

3 **§ 42-56-26 Additional time allowed for meritorious service.** – In addition to any time
4 allowed for good behavior pursuant to § 42-56-24, any prisoner sentenced to imprisonment for one
5 ~~year~~ month or more in the adult correctional institutions, whether the sentence was imposed before or
6 after May 8, 1974, shall be eligible to have deducted from his or her sentence up to three (3) days per
7 month up to a maximum of thirty-six (36) days per year for each act, when in the determination of the
8 director, or his or her designee, an inmate has performed heroic acts affecting the lives and welfare of
9 the institutional personnel, inmates, or the general public, ~~or when an inmate has submitted~~
10 ~~extraordinary and useful ideas and plans which have been implemented for the benefit of the state~~
11 ~~resulting in substantial savings and/or a higher degree of efficiency or performance while~~
12 ~~participating in and completing academic or vocational education programs, or when an inmate has~~
13 ~~submitted useful ideas concerning academic or vocational programs which have been implemented at~~
14 ~~the adult correctional institutions.~~ Nothing in this section shall be construed to deprive a prisoner of
15 time already accumulated or deducted prior to May 8, 1974.

16 SECTION 3. Section 2 of this article shall take effect as of April 1, 2008. Section 1 shall
17 take effect upon passage.

18 ARTICLE 8

19 RELATING TO PUBLIC OFFICERS AND EMPLOYEES

20 SECTION 1. Section 36-10-36 of the General Laws in Chapter 36-10 entitled “Retirement
21 System-Contributions and Benefits” is hereby amended to read as follows:

22 **§ 36-10-36. Post retirement employment.** – (a) Except as provided in subsection (b), on and
23 after July 7, 1994, no member who has retired under the provisions of titles 16, 36, or 45 may be
24 employed or reemployed by any state agency or department unless any and all retirement benefits to
25 which he or she may be entitled by virtue of provisions of titles 16, 36 or 45 are suspended for
26 duration of any employment or reemployment. No additional service credits shall be granted for any
27 post-retirement employment or reemployment and no deductions shall be taken from an individual’s
28 salary for retirement contribution. Notice of any such post-retirement employment or reemployment
29 shall be sent monthly to the retirement board by the employing agency or department and by the
30 retired member.

31 (b) Any member who has retired under the provisions of titles 16, 36, or 45 may be employed
32 or reemployed by the state or by any municipality within the state, which municipality has accepted
33 the provisions of chapter 21 of title 45 and which participates in the municipal employees’ retirement
34 system, for a period of not more than seventy-five (75) working days or one hundred fifty (150) half

1 days with half day pay in any one calendar year without any forfeiture of or reduction of any
2 retirement benefits and allowances the member is receiving or may receive as a retired member.
3 Pension payments shall be suspended whenever this period is exceeded. No additional contributions
4 shall be taken and no additional service credits shall be granted for this service. Notice of this
5 employment or re-employment shall be sent monthly to the retirement board by the employer and by
6 the retired member.

7 (c) Any member who has retired under the provisions of titles 16, 36, or 45 may be employed
8 or re-employed by any municipality within the state which has not accepted the provisions of chapter
9 21 of title 45 and which does not participate in the municipal employees' retirement system.

10 (d) Notwithstanding the provisions of this section:

11 (1) Any retired member of the system shall be permitted to serve as an elected mayor, the
12 town administer, the city administrator, the town manager, the city manager, the chief administrative
13 officer or the chief executive officer of any city or town, city or town council member, school
14 committee member, or unpaid member of any part-time state board or commission or member of any
15 part0time municipal board or commission, and shall continue to be eligible for receive the retirement
16 allowance for service other than that as a mayor, administrator, council member, school committee
17 member, or member of any state board or commission or member of any part-time municipal board or
18 commission; provided, however, that no additional service credits shall be granted for any service
19 under this subsection;

20 (2) Any retired member who retired from service at any state college, university, state school,
21 or who retired from service as a teacher under the provisions of titles 16 or who retired from service
22 under title 36 or title 45, may be employed or reemployed, on a part-time basis, by any state college,
23 university or state school for the purpose of providing classroom instruction, academic advising of
24 students and/or coaching. Compensation shall be provided at a level not to exceed the salary
25 provided to other faculty members employed under a collective bargaining agreement at the
26 institution. In no event shall "part-time" mean gross pay of more than fifteen thousand dollars
27 (\$15,000) in any one calendar year. Any retired member who provides such instruction or service
28 shall do so without forfeiture or reduction of any retirement benefit or allowance; and provided,
29 however, that no additional service credits shall be granted for any service under this subsection;

30 (3) Any retired member who retired from service as a teacher under the provisions of titles
31 16, or as a state employee who while an active state employee was certified to teach driver education
32 by the department of elementary and secondary education or by the board of governors for higher
33 education, may be employed or re-employed, on a part-time basis, by the department of elementary
34 and secondary education or by the board of governors for higher education for the purpose of

1 providing classroom instruction in driver education courses in accordance with section 31-10-19
2 and/or motorcycle driver education courses in accordance with section 31-10.1-1.1. In no event shall
3 “part-time” mean gross pay of more than fifteen thousand dollars (\$15,000) in any one calendar year.

4 Any retired teacher who provides that instruction shall do so without forfeiture or reduction of any
5 retirement benefit or allowance the retired teacher is receiving as a retired teacher; provided,
6 however, that no additional service credits shall be granted for any service under this subsection; and

7 (4) Any retired member who retired from service as a registered nurse may be employed or
8 re-employed, on a per diem basis, for the purpose of providing professional nursing care and/or
9 services at a state operated facility in Rhode Island. In no event shall “part-time” mean gross pay of
10 more than twelve thousand dollars (\$12,000) in any one calendar year. Any retired nurse who
11 provides such care and/or services shall do without forfeiture or reduction of any retirement benefit or
12 allowance the retired nurse is receiving as a retired nurse; provided, however, that no additional
13 service credits shall be granted for any service under this subsection.

14 SECTION 2. This article shall take effect as of April 1, 2008.

16 ARTICLE 9

17 RELATING TO THE FAMILY INDEPENDENCE ACT

18 SECTION 1. Section 40-5.1-8 of the General Laws in Chapter 40-5.1 entitled "Family
19 Independence Act" is hereby amended to read as follows:

20 **§ 40-5.1-8 Eligibility for cash assistance.** – (a)(1) Except as otherwise provided for in this
21 section, no person shall be included in any family for purposes of determining eligibility for or the
22 amount of cash to which a family is entitled under this chapter, unless the person is a resident of the
23 state and is: (i) either a citizen; or (ii) lawfully admitted for permanent residence before August 22,
24 1996; or (iii) otherwise lawfully entitled to reside in the United States before August 22, 1996, and is
25 determined to have a status within the meaning of the term "qualified alien", or an exception thereto,
26 under § 402(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996
27 (Public Laws No. 104-193), and as that section may hereafter be amended; or (iv) an alien who on or
28 after August 22, 1996, is determined to have a status within the meaning of the term "qualified alien",
29 or an exception thereto, under § 402(b) of the Personal Responsibility and Work Opportunity
30 Reconciliation Act of 1996 (Public Laws No. 104-193), and as that section may hereafter be
31 amended.

32 (2) An alien who does not meet the citizenship or alienage criteria in subsection (a)(1) above,
33 who was lawfully residing in the United States before August 22, 1996, and who is a resident of this
34 state prior to July 1, 1997, shall be eligible for cash assistance under this chapter without regard to the

1 availability of federal funding; provided, however, that the person meets all other eligibility
2 requirements under this chapter.

3 (3) No person shall be ineligible for assistance payments under this chapter due solely to the
4 restricted eligibility rules otherwise imposed by section 115(a)(2) of the Personal Responsibility and
5 Work Opportunity Reconciliation Act of 1996 (Public Laws No. 104-193), and as that section may
6 hereafter be amended.

7 (b) No family shall be eligible for assistance payments if the combined value of its available
8 resources (reduced by any obligations or debts with respect to such resources) exceed one thousand
9 dollars (\$1,000). For purposes of this subsection, the following shall not be counted as resources of
10 the family:

11 (1) The home owned and occupied by a child, parent, relative or other individual;

12 (2) Real property owned by a husband and wife as tenants by the entirety, if the property is
13 not the home of the family and if the spouse of the applicant refuses to sell his or her interest in the
14 property;

15 (3) Real property which the family is making a good faith effort to dispose of, but any aid
16 payable to the family for any such period shall be conditioned upon such disposal and any payments
17 of aid for that period shall (at the time of disposal) be considered overpayments to the extent that they
18 would not have occurred at the beginning of the period for which the payments were made. Any
19 overpayments that may have occurred are debts subject to recovery in accordance with the provisions
20 of § 40-5.1-28;

21 (4) Income producing property other than real estate including, but not limited to, equipment
22 such as farm tools, carpenter's tools and vehicles used in the production of goods or services which
23 the department determines are necessary for the family to earn a living;

24 (5) One vehicle for each adult household member but not to exceed two (2) vehicles per
25 household, and in addition, a vehicle used primarily for income producing purposes such as, but not
26 limited to, a taxi, truck or fishing boat; a vehicle used as a family's home; a vehicle which annually
27 produces income consistent with its fair market value, even if only used on a seasonal basis; a vehicle
28 necessary to transport a family member with a disability where the vehicle is specially equipped to
29 meet the specific needs of the person with a disability or if the vehicle is a special type of vehicle that
30 makes it possible to transport the person with a disability;

31 (6) Household furnishings and appliances, clothing, personal effects and keepsakes of limited
32 value;

33 (7) Burial plots (one for each child, relative, and other individual), and funeral arrangements;

1 (8) For the month of receipt and the following month, any refund of federal income taxes
2 made to the family by reason of § 32 of the Internal Revenue Code of 1986, 26 U.S.C. § 32 (relating
3 to earned income tax credit), and any payment made to the family by an employer under § 3507 of the
4 Internal Revenue Code of 1986, 26 U.S.C. § 3507 (relating to advance payment of such earned
5 income credit);

6 (9) The resources of any family member receiving supplementary security income assistance
7 under the Social Security Act, 42 U.S.C. § 301 et seq.

8 (c) [Deleted by P.L. 2003, ch. 376, art. 12, § 1.]

9 (d) Except as otherwise provided for in this section, no person shall be included in any family
10 for purposes of determining eligibility for or the amount of cash to which a family is entitled under
11 this chapter if that person, after attaining eighteen (18) years of age, has received cash assistance
12 under this chapter for a total of sixty (60) months (whether or not consecutive) to include any time
13 receiving family cash assistance in any other state or territory of the United States of America as
14 defined herein.

15 (1) Provided that any family where an applicant adult has reached or exceeded his or her sixty
16 (60) month time limit, no person in that family shall be eligible for cash assistance under this chapter
17 as of June 1, 2008. This provision shall not apply to the minor child(ren) for whom there is a
18 caretaker relative deemed responsible for the care of the minor child(ren) due to the absence of a
19 parent.

20 Family cash assistance in any other state or territory of the United States of America shall be
21 determined by the Department of Human Services and shall include family cash assistance funded in
22 whole or in part by Temporary Assistance for Needy Families (TANF) funds [Title IV-A of the
23 federal Social Security Act, 42 U.S.C. § 601 et seq.] and/or family cash assistance provided under a
24 program similar to the Family Independence Act or the federal TANF program.

25 (2) In calculating the sixty (60) month limit imposed in subsection (d)(1), the department
26 shall disregard any month for which assistance was provided with respect to a minor parent or minor
27 pregnant woman during those months when the individual was a minor child, or a parent employed an
28 average of thirty (30) or more hours per week during a month in a single parent family, or an average
29 of thirty-five (35) hours per week during a month for a two (2) parent family.

30 (3) The department may exempt a family from the application of subsection (d)(1) by reason
31 of hardship; provided, however, that the number of such families to be exempted by the department
32 under this subsection shall not exceed twenty percent (20%) of the average monthly number of
33 families to which assistance is provided for under this chapter in a fiscal year; provided, however, that

1 to the extent now or hereafter permitted by federal law, any waiver granted under § 40-5.1-46(a) shall
2 not be counted in determining the twenty percent (20%) maximum under this section.

3 (e) Notwithstanding any other provision of this chapter, the amount of cash to which a family
4 is entitled under the chapter shall be reduced by thirty percent (30%) until the family has been a
5 resident of the state for twelve (12) consecutive months; provided, however, that no member of the
6 family who has been a resident of the state for twelve (12) consecutive months or longer shall have
7 his or her benefit reduced under this subsection.

8 (f) A family:

9 (i) Consisting of a parent who is under the age of eighteen (18) (minor parent); and

10 (ii) Who has never been married; and

11 (iii) Who has a child, or a family which consists of a woman under the age of eighteen (18)
12 who is at least six (6) months pregnant (pregnant minor), shall be eligible for cash assistance only if
13 such family resides in the home of a parent, legal guardian or other adult relative. Such assistance
14 shall be provided to the parent, legal guardian, or other adult relative on behalf of the individual and
15 child unless otherwise authorized by the department.

16 (2) Subdivision (1) of this subsection shall not apply if:

17 (i)(A) The minor parent or pregnant minor has no parent, legal guardian or other adult
18 relative who is living and or whose whereabouts are known;

19 (B) The department determines that the physical or emotional health or safety of the minor
20 parent, or his or her child, or the pregnant minor, would be jeopardized if he or she was required to
21 live in the same residence as his or her parent, legal guardian or other adult relative (refusal of a
22 parent, legal guardian or other adult relative to allow the minor parent or his or her child, or a
23 pregnant minor, to live in his or her home shall constitute a rebuttable presumption that the health or
24 safety would be so jeopardized);

25 (C) The minor parent or pregnant minor has lived apart from his or her own parent or legal
26 guardian for a period of at least one year before either the birth of any child to a minor parent or the
27 onset of the pregnant minor's pregnancy; or

28 (D) There is good cause, under departmental regulations, for waiving the subsection; and

29 (ii) The individual resides in supervised supportive living arrangement to the extent available.
30 For purposes of this section "supervised supportive living arrangement" means an arrangement
31 which:

32 (A) Requires teen parents to enroll and make satisfactory progress in a program leading to a
33 high school diploma or a general education development certificate;

1 (B) Requires teen parents to participate in the adolescent parenting program established in
2 chapter 19 of this title to the extent the program is available; and

3 (C) Provides rules and regulations, which ensure regular adult supervision.

4 (g) As a condition of eligibility for cash and medical assistance under this chapter, each adult
5 member of the family has:

6 (1) Assigned to the state any rights to support for children within the family from any person
7 which the family member has at the time the assignment is executed or may have while receiving
8 assistance under this chapter;

9 (2) Consented to and is cooperating with the state in establishing the paternity of a child born
10 out of wedlock with respect to whom assistance is claimed, and in obtaining support payments for the
11 family member with respect to whom the aid is claimed, or in obtaining any other payments or
12 property due any family member, unless the applicant is found to have good cause for refusing to
13 comply with the requirements of this subsection.

14 Absent good cause for refusing to comply with the requirements of this subsection, the
15 amount of cash a family is otherwise entitled shall be reduced by twenty-five percent (25%) until the
16 adult member of the family who has refused to comply with the requirements of this subsection
17 consents to and cooperates with the state in accordance with the requirements of this subsection.

18 (3) Consented to and is cooperating with the state in identifying and providing information to
19 assist the state in pursuing any third party who may be liable to pay for care and services under Title
20 XIX of the Social Security Act, 42 U.S.C. § 1396 et seq.

21 (h) As a condition of eligibility for cash assistance to a family under this chapter, the
22 parent(s), unless otherwise exempt under this chapter, must enter into an individual employment plan
23 in accordance with § 40-5.1-9(c). This condition of eligibility shall apply to applications for
24 assistance filed on or after July 1, 2006 and to current recipients at the time of their next
25 redetermination of eligibility occurring on or after July 1, 2006.

26 SECTION 2. This article shall take effect upon passage.

27
28 **ARTICLE 10**

29 **RELATING TO THE MEDICAL ASSISTANCE - ELIGIBILITY**

30 SECTION 1. Section 40-8-1 of the General Laws in Chapter 40-8 entitled "Medical
31 Assistance" is hereby amended to read as follows:

32 **§ 40-8-1 Declaration of policy.**-(a) Whereas, in the state of Rhode Island there are many
33 persons who do not have sufficient income and resources to meet the cost of medical care and who,

1 except for income and resource requirements, would be eligible for aid or assistance under § 40-5.1-9
2 or 40-6-27; and

3 (b) Whereas, it is in the best interest of all the citizens of this state to promote the welfare of
4 persons with the characteristics of persons eligible to receive public assistance and ensure that they
5 will receive adequate medical care and treatment in time of need;

6 ~~(c) Now, therefore, it is declared to be the policy of this state to provide medical assistance
7 for those persons in this state who possess the characteristics of persons receiving public assistance
8 under the provisions of § 40-5.1-9 or 40-6-27, and who do not have the income and resources to
9 provide it for themselves or who can do so only at great financial sacrifice. Provided, further, that
10 medical assistance, except as provided in subsection (d), must qualify for federal financial
11 participation pursuant to the provisions of title XIX of the federal Social Security Act, 42 U.S.C. §
12 1396 et seq., as such provisions apply to medically needy only applicants and recipients.~~

13 ~~(d) Medical assistance shall be provided under this chapter without regard to the availability
14 of federal financial participation: (1) to a person who does not meet the citizenship or alienage criteria
15 under title XIX of the Social Security Act [42 U.S.C. § 1396 et seq.] and who was lawfully residing
16 in the United States before August 22, 1996 and who was a resident of this state prior to July 1, 1997;
17 and (2) to a non-citizen child who was lawfully admitted for permanent residence on or after August
18 22, 1996 or who first become otherwise entitled to reside in the United States on or after August 22,
19 1996 and was receiving medical assistance on or before December 31, 2006; and provided, however,
20 that such person meets all other eligibility requirements under this chapter or under title XIX of the
21 Social Security Act.~~

22 SECTION 2. Sections 42-12.3-4 and 42-12.3-15 of the General Laws in Chapter 42-12.3
23 entitled "Health Care for Children and Pregnant Women" are hereby amended to read as follows:

24 **§ 42-12.3-4 "RIte track" program.** – (a) There is hereby established a payor of last resort
25 program for comprehensive health care for children until they reach nineteen (19) years of age, to be
26 known as "RIte track". The department of human services is hereby authorized to amend its title XIX
27 state plan pursuant to title XIX [42 U.S.C. § 1396 et seq.] of the Social Security Act to provide for
28 expanded Medicaid coverage through expanded family income disregards for children, until they
29 reach nineteen (19) years of age, whose family income levels are up to two hundred fifty percent
30 (250%) of the federal poverty level ~~provided, however, that health care coverage under this section
31 shall also be provided without regard to the availability of federal financial participation to a
32 noncitizen child lawfully residing in the United States and to a noncitizen child residing in Rhode
33 Island, provided that the child satisfies all other eligibility requirements and is receiving medical
34 assistance on or before December 31, 2006.~~ The department is further authorized to promulgate any

1 regulations necessary, and in accord with title XIX [42 U.S.C. § 1396 et seq.] of the Social Security
2 Act to implement the state plan amendment. For those children who lack health insurance, and whose
3 family income are in excess of (250%) of the federal poverty level, the department of human services
4 shall promulgate necessary regulations to implement the program. The department of human services
5 is further directed to ascertain and promulgate the scope of services that will be available to those
6 children whose family income exceeds the maximum family income specified in the approved title
7 XIX [42 U.S.C. § 1396 et seq.] state plan amendment.

8 ~~(b) *Resources.* Except as provided herein, no child shall be eligible for medical assistance~~
9 ~~coverage provided under this section if the combined value of the child's or the family's liquid~~
10 ~~resources exceeds ten thousand dollars (\$10,000); provided, however, that this subsection shall not~~
11 ~~apply to children with disabilities who are otherwise eligible for medical assistance coverage as~~
12 ~~categorically needy under § 134(a) of the Tax Equity and Fiscal Responsibility Act of 1982 [federal~~
13 ~~P.L. 97-248], commonly known as Katie Beckett eligible, upon meeting the requirements established~~
14 ~~in § 1902(e)(3) of the federal Social Security Act~~

15 **§ 42-12.3-15 Expansion of RIte track program.** – The Department of Human Services is
16 hereby authorized and directed to submit to the United States Department of Health and Human
17 Services an amendment to the "RIte Care" waiver project number 11-W-0004/1-01 to provide for
18 expanded Medicaid coverage for children until they reach eight (8) years of age, whose family
19 income levels are ~~up~~ to two hundred fifty percent (250%) of the federal poverty level. Expansion of
20 the RIte track program from the age of six (6) until they reach eighteen (18) years of age in
21 accordance with this chapter shall be subject to the approval of the amended waiver by the United
22 States Department of Health and Human Services. ~~Health care coverage under this section shall also~~
23 ~~be provided without regard to the availability of federal financial participation: (1) to a non-citizen~~
24 ~~child lawfully residing in the United States provided such child satisfies all other eligibility~~
25 ~~requirements and is receiving medical assistance on or before December 31, 2006.~~

26 SECTION 3. This article shall take effect as of April 1, 2008.

27 28 **ARTICLE 11**

29 **RELATING TO MEDICAL ASSISTANCE - MANAGED CARE**

30 SECTION 1. Sections 40-8.4-4 and 40-8.4-12 of the General Laws in Chapter 40-8.4 entitled
31 "Health Care for Families" are hereby amended to read as follows:

32 **§ 40-8.4-4 Eligibility.** – (a) *Medical assistance for families.* There is hereby established a
33 category of medical assistance eligibility pursuant to § 1931 of Title XIX of the Social Security Act,
34 42 U.S.C. § 1396u-1, for families whose income and resources are no greater than the standards in

1 effect in the aid to families with dependent children program on July 16, 1996 or such increased
2 standards as the department may determine. The department of human services is directed to amend
3 the medical assistance Title XIX state plan and to submit to the U.S. Department of Health and
4 Human Services an amendment to the RItE Care waiver project to provide for medical assistance
5 coverage to families under this chapter in the same amount, scope and duration as coverage provided
6 to comparable groups under the waiver. The department is further authorized and directed to submit
7 such amendments and/or requests for waivers to the Title XXI state plan as may be necessary to
8 maximize federal contribution for provision of medical assistance coverage under this chapter.
9 However, implementation of expanded coverage under this chapter shall not be delayed pending
10 federal review of any Title XXI amendment or waiver.

11 (b) *Income.* The director of the department of human services is authorized and directed to
12 amend the medical assistance Title XIX state plan or RItE Care waiver to provide medical assistance
13 coverage through expanded income disregards or other methodology for parents or relative caretakers
14 whose income levels are below ~~one hundred eighty five percent (185%)~~ one hundred thirty-three
15 percent (133%) of the federal poverty level.

16 (c) ~~*Resources.* Except as provided herein, no family or child shall be eligible for medical~~
17 ~~assistance coverage provided under this section if the combined value of the child's or the family's~~
18 ~~liquid resources exceed ten thousand dollars (\$10,000); provided, however, that this subsection shall~~
19 ~~not apply to:~~

20 (1) ~~children with disabilities who are otherwise eligible for medical assistance coverage as~~
21 ~~categorically needy under Section 134(a) of the Tax Equity and Fiscal Responsibility Act of 1982~~
22 ~~[federal P.L. 97-248], commonly known as Katie Beckett eligible, upon meeting the requirements~~
23 ~~established in Section 1902(e)(3) of the federal Social Security Act; and~~

24 (2) ~~pregnant women.~~

25 ~~Liquid Resources are defined as any interest(s) in property in the form of cash or other~~
26 ~~financial instruments or accounts which are readily convertible to cash or cash equivalents. These~~
27 ~~include, but are not limited to: cash, bank, credit union or other financial institution savings, checking~~
28 ~~and money market accounts, certificates of deposit or other time deposits, stocks, bonds, mutual~~
29 ~~funds, and other similar financial instruments or accounts. These do not include educational savings~~
30 ~~accounts, plans, or programs; retirement accounts, plans, or programs; or accounts held jointly with~~
31 ~~another adult, not including a spouse, living outside the same household but only to the extent the~~
32 ~~applicant/recipient family documents the funds are from sources owned by the other adult living~~
33 ~~outside the household, plus the proportionate share of any interest, dividend or capital gains thereon.~~

1 ~~The department is authorized to promulgate rules and regulations to determine the ownership and~~
2 ~~source of the funds in the joint account.~~

3 ~~(d)(c) Waiver.~~ The department of human services is authorized and directed to apply for and
4 obtain appropriate waivers from the Secretary of the U.S. Department of Health and Human Services,
5 including, but not limited to, a waiver of the appropriate provisions of Title XIX, to require that
6 individuals with incomes equal to or greater than ~~one hundred fifty percent (150%)~~ one hundred
7 thirty-three percent (133%) of the federal poverty level pay a share of the costs of their medical
8 assistance coverage provided through enrollment in either the RItE Care Program or under the
9 premium assistance program under § 40-8.4-12, in a manner and at an amount consistent with
10 comparable cost-sharing provisions under § 40-8.4-12, provided that such cost sharing shall not
11 exceed five percent (5%) of annual income for those with annual income in excess of one hundred
12 thirty-three percent (133%) of the federal poverty level; and provided, further, that cost-sharing shall
13 not be required for pregnant women or children under age one.

14 **§ 40-8.4-12 RItE Share Health Insurance Premium Assistance Program.** – (1)(a) *Basic*
15 *Rite Share Health Insurance Premium Assistance Program.* The department of human services is
16 authorized and directed to amend the medical assistance Title XIX state plan to implement the
17 provisions of § 1906 of Title XIX of the Social Security Act, 42 U.S.C. § 1396e, and establish the
18 Rhode Island health insurance premium assistance program for RItE Care eligible parents with
19 incomes up to ~~one hundred eighty five percent (185%)~~ one hundred thirty three-percent (133%) of the
20 federal poverty level who have access to employer-based health insurance. The state plan amendment
21 shall require eligible individuals with access to employer-based health insurance to enroll themselves
22 and/or their family in the employer-based health insurance plan as a condition of participation in the
23 RItE Share program under this chapter and as a condition of retaining eligibility for medical assistance
24 under chapters 5.1 and 8.4 of this title and/or chapter 12.3 of title 42 and/or premium assistance under
25 this chapter, provided that doing so meets the criteria established in § 1906 of Title XIX for obtaining
26 federal matching funds and the department has determined that the individual's and/or the family's
27 enrollment in the employer-based health insurance plan is cost-effective and the department has
28 determined that the employer-based health insurance plan meets the criteria set forth in subsection
29 (d). The department shall provide premium assistance by paying all or a portion of the employee's
30 cost for covering the eligible individual or his or her family under the employer-based health
31 insurance plan, subject to the cost sharing provisions in subsection (b), and provided that the premium
32 assistance is cost-effective in accordance with Title XIX, 42 U.S.C. § 1396 et seq.

33 ~~(2) Resources. Except as provided herein, no family, individual, or child shall be eligible for~~
34 ~~medical assistance coverage provided under this section if the combined value of the child's or~~

1 ~~family's liquid resources exceeds ten thousand dollars (\$10,000); provided, however, that this~~
2 ~~subsection shall not apply to:~~

3 ~~(i) children with disabilities who are otherwise eligible for medical assistance coverage as~~
4 ~~categorically needy under Section 134(a) of the Tax Equity and Fiscal Responsibility Act of 1982~~
5 ~~[federal P.L. 97-248], commonly known as Katie Beckett eligible, upon meeting the requirements~~
6 ~~established in § 1902(e)(3) of the federal Social Security Act, and~~

7 ~~(ii) pregnant women.~~

8 *(b) Individuals who can afford it shall share in the cost.* The department of human services is
9 authorized and directed to apply for and obtain any necessary waivers from the secretary of the
10 United States Department of Health and Human Services, including, but not limited to, a waiver of
11 the appropriate sections of Title XIX, 42 U.S.C. § 1396 et seq., to require that individuals eligible for
12 RIte Care under this chapter or chapter 12.3 of title 42 with incomes equal to or greater than ~~one~~
13 ~~hundred fifty percent (150%)~~ one hundred thirty-three percent (133%) of the federal poverty level pay
14 a share of the costs of health insurance based on the individual's ability to pay, provided that the cost
15 sharing shall not exceed five percent (5%) of the individual's annual income. The department of
16 human services shall implement the cost-sharing by regulation, and shall consider co-payments,
17 premium shares or other reasonable means to do so.

18 *(c) Current RIte Care enrollees with access to employer-based health insurance.* The
19 department of human services shall require any individual who receives RIte Care or whose family
20 receives RIte Care on the effective date of the applicable regulations adopted in accordance with
21 subsection (f) to enroll in an employer-based health insurance plan at the individual's eligibility
22 redetermination date or at an earlier date determined by the department, provided that doing so meets
23 the criteria established in the applicable sections of Title XIX, 42 U.S.C. § 1396 et seq., for obtaining
24 federal matching funds and the department has determined that the individual's and/or the family's
25 enrollment in the employer-based health insurance plan is cost-effective and has determined that the
26 health insurance plan meets the criteria in subsection (d). The insurer shall accept the enrollment of
27 the individual and/or the family in the employer-based health insurance plan without regard to any
28 enrollment season restrictions.

29 *(d) Approval of health insurance plans for premium assistance.* The department of human
30 services shall adopt regulations providing for the approval of employer-based health insurance plans
31 for premium assistance and shall approve employer-based health insurance plans based on these
32 regulations. In order for an employer-based health insurance plan to gain approval, the department
33 must determine that the benefits offered by the employer-based health insurance plan are substantially
34 similar in amount, scope, and duration to the benefits provided to RIte Care eligible persons by the

1 RIte Care program, when the plan is evaluated in conjunction with available supplemental benefits
2 provided by the department. The department shall obtain and make available to persons otherwise
3 eligible for RIte Care as supplemental benefits those benefits not reasonably available under
4 employer-based health insurance plans which are required for RIte Care eligible persons by state law
5 or federal law or regulation.

6 (e) *Maximization of federal contribution.* The department of human services is authorized and
7 directed to apply for and obtain federal approvals and waivers necessary to maximize the federal
8 contribution for provision of medical assistance coverage under this section.

9 (f) *Implementation by regulation.* The department of human services is authorized and
10 directed to adopt regulations to ensure the establishment and implementation of the premium
11 assistance program in accordance with the intent and purpose of this section, the requirements of Title
12 XIX and any approved federal waivers.

13 SECTION 2. This article shall take effect as of June 1, 2008.

14
15 **ARTICLE 12**

16 **RELATING TO ATOMIC ENERGY COMMISSION**

17 SECTION 1. Section 42-27-6 of the General Laws in Chapter 42-27 entitled “Atomic Energy
18 Commission” is hereby amended to read as follows:

19 **§ 42-27-6 Reactor usage charges.** - All fees collected by the atomic energy commission for
20 use of the reactor facilities shall be deposited as general revenues. A charge of up to forty percent,
21 adjusted annually as of July 1, shall be assessed against all University of Rhode Island (URI)
22 sponsored research activity allocations. The charge shall be applied to the existing URI sponsored
23 research expenditures within the atomic energy commission.

24 SECTION 2. This article shall take effect as of July 1, 2007.

25
26 **ARTICLE 13**

27 **RELATING TO THE RHODE ISLAND TRAINING SCHOOL**

28 SECTION 1. Chapter 42-72 of the General Laws entitled “Department of Children,
29 Youth and Families” is hereby amended by adding thereto the following sections:

30 **§ 42-72-17.2 Limits to Population at the Youth Development Center and the Youth**
31 **Assessment Center.** --(a) The Rhode Island training school shall consist of a youth development
32 center, a youth assessment center and a female correctional treatment facility. The youth
33 development center and the youth assessment center shall not exceed a maximum daily capacity of
34 twenty-eight (28) male detainees and/or one hundred twenty (120) adjudicated males. The female

1 correctional treatment facility shall not exceed a maximum daily capacity of twelve (12) detained
2 and/or adjudicated females.

3 (b) The director of the department of children, youth and families shall notify the chief judge
4 of the family court whenever the census of the youth development center, the youth assessment center
5 and/or the female residential facility approaches ninety five per cent (95%) of maximum population
6 capacity. The training school superintendent or his or her designee shall thereupon refer to the family
7 court, for consideration for release from the training school, those youth who do not pose a credible
8 risk of harm to self or others and/or for whom there is no substantial risk that the youth may leave the
9 jurisdiction of the state.

10 (c) Following a hearing, the family court shall authorize the release of such youth from the
11 training school, unless the court finds that a youth represents a danger to the community and/or poses
12 a substantial risk that the youth may leave the jurisdiction of the state.

13 **§ 42-72-17.3 Operations and functions of the female facility of the Rhode Island**
14 **Training School.** – Notwithstanding the provisions of any law to the contrary, including chapter 148
15 of title 42 of the general laws, the director the department of children, youth and families is
16 authorized to privatize or sub-contract the functions of the female correctional treatment facility of
17 the Rhode Island training school.

18 SECTION 2. This article shall take effect as of April 1, 2008.

19 ARTICLE 14

20 RELATING TO HEALTH CARE COVERAGE FOR CHILD CARE PROVIDERS

21 SECTION 1. Sections 40-6.2-4 and 40-6.2-5 of the General Laws in Chapter 40-6.2 entitled
22 “Child Care - State Subsidies” are hereby repealed.

23 ~~**§ 40-6.2-4 Health care coverage for family day care providers.** (a) The department of~~
24 ~~human services is authorized and directed to provide health care through its RItE Care or RItE Share~~
25 ~~programs to family day care providers who provide child care services paid for by the department and~~
26 ~~who meet the eligibility requirements of this section.~~

27 (b) A family day care provider shall be eligible if:

28 (1) ~~The provider is certified as a family day care provider by the department of children,~~
29 ~~youth, and families pursuant to chapter 72.1 of title 42, and has applied for and has been found~~
30 ~~ineligible for the federally assisted RItE Care or RItE Share programs; and~~

31 (2) ~~The provider has rendered a minimum of seven thousand eight hundred dollars (\$7,800)~~
32 ~~in child care services, payable by the department through any of its child care programs, during a~~
33 ~~period of six (6) consecutive months prior to making application to the department for health care~~
34 ~~coverage; and~~

1 ~~(3) The provider's total family annualized income does not exceed 350% of the federal~~
2 ~~poverty level.~~

3 ~~(e) Upon determination of eligibility by the department, the department shall enroll the~~
4 ~~provider and the provider's minor children, who are living with the provider's household, in the RIte~~
5 ~~Care or the RIte Share program, as determined by the department, for the following six (6) months,~~
6 ~~and the enrolled provider and qualifying children shall be subject to the terms, conditions, limitations,~~
7 ~~restrictions, cost sharing, and dental benefit provisions of the RIte Care or the RIte Share programs.~~

8 ~~**§ 40-6.2-5 Health care coverage for center-based care providers.**~~ (a) ~~The department of~~
9 ~~human services is authorized and directed to establish a health care premium cost sharing option~~
10 ~~through its RIte Care program for center based child care providers who provide child care services~~
11 ~~paid for in whole or in part by the department of human services or the department of children, youth,~~
12 ~~and families, and who meet the eligibility requirements of this section.~~

13 ~~(b) A center based provider shall be eligible to participate if:~~

14 ~~(1) The provider is licensed as a child day care provider by the department of children, youth,~~
15 ~~and families pursuant to chapter 72.1 of title 42; and~~

16 ~~(2) The provider demonstrates that it meets the minimum subsidized child care participation~~
17 ~~rates specified in subsection (c) or (d), for the applicable period; and~~

18 ~~(3) The provider elects to exercise this health care premium cost sharing coverage option on~~
19 ~~behalf of its employees and makes timely payment of the provider's share of the premium.~~

20 ~~(c) Effective January 1, 1999, if the number of children served by the provider who meet the~~
21 ~~department's child care assistance income guidelines under § 40-5.1-17 is at least fifty percent (50%)~~
22 ~~of the enrollment census of the provider, then the center based child care provider shall pay fifty~~
23 ~~percent (50%) of the monthly premiums attributable to the center's participating employees.~~

24 ~~(d) Effective July 1, 1999, if the number of children served by the provider who meet the~~
25 ~~department's child care assistance income guidelines under § 40-5.1-17 is at least forty percent (40%)~~
26 ~~of the enrollment census of the provider, then the center based child care provider shall pay fifty~~
27 ~~percent (50%) of the monthly premiums attributable to the center's participating employees.~~

28 ~~(e) The department of human services is authorized to promulgate rules and regulations~~
29 ~~which it deems necessary to effect the intent and further define the terms and provisions of this~~
30 ~~section, and which may include, but need not be limited to, the terms, premiums, conditions,~~
31 ~~limitations, and restrictions of the health care buy in option, and enrollment periods and procedures.~~

32 SECTION 2. This article shall take effect as of July 1, 2008.

33
34

1 **ARTICLE 15**

2 **RELATING TO EDUCATION AID**

3 SECTION 1. Sections 16-7-20 and 16-7-23 of the General Laws in Chapter 16-7 entitled
4 "Foundation Level School Support" are hereby amended to read as follows:

5 **§ 16-7-20 Determination of state's share.** – (a) for each community the state's share shall be
6 computed as follows: Let

7 R = state share ratio for the community.

8 v = adjusted equalized weighted assessed valuation for the community, as defined in § 16-7-
9 21(3).

10 V = sum of the values of v for all communities.

11 m = average daily membership of pupils in the community as defined in § 16-7-22(3).

12 M = total average daily membership of pupils in the state.

13 E = approved reimbursable expenditures for the community for the reference year minus the
14 excess costs of special education, tuitions, federal and state receipts, and other income.

15 Then the state share entitlement for the community shall be RE where

16
$$R = 1 - s 0.5vM/(Vm),$$

17 Except that in no case shall R be less than zero percent (0%). This percentage shall be applied
18 to one hundred percent (100%) of all expenditures approved by the board of regents for elementary
19 and secondary education in accordance with currently existing rules and regulations for administering
20 state aid, including but not limited to the setting of appropriate limits for expenditures eligible for
21 reimbursement; provided, however, that the costs of special education required under chapter 24 of
22 this title shall be excluded; and the costs for regional vocational school operation and tuition which
23 are funded in chapter 45 of this title for the reference year 1987-1988 and thereafter, shall be
24 excluded. "Special education costs" mean the costs that are in excess of the average per pupil
25 expenditure in average daily membership for the second school year preceding. The average per pupil
26 expenditure in average daily membership of those students receiving special education shall be
27 included in the cost of the basic program for the reference year, as "reference year" is defined in § 16-
28 7-16. Expenditures from federal money in lieu of taxes shall not be counted and, provided further that
29 the individual communities in the Chariho regional districts shall each receive the seven and five
30 hundredths percent (7.05%) for those grades serviced by the regional school district.

31 (b) The department of elementary and secondary education shall base reimbursement on one
32 hundred percent (100%) of the expenditures for its state operated schools in accordance with the
33 reference year provision as defined in § 16-7-16(11). Any funds to supplement the reimbursement
34 shall be appropriated and included in the department budget.

1 (c) This section shall apply to the School for the Deaf and the Davies Vocational School
2 notwithstanding any provisions of this section to the contrary.

3 (d) Whenever any funds are appropriated for educational purposes, the funds shall be used for
4 educational purposes only and all state funds appropriated for educational purposes must be used to
5 supplement any and all money allocated by a city or town for educational purposes and in no event
6 shall state funds be used to supplant, directly or indirectly, any money allocated by a city or town for
7 educational purposes. The courts of this state shall enforce this section by writ of mandamus.

8 ~~(e) Notwithstanding the calculations in subsection (a), the hospital school at the Hasbro
9 Children's Hospital shall be reimbursed one hundred percent (100%) of all expenditures approved by
10 the board of regents for elementary and secondary education in accordance with currently existing
11 rules and regulations for administering state aid, and subject to annual appropriations by the general
12 assembly including, but not limited to, expenditures for educational personnel, supplies, and materials
13 in the prior fiscal year.~~

14 **§ 16-7-23 Community requirements – Adequate minimum budget provision.** – (a) The
15 school committee's budget provisions of each community for current expenditures in each budget
16 year shall provide for an amount from all sources sufficient to support the basic program and all other
17 approved programs shared by the state. Each community shall contribute local funds to its school
18 committee in an amount not less than its local contribution for schools in the previous fiscal year.
19 Calculation of the annual local contribution shall not include Medicaid revenues received by the
20 municipality or district pursuant to chapter 8 of title 40 or contributions for capital expenditures in
21 support of school facilities. A community which has a decrease in enrollment may compute
22 maintenance of effort on a per pupil rather than on an aggregate basis when determining its local
23 contribution; furthermore, a community which experiences a nonrecurring expenditure for its schools
24 may deduct the nonrecurring expenditure in computing its maintenance of effort. The deduction of
25 nonrecurring expenditures shall be with the approval of the commissioner. The courts of this state
26 shall enforce this section by writ of mandamus.

27 (b) Whenever any state funds are appropriated for educational purposes, the funds shall be
28 used for educational purposes only and all state funds appropriated for educational purposes must be
29 used to supplement any and all money allocated by a city or town for educational purposes and, in no
30 event, shall state funds be used to supplant, directly or indirectly, any money allocated by a city or
31 town for educational purposes. All state funds shall be appropriated by the municipality to the school
32 committee for educational purposes in the same fiscal year in which they are appropriated at the state
33 level even if the municipality has already adopted a school budget. All state and local funds
34 unexpended by the end of the fiscal year of appropriation shall remain a surplus of the school

1 committee and shall not revert to the municipality. Any surplus of state or local funds appropriated
2 for educational purposes shall not in any respect affect the requirement that each community
3 contribute local funds in an amount not less than its local contribution for schools in the previous
4 fiscal year, subject to subsection (a) of this section, and shall not in any event be deducted from the
5 amount of the local appropriation required to meet the maintenance of effort provision in any given
6 year.

7 (c)(1) An advisory council shall be established to determine the ability of the city of Central
8 Falls to contribute funds to the Central Falls school district. The council shall be composed of five
9 (5) members as follows: (1) The auditor general of the state of Rhode Island or his or her designee;
10 (2) commissioner of elementary and secondary education or his or her designee; (3) The mayor of the
11 city of Central Falls or his or her designee; (4) president of the Central Falls school district board of
12 trustees, (5) The director of the department of revenue or his or her designee. The auditor general or
13 his or her designee shall chair the advisory council. By May 1, 2008, the council shall develop
14 recommendations that will determine the percentage of the Central Falls school district's budget that
15 will be contributed by the city. Said recommendations will be used in the budget preparation for the
16 state appropriation to Central Falls.

17 (2) In the event that the mayor and the city council of the city of Central Falls fail to
18 appropriate the funds as recommended by the Central Falls advisory council, the director of
19 administration is authorized to create a budget and review commission as authorized by §45-9-3 of
20 the General Laws. Said commission shall be composed of the members as of the Central Falls
21 advisory council and shall be vested with all authority granted to a budget and review commission,
22 including the authority to levy and assess taxes without regard to the limitations imposed by §44-5-2
23 of the General Laws relating to maximum tax levy.

24 SECTION 2. This article shall take effect upon passage.

25
26 **ARTICLE 16**

27 **RELATING TO INSURANCE - CONSUMER REPRESENTATION**

28 **AT RATE HEARINGS**

29 SECTION 1. Section 27-36-2 of the General Laws in Chapter 27-36 entitled "Consumer
30 Representation at Rate Hearings" is hereby amended to read as follows:

31 **27-36-2. Annual assessments of insurance companies.** -- (a) ~~The insurance commissioner~~
32 director of the department of business regulation shall make an annual assessment against each
33 insurance company, those corporations and other entities subject to ~~chapters 19, 20, 20.1, and 20.2 of~~
34 this title and chapter 62 of title 42, hereafter referred to as a "company", for payment of all reasonable

1 expenditures incurred by the attorney general in representation at insurance rate hearings for matters
2 involving insurance regulation. The assessments shall be in amounts annually determined and
3 certified by the attorney general to the ~~insurance commissioner~~ director of the department of business
4 regulation as sufficient reimbursement for the general expenditures of the attorney general to fulfill
5 the attorney general's obligations under this chapter. The general expenditures and shall be
6 proportionately assessed by the ~~insurance commissioner~~ director of the department of business
7 regulation against each company. In addition, actual reasonable costs for experts, such as but not
8 limited to actuaries and economists, and other specific costs incurred by the attorney general related
9 to insurance rate hearings, whether or not a public hearing has been held or the rate review has
10 proceeded through a final decision by the department of business regulation or office of health
11 insurance commissioner, shall be billed directly by the attorney general to the company that initiated
12 the filing.

13 (b) ~~A company may meet its obligations under this section by directly reimbursing the~~
14 ~~attorney general and by notifying the commissioner of the amount of the payment. The company~~
15 billed for such specific costs shall make payment to the attorney general by forwarding a check,
16 payable to the service provider, to the chief of the Insurance Advocacy Unit of the attorney general's
17 office within sixty (60) days of the date invoiced.

18 (e) Assessments made pursuant to this section may be credited to the normal operating costs
19 of each company and shall be deposited as general revenue.

20 SECTION 2. This article shall take effect as of January 17, 2008.

21
22 **ARTICLE 17**
23 **RELATING TO PROCEEDINGS IN FAMILY COURT**

24 SECTION 1. Section 14-1-6 of the General Laws in Chapter 14-1 entitled "Proceedings in
25 Family Court" is hereby amended as follows:

26 **§ 14-1-6 Retention of jurisdiction.** – (a) When the court shall have obtained jurisdiction
27 over any child prior to the child having attained the age of eighteen (18) years by the filing of a
28 petition alleging that the child is wayward or delinquent pursuant to § 14-1-5, the child shall, except
29 as specifically provided in this chapter, continue under the jurisdiction of the court until he or she
30 becomes nineteen (19) years of age, unless discharged prior to turning nineteen (19). When the court
31 shall have obtained jurisdiction over any child prior to the child's eighteenth birthday by the filing of
32 a petition alleging that the child is dependent, neglected and abused pursuant to §§ 14-1-5 and 40-11-
33 7, including any child under the jurisdiction of the family court on petitions filed and/or pending
34 before the court prior to July 1, 2007, the child shall, except as specifically provided in this chapter,

1 continue under the jurisdiction of the court until he or she becomes eighteen (18) years of age;
2 provided, that prior to ~~an order of discharge or emancipation being entered,~~ a child turning eighteen
3 (18) years of age, the court shall require the department of children, youth, and families to provide a
4 description of the transition services afforded the child in placement or a detailed explanation as to
5 the reason those services were not offered; provided further, that any youth who comes within the
6 jurisdiction of the court by the filing of a wayward or delinquent petition based upon an offense
7 which was committed prior to July 1, 2007, including youth who are adjudicated and committed to
8 the Rhode Island Training School and who are placed in a temporary community placement as
9 authorized by the family court, may continue under the jurisdiction of the court until he or she turns
10 twenty one (21) years of age.

11 (b) In any case where the court shall not have acquired jurisdiction over any person prior to
12 the person's eighteenth birthday by the filing of a petition alleging that the person had committed an
13 offense, but a petition alleging that the person had committed an offense which would be punishable
14 as a felony if committed by an adult has been filed before that person attains the age of nineteen (19)
15 years of age, that person shall, except as specifically provided in this chapter, be subject to the
16 jurisdiction of the court until he or she becomes nineteen (19) years of age, unless discharged prior to
17 turning nineteen (19).

18 (c) In any case where the court shall not have acquired jurisdiction over any person prior to
19 the person attaining the age of nineteen (19) years by the filing of a petition alleging that the person
20 had committed an offense prior to the person attaining the age of eighteen (18) years which would be
21 punishable as a felony if committed by an adult, that person shall be referred to the court which would
22 have had jurisdiction over the offense if it had been committed by an adult. The court shall have
23 jurisdiction to try that person for the offense committed prior to the person attaining the age of
24 eighteen (18) years and, upon conviction, may impose a sentence not exceeding the maximum penalty
25 provided for the conviction of that offense.

26 (d) In any case where the court has certified and adjudicated a child in accordance with the
27 provisions of §§ 14-1-7.2 and 14-1-7.3, the jurisdiction of the court shall encompass the power and
28 authority to sentence the child to a period in excess of the age of nineteen (19) years. However, in no
29 case shall the sentence be in excess of the maximum penalty provided by statute for the conviction of
30 the offense.

31 (e) Nothing in this section shall be construed to affect the jurisdiction of other courts over
32 offenses committed by any person after he or she reaches the age of eighteen (18) years.

33 SECTION 2. Section 42-72-5 of the General Laws in Chapter 42-72 entitled "Department of
34 Children, Youth and Families" is hereby amended as follows:

1 **§ 42-72-5. Powers and scope of activities.** – (a) The department is the principal agency of
2 the state to mobilize the human, physical and financial resources available to plan, develop, and
3 evaluate a comprehensive and integrated statewide program of services designed to ensure the
4 opportunity for children to reach their full potential. The services include prevention, early
5 intervention, out-reach, placement, care and treatment, and after-care programs; provided, however,
6 that the department notifies the state police and cooperates with local police departments when it
7 receives and/or investigates a complaint of sexual assault on a minor and concludes that probable
8 cause exists to support the allegations(s). The department also serves as an advocate for the needs of
9 children.

10 (b) To accomplish the purposes and duties, as set forth in this chapter, the director is
11 authorized and empowered:

12 (1) To establish those administrative and operational divisions of the department that the
13 director determines is in the best interests of fulfilling the purposes and duties of this chapter;

14 (2) To assign different tasks to staff members that the director determines best suit the
15 purposes of this chapter;

16 (3) To establish plans and facilities for emergency treatment, relocation and physical custody
17 of abused or neglected children which may include, but are not limited to, homemaker/educator child
18 case aides, specialized foster family programs, day care facilities, crisis teams, emergency parents,
19 group homes for teenage parents, family centers within existing community agencies, and counseling
20 services;

21 (4) To establish, monitor, and evaluate protective services for children including, but not
22 limited to, purchase of services from private agencies and establishment of a policy and procedure
23 manual to standardize protective services;

24 (5) To plan and initiate primary and secondary treatment programs for abused and neglected
25 children;

26 (6) To evaluate the services of the department and to conduct periodic comprehensive needs
27 assessment;

28 (7) To license, approve, monitor, and evaluate all residential and non-residential child care
29 institutions, group homes, foster homes, and programs;

30 (8) To recruit and coordinate community resources, public and private;

31 (9) To promulgate rules and regulations concerning the confidentiality, disclosure and
32 expungement of case records pertaining to matters under the jurisdiction of the department;

33 (10) To establish a minimum mandatory level of twenty (20) hours of training per year and
34 provide ongoing staff development for all staff; provided, however, all social workers hired after June

1 15, 1991, within the department shall have a minimum of a bachelor's degree in social work or a
2 closely related field, and must be appointed from a valid civil service list;

3 (11) To establish procedures for reporting suspected child abuse and neglect pursuant to
4 chapter 11 of title 40;

5 (12) To promulgate all rules and regulations necessary for the execution of departmental
6 powers pursuant to the Administrative Procedures Act, chapter 35 of title 42;

7 (13) To provide and act as a clearinghouse for information, data and other materials relative
8 to children;

9 (14) To initiate and carry out studies and analysis which will aid in solving local, regional and
10 statewide problems concerning children;

11 (15) To represent and act on behalf of the state in connection with federal grant programs
12 applicable to programs for children in the functional areas described in this chapter;

13 (16) To seek, accept, and otherwise take advantage of all federal aid available to the
14 department, and to assist other agencies of the state, local agencies, and community groups in taking
15 advantage of all federal grants and subventions available for children;

16 (17) To review and coordinate those activities of agencies of the state and of any political
17 subdivision of the state which affect the full and fair utilization of community resources for programs
18 for children, and initiate programs that will help assure utilization;

19 (18) To administer the pilot juvenile restitution program, including the overseeing and
20 coordinating of all local community based restitution programs, and the establishment of procedures
21 for the processing of payments to children performing community service; and

22 (19) To adopt rules and regulations which:

23 (i) For the twelve (12) month period beginning on October 1, 1983, and for each subsequent
24 twelve (12) month period, establish specific goals as to the maximum number of children who will
25 remain in foster care for a period in excess of two (2) years; and

26 (ii) Are reasonably necessary to implement the child welfare services and foster care
27 programs;

28 (20) May establish and conduct seminars for the purpose of educating children regarding
29 sexual abuse;

30 (21) To establish fee schedules by regulations for the processing of requests from adoption
31 placement agencies for adoption studies, adoption study updates, and supervision related to interstate
32 and international adoptions. The fee shall equal the actual cost of the service(s) rendered, but in no
33 event shall the fee exceed two thousand dollars (\$2,000);

1 (22) To be responsible for the education of all children who are placed, assigned, or otherwise
2 accommodated for residence by the department in a state operated or supported community residence
3 licensed by a Rhode Island state agency. In fulfilling this responsibility the department is authorized
4 to enroll and pay for the education of students in the public schools or, when necessary and
5 appropriate, to itself provide education in accordance with the regulations of the board of regents for
6 elementary and secondary education either directly or through contract;

7 (23) To develop multidisciplinary service plans, in conjunction with the department of health,
8 at hospitals prior to the discharge of any drug-exposed babies. The plan requires the development of a
9 plan using all health care professionals.

10 (24) To be responsible for the delivery of appropriate mental health services to seriously
11 emotionally disturbed children and children with functional developmental disabilities. Appropriate
12 mental health services may include hospitalization, placement in a residential treatment facility, or
13 treatment in a community based setting. The department is charged with the responsibility for
14 developing the public policy and programs related to the needs of seriously emotionally disturbed
15 children and children with functional developmental disabilities. In fulfilling its responsibilities the
16 department shall:

17 (i) Plan a diversified and comprehensive network of programs and services to meet the needs
18 of seriously emotionally disturbed children and children with functional developmental disabilities;

19 (ii) Provide the overall management and supervision of the state program for seriously
20 emotionally disturbed children and children with functional developmental disabilities;

21 (iii) Promote the development of programs for preventing and controlling emotional or
22 behavioral disorders in children;

23 (iv) Coordinate the efforts of several state departments and agencies to meet the needs of
24 seriously emotionally disturbed children and children with functional developmental disabilities and
25 to work with private agencies serving those children;

26 (v) Promote the development of new resources for program implementation in providing
27 services to seriously emotionally disturbed children and children with functional developmental
28 disabilities.

29 The department shall adopt rules and regulations, which are reasonably necessary to
30 implement a program of mental health services for seriously emotionally disturbed children.

31 Each community, as defined in chapter 7 of title 16, shall contribute to the department, at
32 least in accordance with rules and regulations to be adopted by the department, at least its average per
33 pupil cost for special education for the year in which placement commences, as its share of the cost of

1 educational services furnished to a seriously emotionally disturbed child pursuant to this section in a
2 residential treatment program which includes the delivery of educational services.

3 "Seriously emotionally disturbed child" means any person under the age of eighteen (18)
4 years or any person under the age of twenty-one (21) years who began to receive services from the
5 department prior to attaining eighteen (18) years of age and has continuously received those services
6 thereafter who has been diagnosed as having an emotional, behavioral or mental disorder under the
7 current edition of the Diagnostic and Statistical Manual and that disability has been on-going for one
8 year or more or has the potential of being ongoing for one year or more, and the child is in need of
9 multi-agency intervention, and the child is in an out-of-home placement or is at risk of placement
10 because of the disability.

11 A child with a "functional developmental disability" means any person under the age of
12 eighteen (18) years or any person under the age of twenty-one (21) years who began to receive
13 services from the department prior to attaining eighteen (18) years of age and has continuously
14 received those services thereafter.

15 The term "functional developmental disability" includes autism spectrum disorders and
16 means a severe, chronic disability of a person which:

17 (a) Is attributable to a mental or physical impairment or combination of mental physical
18 impairments;

19 (b) Is manifested before the person attains age eighteen (18);

20 (c) Is likely to continue indefinitely;

21 (d) Results in age- appropriate substantial functional limitations in three (3) or more of the
22 following areas of major life activity.

23 (i) Self-care;

24 (ii) Receptive and expressive language;

25 (iii) Learning;

26 (iv) Mobility;

27 (v) Self-direction;

28 (vi) Capacity for Independent Living; and

29 (vii) Economic self-sufficiency; and

30 (e) Reflects the person's need for a combination and sequence of special, interdisciplinary, or
31 generic care, treatment, or other services which are of life-long or extended duration and are
32 individually planned and coordinated.

33 Funding for these clients shall include funds that are transferred to the Department of Human
34 Services as part of the Managed Health Care program transfer. However, the expenditures relating to

1 these clients shall not be part of the Department of Human Services' Caseload estimated for the semi-
2 annual Caseload Estimating Conference. The expenditures shall be accounted for separately.

3 (25) To provide access to services to any person under the age of eighteen (18) years or any
4 person under the age of twenty-one (21) years who began to receive child welfare services from the
5 department prior to attaining eighteen (18) years of age, has continuously received those services
6 thereafter and elects to continue to receive such services after attaining the age of eighteen (18) years.
7 The assembly has included funding in the FY 2008 Department of Children, Youth and Families
8 budget in the amount of \$10.5 million from all sources of funds and \$6.0 million from general
9 revenues to provide a managed system to care for children serviced between 18 to 21 years of age.
10 The department shall manage this caseload to this level of funding.

11 (26) To develop and maintain, in collaboration with other state and private agencies, a
12 comprehensive continuum of care in this state for children in the care and custody of the department
13 or at risk of being in state care. This continuum of care should be family-centered and community-
14 based with the focus of maintaining children safely within their families or, when a child cannot live
15 at home, within as close proximity to home as possible based on the needs of the child and resource
16 availability. The continuum should include community-based prevention, family support and crisis
17 intervention services as well as a full array of foster care and residential services, including residential
18 services designed to meet the needs of children who are seriously emotionally disturbed, children who
19 have a functional developmental disability and youth who have juvenile justice issues. The director
20 shall make reasonable efforts to provide a comprehensive continuum of care for children in the care
21 and custody of the DCYF, taking into account the availability of public and private resources and
22 financial appropriations and the director shall submit an annual report to the general assembly as to
23 the status of his or her efforts in accordance with the provisions of subsection 42-72-4(b)(13).

24 (c) In order to assist in the discharge of his or her duties, the director may request from any
25 agency of the state information pertinent to the affairs and problems of children.

26 ~~(d) Funding for these clients shall include funds that are transferred to the Department of~~
27 ~~Human Services as part of the Managed Health Care program transfer. However, the expenditures~~
28 ~~relating to these clients shall not be part of the Department of Human Services' Caseload estimated~~
29 ~~for the semi annual Caseload Estimating Conference. The expenditures shall be accounted for~~
30 ~~separately.~~

31 ~~(e) The assembly has included funding in the FY 2008 Department of Children, Youth and~~
32 ~~Families budget in the amount of \$10.5 million from all sources of funds and \$6.0 million from~~
33 ~~general revenues to provide a managed system to care for children serviced between 18 to 21 years of~~
34 ~~age. The department shall manage this caseload to this level of funding.~~

1 (27) To administer funds under the John H. Chafee Foster Care Independence and
2 Educational And Training Voucher (ETV) Programs of Title IV-E of the Social Security Act, and the
3 DCYF Higher Education Opportunity Grant Program as outlined in RIGL §42-72.8, in accordance
4 with rules and regulations as promulgated by the director of the department.

5 SECTION 3. This article shall take effect upon passage.

6
7 **ARTICLE 18**

8 **RELATING TO STATE AID**

9 SECTION 1. Sections 45-13-1 and 45-13-9 of the General Laws in Chapter 45-13 entitled
10 "State Aid" are hereby amended to read as follows:

11 **§ 45-13-1 Apportionment of annual appropriation for state aid.** – (a) As used in this
12 chapter, the following words and terms have the following meanings:

13 (1) "Population" means the most recent estimates of population for each city and town as
14 reported by the United States department of commerce, bureau of the census.

15 (2) "Income" means the most recent estimate of per-capita income for a city, town or county
16 as reported by the United States department of commerce, bureau of the census.

17 (3) "Tax effort" means the total taxes imposed by a city or town for public purposes or the
18 totals of those taxes for the cities or towns within a county (except employee and employer
19 assessments and contributions to finance retirement and social insurance systems and other special
20 assessments for capital outlay) determined by the United States secretary of commerce for general
21 statistical purposes and adjusted to exclude amounts properly allocated to education expenses.

22 (4) "Reference year" means the second fiscal year preceding the beginning of the fiscal year
23 in which the distribution of state aid to cities and towns is made provided however that the reference
24 year for distributions made in fiscal year 2007-2008 shall be the third fiscal year preceding the
25 beginning of the fiscal year 2007-2008.

26 (b) Aid to cities and towns shall be apportioned as follows: For each county, city or town, let
27 R be the tax effort divided by the square of per capita income, i.e., $R = (\text{tax effort})/(\text{income} \times$
28 $\text{income})$.

29 The amount to be allocated to the counties shall be apportioned in the ratio of the value of R
30 for each county divided by the sum of the values of R for all five (5) counties.

31 The amount to be allocated for all cities and for all towns within a county shall be the
32 allocation for that county apportioned proportionally to the total tax effort of the towns and cities in
33 that county.

1 The amount to be allocated to any city or town is the amount allocated to all cities or all
2 towns within the county apportioned in the ratio of the value of R for that city (or town) divided by
3 the sum of the values of R for all cities (or all towns) in that county; provided, further, that no city or
4 town shall receive an entitlement in excess of one hundred forty-five percent (145%) of that city or
5 town's population multiplied by the average per capita statewide amount of the annual appropriation
6 for state aid to cities and towns. Any excess entitlement shall be allocated to the remainder of the
7 cities and towns in the respective county in accordance with the provisions of this section.

8 For fiscal year 2004, notwithstanding the provisions of subsection (a), aid calculations shall
9 be based on a blended rate of ninety percent (90%) of the data from the 1990 census and ten percent
10 (10%) of the data from the 2000 census. In each of the succeeding nine (9) fiscal years, the
11 calculations shall be based on a blended rate that increases the percentage of data utilized from the
12 2000 census by ten percent (10%) from the previous year and decreases the percentage of the data
13 utilized from the 1990 census by ten percent (10%) from the previous year.

14 (c) The total amount of aid to be apportioned pursuant to subsection (b) above shall be
15 specified in the annual appropriation act of the state and shall be equal to the following:

16 (1) For fiscal years ending June 30, 1994 through June 30, 1998, the total amount of aid shall
17 be based upon one percent (1%) of total state tax revenues in the reference year.

18 (2) For the fiscal year ending June 30, 1999, the total amount of aid shall be based upon one
19 and three-tenths percent (1.3%) of total state tax revenues in the reference year.

20 (3) For the fiscal year ending June 30, 2000, the total amount of aid shall be based upon one
21 and seven-tenths percent (1.7%) of total state tax revenues in the reference year.

22 (4) For the fiscal year ending June 30, 2001, the total amount of aid shall be based upon two
23 percent (2.0%) of total state tax revenues in the reference year.

24 (5) For the fiscal year ending June 30, 2002, the total amount of aid shall be based upon two
25 and four-tenths percent (2.4%) of total state tax revenues in the reference year.

26 (6) For the fiscal year ending June 30, 2003, the total amount of aid shall be based upon two
27 and four-tenths percent (2.4%) of total state tax revenues in the reference year.

28 (7) For the fiscal year ending June 30, 2004, the total amount of aid shall be based upon two
29 and seven-tenths percent (2.7%) of total state tax revenues in the reference year.

30 (8) For the fiscal year ending June 30, 2005, the total amount of aid shall be fifty-two million
31 four hundred thirty-eight thousand five hundred thirty-two dollars (\$52,438,532).

32 (9) For the fiscal year ending June 30, 2006, the total amount of aid shall be based upon three
33 percent (3.0%) of total state tax revenues in the reference year.

1 (10) For the fiscal year ending June 30, 2007 the total amount of aid shall be sixty-four
2 million six hundred ninety-nine thousand three dollars (\$64,699,003).

3 (11) For the fiscal year ending June 30, 2008, the total amount of aid shall be sixty-four
4 million six hundred ninety-nine thousand three dollars (\$64,699,003).

5 (12) For the fiscal year ending June 30, 2009 and each year thereafter, the total amount of aid
6 shall be based upon three percent (3.0%) of total state tax revenues in the reference year.

7 (13) [Deleted by P.L. 2007, ch. 73, art. 25, § 1.]

8 (14) [Deleted by P.L. 2007, ch. 73, art. 25, § 1.]

9 (d) The assent of two-thirds (2/3) of the members elected to each house of the general
10 assembly shall be required to repeal or amend this section.

11 (e) For the fiscal year ending June 30, 2008 the apportionments of state aid as derived
12 through the calculations as required by subsections a through c of this section shall be adjusted
13 downward statewide by \$10,000,000 in the proportion that each municipal budget bears to the total of
14 all municipal budgets in the state for the fiscal year ending June 30, 2008.

15 **§ 45-13-9 Reimbursement to cities and towns and school districts for the costs of state**

16 **mandates.** – (a)(1) The department of ~~administration~~ revenue shall submit to the budget office by
17 October 1 of each year, a report by each city and town, of the cost of state mandates established after
18 January 1, 1979, to be reimbursed for the next preceding July 1 – June 30 period.

19 (2) The budget office shall annually include the statewide total of the statement of costs of
20 state mandates eligible to be reimbursed in the state budget for the next fiscal year for consideration
21 by the governor in preparing a final budget proposal for submission to the general assembly in
22 accordance with §35-3-7 of the General Laws; provided, that any costs resulting from the rules and
23 regulations of state departments or agencies shall be allocated to the budgets of those departments or
24 agencies.

25 (b) The state treasurer shall in July of each year distribute to cities and towns the
26 reimbursements for state mandated costs ~~in accordance with the report submitted by the department~~
27 ~~of administration to the state budget office.~~ as may be appropriated by the general assembly.

28 SECTION 2. Section 44-34.1-2 of the General Laws in Chapter 44-34.1 entitled “Motor
29 Vehicle and Trailer Excise Tax Elimination Act of 1998” is hereby amended as follows:

30 **§ 44-34.1-2 City and town and fire district reimbursement.** – (a) In fiscal years 2000 and

31 thereafter, cities and towns and fire districts shall receive reimbursements, as set forth in this section,
32 from state general revenues equal to the amount of lost tax revenue due to the phase out or reduction
33 of the excise tax. Cities and towns and fire districts shall receive advance reimbursements through
34 state fiscal year 2002. In the event the tax is phased out, cities and towns and fire districts shall

1 receive a permanent distribution of sales tax revenue pursuant to § 44-18-18 in an amount equal to
2 any lost revenue resulting from the excise tax elimination. Lost revenues must be determined using a
3 base tax rate fixed at fiscal year 1998 levels for each city, town, and fire district, except that the Town
4 of Johnston's base tax rate must be fixed at a fiscal year 1999 level.

5 (b) The director of administration shall determine the amount of general revenues to be
6 distributed to each city and town and fire district for the fiscal years 1999 and thereafter so that every
7 city and town and fire district is held harmless from tax loss resulting from this chapter, assuming that
8 tax rates are indexed to inflation through fiscal year 2003.

9 (2) The director of administration shall index the tax rates for inflation by applying the annual
10 change in the December Consumer Price Index – All Urban Consumers (CPI-U), published by the
11 Bureau of Labor Statistics of the United States Department of Labor, to the indexed tax rate used for
12 the prior fiscal year calculation; provided, that for state reimbursements in fiscal years 2004 and
13 thereafter, the indexed tax rate shall not be subject to further CPI-U adjustments. The director shall
14 apply the following principles in determining reimbursements:

15 (i) Exemptions granted by cities and towns and fire districts in the fiscal year 1998 must be
16 applied to assessed values prior to applying the exemptions in § 44-34.1-1(c)(1). Cities and towns and
17 fire districts will not be reimbursed for these exemptions.

18 (ii) City, town, and fire districts shall be reimbursed by the state for revenue losses
19 attributable to the exemptions provided for in § 44-34.1-1 and the inflation indexing of tax rates
20 through fiscal 2003. Reimbursement for revenue losses shall be calculated based upon the difference
21 between the maximum taxable value less personal exemptions and the net assessed value.

22 (iii) Inflation reimbursements shall be the difference between:

23 (A) The levy calculated at the tax rate used by each city and town and fire district for fiscal
24 year 1998 after adjustments for personal exemptions but prior to adjustments for exemptions
25 contained in § 44-34.1-1(c)(1); provided, that for the town of Johnston the tax rate used for fiscal year
26 1999 must be used for the calculation; and

27 (B) The levy calculated by applying the appropriate cumulative inflation adjustment through
28 state fiscal 2003 to the tax rate used by each city and town and fire district for fiscal year 1998;
29 provided, that for the town of Johnston the tax rate used for fiscal year 1999 shall be used for the
30 calculation after adjustments for personal exemptions but prior to adjustments for exemptions
31 contained in § 44-34.1-1.

32 (c) Funds shall be distributed to the cities and towns and fire districts as follows:

1 (i) On October 20, 1998, and each October 20 thereafter through October 20, 2001, twenty-
2 five percent (25%) of the amount calculated by the director of administration to be the difference for
3 the upcoming fiscal year.

4 (ii) On February 20, 1999, and each February 20 thereafter through February 20, 2002,
5 twenty-five percent (25%) of the amount calculated by the director of administration to be the
6 difference for the upcoming fiscal year.

7 (iii) On June 20, 1999, and each June 20 thereafter through June 20, 2002, fifty percent (50%)
8 of the amount calculated by the director of administration to be the difference for the upcoming fiscal
9 year.

10 (iv) On August 1, 2002, and each August 1 thereafter, twenty-five percent (25%) of the
11 amount calculated by the director of administration to be the difference for the current fiscal year.

12 (v) On November 1, 2002, and each November 1 thereafter, twenty-five percent (25%) of the
13 amount calculated by the director of administration to be the difference for the current fiscal year.

14 (vi) On February 1, 2003, and each February 1 thereafter, twenty-five percent (25%) of the
15 amount calculated by the director of administration to be the difference for the current fiscal year.

16 (vii) On May 1, 2003, and each May 1 thereafter, twenty-five percent (25%) of the amount
17 calculated by the director of administration to be the difference for the current fiscal year.

18 Provided, however, the February and May payments shall be subject to submission of final
19 certified and reconciled motor vehicle levy information.

20 (2) Each city, town, or fire district shall submit final certified and reconciled motor vehicle
21 levy information by August 30 of each year. Any adjustment to the estimated amounts paid in the
22 previous fiscal year shall be included or deducted from the payment due November 1.

23 (3) On any of the payment dates specified in paragraphs (1)(i) through (vii) of this subsection,
24 the director is authorized to deduct previously made over-payments or add supplemental payments as
25 may be required to bring the reimbursements into full compliance with the requirements of this
26 chapter.

27 (4) For the city of East Providence, the payment schedule is twenty-five percent (25%) on
28 February 20, 1999, and each February 20 thereafter through February 20, 2002, twenty-five percent
29 (25%) on June 20, 1999, and each June 20 thereafter through June 20, 2002, which includes final
30 reconciliation of the previous year's payment, and fifty percent (50%) on October 20, 1999, and each
31 October 20 thereafter through October 20, 2002. For local fiscal years 2003 and thereafter, the
32 payment schedule is twenty-five percent (25%) on each November 1, twenty-five percent (25%) on
33 each February 1, twenty-five percent (25%) on each May 1, which includes final reconciliation of the
34 previous year's payment, and twenty-five percent (25%) on each August 1; provided, the May and

1 August payments shall be subject to submission of final certified and reconciled motor vehicle levy
2 information.

3 (5) When the tax is phased out, funds distributed to the cities, towns, and fire districts for the
4 following fiscal year shall be calculated as the funds distributed in the fiscal year of the phase-out.
5 Twenty-five percent (25%) of the amounts calculated shall be distributed to the cities and towns and
6 fire districts on August 1, in the fiscal year of the phase-out, twenty-five percent (25%) on the
7 following November 1, twenty-five percent (25%) on the following February 1, and twenty-five
8 percent (25%) on the following May 1. The funds shall be distributed to each city and town and fire
9 district in the same proportion as distributed in the fiscal year of the phase-out.

10 (6) When the tax is phased out to August 1, of the following fiscal year the director of
11 administration shall calculate to the nearest tenth of one cent (\$.001) the number of cents of sales tax
12 received for the fiscal year ending June 30, of the year following the phase-out equal to the amount of
13 funds distributed to the cities, towns, and fire districts under this chapter during the fiscal year
14 following the phase-out and the percent of the total funds distributed in the fiscal year following the
15 phase-out received by each city, town, and fire district, calculated to the nearest one-hundredth of one
16 percent (0.01%). The director of the department of administration shall transmit those calculations to
17 the governor, the speaker of the house, the president of the senate, the chairperson of the house
18 finance committee, the chairperson of the senate finance committee, the house fiscal advisor, and the
19 senate fiscal advisor. The number of cents, applied to the sales taxes received for the prior fiscal year,
20 shall be the basis for determining the amount of sales tax to be distributed to the cities and towns and
21 fire districts under this chapter for second fiscal year following the phase-out and each year thereafter.
22 The cities and towns and fire districts shall receive that amount of sales tax in the proportions
23 calculated by the director of administration as that received in the fiscal year following the phase-out.

24 (7) When the tax is phased out, twenty-five percent (25%) of the funds shall be distributed to
25 the cities, towns, and fire districts on August 1, of the following fiscal year and every August 1
26 thereafter; twenty-five percent (25%) shall be distributed on the following November 1, and every
27 November 1 thereafter; twenty-five percent (25%) shall be distributed on the following February 1,
28 and every February 1 thereafter; and twenty-five percent (25%) shall be distributed on the following
29 May 1, and every May 1 thereafter.

30 (8) For the city of East Providence, in the event the tax is phased out, twenty-five percent
31 (25%) shall be distributed on November 1, of the following fiscal year and every November 1
32 thereafter, twenty-five percent (25%) shall be distributed on the following February 1, and every
33 February 1 thereafter; twenty-five percent (25%) shall be distributed on the following May 1, and

1 every May 1 thereafter; and twenty-five percent (25%) of the funds shall be distributed on the
2 following August 1, and every August 1 thereafter.

3 (9) As provided for in § 44-34-6, the authority of fire districts to tax motor vehicles is
4 eliminated effective with the year 2000 tax roll and the state reimbursement for fire districts shall be
5 based on the provisions of § 44-34-6. All references to fire districts in this chapter do not apply to the
6 year 2001 tax roll and thereafter.

7 (10) For reimbursements payable in the year ending June 30, 2008 and thereafter, the director
8 of administration shall discount the calculated value of the exemption to ninety-eight percent (98%)
9 in order to establish a collection rate that is comparable to the collection rate achieved by
10 municipalities in the levy of the motor vehicle excise tax.

11 SECTION 3. This article shall take affect upon passage.

12
13 **ARTICLE 19**

14 **RELATING TO ADMINISTRATIVE PROCEDURES**

15 SECTION 1. Section 42-35-3 of the General Laws in Chapter 42-35 entitled “Administrative
16 Procedures” is hereby amended to read as follows:

17 **§ 42-35-3 Procedures for adoption of rules.** – (a) Prior to the adoption, amendment, or
18 repeal of any rule the agency shall:

19 (1) Give at least thirty (30) days notice of its intended action. The notice shall include a
20 statement of either the terms or substance of the intended action or a description of the subjects and
21 issues involved, and of the time when, the place where, and the manner in which interested persons
22 may present their views thereon. The notice shall be mailed to all persons who have made timely
23 request of the agency for advance notice of its rule-making proceedings, and published in a
24 newspaper or newspapers having aggregate general circulation throughout the state; provided,
25 however, that if the action is limited in its applicability to a particular area, then the publication may
26 be in a newspaper having general circulation in the area. ~~Notwithstanding the above requirements, in~~
27 lieu of newspaper publication, advance notice of proposed rulemaking by the department of health all
28 state departments, agencies, and authorities may be provided via electronic media on a website
29 maintained by the office of the secretary of state. Authorization for such electronic notice shall
30 commence on ~~July 1, 2005 and shall expire on June 30, 2010~~ April 1, 2008. Copies of proposed rules
31 shall be available at the agency at the time of the notice required by this subsection, and by mail to
32 any member of the public upon request. The agency shall also prepare a concise summary of all non-
33 technical amendments being proposed that shall be made available with copies of the proposed rules
34 themselves.

1 (2) Afford all interested persons reasonable opportunity to submit data, views, or arguments,
2 orally or in writing. In the case of rules, opportunity for oral hearing must be granted if requested by
3 twenty-five (25) persons, or by a governmental subdivision or agency, or by an association having not
4 less than twenty-five (25) members. The agency shall consider fully all written and oral submissions
5 respecting the proposed rule. Upon adoption of a rule, the agency, if requested to do so by an
6 interested person, either prior to adoption or within thirty (30) days thereafter, shall issue a concise
7 statement of the principal reasons for and against its adoption, incorporating therein its reasons for
8 overruling the considerations urged against its adoption.

9 (3) Demonstrate the need for the adoption, amendment, or repeal of any rule in the record of
10 the rulemaking proceeding. The agency shall demonstrate that there is no alternative approach among
11 the alternatives considered during the rulemaking proceeding which would be as effective and less
12 burdensome to affected private persons as another regulation. This standard requires that an agency
13 proposing to adopt any new regulation must identify any other state regulation which is overlapped or
14 duplicated by the proposed regulation and justify any overlap or duplication.

15 (4) Comply with § 42-35-3.3.

16 (5) Ensure that any proposed additions, deletions or other amendments to the rules and
17 regulations be clearly marked. If an agency proposes adoption of a new rule to supersede an existing
18 rule, the agency shall make available a summary of all non-technical differences between the existing
19 and proposed rules. An agency's lawful promulgation of amendments to an existing rule shall be
20 deemed to supersede and repeal the previous enactments of that rule, provided that the public notice
21 required under subdivision (a)(1) of this section indicated such an intent.

22 (b) If an agency finds that an imminent peril to the public health, safety, or welfare requires
23 adoption of a rule upon less than thirty (30) days' notice, and states in writing its reasons for that
24 finding, it may proceed without prior notice or hearing or upon any abbreviated notice and hearing
25 that it finds practicable, to adopt an emergency rule. The rule so adopted may be effective for a period
26 of not longer than one hundred twenty (120) days renewable once for a period not exceeding ninety
27 (90) days, but the adoption of an identical rule under subdivisions (a)(1) and (a)(2) is not precluded.

28 (c) No rule hereafter adopted is valid unless adopted in substantial compliance with this
29 section, but no contest of any rule on its face on the ground of noncompliance with the procedural
30 requirements of this section may be commenced after two (2) years from its effective date, but a
31 contest of any rule as applied to the complainant may proceed if the complainant can demonstrate
32 prejudice as a result of the agency's noncompliance with this section.

33 SECTION 2. This article shall take effect as of April 1, 2008.

34

1 **ARTICLE 20**

2 **RELATING TO TAXATION**

3 SECTION 1. Sections 44-33.2-2 and 44-33.2-3 of the General Laws in Chapter 44-33.2
4 entitled "Historic Structures – Tax Credit" are hereby amended to read as follows:

5 **§ 44-33.2-2 Definitions.** – As used in this chapter:

6 (1) "Certified historic structure" means a property which is located in the state of Rhode
7 Island and is:

8 (i) Listed individually on the National Register of Historic Places; or (ii) Listed individually
9 in the state register of historic places; or (iii) Located in a registered historic district and certified by
10 either the commission or Secretary of the Interior as being of historic significance to the district.

11 (2) "Certified rehabilitation" means any rehabilitation of a certified historic structure
12 consistent with the historic character of such property or the district in which the property is located
13 as determined by the commission guidelines.

14 (3) "Commission" means the Rhode Island historical preservation and heritage commission
15 created pursuant to § 42-45-2.

16 (4) "Exempt from real property tax" means, with respect to any certified historic structure,
17 that the structure is exempt from taxation pursuant to § 44-3-3.

18 (5) "Holding period" means twenty-four (24) months after the commission issues a certificate
19 of completed work to the owner. In the case of a rehabilitation which may reasonably be expected to
20 be completed in phases as described in subdivision (10) of this section, "holding period" shall be
21 extended to include a period of time beginning on the date of issuance of a certificate of completed
22 work for the first phase or phases for which a certificate of completed work is issued and continuing
23 until the expiration of twenty-four (24) months after the certificate of completed work issued for the
24 last phase.

25 (6) "Placed in service" means that substantial rehabilitation work has been completed which
26 would allow for occupancy of the entire structure or some identifiable portion of the structure, or the
27 owner has commenced depreciation of the qualified rehabilitation expenditures, whichever occurs
28 first.

29 (7) "Principal residence" means the principal residence of the owner within the meaning of §
30 121 of the Internal Revenue Code [26 U.S.C. § 121] or any successor provision.

31 (8) "Qualified rehabilitation expenditures" means any amounts expended in the rehabilitation
32 of a certified historic structure properly capitalized to the building and either: (i) depreciable under
33 the Internal Revenue Code, 26 U.S.C. § 1 et seq., or (ii) made with respect to property (other than the
34 principal residence of the owner) held for sale by the owner. Notwithstanding the foregoing, except in

1 the case of a nonprofit corporation, there will be deducted from qualified rehabilitation expenditures
2 for the purposes of calculating the tax credit any funds made available to the person (including any
3 entity specified in § 44-33.2-3(a)) incurring the qualified rehabilitation expenditures in the form of a
4 direct grant from a federal, state or local governmental entity or agency or instrumentality of
5 government.

6 (9) "Registered historic district" means any district listed in the National Register of Historic
7 Places, or the state register of historic places.

8 (10) "Substantial rehabilitation" means, with respect to a certified historic structure, that the
9 qualified rehabilitation expenses of the building during the twenty-four (24) month period selected by
10 the taxpayer ending with or within the taxable year exceed fifty percent (50%) of the adjusted basis in
11 such building and its structural components as of the beginning of such period. In the case of any
12 rehabilitation, which may reasonably be expected to be completed in phases set forth in architectural
13 plans and specifications completed before the rehabilitation begins, the above definition shall be
14 applied by substituting "sixty (60) month period" for "twenty-four (24) month period".

15 (11) "Tax year" for purposes of this chapter means the calendar year commencing on the first
16 (1st) day of January and ending on the thirty first (31st) day of December of any given year in which a
17 certified tax credit is being claimed, taken, or carried forward. For fiscal year taxpayers, the tax year
18 shall be the calendar year within which their fiscal year begins.

19 **§ 44-33.2-3 Tax credit.** – (a) Any person, firm, partnership, trust, estate, limited liability
20 company, corporation (whether for profit or non-profit) or other business entity that incurs qualified
21 rehabilitation expenditures for the substantial rehabilitation of a certified historic structure, provided
22 the rehabilitation meets standards consistent with the standards of the Secretary of the United States
23 Department of the Interior for rehabilitation as certified by the commission, shall be entitled to a
24 credit against the taxes imposed on such person or entity pursuant to chapter 11, 12, 13, 14, 17 or 30
25 of this title in an amount equal to thirty percent (30%) of the qualified rehabilitation expenditures.

26 (b) Tax credits allowed pursuant to this chapter shall be allowed for the taxable year in which
27 such certified historic structure or an identifiable portion of the structure is placed in service provided
28 that the substantial rehabilitation test is met for such year.

29 (c) If the amount of the tax credit exceeds the taxpayer's total tax liability for the year in
30 which the substantially rehabilitated property is placed in service, the amount that exceeds the
31 taxpayer's tax liability may be carried forward for credit against the taxes imposed for the succeeding
32 ten (10) years, or until the full credit is used, whichever occurs first for the tax credits. Credits
33 allowed to a partnership, a limited liability company taxed as a partnership or multiple owners of
34 property shall be passed through to the persons designated as partners, members or owners

1 respectively pro rata or pursuant to an executed agreement among such persons designated as
2 partners, members or owners documenting an alternate distribution method without regard to their
3 sharing of other tax or economic attributes of such entity.

4 (d) If the taxpayer has not claimed the tax credits in whole or part, taxpayers eligible for the
5 tax credits may assign, transfer or convey the credits, in whole or in part, by sale or otherwise to any
6 individual or entity, including, but not limited to, condominium owners in the event the certified
7 historic structure is converted into condominiums. The assignee of the tax credits may use acquired
8 credits to offset up to one hundred percent (100%) of the tax liabilities otherwise imposed pursuant to
9 chapter 11, 12, 13, (other than the tax imposed under § 44-13-13), 14, 17 or 30 of this title. The
10 assignee may apply the tax credit against taxes imposed on the assignee until the end of the tenth
11 (10th) calendar year after the year in which the substantially rehabilitated property is placed in service
12 or until the full credit assigned is used, whichever occurs first. Fiscal year assignees may claim the
13 credit until the expiration of the fiscal year that ends within the tenth (10th) year after the year in
14 which the substantially rehabilitated property is placed in service. The assignor shall perfect the
15 transfer by notifying the state of Rhode Island division of taxation, in writing, within thirty (30)
16 calendar days following the effective date of the transfer and shall provide any information as may be
17 required by the division of taxation to administer and carry out the provisions of this section.

18 (2) For purposes of this chapter, any assignment or sales proceeds received by the taxpayer
19 for its assignment or sale of the tax credits allowed pursuant to this section shall be exempt from this
20 title. If a tax credit is subsequently recaptured under subsection (e) of this section, revoked or
21 adjusted, the seller's tax calculation for the year of revocation, recapture, or adjustment shall be
22 increased by the total amount of the sales proceeds, without proration, as a modification under chapter
23 30 of this title. In the event that the seller is not a natural person, the seller's tax calculation under
24 chapters 11, 12, 13 (other than with respect to the tax imposed under § 44-13-13), 14, 17, or 30 of this
25 title, as applicable, for the year of revocation, recapture, or adjustment, shall be increased by
26 including the total amount of the sales proceeds without proration.

27 (e) The total aggregate amount of tax credits, certified under this chapter, that the tax
28 administrator shall annually allow all taxpayers and their assignees to collectively claim or take
29 against the state's tax revenues shall not exceed twenty million dollars (\$20,000,000) for tax year
30 2007 and shall not exceed forty million dollars (\$40,000,000) per year for tax years 2008 through
31 2017. No tax credits, certified under this chapter, shall be allowed to be claimed or taken against the
32 state's tax revenues for any tax year after 2017.

33 (f)(1) Taxpayers seeking to claim or take certified tax credits against their tax liabilities for
34 tax year 2007 shall make application to the tax administrator on or before March 1, 2008.

1 traffic violations which are his or her first violations within the preceding three (3) years, may request
2 a hearing seeking a dismissal of the violations based upon the operator's good driving record.

3 (b) Upon submission of proper proof that the operator has not been issued any other traffic
4 violation within the past three (3) years, the charge shall, except for good cause shown or as otherwise
5 provided by law, be dismissed based upon a good driving record, provided that the operator pay a
6 ~~twenty five dollar (\$25.00)~~ an amount equal to the fine for the traffic violation as an administrative
7 fee for court costs associated with the dismissal.

8 (c) The traffic tribunal may not dismiss a charge pursuant to this section after six (6) months
9 from the date of disposition. For purposes of this section, a parking ticket shall not constitute a prior
10 violation.

11 (d) The following violations shall not be dismissed pursuant to this statute:

12 (1) Any violation within the original jurisdiction of superior or district court;

13 (2) A refusal to submit to a chemical test of breath, blood or urine pursuant to § 31-27-2.1;

14 (3) Any violation involving a school bus;

15 (4) Any violation involving an accident where there has been property damage or personal
16 injury;

17 (5) Any speeding violation in excess of fourteen miles per hour (14 m.p.h.) above the posted
18 speed limit;

19 (6) Any violation involving child restraints in motor vehicles pursuant to § 31-22-22;

20 (7) Any violation committed by a holder of a commercial license as defined in § 31-10.3-3 or
21 any violation committed in a commercial motor vehicle as defined in § 31-10.3-3 by an operator who
22 does not hold a commercial license.

23 (e) If the charge is dismissed pursuant to this section, records of the dismissal shall be
24 maintained for a period of three (3) years.

25 (f) The judge or magistrate shall ~~have the discretion to waive court costs and fees when~~
26 ~~dismissing a violation pursuant to this section, with the exception of the mandatory twenty five dollar~~
27 ~~(\$25.00)~~ be required to assess the administrative fee provided for in § 31-41.1-7 (b) when dismissing
28 a violation pursuant to this section.

29 SECTION 2. This article shall take effect as of April 1, 2008.

1 **ARTICLE 24**

2 **RELATING TO TOWNS AND CITIES - POLICE OFFICERS**

3 **AND FIREFIGHTERS RELIEF BENEFITS**

4 SECTION 1. Sections 45-19-4, 45-19-4.1, 45-19-4.2, 45-19-12, 45-19-12.1, 45-19-12.2 and
5 45-19-12.3 of the General Laws in Chapter 45-19 entitled "Relief of Injured and Deceased Fire
6 Fighters and Police Officers" are hereby amended to read as follows:

7 **45-19-4 Annuities to dependents of deceased police officers and appropriations to**
8 **nondependent parents of police officers.** – (a) If an active or retired member of the police force of a
9 city or town is killed or dies from injuries received while in the performance of his or her duty as a
10 member prior to April 1, 2008, or dies of a heart condition or any condition derived from
11 hypertension while still a member prior to April 1, 2008, there shall be paid out of the police officer's
12 relief fund of Rhode Island to the following dependents of the deceased person, the following sums of
13 money:

14 (1) To the widow or widower an annuity not exceeding three thousand six hundred dollars
15 (\$3,600) a year, payable in the number of regular installments determined by the board and
16 continuing as long as he or she remains unmarried and commencing with the date of death but not
17 more than six (6) months prior to the date of filing of the petition by the widow or widower; provided,
18 that if the member died more than six (6) months prior to the filing of the petition then the payments
19 are to commence no sooner than six (6) months prior to the date of petition;

20 (2) An additional annuity of twelve hundred dollars (\$1,200) a year, payable in the number of
21 regular installments determined by the board, for each child of the deceased person during the time
22 that the child is under the age of eighteen (18) years, or over the age and physically or mentally
23 incapacitated from earning. If there is any child and no widow or widower or the widow or widower
24 dies later, the sum and the annuity that would have been payable to the widow or widower had there
25 been one or had he or she lived, to or for the benefit of the child or of the children, in equal shares,
26 during the time previously stated;

27 (3) If there is any child and the widow or widower remarries, in lieu of the previously stated
28 annuity to him or her, an annuity not exceeding twelve hundred dollars (\$1,200) to or for the benefit
29 of each child during the time previously stated;

30 (4) If there is no widow or widower and no child the total sum of ten thousand dollars
31 (\$10,000) payable in a lump sum for the benefit of the father and/or mother of the deceased, if not
32 dependent upon him or her for support at the time of his or her death; and

33 (5) If there is no widow or widower and no child, the sum of three thousand six hundred
34 dollars (\$3,600) payable in regular installments by the board of police officer's relief to or for the

1 benefit of the father or mother of the deceased, if dependent upon him or her for support at the time of
2 his or her death, and commencing with the date of death but not more than six (6) months prior to the
3 date of filing the petition; provided, that if the member died more than six (6) months prior to the
4 filing of the petition then the payments are to commence no sooner than six (6) months prior to the
5 date of the petition and continuing so long as the beneficiary is unable to support himself or herself
6 and does not remarry, an annuity not exceeding three thousand six hundred dollars (\$3,600) a year,
7 payable in regular installments determined by the board. The amount of the annuity shall, from time
8 to time, be determined within the limits previously stated by the board.

9 (b) For the purpose of this section the words "police officer" mean and include any active or
10 retired member of the state police or the police of any city or town regularly employed at a fixed
11 salary or wage.

12 (c) The provisions of this section apply in the case of any dependent receiving benefits in
13 accordance with the provisions of this section as it was in effect prior to April 25, 1960.

14 (d) The provisions of this section apply in the case of any active or retired police officer who
15 from and after January 1, 1935, was killed or died from injuries received while in the performance of
16 duty, or dies of a heart condition or any condition derived from hypertension.

17 (e) The amount of the annuity shall not be reduced by reason of receipt of an annuity and/or
18 other payments to any beneficiaries from any other source.

19 (f) Upon the death of a member, the police chief shall immediately notify the widow or
20 widower of the member by registered or certified mail, return receipt requested, of the widow or
21 widower's possible eligibility for benefits under this chapter and the time restriction for filing a claim
22 for these benefits.

23 **45-19-4.1 Tuition to children of police officers dying or disabled as a result of service.** –

24 (a) If an active member of the police force of a city or town is killed, dies, or becomes totally and
25 permanently disabled from injuries received while in the performance of his or her duty as a member
26 prior to April 1, 2008, or dies of a heart condition or any condition derived from hypertension while
27 still a member prior to April 1, 2008, there shall be paid out of the general fund of the state of Rhode
28 Island the charges for the tuition of children of the deceased or totally and permanently disabled
29 police officer and/or the spouse of a police officer killed in the line of duty. The benefits are extended
30 to the children and/or spouse who are attending or may attend the university of Rhode Island, Rhode
31 Island college, or any other college or university operated by the state; provided, that the child has
32 entered the institution while between the ages of sixteen (16) and twenty-one (21); and provided,
33 further, that the aid granted is available to the child and/or spouse for the period of time that may

1 equal the normal time for completing the courses regularly offered by the institution, but in no case
2 more than four (4) years.

3 (b) For the purpose of this section, the words "police officer" mean and include any member
4 of the state police, any correctional officer within the department of corrections, or the police of any
5 city or town regularly employed at a fixed salary or wage. Furthermore, this excludes auxiliary and
6 volunteer police officers of city, town, or state police. For the purpose of this section, the words
7 "totally and permanently disabled" mean any impairment of mind or body making it impossible for
8 one to follow continuously a gainful occupation.

9 **45-19-4.2 Tuition to police officers disabled as a result of service.** – (a) If an active
10 member of the police force of a city or town becomes totally and permanently disabled from injuries
11 received while in the performance of his or her duty as a member prior to April 1, 2008, or if any
12 member of the police force of a city or town becomes totally and permanently disabled from injuries
13 received while in the performance of his or her duty prior to April 1, 2008, there shall be paid out of
14 the general fund of the state of Rhode Island the charges for the tuition of the totally and permanently
15 disabled police officer. The benefits are extended to members who are attending or may attend the
16 university of Rhode Island, Rhode Island college, or any other college or university operated by the
17 state; provided, that the aid granted in this section is available for the period of time that may equal
18 the normal time for completing the courses regularly offered by the institution, but in no case more
19 than four (4) years.

20 (b) For the purpose of this section the words "police officer" mean and include any member
21 of the state police or the police of any city or town regularly employed at a fixed salary or wage.
22 Furthermore, this excludes auxiliary and volunteer police officers of city, town, or state police.

23 **45-19-12 Annuities to dependents of deceased fire fighters and appropriations to**
24 **nondependent parents of deceased fire fighters.** – (a) If an active or retired member of the fire
25 force of a city or town or fire fighter for the town of North Smithfield is killed or dies from injuries
26 received while in the performance of his or her duty as a member prior to April 1, 2008 or dies of a
27 heart condition, respiratory ailments, or any condition derived from hypertension while still a member
28 prior to April 1, 2008, there shall be paid out of the fire fighter's relief fund of Rhode Island to the
29 following dependents of the deceased person, the following sums of money:

30 (1) To the widow or widower an annuity not exceeding three thousand six hundred dollars
31 (\$3,600) a year, payable in the number of regular installments determined by the board and
32 continuing as long as he or she remains unmarried and commencing with the date of death but not
33 more than six (6) months prior to the date of filing of the petition by the widow or widower;

1 (2) An additional annuity of one thousand two hundred dollars (\$1,200) a year, payable in the
2 number of regular installments determined by the board, for each child of the deceased person during
3 the time that the child is under the age of eighteen (18) years, or over the age and physically or
4 mentally incapacitated from earning;

5 (3) If there is no widow or widower and no child, the total sum of ten thousand dollars
6 (\$10,000), payable in a lump sum for the benefit of the father and/or mother of the deceased, if not
7 dependent upon him or her for support at the time of his or her death;

8 (4) If there is any child and no widow or widower or the widow or widower dies later, the
9 sum and the annuity that should have been payable to the widow or widower had there been one or
10 had he or she lived, to or for the benefit of the child or of the children, in equal shares during the
11 previously stated time;

12 (5) If there is any child, and the widow or widower remarries, in lieu of the previously stated
13 annuity to him or her, an annuity not exceeding one thousand two hundred dollars (\$1,200) to or for
14 the benefit of each child during the time previously stated; and

15 (6) If there is no widow or widower and no child, the sum of three thousand six hundred
16 dollars (\$3,600) payable in regular installments by the board of fire fighter's relief, to or for the
17 benefit of the father or mother of the deceased, if dependent upon him or her for support at the time of
18 his or her death, and commencing with the date of death but not more than six (6) months prior to the
19 date of filing of the petition and continuing so long as the beneficiary is unable to support himself or
20 herself and does not remarry, an annuity not exceeding three thousand six hundred dollars (\$3,600) a
21 year, payable in the number of regular installments determined by the board.

22 (b) The amount of the annuity shall, from time to time, be determined within the limits
23 previously stated by the board.

24 (c) The provisions of this section shall in the case of any active or retired member of the fire
25 force of any city or town or fire fighter for the town of North Smithfield who, from and after January
26 1, 1935, is killed or dies from injuries received while in the performance of his or her duty, or dies of
27 a heart condition, respiratory ailments, or any condition derived from hypertension. The provisions of
28 this section shall only be construed to apply prospectively.

29 (d) The amount of the annuity shall not be reduced by reason of receipt of any annuity and/or
30 other payments to any beneficiary from any other source.

31 (e) Upon the death of a member, the fire chief shall immediately notify the widow or
32 widower of the member, in writing, by registered or certified mail, return receipt requested, of the
33 widow or widower's possible eligibility for benefits under this chapter and the time restriction for
34 filing a claim for the benefits.

1 **45-19-12.1 Tuition to children of deceased or disabled fire fighters.** – (a) If an active
2 member of the fire force of a city or town or crash rescue crew persons of the state of Rhode Island is
3 killed or dies or becomes totally and permanently disabled from injuries received while in the
4 performance of his or her duty as a member prior to April 1, 2008, or dies of a performance related
5 heart condition, or dies of performance related respiratory ailments, or dies of any conditions derived
6 from performance related hypertension prior to April 1, 2008, there shall be paid, out of the general
7 fund of the state of Rhode Island, the charges for the tuition of children of the deceased or totally and
8 permanently disabled fire fighters. The benefits shall be extended to the children who are attending or
9 may attend the university of Rhode Island, Rhode Island college, or any other college or university
10 operated by the state; provided, that the child has entered the institution while between the ages of
11 sixteen (16) and twenty-one (21); and provided, further, that the aid granted in this section is available
12 to the child for a period of time that equals the normal time for completing the courses regularly
13 offered by the institution, but in no case more than four (4) years.

14 (b) For the purposes of this section, the words "members of fire force" mean and include any
15 member of a fire force or crash rescue crew persons of any city or town regularly employed at a fixed
16 salary or wage; this includes auxiliary and volunteer fire fighters and crash rescue crew persons of
17 any city, town, or state fire fighting department.

18 **45-19-12.2 Annuities to dependents of deceased auxiliary and volunteer fire fighters**
19 **and appropriations to nondependent parents of deceased auxiliary and volunteer fire fighters.** –

20 (a) If an active member of a volunteer or auxiliary fire force or volunteer crash rescue or ambulance
21 corps is killed or dies from injuries received while in the performance of his or her duty prior to April
22 1, 2008 there shall be paid out of the fire fighter's relief fund of Rhode Island to the following
23 dependents of the deceased person, the following sums of money:

24 (1) To the widow or widower beginning at the death, an annuity not exceeding three thousand
25 six hundred dollars (\$3,600) a year, payable in regular installments as may be determined by the
26 board and continuing as long as he or she remains unmarried;

27 (2) An additional annuity of one thousand two hundred dollars (\$1,200) a year, payable in
28 regular installments determined by the board, for each child of the deceased person during the time
29 that the child is under the age of eighteen (18) years, or over that age and physically or mentally
30 incapacitated from earning;

31 (3) If there is any child and no widow or widower or the widow or widower dies later, the
32 sum and annuity that should have been payable to the widow or widower had there been one or had
33 he or she lived, to or for the benefit of the child or of the children, in equal shares during the
34 previously stated time;

1 (4) If there is any child and the widow or widower remarries, in lieu of the previously stated
2 annuity to him or her, an annuity not exceeding one thousand two hundred dollars (\$1,200) to or for
3 the benefit of each child during the previously stated time;

4 (5) If there is no widow or widower and no child, the total sum of ten thousand dollars
5 (\$10,000) payable in a lump for the benefit of the father and/or mother of the deceased, if not
6 dependent upon him or her for support at the time of his or her death; and

7 (6) If there is no widow or widower and no child, the sum of three thousand six hundred
8 dollars (\$3,600) payable in regular installments by the board of fire fighter's relief, to or for the
9 benefit of the father or mother of the deceased, if dependent upon him or her for support at the time of
10 his or her death, and beginning at the death and continuing so long as the beneficiary is unable to
11 support himself or herself and does not remarry, an annuity not exceeding three thousand six hundred
12 dollars (\$3,600) a year, payable in regular installments determined by the board.

13 (b) The provisions of this section shall be retroactive to July 1, 1988.

14 **45-19-12.3 Tuition to disabled fire fighters.** – (a) If an active member of the fire force of a
15 city or town or crash rescue crew persons of the state of Rhode Island becomes totally and
16 permanently disabled from injuries received while in the performance of his or her duty as a member
17 prior to April 1, 2008, or if any member of the fire force of a city or town or crash rescue crew
18 persons of the state of Rhode Island becomes totally and permanently disabled from injuries received
19 while in the performance of his or her duty prior to April 1, 2008, there shall be paid, out of the
20 general fund of the state of Rhode Island, the charges for the tuition of totally and permanently
21 disabled fire fighters. The benefits are extended to members who are attending or may attend the
22 university of Rhode Island, Rhode Island college, or any other college or university operated by the
23 state; provided, that the aid granted in this section is available for a period of time that equals the
24 normal time for completing the courses regularly offered by the institution, but in no case more than
25 four (4) years.

26 (b) For the purposes of this section, the words "members of fire force" mean and include any
27 member of a fire force or crash rescue crew persons of any city or town regularly employed at a fixed
28 salary or wage; this includes auxiliary and volunteer fire fighters and crash rescue crew persons of
29 any city, town or state fire fighting department.

30 SECTION 2. Section 45-19.1-3 of the General Laws in Chapter 45-19.1 entitled “Cancer
31 Benefits for Fire Fighters” is hereby amended to read as follows:

32 **45-19.1-3 Occupational cancer disability for fire fighters.** – (a) Any fire fighter prior to
33 April 1, 2008, including one employed by the state, or a municipal fire fighter employed by a
34 municipality prior to April 1, 2008 that participates in the optional retirement for police officers and

1 fire fighters, as provided in chapter 21.2 of this title, who is unable to perform his or her duties in the
2 fire department by reason of a disabling occupational cancer which develops or manifests itself
3 during a period while the fire fighter is in the service of the department, and any retired member of
4 the fire department of any city or town who develops occupational cancer, is entitled to receive an
5 occupational cancer disability, and he or she is entitled to all of the benefits provided for in chapters
6 19, 21 and 21.2 of this title and chapter 10 of title 36 if the fire fighter is employed by the state.

7 (b) The provisions of this section apply retroactively in the case of any retired member of the
8 fire department of any city or town.

9 SECTION 3. This article shall take effect upon passage.

10
11 **ARTICLE 25**

12 **RELATING TO MOBILE TELEPHONE USE BY MOTOR VEHICLE OPERATORS**

13 SECTION 1. Chapter 31-22 of the General Laws entitled "Miscellaneous Rules" is
14 hereby amended by adding thereto the following section:

15 **31-22-30. Mobile telephone usage by motor vehicle operators.** – (a) For purposes of this
16 section, the following terms shall have the following meanings:

17 (1) "Mobile telephone" means a cellular, analog, wireless or digital telephone capable of
18 sending or receiving telephone communications without an access line for service.

19 (2) "Using" or "use" means holding a hand-held mobile telephone to, or in the immediate
20 proximity of, the user's ear.

21 (3) "Hand-held mobile telephone" means a mobile telephone with which a user engages in a
22 call using at least one hand.

23 (4) "Hands-free accessory" means an attachment, add-on, built-in feature, or addition to a
24 mobile telephone, whether or not permanently installed in a motor vehicle, that, when used, allows
25 the vehicle operator to maintain both hands on the steering wheel.

26 (5) "Hands-free mobile telephone" means a hand-held mobile telephone that has an internal
27 feature or function, or that is equipped with an attachment or addition, whether or not permanently
28 part of such hand-held mobile telephone, by which a user engages in a call without the use of either
29 hand, whether or not the use of either hand is necessary to activate, deactivate or initiate a function of
30 such telephone.

31 (6) "Engage in a call" means talking into or listening on a hand-held mobile telephone, but
32 does not include holding a hand-held mobile telephone to activate, deactivate or initiate a function of
33 such telephone.

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EXPLANATION

OF

AN ACT

MAKING REVISED APPROPRIATIONS FOR THE SUPPORT OF THE STATE

FOR THE FISCAL YEAR ENDING JUNE 30, 2008

ARTICLE 1

RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2008

This article makes revised appropriations from general revenues and authorizes expenditure of federal funds, restricted receipts, and other funds for FY 2008. This article also identifies the revised FTE authorizations for each agency and department for fiscal year 2008; provides for the following transfers to the state controller on June 30, 2008: \$5,000,000 from the Rhode Island Resource Recovery Corporation; \$2,000,000 from the Underground Storage Tank Financial Responsibility Fund Review Board; \$26,020,247 from the Rhode Island Housing and Mortgage Finance Corporation; \$323,976 from the Rhode Island Refunding Bond Authority; and \$1,250,000 from the Correctional Industries Fund; provides expenditures limits for internal service funds; provides for revised appropriations for expenditures and disbursements from Temporary Disability Insurance funds, Employment Security funds, University and College funds, and Lottery Division funds; and provides for an effective date of “upon passage”.

ARTICLE 2

RELATING TO STATE FLEET REPLACEMENT REVOLVING LOAN FUND

This article authorizes the establishment of a new internal service fund on the state’s books to be used as a revolving loan fund for the acquisition of state vehicles and related equipment.

ARTICLE 3

RELATING TO PRIVATIZATION OF STATE SERVICES

This article repeals Article 42 of the 2008 Appropriations Act relating to privatization and would amend the definition of a privatization contract as provided for in the Government Oversight and Fiscal Accountability Review Act.

ARTICLE 4

RELATING TO RETIREE HEALTH BENEFITS FUNDING

This article changes the retiree health benefit subsidies for all employees who retire after June 30, 2008. The article provides that employees must be a minimum of age 59 and have a minimum of 20 years of service to qualify for retiree health insurance. The subsidy is modified from a percentage based on years of service and applied to the active rate to an 80 percent subsidy on the total cost of

1 the individual retiree health plan. This article also establishes the State Employees and Electing
2 Teachers OPEB System and the OPEP Board.

3 ARTICLE 5

4 RELATING TO CERTIFIED SCHOOL TEACHERS AND
5 MUNICIPAL EMPLOYEES RIGHT TO BARGAIN

6 This article eliminates the authority of school districts and municipalities to negotiate health
7 insurance for their employees and would replace their current health insurance products with a state
8 procured health insurance product comparable with that provided to state employees. The article also
9 provides that the product would include cost sharing and buy back provisions comparable to state
10 employees. The article also creates a health care advisory committee to recommend plan design
11 details. The article would apply immediately to all expiring school district contracts and for the
12 period after July 1, 2008 for all other municipal employee contracts.

13 ARTICLE 6

14 RELATING TO RESTRICTED RECEIPT ACCOUNTS

15 This article establishes several new restricted receipt accounts for the Office of Energy
16 Resources (OER) and corrects an error from the FY 2008 Appropriations Act with regards to a new
17 restricted receipt account for the Department of Business Regulation. It also provides an exemption from
18 indirect cost recovery for the State OPEP restricted receipt account.

19 ARTICLE 7

20 RELATING TO CORRECTIONS REFORM

21 This article expands the amount of earned time for good behavior and for participation in
22 rehabilitation programs that can be earned by inmates who have served a term of at least one month
23 (and not those serving a life sentence or serving a sentence for sexual offenses). This article also
24 requires Parole Board determination of released standards according to a risk assessment analysis.

25 ARTICLE 8

26 RELATING TO PUBLIC OFFICERS AND EMPLOYEES

27 This article permits retired state employees and officers to be re-hired or re-employed by the
28 state for a period not to exceed 75 working days. Such re-employment is currently only allowed
29 within municipalities that are members of the Municipal Retirement System or Teachers Retirement
30 System without the re-employed persons losing pension compensation.

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ARTICLE 9

RELATING TO THE FAMILY INDEPENDENCE ACT

This article terminates the Family Independence Program (FIP) cash assistance to minor children in FIP families once the applicant adult has achieved a sixty month time limit. Exceptions are made for children with caretaker relatives due to the absence of a parent.

ARTICLE 10

RELATING TO MEDICAL ASSISTANCE- ELIGIBILITY

This article eliminates RIte Care and RIte Track waiver managed care coverage for all children who are not citizens.

ARTICLE 11

RELATING TO MEDICAL ASSISTANCE- MANAGED CARE

This article eliminates RIte Care and RIte Share health insurance coverage for adults with incomes greater than 133 percent of the federal poverty limit.

ARTICLE 12

RELATING TO ATOMIC ENERGY COMMISSION

This article establishes an overhead fee, adjusted annually, of no more than forty percent for URI sponsored research for the URI radiation and safety program operated by the Atomic Energy Commission.

ARTICLE 13

RELATING TO THE RHODE ISLAND TRAINING SCHOOL

This article establishes a maximum daily capacity of 148 males at the Rhode Island Training School for Youth effective April 1, 2008.

ARTICLE 14

RELATING TO HEALTH CARE COVERAGE FOR CHILD CARE PROVIDERS

This article repeals state statutes establishing a health insurance subsidy for child care providers in both family day care and center-based settings.

ARTICLE 15

RELATING TO EDUCATION AID

This article eliminates the requirement that Hasbro Children's Hospital be reimbursed for educational expenditures approved by the Board of Regents, establishes a Central Falls Advisory Council, and excludes contributions for school capital projects from the calculation of the prior year's local contribution.

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ARTICLE 16

RELATING TO INSURANCE - CONSUMER REPRESENTATION AT RATE HEARINGS

This article provides that the costs of experts for insurance rate hearings are directly billed to the company that initiated the filing effective January 17, 2008. Currently the costs are incurred by the state and reimbursed at a later date.

ARTICLE 17

RELATING TO PROCEEDINGS IN FAMILY COURT

This article corrects a formatting issue in Section 42-72-5 of the Rhode Island General Laws, which ensures that language in the act relative to serious emotional disturbance children and developmentally delayed children was properly inserted under the correct paragraphs and revises Section 14-1-6, which pertains to children that are no longer under the jurisdiction of the Family Court, to include those children pending before the court prior to July 1, 2007.

ARTICLE 18

RELATING TO STATE AID

This article reduces general revenue sharing by \$10,000,000 so that each municipality would lose state support ratably proportioned to their originally appropriated entitlement. This article also limits the reimbursement for the motor vehicle exemption to 98% of what would otherwise be due to reflect a collection rate comparable to that achieved by municipalities.

ARTICLE 19

RELATING TO ADMINISTRATIVE PROCEDURES

This article expands the authority to replace newspaper publication with web posting as the medium for communicating advance notice of rulemaking to all state agencies rather than exclusively the Department of Health. The article legislation also rescinds any expiration date for this statute.

ARTICLE 20

RELATING TO TAXATION

The article limits the use of historic structures tax credits as well as creates a sunset provision ending use of these credits in tax year 2017.

ARTICLE 21

RELATING TO PUBLIC UTILITIES COMMISSION

This article rescinds the amendments contained in P. L. 2002, Chapter 144 (2002-H7786B am) as it relates to sections 39-1-4 and 39-1-8 of the Rhode Island General Laws by reinstating the number of commissioners at the Public Utilities Commission to a total of three instead of five.

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ARTICLE 22

RELATING TO REGISTRATION OF VEHICLES

This article changes the license plate requirement for license plates on motor vehicles from two license plates to one license plate per vehicle.

ARTICLE 23

RELATING TO ADJUDICATION OF TRAFFIC OFFENSES

The article requires any person whose traffic violation is dismissed on the basis of a good driving record to pay an amount equal to the fine assessed to cover administrative court costs associated with the dismissal of the violation.

ARTICLE 24

RELATING TO TOWN AND CITIES – POLICE OFFICERS

AND FIREFIGHTERS RELIEF BENEFITS

This article eliminates all new claims for police and fire relief benefits, both annuities and educational awards, effective April 1, 2008.

ARTICLE 25

RELATING TO MOBILE TELEPHONE USE BY MOTOR VEHICLE OPERATORS

This article penalizes operators of motor vehicles who use hand-held mobile telephones while driving.

ARTICLE 26

RELATING TO EFFECTIVE DATE

This article provides that the effective date of this act shall be upon passage, except as otherwise provided herein.