

1 STATE OF RHODE ISLAND
2 IN GENERAL ASSEMBLY
3 JANUARY SESSION, A.D. 2015

4 _____
5 AN ACT

6 MAKING APPROPRIATIONS FOR THE SUPPORT OF
7 THE STATE FOR THE FISCAL YEAR ENDING
8 JUNE 30, 2016

9
10 Introduced By:

11 Date Introduced:

12 Referred To:
13

14 It is enacted by the General Assembly as follows:
15

- 16 ARTICLE 1 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2016
17 ARTICLE 2 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTION
18 ARTICLE 3 RELATING TO LICENSING OF HOSPITAL FACILITIES
19 ARTICLE 4 RELATING TO HOSPITAL UNCOMPENSATED CARE
20 ARTICLE 5 RELATING TO MEDICAL ASSISTANCE
21 ARTICLE 6 RELATING TO EDUCATION
22 ARTICLE 7 RELATING TO HIGHER EDUCATION ASSISTANCE AUTHORITY
23 ARTICLE 8 RELATING TO MUNICIPALITIES
24 ARTICLE 9 RELATING TO SCHOOL BUILDING AUTHORITY CAPITAL FUND
25 ARTICLE 10 RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2015
26 ARTICLE 11 RELATING TO REVENUES
27 ARTICLE 12 RELATING TO TOBACCO SETTLEMENT FINANCING TRUST
28 ARTICLE 13 RELATING TO RESTRICTED RECEIPT ACCOUNTS
29 ARTICLE 14 RELATING TO STATE BUDGET
30 ARTICLE 15 RELATING TO THE RHODE ISLAND LOCAL AGRICULTURE AND SEAFOOD
31 ACT & COMMERCIAL FEEDS
32 ARTICLE 16 RELATING TO BAYS, RIVERS AND WATERSHEDS
33 ARTICLE 17 RELATING TO DEPARTMENT OF CHILDREN, YOUTH AND FAMILIES
34 ARTICLE 18 RELATING TO DIVISION OF ADVOCACY
35 ARTICLE 19 RELATING TO CONSOLIDATION OF DEPARTMENT OF HEALTH BOARDS

- 1 ARTICLE 20 RELATING TO PROFESSIONAL LICENSES
- 2 ARTICLE 21 RELATING TO TRANSPORTATION
- 3 ARTICLE 22 RELATING TO PERSONNEL REFORM
- 4 ARTICLE 23 RELATING TO CORRECTIONS
- 5 ARTICLE 24 RELATING TO INFRASTRUCTURE BANK
- 6 ARTICLE 25 RELATING TO STATE POLICE PENSIONS
- 7 ARTICLE 26 RELATING TO DIVISION OF MOTOR VEHICLES
- 8 ARTICLE 27 RELATING TO LEGAL NOTICES
- 9 ARTICLE 28 RELATING TO HEALTH REFORM ASSESSMENT
- 10 ARTICLE 29 RELATING TO COMMERCE CORPORATION AND ECONOMIC DEVELOPMENT
- 11 ARTICLE 30 RELATING TO EFFECTIVE DATE
- 12

1 **ARTICLE 1**

2 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2016

3 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this
4 act, the following general revenue amounts are hereby appropriated out of any money in the treasury not
5 otherwise appropriated to be expended during the fiscal year ending June 30, 2016. The amounts
6 identified for federal funds and restricted receipts shall be made available pursuant to section 35-4-22 and
7 Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes and functions hereinafter
8 mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the
9 general treasurer for the payment of such sums or such portions thereof as may be required from time to
10 time upon receipt by him or her of properly authenticated vouchers.

11 **Administration**

12 *Central Management*

13	General Revenues	2,806,924
14	Office of Digital Excellence	984,019
15	Total – General Revenues	3,790,943
16	Total – Central Management	3,790,943

17 *Legal Services*

18	General Revenues	2,166,696
19	Total – Legal Services	2,166,696

20 *Accounts and Control*

21	General Revenues	4,080,143
22	Total – Accounts and Control	4,080,143

23 *Office of Management and Budget*

24	General Revenues	4,038,196
25	Total – Office of Management and Budget	4,038,196

26 *Purchasing*

27	General Revenues	2,764,921
28	Other Funds	320,487
29	Total – Purchasing	3,085,408

30 *Auditing*

31	General Revenues	1,476,262
32	Total – Auditing	1,476,262

33 *Human Resources*

34	General Revenues	7,679,763
----	------------------	-----------

1	Federal Funds	800,576
2	Restricted Receipts	489,333
3	Other Funds	1,401,403
4	Total – Human Resources	10,371,075
5	<i>Personnel Appeal Board</i>	
6	General Revenues	119,874
7	Total – Personnel Appeal Board	119,874
8	<i>Facilities Management</i>	
9	General Revenues	32,172,352
10	Federal Funds	1,208,674
11	Restricted Receipts	376,880
12	Other Funds	3,923,319
13	Total – Facilities Management	37,681,225
14	<i>Capital Projects and Property Management</i>	
15	General Revenues	3,559,865
16	Federal Funds	21,955
17	Restricted Receipts	127,339
18	Other Funds	
19	Statewide Capital Consolidation	495,821
20	Other Funds	495,821
21	Total – Capital Projects and Property Management	4,204,980
22	<i>Information Technology</i>	
23	General Revenues	20,201,589
24	Federal Funds	6,746,649
25	Restricted Receipts	8,509,460
26	Other Funds	2,829,157
27	Total – Information Technology	38,286,855
28	<i>Library and Information Services</i>	
29	General Revenues	913,995
30	Federal Funds	1,204,253
31	Restricted Receipts	180
32	Total – Library and Information Services	2,118,428
33	<i>Planning</i>	
34	General Revenues	1,316,146

1	Federal Funds	1,073,871
2	Other Funds	3,254,638
3	Total – Planning	5,644,655
4	<i>General</i>	
5	General Revenues	
6	Miscellaneous Grants/Payments	146,049
7	Torts – Courts/Awards	400,000
8	State Employees/Teachers Retiree Health Subsidy	2,321,057
9	Resource Sharing and State Library Aid	8,773,398
10	Library Construction Aid	2,663,300
11	General Revenue Total	14,303,804
12	Federal Funds	4,345,555
13	Restricted Receipts	421,500
14	Other Funds	
15	Rhode Island Capital Plan Fund	
16	Statehouse Renovations	575,000
17	DoIT Enterprise Operations Center	300,000
18	Cranston Street Armory	983,501
19	Cannon Building	1,240,000
20	Zambarano Building Rehabilitation	550,000
21	Pastore Center Rehab DOA Portion	2,055,000
22	Old State House	1,225,000
23	State Office Building	2,798,000
24	Old Colony House	695,000
25	William Powers Building	1,200,000
26	Pastore Center Utility Systems Upgrade	3,487,000
27	Replacement of Fueling Tanks	300,000
28	Environmental Compliance	200,000
29	Big River Management Area	120,000
30	Washington County Government Center	225,000
31	Veterans Memorial Auditorium	250,000
32	Chapin Health Laboratory	1,315,000
33	Pastore Center Parking	200,000
34	Pastore Center Water Tanks	280,000

1	RI Convention Center Authority	1,000,000
2	Dunkin Donuts Center	1,387,500
3	Mathias Building Renovation	3,100,000
4	McCoy Stadium	250,000
5	Pastore Center Power Plant	500,000
6	Virks Building Renovations	6,500,000
7	Harrington Hall Renovations	1,679,493
8	Accessibility – Facility Renovations	1,000,000
9	Other Funds Total	33,415,494
10	Total – General	52,486,353

11 *Debt Service Payments*

12	General Revenues	97,957,176
----	------------------	------------

13 Out of the general revenue appropriations for debt service, the General Treasurer is authorized to make
14 payments for the I-195 Redevelopment District Commission loan up to the maximum debt service due in
15 accordance with the loan agreement.

16	Federal Funds	2,657,152
17	Restricted Receipts	2,085,410
18	Other Funds	
19	Transportation Debt Service	46,011,341
20	Investment Receipts – Bond Funds	100,000
21	COPS – DLT Building – TDI	271,653
22	Other Funds Total	46,382,994
23	Total - Debt Service Payments	149,082,732

24 *Energy Resources*

25	Federal Funds	406,587
26	Restricted Receipts	10,194,871
27	Total – Energy Resources	10,601,458

28 *Rhode Island Health Benefits Exchange*

29	Federal Funds	24,746,063
30	Restricted Receipts	6,180,557
31	Total – Rhode Island Health Benefits Exchange	30,926,620

32 *Construction Permitting, Approvals and Licensing*

33	General Revenues	1,615,416
34	Restricted Receipts	1,409,497

1	Total – Construction Permitting, Approvals and Licensing	3,024,913
2	<i>Office of Diversity, Equity & Opportunity</i>	
3	General Revenues	1,098,841
4	Federal Funds	91,294
5	Total – Office of Diversity, Equity & Opportunity	1,190,135
6	<i>Personnel and Operational Reforms</i>	
7	General Revenues	(25,325,000)
8	Total – Personnel and Operational Reforms	(25,325,000)
9	Grand Total – General Revenue Funds	173,930,982
10	Grand Total – Administration	339,051,951
11	Business Regulation	
12	<i>Central Management</i>	
13	General Revenues	1,435,289
14	Total – Central Management	1,435,289
15	<i>Banking Regulation</i>	
16	General Revenues	1,674,773
17	Restricted Receipts	37,000
18	Total – Banking Regulation	1,711,773
19	<i>Securities Regulation</i>	
20	General Revenues	962,697
21	Restricted Receipts	3,500
22	Total – Securities Regulation	966,197
23	<i>Insurance Regulation</i>	
24	General Revenues	3,885,752
25	Restricted Receipts	1,877,715
26	Total – Insurance Regulation	5,763,467
27	<i>Office of the Health Insurance Commissioner</i>	
28	General Revenues	535,017
29	Federal Funds	2,795,240
30	Restricted Receipts	11,500
31	Total – Office of the Health Insurance Commissioner	3,341,757
32	<i>Board of Accountancy</i>	
33	General Revenues	16,654
34	Total – Board of Accountancy	16,654

1	<i>Commercial Licensing, Racing & Athletics</i>	
2	General Revenues	561,821
3	Restricted Receipts	659,062
4	Total – Commercial Licensing, Racing & Athletics	1,220,883
5	<i>Boards for Design Professionals</i>	
6	General Revenues	273,009
7	Total – Boards for Design Professionals	273,009
8	Grand Total – General Revenue Funds	9,345,012
9	Grand Total – Business Regulation	14,729,029

10 **Executive Office of Commerce**

11 *Central Management*

12	General Revenues	956,254
13	Total – Central Management	956,254

14 *Housing and Community Development*

15	General Revenues	593,082
16	Federal Funds	10,983,803
17	Restricted Receipts	2,800,000
18	Total – Housing and Community Development	14,376,885

19 *RI Television and Film Office*

20	General Revenue	325,291
21	Total – RI Television and Film Office	325,291

22 *Quasi-Public Appropriations*

23	General Revenues	
24	Rhode Island Commerce Corporation	7,894,514
25	Rhode Island Commerce Corporation – Legislative Grans	597,350
26	Airport Impact Aid	1,025,000

27 Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be
28 distributed to each airport serving more than 1,000,000 passengers based upon its percentage of the total
29 passengers served by all airports serving more than 1,000,000 passengers. Forty percent (40%) of the
30 first \$1,000,000 shall be distributed based on the share of landings during the calendar year 2015 at North
31 Central Airport, Newport-Middletown Airport, Block Island Airport, Quonset Airport, T.F. Green Airport
32 and Westerly Airport, respectively. The Rhode Island Commerce Corporation shall make an impact
33 payment to the towns or cities in which the airport is located based on this calculation. Each community
34 upon which any parts of the above airports are located shall receive at least \$25,000.

1	STAC Research Alliance	1,150,000
2	Innovative Matching Grants/Internships	500,000
3	I-195 Redevelopment District Commission	761,000
4	Executive Office of Commerce Programs	3,600,000
5	Chafee Center at Bryant	376,200
6	General Revenue Total	15,904,064
7	Other Funds	
8	Rhode Island Capital Plan Fund	
9	I-195 Redevelopment District Commission	300,000
10	Total – Quasi–Public Appropriations	16,204,064

11 *Economic Development Initiatives Fund*

12	General Revenue	
13	Small Business Assistance Program	5,458,000
14	Anchor Institution Tax Credits	1,750,000
15	Innovation Initiative	500,000
16	Cluster Grants	750,000
17	I-195 Development Fund	25,000,000
18	Affordable Housing Fund	3,000,000
19	Main Street RI Streetscape Improvements	1,000,000
20	Infrastructure Bank	2,000,000
21	First Wave Closing Fund	5,000,000
22	General Revenue Total	44,458,000

23 Notwithstanding any laws to the contrary, the Secretary of Commerce shall have the authority to
24 transfer funds between the line items of the Economic Development Initiatives Fund as deemed necessary
25 to accomplish the overall purposes of this fund. Prior to any such transfer, the Secretary shall notify in
26 writing the Director of the Office of Management and Budget, the Chair of the House Finance Committee
27 and the Chair of the Senate Finance Committee.

28	Total – Economic Development Initiatives Fund	44,458,000
29	Grand Total – General Revenue Funds	62,236,691
30	Grand Total – Executive Office of Commerce	76,320,494

31 **Labor and Training**

32 *Central Management*

33	General Revenues	110,537
34	Restricted Receipts	369,575

1	Other Funds	
2	Rhode Island Capital Plan Fund	
3	Center General Asset Protection	1,500,000
4	Other Funds Total	1,500,000
5	Total – Central Management	1,980,112
6	<i>Workforce Development Services</i>	
7	General Funds	804,517
8	Federal Funds	19,475,428
9	Restricted Receipts	10,339,896
10	Total – Workforce Development Services	30,619,841
11	<i>Workforce Regulation and Safety</i>	
12	General Revenues	2,925,633
13	Total – Workforce Regulation and Safety	2,925,633
14	<i>Income Support</i>	
15	General Revenues	4,194,431
16	Federal Funds	18,688,633
17	Restricted Receipts	3,918,733
18	Other Funds	
19	Temporary Disability Insurance Fund	193,989,337
20	Employment Security Fund	180,000,000
21	Other Funds Total	373,989,337
22	Total – Income Support	400,791,134
23	<i>Injured Workers Services</i>	
24	Restricted Receipts	8,501,946
25	Total – Injured Workers Services	8,501,946
26	<i>Labor Relations Board</i>	
27	General Revenues	389,651
28	Total – Labor Relations Board	389,651
29	Grand Total – General Revenue Funds	8,424,769
30	Grand Total – Labor and Training	445,208,317
31	Department of Revenue	
32	<i>Director of Revenue</i>	
33	General Revenues	1,144,238
34	Total – Director of Revenue	1,144,238

1	<i>Office of Revenue Analysis</i>	
2	General Revenues	574,490
3	Total – Office of Revenue Analysis	574,490
4	<i>Lottery Division</i>	
5	Other Funds	
6	Lottery Funds	303,850,780
7	Other Funds Total	303,850,780
8	Total – Lottery Division	303,850,780
9	<i>Municipal Finance</i>	
10	General Revenues	2,186,998
11	Total – Municipal Finance	2,186,998
12	<i>Taxation</i>	
13	General Revenues	19,725,849
14	Federal Funds	1,267,991
15	Restricted Receipts	877,550
16	Other Funds	
17	Motor Fuel Tax Evasion	16,148
18	Temporary Disability Insurance	932,395
19	Other Funds Total	948,543
20	Total – Taxation	22,819,933
21	<i>Registry of Motor Vehicles</i>	
22	General Revenues	19,323,244
23	Federal Funds	47,163
24	Restricted Receipts	2,094,763
25	Total – Registry of Motor Vehicles	21,465,170
26	<i>State Aid</i>	
27	General Revenue	
28	Distressed Communities Relief Fund	10,384,458
29	Payment in Lieu of Tax Exempt Properties	35,080,409
30	Motor Vehicle Excise Tax Payments	10,000,000
31	Property Revaluation Program	1,778,760
32	Municipal Aid	5,000,000
33	General Revenue Total	62,243,627
34	Restricted Receipts	922,013

1	Total – State Aid	63,165,640
2	Grand Total – General Revenue Funds	105,198,446
3	Grand Total – Revenue	415,207,249
4	Legislature	
5	General Revenues	39,474,071
6	Restricted Receipts	1,680,873
7	Grand Total – Legislature	41,154,944
8	Lieutenant Governor	
9	General Revenues	1,227,621
10	Federal Funds	65,000
11	Grand Total – Lieutenant Governor	1,292,621
12	Secretary of State	
13	<i>Administration</i>	
14	General Revenues	2,553,390
15	Total – Administration	2,553,290
16	<i>Corporations</i>	
17	General Revenues	2,302,691
18	Total – Corporations	2,302,691
19	<i>State Archives</i>	
20	General Revenues	69,266
21	Restricted Receipts	584,108
22	Total – State Archives	653,374
23	<i>Elections & Civics</i>	
24	General Revenues	1,017,899
25	Total – Elections and Civics	1,017,899
26	<i>State Library</i>	
27	General Revenues	536,744
28	Total – State Library	536,744
29	<i>Office of Public Information</i>	
30	General Revenues	456,540
31	Receipted Receipts	15,000
32	Operating Transfer from Other Funds	436,246
33	Total – Office of Public Information	907,786
34	Grand Total – General Revenue Funds	6,936,530

1	Grand Total – Secretary of State	7,971,884
2	General Treasurer	
3	<i>Treasury</i>	
4	General Revenues	2,193,796
5	Federal Funds	267,251
6	Other Funds	
7	Temporary Disability Insurance Fund	218,818
8	Other Funds Total	218,818
9	Total – Treasury	2,679,865
10	<i>State Retirement System</i>	
11	Restricted Receipts	
12	Admin Expenses – State Retirement System	10,230,709
13	Retirement – Treasury Investment Operations	1,235,591
14	Defined Contribution – Administration	316,195
15	Restricted Receipts Total	11,782,495
16	Total – State Retirement System	11,782,495
17	<i>Unclaimed Property</i>	
18	Restricted Receipts	17,986,352
19	Total – Unclaimed Property	17,986,352
20	<i>Crime Victim Compensation Program</i>	
21	General Revenues	226,454
22	Federal Funds	624,704
23	Restricted Receipts	1,130,908
24	Total – Crime Victim Compensation Program	1,982,066
25	Grand Total – General Revenue Funds	2,420,250
26	Grand Total – General Treasurer	34,430,778
27	Board of Elections	
28	General Revenues	1,818,305
29	Grant Total – Board of Elections	1,818,305
30	Rhode Island Ethics Commission	
31	General Revenues	1,644,876
32	Grand Total – Rhode Island Ethics	
33	Commission	1,644,876

1	Office of Governor	
2	General Revenues	
3	General Revenues	4,653,467
4	Contingency Fund	250,000
5	General Revenue Total	4,903,467
6	Grand Total – Office of Governor	4,903,467
7	Commission for Human Rights	
8	General Revenues	1,252,174
9	Federal Funds	295,836
10	Grand Total – Commission for Human Rights	1,548,010
11	Public Utilities Commission	
12	Federal Funds	90,000
13	Restricted Receipts	8,594,685
14	Grand Total – Public Utilities Commission	8,684,685
15	Office of Health and Human Services	
16	<i>Central Management</i>	
17	General Revenues	26,934,665
18	Federal Funds	
19	Federal Funds	94,306,666
20	Federal Funds – Stimulus	105,512
21	Federal Funds Total	94,412,178
22	Restricted Receipts	5,122,130
23	Total – Central Management	126,468,973
24	<i>Medical Assistance</i>	
25	General Revenue	
26	Managed Care	260,601,136
27	Hospitals	94,786,990
28	Nursing Facilities	91,317,512
29	Home and Community Based Services	33,343,114
30	Other Services	43,354,142
31	Pharmacy	54,877,899
32	Rhody Health	282,331,032
33	General Revenue Total	860,611,825
34	Federal Funds	

1	Managed Care	292,444,607
2	Hospitals	95,130,207
3	Nursing Facilities	92,493,905
4	Home and Community Based Services	39,871,939
5	Other Services	605,048,605
6	Pharmacy	1,157,420
7	Rhody Health	284,824,311
8	Special Education	19,000,000
9	Federal Funds Total	1,429,970,994
10	Restricted Receipts	10,615,000
11	Total – Medical Assistance	2,301,197,819
12	<i>Division of Advocacy</i>	
13	General Revenues	1,973,138
14	Federal Funds	53,125
15	Restricted Receipts	117,343
16	Total – Division of Advocacy	2,143,606
17	Grand Total – General Revenue Funds	889,519,628
18	Grand Total – Office of Health and Human Services	2,429,810,398
19	Children, Youth, and Families	
20	<i>Central Management</i>	
21	General Revenues	5,575,757
22	Federal Funds	2,288,363
23	Total – Central Management	7,864,120
24	<i>Children's Behavioral Health Services</i>	
25	General Revenues	4,593,903
26	Federal Funds	5,700,246
27	Total – Children's Behavioral Health Services	10,294,149
28	<i>Juvenile Correctional Services</i>	
29	General Revenue	25,591,602
30	Federal Funds	276,098
31	Total – Juvenile Correctional Services	25,867,700
32	<i>Child Welfare</i>	
33	General Revenues	115,876,469
34	Federal Funds	

1	Federal Funds	49,468,781
2	Federal Funds – Stimulus	433,976
3	Federal Funds Total	49,902,757
4	Restricted Receipts	2,838,967
5	Total – Child Welfare	168,618,193
6	<i>Higher Education Incentive Grants</i>	
7	General Revenues	200,000
8	Total – Higher Education Incentive Grants	200,000
9	Grand Total – General Revenue Funds	151,837,731
10	Grand Total – Children, Youth, and Families	212,844,162
11	Health	
12	<i>Central Management</i>	
13	General Revenues	331,469
14	Federal Funds	6,513,489
15	Restricted Receipts	4,419,416
16	Total – Central Management	11,264,374
17	<i>State Medical Examiner</i>	
18	General Revenues	2,774,940
19	Federal Funds	138,641
20	Total – State Medical Examiner	2,913,581
21	<i>Environmental and Health Services Regulation</i>	
22	General Revenues	9,552,045
23	Federal Funds	5,801,677
24	Restricted Receipts	3,167,989
25	Total – Environmental and Health Services	
26	Regulation	18,521,711
27	<i>Health Laboratories</i>	
28	General Revenues	7,375,260
29	Federal Funds	1,976,761
30	Total – Health Laboratories	9,352,021
31	<i>Public Health Information</i>	
32	General Revenues	1,556,492
33	Federal Funds	2,326,827
34	Total – Public Health Information	3,883,319

1	<i>Community and Family Health and Equity</i>	
2	General Revenues	2,532,862
3	Federal Funds	
4	Federal Funds	40,588,026
5	Federal Funds – Stimulus	930,169
6	Federal Funds Total	41,518,195
7	Restricted Receipts	24,520,035
8	Total – Community and Family Health and Equity	68,571,092
9	<i>Infectious Disease and Epidemiology</i>	
10	General Revenues	1,717,250
11	Federal Funds	5,129,569
12	Total – Infectious Disease and Epidemiology	6,846,819
13	Grand Total – General Revenue	25,840,318
14	Grand Total – Health	121,352,917
15	Human Services	
16	<i>Central Management</i>	
17	General Revenues	5,032,814
18	Federal Funds	4,180,956
19	Restricted Receipts	520,231
20	Total – Central Management	9,734,001
21	<i>Child Support Enforcement</i>	
22	General Revenues	2,996,584
23	Federal Funds	6,645,827
24	Total – Child Support Enforcement	9,642,411
25	<i>Individual and Family Support</i>	
26	General Revenues	22,946,992
27	Federal Funds	
28	Federal Funds	121,456,115
29	Federal Funds – Stimulus	6,222,500
30	Federal Funds Total	127,678,615
31	Restricted Receipts	737,279
32	Other Funds	
33	Rhode Island Capital Plan Fund	
34	Blind Vending Facilities	165,000

1	Intermodal Surface Transportation Fund	4,162,981
2	Other Funds Total	4,327,981
3	Total – Individual and Family Support	155,690,867
4	<i>Veterans' Affairs</i>	
5	General Revenues	20,496,870
6	Federal Funds	8,215,161
7	Restricted Receipts	681,500
8	Total – Veterans' Affairs	29,393,531
9	<i>Health Care Eligibility</i>	
10	General Revenues	8,571,757
11	Federal Funds	11,937,561
12	Total – Health Care Eligibility	20,509,318
13	<i>Supplemental Security Income Program</i>	
14	General Revenues	18,705,407
15	Total – Supplemental Security Income	
16	Program	18,705,407
17	<i>Rhode Island Works</i>	
18	General Revenues	9,668,635
19	Federal Funds	78,920,855
20	Total – Rhode Island Works	88,589,490
21	<i>State Funded Programs</i>	
22	General Revenues	1,655,560
23	Of this appropriation, \$210,000 shall be used for hardship contingency payments.	
24	Federal Funds	268,085,000
25	Total – State Funded Programs	269,740,560
26	<i>Elderly Affairs</i>	
27	General Revenues	
28	Program Services	6,349,170
29	Care and Safety of the Elderly	1,300
30	General Revenue Total	6,350,470
31	Federal Funds	11,900,244
32	Restricted Receipts	137,026
33	Total – Elderly Affairs	18,387,740
34	Grand Total General Revenue	96,425,089

1	Grand Total – Human Services	620,393,325
2	Behavioral Health, Developmental Disabilities, and Hospitals	
3	<i>Central Management</i>	
4	General Revenues	1,015,570
5	Federal Funds	600,382
6	Total – Central Management	1,615,952
7	<i>Hospital and Community System Support</i>	
8	General Revenues	1,468,050
9	Restricted Receipts	762,813
10	Other Funds	
11	Rhode Island Capital Plan Fund	
12	Medical Center Rehabilitation	150,000
13	Community Facilities Fire Code	400,000
14	Other Funds Total	550,000
15	Total – Hospital and Community System Support	2,780,863
16	<i>Services for the Developmentally Disabled</i>	
17	General Revenues	114,123,111
18	Federal Funds	113,792,233
19	Restricted Receipts	1,759,132
20	Other Funds	
21	Rhode Island Capital Plan Fund	
22	DD Private Waiver	300,000
23	Regional Center Repair/Rehabilitation	400,000
24	MR Community Facilities/Access to Independence	500,000
25	Other Funds Total	1,200,000
26	Total – Services for the Developmentally Disabled	230,874,476
27	<i>Behavioral Healthcare Services</i>	
28	General Revenues	2,293,459
29	Federal Funds	15,600,783
30	Restricted Receipts	100,000
31	Other Funds	
32	Rhode Island Capital Plan Fund	
33	MH Community Facilities Repair	400,000
34	MH Housing Development-Thresholds	800,000

1	Substance Abuse Asset Production	100,000
2	Other Funds Total	1,300,000
3	Total – Behavioral Healthcare Services	19,294,242
4	<i>Hospital and Community Rehabilitative Services</i>	
5	General Revenues	51,525,550
6	Federal Funds	50,596,704
7	Restricted Receipts	6,558,852
8	Other Funds	
9	Rhode Island Capital Plan Fund	
10	Zambarano Buildings and Utilities	346,000
11	Eleanor Slater HVAC/Elevators	2,000,000
12	MR Community Facilities	975,000
13	Hospital Equipment	300,000
14	Other Funds Total	3,621,000
15	Total - Hospital and Community Rehabilitative Services	112,302,106
16	Grand Total – General Revenue	170,425,740
17	Grand Total – Behavioral Health, Developmental	
18	Disabilities, and Hospitals	366,867,639
19	Elementary and Secondary Education	
20	<i>Administration of the Comprehensive Education Strategy</i>	
21	General Revenues	21,231,893
22	Federal Funds	
23	Federal Funds	193,991,061
24	Federal Funds – Stimulus	5,990,558
25	RTTT LEA Share	100,000
26	RTTT Preschool Development Grants – Expansion	1,290,840
27	Federal Funds Total	201,372,459
28	Restricted Receipts	
29	Restricted Receipts	1,082,319
30	HRIC Adult Education Grants	3,500,000
31	Restricted Receipts Total	4,582,319
32	Other Funds	
33	Rhode Island Capital Plan Fund	
34	State-Owned Warwick	1,000,000

1	State-Owned Woonsocket	1,000,000
2	Other Funds Total	2,000,000
3	Total – Administration of the Comprehensive	
4	Education Strategy	229,186,671
5	<i>Davies Career and Technical School</i>	
6	General Revenues	11,656,803
7	Federal Funds	1,330,141
8	Restricted Receipts	4,281,107
9	Other Funds	
10	Rhode Island Capital Plan Fund	
11	Davies HVAC	395,000
12	Davies Asset Protection	770,000
13	Other Funds Total	
14	Total – Davies Career and Technical School	18,433,051
15	<i>RI School for the Deaf</i>	
16	General Revenues	6,279,590
17	Federal Funds	259,714
18	Restricted Receipts	785,791
19	Other Funds	
20	RI School for the Deaf Transformation Grants	59,000
21	Other Funds Total	59,000
22	Total – RI School for the Deaf	7,384,095
23	<i>Metropolitan Career and Technical School</i>	
24	Other Funds	
25	Rhode Island Capital Plan Fund	
26	MET Asset Protection	100,000
27	Other Funds Total	100,000
28	Total – Metropolitan Career and Technical School	100,000
29	<i>Education Aid</i>	
30	General Revenues	805,090,287
31	Restricted Receipts	19,299,709
32	Other Funds	
33	Permanent School Fund – Education Aid	300,000
34	Other Funds Total	300,000

1	Total – Education Aid	824,689,996
2	<i>Central Falls School District</i>	
3	General Revenues	39,369,337
4	Total – Central Falls School District	39,369,337
5	<i>School Construction Aid</i>	
6	General Revenues	
7	School Housing Aid	70,907,110
8	School Building Authority Capital Fund	20,000,000
9	General Revenue Total	90,907,110
10	Total – School Construction Aid	90,907,110
11	<i>Teachers' Retirement</i>	
12	General Revenues	92,805,836
13	Total – Teachers' Retirement	92,805,836
14	Grand Total – General Revenue	1,067,340,856
15	Grand Total – Elementary and Secondary Education	1,302,876,096
16	Public Higher Education	
17	<i>Office of Postsecondary Commissioner</i>	
18	General Revenues	5,785,323
19	Federal Funds	
20	Federal Funds	10,499,301
21	WaytogoRI Portal	943,243
22	Guaranty Agency Operating Fund-Scholarships & Grants	4,000,000
23	The \$4.0 million expended from the Guaranty Agency Operating Fund shall be used only for scholarships	
24	and grants at URI, RIC, and CCRI.	
25	Federal Funds Total	15,442,544
26	Other Funds	
27	Tuition Savings Prgm – Administration	465,610
28	Tuition Savings Prgm – Dual Enrollment	1,300,000
29	Tuition Savings Prgm – Scholarships and Grants	6,095,000
30	Other Funds Total	7,860,610
31	Total – Office of Postsecondary Commissioner	29,088,477
32	<i>University of Rhode Island</i>	
33	General Revenue	
34	General Revenues	71,103,468

1 The University shall not decrease internal student financial aid in the 2015 – 2016 academic
 2 year below the level of the 2014 – 2015 academic year. The President of the institution shall report, prior
 3 to the commencement of the 2015-2016 academic year, to the chair of the Council of Postsecondary
 4 Education that such tuition charges and student aid levels have been achieved at the start of FY 2016 as
 5 prescribed above.

6	Debt Service	18,186,018
7	RI State Forensics Laboratory	1,072,892
8	General Revenue Total	90,362,378
9	Other Funds	
10	University and College Funds	591,203,000
11	Debt – Dining Services	1,113,621
12	Debt – Education and General	3,599,062
13	Debt – Health Services	136,256
14	Debt – Housing Loan Funds	10,607,660
15	Debt – Memorial Union	324,358
16	Debt – Ryan Center	2,793,305
17	Debt – Alton Jones Services	103,119
18	Debt – Parking Authority	1,029,157
19	Debt – Sponsored Research	90,278
20	Debt – URI Energy Conservation	2,520,156
21	Rhode Island Capital Plan Fund	
22	Asset Protection	5,482,900
23	Fire and Safety Protection	3,221,312
24	Electrical Substation	1,200,000
25	New Chemistry Building	4,000,000
26	Other Funds Total	627,424,184
27	Total – University of Rhode Island	717,786,562

28 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered
 29 balances as of June 30, 2016 relating to the University of Rhode Island are hereby reappropriated to fiscal
 30 year 2017.

31 *Rhode Island College*

32	General Revenues	
33	General Revenues	44,688,362

1 Rhode Island College shall not decrease internal student financial aid in the 2015 – 2016
 2 academic year below the level of the 2014 – 2015 academic year. The President of the institution shall
 3 report, prior to the commencement of the 2015-2016 academic year, to the chair of the Council of
 4 Postsecondary Education that such tuition charges and student aid levels have been achieved at the start of
 5 FY 2016 as prescribed above.

6	Debt Service	5,214,649
7	General Revenue Total	49,903,011
8	Other Funds	
9	University and College Funds	118,566,770
10	Debt – Education and General	879,147
11	Debt – Housing	2,013,281
12	Debt – Student Center and Dining	154,330
13	Debt – Student Union	235,481
14	Debt – G.O. Debt Service	1,644,459
15	Debt Energy Conservation	256,275
16	Rhode Island Capital Plan Fund	
17	Asset Protection	3,080,400
18	Infrastructure Modernization	2,000,000
19	Other Funds – Total	128,830,143
20	Total – Rhode Island College	178,733,154

21 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered
 22 balances as of June 30, 2016 relating to Rhode Island College are hereby reappropriated to fiscal year
 23 2017.

24 *Community College of Rhode Island*

25 General Revenues

26	General Revenues	47,965,855
----	------------------	------------

27 The Community College of Rhode Island shall not decrease internal student financial aid in the
 28 2015 – 2016 academic year below the level of the 2014 – 2015 academic year. The President of the
 29 institution shall report, prior to the commencement of the 2015-2016 academic year, to the chair of the
 30 Council of Postsecondary Education that such tuition charges and student aid levels have been achieved at
 31 the start of FY 2016 as prescribed above.

32	Debt Service	1,676,521
33	General Revenue Total	49,642,376
34	Restricted Receipts	653,200

1	Other Funds	
2	University and College Funds	106,862,884
3	CCRI Debt Service – Energy Conservation	808,425
4	Rhode Island Capital Plan Fund	
5	Asset Protection	2,184,100
6	Knight Campus Renewal	2,000,000
7	Other Funds Total	111,855,409
8	Total – Community College of RI	162,150,985
9	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered	
10	balances as of June 30, 2016 relating to the Community College of Rhode Island are hereby	
11	reappropriated to fiscal year 2017.	
12	Grand Total – General Revenue	195,693,088
13	Grand Total – Public Higher Education	1,087,759,178
14	RI State Council on the Arts	
15	General Revenues	
16	Operating Support	453,187
17	Grants	1,054,574
18	General Revenue Total	1,507,761
19	Federal Funds	775,353
20	Other Funds	
21	Art for Public Facilities	1,398,293
22	Other Funds Total	1,398,293
23	Grand Total – RI State Council on the Arts	3,681,407
24	RI Atomic Energy Commission	
25	General Revenues	957,170
26	Federal Funds	54,699
27	Other Funds	
28	URI Sponsored Research	275,300
29	Rhode Island Capital Plan Funds	
30	RINSC Asset Protection	50,000
31	Other Funds Total	325,300
32	Grand Total – RI Atomic Energy Commission	1,337,169
33	RI Historical Preservation and Heritage Commission	
34	General Revenues	1,355,972

1	Federal Funds	2,054,893
2	Restricted Receipts	428,630
3	Other Funds	
4	RIDOT Project Review	71,708
5	Other Funds Total	71,708
6	Grand Total – RI Historical Preservation and Heritage Comm	3,911,203
7	Attorney General	
8	<i>Criminal</i>	
9	General Revenues	15,461,041
10	Federal Funds	1,291,777
11	Restricted Receipts	353,595
12	Total – Criminal	17,106,413
13	<i>Civil</i>	
14	General Revenues	5,285,996
15	Restricted Receipts	896,735
16	Total – Civil	6,182,731
17	<i>Bureau of Criminal Identification</i>	
18	General Revenues	1,591,162
19	Total – Bureau of Criminal Identification	1,591,162
20	<i>General</i>	
21	General Revenues	2,855,011
22	Other Funds	
23	Rhode Island Capital Plan Fund	
24	Building Renovations and Repairs	300,000
25	Other Funds Total	300,000
26	Total – General	3,155,011
27	Grand Total – General Revenue	25,193,210
28	Grand Total – Attorney General	28,035,317
29	Corrections	
30	Central Management	
31	General Revenues	9,308,836
32	Federal Funds	118,361
33	Total – Central Management	9,427,197

1	<i>Parole Board</i>	
2	General Revenues	1,345,685
3	Federal Funds	38,000
4	Total – Parole Board	1,383,685
5	<i>Custody and Security</i>	
6	General Revenues	126,571,465
7	Federal Funds	571,986
8	Total – Custody and Security	127,143,451
9	<i>Institutional Support</i>	
10	General Revenues	16,595,667
11	Other Funds	
12	Rhode Island Capital Plan Fund	
13	Asset Protection	4,000,000
14	Maximum – General Renovations	900,000
15	General Renovations Women’s	166,000
16	Bernadette Guay Roof	500,000
17	ISC Exterior Envelope and HVAC	1,000,000
18	Minimum Security Kitchen Expansion	1,100,000
19	Medium Infrastructure	3,000,000
20	D Building State Match – Reintergration C	450,000
21	Other Funds Total	11,116,000
22	Total – Institutional Support	27,711,667
23	<i>Institutional Based Rehab./Population Management</i>	
24	General Revenues	9,524,559
25	Federal Funds	552,034
26	Restricted Receipts	29,464
27	Total – Institutional Based Rehab/Population Mgt.	10,106,057
28	<i>Healthcare Services</i>	
29	General Revenues	20,771,182
30	Total – Healthcare Services	20,771,182
31	<i>Community Corrections</i>	
32	General Revenues	15,957,837
33	Federal Funds	57,000
34	Restricted Receipts	17,594

1	Total – Community Corrections	16,032,431
2	Grand Total – General Revenue	200,075,231
3	Grand Total – Corrections	212,575,670

4 **Judiciary**

5 *Supreme Court*

6 General Revenues

7	General Revenues	27,107,017
---	------------------	------------

8 Provided however, that no more than \$932,340 in combined total shall be offset to the Public Defender’s
9 Office, the Attorney General’s Office, the Department of Corrections, the Department of Children Youth
10 and Families, and the Department of Public Safety for square-footage occupancy costs in public
11 courthouses.

12	Defense of Indigents	3,542,240
----	----------------------	-----------

13	General Revenue Total	30,649,257
----	-----------------------	------------

14	Federal Funds	123,289
----	---------------	---------

15	Restricted Receipts	2,163,386
----	---------------------	-----------

16 Other Funds

17 Rhode Island Capital Plan Fund

18	Judicial HVAC	900,000
----	---------------	---------

19	Judicial Complexes Asset Protection	850,000
----	-------------------------------------	---------

20	Licht Judicial Complex Restoration	750,000
----	------------------------------------	---------

21	Other Funds Total	2,500,000
----	-------------------	-----------

22	Total - Supreme Court	35,435,932
----	-----------------------	------------

23 *Judicial Tenure and Discipline*

24	General Revenues	121,527
----	------------------	---------

25	Total – Judicial Tenure and Discipline	121,527
----	--	---------

26 *Superior Court*

27	General Revenues	23,209,940
----	------------------	------------

28	Federal Funds	50,406
----	---------------	--------

29	Restricted Receipts	300,000
----	---------------------	---------

30	Total – Superior Court	23,560,346
----	------------------------	------------

31 *Family Court*

32	General Revenues	20,918,555
----	------------------	------------

33	Federal Funds	3,014,025
----	---------------	-----------

34	Total – Family Court	23,932,580
----	----------------------	------------

1	<i>District Court</i>	
2	General Revenues	12,355,546
3	Federal Funds	30,000
4	Restricted Receipts	169,251
5	Total – District Court	12,554,797
6	<i>Traffic Tribunal</i>	
7	General Revenues	8,542,221
8	Total – Traffic Tribunal	8,542,221
9	<i>Workers' Compensation Court</i>	
10	Restricted Receipts	7,763,807
11	Total – Workers' Compensation Court	7,763,807
12	Grand Total – General Revenue	95,797,046
13	Grand Total – Judiciary	111,911,210
14	Military Staff	
15	General Revenues	2,065,434
16	Federal Funds	15,361,864
17	Restricted Receipts	
18	RI Military Relief Fund	300,000
19	Counter Drug Asset Forfeiture	23,300
20	Restricted Receipts Total	323,300
21	Other Funds	
22	Rhode Island Capital Plan Fund	
23	Armory of Mounted Command Roof Replacement	357,500
24	Asset Protection	700,000
25	Joint Force Headquarters Building	600,000
26	Other Funds Total	1,657,500
27	Grand Total – Military Staff	19,408,098
28	Emergency Management	
29	General Revenues	1,766,002
30	Federal Funds	16,551,541
31	Restricted Receipts	220,375
32	Grand Total – Emergency Management	18,537,918
33	Public Safety	
34	<i>Central Management</i>	

1	General Revenues	1,325,286
2	Federal Funds	3,770,143
3	Total – Central Management	5,095,429
4	<i>E-911 Emergency Telephone System</i>	
5	General Revenues	5,377,414
6	Total – E-911 Emergency Telephone System	5,377,414
7	<i>State Fire Marshal</i>	
8	General Revenues	2,946,169
9	Federal Funds	202,295
10	Restricted Receipts	493,212
11	Other Funds	
12	Rhode Island Capital Plan Fund	
13	Fire Academy	2,000,000
14	Quonset Development Corporation	60,541
15	Other Funds – Total	2,060,541
16	Total – State Fire Marshal	5,702,217
17	<i>Security Services</i>	
18	General Revenues	22,680,304
19	Total – Security Services	22,680,304
20	<i>Municipal Police Training Academy</i>	
21	General Revenues	254,667
22	Federal Funds	144,420
23	Total – Municipal Police Training Academy	399,087
24	<i>State Police</i>	
25	General Revenues	63,870,459
26	Federal Funds	2,229,499
27	Restricted Receipts	10,889,799
28	Other Funds	
29	Rhode Island Capital Plan Fund	
30	Consolidated Training Academy	1,250,000
31	DPS Asset Protection	250,000
32	Barrack Renovation	400,000
33	Lottery Commission Assistance	1,450,696
34	Airport Corporation Assistance	377,148

1	Road Construction Reimbursement	2,936,120
2	Other Funds Total	6,663,964
3	Total – State Police	83,653,721
4	Grand Total – General Revenue	96,454,299
5	Grand Total – Public Safety	122,908,172
6	Office of Public Defender	
7	General Revenues	11,621,977
8	Federal Funds	78,370
9	Grand Total – Office of Public Defender	11,700,347
10	Environmental Management	
11	<i>Office of the Director</i>	
12	General Revenues	4,712,770
13	Federal Funds	150,000
14	Restricted Receipts	3,100,511
15	Total – Office of the Director	7,963,281
16	<i>Natural Resources</i>	
17	General Revenues	20,040,905
18	Federal Funds	19,131,833
19	Restricted Receipts	6,460,768
20	Other Funds	
21	DOT Recreational Projects	181,649
22	Blackstone Bikepath Design	2,059,579
23	Transportation MOU	78,350
24	Rhode Island Capital Plan Fund	
25	Dam Repair	750,000
26	Fort Adams Rehabilitation	125,000
27	Fort Adams America’s Cup	1,400,000
28	Recreational Facilities Improvements	2,850,000
29	Galilee Piers Upgrade	400,000
30	Newport Piers	137,500
31	World War II Facility	770,000
32	Blackstone Valley Bike Path	198,410
33	Marine Infrastructure/Pier Development	100,000
34	Other Funds Total	9,050,488

1	Total – Natural Resources	54,683,994
2	<i>Environmental Protection</i>	
3	General Revenues	11,751,892
4	Federal Funds	10,025,644
5	Restricted Receipts	8,893,258
6	Other Funds	
7	Transportation MOU	164,734
8	Other Funds Total	164,734
9	Total – Environmental Protection	30,835,528
10	Grand Total – General Revenue	36,505,567
11	Grand Total – Environmental Management	93,482,803
12	Coastal Resources Management Council	
13	General Revenues	2,433,260
14	Federal Funds	2,614,348
15	Restricted Receipts	250,000
16	Other Funds	
17	Rhode Island Capital Plan Fund	
18	Shoreline Change Beach SAMP	50,000
19	Other Funds Total	50,000
20	Grand Total – Coastal Resources Mgmt. Council	5,347,608
21	Transportation	
22	<i>Central Management</i>	
23	Federal Funds	8,540,000
24	Other Funds	
25	Gasoline Tax	2,182,215
26	Other Funds Total	2,182,215
27	Total – Central Management	10,722,215
28	<i>Management and Budget</i>	
29	Other Funds	
30	Gasoline Tax	4,530,251
31	Other Funds Total	4,530,251
32	Total – Management and Budget	4,530,251
33	<i>Infrastructure Engineering - GARVEE/Motor Fuel Tax Bonds</i>	
34	Federal Funds	

1	Federal Funds	240,533,185
2	Federal Funds – Stimulus	14,542,237
3	Federal Funds Total	255,075,422
4	Restricted Receipts	1,000,000
5	Other Funds	
6	Gasoline Tax	71,459,558
7	Land Sale Revenue	10,800,000
8	Rhode Island Capital Fund	
9	RIPTA Land and Buildings	200,000
10	Highway Improvement Program	47,650,000
11	Other Funds Total	130,109,558
12	Total - Infrastructure Engineering – GARVEE	386,184,980
13	<i>Infrastructure Maintenance</i>	
14	Other Funds	
15	Gasoline Tax	11,478,947
16	Non-Land Surplus Property	10,000
17	Outdoor Advertising	100,000
18	Rhode Island Highway Maintenance Account	41,391,607
19	Rhode Island Capital Plan Fund	
20	Maintenance Facilities Improvements	100,000
21	Salt Storage Facilities	1,000,000
22	Portsmouth Facility	1,000,000
23	Maintenance - Capital Equipment Replacement	2,000,000
24	Train Station Maintenance and Repairs	350,000
25	Other Funds Total	57,430,554
26	Total – Infrastructure Maintenance	57,430,554
27	Grand Total – Transportation	458,868,000
28	Statewide Totals	
29	General Revenues	3,491,628,573
30	Federal Funds	3,003,078,979
31	Restricted Receipts	239,396,225
32	Other Funds	1,893,471,470
33	Statewide Grand Total	8,627,575,247

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

1 SECTION 3. Upon the transfer of any function of a department or agency to another department
2 or agency, the Governor is hereby authorized by means of executive order to transfer or reallocate, in
3 whole or in part, the appropriations and the full-time equivalent limits affected thereby.

4 SECTION 4. From the appropriation for contingency shall be paid such sums as may be required
5 at the discretion of the Governor to fund expenditures for which appropriations may not exist. Such
6 contingency funds may also be used for expenditures in the several departments and agencies where
7 appropriations are insufficient, or where such requirements are due to unforeseen conditions or are non-
8 recurring items of an unusual nature. Said appropriations may also be used for the payment of bills
9 incurred due to emergencies or to any offense against public peace and property, in accordance with the
10 provisions of Titles 11 and 45 of the General Laws of 1956, as amended. All expenditures and transfers
11 from this account shall be approved by the Governor.

12 SECTION 5. The general assembly authorizes the state controller to establish the internal service
13 accounts shown below, and no other, to finance and account for the operations of state agencies that
14 provide services to other agencies, institutions and other governmental units on a cost reimbursed basis.
15 The purpose of these accounts is to ensure that certain activities are managed in a businesslike manner,
16 promote efficient use of services by making agencies pay the full costs associated with providing the
17 services, and allocate the costs of central administrative services across all fund types, so that federal and
18 other non-general fund programs share in the costs of general government support. The controller is
19 authorized to reimburse these accounts for the cost of work or services performed for any other
20 department or agency subject to the following expenditure limitations:

<u>Account</u>	<u>Expenditure Limit</u>
21 State Assessed Fringe Benefit Internal Service Fund	38,930,194
22 Administration Central Utilities Internal Service Fund	17,782,800
23 State Central Mail Internal Service Fund	6,203,680
24 State Telecommunications Internal Service Fund	4,122,558
25 State Automotive Fleet Internal Service Fund	13,830,623
26 Surplus Property Internal Service Fund	2,500
27 Health Insurance Internal Service Fund	251,175,719
28 Other Post-Employment Benefits Fund	64,293,483
29 Capital Police Internal Service Fund	1,252,144
30 Corrections Central Distribution Center Internal Service Fund	6,768,097
31 Correctional Industries Internal Service Fund	7,228,052
32 Secretary of State Record Center Internal Service Fund	813,687

1 (b) The Department of Administration shall establish an internal service fund for the Division
2 of Information Technology commencing July 1, 2015. The Division of Information Technology, which
3 has a federally approved rate structure that identifies the cost of each service it provides, shall implement
4 a billing system which will benchmark its costs compared to the private sector. The measured
5 components of the Division of Information Technology's internal service fund shall be determined
6 through the development of their FY 2016 rates, and shall be utilized in its cost benchmarking. The
7 Department of Administration will incorporate the Division of Information Technology as an internal
8 service fund within its FY 2016 Revised Budget.

9 SECTION 6. The General Assembly may provide a written "statement of legislative intent"
10 signed by the chairperson of the House Finance Committee and by the chairperson of the Senate Finance
11 Committee to show the intended purpose of the appropriations contained in Section 1 of this Article. The
12 statement of legislative intent shall be kept on file in the House Finance Committee and in the Senate
13 Finance Committee.

14 At least twenty (20) days prior to the issuance of a grant or the release of funds, which grant or
15 funds are listed on the legislative letter of intent, all department, agency and corporation directors, shall
16 notify in writing the chairperson of the House Finance Committee and the chairperson of the Senate
17 Finance Committee of the approximate date when the funds are to be released or granted.

18 SECTION 7. *Appropriation of Temporary Disability Insurance Funds* -- There is hereby
19 appropriated pursuant to sections 28-39-5 and 28-39-8 of the Rhode Island General Laws all funds
20 required to be disbursed for the benefit payments from the Temporary Disability Insurance Fund and
21 Temporary Disability Insurance Reserve Fund for the fiscal year ending June 30, 2016.

22 SECTION 8. *Appropriation of Employment Security Funds* -- There is hereby appropriated
23 pursuant to section 28-42-19 of the Rhode Island General Laws all funds required to be disbursed for
24 benefit payments from the Employment Security Fund for the fiscal year ending June 30, 2016.

25 SECTION 9. *Appropriation of Lottery Division Funds* -- There is hereby appropriated to the
26 Lottery Division any funds required to be disbursed by the Lottery Division for the purposes of paying
27 commissions or transfers to the prize fund for the fiscal year ending June 30, 2016.

28 SECTION 10. Departments and agencies listed below may not exceed the number of full-time
29 equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do not include
30 seasonal or intermittent positions whose scheduled period of employment does not exceed twenty-six
31 consecutive weeks or whose scheduled hours do not exceed nine hundred and twenty-five (925) hours,
32 excluding overtime, in a one-year period. Nor do they include individuals engaged in training, the
33 completion of which is a prerequisite of employment. Provided, however, that the Governor or designee,
34 Speaker of the House of Representatives or designee, and the President of the Senate or designee may

1 authorize an adjustment to any limitation. Prior to the authorization, the State Budget Officer shall make
 2 a detailed written recommendation to the Governor, the Speaker of the House, and the President of the
 3 Senate. A copy of the recommendation and authorization to adjust shall be transmitted to the chairman of
 4 the House Finance Committee, Senate Finance Committee, the House Fiscal Advisor and the Senate
 5 Fiscal Advisor.

6 State employees whose funding is from non-state general revenue funds that are time limited shall
 7 receive limited term appointment with the term limited to the availability of non-state general revenue
 8 funding source.

9 FY 2016 FTE POSITION AUTHORIZATION

<u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
11 Administration	710.7
12 Business Regulation	99.0
13 Executive Office of Commerce	18.6
14 Labor and Training	410.0
15 Revenue	514.5
16 Legislature	298.5
17 Office of the Lieutenant Governor	8.0
18 Office of the Secretary of State	57.0
19 Office of the General Treasurer	83.0
20 Board of Elections	11.0
21 Rhode Island Ethics Commission	12.0
22 Office of the Governor	45.0
23 Commission for Human Rights	14.5
24 Public Utilities Commission	50.0
25 Office of Health and Human Services	202.0
26 Children, Youth, and Families	672.5
27 Health	488.6
28 Human Services	959.1
29 Behavioral Health, Developmental Disabilities, and Hospitals	1,421.4
30 Elementary and Secondary Education	153.4
31 School for the Deaf	60.0
32 Davies Career and Technical School	126.0
33 Office of Postsecondary Commissioner	30.0

34 Provided that 1.0 of the total authorization would be available only for positions that are supported by

1	third-party funds.	
2	University of Rhode Island	2,456.5
3	Provided that 573.8 of the total authorization would be available only for positions that are supported by	
4	third-party funds.	
5	Rhode Island College	923.6
6	Provided that 82.0 of the total authorization would be available only for positions that are supported by	
7	third-party funds.	
8	Community College of Rhode Island	854.1
9	Provided that 89.0 of the total authorization would be available only for positions that are supported by	
10	third-party funds.	
11	Rhode Island State Council on the Arts	6.0
12	RI Atomic Energy Commission	8.6
13	Historical Preservation and Heritage Commission	16.6
14	Office of the Attorney General	236.1
15	Corrections	1,419.0
16	Judicial	723.3
17	Military Staff	92.0
18	Public Safety	633.2
19	Office of the Public Defender	93.0
20	Emergency Management	32.0
21	Environmental Management	399.0
22	Coastal Resources Management Council	29.0
23	Transportation	752.6
24	Total	15,119.4

25 SECTION 11. The amounts reflected in this Article include the appropriation of Rhode Island
26 Capital Plan funds for fiscal year 2016 and supersede appropriations provided for FY 2016 within Section
27 11 of Article 1 of Chapter 145 of the P.L. of 2014.

28 The following amounts are hereby appropriated out of any money in the State's Rhode Island
29 Capital Plan Fund not otherwise appropriated to be expended during the fiscal years ending June 30,
30 2017, June 30, 2018, and June 30, 2019. These amounts supersede appropriations provided within
31 Section 11 of Article 1 of Chapter 145 of the P.L. of 2014. For the purposes and functions hereinafter
32 mentioned, the State Controller is hereby authorized and directed to draw his or her orders upon the
33 General Treasurer for the payment of such sums and such portions thereof as may be required by him or
34 her upon receipt of properly authenticated vouchers.

	Fiscal Year Ending June 30, 2017	Fiscal Year Ending June 30, 2018	Fiscal Year Ending June 30, 2019
1			
2	<u>Project</u>		
3			
4	DOT-Highway Improvement	27,200,000	27,200,000
5	DOT-Maintenance – Capital Equipment	2,500,000	2,500,000
6	DOA-Pastore Center Rehab	7,915,000	2,500,000
7	Higher Ed-Asset Protection-CCRI	2,732,100	2,799,063
8	Higher Ed – Knight Campus Renewal	4,000,000	5,000,000
9	Higher Ed-Asset Protection-RIC	3,357,700	3,458,431
10	Higher Ed-Asset Protection-URI	7,856,000	8,030,000
11	DOC Asset Protection	4,000,000	4,000,000
12	Judicial-Asset Protection	875,000	950,000
13	Mil Staff-Joint Force Headquarters Building	3,000,000	3,000,000
14	DEM-Dam Repairs	1,000,000	1,550,000
15	DEM-Recreation Facility Improvements	2,250,000	1,700,000

16 SECTION 12. Reappropriation of Funding for Rhode Island Capital Plan Fund Projects. – Any
17 unexpended and unencumbered funds from Rhode Island Capital Plan Fund project appropriations may
18 be reappropriated at the recommendation of the Governor in the ensuing fiscal year and made available
19 for the same purpose. However, any such reappropriations are subject to final approval by the General
20 Assembly as part of the supplemental appropriations act. Any unexpended funds of less than five
21 hundred dollars (\$500) shall be reappropriated at the discretion of the State Budget Officer.

22 SECTION 13. For the Fiscal Year ending June 30, 2016, the Rhode Island Housing and Mortgage
23 Finance Corporation shall provide from its resources such sums as appropriate in support of the
24 Neighborhood Opportunities Program. The Corporation shall provide a report detailing the amount of
25 funding provided to this program, as well as information on the number of units of housing provided as a
26 result to the Director of Administration, the Chair of the Housing Resources Commission, the Chair of the
27 House Finance Committee, the Chair of the Senate Finance Committee and the State Budget Officer.

28 SECTION 14. Notwithstanding any provisions of Chapter 19 in Title 23 of the Rhode Island
29 General Laws, the Resource Recovery Corporation shall transfer to the State Controller the sum of one
30 million five hundred thousand dollars (\$1,500,000) by June 30, 2016.

31 SECTION 15. Notwithstanding any provisions of Chapter 12.2 in Title 46 of the Rhode Island
32 General Laws, the Clean Water Finance Agency shall transfer to the State Controller the sum of eleven
33 million dollars (\$11,000,000) by June 30, 2016.

34 SECTION 16. Notwithstanding any provisions of Chapter 25 in Title 46 of the Rhode Island
35 General Laws, the Narragansett Bay Commission shall transfer to the State Controller the sum of two
36 million eight hundred thousand dollars (\$2,800,000) by June 30, 2016.

1 SECTION 17. Notwithstanding any provisions of Chapter 38 in Title 45 of the Rhode Island
2 General Laws, the Rhode Island Health and Educational Building Corporation shall transfer to the State
3 Controller the sum of five million dollars (\$5,000,000) by June 30, 2016.

4 SECTION 18. Notwithstanding any provisions of Chapter 1 in Title 1 of the Rhode Island
5 General Laws, the Rhode Island Corporation shall transfer to the State Controller the sum of four hundred
6 and thirty thousand dollars (\$430,000) by June 30, 2016.

7 SECTION 19. This article shall take effect as of July 1, 2015.

8 ARTICLE 2

9 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTION

10 SECTION 1. This article contains a joint resolution submitted pursuant to Rhode Island General
11 Laws § 35-18-1, et seq.

12 SECTION 2. *University of Rhode Island Fraternity Circle Improvements Phase I.*

13 WHEREAS, the University of Rhode Island is proposing a utility and infrastructure project to
14 replace, improve, and reorganize aged, incrementally developed utility and paved infrastructure in the
15 sector of the Kingston Campus devoted to fraternity and sorority houses, referred to as Fraternity Circle
16 Improvements Phase I, including improvements to water, wastewater, electrical, telecommunications,
17 natural gas connections, and storm water management systems, as well as roadways, walkways, and
18 parking lots as a first phase of improvements reflected in a “master plan” for this unique neighborhood of
19 on-campus residences serving organizations of students; and

20 WHEREAS, fraternities and sororities first developed in the early 1900’s at the University of
21 Rhode Island and were expanded with the initial designation and development of the “fraternity circle”
22 neighborhood that was established in 1964, with the complement of fraternity and sorority buildings
23 presently housing over 800 students, while maintaining strong bonds with affiliated alumni supporters of
24 the University; and

25 WHEREAS, the capacity of the present water distribution system in this sector is a concern for
26 serving sprinkler systems in both present and future houses and the wastewater system and storm water
27 management systems must be improved and contemporized, the latter being subject to recent favorable
28 environmental standards; and

29 WHEREAS, the upgrade and reconfiguration of gas, electric, and telecommunication
30 infrastructure in the district, with the cooperation of National Grid and the university’s networking and
31 telecommunications operation, will address reliability, safety and long-term functionality, while
32 reconfigured roadways, with service access, improved pedestrian safety, and parking area enhancements
33 will bring this sector in line with the hardscape, exterior lighting, and blue-light emergency phone
34 complements in the adjacent residence hall districts; and

1 WHEREAS, the design and construction of this project will be financed through Rhode Island
2 Health and Educational Building Corporation (RIHEBC) revenue bonds, with an expected term of twenty
3 (20) years; and

4 WHEREAS, debt service payments would be supported by university general revenues; now,
5 therefore, be it

6 RESOLVED, that the total amount of the debt approved to be issued in the aggregate shall be
7 limited to not more than five million one hundred thousand dollars (\$5,100,000). Total debt service on
8 the bonds is not expected to exceed four hundred seven thousand dollars (\$407,000) annually and eight
9 million one hundred forty thousand dollars (\$8,140,000) in the aggregate based on an average interest rate
10 of five (5.0%) percent and a twenty (20) year maturity; and be it further

11 RESOLVED, that the Fraternity Circle Improvement Project Phase I is an important investment
12 in the upgrade of essential utility systems to enhance public safety, ensure reliability and capacity, and
13 safeguard the woodland/wetland setting of this sector of the Kingston Campus; and that this general
14 assembly hereby approves financing; and it be further

15 RESOLVED, that this joint resolution shall take effect upon passage by this general assembly.

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

17 ARTICLE 3

18 RELATING TO LICENSING OF HOSPITAL FACILITIES

19 SECTION 1. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled "Licensing of
20 Health Care Facilities" is hereby amended to read as follows:

21 **§ 23-17-38.1 Hospitals – Licensing fee.** – ~~(a) There is imposed a hospital licensing fee at the~~
22 ~~rate of five and four hundred eighteen thousandths percent (5.418%) upon the net patient services revenue~~
23 ~~of every hospital for the hospital's first fiscal year ending on or after January 1, 2012, except that the~~
24 ~~license fee for all hospitals located in Washington County, Rhode Island, shall be discounted by thirty-~~
25 ~~seven percent (37%). The discount for Washington County hospitals is subject to approval by the~~
26 ~~Secretary of the US Department of Health and Human Services of a state plan amendment submitted by~~
27 ~~the executive office of health and human services for the purpose of pursuing a waiver of the uniformity~~
28 ~~requirement for the hospital license fee. This licensing fee shall be administered and collected by the tax~~
29 ~~administrator, division of taxation within the department of revenue, and all the administration, collection,~~
30 ~~and other provisions of chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the~~
31 ~~tax administrator on or before July 14, 2014, and payments shall be made by electronic transfer of monies~~
32 ~~to the general treasurer and deposited to the general fund. Every hospital shall, on or before June 16,~~
33 ~~2014, make a return to the tax administrator containing the correct computation of net patient services~~
34 ~~revenue for the hospital fiscal year ending September 30, 2012, and the licensing fee due upon that~~

1 ~~amount. All returns shall be signed by the hospital's authorized representative, subject to the pains and~~
2 ~~penalties of perjury.~~

3 (b) (a) There is also imposed a hospital licensing fee at the rate of five and seven hundred three
4 thousandths percent (5.703%) upon the net patient services revenue of every hospital for the hospital's
5 first fiscal year ending on or after January 1, 2013, except that the license fee for all hospitals located in
6 Washington County, Rhode Island shall be discounted by thirty-seven percent (37%). The discount for
7 Washington County hospitals is subject to approval by the Secretary of the US Department of Health and
8 Human Services of a state plan amendment submitted by the executive office of health and human
9 services for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee.
10 This licensing fee shall be administered and collected by the tax administrator, division of taxation within
11 the department of revenue, and all the administration, collection and other provisions of chapter 51 of title
12 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before July 13,
13 2015 and payments shall be made by electronic transfer of monies to the general treasurer and deposited
14 to the general fund. Every hospital shall, on or before June 15, 2015, make a return to the tax
15 administrator containing the correct computation of net patient services revenue for the hospital fiscal
16 year ending September 30, 2013, and the licensing fee due upon that amount. All returns shall be signed
17 by the hospital's authorized representative, subject to the pains and penalties of perjury.

18 (b) There is also imposed a hospital licensing fee at the rate of five and seven hundred three
19 thousandths percent (5.703%) upon the net patient services revenue of every hospital for the hospital's
20 first fiscal year ending on or after January 1, 2013, except that the license fee for all hospitals located in
21 Washington County, Rhode Island shall be discounted by thirty-seven percent (37%). The discount for
22 Washington County hospitals is subject to approval by the Secretary of the US Department of Health and
23 Human Services of a state plan amendment submitted by the executive office of health and human
24 services for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee.
25 This licensing fee shall be administered and collected by the tax administrator, division of taxation within
26 the department of revenue, and all the administration, collection and other provisions of chapter 51 of title
27 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before July 11,
28 2016 and payments shall be made by electronic transfer of monies to the general treasurer and deposited
29 to the general fund. Every hospital shall, on or before June 13, 2016, make a return to the tax
30 administrator containing the correct computation of net patient services revenue for the hospital fiscal
31 year ending September 30, 2013, and the licensing fee due upon that amount. All returns shall be signed
32 by the hospital's authorized representative, subject to the pains and penalties of perjury.

33 (c) For purposes of this section the following words and phrases have the following meanings:

1 (1) "Hospital" means a person or governmental unit duly licensed in accordance with this chapter
2 to establish, maintain, and operate a hospital, except a hospital whose primary service and primary bed
3 inventory are psychiatric.

4 (2) "Gross patient services revenue" means the gross revenue related to patient care services.

5 (3) "Net patient services revenue" means the charges related to patient care services less (i)
6 charges attributable to charity care; (ii) bad debt expenses; and (iii) contractual allowances.

7 (d) The tax administrator shall make and promulgate any rules, regulations, and procedures not
8 inconsistent with state law and fiscal procedures that he or she deems necessary for the proper
9 administration of this section and to carry out the provisions, policy, and purposes of this section.

10 (e) The licensing fee imposed by this section shall apply to hospitals as defined herein that are
11 duly licensed on July 1, ~~2014~~ 2015, and shall be in addition to the inspection fee imposed by § 23-17-38
12 and to any licensing fees previously imposed in accordance with § 23-17-38.1.

13 SECTION 2. This article shall take effect as of July 1, 2015.

14 ARTICLE 4

15 RELATING TO HOSPITAL UNCOMPENSATED CARE

16 SECTION 1. Sections 40-8.3-2 and 40-8.3-3 of the General Laws in Chapter 40-8.3 entitled
17 "Uncompensated Care" are hereby amended to read as follows:

18 **§ 40-8.3-2 Definitions.** – As used in this chapter:

19 (1) "Base year" means for the purpose of calculating a disproportionate share payment for any
20 fiscal year ending after September 30, ~~2013~~ 2014, the period from October 1, ~~2011~~ 2012 through
21 September 30, ~~2012~~ 2013, and for any fiscal year ending after September 30, ~~2014~~ 2015, the period from
22 October 1, 2012 through September 30, 2013.

23 (2) "Medical assistance inpatient utilization rate for a hospital" means a fraction (expressed as a
24 percentage) the numerator of which is the hospital's number of inpatient days during the base year
25 attributable to patients who were eligible for medical assistance during the base year and the denominator
26 of which is the total number of the hospital's inpatient days in the base year.

27 (3) "Participating hospital" means any nongovernment and nonpsychiatric hospital that: (i) was
28 licensed as a hospital in accordance with chapter 17 of title 23 during the base year; (ii) achieved a
29 medical assistance inpatient utilization rate of at least one percent (1%) during the base year; and (iii)
30 continues to be licensed as a hospital in accordance with chapter 17 of title 23 during the payment year.

31 (4) "Uncompensated care costs" means, as to any hospital, the sum of: (i) the cost incurred by
32 such hospital during the base year for inpatient or outpatient services attributable to charity care (free care
33 and bad debts) for which the patient has no health insurance or other third-party coverage less payments,
34 if any, received directly from such patients; and (ii) the cost incurred by such hospital during the base

1 year for inpatient or out-patient services attributable to Medicaid beneficiaries less any Medicaid
2 reimbursement received therefor; multiplied by the uncompensated care index.

3 (5) "Uncompensated care index" means the annual percentage increase for hospitals established
4 pursuant to § 27-19-14 for each year after the base year, up to and including the payment year, provided,
5 however, that the uncompensated care index for the payment year ending September 30, 2007 shall be
6 deemed to be five and thirty-eight hundredths percent (5.38%), and that the uncompensated care index for
7 the payment year ending September 30, 2008 shall be deemed to be five and forty-seven hundredths
8 percent (5.47%), and that the uncompensated care index for the payment year ending September 30, 2009
9 shall be deemed to be five and thirty-eight hundredths percent (5.38%), and that the uncompensated care
10 index for the payment years ending September 30, 2010, September 30, 2011, September 30, 2012,
11 September 30, 2013, September 30, 2014 ~~and~~, September 30, 2015 and September 30, 2016 shall be
12 deemed to be five and thirty hundredths percent (5.30%).

13 **§ 40-8.3-3 Implementation.** ~~– (a) For federal fiscal year 2013, commencing on October 1, 2012~~
14 ~~and ending September 30, 2013, the executive office of health and human services shall submit to the~~
15 ~~Secretary of the U.S. Department of Health and Human Services a state plan amendment to the Rhode~~
16 ~~Island Medicaid state plan for disproportionate share hospital payments (DSH Plan) to provide:~~

17 ~~(1) That the disproportionate share hospital payments to all participating hospitals, not to exceed~~
18 ~~an aggregate limit of \$128.3 million, shall be allocated by the executive office of health and human~~
19 ~~services to the Pool A, Pool C and Pool D components of the DSH Plan; and,~~

20 ~~(2) That the Pool D allotment shall be distributed among the participating hospitals in direct~~
21 ~~proportion to the individual participating hospital's uncompensated care costs for the base year, inflated~~
22 ~~by the uncompensated care index to the total uncompensated care costs for the base year inflated by~~
23 ~~uncompensated care index for all participating hospitals. The disproportionate share payments shall be~~
24 ~~made on or before July 15, 2013 and are expressly conditioned upon approval on or before July 8, 2013~~
25 ~~by the Secretary of the U.S. Department of Health and Human Services, or his or her authorized~~
26 ~~representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of~~
27 ~~federal financial participation in federal fiscal year 2013 for the disproportionate share payments.~~

28 ~~(b) (a)~~ (a) For federal fiscal year 2014, commencing on October 1, 2013 and ending September 30,
29 2014, the executive office of health and human services shall submit to the Secretary of the U.S.
30 Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid state
31 plan for disproportionate share hospital payments (DSH Plan) to provide:

32 (1) That the disproportionate share hospital payments to all participating hospitals, not to exceed
33 an aggregate limit of \$136.8 million, shall be allocated by the executive office of health and human
34 services to the Pool A, Pool C and Pool D components of the DSH Plan; and,

1 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
2 proportion to the individual participating hospital's uncompensated care costs for the base year, inflated
3 by the uncompensated care index to the total uncompensated care costs for the base year inflated by
4 uncompensated care index for all participating hospitals. The disproportionate share payments shall be
5 made on or before July 14, 2014 and are expressly conditioned upon approval on or before July 7, 2014
6 by the Secretary of the U.S. Department of Health and Human Services, or his or her authorized
7 representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of
8 federal financial participation in federal fiscal year 2014 for the disproportionate share payments.

9 ~~(e)~~ (b) For federal fiscal year 2015, commencing on October 1, 2014 and ending September 30,
10 2015, the executive office of health and human services shall submit to the Secretary of the U.S.
11 Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid state
12 plan for disproportionate share hospital payments (DSH Plan) to provide:

13 (1) That the disproportionate share hospital payments to all participating hospitals, not to exceed
14 an aggregate limit of \$136.8 million, shall be allocated by the executive office of health and human
15 services to the Pool A, Pool C and Pool D components of the DSH Plan; and,

16 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
17 proportion to the individual participating hospital's uncompensated care costs for the base year, inflated
18 by the uncompensated care index to the total uncompensated care costs for the base year inflated by
19 uncompensated care index for all participating hospitals. The disproportionate share payments shall be
20 made on or before July 13, 2015 and are expressly conditioned upon approval on or before July 6, 2015
21 by the Secretary of the U.S. Department of Health and Human Services, or his or her authorized
22 representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of
23 federal financial participation in federal fiscal year 2015 for the disproportionate share payments.

24 (c) For federal fiscal year 2016, commencing on October 1, 2015 and ending September 30, 2016,
25 the executive office of health and human services shall submit to the Secretary of the U.S. Department of
26 Health and Human Services a state plan amendment to the Rhode Island Medicaid state plan for
27 disproportionate share hospital payments (DSH Plan) to provide:

28 (1) That the disproportionate share hospital payments to all participating hospitals, not to exceed
29 an aggregate limit of \$136.8 million, shall be allocated by the executive office of health and human
30 services to the Pool A, Pool C and Pool D components of the DSH Plan; and,

31 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
32 proportion to the individual participating hospital's uncompensated care costs for the base year, inflated
33 by the uncompensated care index to the total uncompensated care costs for the base year inflated by
34 uncompensated care index for all participating hospitals. The disproportionate share payments shall be

1 made on or before July 11, 2016 and are expressly conditioned upon approval on or before July 5, 2016
2 by the Secretary of the U.S. Department of Health and Human Services, or his or her authorized
3 representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of
4 federal financial participation in federal fiscal year 2016 for the disproportionate share payments.

5 (d) No provision is made pursuant to this chapter for disproportionate share hospital payments to
6 participating hospitals for uncompensated care costs related to graduate medical education programs.

7 SECTION 2. Section 40-8.3-10 of the General Laws in Chapter 40-8.3 entitled "Uncompensated
8 Care" is hereby repealed.

9 ~~§ 40-8.3-10 Hospital adjustment payments.~~ Effective July 1, 2012 and for each subsequent
10 year, the executive office of health and human services is hereby authorized and directed to amend its
11 regulations for reimbursement to hospitals for inpatient and outpatient services as follows:

12 (a) ~~Each hospital in the state of Rhode Island, as defined in subdivision 23-17-38.19(b)(1), shall~~
13 ~~receive a quarterly outpatient adjustment payment each state fiscal year of an amount determined as~~
14 ~~follows:~~

15 (1) ~~Determine the percent of the state's total Medicaid outpatient and emergency department~~
16 ~~services (exclusive of physician services) provided by each hospital during each hospital's prior fiscal~~
17 ~~year;~~

18 (2) ~~Determine the sum of all Medicaid payments to hospitals made for outpatient and emergency~~
19 ~~department services (exclusive of physician services) provided during each hospital's prior fiscal year;~~

20 (3) ~~Multiply the sum of all Medicaid payments as determined in subdivision (2) by a percentage~~
21 ~~defined as the total identified upper payment limit for all hospitals divided by the sum of all Medicaid~~
22 ~~payments as determined in subdivision (2); and then multiply that result by each hospital's percentage of~~
23 ~~the state's total Medicaid outpatient and emergency department services as determined in subdivision (1)~~
24 ~~to obtain the total outpatient adjustment for each hospital to be paid each year;~~

25 (4) ~~Pay each hospital on or before July 20, October 20, January 20, and April 20 one quarter (1/4)~~
26 ~~of its total outpatient adjustment as determined in subdivision (3) above.~~

27 (b) ~~Each hospital in the state of Rhode Island, as defined in subdivision 3-17-38.19(b)(1), shall~~
28 ~~receive a quarterly inpatient adjustment payment each state fiscal year of an amount determined as~~
29 ~~follows:~~

30 (1) ~~Determine the percent of the state's total Medicaid inpatient services (exclusive of physician~~
31 ~~services) provided by each hospital during each hospital's prior fiscal year;~~

32 (2) ~~Determine the sum of all Medicaid payments to hospitals made for inpatient services~~
33 ~~(exclusive of physician services) provided during each hospital's prior fiscal year;~~

1 ~~(3) Multiply the sum of all Medicaid payments as determined in subdivision (2) by a percentage~~
2 ~~defined as the total identified upper payment limit for all hospitals divided by the sum of all Medicaid~~
3 ~~payments as determined in subdivision (2); and then multiply that result by each hospital's percentage of~~
4 ~~the state's total Medicaid inpatient services as determined in subdivision (1) to obtain the total inpatient~~
5 ~~adjustment for each hospital to be paid each year;~~

6 ~~(4) Pay each hospital on or before July 20, October 20, January 20, and April 20 one quarter (1/4)~~
7 ~~of its total inpatient adjustment as determined in subdivision (3) above.~~

8 ~~(e) The amounts determined in subsections (a) and (b) are in addition to Medicaid inpatient and~~
9 ~~outpatient payments and emergency services payments (exclusive of physician services) paid to hospitals~~
10 ~~in accordance with current state regulation and the Rhode Island Plan for Medicaid Assistance pursuant to~~
11 ~~Title XIX of the Social Security Act and are not subject to recoupment or settlement.~~

12 SECTION 3. This article shall take effect as of July 1, 2015.

13 ARTICLE 5

14 RELATING TO MEDICAL ASSISTANCE

15 SECTION 1. Sections 40-8-13.4 and 40-8-19 of the General Laws in Chapter 40-8 entitled
16 "Medical Assistance" are hereby amended to read as follows:

17 § 40-8-13.4 Rate methodology for payment for in state and out of state hospital services. –

18 (a) The executive office of health and human services shall implement a new methodology for payment
19 for in state and out of state hospital services in order to ensure access to and the provision of high quality
20 and cost-effective hospital care to its eligible recipients.

21 (b) In order to improve efficiency and cost effectiveness, the executive office of health and
22 human services shall:

23 (1)(A) With respect to inpatient services for persons in fee for service Medicaid, which is non-
24 managed care, implement a new payment methodology for inpatient services utilizing the Diagnosis
25 Related Groups (DRG) method of payment, which is, a patient classification method which provides a
26 means of relating payment to the hospitals to the type of patients cared for by the hospitals. It is
27 understood that a payment method based on Diagnosis Related Groups may include cost outlier payments
28 and other specific exceptions. The executive office will review the DRG payment method and the DRG
29 base price annually, making adjustments as appropriate in consideration of such elements as trends in
30 hospital input costs, patterns in hospital coding, beneficiary access to care, and the Center for Medicare
31 and Medicaid Services national CMS Prospective Payment System (IPPS) Hospital Input Price index.

32 (B) With respect to inpatient services, (i) it is required as of January 1, 2011 until December 31,
33 2011, that the Medicaid managed care payment rates between each hospital and health plan shall not
34 exceed ninety and one tenth percent (90.1%) of the rate in effect as of June 30, 2010. Negotiated increases

1 in inpatient hospital payments for each annual twelve (12) month period beginning January 1, 2012 may
2 not exceed the Centers for Medicare and Medicaid Services national CMS Prospective Payment System
3 (IPPS) Hospital Input Price index for the applicable period; (ii) provided, however, for the twenty-four
4 (24) month period beginning July 1, 2013 the Medicaid managed care payment rates between each
5 hospital and health plan shall not exceed the payment rates in effect as of January 1, 2013 and for the
6 twelve (12) month period beginning July 1, 2015, the Medicaid managed care payment rates between
7 each hospital and health plan shall not exceed ninety-five percent (95.0%) of the payment rates in effect
8 as of January 1, 2013; (iii) negotiated increases in inpatient hospital payments for each annual twelve
9 (12) month period beginning July 1, ~~2015~~ 2016 may not exceed the Centers for Medicare and Medicaid
10 Services national CMS Prospective Payment System (IPPS) Hospital Input Price Index, less Productivity
11 Adjustment, for the applicable period; (iv) The Rhode Island executive office of health and human
12 services will develop an audit methodology and process to assure that savings associated with the
13 payment reductions will accrue directly to the Rhode Island Medicaid program through reduced managed
14 care plan payments and shall not be retained by the managed care plans; (v) All hospitals licensed in
15 Rhode Island shall accept such payment rates as payment in full; and (vi) for all such hospitals,
16 compliance with the provisions of this section shall be a condition of participation in the Rhode Island
17 Medicaid program.

18 (2) With respect to outpatient services and notwithstanding any provisions of the law to the
19 contrary, for persons enrolled in fee for service Medicaid, the executive office will reimburse hospitals for
20 outpatient services using a rate methodology determined by the executive office and in accordance with
21 federal regulations. Fee-for-service outpatient rates shall align with Medicare payments for similar
22 services. Notwithstanding the above, there shall be no increase in the Medicaid fee-for-service outpatient
23 rates effective on July 1, 2013 ~~or~~, July 1, 2014, or July 1, 2015. For the twelve (12) month period
24 beginning July 1, 2015, Medicaid fee-for-service outpatient rates shall not exceed ninety-five percent
25 (95.0%) of the rates in effect as of July 1, 2014. Thereafter, changes to outpatient rates will be
26 implemented on July 1 each year and shall align with Medicare payments for similar services from the
27 prior federal fiscal year. With respect to the outpatient rate, (i) it is required as of January 1, 2011 until
28 December 31, 2011, that the Medicaid managed care payment rates between each hospital and health plan
29 shall not exceed one hundred percent (100%) of the rate in effect as of June 30, 2010. Negotiated
30 increases in hospital outpatient payments for each annual twelve (12) month period beginning January 1,
31 2012 may not exceed the Centers for Medicare and Medicaid Services national CMS Outpatient
32 Prospective Payment System (OPPS) hospital price index for the applicable period; (ii) provided,
33 however, for the twenty-four (24) month period beginning July 1, 2013 the Medicaid managed care
34 outpatient payment rates between each hospital and health plan shall not exceed the payment rates in

1 effect as of January 1, 2013 and for the twelve (12) month period beginning July 1, 2015, the Medicaid
2 managed care outpatient payment rates between each hospital and health plan shall not exceed ninety-five
3 percent (95.0%) of the payment rates in effect as of January 1, 2013; (iii) negotiated increases in
4 outpatient hospital payments for each annual twelve (12) month period beginning July 1, ~~2015~~ 2016 may
5 not exceed the Centers for Medicare and Medicaid Services national CMS Outpatient Prospective
6 Payment System (OPPS) Hospital Input Price Index, less Productivity Adjustment, for the applicable
7 period.

8 (c) It is intended that payment utilizing the Diagnosis Related Groups method shall reward
9 hospitals for providing the most efficient care, and provide the executive office the opportunity to conduct
10 value based purchasing of inpatient care.

11 (d) The secretary of the executive office of health and human services is hereby authorized to
12 promulgate such rules and regulations consistent with this chapter, and to establish fiscal procedures he or
13 she deems necessary for the proper implementation and administration of this chapter in order to provide
14 payment to hospitals using the Diagnosis Related Group payment methodology. Furthermore, amendment
15 of the Rhode Island state plan for medical assistance (Medicaid) pursuant to Title XIX of the federal
16 Social Security Act is hereby authorized to provide for payment to hospitals for services provided to
17 eligible recipients in accordance with this chapter.

18 (e) The executive office shall comply with all public notice requirements necessary to implement
19 these rate changes.

20 (f) As a condition of participation in the DRG methodology for payment of hospital services,
21 every hospital shall submit year-end settlement reports to the executive office within one year from the
22 close of a hospital's fiscal year. Should a participating hospital fail to timely submit a year-end settlement
23 report as required by this section, the executive office shall withhold financial cycle payments due by any
24 state agency with respect to this hospital by not more than ten percent (10%) until said report is
25 submitted. For hospital fiscal year 2010 and all subsequent fiscal years, hospitals will not be required to
26 submit year-end settlement reports on payments for outpatient services. For hospital fiscal year 2011 and
27 all subsequent fiscal years, hospitals will not be required to submit year-end settlement reports on claims
28 for hospital inpatient services. Further, for hospital fiscal year 2010, hospital inpatient claims subject to
29 settlement shall include only those claims received between October 1, 2009 and June 30, 2010.

30 (g) The provisions of this section shall be effective upon implementation of the amendments and
31 new payment methodology pursuant to this section and § 40-8-13.3, which shall in any event be no later
32 than March 30, 2010, at which time the provisions of §§ 40-8-13.2, 27-19-14, 27-19-15, and 27-19-16
33 shall be repealed in their entirety.

1 **§ 40-8-19 Rates of payment to nursing facilities.** – (a) Rate reform. (1) The rates to be paid by

2 the state to nursing facilities licensed pursuant to chapter 17 of title 23, and certified to participate in the
3 Title XIX Medicaid program for services rendered to Medicaid-eligible residents, shall be reasonable and
4 adequate to meet the costs which must be incurred by efficiently and economically operated facilities in
5 accordance with 42 U.S.C. § 1396a(a)(13). The executive office of health and human services shall
6 promulgate or modify the principles of reimbursement for nursing facilities in effect as of July 1, 2011 to
7 be consistent with the provisions of this section and Title XIX, 42 U.S.C. § 1396 et seq., of the Social
8 Security Act.

9 (2) The executive office of health and human services ("Executive Office") shall review the
10 current methodology for providing Medicaid payments to nursing facilities, including other long-term
11 care services providers, and is authorized to modify the principles of reimbursement to replace the current
12 cost based methodology rates with rates based on a price based methodology to be paid to all facilities
13 with recognition of the acuity of patients and the relative Medicaid occupancy, and to include the
14 following elements to be developed by the executive office:

15 (i) A direct care rate adjusted for resident acuity;

16 (ii) An indirect care rate comprised of a base per diem for all facilities;

17 (iii) A rerearray of costs for all facilities every three (3) years beginning October, 2015, which may
18 or may not result in automatic per diem revisions;

19 (iv) Application of a fair rental value system;

20 (v) Application of a pass-through system; and

21 (vi) Adjustment of rates by the change in a recognized national nursing home inflation index to be
22 applied on October 1st of each year, beginning October 1, 2012. This adjustment will not occur on
23 October 1, 2013 or October 1, 2015, but will ~~resume~~ occur on April 1, 2015. Said inflation index shall be
24 applied without regard for the transition factor in subsection (b)(2) below.

25 (b) Transition to full implementation of rate reform. For no less than four (4) years after the initial
26 application of the price-based methodology described in subdivision (a)(2) to payment rates, the executive
27 office of health and human services shall implement a transition plan to moderate the impact of the rate
28 reform on individual nursing facilities. Said transition shall include the following components:

29 (1) No nursing facility shall receive reimbursement for direct care costs that is less than the rate
30 of reimbursement for direct care costs received under the methodology in effect at the time of passage of
31 this act; and

32 (2) No facility shall lose or gain more than five dollars (\$5.00) in its total per diem rate the first
33 year of the transition. The adjustment to the per diem loss or gain may be phased out by twenty-five
34 percent (25%) each year; and

1 (3) The transition plan and/or period may be modified upon full implementation of facility per
2 diem rate increases for quality of care related measures. Said modifications shall be submitted in a report
3 to the general assembly at least six (6) months prior to implementation.

4 (4) Notwithstanding any law to the contrary, for the twelve (12) month period beginning July 1,
5 2015, payment rates established pursuant to this section shall not exceed ninety-seven percent (97.0%) of
6 the rates in effect as of April 1, 2015.

7 SECTION 2. Section 40-8.13-5 of the General Laws in Chapter 40-8.13 entitled “Long-Term
8 Managed Care Arrangements” is hereby amended to read as follows:

9 **§ 40-8.13-5 Financial savings under managed care.** – To the extent that financial savings are a
10 goal under any managed long-term care arrangement, it is the intent of the legislature to achieve such
11 savings through administrative efficiencies, care coordination, and improvements in care outcomes, rather
12 than through reduced reimbursement rates to providers. Therefore, any managed long-term care
13 arrangement shall include a requirement that the managed care organization reimburse providers for
14 services in accordance with the following:

15 (1) For a duals demonstration project, the managed care organization:

16 (i) Shall not combine the rates of payment for post-acute skilled and rehabilitation care provided
17 by a nursing facility and long-term and chronic care provided by a nursing facility in order to establish a
18 single payment rate for dual eligible beneficiaries requiring skilled nursing services;

19 (ii) Shall pay nursing facilities providing post-acute skilled and rehabilitation care or long-term
20 and chronic care rates that reflect the different level of services and intensity required to provide these
21 services; and

22 (2) For a managed long-term care arrangement that is not a duals demonstration project, the
23 managed care organization shall reimburse providers in an amount not less than the rate that would be
24 paid for the same care by EOHHS under the Medicaid program.

25 (3) Notwithstanding any law to the contrary, for the twelve (12) month period beginning July 1,
26 2015, payment rates between each nursing facility and managed care organization shall not exceed
27 ninety-seven percent (97.0%) of the payment rates in effect during state fiscal year 2015.

28 SECTION 3. Section 5 of Article 18 of Chapter 145 of the Public Laws of 2014 is hereby
29 repealed.

30 ~~SECTION 5. A pool is hereby established of up to \$1.5 million to support Medicaid Graduate~~
31 ~~Education funding for Academic Medical Centers with level I Trauma Centers who provide care to the~~
32 ~~state's critically ill and indigent populations. The office of Health and Human Services shall utilize this~~
33 ~~pool to provide up to \$3 million per year in additional Medicaid payments to support Graduate Medical~~
34 ~~Education programs to hospitals meeting all of the following criteria:~~

1 ~~(a) Hospital must have a minimum of 25,000 inpatient discharges per year for all patients~~
2 ~~regardless of coverage.~~

3 ~~(b) Hospital must be designated as Level I Trauma Center.~~

4 ~~(c) Hospital must provide graduate medical education training for at least 250 interns and~~
5 ~~residents per year.~~

6 ~~The Secretary of the Executive Office of Health and Human Services shall determine the~~
7 ~~appropriate Medicaid payment mechanism to implement this program and amend any state plan~~
8 ~~documents required to implement the payments.~~

9 ~~Payments for Graduate Medical Education programs shall be effective July 1, 2014.~~

10 SECTION 4. Pursuant to § 42-12.4-7 of the General Laws, the Secretary of Health and Human
11 Services is hereby authorized by the General Assembly to undertake those programmatic changes
12 requiring the implementation of a rule or regulation or modification of a rule or regulation in existence
13 prior to the implementation of the global consumer choice section 1115 demonstration, or any category II
14 change or category III change as defined in the demonstration, that are integral to the appropriations for
15 the medical assistance program contained in Article 1 of this Act and detailed in official budgetary
16 documents supplemental thereto.

17 SECTION 5. This article shall take effect as of July 1, 2014.

18 ARTICLE 6

19 RELATING TO EDUCATION

20 SECTION 1. Section 16-21-1 of the General Laws in Chapter 16-21-1 entitled "Health and
21 Safety of Pupils" is hereby amended to read as follows:

22 **§ 16-21-1 Transportation of public and private school pupils.** – (a) The school committee of
23 any town or city shall provide suitable transportation to and from school for pupils attending public ~~and~~
24 ~~private~~ schools of elementary and high school grades, ~~except private schools that are operated for profit,~~
25 who reside so far from the public ~~or private~~ school which the pupil attends as to make the pupil's regular
26 attendance at school impractical and for any pupil whose regular attendance would otherwise be
27 impracticable on account of physical disability or infirmity.

28 (b) For transportation provided to children enrolled in grades kindergarten through five (5),
29 school bus monitors, other than the school bus driver, shall be required on all school bound and home
30 bound routes. Variances to the requirement for a school bus monitor may be granted by the commissioner
31 of elementary and secondary education if he or she finds that an alternative plan provides substantially
32 equivalent safety for children. For the purposes of this section a "school bus monitor" means any person
33 sixteen (16) years of age or older.

34 (c) No school committee shall negotiate, extend, or renew any transportation contract unless such

1 contract enables the district to participate in the statewide transportation system, without penalty to the
2 district, upon implementation of the statewide transportation system described in RIGL §§ 16-21.1-7 and
3 16-21.1-8. Notice of the implementation of the statewide transportation system for in-district
4 transportation shall be provided in writing by the department of elementary and secondary education to
5 the superintendent of each district upon implementation. Upon implementation of the statewide system of
6 transportation for all students, each school committee shall purchase transportation services for their own
7 resident students by accessing the statewide system on a fee-for-service basis for each student; provided,
8 however, that any school committee that fulfills its transportation obligations primarily through the use of
9 district-owned buses or district employees may continue to do so. Variances to the requirement for the
10 purchase of transportation services through the statewide transportation system for non-public and non-
11 shared routes may be granted by the commissioner of elementary and secondary education if the
12 commissioner finds that an alternative system is more cost effective. All fees paid for transportation
13 services provided to students under the statewide system shall be paid into a statewide student
14 transportation services restricted receipt account within the department of elementary and secondary
15 education. Payments from the account shall be limited to payments to the transportation service provider
16 and transportation system consultants. This restricted receipt account shall not be subject to the indirect
17 cost recoveries provisions set forth in § 35-4-27.

18 SECTION 2. Sections 16-23-2 and 16-23-3 of the General Laws in Chapter 16-23 entitled
19 “Textbooks” are hereby repealed.

20 ~~§ 16-23-2 Loan of textbooks.~~ (a) ~~The school committee of every community as it is defined in~~
21 ~~§ 16-7-16 shall furnish upon request, at the expense of the community, textbooks to all students in grades~~
22 ~~K-12 in the fields of mathematics, science, modern foreign languages, English/language arts and~~
23 ~~history/social studies, appearing on the list of textbooks published by the commissioner of elementary and~~
24 ~~secondary education as provided in § 16-23-3, to all pupils of elementary and secondary school grades~~
25 ~~resident in the community, the textbooks to be loaned to the pupils free of charge, subject to any rules and~~
26 ~~regulations as to care and custody that the school committee may prescribe. For loan purposes, non public~~
27 ~~schools may not change a textbook assignment in a field more often than once in a three (3) year period as~~
28 ~~required of public schools in accordance with the provisions of § 16-23-1. Nothing in this section shall be~~
29 ~~construed as forbidding non public schools from requiring the use of any textbook, consistent with the~~
30 ~~provisions of this chapter, that does not adhere to said limitation, provided that the textbook is furnished~~
31 ~~to the student through a means other than the school committee of the student's city or town of residence.~~

32 (b) ~~Every school committee shall also furnish at the expense of the community all other textbooks~~
33 ~~and school supplies used in the public schools of the community, the other textbooks and supplies to be~~
34 ~~loaned to the pupils of the public schools free of charge, subject to any rules and regulations as to care~~

1 ~~and custody that the school committee may prescribe. School books removed from school use may be~~
2 ~~distributed to pupils, and any textbook may become the property of a pupil who has completed the use of~~
3 ~~it in school, subject to rules and regulations prescribed by the school committee.~~

4 ~~(e) Nothing in this section shall be construed to forbid requiring or accepting from a pupil a~~
5 ~~deposit of a reasonable amount of money as a guaranty for the return of school property other than the~~
6 ~~books and supplies required in this section to be loaned free of charge, provided that the school committee~~
7 ~~shall make suitable rules and regulations for the safekeeping and return of deposits; and, provided,~~
8 ~~further, that in establishing schedules for deposits, the school committee should include provision for~~
9 ~~waiver of deposit due to financial hardship.~~

10 ~~**§ 16-23-3 Published textbook list.** The commissioner shall publish annually a list of textbooks~~
11 ~~in use in the public schools in the fields of mathematics, science, modern foreign languages,~~
12 ~~English/language arts and history/social studies to all students in grades K-12. The list shall be published~~
13 ~~for the purpose of the loan of the textbooks to all resident pupils as provided for in § 16-23-2 and shall not~~
14 ~~include any textbooks of a sectarian nature or containing sectarian material.~~

15 SECTION 3. Sections 16-99-2 and 16-99-3 of the General Laws in Chapter 16-99 entitled “Full-
16 Day Kindergarten Accessibility Act” are hereby amended to read as follows:

17 **§ 16-99-2 Legislative findings.** The general assembly hereby finds and declares as follows:

18 (1) According to the National Center for Education Statistics, children in full-day kindergarten
19 classes make greater academic gains in both reading and mathematics compared to those in half-day
20 classes;

21 (2) According to Kids Count RI, full-day kindergarten can contribute to closing academic
22 achievement gaps between lower and higher income children;

23 (3) According to the National Center for Education Statistics, full-day kindergarten classes are
24 more likely than half-day classes to instruct students daily in the areas of mathematics, social studies and
25 science; and

26 (4) According to Kids Count RI, children in full-day kindergarten are more likely to be ready for
27 first grade than those in half-day programs, regardless of family income, parental education and school
28 characteristics; and

29 ~~(5) While this act does not mandate school districts to operate a full-day kindergarten program, it~~
30 ~~provides limited one-time, start-up funding for school districts that move to provide students with access~~
31 ~~to full-day kindergarten programs, distributed on a competitive basis.~~

32 **§ 16-99-3 Full-day kindergarten.** – (a) For the purpose of this chapter, the term "full-day
33 kindergarten" means a kindergarten program that operates a minimum of five and one-half (5 1/2) hours
34 or three hundred thirty (330) minutes of actual school work, excluding lunch, recess periods, common

1 planning time, pre- and post-school teacher time, study halls, homeroom periods, student passing time
2 and any other time that is not actual instructional time.

3 (b) The commissioner of elementary and secondary education has discretion to further define and
4 approve full-day kindergarten programs consistent with this section.

5 (c) Beginning August 2016, each school district must offer full-day kindergarten to every eligible
6 student to qualify for any state education aid provided for in Title 16.

7 SECTION 4. This article shall take effect upon passage.

8 ARTICLE 7

9 RELATING TO HIGHER EDUCATION ASSISTANCE AUTHORITY

10 SECTION 1. Chapter 16-37 entitled "Best and Brightest Scholarship Fund" is hereby repealed.

11 ~~§ 16-37-1 Short title.~~ — This chapter shall be known and may be cited as the "Best and Brightest
12 Scholarship Act."

13 ~~§ 16-37-2 Establishment of scholarship fund.~~ — There is established the best and brightest
14 scholarship fund, sometimes referred to as the "fund" or the "scholarship fund," which shall be utilized to
15 attract the best and the brightest of the state's high school graduates, as defined in this chapter, into public
16 school teaching within the state. The general assembly shall annually appropriate any funds as it deems
17 necessary to implement the purposes of this chapter.

18 ~~§ 16-37-3 Scholarship committee — Members — Meetings — Officers.~~ — There is established the
19 best and brightest scholarship committee, consisting of nine (9) members: one shall be the commissioner
20 of elementary and secondary education, or the commissioner's designee; one shall be the commissioner of
21 higher education, or the commissioner's designee; one shall be the president of the Rhode Island
22 Federation of Teachers, or the president's designee; one shall be the president of the National Education
23 Association of Rhode Island, or the president's designee; one shall be the president of the Rhode Island
24 association of school committees, or the president's designee; one shall be the president of the Rhode
25 Island Association of Superintendents of Schools, or the president's designee; one shall be the executive
26 director of the Rhode Island higher education assistance authority, or the director's designee; and two (2)
27 shall be the parents of public or private school students, to be appointed by the governor for a two (2) year
28 term. The committee shall elect a chairperson, vice chairperson, secretary, and treasurer for one year
29 terms.

30 ~~§ 16-37-4 Scholarship committee Powers.~~ — The committee is authorized and empowered:

- 31 (1) To adopt rules and regulations designed to implement the provisions of this chapter;
32 (2) To adopt selection criteria, consistent with this chapter, for best and brightest scholars;
33 (3) To select annually the best and brightest scholars;
34 (4) To grant appropriate extensions pursuant to § 16-37-8;

1 ~~(5) To supervise the disbursement of the best and brightest scholarship fund;~~

2 ~~(6) To work in cooperation with the Rhode Island higher education assistance authority which is~~
3 ~~directed to provide the committee with staff assistance necessary to carry out the purposes of this chapter;~~

4 ~~(7) To receive donations and grants from sources including, but not limited to, the federal~~
5 ~~government, governmental and private foundations, and corporate and individual donors; these donations~~
6 ~~and grants to be deposited in the scholarship fund.~~

7 ~~**§ 16-37-5 Eligibility for scholarship.** — To be considered for the scholarship, all applicants~~
8 ~~must:~~

9 ~~(1) Be a graduating senior at a public, parochial, or private high school in Rhode Island;~~

10 ~~(2) Be accepted for admission at an accredited college or university in the United States or~~
11 ~~Canada;~~

12 ~~(3) Achieve one or more of the following distinctions:~~

13 ~~(i) Be in the top ten percent (10%) of the applicant's graduating class as of the end of the second~~
14 ~~quarter of the senior year;~~

15 ~~(ii) Have a score in the ninetieth (90th) percentile or above on either the mathematics or verbal~~
16 ~~section of the scholastic aptitude test (S.A.T.);~~

17 ~~(iii) Have a combined mathematics and verbal S.A.T. score in the eighty fifth (85th) percentile or~~
18 ~~above.~~

19 ~~**§ 16-37-6 Award of scholarship — Conditions.** — At any time that sufficient funds become~~
20 ~~available the committee shall award scholarships in the amount of five thousand dollars (\$5,000) for each~~
21 ~~of the four (4) years of college attendance to each of the eligible applicants which the committee deems to~~
22 ~~be most qualified for the scholarship; provided, that to maintain entitlement to the scholarship each~~
23 ~~recipient must:~~

24 ~~(1) Be enrolled as a full time student in an accredited college or university;~~

25 ~~(2) Pursue a course of study leading to Rhode Island teacher certification; and~~

26 ~~(3) Maintain satisfactory progress as determined by the college or university attended by the~~
27 ~~recipient.~~

28 ~~**§ 16-37-7 Requirement of public school teaching services.** — Each recipient of the scholarship~~
29 ~~shall be required to teach in the public schools of this state for two (2) years for each year of scholarship~~
30 ~~assistance. This requirement must be completed within ten (10) years of college graduation if the~~
31 ~~scholarship was used for all four (4) years of college, within eight (8) years if used for three (3) full years~~
32 ~~of college, within six (6) years if used for two (2) full years of college, and within four (4) years if used~~
33 ~~for one full year of college; provided, however, that a recipient shall be granted an extension of the~~
34 ~~requirement upon a showing by the recipient that he or she:~~

1 ~~(1) Returns to a full time course of study related to the field of public school teaching or~~
2 ~~administration;~~

3 ~~(2) Is serving, not in excess of three (3) years, as a member of the armed forces of the United~~
4 ~~States;~~

5 ~~(3) Is temporarily totally disabled for a period of time not to exceed three (3) years as established~~
6 ~~by the sworn affidavit of a qualified physician; or~~

7 ~~(4) Is seeking and unable to find employment in Rhode Island as a certified public school teacher.~~

8 ~~**§ 16-37-8 Failure to comply with § 16-37-7 – Exceptions.** Any recipient who fails to comply~~
9 ~~with the requirements of § 16-37-7 shall be required to reimburse the scholarship fund for all money~~
10 ~~received by the recipient, together with interest at a rate to be set by the Rhode Island higher education~~
11 ~~assistance authority in conformity with the interest rate of the guaranteed student loan program in effect at~~
12 ~~the time any required repayment begins; provided, that no person shall be required to reimburse the fund~~
13 ~~who has become permanently disabled as determined by a physician qualified by this state to render this~~
14 ~~opinion.~~

15 ~~**§ 16-37-9 Severability.** If any provision of this chapter or of any rule or regulation made under~~
16 ~~this chapter, or its application to any person or circumstance, is held invalid by a court of competent~~
17 ~~jurisdiction, the remainder of the chapter, rule, or regulation and the application of the provision to other~~
18 ~~persons or circumstances shall not be affected by its invalidity. The invalidity of any section or sections or~~
19 ~~parts of any section or sections of this chapter shall not affect the validity of the remainder of this chapter.~~

20 SECTION 2. Sections 16-41-3 and 16-41-5 of the General Laws in Chapter 16-41 entitled “New England
21 Higher Education Compact” are hereby amended to read as follows:

22 ~~**§ 16-41-3 Rhode Island board members – Qualifications.**~~ – (a) The ~~authority~~ commissioner of
23 postsecondary education shall appoint four (4) resident members from Rhode Island who shall serve in
24 accordance with article II of the compact. In the month of May in each year the ~~authority~~ commissioner of
25 postsecondary education shall appoint successors to those members of the compact whose terms shall
26 expire in that year, to hold office on the first day of June in the year of appointment and until the first day
27 of June in the third year after their successors are appointed and qualified.

28 (b) The president of the senate shall appoint two (2) members of the senate to serve in accordance
29 with article II for the member's legislative term.

30 (c) The speaker of the house shall appoint two (2) members of the house to serve in accordance
31 with article II for the member's legislative term.

32 (d) Any vacancy of a member which shall occur in the commission shall be filled by the
33 appointing authority for the remainder of the unexpired term. All members shall serve without

1 compensation but shall be entitled to receive reimbursement for reasonable and necessary expenses
2 actually incurred in the performance of their duties.

3 **§ 16-41-5 Repayment of loans.** – (a) Dental, medical, optometry, osteopathic, and veterinary
4 medical students that attend schools under the Rhode Island health professions contract program which
5 are supported by funds from the state may decrease their indebtedness to the state under the following
6 options:

7 (1) Upon completion of his or her dental, medical, optometry, osteopathic, or veterinary training,
8 including internship and residency training, a student who establishes residency in the state will be
9 relieved of fifteen percent (15%) of that indebtedness per year for each year that the student is employed
10 by the state in a full time capacity for a maximum cancellation of seventy-five percent (75%) for five (5)
11 years of employment.

12 (2) Any graduate who establishes residency in the state will be relieved of ten percent (10%) of
13 that indebtedness per year for each year that he or she practices dentistry, medicine, optometry,
14 osteopathy, or veterinary medicine in the state in a full time capacity for a maximum cancellation of fifty
15 percent (50%) for five (5) years of practice.

16 (b) In no event shall any student's cancellation of indebtedness under subsection (a) exceed
17 seventy-five percent (75%).

18 (c) In no event shall any student be entitled to a refund of any sums paid on his or her
19 indebtedness by virtue of the provisions of this section.

20 (d) The ~~authority~~ office of the postsecondary commissioner shall promulgate rules and
21 regulations which are necessary and proper to promote the full implementation of this section.

22 SECTION 3. Sections 16-56-3, 16-56-7, 16-56-8, 16-56-9 and 16-56-13 of the General Laws in
23 Chapter 16-56 entitled “Postsecondary Student Financial Assistance” are hereby repealed.

24 **~~§ 16-56-3 General eligibility requirements.~~** ~~(a) Eligibility of individuals. An applicant is~~
25 ~~eligible for a monetary award when the authority finds:~~

- 26 (1) ~~That the applicant is a resident of this state;~~
27 (2) ~~That the applicant is enrolled or intends to be enrolled in a program of study which leads to a~~
28 ~~certificate or degree at an eligible postsecondary institution;~~
29 (3) ~~That the applicant exhibits financial need.~~

30 (b) ~~Eligibility of institutions. An applicant may apply for an award for the purpose of attending an~~
31 ~~institution of postsecondary education whether designated as a university, college, community college,~~
32 ~~junior college, or scientific or technical school, which either:~~

33 (1) ~~Is an institution that has gained accreditation from an accrediting agency which is recognized~~
34 ~~by the United States office of education; or~~

1 ~~(2) Has gained the explicit endorsement from the authority for the purpose of Rhode Island~~
2 ~~postsecondary student financial assistance.~~

3 ~~**§ 16-56-7 Need based scholarships.** (a) Amount of funds allocated.~~ In accordance with
4 authority policies, the authority shall allocate annually to need based scholarships any portion of the total
5 appropriation to this chapter as it may deem appropriate for the purpose of carrying out the provisions of
6 this section.

7 ~~(b) Definitions.~~

8 ~~(1) "Educational costs" means the same as defined in § 16-56-6.~~

9 ~~(2) "Family contribution" means the same as defined in § 16-56-6.~~

10 ~~(3) "Federal grant assistance" means the same as defined in § 16-56-6.~~

11 ~~(4) "Self help" means the same as defined in § 16-56-6.~~

12 ~~(5) "State grant assistance" shall be of any sum awarded to the student as determined in need~~
13 ~~based grants pursuant to § 16-56-6.~~

14 ~~(c) Eligibility of individuals.~~ Eligibility for need based scholarships shall be determined by the
15 authority when it is established that the applicant is found to meet the general eligibility requirements as
16 stated in § 16-56-3; and that the applicant is judged to be an outstanding student on the basis of criteria
17 approved by the authority. The criteria, at a minimum, shall consider the following:

18 ~~(1) A student's scholastic ability and promise; and/or~~

19 ~~(2) A student's subject competencies including those that might extend beyond the academic~~
20 ~~fields.~~

21 ~~(d) Amount of the awards.~~ The amount of the need based scholarships shall be not less than two
22 hundred and fifty dollars (\$250) and no greater than two thousand dollars (\$2,000) and shall be based
23 upon the following formula: need equals educational costs less the sum of family contribution plus self-
24 help plus federal grant assistance plus state grant assistance. Honorary awards shall be presented to
25 students who are determined to have insufficient financial need for monetary awards.

26 ~~(e)(1) Number and terms of awards.~~ The number of awards to be granted in any one fiscal year
27 shall be contingent upon the funds allocated to this section. Students determined to be most outstanding
28 shall receive priority for an award.

29 ~~(2) Each award is renewable by the authority annually for a period of time equivalent to what is~~
30 ~~reasonably required for the completion of a baccalaureate or associate degree. The authority shall grant a~~
31 ~~renewal only upon the student's application and upon the authority's finding that:~~

32 ~~(i) The applicant has completed successfully the work of the preceding year and has demonstrated~~
33 ~~continued scholarly achievement;~~

34 ~~(ii) The applicant remains a resident of this state; and~~

1 ~~(iii) The applicant's financial situation continues to warrant receipt of a monetary award.~~

2 ~~**§ 16-56-8 Need based work opportunities.**—(a) Amount of funds allocated.~~ The authority shall
3 allocate an amount annually to need based work opportunities not exceeding twenty percent (20%) of the
4 total appropriation to this chapter.

5 ~~(b) Eligibility of individuals.~~ Eligibility for need based work opportunities shall be determined by
6 the authority when it is established that the applicant is found to meet the general eligibility requirements
7 stated in § 16-56-3.

8 ~~(c) Number and terms of work opportunities.~~

9 ~~(1) Each applicant is eligible for consideration for participation in need based work opportunities~~
10 ~~for a period of time equivalent to what is reasonably required for the completion of the baccalaureate or~~
11 ~~associate degree. The authority shall grant a renewal only upon the student's application and upon the~~
12 ~~authority's finding that:~~

13 ~~(i) The applicant has completed successfully the academic work of the preceding year;~~

14 ~~(ii) The applicant remains a resident of this state; and~~

15 ~~(iii) The applicant's financial situation continues to warrant the work opportunities.~~

16 ~~(2) If the funds available are insufficient to satisfy fully the financial need of the total number of~~
17 ~~applicants, priorities shall be determined by the authority.~~

18 ~~(d) Suitable employment.~~ Students may enter into employment with agencies deemed eligible for
19 participation in the federal college work study program.

20 ~~**§ 16-56-9 Granting of awards.**—~~ The authority may distribute the funds allocated to the need
21 based work opportunity program to eligible Rhode Island institutions or directly to eligible students as the
22 authority may deem appropriate.

23 ~~**§ 16-56-13 Income exclusion from financial aid needs test.**—~~ Notwithstanding any other
24 provision of this chapter, chapter 57 of this title, or any other general or public law, or regulations issued
25 pursuant to these, to the extent permitted by federal law, the first twenty five thousand dollars (\$25,000)
26 of Rhode Island savings bond investment or the first twenty five thousand dollars (\$25,000) of United
27 States savings bonds issued after December 31, 1989 or any combination of these not exceeding twenty
28 five thousand dollars (\$25,000) shall not be considered in evaluating the financial situation of a student,
29 or be deemed a financial resource of or a form of financial aid or assistance to the student, for the
30 purposes of determining the eligibility of the student for any guaranteed loan, scholarship, grant,
31 monetary assistance, or need based work opportunity, awarded by the Rhode Island higher education
32 assistance authority or the state pursuant to any other law of this state; nor shall any Rhode Island savings
33 bond investment or United States savings bonds issued after December 31, 1989, provided for a student
34 reduce the amount of any guaranteed loan, scholarship, grant, or monetary assistance which the student is

1 ~~entitled to be awarded by the Rhode Island higher education assistance authority in accordance with any~~
2 ~~other law of this state.~~

3 SECTION 4. Sections 16-56-2, 16-56-5, 16-56-6, and 16-56-10 of the General Laws in Chapter
4 16-56 entitled "Postsecondary Student Financial Assistance" are hereby amended to read as follows.

5 **§ 16-56-2 General appropriation.** – (a) The general assembly shall appropriate annually a sum
6 ~~to provide postsecondary financial assistance pay every award authorized by §§ 16-56-2—16-56-12. For~~
7 ~~each fiscal year the appropriation shall be determined by multiplying forty percent (40%) of the October~~
8 ~~enrollment for the prior four (4) June graduating classes eligible for new or renewed awards times one~~
9 ~~thousand dollars (\$1,000). This sum may be supplemented from time to time by other sources of revenue~~
10 including but not limited to federal programs.

11 ~~(b) Notwithstanding the provisions of subsection (a), the sums appropriated in each fiscal year are~~
12 ~~the sums appropriated for this purpose in Article 1 of P.L. 1992, ch. 133.~~

13 **§ 16-56-5 Annual evaluation.** – An evaluation of this chapter shall be performed annually by the
14 ~~authority office of the postsecondary commissioner.~~ The evaluation shall provide, as a minimum, a
15 summary of the following information relating to award recipients: family income, student financial
16 needs, basic educational opportunity grant awards, state awards, institutional based student assistance
17 awards, federally guaranteed loans, other student assistance, institution attended, and other pertinent
18 information.

19 **§ 16-56-6 Need based grants and scholarships.** – (a) ~~Amount of funds allocated. In accordance~~
20 ~~with authority policies, the office of the postsecondary commissioner authority~~ shall allocate annually to
21 need based grants and scholarships any portion of the total appropriation to this chapter as it may deem
22 appropriate for the purpose of carrying out the provisions of this section.

23 ~~(b) Definitions. The following words and phrases have the following definitions for the purpose~~
24 ~~of this chapter except to the extent that any of these words or phrases is specifically qualified by its~~
25 ~~context:~~

26 (1) ~~"Educational costs" shall be equal to the costs to a student attending the institution of the~~
27 ~~student's choice.~~

28 (2) ~~"Family contribution" shall be the sum expected to be contributed by the family, which~~
29 ~~amount shall be determined by an approved needs analysis system.~~

30 (3) ~~"Federal grant assistance" shall be that grant in aid which is provided by the federal~~
31 ~~government to students for the purpose of attending postsecondary education. This assistance may~~
32 ~~include, but not necessarily be limited to, basic educational opportunity grants, social security benefits,~~
33 ~~and veterans survivors' benefits.~~

1 ~~(4) "Self help" shall be a sum determined by the authority and shall be a total determined by~~
2 ~~considering the ability of the student to earn or borrow during full time enrollment.~~

3 ~~(be) Eligibility of individuals. Eligibility for need based grants and scholarships shall be determined by~~
4 ~~the authority when it is established that the applicant is found to meet the general eligibility requirements~~
5 ~~stated in § 16-56-3 office of the postsecondary commissioner.~~

6 ~~(d) Amount of the awards. The amount of the need based grants shall be not less than two~~
7 ~~hundred and fifty dollars (\$250) and no greater than two thousand dollars (\$2,000) and shall be based~~
8 ~~upon the following formula: need equals educational cost less the sum of family contribution plus self-~~
9 ~~help plus federal grant assistance.~~

10 ~~(ce) Number and terms of awards. (1) The number of awards to be granted in any one fiscal year~~
11 ~~shall be contingent upon the funds allocated to this section.~~

12 ~~(2) If the funds available are insufficient to satisfy fully the financial need of the eligible students,~~
13 ~~priority of students shall be determined by the authority.~~

14 ~~(3) Each applicant is eligible for consideration for an award for a period of time equivalent to~~
15 ~~what is required for the completion of a baccalaureate or associate degree on a full time basis. The~~
16 ~~authority shall grant a renewal only upon the student's application and upon the authority's finding that:~~

17 ~~(i) The applicant has completed successfully the work of the preceding year;~~

18 ~~(ii) The applicant remains a resident of the state; and~~

19 ~~(iii) The applicant's financial situation continues to warrant receipt of a monetary award.~~

20 **§ 16-56-10 Rules and regulations.** – In addition to the powers and duties prescribed in previous
21 sections of this chapter, the ~~authority~~ office of the postsecondary commissioner shall promulgate rules
22 and regulations and take any other actions which will promote the full implementation of all provisions of
23 this chapter.

24 SECTION 5. Sections 16-57-5, 16-57-6, 16-57-11, 16-57-13, 16-57-14, 16-57-15 and 16-57-17
25 of the General Laws in Chapter 16-57 entitled "Higher Education Assistance Authority" are hereby
26 repealed.

27 **§ 16-57-5 General powers.** ~~The authority shall have all of the powers necessary and convenient~~
28 ~~to carry out and effectuate the purposes and provisions of this chapter, including without limiting the~~
29 ~~generality of the foregoing the power:~~

30 ~~(1) To sue and be sued, complain and defend, in its corporate name.~~

31 ~~(2) To have a seal which may be altered at pleasure and to use the seal by causing it, or a~~
32 ~~facsimile of it, to be impressed or affixed or in any other manner reproduced.~~

33 ~~(3) To acquire the assets and assume the liabilities or to effect the merger into itself of any~~
34 ~~corporation or other organization incorporated or organized under the laws of this state, which~~

1 corporation or organization has as its principal business the guaranteeing of loans to students in eligible
2 institutions, all upon any terms and for any consideration as the authority shall deem to be appropriate.

3 ~~(4) To make contracts and guarantees and incur liabilities, and borrow money at any rates of~~
4 ~~interest as the authority may determine.~~

5 ~~(5) To make and execute all contracts, agreements, and instruments necessary or convenient in~~
6 ~~the exercise of the powers and functions of the authority granted by this chapter.~~

7 ~~(6) To lend money for its purposes, and to invest and reinvest its funds.~~

8 ~~(7) To conduct its activities, carry on its operations, and have offices and exercise the powers~~
9 ~~granted by this chapter, within or without the state.~~

10 ~~(8) To elect, appoint, or employ in its discretion officers and agents of the authority, and define~~
11 ~~their duties.~~

12 ~~(9) To make and alter bylaws, not inconsistent with this chapter, for the administration and~~
13 ~~regulation of the affairs of the authority, and the bylaws may contain provisions indemnifying any person~~
14 ~~who is or was a director, officer, employee, or agent of the authority, in the manner and to the extent~~
15 ~~provided in § 7-1.2-814.~~

16 ~~(10) To have and exercise all powers necessary or convenient to effect its purposes.~~

17 ~~**§ 16-57-6 Additional general powers.**~~ (a) In addition to the powers enumerated in § 16-57-5,
18 the authority shall have power:

19 ~~(1) To guarantee one hundred percent (100%) of the unpaid principal and accrued interest of any~~
20 ~~eligible loan made by a lender to any eligible borrower for the purpose of assisting the students in~~
21 ~~obtaining an education in an eligible institution.~~

22 ~~(2) To procure insurance of every nature to protect the authority against losses which may be~~
23 ~~incurred in connection with its property, assets, activities, or the exercise of the powers granted under this~~
24 ~~chapter.~~

25 ~~(3) To provide advisory, consultative, training, and educational services, technical assistance and~~
26 ~~advice to any person, firm, partnership, or corporation, whether the advisee is public or private, in order to~~
27 ~~carry out the purposes of this chapter.~~

28 ~~(4) When the authority deems it necessary or desirable, to consent to the modification, with~~
29 ~~respect to security, rate of interest, time of payment of interest or principal, or any other term of a bond or~~
30 ~~note, contract, or agreement between the authority and the recipient or maker of a loan, bond, or note~~
31 ~~holder, or agency or institution guaranteeing the repayment of, purchasing, or selling an eligible loan.~~

32 ~~(5) To engage the services of consultants on a contract basis for rendering professional and~~
33 ~~technical assistance and advice, and to employ attorneys, accountants, financial experts, and any other~~
34 ~~advisers, consultants, and agents as may be necessary in its judgment, and to fix their compensation.~~

1 ~~(6) To contract for and to accept any gifts, grants, loans, funds, property, real or personal, or~~
2 ~~financial or other assistance in any form from the United States or any agency or instrumentality of the~~
3 ~~United States, or from the state or any agency or instrumentality of the state, or from any other source,~~
4 ~~and to comply, subject to the provisions of this chapter, with the terms and conditions of those entities.~~
5 ~~Loans provided pursuant to subsection (b) of this section shall be repaid to the authority and deposited as~~
6 ~~general revenues of the state.~~

7 ~~(7) To prescribe rules and regulations deemed necessary or desirable to carry out the purposes of~~
8 ~~this chapter, including without limitation rules and regulations:~~

9 ~~(i) To insure compliance by the authority with the requirements imposed by statutes or regulation~~
10 ~~governing the guaranty, insurance, purchase, or other dealing in eligible loans by federal agencies,~~
11 ~~instrumentalities, or corporations;~~

12 ~~(ii) To set standards of eligibility for educational institutions, students, and lenders and to define~~
13 ~~residency and all other terms as the authority deems necessary to carry out the purposes of this chapter,~~
14 ~~and~~

15 ~~(iii) To set standards for the administration of programs of postsecondary student financial~~
16 ~~assistance assigned by law to the authority, including but not limited to savings programs. Administrative~~
17 ~~rules governing savings programs shall authorize the authority, in conjunction with the executive director~~
18 ~~of the Rhode Island student loan authority and the commissioner of higher education, to negotiate~~
19 ~~reciprocal agreements with institutions in other states offering similar savings programs for the purpose of~~
20 ~~maximizing educational benefits to residents, students and institutions in this state.~~

21 ~~(8) To establish penalties for violations of any order, rule, or regulation of the authority, and a~~
22 ~~method for enforcing these.~~

23 ~~(9) To set and collect fees and charges, in connection with its guaranties and servicing, including~~
24 ~~without limitation reimbursement of costs of financing by the authority, service charges, and insurance~~
25 ~~premiums and fees and costs associated with implementing and administering savings programs~~
26 ~~established pursuant to this chapter. Fees collected due to the Rhode Island work study program or due to~~
27 ~~unclaimed checks shall be deposited as general revenues of the state.~~

28 ~~(10) To enter into an agreement with any university to secure positions for Rhode Island~~
29 ~~applicants in a complete course of study in its school of veterinary medicine, medicine, dentistry,~~
30 ~~optometry, and three (3) positions in osteopathic medicine and to guarantee and pay the university for~~
31 ~~each position.~~

32 ~~(11) To enter into agreements with loan applicants providing preferential rates and terms relative~~
33 ~~to other applicants; provided, that the loan applicants agree to work in a licensed child care facility in~~

1 ~~Rhode Island for at least two (2) years upon completion or graduation in a course of study in early~~
2 ~~childhood education or child care.~~

3 ~~(12) To develop and administer, in conjunction with the executive director of the Rhode Island~~
4 ~~student loan authority and the commissioner of higher education, savings programs on behalf of itself, the~~
5 ~~state, students, parents, or any other private parties, all in cooperation with any other public and private~~
6 ~~parties and in accordance with any criteria or guidelines as the authority shall deem appropriate to~~
7 ~~effectuate the purposes of this chapter. To the extent practicable, these savings programs shall provide~~
8 ~~students, parents, and others an opportunity to participate conveniently and shall enable them to set aside~~
9 ~~relatively small amounts of money at a time and shall incorporate or be available in conjunction with,~~
10 ~~directly or indirectly, tuition agreements from as many eligible institutions as feasible.~~

11 ~~(13) In connection with any savings program, the authority may accept, hold, and invest funds of~~
12 ~~students, parents, institutions of higher education, and others and may establish special accounts for~~
13 ~~carrying out the purposes of this chapter.~~

14 ~~(14) To enter into contracts with institutions of higher education, financial institutions, financial~~
15 ~~consultants, attorneys, and other qualified entities on terms and conditions and for a term as it may deem~~
16 ~~advisable or desirable for the purpose of establishing and maintaining savings programs authorized~~
17 ~~pursuant to this chapter.~~

18 ~~(15) To create and supervise a marketing plan dedicated to the promotion of savings programs~~
19 ~~created pursuant to this chapter and to hire professional consultants and attorneys for these purposes.~~

20 ~~(16) To assist the general treasurer in the implementation of the college and university savings~~
21 ~~bond program established under chapter 15 of title 35.~~

22 ~~(b) The authority shall enter into agreements with the prospective students to the university for~~
23 ~~the repayment by the students of the money advanced under any terms and conditions as are reasonable.~~
24 ~~The authority may charge students interest on the money advanced under this chapter at a fixed or~~
25 ~~variable rate not exceeding the greater of seven and one half percent (7 1/2%) per annum or the maximum~~
26 ~~rate allowable under 42 U.S.C. § 292 et seq. and the regulations promulgated under that act by the United~~
27 ~~States office of education.~~

28 ~~**§ 16-57-11 Exemption from taxation.** (a) The exercise of the powers granted by this chapter~~
29 ~~will be in all respects for the benefit of the people of this state, the increase of their commerce, welfare,~~
30 ~~and prosperity and for the improvement of their living conditions and will constitute the performance of~~
31 ~~an essential governmental function and the authority shall not be required to pay any taxes or assessments~~
32 ~~upon or in respect of any transaction or of any property or money of the authority, levied by any~~
33 ~~municipality or political subdivision of the state.~~

1 ~~(b) The authority shall not be required to pay state taxes of any kind, and the authority, its~~
2 ~~property, and money shall at all times be free from taxation of every kind by the state and by the~~
3 ~~municipalities and all political subdivisions of the state. The authority shall not be required to pay any~~
4 ~~transfer tax of any kind on account of instruments recorded by it or on its behalf.~~

5 ~~**§ 16-57-13 Authorization to accept appropriated money.**—The authority is authorized to~~
6 ~~accept any money as may be appropriated by the general assembly for effectuating its corporate purposes~~
7 ~~including, without limitation, the payment of the initial expenses of administration and operation and the~~
8 ~~establishment of reserves or contingency funds to be available for the payment of obligations of the~~
9 ~~authority and to reimburse the authority for sums forgiven pursuant to § 16-41-5.~~

10 ~~**§ 16-57-14 Assistance by state officer, departments, boards, and commissions.**—(a) All state~~
11 ~~agencies may render any services to the authority within their respective functions as may be requested by~~
12 ~~the authority.~~

13 ~~(b) Upon request of the authority, any state agency is authorized and empowered to transfer to the~~
14 ~~authority any officers and employees as it may deem necessary to assist the authority in carrying out its~~
15 ~~functions and duties under this chapter. Officers and employees transferred shall not lose their civil~~
16 ~~service status or rights.~~

17 ~~**§ 16-57-15 Annual report.**—The authority shall submit to the governor within four (4) months~~
18 ~~after the close of its fiscal year a report of its activities for the preceding fiscal year, and the report shall~~
19 ~~set forth a complete operating and financial statement covering the authority's operations during the~~
20 ~~preceding fiscal year. The authority shall include in its report the names and addresses of each recipient.~~
21 ~~The authority shall cause an audit of its books and accounts to be made at least once each fiscal year by~~
22 ~~certified public accountants selected by it and its cost shall be paid by the authority from funds available~~
23 ~~to it pursuant to this chapter.~~

24 ~~**§ 16-57-17 Other statutes.**—Nothing contained in this chapter shall restrict or limit the powers~~
25 ~~of the authority arising under any laws of this state except where those powers are expressly contrary to~~
26 ~~the provisions of this chapter. This chapter shall be construed to provide a complete additional and~~
27 ~~alternative method for doing the things authorized by it and shall be regarded as supplemental and in~~
28 ~~addition to the powers conferred by other laws. The making of any guaranty under the provisions of this~~
29 ~~chapter need not comply with the requirements of any other statute applicable to the making of~~
30 ~~guaranties. Except as provided in this chapter no proceedings or notice of approval shall be required for~~
31 ~~the making of any guaranty.~~

32 SECTION 6. Sections 16-57-1, 16-57-2, 16-57-3, 16-57-4, 16-57-6.1, 16-57-6.2, 16-57-6.3, 16-
33 57-6.5, 16-57-6.6, 16-57-7, 16-57-8, 16-57-9, 16-57-10 and 16-57-12 of the General Laws in Chapter 16-
34 57 entitled “Higher Education Assistance Authority” are hereby amended to read as follows:

1 **§ 16-57-1 Short title.** – This chapter shall be known as the "Rhode Island Division of Higher
2 Education Assistance ~~Authority~~ Act".

3 **§ 16-57-2 Findings.** – The purpose of this chapter is to authorize a system of financial assistance,
4 consisting of loan guaranties, savings programs, and other aids, for qualified students, parents, and others
5 responsible for paying the costs of education to enable them to obtain an education beyond the high
6 school level by attending public or private educational institutions. The general assembly has found and
7 declares that it is in the public interest and essential to the welfare and well being of the inhabitants of the
8 state and to the proper growth and development of the state to foster and provide financial assistance to
9 qualified students, parents, and others responsible for paying the costs of education in order to help
10 prospective students to obtain an education beyond the high school level. The general assembly has found
11 that many inhabitants of the state who are fully qualified to enroll in appropriate educational institutions
12 for furthering their education beyond the high school level lack the financial means and are unable,
13 without financial assistance as authorized under this chapter, to pay the cost of their education, with a
14 consequent irreparable loss to the state of valuable talents vital to its welfare. The general assembly also
15 recognizes that educational institutions for higher education are in need of appropriate additional means to
16 provide financial assistance to qualified students, parents, and others responsible for paying the costs of
17 education. The general assembly has determined that the establishment of a proper system of financial
18 assistance, containing eligibility opportunities for students and residents of this state and other states
19 serves a public purpose and is fully consistent with the long established policy of the state to encourage,
20 promote, and assist the education of the people of the state. The general assembly further finds that
21 higher education financial assistance needs of Rhode Islanders will be better served by transferring all of
22 the functions and programs handled by the Rhode Island higher education assistance authority to the
23 Rhode Island division of higher education assistance and the office of the general treasurer.

24 **§ 16-57-3 Definitions.** – As used in this chapter, the following words and terms have the
25 following meanings unless the context indicates another or different meaning or intent:

26 (1) "Authority" means the governmental agency and public ~~instrumentality~~ previously authorized,
27 created, and established pursuant to § 16-57-4.

28 (2) "Commissioner of ~~higher~~ postsecondary education" means the commissioner appointed by the
29 ~~Rhode Island board of governors for higher education~~ council on postsecondary education pursuant to §
30 16-59-6 or his or her designee.

31 (3) "Eligible borrower" means a student, or the parent of a student, who is either a resident of the
32 state or who, under rules promulgated by the ~~authority~~ division, is qualified to make an eligible loan.

33 (4) "Eligible institution", subject to further particular or more restrictive definition by regulation
34 of the ~~authority~~ division, means:

1 (i) An institution of higher learning;

2 (ii) A vocational school; or

3 (iii) With respect to students who are nationals of the United States, an institution outside the
4 United States which is comparable to an institution of higher education or to a vocational school and
5 which has been approved by the ~~authority division~~ and by the commissioner of postsecondary education
6 for purposes of the guaranteed student loan program.

7 (5) "Eligible loan" means a loan to a student or to the parent of a student insured or guaranteed by
8 the commissioner of postsecondary education, by the ~~authority division~~, or by any other governmental or
9 private agency, corporation, or organization having a reinsurance or guaranty agreement with the
10 commissioner applicable to the student loan.

11 (6) "Guaranteed student loan program" means the program of federal student loan insurance and
12 reinsurance administered by the commissioner of postsecondary education.

13 (7) "Lender", subject to further particular or more restrictive definition by regulation of the
14 ~~authority division~~, means any governmental or private agency, corporation, organization, or institution
15 designated as an "eligible lender" by federal statute, regulation, or administrative ruling for the purposes
16 of the guaranteed student loan program.

17 (8) "Participant" means an individual, corporation, trust or other "person" within the meaning of §
18 529 of the Internal Revenue Code [26 U.S.C. § 529], who makes contributions to the tuition savings
19 program established pursuant to § 16-57-6.1 for purposes of paying qualified higher education expenses
20 on behalf of a beneficiary.

21 (9) "Participating institution" means an institution for higher education which agrees to
22 participate in a savings program or prepaid tuition program established pursuant to this chapter.

23 (10) "Prepaid tuition program" means a program administered by the ~~authority division~~, in
24 conjunction with the executive director of the Rhode Island Student Loan Authority, and the
25 commissioner of postsecondary education ~~higher education~~, which provides a means for qualified
26 students, parents and others responsible for paying the costs of education to fix all or a portion of the
27 direct cost of attendance at participating institutions in one or more future years.

28 (11) "Program" means the tuition savings program established pursuant to § 16-57-6.1.

29 (12) "Qualified higher education expenses" means the costs of tuition, fees, books, supplies and
30 equipment required for enrollment or attendance at an institution of higher education, and other education
31 costs defined by federal law.

32 (13) "Secretary" means the United States secretary of education.

33 (14) "State" means the state of Rhode Island and Providence Plantations.

1 (15) "Student", as used with reference to the guaranteed student loan program and the parent loan
2 program, means an individual who, under rules promulgated by the ~~authority~~ division, is enrolled or
3 accepted for enrollment at an eligible institution and who is making suitable progress in his or her
4 education toward obtaining a degree or other appropriate certification in accordance with standards
5 acceptable to the authority.

6 (16) "Tuition savings program" or "Savings program" means a program approved and
7 administered by the ~~authority~~ General Treasurer, in conjunction with the executive director of the Rhode
8 Island Student Loan Authority, and the commissioner of postsecondary education ~~higher education~~,
9 designed to facilitate and encourage savings by or on behalf of students, future students and parents for
10 the purpose of paying the costs of attending institutions of higher education.

11 (17) "Council" means the council on postsecondary education established pursuant to § 16-59-1.

12 (18) "Division" means the Rhode Island division of higher education assistance, the division
13 authorized, created and established pursuant to § 16-57-4.

14 **§ 16-57-4 Creation.** – (a) There is authorized, created, and established within the office of the
15 commissioner of postsecondary education, a division of higher education assistance hereby granted and
16 authorized to use all of public corporation of the state having a distinct legal existence from the state and
17 not constituting a department of state government, which is a governmental agency and public
18 instrumentality of the state, to be known as the "Rhode Island higher education assistance authority" with
19 the powers set forth in this chapter, for the purposes of guaranteeing eligible loans to students in eligible
20 institutions and to parents of those students and of administering other programs of postsecondary student
21 financial assistance assigned by law to the ~~authority~~ division.

22 (b) The exercise by the ~~authority~~ division of the powers conferred by this chapter shall be deemed
23 and held to be the performance of an essential governmental function of the state for public purposes. It is
24 the intent of the general assembly by the passage of this chapter to vest in the ~~authority~~ division all
25 powers, authority, rights, privileges, and titles which may be necessary to enable it to accomplish the
26 purposes set forth in this section and this chapter and the powers granted by it shall be liberally construed
27 in conformity with these purposes.

28 (c) The authority and its corporate existence shall be terminated on July 1, 2015 or upon approval
29 by the U.S. department of education, whichever is later, and continue until terminated by law or until the
30 authority shall cease entirely and continuously to conduct or be involved in any business in furtherance of
31 its purposes; provided, that no termination shall take effect so long as the authority shall have guaranties
32 or other obligations outstanding, unless adequate provision shall have been made for the payment of the
33 obligations pursuant to the documents securing them or to this law. Upon termination of the existence of
34 the authority, all its rights and properties shall pass to and be vested in the state. At no time shall the

1 ~~assets or other property of the authority inure to the benefit of any person or other corporation or entity.~~
2 division of higher education assistance, except as otherwise provided in § 16-57-6.1. The division shall
3 continue until terminated by law or until the division shall cease entirely and continuously to conduct or
4 be involved in any business in furtherance of its purposes; provided, that no termination shall take effect
5 so long as the division shall have guaranties or other obligations outstanding, unless adequate provision
6 shall have been made for the payment of the obligations pursuant to the documents securing them or to
7 this law. Upon termination of the existence of the division, all its rights and properties shall pass to and be
8 vested in the state. At no time shall the assets or other property of the division inure to the benefit of any
9 person or other corporation or entity.

10 (d) Except as provided in § 16-57-6.1, effective July 1, 2015 or upon approval by the U.S.
11 department of education, whichever is later:

12 (i) all functions formerly administered by the Rhode Island higher education assistance authority
13 are hereby transferred to the Rhode Island division of higher education assistance;

14 (ii) the Rhode Island division of higher education assistance shall assume all rights, duties, assets,
15 liabilities and obligations of the former Rhode Island higher education assistance authority and the Rhode
16 Island division of higher education assistance shall be considered to be the successor-in-interest to the
17 Rhode Island higher education assistance authority; and

18 (iii) all contracts and agreements of whatsoever kind of the Rhode Island higher education
19 assistance authority are hereby assigned, transferred to and assumed by the Rhode Island division of
20 higher education assistance.

21 (e) Upon the completion of the transfer, the corporation known as the “Rhode Island higher
22 education assistance authority” shall cease to exist. Whenever in any general law or public law reference
23 is made to the “Rhode Island higher education assistance authority,” the reference shall be deemed to
24 refer to and mean the “Rhode Island division of higher education assistance,” which also may be referred
25 to as the “division.”

26 **§ 16-57-6.1 Tuition savings program.** – (a) ~~The authority~~ general treasurer shall, in conjunction
27 with the division, the state investment commission, executive director of the Rhode Island student loan
28 authority and the commissioner of ~~higher~~ postsecondary education, shall establish in any form as ~~it~~ he or
29 she deems appropriate, a tuition savings program to allow persons to save money for the sole purpose of
30 meeting qualified higher education expenses.

31 (b) All money received in connection with the tuition savings program shall be segregated from
32 all other funds ~~of the authority~~ into two (2) funds, a program fund and an administrative fund. No more
33 than two percent (2%) of money in the program fund may be transferred annually to the administrative
34 fund for the purpose of paying operating costs of administering the tuition savings program. Money

1 accrued by participants in the program fund may be used for payments to an eligible institution. All
2 proceeds from the tuition savings program shall be directed to the program fund to be used for financial
3 aid related activities in Rhode Island pursuant to § 16-56-6.

4 (c) The state investment commission shall invest money within the program fund in any
5 investments which are authorized by the general laws, including equities and fixed income securities. The
6 composition of investments shall be determined by the state investment commission, ~~subject to the~~
7 ~~approval of the authority. The state investment commission shall consider the recommendations of the~~
8 ~~commissioner of higher education and the executive director of the Rhode Island Student Loan Authority~~
9 ~~with respect to the appropriate composition of investments within the program fund.~~

10 (d) A participant may at any time withdraw funds from the participant's account in the tuition
11 savings program in an amount up to the value of the account at the time the withdrawal is implemented,
12 less such administrative fee as may be levied by the ~~authority~~ treasurer in connection with the withdrawal.

13 (e) Notwithstanding any of the foregoing provisions, no administrative fee may be levied by the
14 ~~authority~~ treasurer in the event that a participant requests withdrawal of funds from the participant's
15 account in the tuition savings program on account of, and within the meanings of § 529 of the Internal
16 Revenue Code [26 U.S.C. § 529]:

17 (1) The death of the beneficiary of the account;

18 (2) The disability of the beneficiary; or

19 (3) A scholarship, allowance, or payment received by the beneficiary to the extent that the
20 amount of the refund does not exceed the amount of the scholarship, allowance, or payment.

21 (f) In the event that a participant requests a withdrawal from an account in the tuition savings
22 program other than (1) a withdrawal used for qualified higher education expenses of the beneficiary of the
23 account, or (2) for a reason referred to in subdivision (e)(1), (e)(2), or (e)(3) of this section, the ~~authority~~
24 treasurer shall impose a more than de minimus penalty on the earnings portion of the withdrawal in
25 accordance with § 529 of the Internal Revenue Code [26 U.S.C. § 529]; provided that no penalty shall be
26 imposed with respect to any such withdrawal, or any other withdrawal, from any account in the tuition
27 savings plan to which the tax made applicable by § 529 of the Internal Revenue Code [26 U.S.C. § 529] is
28 effective.

29 ~~(g) Resources of the authority and the Rhode Island student loan authority shall be employed to~~
30 ~~effect implementation of the tuition savings program.~~

31 **§ 16-57-6.2 Ownership of assets – Transfer of ownership rights.** – (a) The participant retains

32 ownership of all assets properly allocated to an account maintained for the participant in the tuition
33 savings program up to the date of withdrawal or distribution of these from the program.

1 (b) All assets of the tuition savings program shall be considered to be held in trust. As required by
2 the Internal Revenue Code, no interest in the tuition savings program or any portion of these may be used
3 as security for a loan.

4 ~~(e) Any amounts paid to the administrative fund of the tuition savings program are owned by the~~
5 ~~authority. These amounts may include, but are not limited to, appropriated state funds.~~

6 ~~(d)~~(c) A participant may transfer ownership rights in the tuition savings program to another
7 participant or designate a new beneficiary insofar as permitted by § 529 of the Internal Revenue Code [26
8 U.S.C. § 529] under such conditions as the ~~authority~~ treasurer deems appropriate.

9 **§ 16-57-6.3 Tax exempt earnings.** – (a) For state income tax purposes, annual earnings of the
10 tuition savings program and the prepaid tuition program shall be exempt from tax to the program, and
11 shall not be includible in the Rhode Island income of either beneficiaries or participants in the program
12 until withdrawn or distributed from it, and then in accordance with chapter 30 of title 44.

13 (b) The tax administrator; ~~in consultation with the authority~~, may adopt rules and regulations
14 necessary to monitor, implement, and administer the Rhode Island personal income tax provisions
15 referred to in subsection (a) relating to this chapter. These regulations shall provide for each taxable year
16 for the timely submission to the tax administrator by the program manager of the tuition savings program
17 of this information in the form the tax administrator shall prescribe concerning contributions to, and
18 withdrawals including transfers and rollovers from, the tuition savings program during that year.

19 **§ 16-57-6.5 Annual audited financial report to the governor and general assembly.** –

20 (a) The ~~authority~~ treasurer; shall submit to the governor, the speaker of the house of representatives, the
21 president of the senate, and the secretary of state an annual audited financial report, prepared in
22 accordance with generally accepted accounting principles, on the operations of the tuition savings
23 program by November 1 of each year. The annual audit shall be made either by the auditor general or by
24 an independent certified public accountant approved by the auditor general and shall include direct and
25 indirect costs attributable to the use of outside consultants, independent contractors, and any other persons
26 who are not state employees.

27 (b) The annual audited financial report shall be supplemented by the following information, to be
28 submitted by April 1 of each year, on the operations of the program for the previous calendar year:

29 ~~(1) A summary of meetings or hearings held, meeting minutes, subjects addressed, decisions~~
30 ~~rendered, rules or regulations promulgated, studies conducted, policies and plans developed, approved, or~~
31 ~~modified, and programs administered or initiated; and a summary of any clerical, administrative or~~
32 ~~technical support received; a summary of performance during the previous fiscal year including~~
33 ~~accomplishments, shortcomings and remedies; a synopsis of hearings, complaints, suspensions or other~~
34 ~~legal matters related to the authority of the board; a summary of any training courses held pursuant to~~

1 subsection 16-57-7(a)(2); a briefing on anticipated activities in the upcoming fiscal year; and findings and
2 recommendations for improvements;

3 (2)(1) A summary of the benefits provided by the tuition savings program including the number
4 of participants and beneficiaries;

5 (3)(2) Any other information which is relevant in order to make a full, fair and effective
6 disclosure of the assets and operations of the program; and

7 (4)(3) The foregoing supplemental information shall be posted electronically on the general
8 assembly's and the secretary of state's websites as prescribed in § 42-20-8.2 of the Rhode Island general
9 laws. The treasurer ~~director of the department of administration~~ shall be responsible for the enforcement
10 of this provision.

11 **§ 16-57-6.6 Exclusion from financial aid needs test.** – It shall be at the discretion of the office
12 of postsecondary commissioner whether ~~Notwithstanding any other provision of this chapter or chapter~~
13 ~~56 of this title, no~~ moneys invested in the tuition savings program shall be considered to be an asset for
14 purposes of determining an individual's eligibility for a need based grant, need based scholarship or need
15 based work opportunity offered by the state under the provisions of chapter 56 of this title.

16 **§ 16-57-7 Directors, officers, Council on Postsecondary Education and employees.** (a)(1) ~~The~~
17 ~~powers of the authority shall be vested in a board of directors consisting of nine (9) members, five (5) of~~
18 ~~whom shall be appointed by the governor from among members of the general public, who are qualified~~
19 ~~by training or experience in education finance or personal investment consulting and made in accordance~~
20 ~~with subsection (b) of this section; three (3) of whom shall be appointed by the governor, who shall give~~
21 ~~due consideration to the recommendations made by the chairperson of the board of governors for higher~~
22 ~~education and by the Rhode Island Independent Higher Education Association for those appointments;~~
23 ~~and the state general treasurer ex officio or his or her designee who shall be a subordinate from within the~~
24 ~~office of the general treasurer. All gubernatorial appointments made to this board shall be subject to the~~
25 ~~advice and consent of the senate. All board members first appointed to the board after the effective date of~~
26 ~~this act shall be residents of this state. Designees of members serving ex officio shall represent him or her~~
27 ~~at all meetings of the board. Except for the chairpersons of the house and senate finance committees or~~
28 ~~their designees who shall cease to be members of the authority upon the effective date of this act, each~~
29 ~~member shall serve until his or her successor is appointed and qualified. The original members appointed~~
30 ~~by the governor shall be appointed in a manner as to provide for the expiration of the term of one member~~
31 ~~on the first day of July of each year.~~ The council on postsecondary education established pursuant to § 16-
32 59-1 shall retain all authority formerly vested in the higher education assistance authority board of
33 directors, except as provided by § 16-57-6.1. Whenever in any general or public law reference is made to

1 the “board of directors of the higher education assistance authority,” the reference shall be deemed to
2 refer to and mean the “council on postsecondary education.”

3 ~~(2) Newly appointed and qualified public members and designees of ex officio members shall,~~
4 ~~within six (6) months of their qualification or designation, attend a training course that shall be developed~~
5 ~~with board approval and conducted by the chair of the board and shall include instruction in the following~~
6 ~~areas: the provisions of chapters 16-57, 42-46, 36-14 and 38-2; and the board's rules and regulations. The~~
7 ~~director of the department of administration shall, within ninety (90) days of the effective date of this act,~~
8 ~~prepare and disseminate training materials relating to the provisions of chapters 42-46, 36-14 and 38-2.~~

9 ~~(3) Public members of the board shall be removable by the appointing authority for cause only,~~
10 ~~and removal solely for partisan or personal reasons unrelated to capacity or fitness for the office shall be~~
11 ~~unlawful.~~

12 ~~(b) During the month of June of each year, the governor shall appoint a member to succeed the~~
13 ~~member whose term will then next expire to serve for a term of five (5) years commencing on the first~~
14 ~~day of July then next following, and after this, until a successor is appointed and qualified. As soon as~~
15 ~~practicable after the effective date of this act, the governor shall appoint a member to serve an initial term~~
16 ~~to expire on July 1, 2010. Thereafter, all members appointed by the general treasurer shall be appointed to~~
17 ~~terms of five (5) years, and the governor shall, during the month of June preceding the expiration of each~~
18 ~~term, appoint a member whose term will then next expire. In the event of a vacancy occurring in the~~
19 ~~office of a member by death, resignation, removal, or otherwise, the vacancy shall be filled in the same~~
20 ~~manner as an original appointment but only for the remainder of the term of the former member.~~

21 ~~(c) The directors shall receive no compensation for the performance of their duties under this~~
22 ~~chapter, but each director shall be reimbursed for his or her reasonable expenses incurred in carrying out~~
23 ~~the duties. A director may engage in private employment or in a profession or business.~~

24 ~~(d) Upon appointment and qualification of the original board of directors, and during the month~~
25 ~~of July of each year after this, the board of directors shall elect one of its members to serve as chairperson.~~
26 ~~The board may elect from among its members such other officers as they deem necessary. Five (5)~~
27 ~~directors shall constitute a quorum and any action to be taken by the authority under the provisions of this~~
28 ~~chapter may be authorized by resolution approved by a majority of the directors present and voting at any~~
29 ~~regular or special meeting at which a quorum is present. A vacancy in the membership of the board of~~
30 ~~directors shall not impair the right of a quorum to exercise all the rights and perform all the duties of the~~
31 ~~authority.~~

32 ~~(e)(1) In addition to electing a chairperson, the board of directors shall appoint a secretary and~~
33 ~~any additional officers and staff members as they shall deem appropriate. The board of directors shall~~
34 ~~appoint an executive director who shall be in the unclassified service and vest in that person or his or her~~

1 ~~subordinates the authorization to appoint additional staff members who shall be in the classified service~~
2 ~~and to determine the amount of compensation each individual shall receive. Those persons who were~~
3 ~~regularly established full time employees of the authority, prior to March 27, 1979, and who are required~~
4 ~~to be in the classified service may be placed in appropriate classifications within the classified service~~
5 ~~without the requirement of competitive examination (as approved by the executive director). All~~
6 ~~employees hired after March 27, 1979, will be hired in accordance with the requirements of the classified~~
7 ~~service for examination, approved state lists, and other procedures of the state division of personnel.~~
8 ~~Those persons who were regularly established full time employees of the authority, prior to March 27,~~
9 ~~1979, shall have the right to purchase retirement credits for the period commencing November 1, 1977, to~~
10 ~~March 27, 1979, at the its full actuarial cost.~~

11 ~~(2) Any employee in either the classified or unclassified service who was, prior to his or her~~
12 ~~hiring by the authority, a participant in the retirement program adopted for personnel at any state or~~
13 ~~private college shall have the option to either remain with that retirement program while an employee of~~
14 ~~the authority or become a participant in the employees' retirement system of the state.~~

15 ~~(f)(b) No full time employee shall during the period of his or her employment by the authority~~
16 ~~division engage in any other private employment, profession, or business, except with the approval of the~~
17 ~~commissioner of postsecondary education. board of directors; provided, that the executive director shall~~
18 ~~not engage in any other private employment, profession, or business, including, but not limited to~~
19 ~~consulting.~~

20 ~~(g) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of interest~~
21 ~~for a director, officer, or employee of any financial institution, investment banking firm, brokerage firm,~~
22 ~~commercial bank, trust company, savings and loan association, credit union, insurance company,~~
23 ~~educational institution, or any other firm, person, or corporation to serve as a director of the authority, nor~~
24 ~~shall any contract or transaction between the authority and any financial institution, investment banking~~
25 ~~firm, brokerage firm, commercial bank, trust company, savings and loan association, credit union,~~
26 ~~insurance company, educational institution, or any other firm, person, or corporation be void or voidable~~
27 ~~by reason of any service as director of the authority. If any director, officer, or employee of the authority~~
28 ~~shall be interested either directly or indirectly, or shall be a director, officer, or employee of or have an~~
29 ~~ownership interest (other than as the owner of less than one percent (1%) of the shares of a publicly held~~
30 ~~corporation) in any firm or corporation interested directly or indirectly in any contract with the authority,~~
31 ~~the interest shall be disclosed to the authority and set forth in the minutes of the authority, and the~~
32 ~~director, officer, or employee having interest in this shall not participate on behalf of the authority in the~~
33 ~~authorization of any contract. Interested directors may be counted in determining the presence of a~~
34 ~~quorum at a meeting of the board of directors of the authority which authorizes the contract or transaction.~~

1 ~~(h) Any action taken by the authority under the provisions of this chapter may be authorized by~~
2 ~~vote at any regular or special meeting, and each vote shall take effect immediately.~~

3 ~~(i) The board of directors may designate from among its members an executive committee and~~
4 ~~one or more other committees each of which, to the extent authorized by the board of directors, shall have~~
5 ~~and may exercise all the authority of the board of directors, but no committee shall have the authority of~~
6 ~~the board of directors in reference to the disposition of all or substantially all the property and assets of~~
7 ~~the authority or amending the bylaws of the authority.~~

8 **§ 16-57-8 Designated agency.** – The ~~authority division~~ established within the office of the
9 ~~postsecondary commissioner~~ is designated the state agency ~~or corporation~~ to apply for, receive, accept,
10 and disburse federal funds, and funds from other public and private sources, made available to the state
11 for use as reserves to guarantee student loans or as administrative money to operate student loan
12 programs, and is designated to administer any statewide programs of student assistance that shall be
13 ~~established under~~ established under federal law.

14 **§ 16-57-9 Loans to minors – Loan obligations.** – (a) Any person qualifying for an eligible loan
15 shall not be disqualified to receive a loan guaranteed by the ~~authority division~~ by reason of his or her
16 being a minor. For the purpose of applying for, securing, receiving, and repaying a loan, any person shall
17 be deemed to have full legal capacity to act and shall have all the rights, powers, privileges, and
18 obligations of a person of full age with respect to a loan.

19 (b) No loan obligation incurred by any individual under the provisions of this chapter may be
20 expunged, reduced, or discharged in any proceeding, including any proceeding in federal bankruptcy
21 court. Any individual receiving a loan under the provisions of this chapter shall be required to sign an
22 affidavit acknowledging the loan and agreeing to this condition.

23 **§ 16-57-10 Reserve funds.** – (a) To assure the continued operation and solvency of the ~~authority~~
24 ~~guaranty loan program for the carrying out of its corporate purposes,~~ the ~~authority~~ office of the
25 ~~postsecondary commissioner shall may~~ create and establish ~~any~~ reserve funds ~~as may be necessary or~~
26 ~~desirable for its corporate purposes,~~ and may pay into the funds any money appropriated and made
27 available by the state, ~~the commissioner,~~ or any other source for the purpose of the funds, and any money
28 collected by the ~~authority division~~ as fees for the guaranty of eligible loans.

29 ~~(b) To assure continued solvency of the authority's, the authority operating fund shall be used~~
30 ~~solely for the ordinary operating expenses of the authority.~~ Furthermore, it is the intent of the general
31 assembly that these funds eventually be used to increase financial assistance to Rhode Island students in
32 the form of scholarships and grants and other financial aid related activities as approved by the
33 commissioner of postsecondary education and as directed by the U.S. Department of Education, and in

1 accordance with federal statutes and regulations governing the use of funds in guaranty agency's
2 operating fund.

3 ~~(e) Given the decline of available sources to support the agency, the Governor's FY 2016 budget~~
4 ~~recommendations shall include a proposal for the transfer of higher education assistance authority's~~
5 ~~programs to appropriate agencies within state government. All departments and agencies of the state shall~~
6 ~~furnish such advice and information, documentary or otherwise to the director of the department of~~
7 ~~administration and its agents as is deemed necessary or desirable to facilitate the recommendation.~~

8 **§ 16-57-12 Credit of state.** – Guaranties made under the provisions of this chapter shall not
9 constitute debts, liabilities, or obligations of the state or of any political subdivision of the state other than
10 the division of higher education assistance authority or a pledge of the faith and credit of the state or any
11 political subdivision other than the division of higher education assistance authority, but shall be payable
12 solely from the revenues or assets of ~~the authority~~ reserve funds set forth and established by the division
13 of higher education assistance.

14 SECTION 7. Sections 16-59-1, 16-59-4, and 16-59-6 of the General Laws in Chapter 16-59
15 entitled “Board of Governors for Higher Education” are hereby amended to read as follows:

16 **§ 16-59-1 Council on Postsecondary Education established.** – (a) There is created a council on
17 postsecondary education, sometimes referred to as the "council", which shall be and is constituted a
18 public corporation, empowered to sue and be sued in its own name, and to exercise all the powers, in
19 addition to those specifically enumerated in this chapter, usually appertaining to public corporations
20 entrusted with control of postsecondary educational institutions and functions. Upon its organization the
21 council shall be invested with the legal title (in trust for the state) to all property, real and personal, now
22 owned by and/or under the control or in custody of the board of regents for education for the use of the
23 University of Rhode Island, Rhode Island College, Community College of Rhode Island and the system
24 of community colleges of Rhode Island including all departments, divisions, and branches of these.

25 (b) The council is empowered to hold and operate the property in trust for the state; to acquire,
26 hold, and dispose of the property and other like property as deemed necessary for the execution of its
27 corporate purposes. The council is made successor to all powers, rights, duties, and privileges formerly
28 belonging to the board of regents for education pertaining to postsecondary education and the board of
29 governors for higher education.

30 (c) The council shall be the employer of record for higher education and the office of
31 postsecondary education. It shall retain all authority formerly vested in the board of education regarding
32 the employment of faculty and staff at the public higher education institutions.

33 (d) The council shall be the governing body for the Rhode Island division of higher education
34 assistance and shall retain all authority formerly vested in the higher education assistance authority board

1 of directors pursuant to § 16-57-7; however, any debts, liabilities, or obligations of the council that result
2 from its status as such governing body shall be payable solely from the revenues or assets of reserve funds
3 set forth and established by the prior Rhode Island higher education assistance authority and/or the Rhode
4 Island division of higher education assistance created pursuant to Chapter 57 of this title, and not from
5 any assets or property held by the council for the system of public higher education pursuant to this
6 chapter.

7 **§ 16-59-4 Powers and duties of the council on postsecondary education.** – (a) The council on
8 postsecondary education shall have, in addition to those enumerated in § 16-59-1, the following powers
9 and duties:

10 (1) To approve a systematic program of information gathering, processing, and analysis addressed
11 to every level, aspect, and form of higher education in this state especially as that information relates to
12 current and future educational needs so that current needs may be met with reasonable promptness and
13 plans formulated to meet future needs as they arise in the most efficient and economical manner possible.

14 (2) To develop and approve a strategic plan implementing broad goals and objectives for higher
15 education in the state as established by the board of education, including a comprehensive capital
16 development program.

17 (3) To formulate broad policy to implement the goals and objectives established and adopted by
18 the board of education, to adopt standards and require enforcement and to exercise general supervision
19 over all higher public education in the state and over independent higher education in the state as
20 provided in subdivision (8) and (9) of this section. The board of education and the council shall not
21 engage in the operation or administration of any subordinate committee, university, junior college, or
22 community college, except its own office of postsecondary education and except as specifically
23 authorized by an act of the general assembly; provided, the presidents of each institution of higher
24 learning shall be the chief administrative and executive officers of that institution; and provided that
25 nothing contained in this section shall prohibit their direct access to or interfere with the relationship
26 between the presidents and the board of education and the council.

27 (4) To communicate with and seek the advice of the commissioner of postsecondary education,
28 the presidents of the public higher education institutions and all those concerned with and affected by its
29 determinations as a regular procedure in arriving at its conclusions and in setting its policy.

30 (5) To prepare and maintain a five (5) year funding plan for higher education that implements the
31 strategic financing recommendations of the board of education; to prepare with the assistance of the
32 commissioner of postsecondary education and to present annually to the state budget officer in
33 accordance with § 35-3-4 a state higher education budget, which shall include, but not be limited to, the
34 budget of the office of postsecondary education and the budget of the state colleges. In the preparation of

1 the budget, the council shall implement priorities established by the board of education of expenditures
2 for public higher education purposes of state revenues and other public resources made available for the
3 support of higher public education. Prior to submitting the budget to the state budget officer as required
4 by the budget office instructions and this subsection, the council shall present the budget to the board of
5 education for its review and approval. Nothing contained in this subdivision shall authorize the council to
6 alter the allocation of grants or aid otherwise provided by law.

7 (6) To maintain an office of postsecondary commissioner; to provide for its staffing and
8 organization; and to manage and oversee a commissioner of postsecondary education pursuant to duties
9 and responsibilities defined in § 16-59-6 and § 16-59-7. The commissioner of postsecondary education
10 and the office of postsecondary commissioner shall have the duties and responsibilities as defined in §§
11 16-59-6 and 16-59-7.

12 (7) To appoint and dismiss presidents of the public institutions of higher learning with the
13 assistance of the commissioner of postsecondary education, and to establish procedures for this, and with
14 the assistance of the commissioner to approve or disapprove vice presidents of the public institutions of
15 higher learning appointed by the respective presidents of the public institutions of higher learning.

16 (8) To establish other educational agencies or subcommittees necessary or desirable for the
17 conduct of any or all aspects of higher education and to determine all powers, functions, and composition
18 of any agencies or subcommittees and to dissolve them when their purpose shall have been fulfilled.

19 (9) To exercise the authority vested in the board of regents for education with relation to
20 independent higher educational institutions within the state under the terms of chapter 40 of this title, and
21 other laws affecting independent higher education in the state.

22 (10) To enforce the provisions of all laws relating to higher education, public and independent.

23 (11) To be responsible for all the functions, powers, and duties which were vested in the board of
24 regents for education relating to higher education, including but not limited to the following specific
25 functions:

26 (i) To approve the role and scope of programs at public institutions of higher learning with the
27 assistance of the commissioner of postsecondary education which shall include but not be limited to
28 populations to be served, the type and level of programs and academic fields offered.

29 (ii) To adopt and require standard accounting procedures for the office of postsecondary
30 commissioner and all public colleges and universities.

31 (iii) To approve a clear and definitive mission for each public institution of higher learning with
32 the assistance of the commissioner of postsecondary education that is consistent with the role and scope
33 of programs at the public institutions.

1 (iv) To promote maximum efficiency, economy, and cooperation in the delivery of public higher
2 educational services in the state and cooperation with independent institutions of higher education.

3 (12) To incorporate into its own affirmative action reporting process periodic reports monitoring
4 specific faculty and staff searches by the chairperson of the search committee to include the rationale for
5 granting those interviews and the final hiring results. The institutions must empower their affirmative
6 action officer to monitor searches in this manner, to intervene during the search, and, when necessary, to
7 cause a search to cease if affirmative action goals are not being adequately served.

8 (13) To incorporate a specific category for accountability on affirmative action goals and
9 implementation as part of the board's annual evaluations and three (3) year reviews for the presidents of
10 each of the public institutions of higher education.

11 (14) To make a formal request of the governor that whenever an opportunity arises to make new
12 appointments to the board, that the governor make every effort to increase the number of African
13 Americans, Native Americans, Asians, and Hispanics on the board.

14 (15) To develop coherent plans for the elimination of unnecessary duplication in public higher
15 education and addressing the future needs of public education within the state in the most efficient and
16 economical manner possible.

17 (16) To delegate to the presidents of each public higher education institution the authority and
18 responsibility for operational and management decisions related to their institutions, consistent with the
19 goals of the statewide strategic plan for postsecondary education provided however that the presidents
20 may be required to provide information or updates to the council regarding any delegated operational or
21 management decisions.

22 (17) To serve as the governing body of the division of higher education assistance and exercise all
23 powers and duties of the division of higher education assistance as set forth under the terms of Chapter 57
24 of this title; however, any debts, liabilities, or obligations of the council that result from its status as such
25 governing body shall be payable solely from the revenues or assets of reserve funds set forth and
26 established by the prior Rhode Island higher education assistance authority and/or the Rhode Island
27 division of higher education assistance created pursuant to Chapter 57 of this title, and not from any assets
28 or property held by the council for the system of public higher education pursuant to this chapter.

29 (18) To guarantee one hundred percent (100%) of the unpaid principal and accrued interest of any
30 eligible loan made by a lender to any eligible borrower prior to July 1, 2015 for the purpose of assisting
31 the students in obtaining an education in an eligible institution, subject, however, to the limitation
32 regarding any debts, liabilities, or obligations of the council set forth in section (17) above, and in §16-57-
33 12.

1 (19) To prescribe rules and regulations deemed necessary or desirable to carry out the purposes of
2 servicing as a guaranty agency for the loans set forth in § 16-59-4 (18), including without limitation rules
3 and regulations:

4 (i) To insure compliance by the division with the requirements imposed by statutes or regulation
5 governing the guaranty, insurance, purchase, or other dealing in eligible loans by federal agencies,
6 instrumentalities, or corporations,

7 (ii) To set standards of eligibility for educational institutions, students, and lenders and to define
8 residency and all other terms as the division deems necessary to carry out the purposes of this chapter,
9 and

10 (iii) To set standards for the administration of programs of postsecondary student financial
11 assistance assigned by law to the division, including but not limited to savings programs. Administrative
12 rules governing savings programs shall authorize the division, in conjunction with commissioner of
13 postsecondary education, to negotiate reciprocal agreements with institutions in other states offering
14 similar savings programs for the purpose of maximizing educational benefits to residents, students and
15 institutions in this state.

16 (20) To establish penalties for violations of any order, rule, or regulation of the division, and a
17 method for enforcing these.

18 (21) To set and collect fees and charges, in connection with its guaranties and servicing, including
19 without limitation reimbursement of costs of financing by the division, service charges, and insurance
20 premiums and fees and costs associated with implementing and administering savings programs
21 established pursuant to this chapter.

22 § 16-59-6 Commissioner of postsecondary education. – The council on postsecondary
23 education, with approval of the board, shall appoint a commissioner of postsecondary education, who
24 shall serve at the pleasure of the council, provided that his or her initial engagement by the council shall
25 be for a period of not more than three (3) years. For the purpose of appointing, retaining, or dismissing a
26 commissioner of postsecondary education, the governor shall serve as an additional voting member of the
27 council. The position of commissioner shall be in the unclassified service of the state and he or she shall
28 serve as the chief executive officer of the council on postsecondary education, ~~and as the chief~~
29 administrative officer of the office of postsecondary commissioner, and the executive director of the
30 division of higher education assistance. The commissioner of postsecondary education shall have any
31 duties that are defined in this section and in this title and other additional duties as may be determined by
32 the council, and shall perform any other duties as may be vested in him or her by law. In addition to these
33 duties and general supervision of the office of postsecondary commissioner and the appointment of the

1 several officers and employees of the office, it shall be the duty of the commissioner of postsecondary
2 education:

3 (1) To develop and implement a systematic program of information gathering, processing, and
4 analysis addressed to every aspect of higher education in the state, especially as that information relates to
5 current and future educational needs.

6 (2) To prepare a strategic plan for higher education in the state aligned with the goals of the board
7 of education's strategic plan; to coordinate the goals and objectives of the higher public education sector
8 with the goals of the council on elementary and secondary education, and activities of the independent
9 higher education sector where feasible.

10 (3) To communicate with and seek the advice of those concerned with and affected by the board
11 of education's and council's determinations.

12 (4) To implement broad policy as it pertains to the goals and objectives established by the board
13 of education and council on postsecondary education; to promote better coordination between higher
14 public education in the state, independent higher education in the state as provided in subdivision (10) of
15 this section and pre k-12 education; to assist in the preparation of the budget for public higher education
16 and to be responsible upon direction of the council for the allocation of appropriations, the acquisition,
17 holding, disposition of property.

18 (5) To be responsible for the coordination of the various higher educational functions of the state
19 so that maximum efficiency and economy can be achieved.

20 (6) To assist the board of education in preparation and maintenance of a five (5) year strategic
21 funding plan for higher education; to assist the council in the preparation and presentation annually to the
22 state budget officer in accordance with § 35-3-4 of a total public higher educational budget.

23 (7) To recommend to the council on postsecondary education after consultation with the
24 presidents, a clear and definitive mission for each public institution of higher learning.

25 (8) To annually recommend to the council on postsecondary education after consultation with the
26 presidents, the creation, abolition, retention, or consolidation of departments, divisions, programs, and
27 courses of study within the public colleges and universities to eliminate unnecessary duplication in public
28 higher education, to address the future needs of public higher education in the state, and to advance
29 proposals recommended by the presidents of the public colleges and universities pursuant to §§ 16-32-
30 2.1, 16-33-2.1 and 16-33.1-2.1 of the general laws.

31 (9) To supervise the operations of the office of postsecondary commissioner, including the
32 division of higher education assistance, and any other additional duties and responsibilities that may be
33 assigned by the council.

1 (10) To perform the duties vested in the council with relation to independent higher educational
2 institutions within the state under the terms of chapter 40 of this title and any other laws that affect
3 independent higher education in the state.

4 (11) To be responsible for the administration of policies, rules, and regulations of the council on
5 postsecondary education with relation to the entire field of higher education within the state, not
6 specifically granted to any other department, board, or agency and not incompatible with law.

7 (12) To prepare standard accounting procedures for public higher education and all public
8 colleges and universities.

9 (13) To carry out the policies and directives of the board of education and the council on
10 postsecondary education through the office of postsecondary commissioner and through utilization of the
11 resources of the public institutions of higher learning.

12 (14) To exercise all powers and duties of the division of higher education assistance as set forth
13 under the terms of Chapter 57 of this title.

14 SECTION 8. Section 16-62-3 of the General Laws in Chapter 16-62 entitled "The Rhode Island
15 Student Loan Authority" is hereby amended to read as follows:

16 **§ 16-62-3 Definitions.** – As used in this chapter, the following words and terms shall have the
17 following meanings unless the context shall indicate another or different meaning or intent:

18 (1) "Authority" means the governmental agency and public instrumentality authorized, created,
19 and established pursuant to § 16-62-4.

20 (2) "Bonds" and "notes" means the bonds, notes, securities, or other obligations or evidences of
21 indebtedness issued by the authority pursuant to this chapter, all of which shall be issued under the name
22 of or known as obligations of the Rhode Island student loan authority.

23 (3) "Education loan" means a loan to a student or the parent, legal guardian, or sponsor of the
24 student, or to an eligible institution, for the purpose of financing a student's attendance at the eligible
25 institution. The loan may provide that the student, parent, legal guardian, or sponsor of the student or
26 eligible institution may be held jointly and severally liable for the education loan.

27 (4) "Eligible institution" means, subject to further particular or more restrictive definition by
28 regulation of the authority: (i) an institution of higher learning, (ii) a vocational school, or (iii) with
29 respect to students who are nationals of the United States, an institution outside the United States which is
30 comparable to an institution of higher education or to a vocational school and which has been approved
31 by the authority and by the secretary for purposes of the guaranteed student loan program.

32 (5) "Eligible loan" means a loan to a student or to the parent of a student insured or guaranteed by
33 the secretary, Rhode Island division of higher education assistance ~~authority~~, or by any other

1 governmental or private agency, corporation, or organization having a reinsurance or guaranty agreement
2 with the secretary applicable to that loan.

3 (6) "Guaranteed student loan program" means the program of federal student loan insurance and
4 reinsurance administered by the secretary.

5 (7) "Lender" means, subject to further particular or more restrictive definition by regulation of the
6 authority, any governmental or private agency, corporation, organization, or institution (including
7 educational institutions and the authority itself) designated as an "eligible lender" by federal statute,
8 regulation, or administrative ruling for the purposes of the guaranteed student loan program.

9 (8) "Secretary" means the United States secretary of education or the secretary of health and
10 human services.

11 (9) "State" means the state of Rhode Island and Providence Plantations.

12 (10) "Student" means an individual who under rules promulgated by the authority meets the
13 enrollment and satisfactory progress requirement necessary for making an eligible student loan or an
14 education loan, as applicable. This designation shall include dependent and independent undergraduate
15 students, and graduate and professional students. 25-2-18.1

16 SECTION 9. Section 16-63-7 of the General Laws in Chapter 16-63 entitled "Adult Education"
17 is hereby amended to read as follows:

18 **§ 16-63-7 Functions of office.** – The functions of the office may include, but may not
19 necessarily be limited to, the following:

20 (1) The development of recommendations to the commissioner and the implementation of any
21 approved recommendations, including:

22 (i) The utilization of federal and state funds for any purpose prescribed or allowed by the laws
23 and/or regulations authorizing and/or appropriating those funds;

24 (ii) The sub-granting of those federal and state funds to selected deliverers of programs and
25 services, including those contemplated in subdivisions (2) and (3);

26 (iii) The operation and networking of statewide adult level guidance services;

27 (iv) The operation of a high school equivalency or general educational development, testing, and
28 certification program;

29 (v) Administration of the provisions for the approval and regulation of private career, trade, and
30 technical schools, pursuant to chapter 40 of this title, and of any other nonpublic entities, whether non-
31 business or proprietary, which provide or purport to provide adult education programs and services to
32 residents of the state;

1 (vi) Professional development of administrators, teachers, counselors, paraprofessionals, and
2 other personnel employed or engaged in delivering adult education programs and services within the
3 state; and

4 (vii) Continuous research and planning in adult education, including assistance to the commission
5 in conducting the comprehensive study of adult education prescribed in § 16-58-6, needs assessments in
6 conjunction with local planning and assessment processes, and the development and utilization of relevant
7 data.

8 (2) Coordination with programs and services administered and/or operated by other agencies and
9 institutions, including:

10 (i) All programs in categories 1, 2, 3, and 5 as defined by this chapter;

11 (ii) Outreach, recruitment, and intake for program components throughout the delivery system
12 defined in this chapter;

13 (iii) Dissemination of information on financial aid for adult learners, including loans, grants,
14 scholarships, and other forms of financial aid, in cooperation with the Rhode Island division of higher
15 education assistance authority, pursuant to chapters 56 and 57 of this title;

16 (iv) Psychological testing in relation to education and training, basic skills diagnostic and
17 evaluation services, and multi-phasic vocational testing;

18 (v) Competency based adult high school diploma assessment and certification, as conducted by
19 local education agencies in accordance with this chapter; and

20 (vi) The college level examination program and other mechanisms for establishing and recording
21 postsecondary achievement and competencies in terms of academic credit.

22 (3) General advocacy and communicative relationships with other agencies, institutions, and
23 organizations engaged in or interested in adult education or related activities in the state, including:

24 (i) Programs and services for adult learners in public and private colleges, schools, and other
25 settings, at elementary, secondary, and postsecondary levels;

26 (ii) Adult education programs and services, in any of the categories defined in this chapter,
27 conducted in libraries and other community based settings;

28 (iii) Pre-service, in-service, and upgrading education and training programs, generally in category
29 2 as defined by this chapter, conducted in employment settings;

30 (iv) Activities, generally in category 2 as defined by this chapter, conducted in the state pursuant
31 to the Job Training Partnership Act, 29 U.S.C. § 1501 et seq., and any amendments to it, extensions of it,
32 or successor legislation;

33 (v) All activities in categories 4 and 6, as defined by this chapter;

1 (vi) Programs and services, generally in categories 1, 2, 3, 5, and 7, as defined by this chapter,
2 conducted in custodial, correctional, and curative institutions in the state;

3 (vii) Programs and services for adults with special needs, such as people with disabilities,
4 immigrants and refugees, women and displaced homemakers, senior citizens, persons of multilingual or
5 multicultural backgrounds, and persons being discharged from the care of institutions referenced in
6 subdivision (3)(vi);

7 (viii) Programs of family and homelife education and parent effectiveness training;

8 (ix) Educational and public service programming on radio and television, including that
9 transmitted electronically and through cable systems; and

10 (x) Automobile and motorcycle driver safety education; and

11 (4) Staff support services for the commission.

12 SECTION 10. Section 22-13-9 of the General Laws in Chapter 22-13 entitled "Auditor General"
13 is hereby amended to read as follows:

14 **§ 22-13-9 Access to executive sessions of a public agency – Access to records – Disclosure by**
15 **the auditor general.** – (a) Whenever a public agency goes into executive session, the auditor general or
16 his or her designated representative shall be permitted to attend the executive session or if the auditor
17 general or his or her designee is not in attendance at the executive session, the auditor general or his or
18 her designee, upon written request, shall be furnished with copies of all data or materials furnished to the
19 members of the public agency at the executive session. If the auditor general or his or her designee
20 attends the executive session, the auditor general shall be furnished the same data in the same form and at
21 the same time as members of the public agency.

22 (b) Within three (3) working days of a written request by the auditor general, the public agency
23 shall furnish a copy, whether approved by the agency or not, of the minutes of any meeting, including any
24 executive session of the public agency.

25 (c) The auditor general shall have full and unlimited access to any and all records of any public
26 agency, in whatever form or mode the records may be, unless the auditor general's access to the records is
27 specifically prohibited or limited by federal or state law. In no case shall any confidentiality provisions of
28 state law be construed to restrict the auditor general's access to the records; provided, the auditor general's
29 access to any confidential data shall not in any way change the confidential nature of the data obtained.
30 Where an audit or investigative finding emanates from confidential data, specific confidential information
31 will not be made public. The records shall include those in the immediate possession of a public agency
32 as well as records which the agency itself has a right to. In the event of a dispute between the agency
33 involved and the auditor general as to whether or not the data involved are confidential by law, the matter
34 will be referred to the attorney general for resolution.

1 (d)(1) If in the course of an executive session any fact comes to the attention of the auditor
2 general or his or her designated representative, which in his or her judgment constitutes an impropriety,
3 irregularity, or illegal transaction, or points to the onset of an impropriety or illegal transaction, then the
4 auditor general shall disclose that information to the joint committee on legislative services, the director
5 of administration, and the chairperson of the public agency involved. Where the facts or the data upon
6 which the facts are based are deemed confidential pursuant to the provisions of federal or state law, the
7 auditor general's access to the information shall not in any way change the confidential nature of the data
8 obtained.

9 (2) In the event of a dispute between the agency involved and the auditor general as to whether or
10 not the data involved are confidential by law, the matter will be referred to the attorney general for
11 resolution.

12 (e) The auditor general or his or her designated representative shall be immune from any liability
13 to any party for claims arising out of disclosure authorized by this section.

14 (f) For the purposes of this section, the phrase "public agency" shall include the following: the
15 Rhode Island industrial building authority, the Rhode Island recreational building authority, the Rhode
16 Island economic development corporation, the Rhode Island industrial facilities corporation, the Rhode
17 Island refunding bond authority, the Rhode Island housing and mortgage finance corporation, the Rhode
18 Island resource recovery corporation, the Rhode Island public transit authority, the Rhode Island student
19 loan authority, the water resources board, the Rhode Island health and educational building corporation,
20 ~~the Rhode Island higher education assistance,~~ the Rhode Island turnpike and bridge authority, the
21 Narragansett Bay commission, the convention center authority, their successors and assigns, and any
22 other body corporate and politic which has been or which is subsequently created or established within
23 this state.

24 SECTION 11. Sections 23-14.1-2, 23-14.1-3, 23-14.1-4, 23-14.1-5, 23-14.1-6, 23-14.1-8 and 23-
25 14.1-9 of the General Laws in Chapter 23-14.1 entitled "Health Professional Loan Repayment Program"
26 are hereby amended to read as follows:

27 **§ 23-14.1-2 Definitions.** – For the purpose of this chapter, the following words and terms have
28 the following meanings unless the context clearly requires otherwise:

29 ~~(1) "Authority" means the higher education assistance authority.~~

30 ~~(2)~~(1) "Board" means the health professional loan repayment board.

31 (2) "Commissioner" means the commissioner of postsecondary education.

32 (3) "Community health center" means a health care facility as defined and licensed under chapter
33 17 of this title.

1 (4) ~~"Director" means the director of the higher education assistance authority.~~ "Division" means
2 the Rhode Island division of higher education assistance.

3 (5) "Eligible health professional" means a physician, dentist, dental hygienist, nurse practitioner,
4 certified nurse midwife, physician assistant, or any other eligible health care professional under § 338A of
5 the Public Health Service Act, 42 U.S.C. § 2541, licensed in the state who has entered into a contract with
6 the board to serve medically underserved populations.

7 (6) "Loan repayment" means an amount of money to be repaid to satisfy loan obligations incurred
8 to obtain a degree or certification in an eligible health profession as defined in subdivision (5).

9 **§ 23-14.1-3 Health professional loan repayment program established.** – There is established
10 within the division ~~higher education assistance authority~~, to be administered by the commissioner
11 ~~director~~, the health professional loan repayment program whose purpose shall be to provide loan
12 repayment to eligible health professionals to defray the cost of their professional education.

13 **§ 23-14.1-4 Health professional loan repayment board.** – (a) There is created the health
14 professional loan repayment board, which shall consist of the director of the department of health and
15 eight (8) members appointed by the governor with the advice and consent of the senate. The governor
16 shall give due consideration to any recommendations for nominations submitted to him or her by the
17 Rhode Island Medical Society; the Rhode Island Dental Association; the Rhode Island Health Center
18 Association; the dean of the Brown University Medical School; the dean of the College of Nursing at the
19 University of Rhode Island; the Rhode Island State Nurses' Association; the Hospital Association of
20 Rhode Island; the Rhode Island division of higher education assistance authority. All appointed members
21 shall serve for terms of three (3) years and shall receive no compensation for their services. Board
22 members shall be eligible to succeed themselves.

23 (b) The director of the department of health shall serve as chairperson. The board shall elect such
24 other officers as it deems necessary from among its members. All meetings shall be called by the
25 chairperson.

26 (c) Members of the board shall be removable by the governor pursuant to the provisions of § 36-
27 1-7 of the general laws and for cause only, and removal solely for partisan or personal reasons unrelated
28 to capacity or fitness for the office shall be unlawful.

29 **§ 23-14.1-5 Duties of the board.** – The board shall:

30 (1) Determine which areas of the state shall be eligible to participate in the loan repayment
31 program each year, based on health professional shortage area designations.

32 (2) Receive and consider all applications for loan repayment made by eligible health
33 professionals.

1 (3) Conduct a careful and full investigation of the ability, character, financial needs, and
2 qualifications of each applicant.

3 (4) Consider the intent of the applicant to practice in a health professional shortage area and to
4 adhere to all the requirements for participation in the loan repayment program.

5 (5) Submit to the ~~commissioner~~ ~~director~~ a list of those individuals eligible for loan repayment and
6 amount of loan repayment to be granted.

7 (6) Promulgate rules and regulations to ensure an effective implementation and administration of
8 the program.

9 (7) Within ninety (90) days after the end of each fiscal year, the board shall approve and submit
10 an annual report to the governor, the speaker of the house of representatives, the president of the senate,
11 and the secretary of state, of its activities during that fiscal year. The report shall provide: an operating
12 statement summarizing meetings or hearings held, including meeting minutes, subjects addressed,
13 decisions rendered, applications considered and their disposition, rules or regulations promulgated,
14 studies conducted, polices and plans developed, approved, or modified, and programs administered or
15 initiated; a consolidated financial statement of all funds received and expended including the source of the
16 funds, a listing of any staff supported by these funds, and a summary of any clerical, administrative or
17 technical support received; a summary of performance during the previous fiscal year including
18 accomplishments, shortcomings and remedies; a synopsis of hearings, complaints, suspensions, or other
19 legal matters related to the committee; a summary of any training courses held pursuant to this chapter; a
20 briefing on anticipated activities in the upcoming fiscal year, and findings and recommendations for
21 improvements. The report shall be posted electronically on the websites of the general assembly and the
22 secretary of state pursuant to the provisions of § 42-20-8.2. The director of the department of
23 administration shall be responsible for the enforcement of the provisions of this subsection.

24 (8) Conduct a training course for newly appointed and qualified members within six (6) months
25 of their qualification or designation. The course shall be developed by the chair of the board, be approved
26 by the board, and be conducted by the chair of the board. The board may approve the use of any board
27 and/or staff members and/or individuals to assist with training. The training course shall include
28 instruction in the following areas: the provisions of chapters 42-46, 36-14 and 38-2; and the board's rules
29 and regulations. The director of the department of administration shall, within ninety (90) days of June
30 16, 2006, prepare and disseminate training materials relating to the provisions of chapters 42-46, 36-14,
31 and 38-2.

32 **§ 23-14.1-6 Duties of the ~~director~~ Commissioner.** – The ~~director~~ commissioner shall:

33 (1) Grant loan repayments to successful applicants as determined by the board.

1 (2) Enter into contracts, on behalf of the ~~division higher education assistance authority~~ with each
2 successful applicant, reflecting the purpose and intent of this chapter.

3 **§ 23-14.1-8 Contracts required.** – Prior to being granted loan repayment each eligible health
4 professional shall enter into a contract with the ~~authority~~division agreeing to the terms and conditions
5 upon which the loan repayment is granted. The contract shall include any provisions that are required to
6 fulfill the purposes of this chapter and those deemed advisable by the ~~director~~commissioner.

7 **§ 23-14.1-9 Penalty for failure to complete contract.** – (a) If the recipient of a loan repayment
8 fails, without justifiable cause, to practice pursuant to the terms and conditions of his or her contract with
9 the ~~authority~~division, a penalty for the failure to complete the contract will be imposed. If the recipient
10 fails to complete the period of obligated service, he or she shall be liable to the state of Rhode Island for:

11 (1) An amount equal to the total paid on behalf of the recipient; and

12 (2) An unserved obligation penalty equal to the number of months of obligated service not
13 completed by the recipient multiplied by one thousand dollars (\$1,000).

14 (b) If the recipient fails to complete one year of service, he or she shall be liable to the state of
15 Rhode Island for:

16 (1) An amount equal to the total paid on behalf of the recipient; and

17 (2) An unserved obligation penalty equal to the number of months in the full period multiplied by
18 one thousand dollars (\$1,000).

19 (c) Any amount owed shall be paid to the State of Rhode Island within one year of the date that
20 the recipient is in breach of contract.

21 (d) Where the ~~director~~commissioner, subject to the approval of the board, determines that there
22 exists justifiable cause for the failure of a recipient to practice pursuant to the terms and conditions of the
23 contract, he or she may relieve the recipient of the obligation to fulfill any or all of the terms of the
24 contract.

25 SECTION 12. Section 25-2-18.1 of the General Laws in Chapter 25-2 entitled “Days of Special
26 Observance” is hereby amended to read as follows:

27 **§ 25-2-18.1 Martin Luther King, Jr. State Holiday Commission.** – (a) There is created a
28 permanent commission to be known as the Martin Luther King, Jr. State Holiday Commission to consist
29 of thirteen (13) members, three (3) of whom shall be from the house of representatives, not more than two
30 (2) from the same political party, to be appointed by the speaker; three (3) of whom shall be from the
31 senate, not more than two (2) from the same political party to be appointed by the president of the senate;
32 three (3) of whom shall be representatives of the general public, to be appointed by the speaker; two (2) of
33 whom shall be representatives of the general public to be appointed by the president of the senate; one of
34 whom shall be a representative of the governor's office, to be appointed by the governor; and one of

1 whom shall be the lieutenant governor, all of the foregoing to be known as commission members. The
2 commission shall appoint not more than sixteen (16) representatives from organizations and groups
3 generally identified with and thought to epitomize the ideals of Dr. Martin Luther King, Jr., all of whom
4 shall be known as non-voting affiliate members, to serve for two (2) year terms.

5 (b) The purpose of the commission shall be to plan, supervise and administer, in conjunction with
6 the federal Martin Luther King Day Commission and the Martin Luther King Center for Non-Violent
7 Social Change, an appropriate celebration to commemorate the birthday of Dr. Martin Luther King, Jr.,
8 and the annual observance of Dr. Martin Luther King Day, which will be observed on the third Monday in
9 January each year. The commission shall not limit its activities to the annual celebration, but shall
10 endeavor to promote educational efforts throughout the year, as well as to promote seminar events during
11 the annual celebration that will be of informative value to all segments of the Rhode Island community.

12 (c) The members of the commission shall, in February of each odd-numbered year, elect from
13 among themselves a chairperson, who shall be a legislator, and a vice-chairperson, who shall not be a
14 government official or employee. Vacancies in the commission shall be filled in like manner as the
15 original appointment.

16 (d) The commission is empowered to appoint committees to study specialized areas of concern
17 and to report their findings and recommendations to the commission; provided, however, that one of these
18 committees shall be an education committee.

19 (e) The commission is empowered to establish a Martin Luther King Scholarship Fund and to
20 award scholarships from the fund. Decisions concerning scholarship awards shall be made by the
21 education committee of the commission in conjunction with the division of higher education assistance
22 ~~authority~~.

23 (f) The commission is empowered to apply for and receive grants, appropriations, or gifts from
24 any federal, state, or local agency, from any public or private foundation, and from any person, firm, or
25 corporation in order to carry out the purposes of this chapter. The allocation of any funds received shall
26 be decided by a majority vote of voting members in attendance at a meeting duly convened for the
27 conduct of business by the commission.

28 (g) Seven (7) members of the commission shall constitute a quorum.

29 (h) The commission shall meet at least four (4) times per year.

30 (i) The commission shall adopt policies concerning the responsibilities of its voting members and
31 non-voting affiliate members, including attendance at commission meetings.

32 (j) All departments and agencies of the state shall furnish advice and information, documentary
33 and otherwise, to the commission and its agents as may be necessary or desirable to facilitate the purposes
34 of this chapter.

1 (k) The speaker is authorized and directed to provide suitable quarters for the commission.

2 (l) The commission shall file a report with the general assembly outlining its plans for the
3 celebration on or before December 15th each year prior to the celebration.

4 SECTION 13. Section 30-30-2 of the General Laws in Chapter 30-30 entitled "Military Affairs
5 and Defense" is hereby amended to read as follows:

6 **§ 30-30-2 Administration.** – The division of higher education assistance ~~authority~~ shall be
7 designated as the administering authority for this chapter and shall, no later than August 30, 1987,
8 establish rules, regulations, procedures, and safeguards for the implementation of this chapter. The
9 regulations and procedures shall include but not be limited to the establishment of income guidelines and
10 academic performance criteria. No funds shall be awarded under this chapter until these regulatory and
11 administrative measures are established.

12 SECTION 14. Sections 35-10-1 and 35-10-4 of the General Laws in Chapter 35-10 entitled "State
13 Investment Commission" are hereby amended to read as follows:

14 **§ 35-10-1 Establishment – Membership – Officers – Quorum – Investment votes – Fund**
15 **managers.** – (a) There is hereby authorized, created and established in the office of the general treasurer a
16 state investment commission, the membership of which shall consist of the general treasurer, ex officio,
17 or a deputy general treasurer as his or her designee, who shall act as chairperson, the director of
18 administration, ex officio, or any assistant director of administration as his or her designee, who shall act
19 as secretary, ~~director of the higher education assistance authority, or his or her designee to be appointed~~
20 ~~by the general treasurer,~~ an active or retired teacher, state, or municipal employee member of the
21 retirement system or official from the teacher, state, or municipal employee unions to be appointed by the
22 general treasurer for a term of three (3) years, the executive director of the state retirement board, who
23 shall be a nonvoting member, ~~two (2)~~ three (3) members of the general public to be appointed by the
24 general treasurer, one of whom shall serve for an initial term of one year, and one of whom shall serve for
25 an initial term of two (2) years and until his or her successor is appointed and qualified and three (3)
26 members of the general public to be appointed by the governor, one of whom shall serve for an initial
27 term of three (3) years, one of whom shall serve for an initial term of two (2) years, and one of whom
28 shall serve for an initial term of one year and until his or her successor is appointed and qualified.

29 Thereafter, the general public members shall serve for three (3) year terms and until his or her successor
30 is appointed and qualified. The members of the general public appointed by the governor and the general
31 treasurer shall be qualified by training or experience in the field of investment or finance.

32 The commission may elect from among its own members such other officers as they deem necessary. All
33 general treasurer and gubernatorial appointments made under this section after the effective date of this

1 act [July 4, 2006] shall be subject to the advice and consent of the senate. No one shall be eligible for
2 appointment unless he or she is a resident of this state.

3 Public members of the board shall be removable by the chair for cause only, and removal solely for
4 partisan or personal reasons unrelated to capacity or fitness for the office shall be unlawful.

5 Newly appointed and qualified public members shall, within six (6) months of their appointment, attend a
6 training course that shall be developed and provided by the office of the general treasurer and shall
7 include instruction in the following areas: the provisions of chapters 35-10, 42-46, 36-14 and 38-2 of the
8 Rhode Island general laws; and the board's rules and regulations. The director of the department of
9 administration shall, within ninety (90) days of the effective date of this act [July 4, 2006], prepare and
10 disseminate training materials relating to the provisions of chapters 42-46, 36-14 and 38-2.

11 Any member of the general public who was appointed by the governor or general treasurer prior to the
12 effective date of this act [July 4, 2006] shall continue to serve until such time as a successor is appointed
13 and qualified.

14 (b) A member shall be eligible to succeed himself or herself. In the event of a vacancy in the
15 office of an appointive member, the vacancy shall be filled by the appointing authority for the unexpired
16 term.

17 (c) A majority of all the members of the commission shall be necessary to constitute a quorum
18 thereof. The approval of a majority of the commission shall be required prior to the purchase or sale of
19 any investment, excepting those investments made by investment managers engaged by the commission
20 and invested in accordance with the commission's statement of investment objectives and policies, day to
21 day cash investments by the general treasurer, and, because of the importance of speedy action,
22 investments in obligations of the United States government or certificates of deposit maturing within one
23 year. These investments may be made within the framework of a policy established by the commission
24 without prior approval of each transaction. The commission shall be empowered to engage one or more
25 fund managers and to delegate to the manager or managers the authority to carry out the investment of the
26 funds within the commission's control, or any portion thereof, in accordance with the objectives of the
27 commission as set forth in its statement of investment objectives and policies.

28 (d) The day-to-day administration of the commission, including the voting of proxies and the
29 execution of investment acquisitions and dispositions of the commission's assets, shall be carried out by
30 the office of the general treasurer; provided, that the costs and expenses incurred in the management of
31 the funds within the commission's control shall remain the obligation of those funds and not that of the
32 general treasurer.

33 (e) Within ninety (90) days after the end of each fiscal year during which the board has conducted
34 business, the commission shall submit an annual report to the governor, the speaker of the house of

1 representatives, the president of the senate, and the secretary of state of its activities during that fiscal
2 year. The report shall provide: an operating statement summarizing meetings or hearings held, meeting
3 minutes if requested, subjects addressed, decisions rendered, rules or regulations promulgated, studies
4 conducted, policies and plans developed, approved, or modified, and programs administered or initiated; a
5 consolidated financial statement of all the funds received and expended including the source of funds, a
6 listing of any staff supported by these funds, and a summary of any clerical, administrative or technical
7 support received; a summary of performance during the previous fiscal year including accomplishments,
8 shortcomings and remedies; a synopsis of hearings, complaints, suspensions, or other legal matters related
9 to the authority of the board; a summary of any training courses held pursuant to § 35-10-1; a briefing on
10 anticipated activities in the upcoming fiscal year; and findings and recommendations for improvements.
11 The report shall be posted electronically on the general assembly and the secretary of state's website as
12 prescribed in § 42-20-8.2 of the Rhode Island general laws. The director of the department of
13 administration shall be responsible for the enforcement of this provision.

14 **§ 35-10-4 Funds not subject to investment.** – The commission shall not invest money in funds
15 which are subject to the control of the board of governors for higher education; provided, however, that
16 the commission shall not be prohibited from investing moneys in the college savings program created by
17 ~~§ 16-57-6.1 and administered by the Rhode Island Higher Education Assistance Authority in conjunction~~
18 ~~with the executive director of the Rhode Island Student Loan Authority and the commissioner of higher~~
19 ~~education.~~

20 SECTION 15. Section 37-2-7 of the General Laws in Chapter 37-2 entitled “State Purchases” is
21 hereby amended to read as follows:

22 **§ 37-2-7 Definitions.** – The words defined in this section have the meanings set forth below
23 whenever they appear in this chapter, unless the context in which they are used clearly requires a different
24 meaning or a different definition is prescribed for a particular section, group of sections, or provision:

25 (1) "Business" means any corporation, partnership, individual, sole proprietorship, joint stock
26 company, joint venture, or any other legal entity through which business is conducted.

27 (2) "Change order" means a written authorization signed by the purchasing agent directing or
28 allowing the contractor to proceed with changes, alterations, or modifications to the terms, conditions, or
29 scope of work on a previously awarded contract

30 (3) "Chief purchasing officer" shall mean: (i) for a state agency, the director of the department of
31 administration, and (ii) for a public agency, the executive director or the chief operational officer of the
32 agency.

33 (4) "Construction" means the process of building, altering, repairing, improving, or demolishing
34 any public structures or building, or other public improvements of any kind to any public real property. It

1 does not include the routine maintenance or repair of existing structures, buildings, or real property
2 performed by salaried employees of the state of Rhode Island in the usual course of their jobs.

3 (5) "Contract" means all types of agreements, including grants and orders, for the purchase or
4 disposal of supplies, services, construction, or any other item. It includes awards; contracts of a fixed-
5 price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of job or task
6 orders; leases; letter contracts; purchase orders; and construction management contracts. It also includes
7 supplemental agreements with respect to any of the foregoing. "Contract" does not include labor contracts
8 with employees of state agencies.

9 (6) "Contract amendment" means any written alteration in the specifications, delivery point, rate
10 of delivery, contract period, price, quantity, or other contract provisions of any existing contract, whether
11 accomplished by unilateral action in accordance with a contract provision, or by mutual action of the
12 parties to the contract. It includes bilateral actions, such as supplemental agreements, and unilateral
13 actions, such as change orders, administrative changes, notices of termination, and notices of the exercise
14 of a contract option.

15 (7) "Contractor" means any person having a contract with a governmental body.

16 (8) "Data" means recorded information, regardless of form or characteristic.

17 (9) "Designee" means a duly authorized representative of a person holding a superior position.

18 (10) "Employee" means an individual drawing a salary from a state governmental entity.

19 (11) "State governmental entity" means any entity created as a legislative body or a public or state
20 agency by the general assembly or constitution of this state, except for municipal, regional, or county
21 governmental entities.

22 (12) "May" means permissive.

23 (13) "Negotiation" means contracting by either the method set forth in § 37-2-19, 37-2-20, or 37-
24 2-21.

25 (14) "Person" means any business, individual, organization, or group of individuals.

26 (15) "Procurement" means the purchasing, buying, renting, leasing, or otherwise obtaining of any
27 supplies, services, or construction. It also includes all functions that pertain to the obtaining of any
28 supply, service, or construction item, including a description of requirements, selection and solicitation of
29 sources, preparation, and award of contract, and all phases of contract administration.

30 (16) "Public agency" shall mean the Rhode Island industrial recreational building authority, the
31 Rhode Island economic development corporation, the Rhode Island industrial facilities corporation, the
32 Rhode Island refunding bond authority, the Rhode Island housing and mortgage finance corporation, the
33 Rhode Island resource recovery corporation, the Rhode Island public transit authority, the Rhode Island
34 student loan authority, the Howard development corporation, the water resources board corporate, the

1 Rhode Island health and education building corporation, ~~the Rhode Island higher education assistance~~
2 ~~authority~~, the Rhode Island turnpike and bridge authority, the Blackstone Valley district commission, the
3 Narragansett Bay water quality management district commission, the Rhode Island telecommunications
4 authority, the convention center authority, the Channel 36 foundation, the Rhode Island lottery
5 commission their successors and assigns, any other body corporate and politic which has been or will be
6 created or established within this state excepting cities and towns, and the board of governors for higher
7 education for all purchases which are funded by restricted, sponsored, or auxiliary monies.

8 (17) "Purchase request" or "purchase requisition" means that document whereby a using agency
9 requests that a contract be entered into to obtain goods and/or services for a specified need, and may
10 include, but is not limited to, the technical description of the requested item, delivery requirements,
11 transportation mode request, criteria for evaluation of proposals, and/or preparation of suggested sources
12 of supply, and information supplied for the making of any written determination and finding required by §
13 37-2-6.

14 (18) "Purchasing agency" means any state governmental entity which is authorized by this
15 chapter, its implementing regulations, or by way of delegation from the chief purchasing officer to
16 contract on its own behalf rather than through the central contracting authority of the chief purchasing
17 officer.

18 (19) "Purchasing agent" means any person authorized by a governmental entity in accordance
19 with procedures prescribed by regulations, to enter into and administer contracts and make written
20 determinations and findings with respect to contracts. The term also includes an authorized representative
21 acting within the limits of authority. "Purchasing agent" also means the person appointed in accordance
22 with § 37-2-1.

23 (20) "Services" means the rendering, by a contractor, of its time and effort rather than the
24 furnishing of a specific end product, other than reports which are merely incidental to the required
25 performance of services. "Services" does not include labor contracts with employees of state agencies.

26 (21) "Shall" means imperative.

27 (22) "State" means the state of Rhode Island and any of its departments or agencies and public
28 agencies.

29 (23) "Supplemental agreement" means any contract modification which is accomplished by the
30 mutual action of the parties.

31 (24) "Supplies" means all property, including, but not limited to, leases of real property, printing,
32 and insurance, except land or permanent interest in land.

33 (25) "Using agency" means any state governmental entity which utilizes any supplies, services, or
34 construction purchased under this chapter.

1 (26) As used in § 37-2-59, "architect" or "engineer" services means those professional services
2 within the scope of practice of architecture, professional engineering, or registered land surveying
3 pertaining to construction, as defined by the laws of this state. "Consultant" means any person with whom
4 the state and/or a public agency has a contract which contract provides for the person to give direction or
5 information as regards a particular area of knowledge in which the person is a specialist and/or has
6 expertise.

7 (27) For purposes of §§ 37-2-62 – 37-2-70, "directors" means those members of a public agency
8 appointed pursuant to a statute who comprise the governing authority of the board, commission, authority,
9 and/or corporation.

10 (28) "State agency" means any department, commission, council, board, bureau, committee,
11 institution, or other governmental entity of the executive or judicial branch of this state not otherwise
12 established as a body corporate and politic, and includes, without limitation, the board of governors for
13 higher education except for purchases which are funded by restricted, sponsored, or auxiliary moneys and
14 the board of regents for elementary and secondary education.

15 (29) "Governmental entity" means any department, commission, council, board, bureau,
16 committee, institution, legislative body, agency, or government corporation of the executive, legislative,
17 or judicial branches of state, federal, and/or local governments.

18 (30) "Construction management at-risk" or "construction management at-risk services" or
19 "construction management at-risk delivery method" is a construction method wherein a construction
20 manager at-risk provides a range of preconstruction services and construction management services which
21 may include cost estimation and consultation regarding the design of the building project, the preparation
22 and coordination of bid packages, scheduling, cost control, and value engineering, acting as the general
23 contractor during the construction, detailing the trade contractor scope of work, holding the trade
24 contracts and other contracts, evaluating trade contractors and subcontractors, and providing management
25 and construction services, all at a guaranteed maximum price, which shall represent the maximum amount
26 to be paid by the using agency for the building project, including the cost of work, the general conditions
27 and the fee payable to the construction management at-risk firm.

28 (31) "Construction manager at-risk" or "construction management at-risk firm" is a person or
29 business experienced in construction that has the ability to evaluate and to implement drawings and
30 specifications as they affect time, cost and quality of construction and the ability to coordinate and deliver
31 the construction of the project within a guaranteed maximum price, which shall represent the maximum
32 amount to be paid by the using agency for the building project, including the cost of the work, the general
33 conditions and the fee payable to the construction management at-risk firm. The construction manager at-

1 risk provides consultation services during the preconstruction and construction phases of the project. The
2 project engineer, architect or owner's program manager may not serve as the construction manager at-risk.

3 (32) "Owner's program manager" shall be an entity engaged to provide project management
4 services on behalf of a state agency for the construction and supervision of the construction of a building
5 project. The owner's program manager acts as the owner's agent in all aspects of the construction project,
6 including, but not limited to, architectural programming, planning, design, construction, and the selection
7 and procurement of an appropriate construction delivery method. The owner's program manager shall
8 have at least seven (7) years experience in the construction and supervision of construction of buildings of
9 similar size and complexity. The owner's program manager shall not have been employed during the
10 preceding year by the design firm, the construction firm, and/or the subcontractors associated with the
11 project.

12 SECTION 16. Section 37-13-7 of the General Laws in Chapter 37-13 entitled "Labor and
13 Payment of Debts by Contractors" is hereby amended to read as follows:

14 **§ 37-13-7 Specification in contract of amount and frequency of payment of wages.** – (a)

15 Every call for bids for every contract in excess of one thousand dollars (\$1,000), to which the state of
16 Rhode Island or any political subdivision thereof or any public agency or quasi-public agency is a party,
17 for construction, alteration, and/or repair, including painting and decorating, of public buildings or public
18 works of the state of Rhode Island or any political subdivision thereof, or any public agency or quasi-
19 public agency and which requires or involves the employment of employees, shall contain a provision
20 stating the minimum wages to be paid various types of employees which shall be based upon the wages
21 that will be determined by the director of labor and training to be prevailing for the corresponding types
22 of employees employed on projects of a character similar to the contract work in the city, town, village, or
23 other appropriate political subdivision of the state of Rhode Island in which the work is to be performed.
24 Every contract shall contain a stipulation that the contractor or his or her subcontractor shall pay all the
25 employees employed directly upon the site of the work, unconditionally and not less often than once a
26 week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of
27 payment computed at wage rates not less than those stated in the call for bids, regardless of any
28 contractual relationships which may be alleged to exist between the contractor or subcontractor and the
29 employees, and that the scale of wages to be paid shall be posted by the contractor in a prominent and
30 easily accessible place at the site of the work; and the further stipulation that there may be withheld from
31 the contractor so much of the accrued payments as may be considered necessary to pay to the employees
32 employed by the contractor, or any subcontractor on the work, the difference between the rates of wages
33 required by the contract to be paid the employees on the work and the rates of wages received by the
34 employees and not refunded to the contractor, subcontractors, or their agents.

1 (b) The terms "wages", "scale of wages", "wage rates", "minimum wages", and "prevailing
2 wages" shall include:

3 (1) The basic hourly rate of pay; and

4 (2) The amount of:

5 (A) The rate of contribution made by a contractor or subcontractor to a trustee or to a third person
6 pursuant to a fund, plan, or program; and

7 (B) The rate of costs to the contractor or subcontractor which may be reasonably anticipated in
8 providing benefits to employees pursuant to an enforceable commitment to carry out a financially
9 responsible plan or program which was communicated in writing to the employees affected, for medical
10 or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from
11 occupational activity, or insurance to provide any of the foregoing, for unemployment benefits, life
12 insurance, disability and sickness insurance, or accident insurance, for vacation and holiday pay, for
13 defraying costs of apprenticeship or other similar programs, or for other bona fide fringe benefits, but
14 only where the contractor or subcontractor is not required by other federal, state, or local law to provide
15 any of the benefits; provided, that the obligation of a contractor or subcontractor to make payment in
16 accordance with the prevailing wage determinations of the director of labor and training insofar as this
17 chapter of this title and other acts incorporating this chapter of this title by reference are concerned may
18 be discharged by the making of payments in cash, by the making of contributions of a type referred to in
19 subsection (b)(2), or by the assumption of an enforceable commitment to bear the costs of a plan or
20 program of a type referred to in this subdivision, or any combination thereof, where the aggregate of any
21 payments, contributions, and costs is not less than the rate of pay described in subsection (b)(1) plus the
22 amount referred to in subsection (b)(2).

23 (c) The term "employees", as used in this section, shall include employees of contractors or
24 subcontractors performing jobs on various types of public works including mechanics, apprentices,
25 teamsters, chauffeurs, and laborers engaged in the transportation of gravel or fill to the site of public
26 works, the removal and/or delivery of gravel or fill or ready-mix concrete, sand, bituminous stone, or
27 asphalt flowable fill from the site of public works, or the transportation or removal of gravel or fill from
28 one location to another on the site of public works, and the employment of the employees shall be subject
29 to the provisions of subsections (a) and (b).

30 (d) The terms "public agency" and "quasi-public agency" shall include, but not be limited to, the
31 Rhode Island industrial recreational building authority, the Rhode Island economic development
32 corporation, the Rhode Island airport corporation, the Rhode Island industrial facilities corporation, the
33 Rhode Island refunding bond authority, the Rhode Island housing and mortgage finance corporation, the
34 Rhode Island resource recovery corporation, the Rhode Island public transit authority, the Rhode Island

1 student loan authority, the water resources board corporate, the Rhode Island health and education
2 building corporation, ~~the Rhode Island higher education assistance authority~~, the Rhode Island turnpike
3 and bridge authority, the Narragansett Bay water quality management district commission, Rhode Island
4 telecommunications authority, the convention center authority, the board of governors for higher
5 education, the board of regents for elementary and secondary education, the capital center commission,
6 the housing resources commission, the Quonset Point-Davisville management corporation, the Rhode
7 Island children's crusade for higher education, the Rhode Island depositors economic protection
8 corporation, the Rhode Island lottery commission, the Rhode Island partnership for science and
9 technology, the Rhode Island public building authority, and the Rhode Island underground storage tank
10 board.

11 SECTION 17. Section 42-11.3-1 of the General Laws in Chapter 42-11.3 entitled "Motor
12 Vehicles Owned by a Governmental Body" is hereby amended to read as follows:

13 **§ 42-11.3-1 Definition.** – As used in this chapter, the following terms have the following
14 meanings unless otherwise specified:

15 (1) "General officer" means the governor, the lieutenant governor, the attorney general, the
16 secretary of state, and the general treasurer.

17 (2)(i) "Governmental body" means any department, commission, council, board, bureau,
18 committee, institution, legislative body, agency, government corporation, including, without limitation,
19 the board of governors for higher education and board of regents for elementary and secondary education
20 or other establishment of the executive, legislative or judicial branch of the state.

21 (ii) "Governmental body" also means the Rhode Island industrial recreational building authority,
22 the Rhode Island economic development corporation, the Rhode Island industrial facilities corporation,
23 the Rhode Island refunding bond authority, the Rhode Island housing and mortgage finance corporation,
24 the Rhode Island solid waste management corporation, the Rhode Island public transit authority, the
25 Rhode Island student loan authority, the Howard development corporation, the water resources board, the
26 Rhode Island health and education building corporation, ~~the Rhode Island higher education assistance~~
27 ~~authority~~, the Rhode Island turnpike and bridge authority, the Blackstone Valley district commission, the
28 Narragansett Bay water quality management district commission, Rhode Island telecommunications
29 authority, the convention center authority, channel 36 foundation, their successors and assigns, and any
30 other body corporate and politic which has been here before or which is hereinafter created or established
31 within this state excepting cities and towns.

32 (3) "Own" means control and the intent to control and includes any type of arrangement,
33 including by way of illustration, and not by limitation, a lease arrangement, whereby an employee of a
34 governmental body is supplied principal or exclusive use of a motor vehicle by his or her employer.

1 (4) "Law enforcement officer" means an individual: (i) who is employed on a full-time basis by a
2 governmental body that is responsible for the prevention or investigation of crime involving injury to
3 persons or property (including the apprehension or detention of persons for such crimes); (ii) who is
4 authorized by law to carry firearms, execute search warrants, and to make arrests (other than merely a
5 citizen's arrest); and (iii) who regularly carries firearms (except when it is not possible to do so because of
6 the requirements of undercover work). The term law enforcement officer shall include an arson
7 investigator if the investigator otherwise meets these requirements.

8 (5) "Commuting" means driving a motor vehicle owned by a governmental body to and from the
9 work place and the employee's residence.

10 (6) "Employee" means an individual who works for a governmental body not less than thirty-five
11 (35) hours a week.

12 SECTION 18. Section 42-35-1 of the General Laws in Chapter 42-35 entitled "Administrative
13 Procedures" is hereby amended to read as follows:

14 **§ 42-35-1 Definitions.** – As used in this chapter:

15 (1) "Agency" includes each state board, commission, department, or officer, other than the
16 legislature or the courts, authorized by law to make rules or to determine contested cases, and all
17 "authorities", as that term is defined below;

18 (2) "Authorities" includes the following: the Rhode Island industrial building authority, the
19 Rhode Island recreational building authority, the Rhode Island economic development corporation, the
20 Rhode Island industrial facilities corporation, the Rhode Island refunding bond authority, the Rhode
21 Island housing and mortgage finance corporation, the Rhode Island solid waste management corporation,
22 the Rhode Island public transit authority, the Rhode Island student loan authority, the Howard
23 development corporation, the water resources board, the Rhode Island health and educational building
24 corporation, ~~the Rhode Island higher education assistance authority,~~ the Rhode Island turnpike and bridge
25 authority, the Blackstone Valley district commission, the Narragansett Bay water quality management
26 district commission, their successors and assigns, and any body corporate and politic with the power to
27 issue bonds and notes, which are direct, guaranteed, contingent, or moral obligations of the state, which is
28 hereinafter created or established in this state.

29 (3) "Contested case" means a proceeding, including but not restricted to ratemaking, price fixing,
30 and licensing, in which the legal rights, duties, or privileges of a specific party are required by law to be
31 determined by an agency after an opportunity for hearing;

32 (4) "License" includes the whole or part of any agency permit, certificate, approval, registration,
33 charter, or similar form of permission required by law, but it does not include a license required solely for
34 revenue purposes;

1 (5) "Licensing" includes the agency process respecting the grant, denial, renewal, revocation,
2 suspension, annulment, withdrawal, or amendment of a license;

3 (6) "Party" means each person or agency named or admitted as a party, or properly seeking and
4 entitled as of right to be admitted as a party;

5 (7) "Person" means any individual, partnership, corporation, association, the department of
6 environmental management, governmental subdivision, or public or private organization of any character
7 other than an agency;

8 (8) "Rule" means each agency statement of general applicability that implements, interprets, or
9 prescribes law or policy or describes the organization, procedure, or practice requirements of any agency.
10 The term includes the amendment or repeal of a prior rule, but does not include: (1) statements
11 concerning only the internal management of an agency and not affecting private rights or procedures
12 available to the public, or (2) declaratory rulings issued pursuant to § 42-35-8, (3) intra-agency
13 memoranda, or (4) an order;

14 (9) "Small business" shall shall have the same meanings that are provided for under title 13,
15 volume 1, part 121 of the Code of Federal Regulations (13 CFR 121, as may be amended from time to
16 time);

17 (10) "Order" means the whole or a part of a final disposition, whether affirmative, negative,
18 injunctive or declaratory in form, of a contested case;

19 (11) "Small business advocate" means the person appointed by the director of the economic
20 development corporation as provided in § 42-64-34.

21 SECTION 19. Section 42-104-1 of the General Laws in Chapter 42-104 entitled "The William P.
22 Robinson, Jr., Building" is hereby amended to read as follows:

23 **§ 42-104-1 The William P. Robinson, Jr., Building.** – The Rhode Island division of higher
24 education assistance ~~authority~~-building on Jefferson Boulevard in the city of Warwick shall be named the
25 "William P. Robinson, Jr., Building".

26 SECTION 20. Section 42-155-3 of the General Laws in Chapter 42-155 entitled "Quasi-Public
27 Corporations Accountability and Transparency Act" is hereby amended to read as follows:

28 **§ 42-155-3 Definitions.**– (a) As used in this chapter, "quasi-public corporation" means any body
29 corporate and politic created, or to be created, pursuant to the general laws, including, but not limited to,
30 the following:

- 31 (1) Capital center commission;
- 32 (2) Rhode Island convention center authority;
- 33 (3) Rhode Island industrial facilities corporation;
- 34 (4) Rhode Island industrial-recreational building authority;

- 1 (5) Rhode Island small business loan fund corporation;
- 2 (6) Quonset development corporation;
- 3 (7) Rhode Island airport corporation;
- 4 (8) I-195 redevelopment district commission;
- 5 (9) Rhode Island health and educational building corporation;
- 6 (10) Rhode Island housing and mortgage finance corporation;
- 7 ~~(11) Rhode Island higher education assistance authority;~~
- 8 (12) Rhode Island student loan authority;
- 9 (13) Narragansett bay commission;
- 10 (14) Rhode Island clean water finance agency;
- 11 (15) Rhode Island water resources board;
- 12 (16) Rhode Island resource recovery corporation;
- 13 (17) Rhode Island public rail corporation;
- 14 (18) Rhode Island public transit authority;
- 15 (19) Rhode Island turnpike and bridge authority;
- 16 (20) Rhode Island tobacco settlement financing corporation; and
- 17 (21) Any subsidiary of the Rhode Island commerce corporation.

18 (b) Cities, towns, and any corporation created that is an instrumentality and agency of a city or
19 town, and any corporation created by a state law that has been authorized to transact business and exercise
20 its powers by a city or town pursuant to ordinance or resolution, and fire and water districts are not
21 subject to the provisions of this chapter.

22 (c) The Rhode Island commerce corporation, being subject to similar transparency and
23 accountability requirements set forth in chapter 64 of title 42; the Rhode Island public rail corporation
24 established in chapter 64.2 of title 42; Block Island power authority; and the Pascoag utility district shall
25 not be subject to the provisions of this chapter.

26 SECTION 21. Sections 44-30.1-1, 44-30.1-3 and 44-30.1-5 of the General Laws in Chapter 44-
27 30.1 entitled "Setoff of Refund of Personal Income Tax" are hereby amended to read as follows:

28 **§ 44-30.1-1 Definitions.** – (a) "Benefit overpayments and interest owed" means any amount in
29 excess of five hundred dollars (\$500) determined to be recoverable under the provisions of chapters 39 –
30 44 of title 28.

31 (b) "Cash assistance benefit overpayments" means any amount of cash assistance benefits which
32 constitutes an overpayment of benefits under the provisions of the Rhode Island Works Program as
33 previously established by chapter 5.2 of title 40, and/or the predecessor family assistance programs,
34 formerly known as the Family Independence Program, as previously established by chapter 5.1 of title 40,

1 and the Aid to Families With Dependent Children program, as previously established by § 40-6-4, which
2 overpayment amount has been established by court order, by administrative hearing conducted by the
3 department of human services, or by written agreement between the department of human services and
4 the individual.

5 (c) "Claimant agency" means either:

6 (1) The department of human services, with respect (1) to past-due support which has been
7 assigned to the department of human services by public assistance and medical assistance recipients or by
8 the department for children, youth and families, (2) past-due support which it is attempting to collect on
9 behalf of any individual not eligible as a public assistance recipient, and (3) cash assistance benefit
10 overpayments or medical assistance benefit overpayments, as defined herein; or

11 (2)(i) The Rhode Island division of higher education assistance authority (RIHEAA), with respect
12 to obligations owed to that agency or to the state of Rhode Island by reason of default or failure to pay
13 student loans, health professions contract advances or scholarships or grant over-awards, or

14 (ii) The Rhode Island division of higher education assistance authority (RIHEAA), acting as
15 agent for the United States Department of Education or other student loan guarantee agencies in other
16 states which have negotiated a reciprocal arrangement with the Rhode Island division of higher education
17 assistance RIHEAA for the setoff of refunds of personal income taxes against defaulted loan obligations.

18 (3) The Rhode Island court administrative office, with respect to court costs, fines, and restitution
19 owed; or

20 (4) The department of labor and training with respect to benefit overpayments and interest owed
21 in excess of five hundred dollars (\$500).

22 (d) "Court costs owed" means any fines, fees, and/or court costs which have been assessed
23 pursuant to a criminal disposition by a judge of the district, family and superior courts, including, but not
24 limited to, those amounts assessed pursuant to chapters 20 and 25 of title 12 and those amounts assessed
25 pursuant to title 31, including also those fines, fees, and/or court costs assessed by the traffic tribunal or
26 municipal court associated with motor vehicle violations which have not been paid and which have been
27 declared delinquent by the administrative judge of the court making the assessment.

28 (e) "Debtor" means:

29 (1) Any individual who owes past-due support which has been assigned to the department of
30 human services by public assistance and medical assistance recipients or by the department of children,
31 youth and families, or owes past due support to any individual not eligible as a public assistance recipient;

32 (2) Any individual who has obligations owed to the Rhode Island division of higher education
33 assistance RIHEAA or the state of Rhode Island, the United States Department of Education or other

1 states and agencies that have negotiated reciprocal agreements with the Rhode Island division of higher
2 education assistance RHEEA;

3 (3) Any individual who owes fines, fees, and/or court costs to the superior, family, district courts
4 and the traffic tribunal and municipal court associated with motor vehicle violations;

5 (4) Any individual who owes restitution to any victim of any offense which has been ordered by a
6 judge of the district, family and superior courts pursuant to a disposition in a criminal case and which has
7 been made payable through the administrative office of state courts pursuant to § 12-19-34 except that
8 obligations discharged in bankruptcy shall not be included;

9 (5) Any individual who owes any sum in excess of five hundred dollars (\$500) for benefit
10 overpayments and interest to the department of labor and training determined to be recoverable under the
11 provisions of chapters 39-44 of title 28.

12 (6) Any individual who owes any sum of cash assistance benefit overpayments to the department
13 of human services.

14 (7) Any individual who has obligations owed to the Rhode Island Student Loan Authority
15 (RISLA), or other states and agencies that have negotiated reciprocal agreements with RISLA.

16 (f) "Division" means the department of revenue, division of taxation.

17 (g) "Fines owed" means any fines, fees, and/or court costs which have been ordered paid as a
18 penalty in a criminal case by a judge of the district, family and superior courts and those fines, fees,
19 and/or court costs ordered paid by the traffic tribunal or municipal court for motor vehicle violations as
20 described in § 31-41.1-4 which have not been paid and which have been declared delinquent by the
21 administrative judge of the court making the assessment.

22 (h) "Medical assistance benefit overpayment" means any amount of medical assistance benefits
23 which constitutes an overpayment of medical assistance benefits. The department is authorized to
24 promulgate rules and regulations to provide for notice and hearing prior to the income tax intercept by the
25 department for income tax intercept for medical assistance benefits overpaid to the recipient. The amount
26 of overpayment of benefits may include the overpayment of benefits due to the fact that the Medicaid
27 recipient failed to pay the cost share obligation lawfully imposed in accordance with Rhode Island law.

28 (i) "Medical assistance cost share arrearage" means any amount due and owing to the department
29 of human services as a result of a Medicaid recipient's failure to pay their cost share obligation, including
30 any amount due for a cost sharing obligation or medical assistance premium obligation, imposed in
31 accordance with Title 40, Chapter 8.4 of the Rhode Island General Laws.

32 (j) "Obligation owed" means the total amount owed by any individual on:

33 (1) Any guaranteed student loan or parent loan for undergraduate students for which the Rhode
34 Island division of higher education assistance RHEEA has had to pay the guarantee, or for which the

1 Rhode Island division of higher education assistance ~~RIHEAA~~ is acting as agent on behalf of the United
2 States Department of Education or other state cooperating agencies which have had to pay a guarantee,

3 (2) Any contract fee advanced by either the Rhode Island division of higher education assistance
4 ~~RIHEAA~~ or the state of Rhode Island on behalf of any individual participating in a health professions
5 educational program for which payment has not been made according to the terms of the contract, and

6 (3) Any amount of scholarship or grant funds which constitutes an over-award, whether due to
7 error or to the submission of false information, and for which repayment has been demanded by the
8 agency, but which has not been paid.

9 (4) Any education loan held by the Rhode Island Student Loan Authority (RISLA) not guaranteed
10 by the Rhode Island division of higher education assistance ~~RIHEAA~~ or other guarantor.

11 (k) "Past-due support" means the amount of court-ordered child support or maintenance, child
12 medical support or a spousal support order for a custodial parent having custody of a minor child, which
13 is overdue or otherwise in arrears, regardless of whether there is an outstanding judgment for that amount,
14 and whether the order for the support or maintenance has been established by a court or by an
15 administrative process authorized under the laws of any state.

16 (l) "Refund" means the Rhode Island income tax refund which the division of taxation determines
17 to be due to a taxpayer.

18 (m) "Restitution owed" means any amount which has been ordered paid pursuant to a criminal
19 case disposition by a judge of the district, family and superior courts pursuant to chapter 19 of title 12,
20 which has not been paid and which has been declared delinquent by the administrative judge of the court
21 making the assessment.

22 **§ 44-30.1-3 Collection of debts by setoff.** – Within a time frame established by the division of
23 taxation, the claimant agency shall supply the information necessary relative to each debtor owing the
24 state money, and further, shall certify the amount of debt or debts owed to the state by each debtor. Upon
25 receiving notice from the claimant agency that a named debtor owes past-due support, delinquent court
26 costs, fines, or restitution or benefit overpayments and interest owed, has obligations owed as described in
27 § 44-30.1-1(g), cash assistance benefit overpayments, medical assistance benefit overpayments, or
28 medical assistance cost share arrearages, the division of taxation shall determine whether any amount, as
29 a refund of taxes paid, is payable to the debtor, regardless of whether the debtor filed an income tax return
30 as a married or unmarried individual. If the division of taxation determines that any refund is payable, the
31 division of taxation shall set off the past-due support, delinquent court costs, fines or restitution or benefit
32 overpayments and interest owed, the obligation owed, cash assistance benefit overpayments, medical
33 assistance benefit overpayments, or medical assistance cost share arrearages, against the debtor's refund
34 and shall reduce the debtor's refund by the amount so determined. The division of taxation shall transfer

1 the amount of past-due support, delinquent court costs, fines or restitution, or benefit overpayments and
2 interest owed, obligation owed, cash assistance benefit overpayments, medical assistance benefit
3 overpayments, or medical assistance cost share arrearages, set off against the debtor's refund to the
4 claimant agency or in the case of the United States Department of Education or other out-of-state
5 agencies, to the Rhode Island division of higher education assistance authority (RIHEAA) as its agent,
6 and in the case of education loans held by the Rhode Island Student Loan Authority (RISLA) for itself or
7 as agent for another out-of-state education loan agency and which education loans are not guaranteed by
8 the Rhode Island division of higher education assistance RIHEAA or another guarantor, to RISLA. The
9 pendency of judicial proceedings to contest the setoff shall not stay nor delay the setoff and transfer of
10 refunds to the claimant agency. If the amount of the debtor's refund exceeds the amount of the past-due
11 support, delinquent court costs, fines, or restitution or benefit overpayments and interest owed, obligation
12 owed, cash assistance benefit overpayments, medical assistance benefit overpayments, or medical
13 assistance cost share arrearages, the division of taxation shall refund the excess amount to the debtor. If in
14 any instance with regard to the debtor the division of taxation has received notice from more than one
15 claimant agency, the claim by the bureau of child support shall receive first priority, the obligations owed
16 shall have second priority, and the delinquent court costs, fines or restitution shall have third priority, the
17 benefit overpayments and interest owed the fourth priority and the cash assistance benefit overpayments
18 the fifth priority, and medical assistance benefit overpayments, or medical assistance cost share arrearages
19 the sixth priority.

20 **§ 44-30.1-5 Hearing procedures.** – (a) If the claimant agency receives written application
21 pursuant to § 44-30.1-4(b) contesting the setoff or the delinquent court costs, fines or restitution or the
22 past-due support or benefit overpayments and interest owed or the obligation owed upon which the setoff
23 is based, it shall grant a hearing to the applicant in accordance with chapter 35 of title 42, "Administrative
24 Procedure".

25 (b) Appeals from the administrative decisions made by the claimant agency shall be in
26 accordance with chapter 35 of title 42, "Administrative Procedures". Appeals contesting the setoff of past
27 due support shall be to the family court of Providence County.

28 (c) In those cases where the Rhode Island division of higher education assistance authority
29 ~~(RIHEAA)~~ acts as agent for the United States Department of Education or other out-of-state agencies, the
30 Rhode Island division of higher education assistance RIHEAA must obtain appropriate documentation of
31 the obligation owed such as promissory notes, evidence of guarantees paid and any other items that may
32 be necessary to conduct a fair hearing. The Rhode Island division of higher education assistance RIHEAA
33 as agent for other states shall negotiate appropriate reciprocal agreements with those states for purposes of
34 transferring funds and setting charges for cost of services.

1 (d) In those cases where the Rhode Island Student Loan Authority (RISLA) is the claimant either
2 for itself or as agent for another out-of-state education loan agency, RISLA must obtain appropriate
3 documentation of the obligation owed such as promissory notes, and any other items that may be
4 necessary to conduct a fair hearing. RISLA as agent for other states or agencies shall negotiate
5 appropriate reciprocal agreements with those states and agencies for purposes of transferring funds and
6 setting charges for cost of services.

7 SECTION 22. This article shall take effect as of July 1, 2015.

8 ARTICLE 8

9 RELATING TO MUNICIPALITIES

10 SECTION 1. Section 24-12-26 of the General Laws in Chapter 24-12 entitled “Rhode Island
11 Turnpike and Bridge Authority” is hereby amended to read as follows:

12 **§ 24-12-26 Power to collect tolls and charges – Gasoline and service concessions.** – (a) The
13 authority is hereby authorized, subject to the provisions of this chapter, to fix, revise, charge and collect
14 tolls for the use of the Newport Bridge, the Mount Hope Bridge, the turnpike and the different parts or
15 sections thereof, and for the use of any additional facility and the different parts or sections thereof, and to
16 contract with any person, partnership, association or corporation for placing on any project telephone,
17 telegraph, electric light or power lines, gas stations, garages, and restaurants if deemed necessary by the
18 authority in connection with the project, or for the use of any project or part thereof, including the right-
19 of-way adjoining the paved portion of the turnpike or of any additional facility or for any other purposes
20 and to fix the terms, conditions, rents and rates of charges for such use; provided, that the authority shall
21 construct any gasoline service facilities which it may determine are needed on the project, and provided,
22 further, that, to afford users of the project a reasonable choice of motor fuels of different brands, each
23 gasoline service station shall be separately offered for lease upon sealed bids and, after notice of the offer
24 has been published once a week in three (3) consecutive weeks in a newspaper having general circulation
25 in the state, and, in the event an acceptable bid shall be received in the judgment of the authority, each
26 lease shall be awarded to the highest responsible bidder therefor, but no person shall be awarded or have
27 the use of, nor shall motor fuel identified by the trade-marks, trade names, or brands of any one supplier,
28 distributor, or retailer of such fuel be sold at more than one service station if they would constitute more
29 than twenty-five percent (25%) of the service stations on the project. Notwithstanding the provisions of
30 this section, members of the town of Jamestown police and fire department and ambulance service
31 personnel of the town of Jamestown and Jamestown school department who, in the course of their duty,
32 are required to pay a toll for use of the Newport Bridge, shall, upon the presentment of receipts for the
33 payment of the toll to the town of Jamestown, be reimbursed for all charges on an annual basis by the
34 town of Jamestown who in turn shall be reimbursed for all payments made by the state. The town of

1 Jamestown shall submit a request for reimbursement to the Division of Municipal Finance for the
2 previous fiscal year (ending June 30th) to the state no later than September 30th of the fiscal year following
3 the fiscal year for which reimbursement is being requested. Notwithstanding the provisions of this
4 section, members of the city of Newport police and fire department and rescue personnel who, in the
5 course of their duty, are required to pay a toll for use of the Newport Bridge, shall, upon the presentment
6 of receipts for the payment of the toll to the city of Newport, be reimbursed for all charges on an annual
7 basis by the city of Newport who in turn shall be reimbursed for all payments made by the state. The city
8 of Newport shall submit a request for reimbursement to the Division of Municipal Finance for the
9 previous fiscal year (ending June 30th) to the state no later than September 30th of the fiscal year following
10 the fiscal year for which reimbursement is being requested.

11 (b) Notwithstanding the provisions of this section, members of the police and fire department and
12 rescue personnel of any city or town in this state who, in the course of their duty, are required to pay a toll
13 for use of the Mount Hope Bridge or the Sakonnet River Bridge, if any, shall, upon the presentment of
14 receipts for the payment of the toll to their town or city, be reimbursed for all such charges on an annual
15 basis by the town or city, who in turn shall be reimbursed for all payments made by the state. Any town or
16 city shall submit a request for reimbursement to the Division of Municipal Finance for the previous fiscal
17 year (ending June 30th) to the state no later than September 30th of the fiscal year following the fiscal year
18 for which reimbursement is being requested.

19 SECTION 2. Section 45-12-33 of the General Laws in Chapter 45-12 entitled "Indebtedness of
20 Towns and Cities" is hereby amended to read as follows:

21 **§ 45-12-33 Borrowing for road and bridge, infrastructure, and school building projects**
22 **financed through the "municipal road and bridge revolving fund"**. – (a) In addition to other authority
23 previously granted, ~~during calendar year 2014~~ from July 1, 2015 to June 20, 2016, a city or town may
24 authorize the issuance of bonds, notes, or other evidences of indebtedness to evidence loans from the
25 municipal road and bridge revolving fund or the efficient buildings fund administered by the Rhode
26 Island ~~clean water finance agency~~ infrastructure bank in accordance with chapter 18 of title 24 and
27 chapter 12.2 of title 46 of the general laws or the school building authority capital fund administered by
28 the Rhode Island health and educational building corporation in accordance with chapter ~~48~~ 38.2 of title
29 ~~24~~ 45.

30 (b) These bonds, notes, or other evidences of indebtedness are subject to the maximum aggregate
31 indebtedness permitted to be issued by any city or town under § 45-12-2.

32 (c) The denominations, maturities, interest rates, methods of sale, and other terms, conditions, and
33 details of any bonds or notes issued under the provisions of this section may be fixed by resolution of the
34 city or town council authorizing them, or if no provision is made in the resolution, by the treasurer or

1 other officer authorized to issue the bonds, notes or evidences of indebtedness; provided, that the payment
2 of principal shall be by sufficient annual payments that will extinguish the debt at maturity, the first of
3 these annual payments to be made not later than three (3) years, and the last payment not later than twenty
4 (20) years after the date of the bonds.

5 The bonds, notes, or other evidences of indebtedness may be issued under this section by any
6 political subdivision without obtaining the approval of its electors, notwithstanding the provisions of §§
7 45-12-19 and 45-12-20 and notwithstanding any provision of its charter to the contrary.

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

9 ARTICLE 9

10 RELATING TO SCHOOL BUILDING AUTHORITY CAPITAL FUND

11 SECTION 1. Sections 16-7-41 and 16-7-44 of the General Laws in Chapter 16-7 entitled
12 “Foundation Level School Support” are hereby amended to read as follows:

13 **§ 16-7-41 Computation of school housing aid.** (d) Notwithstanding any provisions of law to
14 the contrary, in connection with the issuance of refunding bonds benefiting any local community, any net
15 interest savings resulting from the refunding bonds issued by such community or a municipal public
16 buildings authority for the benefit of the community or by the Rhode Island health and educational
17 building corporation for the benefit of the community, in each case in support of school housing projects
18 for the community, shall be allocated between the community and the state of Rhode Island, by applying
19 the applicable school housing aid ratio at the time of issuance of the refunding bonds, calculated pursuant
20 to § 16-7-39, that would otherwise apply in connection with school housing projects of the community;
21 provided however, that for any refundings that occur between July 1, 2013 and ~~December 31~~ June 30,
22 2015, the community shall receive eighty percent (80%) of the total savings and the state shall receive
23 twenty percent (20%). In connection with any such refunding of bonds, the finance director or the chief
24 financial officer of the community shall certify such net interest savings to the commissioner of
25 elementary and secondary education. Notwithstanding § 16-7-44 or any other provision of law to the
26 contrary, school housing projects costs in connection with any such refunding bond issue shall include
27 bond issuance costs incurred by the community, the municipal public buildings authority or the Rhode
28 Island health and educational building corporation, as the case may be, in connection therewith. In
29 connection with any refunding bond issue, school housing project costs shall include the cost of interest
30 payments on such refunding bonds, if the cost of interest payments was included as a school housing cost
31 for the bonds being refunded. A local community or municipal public buildings authority shall not be
32 entitled to the benefits of this subsection (d) unless the net present value savings resulting from the
33 refunding is at least three percent (3%) of the refunded bond issue.

1 **§ 16-7-44 School housing project costs.** – School housing project costs, the date of completion
2 of school housing projects, and the applicable amount of school housing project cost commitments shall
3 be in accordance with the regulations of the commissioner of elementary and secondary education and the
4 provisions of §§ 16-7-35 – 16-7-47; provided, however, that school housing project costs shall include the
5 purchase of sites, buildings, and equipment, the construction of buildings, and additions or renovations of
6 existing buildings and/or facilities. School housing project costs shall include the cost of interest payment
7 on any bond issued after July 1, 1988, provided that such bond is approved by the voters on or before
8 June 30, 2003 or issued by a municipal public building authority or by the appropriate approving
9 authority on or before June 30, 2003. Except as provided in subsection 16-7-41(d), those projects
10 approved after June 30, 2003, interest payments may only be included in project costs provided that the
11 bonds for these projects are issued through the Rhode Island Health, Education and Building Corporation.
12 School housing project costs shall exclude: (1) any bond issuance costs incurred by the municipality or
13 regional school district; (2) demolition costs for buildings, facilities, or sites deemed surplus by the school
14 committee; and (3) restrictions pursuant to § 16-7-44.1 below. A building, facility, or site is declared
15 surplus by a school committee when the committee no longer has such building, facility, or site under its
16 direct care and control and transfers control to the municipality, § 16-2-15. The board of regents for
17 elementary and secondary education will promulgate rules and regulations for the administration of this
18 section. These rules and regulations may provide for the use of lease revenue bonds, capital leases, or
19 capital reserve funding, to finance school housing provided that the term of any bond, or capital lease
20 shall not be longer than the useful life of the project and these instruments are subject to the public review
21 and voter approval otherwise required by law for the issuance of bonds or capital leases. Cities or towns
22 issuing bonds, or leases issued by municipal public buildings authority for the benefit of a local
23 community pursuant to chapter 50 of title 45 shall not require voter approval. Effective January 1, 2008,
24 and except for interim finance mechanisms, refunding bonds, school building authority capital fund, and
25 bonds issued by the Rhode Island Health and Educational Building Corporation to finance school housing
26 projects for towns, cities, or regional school districts borrowing for which has previously been authorized
27 by an enabling act of the general assembly, all bonds, notes and other forms of indebtedness issued in
28 support of school housing projects shall require passage of an enabling act by the general assembly.

29 SECTION 2. Title 16 of the General Laws entitled “Education” is hereby amended by adding
30 thereto the following chapter:

31 CHAPTER 16-105

32 SCHOOL BUILDING AUTHORITY

33 **§16-105-1 Declaration of policy.** The state of Rhode Island is committed to providing equal
34 education opportunities for all public school students. School facilities provide more than a place for

1 instruction. The physical learning environment must be designed and constructed in order §to contribute
2 fully to the successful performance of educational programs designed to meet students' educational needs.
3 Every student has the right to a safe, healthy, and sanitary learning environment that promotes student
4 learning and development. To that end, the general assembly hereby designates the department of
5 elementary and secondary education as the state's school building authority with the responsibility to
6 implement a system of state funding for school facilities designed to:

7 (1) Guarantee adequate school housing for all public school children in the state, and

8 (2) Prevent the cost of school housing from interfering with the effective operation of the schools.

9 **§16-105-2 Roles and Responsibilities.** The school building authority roles and responsibilities
10 shall include:

11 (1) Management of a system with the goal of assuring equitable and adequate school housing for all
12 public school children in the state;

13 (2) Prevention of the cost of school housing from interfering with the effective operation of the
14 schools;

15 (3) Management of school housing aid in accordance with statute;

16 (4) Reviewing and making recommendations to the council on elementary and secondary education
17 on necessity of school construction applications for state school housing aid and the school building
18 authority capital fund;

19 (5) Managing and maintaining regulations, standards, and guidelines applicable to the school
20 housing program;

21 (6) Providing technical advice and assistance, training and education to cities, towns, or LEAs and
22 to general contractors, subcontractors, construction or project managers, designers and others in planning,
23 maintenance and establish of school facility space;

24 (7) Developing a project priority system in accordance with school construction regulations;

25 (8) Collecting and maintain readily-available data on all the public school facilities in the state;

26 (9) Promoting and incentivize local education agencies to optimize space utilization; and

27 (10) Recommending policies and procedures designed to reduce borrowing for school construction
28 programs at both state and local levels.

29 **§16-105-3 Funding mechanisms for school facilities.** The school building authority shall
30 oversee two distinct funding mechanisms for school facilities: the foundation program for school housing,
31 as set forth in Sections 16-7-35 to 16-7-47 and the school building authority capital fund, as set forth at
32 Chapter 45-38.2. The school building authority shall determine the necessity of school construction,
33 establish standards for design and construction of school buildings, ensure that districts have adequate
34 asset protection plans in place to maintain their school facilities, make recommendations to the council on

1 elementary and secondary education for approval of projects for school housing aid reimbursement and
2 establish a project priority list for the Rhode Island health and educational building corporation for
3 projects funded by the school building authority capital fund.

4 **§16-105-4 Procedure for School Building Authority Capital Fund project approval.** – (a)

5 The department of elementary and secondary education shall promulgate rules and regulations that
6 establish the process through which a city, town, or LEA may submit an application for school building
7 authority capital funding. The department may also prescribe, without limitation, forms for financial
8 assistance applications, loan agreements, and other instruments. All rules and regulations promulgated
9 pursuant to this chapter shall be promulgated in accordance with the provisions of chapter 42-35.

10 (b) In consultation with the school building authority advisory board, the school building
11 authority shall establish the investment priorities and project evaluation criteria for the school building
12 authority capital fund. These priorities shall be reviewed and if necessary, revised on intervals not to
13 exceed five years. The council on elementary and secondary education shall approve the investment
14 priorities prior to implementation.

15 (c) In accordance with the investment priorities established in 16-105-3 (b), the department shall
16 evaluate all submitted applications, identify and select eligible projects. The council shall approve all
17 projects prior to the award of financial assistance through the school building authority capital fund.

18 (d) Upon issuance of the project priority list, the corporation shall award financial assistance to
19 cities, towns, and LEAs for approved projects. The corporation may decline to award financial assistance
20 to an approved project which the corporation determines will have a substantial adverse effect on the
21 interests of holders of bonds or other indebtedness of the corporation or the interests of other participants
22 in the financial assistance program, or for good and sufficient cause affecting the finances of the
23 corporation. All financial assistance shall be made pursuant to a loan agreement between the corporation
24 and the city, town or LEA, acting by and through the officer or officers, board, committee, or other body
25 authorized by law, or otherwise its chief executive officer, according to terms and conditions as
26 determined by the corporation, and each loan shall be evidenced and secured by the issue to the
27 corporation of city or town obligations in fully marketable form in principal amount, bearing interest at
28 the rate or rates specified in the applicable loan agreement, and shall otherwise bear such terms and
29 conditions as authorized by this chapter and/or the loan agreement.

30 **§16-105-5 Inspection of approved projects.** – For any approved project, the department shall
31 have the authority to inspect the construction and operation thereof to ensure compliance with the
32 provisions of this chapter.

33 **§16-105-6 Expenses incurred by the department.** – In order to provide for the expenses of the
34 department under this chapter, the corporation shall transfer to the department an amount necessary to

1 complete tasks assigned herein to the school building authority, the school building authority advisory
2 board, as well as any additional tasks as may be requested by the general assembly.

3 **§16-105-7 School Building Authority Advisory Board established.** – (a) There is hereby
4 established a school building authority advisory board that shall advise the school building authority
5 regarding the best use of the school building authority capital fund, including the setting of statewide
6 priorities and criteria for project approval.

7 (b) The school building authority advisory board shall consist of seven (7) members as follows:

8 (1) The general treasurer;

9 (2) The director of the department of administration, who shall serve as chair;

10 (3) A member of the governor’s staff, as designated by the governor

11 (4) Four (4) members of the public, appointed by the governor, and who serve at the pleasure of
12 the governor, each of whom shall have expertise in education and/or construction, real estate, or finance.

13 (c) The school building authority advisory board shall advise the school building authority with
14 the following:

15 (1) Review and make recommendations regarding the investment priorities for the school
16 building authority capital fund;

17 (2) Recommend to the school building authority such legislation as it may deem desirable or
18 necessary related to school building authority capital fund;

19 (3) Recommend to the school building authority policies and procedures designed to reduce
20 borrowing for school construction programs at both state and local levels.

21 **§16-105-8 Severability.** – If any provision of this chapter or the application of this chapter to
22 any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications
23 of the chapter, which can be given effect without the invalid provision or application, and to this end the
24 provisions of this chapter are declared to be severable.

25 SECTION 3. Section 45-38.1-4 of the General Laws in Chapter 45-38.1 entitled “Health and
26 Education Building Corporation” is hereby amended to read as follows:

27 **§ 45-38.1-4 Corporation established.** – (a) There is hereby created a public body corporate and
28 corporation of the state to be known as the "Rhode Island health and educational building corporation" as
29 successor to the Rhode Island educational building corporation, previously created as a nonbusiness
30 corporation under and pursuant to chapter 6 of title 7, as amended by chapter 121 of the Public Laws of
31 1966, and constituted and established as a public body corporate and corporation of the state for the
32 exercising of the powers conferred on the corporation under and pursuant to §§ 45-38.1-1 – 45-38.1-24.

33 (b) All of the powers of the corporation are vested in the board of directors of the corporation
34 elected at the first meeting of the incorporators of the Rhode Island educational building corporation, and

1 the members of the board shall continue to serve for the duration of the terms for which they were
2 originally elected. Successors to the members of the board of directors shall be appointed by the governor,
3 as follows: prior to the month of June in each year, commencing in the year 1968, the governor shall
4 appoint a member to serve on the board of directors for a term of five (5) years to succeed the member
5 whose term will expire in June of that year. In the event of a vacancy occurring in the membership of the
6 board of directors, the governor shall appoint a new member of the board of directors for the unexpired
7 term. Any member of the board of directors is eligible for reappointment.

8 (c) Each member of the board of directors, before entering upon his or her duties, shall take an
9 oath to administer the duties of his or her office faithfully and impartially, and the oath shall be filed in
10 the office of the secretary of state.

11 (d) The board of directors shall ~~select two (2) of its members as chairperson and vice chairperson,~~
12 ~~and also elect a secretary, assistant secretary, treasurer, and assistant treasurer, who need not be members~~
13 ~~of the board. Three (3) members of the board of directors of the corporation shall constitute a quorum,~~
14 ~~and the affirmative vote of the majority of the directors present and entitled to vote at any regular or~~
15 ~~special meeting at which a quorum is present, is necessary for any action to be taken by the corporation;~~
16 ~~except, however, that the affirmative vote of three (3) members of the board of directors is necessary for~~
17 ~~the election of officers of the corporation and to amend the bylaws of the corporation. No vacancy in the~~
18 ~~membership of the board of directors of the corporation impairs the right of a quorum to exercise all the~~
19 ~~powers of and perform the duties of the corporation.~~ consist of seven (7) members appointed by the
20 governor. Board members appointed and qualified prior to July 1, 2015 may continue to serve to the
21 completion of their designated terms and until such time as their successors are appointed and qualified.
22 No member appointed or reappointed after July 1, 2015 shall serve more than two (2) five (5)-year terms.
23 The governor shall select a chairperson and vice chairperson from the appointed members.

24 (e) Any action taken by the corporation under the provisions of this chapter may be authorized by
25 resolution at any regular or special meeting, and each resolution takes effect immediately and need not be
26 published or posted.

27 (f) The members of the board of directors shall receive compensation at the rate of fifty dollars
28 (\$50.00) per meeting attended; however, the compensation shall not exceed one thousand five hundred
29 dollars (\$1,500) per fiscal year per member until July 1, 2015. Effective July 1, 2015, the members of the
30 board shall not receive any compensation for their service on the board.

31 (g) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of interest
32 for a trustee, director, officer, or employee of an institution for higher education or a health care provider
33 to serve as a member of the board of directors of the corporation; provided, that the trustee, director,
34 officer, or employee abstains from deliberation, action and vote by the board under this chapter in specific

1 respect to the institution for higher education or the health care provider of which the member is a trustee,
2 director, officer, or employee.

3 (h) The board and corporation shall comply with provisions of chapter 42-155, the Quasi-Public
4 Corporations Accountability and Transparency Act.

5 SECTION 4. Title 45 of the General Laws entitled “Towns and cities” is hereby amended by
6 adding thereto the following chapter:

7 CHAPTER 45-38.2

8 SCHOOL BUILDING AUTHORITY CAPITAL FUND

9 **§45-38.2-1 Definitions.** – As used in this chapter, the following terms, unless the context requires
10 a different interpretation, shall have the following meanings:

11 (1) “Annual construction plan” means any project approved by the corporation for financial
12 assistance;

13 (2) “Application” means a project proposed by a city, town, or LEA that would make capital
14 improvements to a public school consistent with project evaluation criteria;

15 (3) “Approved project” means any project approved for financial assistance;

16 (4) “Corporation” means the Rhode Island health and education building corporation as set forth
17 in chapter 45-38.1;

18 (5) “Department” means the department of elementary and secondary education as established
19 under Title 16;

20 (6) “Eligible project” means an application, or a portion of an application, that meets the project
21 evaluation criteria;

22 (7) “Financial assistance” means any form of financial assistance provided by the corporation to a
23 city, town, or LEA in accordance with this chapter for all or any part of the cost of an approved project,
24 including, without limitation, loans, guarantees, insurance, subsidies for the payment of debt service on
25 loans, lines of credit, and similar forms of financial assistance;

26 (8) “Fund” means the school building authority capital fund;

27 (9) “LEA” means a local education agency, a public board of education, school committee or
28 other public authority legally constituted within the State for administrative control or direction of one or
29 more Rhode Island public elementary or secondary schools;

30 (10) “Market rate” means the rate the city, town, or LEA would receive on the open market at the
31 time of the original loan agreement as determined by the corporation in accordance with its rules and
32 regulations;

33 (11) “Project evaluation criteria” means the criteria used by the department to evaluate
34 applications and rank eligible projects;

1 (12) “Project priority list” means the list of eligible projects ranked in the order in which financial
2 assistance shall be awarded by the corporation;

3 (13) “Subsidy assistance” means the credit enhancements and other measures to reduce the
4 borrowing costs for a city, town, or LEA.

5 **§45-38.2-2 School building authority capital fund.** – (a) There is hereby established a school
6 building authority capital fund. The corporation shall establish and set up on its books the fund, to be
7 held in trust and to be administered by the corporation as provided in this chapter and in any trust
8 agreement securing bonds of the corporation. This fund shall be in addition to the annual appropriation
9 for committed expenses related to the repayment of housing aid commitments. The corporation shall
10 deposit the following monies into the fund:

11 (1) The difference between the annual housing aid appropriation and housing aid commitment
12 amounts appropriated or designated to the corporation by the state for the purposes of this chapter;

13 (2) Loan repayments, bond refinance interest savings, and other payments received by the
14 corporation pursuant to loan agreements with cities, towns, or LEAs executed in accordance with this
15 chapter;

16 (3) Investment earnings on amounts credited to the fund;

17 (4) Proceeds of bonds of the corporation to the extent required by any trust agreement for such
18 bonds;

19 (5) Administrative fees levied by the corporation;

20 (6) Other amounts required by provisions of this chapter or agreement, or any other law or any
21 trust agreement pertaining to bonds to be credited to the fund; and

22 (7) Any other funds permitted by law which the corporation in its discretion shall determine to
23 credit thereto.

24 (b) The corporation shall establish and maintain fiscal controls and accounting procedures
25 conforming to generally accepted government accounting standards sufficient to ensure proper accounting
26 for receipts in and disbursements from the revolving fund.

27 **§45-38.2-3 Administration.** (a) The corporation shall have all the powers necessary and
28 convenient to carry out and effectuate the purposes and provisions of this chapter including, without
29 limitation:

30 (1) To receive and disburse such funds from the state as may be available for the purpose of the
31 fund subject to the provisions of this chapter;

32 (2) To make and enter into binding commitments to provide financial assistance to local cities
33 and towns from amounts on deposit in the fund;

1 (3) To enter into binding commitments to provide subsidy assistance for loans and city, town, and
2 LEA obligations from amounts on deposit in the fund;

3 (4) To levy administrative fees on cities, towns, and LEAs as necessary to effectuate the
4 provisions of this chapter; provided the fees have been previously authorized by an agreement between
5 the corporation and the city, town, or LEA;

6 (5) To engage the services of third-party vendors to provide professional services;

7 (6) To establish one or more accounts within the fund; and

8 (7) Such other authority as granted to the corporation under chapter 45-38.1.

9 (b) Subject to the provisions of this chapter, and to any agreements with the holders of any bonds
10 of the corporation or any trustee therefor, amounts held by the corporation for the account of the fund
11 shall be applied by the corporation, either by direct expenditure, disbursement, or transfer to one or more
12 other funds and accounts held by the corporation and maintained under any trust agreement pertaining to
13 bonds, either alone or with other funds of the corporation, to the following purposes:

14 (1) To provide financial assistance to cities and towns to finance costs of approved projects, and
15 to refinance the costs of the projects, subject to such terms and conditions, if any, as are determined by the
16 department and/or the corporation;

17 (2) To fund reserves for bonds of the corporation and to purchase insurance and pay the
18 premiums therefor, and pay fees and expenses of letters or lines of credit and costs of reimbursement to
19 the issuers thereof for any payments made thereon or on any insurance, and to otherwise provide security
20 for, and a source of payment for obligations of the corporation, by pledge, lien, assignment, or otherwise
21 as provided in chapter 45-38.1;

22 (3) To pay expenses of the corporation and the department in administering the fund. As part of
23 the annual appropriations bill, the department shall set forth the gross amount of expenses received from
24 the corporation and a complete, specific breakdown of the sums retained and/or expended for
25 administrative expenses;

26 (4) To pay or provide for subsidy assistance equivalent to one third (1/3) of the market rate or
27 such other subsidy assistance as determined by the corporation;

28 (5) To provide a reserve for, or to otherwise secure, amounts payable by cities, towns, and LEAs
29 on loans and city, town, and LEA obligations outstanding in the event of default thereof; amounts in any
30 account in the fund may be applied to defaults on loans outstanding to the city, town, or LEA for which
31 the account was established and, on a parity basis with all other accounts, to defaults on any loans or city,
32 town, or LEA obligations outstanding; and

33 (6) To provide a reserve for, or to otherwise secure, by pledge, lien, assignment, or otherwise as
34 provided in chapter 45-38.1, any bonds of the corporation.

1 (c) The repayment obligations of the a city, town, or LEA shall be in accordance with its
2 eligibility for state aid for school housing as set forth in regulations promulgated by the department.
3 Notwithstanding any provision of law to the contrary, any recipient of financial assistance under this
4 program shall be entitled to the percentage of state aid available to the community in which the school is
5 located.

6 (d) In addition to other remedies of the corporation under any loan agreement or otherwise
7 provided by law, the corporation may also recover from a city, town or LEA, in an action in superior
8 court, any amount due the corporation together with any other actual damages the corporation shall have
9 sustained from the failure or refusal of the city, town, or LEA to make the payments or abide by the terms
10 of the loan agreement.

11 (e) Within ninety (90) days after the end of each fiscal year, the corporation shall submit an
12 annual report to the governor, the speaker of the house of representatives, the president of the senate, and
13 the secretary of state of its activities during that fiscal year. The report shall provide: a summary of the
14 corporation's meetings including when the corporation met, subjects addressed, decisions rendered and
15 meeting minutes; a summary of the corporation's actions including a listing of rules, regulations, or
16 procedures adopted or amended, applications received for financial assistance for contracts or agreements
17 entered into, applications and intended use plans submitted to federal agencies for capitalization grants,
18 properties acquired or leased, and bonds issued; a synopsis of any complaints, suspensions, or other legal
19 matters related to the authority of the corporation; a consolidated financial statement of all funds received
20 and disbursed by the corporation including the source of and recipient of the funds which shall be audited
21 by an independent certified public accountant firm; copies of audits or reports required under federal law;
22 a listing of the staff and/or consultants employed by the corporation; a listing of findings and
23 recommendation derived from corporation activities; and a summary of performance during the previous
24 fiscal year including accomplishments, shortcomings and remedies. The report shall be posted as
25 prescribed in § 42-20-8.2. The director of the department of administration shall be responsible for the
26 enforcement of this provision. The initial report shall be due no later than January 1, 2016.

27 **§45-38.2-4 Payment of state funds.** – (a) Subject to the provisions of subsection (b), upon the
28 written request of the corporation, the general treasurer shall pay to the corporation, from time to time,
29 from the proceeds of any bonds or notes issued by the state for the purposes of this chapter or funds
30 otherwise lawfully payable to the corporation for the purposes of this chapter, such amounts as shall have
31 been appropriated or lawfully designated for the fund. All amounts so paid shall be credited to the fund in
32 addition to any other amounts credited or expected to be credited to the fund.

1 (b) The corporation and the state shall enter into, execute, and deliver one or more agreements
 2 setting forth or otherwise determining the terms, conditions, and procedures for, and the amount, time,
 3 and manner of payment of, all amounts available from the state to the corporation under this section.

4 (c) Notwithstanding city charter provisions to the contrary, up to five hundred thousand dollars
 5 (\$500,000) may be loaned to a city or town without the requirement of voter approval.

6 (d) The corporation is authorized to grant a district or municipality its state share of an approved
 7 project cost, pursuant to § 16-7-39. Construction pay-as-you-go grants received from the school building
 8 authority capital fund shall not be considered a form of indebtedness subject to the provisions of § 16-7-
 9 44.

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

11 **ARTICLE 10**

12 **RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2015**

13 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this
 14 act, the following general revenue amounts are hereby appropriated out of any money in the treasury not
 15 otherwise appropriated to be expended during the fiscal year ending June 30, 2015. The amounts
 16 identified for federal funds and restricted receipts shall be made available pursuant to section 35-4-22 and
 17 Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes and functions hereinafter
 18 mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the
 19 general treasurer for the payment of such sums or such portions thereof as may be required from time to
 20 time upon receipt by him or her of properly authenticated vouchers.

	FY 2015	FY 2015	FY 2015
	<u>Enacted</u>	<u>Change</u>	<u>Final</u>
Administration			
<i>Central Management</i>			
General Revenues	1,594,772	1,000,654	2,595,426
Office of Digital Excellence	908,192	(262,207)	645,985
Total - Central Management	2,502,964	738,447	3,241,411
<i>Legal Services</i>			
General Revenues	2,039,872	103,304	2,143,176

1	Total – Legal Services	2,039,872	103,304	2,143,176
2	<i>Accounts and Control</i>			
3	General Revenues	3,973,748	(147,430)	3,826,318
4	Total - Accounts and Control	3,973,748	(147,430)	3,826,318
5	<i>Office of Management and Budget</i>			
6	General Revenues	4,018,136	179,271	4,197,407
7	Restricted Receipts	61,374	(8,093)	53,281
8	Total – Office of Management and Budget	4,079,510	171,178	4,250,688
9	<i>Purchasing</i>			
10	General Revenues	2,670,956	(90,799)	2,580,157
11	Other Funds	308,496	8,885	317,381
12	Total – Purchasing	2,979,452	(81,914)	2,897,538
13	<i>Auditing</i>			
14	General Revenues	1,434,565	(42,649)	1,391,916
15	Total – Auditing	1,434,565	(42,649)	1,391,916
16	<i>Human Resources</i>			
17	General Revenues	7,830,548	(381,033)	7,449,515
18	Federal Funds	766,793	(37,988)	728,805
19	Restricted Receipts	461,639	(25,082)	436,557
20	Other Funds	1,547,079	(39,789)	1,507,290
21	Total - Human Resources	10,606,059	(483,892)	10,122,167
22	<i>Personnel Appeal Board</i>			
23	General Revenues	75,216	43,855	119,071
24	Total – Personnel Appeal Board	75,216	43,855	119,071
25	<i>Facilities Management</i>			
26	General Revenues	30,790,738	1,770,703	32,561,441
27	Federal Funds	1,155,237	53,867	1,209,104
28	Restricted Receipts	462,262	(81,243)	381,019
29	Other Funds	3,322,025	610,197	3,932,222
30	Total – Facilities Management	35,730,262	2,353,524	38,083,786
31	<i>Capital Projects and Property Management</i>			
32	General Revenues	1,252,875	15,920	1,268,795
33	Total – Capital Projects and			
34	Property Management	1,252,875	15,920	1,268,795

1	<i>Information Technology</i>			
2	General Revenues	19,377,273	107,353	19,484,626
3	Federal Funds	6,631,482	(84,845)	6,546,637
4	Restricted Receipts	4,099,027	9,518,586	13,617,613
5	Other Funds	3,701,511	(969,907)	2,731,604
6	Total – Information Technology	33,809,293	8,571,187	42,380,480
7	<i>Library and Information Services</i>			
8	General Revenues	881,464	(4,094)	877,370
9	Federal Funds	1,184,567	74,427	1,258,994
10	Restricted Receipts	653	(473)	180
11	Total - Library and Information Services	2,066,684	69,860	2,136,544
12	<i>Planning</i>			
13	General Revenues	1,922,778	18,586	1,941,364
14	Federal Funds	12,561,957	6,730,727	19,292,684
15	Restricted Receipts	3,400,000	0	3,400,000
16	Other Funds			
17	Federal Highway – PL Systems Planning	2,984,304	386,416	3,370,720
18	Air Quality Modeling	22,875	0	22,875
19	Total - Planning	20,891,914	7,135,729	28,027,643
20	<i>General</i>			
21	General Revenues			
22	Rhode Island Commerce Corporation	5,543,064	(126,200)	5,416,864
23	RICC – Airport Impact Aid	1,025,000	0	1,025,000
24	Sixty percent (60%) of the first one million dollars (\$1,000,000) appropriated for airport impact aid shall			
25	be distributed to each airport serving more than one million (1,000,000) passengers based upon its			
26	percentage of the total passengers served by all airports serving more than 1,000,000 passengers. Forty			
27	percent (40%) of the first one million dollars (\$1,000,000) shall be distributed based on the share of			
28	landings during the calendar year 2014 at North Central Airport, Newport-Middletown Airport, Block			
29	Island Airport, Quonset Airport, T.F. Green Airport and Westerly Airport, respectively. The Rhode Island			
30	Commerce Corporation shall make an impact payment to the towns or cities in which the airport is			
31	located based on this calculation. Each community upon which any parts of the above airports are located			
32	shall receive at least twenty-five thousand dollars (\$25,000).			
33	RICC – EPScore (Research Alliance)	1,150,000	0	1,150,000
34	Innovative Matching Grants	500,000	0	500,000

1	Miscellaneous Grants/Payments	146,049	0	146,049
2	Slater Centers of Excellence	150,000	(150,000)	0
3	Torts – Courts/Awards	400,000	0	400,000
4	Current Care/Health Information Exchange	225,000	0	225,000
5	I-195 Commission	301,000	615,901	916,901
6	RI Film and Television Office	310,312	8,410	318,722
7	State Employees/Teachers Retiree Health Subsidy	2,321,057	0	2,321,057
8	Resource Sharing and State Library Aid	8,773,398	0	8,773,398
9	Library Construction Aid	2,331,057	0	2,331,057
10	Chafee Center at Bryant	0	376,200	376,200
11	General Revenue Total	23,176,469	724,311	23,900,780
12	Federal Funds	4,345,555	0	4,345,555
13	Restricted Receipts	421,500	0	421,500
14	Other Funds			
15	Rhode Island Capital Plan Funds			
16	Statehouse Renovations	3,000,000	(2,615,000)	385,000
17	DoIT Enterprise Operations Center	250,000	50,000	300,000
18	Cranston Street Armory	2,000,000	(1,050,000)	950,000
19	Cannon Building	440,000	(75,000)	365,000
20	Zambarano Building Rehabilitation	500,000	500,000	1,000,000
21	Pastore Center Rehab DOA Portion	3,150,000	(350,000)	2,800,000
22	Old State House	1,445,000	175,000	1,620,000
23	State Office Building	1,700,000	(1,273,000)	427,000
24	Old Colony House	100,000	78,472	178,472
25	William Powers Building	1,475,000	1,025,000	2,500,000
26	Fire Code Compliance State Buildings	500,000	(500,000)	0
27	Pastore Center Fire Code Compliance	1,300,000	(1,300,000)	0
28	Pastore Center Utility Systems Upgrade	2,600,000	(1,803,002)	796,998
29	Replacement of Fueling Tanks	300,000	162,000	462,000
30	Environmental Compliance	200,000	0	200,000
31	Big River Management Area	120,000	0	120,000
32	Pastore Center Building Demolition	1,000,000	329,155	1,329,155
33	Washington County Government Center	225,000	85,000	310,000
34	Chapin Health Laboratory	1,250,000	(940,000)	310,000

1	Pastore Center Parking	890,000	482,015	1,372,015
2	Pastore Center Water Tanks	250,000	216,400	466,400
3	Pastore Cottages Rehabilitation	800,000	1,200,000	2,000,000
4	Ladd Center Building Demolition	2,100,000	(820,000)	1,280,000
5	I-195 Commission	250,000	55,000	305,000
6	RI Convention Center Authority	1,000,000	109,716	1,109,716
7	Dunkin Donuts Center	1,387,500	328,420	1,715,920
8	Mathias	800,000	200,000	1,000,000
9	Pastore Center Power Plant	194,723	380,277	575,000
10	Harrington Hall Renovations	1,400,000	(687,580)	712,420
11	McCoy Stadium	150,000	0	150,000
12	Veterans Memorial Auditorium	1,370,099	(142,976)	1,227,123
13	Virks Building Renovations	400,000	119,475	519,475
14	Veterans Land Purchase	0	744,256	744,256
15	Zambarano Wood Chip Boiler	0	32,838	32,838
16	Statehouse Energy Management Improvements	0	420,000	420,000
17	Total – General	60,490,846	(4,139,223)	56,351,623

18 *Debt Service Payments*

19	General Revenues	168,055,031	(24,969,941)	143,085,090
20	Of the general revenue appropriation for debt service, the General Treasurer is authorized to			
21	make payments for the I-195 Redevelopment District Commission loan up to the maximum			
22	debt service due in accordance with the loan agreement.			
23	Federal Funds	2,667,399	0	2,667,399
24	Restricted Receipts	21,339,305	(19,250,001)	2,089,304
25	Other Funds			
26	Transportation Debt Service	26,828,667	19,352,125	46,180,792
27	Investment Receipts – Bond Funds	100,000	0	100,000
28	COPS - DLT Building – TDI	271,653	0	271,653
29	Total - Debt Service Payments	219,262,055	(24,867,817)	194,394,238

30 *Energy Resources*

31	Federal Funds	524,775	91,668	616,443
32	Restricted Receipts	5,215,426	5,007,354	10,222,780
33	Total – Energy Resources	5,740,201	5,099,022	10,839,223

34 *Rhode Island Health Benefits Exchange*

1	Federal Funds	23,433,222	29,068,828	52,502,050
2	Total - Rhode Island Health Benefits			
3	Exchange	23,433,222	29,068,828	52,502,050
4	<i>Construction Permitting, Approvals and Licensing</i>			
5	General Revenues	1,483,525	(58,897)	1,424,628
6	Restricted Receipts	1,339,903	8,301	1,348,204
7	Total – Construction Permitting, Approvals and			
8	Licensing	2,823,428	(50,596)	2,772,832
9	<i>Office of Diversity, Equity, and Opportunity</i>			
10	General Revenues	777,197	111,742	888,939
11	Federal Funds	82,284	2,987	85,271
12	Total – Office of Diversity, Equity and			
13	Opportunity	859,481	114,729	974,210
14	<i>Statewide Personnel Adjustments</i>			
15	General Revenues	(3,420,118)	3,420,118	0
16	Federal Funds	(1,859,816)	1,859,816	0
17	Restricted Receipts	(402,343)	402,343	0
18	Other Funds	(2,603,414)	2,603,414	0
19	Total – Statewide Personnel Adjustments	(8,285,691)	8,285,691	0
20	Grand Total – Administration	425,765,956	31,957,753	457,723,709
21	Business Regulation			
22	<i>Central Management</i>			
23	General Revenues	1,234,949	(45,426)	1,189,523
24	Total – Central Management	1,234,949	(45,426)	1,189,523
25	<i>Banking Regulation</i>			
26	General Revenues	1,514,260	109,194	1,623,454
27	Restricted Receipts	50,000	(13,000)	37,000
28	Total – Banking Regulation	1,564,260	96,194	1,660,454
29	<i>Securities Regulation</i>			
30	General Revenues	1,009,651	(83,390)	926,261
31	Restricted Receipts	3,500	0	3,500
32	Total - Securities Regulation	1,013,151	(83,390)	929,761
33	<i>Insurance Regulation</i>			
34	General Revenues	3,883,238	(109,780)	3,773,458

1	Restricted Receipts	1,294,012	554,301	1,848,313
2	Total - Insurance Regulation	5,177,250	444,521	5,621,771
3	<i>Office of the Health Insurance Commissioner</i>			
4	General Revenues	507,142	(45,228)	461,914
5	Federal Funds	2,021,830	447,678	2,469,508
6	Restricted Receipts	10,500	0	10,500
7	Total – Office of the Health Insurance			
8	Commissioner	2,539,472	402,450	2,941,922
9	<i>Board of Accountancy</i>			
10	General Revenues	16,654	0	16,654
11	Total – Board of Accountancy	16,654	0	16,654
12	<i>Commercial Licensing, Racing & Athletics</i>			
13	General Revenues	586,948	(40,369)	546,579
14	Restricted Receipts	583,111	62,760	645,871
15	Total - Commercial Licensing, Racing &			
16	Athletics	1,170,059	22,391	1,192,450
17	<i>Boards for Design Professionals</i>			
18	General Revenues	260,635	4,175	264,810
19	Total – Boards for Design Professionals	260,635	4,175	264,810
20	Grand Total - Business Regulation	12,976,430	840,915	13,817,345
21	Executive Office of Commerce			
22	<i>Central Management</i>			
23	General Revenues	0	335,644	335,644
24	Grand Total – Executive Office of Commerce	0	335,644	335,644
25	Labor and Training			
26	<i>Central Management</i>			
27	General Revenues	93,361	14,620	107,981
28	Restricted Receipts	337,854	272,346	610,200
29	Other Funds			
30	Rhode Island Capital Plan Funds			
31	Center General Building Roof	505,996	(505,996)	0
32	Center General Asset Protection	1,500,000	(750,000)	750,000
33	Total - Central Management	2,437,211	(969,030)	1,468,181

1	<i>Workforce Development Services</i>			
2	General Funds	1,148,769	430,082	1,578,851
3	Federal Funds	23,892,612	5,027,058	28,919,670
4	Restricted Receipts	9,644,795	4,905,256	14,550,051
5	Other Funds	75,000	36,458	111,458
6	Total - Workforce Development Services	34,761,176	10,398,854	45,160,030
7	<i>Workforce Regulation and Safety</i>			
8	General Revenues	2,720,916	73,468	2,794,384
9	Total – Workforce Regulation and Safety	2,720,916	73,468	2,794,384
10	<i>Income Support</i>			
11	General Revenues	4,317,409	(166,378)	4,151,031
12	Federal Funds	18,291,060	4,240,107	22,531,167
13	Restricted Receipts			
14	Restricted Receipts	2,146,562	1,416,712	3,563,274
15	Job Development Fund	20,460,000	3,589,156	24,049,156
16	Other Funds			
17	Temporary Disability Insurance Fund	198,485,516	(7,903,649)	190,581,867
18	Employment Security Fund	218,620,120	(34,374,230)	184,245,890
19	Total - Income Support	462,320,667	(33,198,282)	429,122,385
20	<i>Injured Workers Services</i>			
21	Restricted Receipts	8,951,372	(305,891)	8,645,481
22	Total – Injured Workers Services	8,951,372	(305,891)	8,645,481
23	<i>Labor Relations Board</i>			
24	General Revenues	388,648	(6,958)	381,690
25	Total - Labor Relations Board	388,648	(6,958)	381,690
26	Grand Total - Labor and Training	511,579,990	(24,007,839)	487,572,151
27	Department of Revenue			
28	<i>Director of Revenue</i>			
29	General Revenues	1,122,100	(8,034)	1,114,066
30	Total – Director of Revenue	1,122,100	(8,034)	1,114,066
31	<i>Office of Revenue Analysis</i>			
32	General Revenues	564,334	(18,968)	545,366
33	Total – Office of Revenue Analysis	564,334	(18,968)	545,366
34	<i>Lottery Division</i>			

1	Lottery Funds	342,306,302	(11,997,561)	330,308,741
2	Other Funds			
3	Rhode Island Capital Plan Funds			
4	Lottery Building Renovations	0	283,377	283,377
5	Total – Lottery Division	342,306,302	(11,714,184)	330,592,118
6	<i>Municipal Finance</i>			
7	General Revenues	2,256,992	22,041	2,279,033
8	Total – Municipal Finance	2,256,992	22,041	2,279,033
9	<i>Taxation</i>			
10	General Revenues	18,930,344	(561,208)	18,369,136
11	Federal Funds	1,294,330	518,098	1,812,428
12	Restricted Receipts	878,210	(25,553)	852,657
13	Other Funds			
14	Motor Fuel Tax Evasion	43,232	(27,084)	16,148
15	Temporary Disability Insurance	952,454	(46,254)	906,200
16	Total – Taxation	22,098,570	(142,001)	21,956,569
17	<i>Registry of Motor Vehicles</i>			
18	General Revenues	18,826,844	(157,405)	18,669,439
19	Federal Funds	3,818,815	(939,077)	2,879,738
20	Restricted Receipts	2,200,596	(1,665,833)	534,763
21	Other Funds			
22	Rhode Island Capital Plan Funds			
23	Safety Emissions Lifts	0	259,000	259,000
24	Total – Registry of Motor Vehicles	24,846,255	(2,503,315)	22,342,940
25	<i>State Aid</i>			
26	General Revenue			
27	Distressed Communities Relief Fund	10,384,458	0	10,384,458
28	Payment in Lieu of Tax Exempt Properties	40,080,409	0	40,080,409
29	Motor Vehicle Excise Tax Payments	10,000,000	0	10,000,000
30	Property Revaluation Program	633,209	63,191	696,500
31	Municipal Aid	5,000,000	166,266	5,166,266
32	Restricted Receipts	922,013	0	922,013
33	Total – State Aid	67,020,089	229,557	67,249,646
34	Grand Total – Revenue	460,214,642	(14,134,904)	446,079,738

1	Legislature			
2	General Revenues	36,429,671	2,803,742	39,233,413
3	Restricted Receipts	1,587,079	(71,761)	1,515,318
4	Grand Total – Legislature	38,016,750	2,731,981	40,748,731
5	Lieutenant Governor			
6	General Revenues	1,015,084	(7,876)	1,007,208
7	Federal Funds	74,350	(34,216)	40,134
8	Restricted Receipts	0	17,500	17,500
9	Grand Total - Lieutenant Governor	1,089,434	(24,592)	1,064,842
10	Secretary of State			
11	<i>Administration</i>			
12	General Revenues	2,205,748	58,802	2,264,550
13	Total – Administration	2,205,748	58,802	2,264,550
14	<i>Corporations</i>			
15	General Revenues	2,278,601	(35,919)	2,242,682
16	Total – Corporations	2,278,601	(35,919)	2,242,682
17	<i>State Archives</i>			
18	General Revenues	69,266	85,810	155,076
19	Restricted Receipts	514,752	11,510	526,262
20	Total - State Archives	584,018	97,320	681,338
21	<i>Elections & Civics</i>			
22	General Revenues	1,636,292	(40,557)	1,595,735
23	Federal Funds	0	34,123	34,123
24	Total – Elections & Civics	1,636,292	(6,434)	1,629,858
25	<i>State Library</i>			
26	General Revenues	521,178	22,359	543,537
27	Total – State Library	521,178	22,359	543,537
28	<i>Office of Public Information</i>			
29	General Revenues	626,118	(131,691)	494,427
30	Restricted Receipts	15,000	0	15,000
31	Other Funds			
32	Rhode Island Capital Plan Fund			
33	Charter Encasement	500,000	(436,246)	63,754
34	Total – Office of Public Information	1,141,118	(567,937)	573,181

1	Grand Total – Secretary of State	8,366,955	(431,809)	7,935,146
2	General Treasurer			
3	<i>Treasury</i>			
4	General Revenues	2,206,467	(12,678)	2,193,789
5	Federal Funds	270,861	(2,529)	268,332
6	Restricted Receipts	37,651	(37,651)	0
7	Other Funds			
8	Temporary Disability Insurance Fund	220,608	(1,614)	218,994
9	Total – Treasury	2,735,587	(54,472)	2,681,115
10	<i>State Retirement System</i>			
11	Restricted Receipts			
12	Admin Expenses - State Retirement System	9,308,412	719,712	10,028,124
13	Retirement - Treasury Investment Operations	1,265,045	(167,087)	1,097,958
14	Defined Contribution – Administration	263,588	(22,866)	240,722
15	Total - State Retirement System	10,837,045	529,759	11,366,804
16	<i>Unclaimed Property</i>			
17	Restricted Receipts	19,712,197	(82,568)	19,629,629
18	Total – Unclaimed Property	19,712,197	(82,568)	19,629,629
19	<i>Crime Victim Compensation Program</i>			
20	General Revenues	225,638	(2,276)	223,362
21	Federal Funds	599,477	34,957	634,434
22	Restricted Receipts	1,131,949	(1,116)	1,130,833
23	Total - Crime Victim Compensation Program	1,957,064	31,565	1,988,629
24	Grand Total – General Treasurer	35,241,893	424,284	35,666,177
25	Board of Elections			
26	General Revenues			
27	General Revenues	2,145,127	(109,201)	2,035,926
28	Public Financing of General Elections	2,000,000	620,273	2,620,273
29	Grand Total - Board of Elections	4,145,127	511,072	4,656,199
30	Rhode Island Ethics Commission			
31	General Revenues	1,581,205	37,678	1,618,883
32	Grand Total - Rhode Island Ethics Commission	1,581,205	37,678	1,618,883
33	Office of Governor			
34	General Revenues			

1	General Revenues	4,277,562	128,165	4,405,727
2	Contingency Fund	250,000	0	250,000
3	Grand Total – Office of Governor	4,527,562	128,165	4,655,727
4	Commission for Human Rights			
5	General Revenues	1,193,083	28,680	1,221,763
6	Federal Funds	287,096	23,596	310,692
7	Grand Total - Commission for Human Rights	1,480,179	52,276	1,532,455
8	Public Utilities Commission			
9	Federal Funds	87,733	0	87,733
10	Restricted Receipts	8,372,153	(29,000)	8,343,153
11	Grand Total - Public Utilities Commission	8,459,886	(29,000)	8,430,886
12	Office of Health and Human Services			
13	<i>Central Management</i>			
14	General Revenues	28,044,154	989,519	29,033,673
15	Federal Funds			
16	Federal Funds	92,223,591	9,160,250	101,383,841
17	Federal Funds – Stimulus	312,000	(241,975)	70,025
18	Restricted Receipts	5,292,880	(107,552)	5,185,328
19	Total – Central Management	125,872,625	9,800,242	135,672,867
20	<i>Medical Assistance</i>			
21	General Revenues			
22	Managed Care	297,696,087	11,454,528	309,150,615
23	Hospitals	103,617,688	4,269,739	107,887,427
24	Nursing Facilities	81,024,113	6,923,087	87,947,200
25	Home and Community Based Services	23,835,759	9,769,250	33,605,009
26	Other Services	44,649,734	(342,013)	44,307,721
27	Pharmacy	51,770,620	1,313,949	53,084,569
28	Rhody Health	273,995,508	2,768,642	276,764,150
29	Federal Funds			
30	Managed Care	317,716,679	9,632,706	327,349,385
31	Hospitals	102,962,352	5,272,656	108,235,008
32	Nursing Facilities	81,121,400	6,931,400	88,052,800
33	Home and Community Based Services	29,963,641	6,731,350	36,694,991
34	Other Services	552,234,966	45,942,313	598,177,279

1	Pharmacy	32,003	980,274	1,012,277
2	Rhody Health	275,303,671	5,732,179	281,035,850
3	Special Education	19,000,000	0	19,000,000
4	Restricted Receipts	10,615,000	0	10,615,000
5	Total - Medical Assistance	2,265,539,221	117,380,060	2,382,919,281
6	Grand Total – Office of Health and Human			
7	Services	2,391,411,846	127,180,302	2,518,592,148
8	Children, Youth, and Families			
9	<i>Central Management</i>			
10	General Revenues	4,609,150	572,007	5,181,157
11	Federal Funds	2,269,607	787,050	3,056,657
12	Total - Central Management	6,878,757	1,359,057	8,237,814
13	<i>Children's Behavioral Health Services</i>			
14	General Revenues	5,895,388	(1,388,014)	4,507,374
15	Federal Funds	5,828,492	1,079,338	6,907,830
16	Other Funds			
17	Rhode Island Capital Plan Funds			
18	NAFI Center	21,494	176,966	198,460
19	Groden Center – Fire Towers	137,500	0	137,500
20	Various Repairs and Improvements to			
21	Training School	1,154,000	201,000	1,355,000
22	Total - Children's Behavioral Health			
23	Services	13,036,874	69,290	13,106,164
24	Juvenile Correctional Services			
25	General Revenues	23,400,611	1,727,980	25,128,591
26	Federal Funds	271,588	86,544	358,132
27	Federal Funds – Stimulus	0	28,259	28,259
28	Other Funds			
29	Rhode Island Capital Plan Funds			
30	Thomas C. Slater Trng School Generators	213,837	213,163	427,000
31	Thomas C. Slater Trng School			
32	Maintenance Building	535,000	0	535,000
33	Total - Juvenile Correctional Services	24,421,036	2,055,946	26,476,982

1	<i>Child Welfare</i>			
2	General Revenues			
3	General Revenues	104,416,147	9,490,549	113,906,696
4	18 to 21 Year Olds	10,185,850	(768,088)	9,417,762
5	Federal Funds			
6	Federal Funds	45,482,485	4,300,405	49,782,890
7	18 to 21 Year Olds	2,270,152	(815,733)	1,454,419
8	Federal Funds – Stimulus	446,340	200,748	647,088
9	Restricted Receipts	2,448,750	391,393	2,840,143
10	Other Funds			
11	Rhode Island Capital Plan Funds			
12	Fire Code Upgrades	850,000	(260,000)	590,000
13	Total - Child Welfare	166,099,724	12,539,274	178,638,998
14	<i>Higher Education Incentive Grants</i>			
15	General Revenues	200,000	0	200,000
16	Total – Higher Education Incentive Grants	200,000	0	200,000
17	Grand Total - Children, Youth, and Families	210,636,391	16,023,567	226,659,958
18	Health			
19	<i>Central Management</i>			
20	General Revenues	481,489	(140,020)	341,469
21	Federal Funds	8,071,320	(1,622,540)	6,448,780
22	Restricted Receipts	4,826,651	1,432,967	6,259,618
23	Total - Central Management	13,379,460	(329,593)	13,049,867
24	<i>State Medical Examiner</i>			
25	General Revenues	1,931,511	60,394	1,991,905
26	Federal Funds	141,325	(1,403)	139,922
27	Total - State Medical Examiner	2,072,836	58,991	2,131,827
28	<i>Environmental and Health Services Regulation</i>			
29	General Revenues	9,251,095	(183,458)	9,067,637
30	Federal Funds	5,924,339	(221,032)	5,703,307
31	Restricted Receipts	3,628,936	16,920	3,645,856
32	Total - Environmental and Health Services			
33	Regulation	18,804,370	(387,570)	18,416,800

1	<i>Health Laboratories</i>			
2	General Revenues	6,130,022	344,606	6,474,628
3	Federal Funds	1,718,714	320,926	2,039,640
4	Federal Funds – Stimulus	6,500	(6,500)	0
5	Total - Health Laboratories	7,855,236	659,032	8,514,268
6	<i>Public Health Information</i>			
7	General Revenues	1,559,128	(209,120)	1,350,008
8	Federal Funds	2,066,331	548,853	2,615,184
9	Total – Public Health Information	3,625,459	339,733	3,965,192
10	<i>Community and Family Health and Equity</i>			
11	General Revenues	2,176,155	173,563	2,349,718
12	Federal Funds	40,748,562	2,706,426	43,454,988
13	Federal Funds - Stimulus	1,267,231	470,331	1,737,562
14	Restricted Receipts	26,137,670	69,269	26,206,939
15	Other Funds	0	69,050	69,050
16	Total – Community and Family Health			
17	and Equity	70,329,618	3,488,639	73,818,257
18	<i>Infectious Disease and Epidemiology</i>			
19	General Revenues	1,428,520	(162,355)	1,266,165
20	Federal Funds	5,150,071	(328,806)	4,821,265
21	Total – Infectious Disease and Epidemiology	6,578,591	(491,161)	6,087,430
22	Grand Total – Health	122,645,570	3,338,071	125,983,641
23	Human Services			
24	<i>Central Management</i>			
25	General Revenues	4,967,120	9,375	4,976,495
26	Federal Funds	3,777,064	397,351	4,174,415
27	Restricted Receipts	522,542	(2,311)	520,231
28	Total - Central Management	9,266,726	404,415	9,671,141
29	<i>Child Support Enforcement</i>			
30	General Revenues	2,362,840	(101,121)	2,261,719
31	Federal Funds	5,877,595	646,698	6,524,293
32	Total – Child Support Enforcement	8,240,435	545,577	8,786,012
33	<i>Individual and Family Support</i>			
34	General Revenues	24,413,085	(1,092,262)	23,320,823

1	Federal Funds	117,893,777	4,013,522	121,907,299
2	Federal Funds – Stimulus	10,571,598	4,974,113	15,545,711
3	Restricted Receipts	340,431	513,585	854,016
4	Other Funds			
5	Rhode Island Capital Plan Fund			
6	Blind Vending Facilities	165,000	0	165,000
7	Intermodal Surface Transportation Fund	4,162,981	0	4,162,981
8	Total - Individual and Family Support	157,546,872	8,408,958	165,955,830
9	<i>Veterans' Affairs</i>			
10	General Revenues	20,274,566	(487,398)	19,787,168
11	Federal Funds	7,481,344	1,095,996	8,577,340
12	Restricted Receipts	635,000	974,259	1,609,259
13	Total - Veterans' Affairs	28,390,910	1,532,857	29,923,767
14	<i>Health Care Eligibility</i>			
15	General Revenues	8,226,587	405,386	8,631,973
16	Federal Funds	11,774,391	731,606	12,505,997
17	Total - Health Care Eligibility	20,000,978	1,136,992	21,137,970
18	<i>Supplemental Security Income Program</i>			
19	General Revenues	18,579,280	(119,080)	18,460,200
20	Total - Supplemental Security Income			
21	Program	18,579,280	(119,080)	18,460,200
22	<i>Rhode Island Works</i>			
23	General Revenues			
24	Child Care	9,668,635	0	9,668,635
25	Federal Funds	77,040,945	(623,141)	76,417,804
26	Total – Rhode Island Works	86,709,580	(623,141)	86,086,439
27	<i>State Funded Programs</i>			
28	General Revenues			
29	General Public Assistance	1,616,000	10,107	1,626,107
30	Of this appropriation, \$210,000 shall be used for hardship contingency payments.			
31	Federal Funds	300,692,138	(32,604,831)	268,087,307
32	Total - State Funded Programs	302,308,138	(32,594,724)	269,713,414
33	<i>Elderly Affairs</i>			
34	General Revenues			

1	General Revenue	6,195,226	(121,230)	6,073,996
2	RIPAE	24,484	(24,484)	0
3	Care and Safety of the Elderly	958	342	1,300
4	Federal Funds	12,223,967	(241,474)	11,982,493
5	Restricted Receipts	299,336	(208,324)	91,012
6	Total – Elderly Affairs	18,743,971	(595,170)	18,148,801
7	Grand Total - Human Services	649,786,890	(21,903,316)	627,883,574
8	Behavioral Health, Developmental Disabilities, and Hospitals			
9	<i>Central Management</i>			
10	General Revenues	970,823	306,175	1,276,998
11	Federal Funds	539,262	(257,831)	281,431
12	Total - Central Management	1,510,085	48,344	1,558,429
13	<i>Hospital and Community System Support</i>			
14	General Revenues	1,594,280	578,217	2,172,497
15	Restricted Receipts	934,379	(640,387)	293,992
16	Other Funds			
17	Rhode Island Capital Plan Funds			
18	Medical Center Rehabilitation	1,000,000	(11,903)	988,097
19	Community Facilities Fire Code	400,000	0	400,000
20	Total - Hospital and Community System			
21	Support	3,928,659	(74,073)	3,854,586
22	<i>Services for the Developmentally Disabled</i>			
23	General Revenues	111,028,105	711,397	111,739,502
24	Federal Funds	112,976,682	(986,675)	111,990,007
25	Restricted Receipts	1,977,450	(139,318)	1,838,132
26	Other Funds			
27	Rhode Island Capital Plan Funds			
28	DD Private Waiver	507,286	(253,643)	253,643
29	Regional Center Repair/Rehabilitation	400,000	0	400,000
30	MR Community Facilities/Access to Ind.	500,000	0	500,000
31	Total - Services for the Developmentally			
32	Disabled	227,389,523	(668,239)	226,721,284
33	<i>Behavioral Healthcare Services</i>			
34	General Revenues	1,980,322	312,262	2,292,584

1	Federal Funds			
2	Federal Funds	14,581,527	1,786,618	16,368,145
3	Substance Abuse Prevention Task Forces	900,000	0	900,000
4	NAMI of RI	128,000	0	128,000
5	Restricted Receipts	125,000	(25,000)	100,000
6	Other Funds			
7	Rhode Island Capital Plan Funds			
8	MH Community Facilities Repair	400,000	0	400,000
9	MH Housing Development Thresholds	800,000	0	800,000
10	Substance Abuse Asset Production	100,000	0	100,000
11	Total – Behavioral Healthcare Services	19,014,849	2,073,880	21,088,729
12	<i>Hospital and Community Rehabilitative Services</i>			
13	General Revenues	51,963,343	(648,548)	51,314,795
14	Federal Funds	52,031,533	(547,142)	51,484,391
15	Restricted Receipts	6,571,834	(12,982)	6,558,852
16	Other Funds			
17	Rhode Island Capital Plan Funds			
18	Zambarano Buildings and Utilities	150,000	37,680	187,680
19	BHDDH Administrative Buildings	2,000,000	(1,000,000)	1,000,000
20	MR Community Facilities	950,000	0	950,000
21	Hospital Consolidation	0	99,095	99,095
22	Total - Hospital and Community			
23	Rehabilitative Services	113,666,710	(2,071,897)	111,594,813
24	Grand Total – Behavioral Healthcare,			
25	Developmental Disabilities, and Hospitals	365,509,826	(691,985)	364,817,841
26	Office of the Child Advocate			
27	General Revenues	611,817	21,337	633,154
28	Federal Funds	50,000	0	50,000
29	Grand Total – Office of the Child Advocate	661,817	21,337	683,154
30	Commission on the Deaf and Hard of Hearing			
31	General Revenues	394,279	4,462	398,741
32	Restricted Receipts	80,000	0	80,000
33	Grand Total – Com on Deaf and Hard of			
34	Hearing	474,279	4,462	478,741

1	Governor's Commission on Disabilities			
2	General Revenues	358,275	(1,134)	357,141
3	Federal Funds	141,350	164,174	305,524
4	Restricted Receipts	9,177	754	9,931
5	Other Funds			
6	Rhode Island Capital Plan Funds			
7	Handicapped Accessibility	1,000,000	(100,000)	900,000
8	Grand Total - Governor's Commission on			
9	Disabilities	1,508,802	63,794	1,572,596
10	Office of the Mental Health Advocate			
11	General Revenues	495,010	11,068	506,078
12	Grand Total - Office of the Mental			
13	Health Advocate	495,010	11,068	506,078
14	Elementary and Secondary Education			
15	<i>Administration of the Comprehensive Education Strategy</i>			
16	General Revenues	20,418,574	(227,819)	20,190,755
17	Federal Funds			
18	Federal Funds	192,750,465	1,760,075	194,510,540
19	Federal Funds – Stimulus	7,727,747	7,851,905	15,579,652
20	RTTT LEA Share	6,379,521	(4,532,120)	1,847,401
21	Restricted Receipts			
22	Restricted Receipts	1,269,741	(265,415)	1,004,326
23	HRIC Adult Education Grants	3,500,000	0	3,500,000
24	Other Funds			
25	Rhode Island Capital Plan Funds			
26	State-Owned Cranston	400,000	0	400,000
27	State-Owned Warwick	950,000	0	950,000
28	State-Owned Woonsocket	1,844,364	(844,364)	1,000,000
29	Total – Administration of the Comprehensive			
30	Education Strategy	235,240,412	3,742,262	238,982,674
31	<i>Davies Career and Technical School</i>			
32	General Revenues	12,240,174	(16,796)	12,223,378
33	Federal Funds			
34	Federal Funds	1,319,532	106,085	1,425,617

1	Federal Funds – Stimulus	42,099	44,468	86,567
2	Restricted Receipts	4,050,538	5,687	4,056,225
3	Other Funds			
4	Rhode Island Capital Plan Funds			
5	Davies HVAC	1,237,345	262,655	1,500,000
6	Davies Asset Protection	194,962	625,038	820,000
7	Total - Davies Career and Technical School	19,084,650	1,027,137	20,111,787
8	<i>RI School for the Deaf</i>			
9	General Revenues	5,929,824	(36,365)	5,893,459
10	Federal Funds	221,056	51,481	272,537
11	Federal Funds – Stimulus	55,514	37,244	92,758
12	Restricted Receipts	558,248	65,768	624,016
13	Other Funds	59,000	0	59,000
14	Total - RI School for the Deaf	6,823,642	118,128	6,941,770
15	<i>Metropolitan Career and Technical School</i>			
16	General Revenues	10,501,360	0	10,501,360
17	Other Funds			
18	Rhode Island Capital Plan Funds			
19	MET Asset Protection	100,000	502	100,502
20	MET School HVAC	1,160,657	636,236	1,796,893
21	MET School East Bay	0	93,176	93,176
22	Total – Metropolitan Career and Technical			
23	School	11,762,017	729,914	12,491,931
24	<i>Education Aid</i>			
25	General Revenues	758,820,708	(160,151)	758,660,557
26	Restricted Receipts	17,575,445	624,521	18,199,966
27	Other Funds			
28	Permanent School Fund – Education Aid	300,000	0	300,000
29	Total – Education Aid	776,696,153	464,370	777,160,523
30	<i>Central Falls School District</i>			
31	General Revenues	39,010,583	0	39,010,583
32	Total – Central Falls School District	39,010,583	0	39,010,583
33	<i>Housing Aid</i>			
34	General Revenues	67,949,504	150,568	68,100,072

1	Total – Housing Aid	67,949,504	150,568	68,100,072
2	<i>Teachers' Retirement</i>			
3	General Revenues	89,529,396	(524,347)	89,005,049
4	Total – Teachers' Retirement	89,529,396	(524,347)	89,005,049
5	Grand Total - Elementary and Secondary			
6	Education	1,246,096,357	5,708,032	1,251,804,389
7	Public Higher Education			
8	<i>Office of Postsecondary Commissioner</i>			
9	General Revenues	4,566,270	920,678	5,486,948
10	Federal Funds	5,092,287	7,500	5,099,787
11	Total - Office of			
12	Postsecondary Commissioner	9,658,557	928,178	10,586,735
13	<i>University of Rhode Island</i>			
14	General Revenues			
15	General Revenues	69,292,680	(331,798)	68,960,882
16	The University of Rhode Island shall maintain tuition charges in the 2014 – 2015 academic year			
17	at the same level as the 2013 – 2014 academic year. The University shall not decrease internal student			
18	financial aid in the 2014 – 2015 academic year below the level of the 2013 – 2014 academic year. The			
19	President of the institution shall report, prior to the commencement of the 2014 – 2015 academic year, to			
20	the chair of the Rhode Island Board of Education that such tuition charges and student aid levels have			
21	been achieved at the start of FY 2015 as prescribed above.			
22	Debt Service	20,903,400	(1,738,501)	19,164,899
23	State Crime Lab	1,035,888	(7,314)	1,028,574
24	Other Funds			
25	University and College Funds	612,113,492	(9,671,582)	602,441,910
26	Debt – Dining Services	1,110,746	(1,500)	1,109,246
27	Debt – Education and General	3,180,567	3,799	3,184,366
28	Debt – Health Services	136,814	(700)	136,114
29	Debt – Housing Loan Funds	10,625,414	(38,001)	10,587,413
30	Debt – Memorial Union	314,538	3,800	318,338
31	Debt – Ryan Center	2,798,531	(1,598)	2,796,933
32	Debt – Alton Jones Services	103,078	122	103,200
33	Debt - Parking Authority	949,029	(14,000)	935,029
34	Debt – Sponsored Research	94,572	(77,905)	16,667

1	Debt – Energy Conservation	2,460,718	0	2,460,718
2	Rhode Island Capital Plan Funds			
3	Asset Protection	7,520,000	0	7,520,000
4	Fire and Safety Protection	3,250,000	1,950,000	5,200,000
5	Nursing Education Center	700,000	(700,000)	0
6	URI/RIC Nursing Education Center	0	691,714	691,714
7	White Hall Renovations	0	1,325,000	1,325,000
8	Electric Substation	7,000,000	(1,200,000)	5,800,000
9	Biotechnology Center	0	181,100	181,100
10	Total – University of Rhode Island	743,589,467	(9,627,364)	733,962,103

11 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
12 unencumbered balances as of June 30, 2015 relating to the University of Rhode Island are hereby
13 reappropriated to fiscal year 2016.

14 *Rhode Island College*

15 General Revenues

16	General Revenues	42,911,103	(259,499)	42,651,604
----	------------------	------------	-----------	------------

17 Rhode Island College shall maintain tuition charges in the 2014 – 2015 academic year at the
18 same level as the 2013 – 2014 academic year. The College shall not decrease internal student financial aid
19 in the 2014 – 2015 academic year below the level of the 2013 – 2014 academic year. The President of the
20 institution shall report, prior to the commencement of the 2014 – 2015 academic year, to the chair of the
21 Rhode Island Board of Education that such tuition charges and student aid levels have been achieved at
22 the start of FY 2015 as prescribed above.

23	Debt Service	4,450,296	(900,535)	3,549,761
----	--------------	-----------	-----------	-----------

24 Other Funds

25	University and College Funds	112,190,914	3,517,171	115,708,085
26	Debt – Education and General	883,664	0	883,664
27	Debt – Housing	2,054,108	(1)	2,054,107
28	Debt – Student Center and Dining	172,600	0	172,600
29	Debt – Student Union	234,963	(1)	234,962
30	Debt – G.O. Debt Service	1,641,626	0	1,641,626
31	Rhode Island Capital Plan Funds			
32	Asset Protection	2,963,548	792,274	3,755,822
33	Infrastructure Modernization	3,871,317	593,653	4,464,970
34	Total – Rhode Island College	171,374,139	3,743,062	175,117,201

1 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
 2 unencumbered balances as of June 30, 2015 relating to Rhode Island College are hereby reappropriated to
 3 fiscal year 2016.

4 *Community College of Rhode Island*

5 General Revenues

6	General Revenues	45,882,495	(339,741)	45,542,754
---	------------------	------------	-----------	------------

7 The Community College of Rhode Island College shall maintain tuition charges in the 2014 – 2015
 8 academic year at the same level as the 2013 – 2014 academic year. The Community College shall not
 9 decrease internal student financial aid in the 2014 – 2015 academic year below the level of the 2013 –
 10 2014 academic year. The President of the institution shall report, prior to the commencement of the 2014
 11 – 2015 academic year, to the chair of the Rhode Island Board of Education that such tuition charges and
 12 student aid levels have been achieved at the start of FY 2015 as prescribed above.

13	Debt Service	1,912,779	0	1,912,779
----	--------------	-----------	---	-----------

14	Restricted Receipts	644,000	0	644,000
----	---------------------	---------	---	---------

15 Other Funds

16	University and College Funds	102,754,282	173,751	102,928,033
----	------------------------------	-------------	---------	-------------

17	Debt – Bookstore	27,693	0	27,693
----	------------------	--------	---	--------

18	CCRI Debt Service – Energy Conservation	807,475	0	807,475
----	---	---------	---	---------

19 Rhode Island Capital Plan Funds

20	Asset Protection	2,138,305	(48,306)	2,089,999
----	------------------	-----------	----------	-----------

21	Knight Campus Renewal	2,000,000	77,770	2,077,770
----	-----------------------	-----------	--------	-----------

22	Total – Community College of RI	156,167,029	(136,526)	156,030,503
----	---------------------------------	-------------	-----------	-------------

23 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
 24 unencumbered balances as of June 30, 2015 relating to the Community College of Rhode Island are
 25 hereby reappropriated to fiscal year 2016.

26	Grand Total – Public Higher Education	1,080,789,192	(5,092,650)	1,075,696,542
----	---------------------------------------	---------------	-------------	---------------

27 **RI State Council on the Arts**

28 General Revenues

29	Operating Support	428,501	7,993	436,494
----	-------------------	---------	-------	---------

30	Grants	1,054,574	0	1,054,574
----	--------	-----------	---	-----------

31	Federal Funds	799,348	(63,802)	735,546
----	---------------	---------	----------	---------

32 Other Funds

33	Arts for Public Facilities	632,536	113,836	746,372
----	----------------------------	---------	---------	---------

34	Grand Total - RI State Council on the Arts	2,914,959	58,027	2,972,986
----	--	-----------	--------	-----------

1	RI Atomic Energy Commission			
2	General Revenues	913,197	(5,460)	907,737
3	Federal Funds	0	351,171	351,171
4	Other Funds			
5	URI Sponsored Research	257,977	(1,797)	256,180
6	Rhode Island Capital Plan Funds			
7	RINSC Asset Protection	100,000	(10,000)	90,000
8	Grand Total - RI Atomic Energy Commission	1,271,174	333,914	1,605,088
9	RI Higher Education Assistance Authority			
10	General Revenues			
11	Authority Operations and Other Grants	147,000	0	147,000
12	Federal Funds			
13	Federal Funds	10,680,967	(4,062,864)	6,618,103
14	WaytogoRI Portal	650,000	25,000	675,000
15	Guaranty Agency Reserve Fund	4,134,726	(4,134,726)	0
16	The \$4,134,726 expended from the Guaranty Agency Reserve Fund shall be used for RIHEAA need-			
17	based grants and scholarships.			
18	Other Funds			
19	Tuition Savings Program – Needs Based Grants &			
20	Work Opportunities	8,000,000	0	8,000,000
21	Tuition Savings Program – Administration	334,268	58,259	392,527
22	Grand Total – RI Higher Education Assistance			
23	Authority	23,946,961	(8,114,331)	15,832,630
24	RI Historical Preservation and Heritage Commission			
25	General Revenues	1,320,610	(114,503)	1,206,107
26	Federal Funds	2,183,588	71,707	2,255,295
27	Restricted Receipts	434,910	(6,280)	428,630
28	Other Funds			
29	RIDOT – Project Review	70,868	(319)	70,549
30	Rhode Island Capital Plan Fund			
31	Eisenhower House Asset Protection	1,900,000	220,000	2,120,000
32	Grand Total – RI Historical Preservation			
33	and Heritage Commission	5,909,976	170,605	6,080,581

1	Attorney General			
2	<i>Criminal</i>			
3	General Revenues	14,475,192	387,953	14,863,145
4	Federal Funds	1,634,631	1,044,998	2,679,629
5	Restricted Receipts	10,332,721	1,497,325	11,830,046
6	Total – Criminal	26,442,544	2,930,276	29,372,820
7	<i>Civil</i>			
8	General Revenues	4,816,217	495,088	5,311,305
9	Restricted Receipts	917,187	(44,318)	872,869
10	Total – Civil	5,733,404	450,770	6,184,174
11	<i>Bureau of Criminal Identification</i>			
12	General Revenues	1,542,124	33,759	1,575,883
13	Total – Bureau of Criminal Identification	1,542,124	33,759	1,575,883
14	<i>General</i>			
15	General Revenues	2,773,613	20,122	2,793,735
16	Other Funds			
17	Rhode Island Capital Plan Fund			
18	Building Renovations and Repairs	300,000	(50,000)	250,000
19	Total – General	3,073,613	(29,878)	3,043,735
20	Grand Total - Attorney General	36,791,685	3,384,927	40,176,612
21	Corrections			
22	<i>Central Management</i>			
23	General Revenues	9,070,974	(68,285)	9,002,689
24	Federal Funds	117,996	350,491	468,487
25	Restricted Receipts	344,240	0	344,240
26	Total – Central Management	9,533,210	282,206	9,815,416
27	<i>Parole Board</i>			
28	General Revenues	1,275,799	32,947	1,308,746
29	Federal Funds	38,000	2,764	40,764
30	Total – Parole Board	1,313,799	35,711	1,349,510
31	<i>Custody and Security</i>			
32	General Revenues	118,747,911	5,992,661	124,740,572
33	Federal Funds	810,713	(238,727)	571,986

1	Total – Custody and Security	119,558,624	5,753,934	125,312,558
2	<i>Institutional Support</i>			
3	General Revenues	15,726,066	313,021	16,039,087
4	Other Funds			
5	Rhode Island Capital Plan Fund			
6	Asset Protection	3,750,000	(450,000)	3,330,000
7	Maximum – General Renovations	715,433	650,838	1,366,271
8	General Renovations – Women’s	850,000	150,000	1,000,000
9	Bernadette Guay Roof	1,203,112	(453,112)	750,000
10	ISC Exterior Envelope and HVAC	3,933,749	(1,933,749)	2,000,000
11	Minimum Security Kitchen Expansion	4,160,392	(1,160,392)	3,000,000
12	Medium Infrastructure	4,833,931	(1,833,931)	3,000,000
13	Dix-Building Plumbing and			
14	Bathroom Renovations	80,821	72,340	153,161
15	D Building State Match – Reintegration C	0	100,000	100,000
16	Total - Institutional Support	35,253,504	(4,544,985)	30,708,519
17	<i>Institutional Based Rehab./Population Management</i>			
18	General Revenues	8,972,305	331,346	9,303,651
19	Federal Funds	619,476	233,308	852,784
20	Restricted Receipts	29,164	0	29,164
21	Total – Institutional Based Rehab/Pop/Mgt.	9,620,945	564,654	10,185,599
22	<i>Healthcare Services</i>			
23	General Revenue	18,916,896	2,039,231	20,956,127
24	Total – Healthcare Services	18,916,896	2,039,231	20,956,127
25	<i>Community Corrections</i>			
26	General Revenues	15,035,529	(122,973)	14,912,556
27	Federal Funds	68,518	6,861	75,379
28	Restricted Receipts	25,475	5,524	30,999
29	Total – Community Corrections	15,129,522	(110,588)	15,018,934
30	Grand Total – Corrections	209,326,500	4,020,163	213,346,663
31	Judiciary			
32	<i>Supreme Court</i>			
33	General Revenues			
34	General Revenues	26,320,642	503,986	26,824,628

1	Defense of Indigents	3,542,240	0	3,542,240
2	Federal Funds	151,954	(31,327)	120,627
3	Restricted Receipts	2,465,781	796,563	3,262,344
4	Other Funds			
5	Rhode Island Capital Plan Fund			
6	Judicial HVAC	525,000	62,359	587,359
7	Judicial Complexes Asset Protection	825,000	21,790	846,790
8	Total - Supreme Court	33,830,617	1,353,371	35,183,988
9	<i>Judicial Tenure and Discipline</i>			
10	General Revenues	115,513	3,648	119,161
11	Total – Judicial Tenure and Discipline	115,513	3,648	119,161
12	<i>Superior Court</i>			
13	General Revenues	22,144,027	549,128	22,693,155
14	Federal Funds	47,552	44,925	92,477
15	Restricted Receipts	302,378	(2,378)	300,000
16	Total - Superior Court	22,493,957	591,675	23,085,632
17	<i>Family Court</i>			
18	General Revenues	19,245,592	1,163,196	20,408,788
19	Federal Funds	1,709,741	1,237,920	2,947,661
20	Total - Family Court	20,955,333	2,401,116	23,356,449
21	<i>District Court</i>			
22	General Revenues	11,508,535	531,246	12,039,781
23	Federal Funds	0	30,000	30,000
24	Restricted Receipts	292,802	(123,551)	169,251
25	Total - District Court	11,801,337	437,695	12,239,032
26	<i>Traffic Tribunal</i>			
27	General Revenues	8,760,119	(329,427)	8,430,692
28	Total – Traffic Tribunal	8,760,119	(329,427)	8,430,692
29	<i>Workers' Compensation Court</i>			
30	Restricted Receipts	7,712,640	(97,708)	7,614,932
31	Total – Workers' Compensation Court	7,712,640	(97,708)	7,614,932
32	Grand Total – Judiciary	105,669,516	4,360,370	110,029,886
33	Military Staff			
34	General Revenues	1,842,096	322,839	2,164,935

1	Federal Funds	14,779,178	(260,581)	14,518,597
2	Restricted Receipts	442,800	(54,500)	388,300
3	Other Funds			
4	Rhode Island Capital Plan Fund			
5	Armory of Mounted Command Roof			
6	Replacement	300,000	(50,000)	250,000
7	State Armories Fire Code Compliance	10,000	(10,000)	0
8	Asset Protection	700,000	0	700,000
9	Logistics/Maint. Facilities Fire Code Comp.	5,000	(5,000)	0
10	Benefit Street Arsenal Rehabilitation	375,000	412,260	787,260
11	Burrillville Regional Training Institute	0	22,150	22,150
12	Camp Fogarty Armory Roof	0	12,595	12,595
13	Grand Total – Military Staff	18,454,074	389,763	18,843,837
14	Public Safety			
15	<i>Central Management</i>			
16	General Revenues	1,176,284	24,904	1,201,188
17	Federal Funds	4,096,105	(110,505)	3,985,600
18	Restricted Receipts	20,000	(20,000)	0
19	Total – Central Management	5,292,389	(105,601)	5,186,788
20	<i>E-911 Emergency Telephone System</i>			
21	General Revenues	5,428,479	(140,453)	5,288,026
22	Total - E-911 Emergency Telephone System	5,428,479	(140,453)	5,288,026
23	<i>State Fire Marshal</i>			
24	General Revenues	2,746,455	(1,794)	2,744,661
25	Federal Funds	94,000	640,803	734,803
26	Restricted Receipts	498,854	49,223	548,077
27	Other Funds			
28	Rhode Island Capital Plan Funds			
29	Fire Academy	1,934,500	(933,513)	1,000,987
30	Quonset Development Corp	57,335	964	58,299
31	Total - State Fire Marshal	5,331,144	(244,317)	5,086,827
32	<i>Security Services</i>			
33	General Revenues	21,751,650	(5,539)	21,746,111
34	Total – Security Services	21,751,650	(5,539)	21,746,111

1	<i>Municipal Police Training Academy</i>			
2	General Revenues	245,379	15,753	261,132
3	Federal Funds	397,400	(187,780)	209,620
4	Total - Municipal Police Training Academy	642,779	(172,027)	470,752
5	<i>State Police</i>			
6	General Revenues	63,945,787	2,791,974	66,737,761
7	Federal Funds	2,306,770	874,064	3,180,834
8	Restricted Receipts	12,345,000	(3,369,651)	8,975,349
9	Other Funds			
10	Rhode Island Capital Plan Fund			
11	Barracks and Training	4,127,659	(3,127,659)	1,000,000
12	Headquarters Repairs/Rehabilitation	737,800	113,029	850,829
13	HQ Expansion (NG Facilities)	0	175,000	175,000
14	Traffic Enforcement - Municipal Training	134,500	(134,500)	0
15	Lottery Commission Assistance	1,399,683	54,339	1,454,022
16	Airport Corporation	176,206	204,580	380,786
17	Road Construction Reimbursement	2,935,000	(119,792)	2,815,208
18	Total - State Police	88,108,405	(2,538,616)	85,569,789
19	Grand Total – Public Safety	126,554,846	(3,206,553)	123,348,293
20	Office of Public Defender			
21	General Revenues	11,130,816	(82,145)	11,048,671
22	Federal Funds	248,864	(95,324)	153,540
23	Grand Total - Office of Public Defender	11,379,680	(177,469)	11,202,211
24	Emergency Management			
25	General Revenues	1,959,858	(98,782)	1,861,076
26	Federal Funds	18,273,640	3,164,584	21,438,224
27	Restricted Receipts	221,729	(5,049)	216,680
28	Other Funds			
29	Rhode Island Capital Plan Fund			
30	Hurricane Sandy Cleanup	167,000	87,943	254,943
31	Grand Total - Emergency Management	20,622,227	3,148,696	23,770,923
32	Environmental Management			
33	<i>Office of the Director</i>			
34	General Revenues			

1	General Revenues	5,020,153	58,917	5,079,070
2	Permit Streamlining	33,414	(33,414)	0
3	Federal Funds	150,000	0	150,000
4	Restricted Receipts	2,884,372	624,511	3,508,883
5	Total – Office of the Director	8,087,939	650,014	8,737,953
6	<i>Natural Resources</i>			
7	General Revenues	19,244,615	254,017	19,498,632
8	Federal Funds	21,348,128	2,015,583	23,363,711
9	Restricted Receipts	4,138,036	(7,320)	4,130,716
10	Other Funds			
11	DOT Recreational Projects	1,114,278	228,228	1,342,506
12	Blackstone Bikepath Design	2,059,795	(216)	2,059,579
13	Transportation MOU	78,579	(229)	78,350
14	Rhode Island Capital Plan Funds			
15	Dam Repair	1,500,000	(7,413)	1,492,587
16	Fort Adams Rehabilitation	300,000	0	300,000
17	Fort Adams America’s Cup	3,000,000	375,515	3,375,515
18	Recreational Facilities Improvements	3,500,000	(325,000)	3,175,000
19	Galilee Piers Upgrade	2,000,000	400,000	2,400,000
20	Newport Piers	100,000	0	100,000
21	World War II Facility	2,600,000	(770,000)	1,830,000
22	Blackstone Valley Bike Path	659,170	0	659,170
23	Rocky Point Acquisition/Renovations	3,400,000	317,036	3,717,036
24	Total - Natural Resources	65,042,601	2,480,201	67,522,802
25	<i>Environmental Protection</i>			
26	General Revenues	11,241,923	285,697	11,527,620
27	Federal Funds	10,361,483	159,579	10,521,062
28	Restricted Receipts	8,912,581	(73,318)	8,839,263
29	Other Funds			
30	Transportation MOU	165,000	(266)	164,734
31	Total - Environmental Protection	30,680,987	371,692	31,052,679
32	Grand Total - Environmental Management	103,811,527	3,501,907	107,313,434
33	Coastal Resources Management Council			
34	General Revenues	2,185,538	127,305	2,312,843

1	Federal Funds	1,774,143	5,336,808	7,110,951
2	Restricted Receipts	250,000	0	250,000
3	Other Funds			
4	Rhode Island Capital Plan Funds			
5	South Coast Restoration Project	450,000	132,432	582,432
6	Shoreline Change Beach SAMP	300,000	(50,000)	250,000
7	Grand Total - Coastal Resources Mgmt.			
8	Council	4,959,681	5,546,545	10,506,226
9	Transportation			
10	<i>Central Management</i>			
11	Federal Funds	9,199,986	(159,986)	9,040,000
12	Other Funds			
13	Gasoline Tax	1,770,720	416,585	2,187,305
14	Total – Central Management	10,970,706	256,599	11,227,305
15	<i>Management and Budget</i>			
16	Other Funds			
17	Gasoline Tax	2,242,961	759,657	3,002,618
18	Total – Management and Budget	2,242,961	759,657	3,002,618
19	<i>Infrastructure Engineering – GARVEE/Motor Fuel Tax Bonds</i>			
20	Federal Funds	325,726,490	(73,540,177)	252,186,313
21	Of these federal funds, \$1,790,000 is appropriated to the Public Rail Corporation from CMAQ			
22	federal funds for the payment of liability insurance.			
23	Federal Funds – Stimulus	17,188,279	(7,393,825)	9,794,454
24	Restricted Receipts	12,352,761	(11,352,761)	1,000,000
25	Other Funds			
26	Gasoline Tax	68,064,896	3,331,538	71,396,434
27	<u>Municipal Revolving Loan Fund - Admin Costs</u>	0	53,000	53,000
28	Land Sale Revenue	21,300,002	(3,600,002)	17,700,000
29	Rhode Island Capital Plan Fund			
30	RIPTA Land and Buildings	223,529	81,060	304,589
31	Highway Projects Match Plan	27,650,000	0	27,650,000
32	Total – Infrastructure Engineering			
33	GARVEE/Motor Fuel Tax Bonds	472,505,957	(92,421,167)	380,084,790
34	<i>Infrastructure Maintenance</i>			

1	Other Funds			
2	Gasoline Tax	30,790,922	(16,817,804)	13,973,118
3	Non-Land Surplus Property	10,000	15,000	25,000
4	Outdoor Advertising	150,000	(50,000)	100,000
5	<u>Rhode Island Highway Maintenance Account</u>	0	35,034,115	35,034,115
6	Rhode Island Capital Plan Fund			
7	Maintenance Facilities Improvements	500,000	(100,000)	400,000
8	Salt Storage Facilities	1,000,000	327,133	1,327,133
9	Portsmouth Facility	500,000	(500,000)	0
10	Maintenance Equipment Replacement	2,500,000	0	2,500,000
11	Train Station Maintenance and Repairs	200,000	65,648	265,648
12	Cooperative Maint. Facility DOT/RIPTA	3,500,000	(3,500,000)	0
13	Mass Transit Preliminary Conceptual Design	250,000	(250,000)	0
14	Total – Infrastructure Maintenance	39,400,922	14,224,092	53,625,014
15	Grand Total – Transportation	525,120,546	(77,180,819)	447,939,727
16	Statewide Totals			
17	General Revenues	3,445,169,968	43,211,667	3,488,381,635
18	Federal Funds	3,086,526,049	53,969,865	3,140,495,914
19	Restricted Receipts	283,055,536	(4,841,235)	278,214,301
20	Other Funds	1,965,443,788	(33,050,246)	1,932,393,542
21	Statewide Grand Total	8,780,195,341	59,290,051	8,839,485,392

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

23 SECTION 3. The general assembly authorizes the state controller to establish the internal service
24 accounts shown below, and no other, to finance and account for the operations of state agencies that
25 provide services to other agencies, institutions and other governmental units on a cost reimbursed basis.
26 The purpose of these accounts is to ensure that certain activities are managed in a businesslike manner,
27 promote efficient use of services by making agencies pay the full costs associated with providing the
28 services, and allocate the costs of central administrative services across all fund types, so that federal and
29 other non-general fund programs share in the costs of general government support. The controller is
30 authorized to reimburse these accounts for the cost of work or services performed for any other
31 department or agency subject to the following expenditure limitations:

33	<u>Account</u>			
34		<u>FY 2015</u>	<u>FY 2015</u>	<u>FY2015</u>
35		<u>Enacted</u>	<u>Change</u>	<u>Final</u>
36				

1	State Assessed Fringe Benefit Internal Service Fund	37,123,794	458,168	37,581,962
2	Administration Central Utilities Internal Service Fund	14,244,902	2,691,098	16,936,000
3	State Central Mail Internal Service Fund	5,617,173	383,667	6,000,840
4	State Telecommunications Internal Service Fund	4,080,029	8,426	4,088,455
5	State Automotive Fleet Internal Service Fund	13,733,063	80,739	13,813,802
6	Surplus Property Internal Service Fund	2,500	0	2,500
7	Health Insurance Internal Service Fund	250,127,757	206,580	250,334,337
8	Other Post-Employment Benefits Fund	63,934,483	0	63,934,483
9	Capital Police Internal Service Fund	1,060,301	160,838	1,221,139
10	Corrections Central Distribution Center Internal			
11	Service Fund	6,739,558	38,572	6,778,130
12	Correctional Industries Internal Service Fund	7,704,793	(428,472)	7,276,321
13	Secretary of State Record Center Internal Service Fund	882,436	(8,414)	874,022

14 SECTION 4. Departments and agencies listed below may not exceed the number of full-time
15 equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do not include
16 seasonal or intermittent positions whose scheduled period of employment does not exceed twenty-six
17 consecutive weeks or whose scheduled hours do not exceed nine hundred and twenty-five (925) hours,
18 excluding overtime, in a one-year period. Nor do they include individuals engaged in training, the
19 completion of which is a prerequisite of employment. Provided, however, that the Governor or designee,
20 Speaker of the House of Representatives or designee, and the President of the Senate or designee may
21 authorize an adjustment to any limitation. Prior to the authorization, the State Budget Officer shall make a
22 detailed written recommendation to the Governor, the Speaker of the House, and the President of the
23 Senate. A copy of the recommendation and authorization to adjust shall be transmitted to the chairman of
24 the House Finance Committee, Senate Finance Committee, the House Fiscal Advisor and the Senate
25 Fiscal Advisor.

26 State employees whose funding is from non-state general revenue funds that are time limited shall
27 receive limited term appointment with the term limited to the availability of non-state general revenue
28 funding source.

29 FY 2015 FTE POSITION AUTHORIZATION

30	<u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
31	Administration	710.7
32	Business Regulation	94.0 <u>98.0</u>
33	<u>Executive Office of Commerce</u>	<u>5.0</u>
34	Labor and Training	410.0

1	Revenue	505.0
2	Legislature	298.5
3	Office of the Lieutenant Governor	8.0
4	Office of the Secretary of State	57.0
5	Office of the General Treasurer	83.0
6	Board of Elections	11.0
7	Rhode Island Ethics Commission	12.0
8	Office of the Governor	45.0
9	Commission for Human Rights	14.5
10	Public Utilities Commission	50.0
11	Office of Health and Human Services	184.0
12	Children, Youth, and Families	670.5 <u>672.5</u>
13	Health	491.3
14	Human Services	959.1
15	Behavioral Health, Developmental Disabilities, and Hospitals	1,422.4 <u>1,420.4</u>
16	Office of the Child Advocate	6.0
17	Commission on the Deaf and Hard of Hearing	3.0
18	Governor's Commission on Disabilities	4.0
19	Office of the Mental Health Advocate	3.7
20	Elementary and Secondary Education	154.9 <u>158.4</u>
21	School for the Deaf	60.0
22	Davies Career and Technical School	126.0
23	Office of Postsecondary Commissioner	12.8 <u>15.0</u>
24	Provided that 1.0 of the total authorization would be available only for positions that are	
25	supported by third-party funds.	
26	University of Rhode Island	2,456.5
27	Provided that 573.8 of the total authorization would be available only for positions that are	
28	supported by third-party funds.	
29	Rhode Island College	923.6
30	Provided that 82.0 of the total authorization would be available only for positions that are	
31	supported by third-party funds.	
32	Community College of Rhode Island	854.1
33	Provided that 94.0 of the total authorization would be available only for positions that are	
34	supported by third-party funds.	

1	Rhode Island State Council on the Arts	6.0
2	RI Atomic Energy Commission	8.6
3	Higher Education Assistance Authority	22.0
4	Historical Preservation and Heritage Commission	16.6
5	Office of the Attorney General	236.1
6	Corrections	1,419.0
7	Judicial	723.3
8	Military Staff	85.0
9	Public Safety	633.2
10	Office of the Public Defender	93.0
11	Emergency Management	32.0
12	Environmental Management	399.0
13	Coastal Resources Management Council	29.0
14	Transportation	752.6
15	Total	15,086.0 <u>15,100.7</u>

16 SECTION 5. Notwithstanding any public laws to the contrary, on or before June 30, 2015 six
17 million, three hundred seventy five thousand, four hundred thirty one dollars (\$6,375,431) of bond
18 premium deposited into the Rhode Island Capital Plan Fund in FY 2015 shall be transferred to the
19 Information Technology Investment Fund established pursuant to § 42-11-2.5 to be used solely to support
20 the Unified Health Infrastructure Project.

21 SECTION 6. This article shall take effect upon passage.

22 **ARTICLE 11**

23 **RELATING TO REVENUES**

24 SECTION 1. Section 42-64.3-6 of the General Laws in Chapter 42-64.3 entitled “Distressed
25 Areas Economic Revitalization Act” is hereby repealed.

26 ~~§ 42-64.3-6 Business tax credits.~~—A qualified business in an enterprise zone is allowed a credit
27 against the tax imposed pursuant to chapters 11, 13 (except the taxation of tangible personal property
28 under § 44-13-13), 14, 17, and 30 of title 44:

29 (1) ~~A credit equal to fifty percent (50%) of the total amount of wages paid to those enterprise job~~
30 ~~employees comprising the five percent (5%) new jobs referenced in § 42-64.3-3(4)(i)(A). The wages~~
31 ~~subject to the credit shall be reduced by any direct state or federal wage assistance paid to employers for~~
32 ~~the employee(s) in the taxable year. The maximum credit allowed per taxable year under the provisions of~~
33 ~~this subsection shall be two thousand five hundred dollars (\$2,500), per employee. A taxpayer who takes~~

1 ~~this business tax credit shall not be eligible for the resident business owner modification pursuant to § 42-~~
2 ~~64.3-7.~~

3 ~~(2) A credit equal to seventy five percent (75%) of the total amount of wages paid to those~~
4 ~~enterprise job employees who are domiciliaries of an enterprise zone comprising the five percent (5%)~~
5 ~~new jobs referenced in § 42-64.3-3(4)(i)(A). The wages subject to the credit shall be reduced by any~~
6 ~~direct state or federal wage assistance in the taxable year. The maximum credit allowed per taxable year~~
7 ~~under the provisions of this subdivision shall be five thousand dollars (\$5,000) per employee. A taxpayer~~
8 ~~who takes this business tax credit is not eligible for the resident business owner modification. The council~~
9 ~~shall promulgate appropriate rules to certify that the enterprise job employees are domiciliaries of an~~
10 ~~enterprise zone and shall advise the qualified business and the tax administrator. A taxpayer taking a~~
11 ~~credit for employees pursuant to this subdivision (2) shall not be entitled to a credit pursuant to~~
12 ~~subdivision (1) of this section for the employees.~~

13 ~~(3) Any tax credit as provided in subdivision (1) or (2) of this section shall not reduce the tax~~
14 ~~below the minimum tax. Fiscal year taxpayers must claim the tax credit in the year into which the~~
15 ~~December 31st of the certification year falls. The credit shall be used to offset tax liability pursuant to the~~
16 ~~provisions of either chapters 11, 13, 14, 17, or 30 of title 44, but not more than one chapter.~~

17 ~~(4) In the case of a corporation, the credit allowed under this section is only allowed against the~~
18 ~~tax of that corporation included in a consolidated return that qualifies for the credit and not against the tax~~
19 ~~of other corporations that may join in the filing of a consolidated tax return.~~

20 ~~(5) In the case of multiple business owners, the credit provided in subdivision (1) or (2) of this~~
21 ~~section is apportioned according to the ownership interests of the qualified business.~~

22 ~~(6) The tax credits established pursuant to this section may be carried forward for a period of~~
23 ~~three (3) years if in each of the three (3) calendar years a business which has qualified for tax credits~~
24 ~~under this section: (a) does not reduce the number of its employees from the last Effective Date of~~
25 ~~Certification; (b) obtains certificates of good standing from the Rhode Island division of taxation, the~~
26 ~~corporations division of the Rhode Island secretary of state and the appropriate municipal tax collector;~~
27 ~~(c) provides the council an affidavit stating under oath that this business has not within the preceding~~
28 ~~twelve (12) months changed its legal status for the purpose of gaining favorable treatment under the~~
29 ~~provisions of chapter 64.3 of this title; and (d) meets any other requirements as may be established by the~~
30 ~~council in its rules and regulations.~~

31 SECTION 2. Section 42-64.3-7 of the General Laws in Chapter 42-64.3 entitled “Distressed
32 Areas Economic Revitalization Act” is hereby amended to read as follows:

33 **§ 42-64.3-7 Resident business owner tax modification.** – (a) In computing his or her annual tax
34 liability pursuant to the provisions of chapter 11 or 30 of title 44, a domiciliary of an enterprise zone who

1 owns and operates a qualified business facility in that zone and which business is not required to file
2 under chapter 11, 13, 14 or 17 of title 44 may:

3 (1) For the first three (3) years after certification, whether or not consecutive, deduct fifty
4 thousand dollars (\$50,000) per year as a modification reducing federal adjusted gross income; and

5 (2) For the fourth and fifth years after certification, whether or not consecutive, deduct twenty-
6 five thousand dollars (\$25,000) per year as a modification reducing federal adjusted gross income.

7 (b) Any modification provided in subdivisions (1) and (2) of subsection (a) shall not be available
8 in taxable years other than the year in which the taxpayer qualifies for tax modification.

9 (c) In the case of multiple business owners, the modifications provided in subdivisions (1) and (2)
10 of subsection (a) shall be apportioned according to the ownership interests of the domiciliary owners of
11 the qualified business.

12 ~~(d) A taxpayer who elects this modification shall not be eligible for the business tax credits under~~
13 ~~§ 42-64.3-6.~~

14 SECTION 3. Sections 42-63.1-2, 42-63.1-3, 42-63.1-5 and 42-63.1-12 of the General Laws in
15 Chapter 42-63.1 entitled "Tourism and Development" are hereby amended to read as follows:

16 **§ 42-63.1-2 Definitions.** – For the purposes of this chapter:

17 (1) "Consideration" means the monetary charge for the use of space devoted to transient lodging
18 accommodations.

19 (2) "Corporation" means the Rhode Island economic development corporation.

20 (3) "District" means the regional tourism districts set forth in § 42-63.1-5.

21 (4) "Hotel" means any facility offering a minimum of three (3) rooms for which the public may,
22 for a consideration, obtain transient lodging accommodations. The term "hotel" shall include hotels,
23 motels, tourist homes, tourist camps, lodging houses, and inns ~~and shall exclude schools, hospitals,~~
24 ~~sanitariums, nursing homes and chronic care centers.~~ The term "hotel" shall also include houses,
25 condominiums or other residential dwelling units, regardless of the number of rooms, which are used
26 and/or advertised for rent for occupancy. The term "hotel" shall not include schools, hospitals,
27 sanitariums, nursing homes, and chronic care centers.

28 (5) "Hosting Platform" means an electronic or operating system in which a person or entity
29 provides a means through which an owner may offer and accept payment for a residential unit for "tourist
30 or transient" use. This service is usually, though not necessarily, provided through an online or web-
31 based system which generally allows an owner to advertise the residential unit through a hosted website
32 and provides a means for a person or entity to arrange tourist or transient use in exchange for payment,
33 whether the person or entity pays rent directly to the owner or to the hosting platform.

1 ~~(5)~~(6) "Occupancy" means a person, firm or corporation's use of space ordinarily used for
2 transient lodging accommodations not to exceed thirty (30) days. Excluded from "occupancy" is the use
3 of space for which the occupant has a written lease for the space, which lease covers a rental period of
4 twelve (12) months or more. Furthermore, any house, condominium or other residential dwelling rented,
5 for which the occupant has a written lease for the space covering a rental period of more than thirty (30)
6 consecutive days or for one calendar month is excluded from the definition of occupancy.

7 ~~(6)~~(7) "Tax" means the hotel tax imposed by subsection 44-18-36.1(a).

8 (8) "Owner" means any person who owns real property and is the owner of record. Owner shall
9 also include a lessee where the lessee is offering a residential unit for "tourist or transient" use.

10 (9) "Residential unit" means a room or rooms, including a condominium or a room or a dwelling
11 unit that forms part of a single, joint or shared tenant arrangement, in any building, or portion thereof,
12 which is designed, built, rented, leased, let, or hired out to be occupied for non-commercial use.

13 (10) "Tour operators" means a person that derive a majority of their revenue by providing tour
14 operator packages.

15 (11) "Tour operator packages" means a travel package that include the services of a tour guide
16 and where the itinerary encompasses five (5) or more consecutive days.

17 (12) "Tourist or transient" means any use of a residential unit for occupancy for less than a thirty
18 (30) consecutive day term of tenancy, or occupancy for less than thirty (30) consecutive days of a
19 residential unit leased or owned by a business entity, whether on a short-term or long-terms basis,
20 including any occupancy by employee or guests of a business entity for less than thirty (30) consecutive
21 days where payment for the residential unit is contracted for or paid by the business entity.

22 **§ 42-63.1-3 Distribution of tax.** – (a) For returns and tax payments received on or before June
23 30, 2015, Except except as provided in § 42-63.1-12, the proceeds of the hotel tax shall be distributed as
24 follows by the division of taxation and the city of Newport:

25 (1) Forty-seven percent (47%) of the tax generated by the hotels in the district, except as
26 otherwise provided in this chapter, shall be given to the regional tourism district wherein the hotel is
27 located; provided, however, that from the tax generated by the hotels in the city of Warwick, thirty-one
28 percent (31%) of the tax shall be given to the Warwick regional tourism district established in § 42-63.1-
29 5(a)(5) and sixteen percent (16%) of the tax shall be given to the Greater Providence-Warwick
30 Convention and Visitors' Bureau established in § 42-63.1-11; and provided further, that from the tax
31 generated by the hotels in the city of Providence, sixteen percent (16%) of that tax shall be given to the
32 Greater Providence-Warwick Convention and Visitors' Bureau established by § 42-63.1-11, and thirty-
33 one percent (31%) of that tax shall be given to the Convention Authority of the city of Providence
34 established pursuant to the provisions of chapter 84 of the public laws of January, 1980; provided,

1 however, that the receipts attributable to the district as defined in § 42-63.1-5(a)(7) shall be deposited as
2 general revenues;

3 (2) Twenty-five percent (25%) of the hotel tax shall be given to the city or town where the hotel,
4 which generated the tax, is physically located, to be used for whatever purpose the city or town decides.

5 (3) Twenty-one (21%) of the hotel tax shall be deposited as general revenues and seven percent
6 (7%) to the Greater Providence-Warwick Convention and Visitors' Bureau.

7 (b) For returns and tax payments received after June 30, 2015, except as provided in § 42-63.1-
8 12, the proceeds of the hotel tax shall be distributed as follows by the division of taxation and the city of
9 Newport:

10 (1) For the tax generated by the hotels in the Aquidneck Island district, as defined in § 42-63.1-5,
11 forty-seven percent (47%) of the tax shall be given to the Aquidneck Island district, twenty-five (25%) of
12 the tax shall be given to the city or town where the hotel, which generated the tax, is physically located,
13 seven percent (7%) of the tax shall be given to the Greater Providence-Warwick Convention and Visitors'
14 Bureau established in § 42-63.1-11, and twenty-one percent (21%) of the tax shall be given to the Rhode
15 Island commerce corporation established in chapter 42-64.

16 (2) For the tax generated by the hotels in the Providence district as defined in §42-63.1-5, fifteen
17 percent (15%) of the tax shall be given to the Providence district, twenty-five percent (25%) of the tax
18 shall be given to the city or town where the hotel, which generated the tax, is physically located, twenty-
19 three (23%) of the tax shall be given to the Greater Providence-Warwick Convention and Visitors'
20 Bureau established in § 42-63.1-11, and thirty-seven percent (37%) of the tax shall be given to the Rhode
21 Island commerce corporation established in chapter 42-64.

22 (3) For the tax generated by the hotels in the Warwick district as defined in § 42-63.1-5, fifteen
23 percent (15%) of the tax shall be given to the Warwick District, twenty-five percent (25%) of the tax shall
24 be given to the city or town where the hotel, which generated the tax, is physically located, twenty-three
25 percent (23%) of the tax shall be given to the Greater Providence-Warwick Convention and Visitors'
26 Bureau established in § 42-63.1-11, and thirty-seven percent (37%) of the tax shall be given to the Rhode
27 Island commerce corporation established in chapter 42-64.

28 (4) For the tax generated by the hotels in the Statewide district, as defined in § 42-63.1-5, twenty-
29 five percent (25%) of the tax shall be given to the city or town where the hotel, which generated the tax, is
30 physically located, seven percent (7%) of the tax shall be given to the Greater Providence-Warwick
31 Convention and Visitors' Bureau established in § 42-63.1-11, and sixty-eight percent (68%) of the tax
32 shall be given to the Rhode Island commerce corporation established in chapter 42-64.

33 (5) With respect to the tax generated by hotels in districts other than those set forth in section (1)
34 through (4) above, twenty-five percent (25%) of the tax shall be given to the regional tourism district, as

1 defined in § 42-63.1-5, wherein the hotel is located, twenty-five percent (25%) of the tax shall be given to
2 the city or town where the hotel, which generated the tax, is physically located, seven percent (7%) of the
3 tax shall be given to the Greater Providence-Warwick Convention and Visitors' Bureau established in §
4 42-63.1-11, and forty-three percent (43%) of the tax shall be given to the Rhode Island commerce
5 corporation established in chapter 42-64.

6 **§ 42-63.1-5 Regional tourism districts.** – (a) The state of Rhode Island is divided into eight (8)
7 regional tourism districts to be administered by the tourism council, convention and visitor's bureau or the
8 Rhode Island ~~economic development corporation~~ commerce corporation established in chapter 42-64 as
9 designated in this section:

10 (1) South County district which shall include Westerly, Charlestown, Narragansett, South
11 Kingstown, North Kingstown, Hopkinton, Exeter, Richmond, West Greenwich, East Greenwich, and
12 Coventry to be administered by the South County tourism council, inc.;

13 (2) Providence district consists of the city of Providence to be administered by the Convention
14 Authority of the City of Providence.

15 (3) Northern Rhode Island district consists of Pawtucket, Woonsocket, Lincoln, Central Falls,
16 Cumberland, North Smithfield, Smithfield, Glocester and Burrillville to be administered by the
17 Blackstone Valley tourism council, inc.;

18 (4) Aquidneck Island district consists of Barrington, Bristol, Warren, Newport, Jamestown,
19 Middletown, Portsmouth, Tiverton and Little Compton to be administered by the Newport and Bristol
20 County convention and visitors bureau;

21 (5) Warwick district consists of the city of Warwick to be administered by the city of Warwick
22 department of economic development;

23 (6) Block Island district which shall consist of the town of New Shoreham to be administered by
24 the New Shoreham tourism council, inc.;

25 (7) East Providence to be administered by an entity that shall be acceptable to the economic
26 development corporation; provided that all funds generated in the city of East Providence shall be held by
27 the Rhode Island division of taxation until such time as the city of East Providence elects to become a
28 member of a regional tourism district at which time the monies held by the Rhode Island division of
29 taxation shall be transferred to the tourism district or convention visitors' bureau selected by the city of
30 East Providence;

31 (8) Statewide district consists of all cities and towns not delineated in subdivisions (1) through (7)
32 to be administered by the Rhode Island ~~economic development corporation~~ commerce corporation
33 established in chapter 42-64.

1 (b) Before receiving any funds under this chapter, the organizations designated to receive the
2 funds on behalf of the South County regional tourism district and the Northern Rhode Island regional
3 tourism district shall be required to apply to and receive approval from the Rhode Island ~~economic~~
4 ~~development corporation~~ commerce corporation pursuant to guidelines promulgated by the Rhode Island
5 ~~economic development corporation~~ commerce corporation. The corporation shall review the eligibility of
6 the regional tourism district organizations to receive the funds at least annually.

7 (9) On or before September 1, 2015 and every September 1 thereafter, all regional tourism
8 districts created under this sections shall be required to seek and obtain the approval of the executive
9 office of commerce regarding the incorporation of common statewide marketing themes, logos, and
10 slogans, among other features, prior to the release of lodging tax funds to the districts.

11 **§ 42-63.1-12 Distribution of tax to Rhode Island Convention Center Authority.** – (a) For
12 returns and tax received on or before June 30, 2015, the ~~The~~ proceeds of the hotel tax generated by any
13 and all hotels physically connected to the Rhode Island Convention Center shall be distributed as follows:
14 twenty-seven percent (27%) shall be deposited as general revenues; thirty-one percent (31%) shall be
15 given to the convention authority of the city of Providence; twelve percent (12%) shall be given to the
16 greater Providence-Warwick convention and visitor's bureau; thirty percent (30%) shall be given to the
17 Rhode Island convention center authority to be used in the furtherance of the purposes set forth in § 42-
18 99-4.

19 (b) For returns and tax received after June 30, 2015, the proceeds of the hotel tax generated by
20 any and all hotels physically connected to the Rhode Island Convention Center shall be distributed as
21 follows: fifteen percent (15%) shall be given to the convention authority of the city of Providence; twelve
22 percent (12%) shall be given to the greater Providence-Warwick convention and visitor's bureau; and
23 seventy-three percent (73%) shall be given to the Rhode Island Commerce Corporation established in §
24 42-64.

25 ~~(b)(c)~~ (c) The Rhode Island Convention Center Authority is authorized and empowered to enter into
26 contracts with the Greater Providence-Warwick Convention and Visitors' Bureau in the furtherance of the
27 purposes set forth in this chapter.

28 SECTION 4. Chapter 42-63.1 of the General Laws entitled “Tourism and Development” is
29 hereby amended to read by adding thereto the following section:

30 **§ 42-63.1-14 Offering residential units through a hosting platform.** – Cities, towns or
31 municipalities shall not prohibit an owner from offering a residential unit for tourist or transient use
32 through a hosting platform, or prohibit a hosting platform from providing a person or entity the means to
33 rent, pay for or otherwise reserve a residential unit for tourist or transient use.

1 SECTION 5. Chapter 44-1 of the General Laws entitled "State Tax Officials" is hereby amended
2 by adding hereto the following section:

3 **§ 44-1-36 Contracts.** (a) Except as set forth in section (b) below, the division of taxation may
4 enter into contracts with a person (defined herein as an individual, firm, fiduciary, partnership,
5 corporation, trust, or association, however formed) to be paid on a contingent fee basis, for services
6 rendered to the division of taxation where the contract is for the collection of taxes, interest, or penalty or
7 the reduction of refunds claimed. Under such contracts the contingent fee shall be based on the actual
8 amount of taxes, interest and/or penalties collected and/or the amount by which the claimed refund is
9 reduced.

10 (b) The division of taxation may not enter into a contingent fee contract under which the person
11 directly conducts a field audit.

12 (c) The division of taxation shall publish an annual report setting forth the number of contracts
13 entered into under paragraph (a), the amount collected and the percentage of the contingency fee
14 arrangement of each contract.

15 SECTION 6. Chapter 44-11 of the General Laws entitled "Business Corporations Tax" is hereby
16 amended by adding hereto the following section:

17 **§ 44-11-29.2 Notice to tax administrator of sale of assets – Tax due.** – (a) The sale or transfer
18 of a controlling interest in any entity for valuable consideration, which possesses, directly or indirectly an
19 interest in real property in this state, shall be fraudulent and void as against the state unless the entity
20 shall, within five (5) days after the sale or transfer, notify the tax administrator in writing of the sale or
21 transfer and of the price, terms and conditions of the sale or transfer and of the character and location of
22 the assets. Whenever an entity shall make such a sale or transfer, there is imposed on said sale or transfer,
23 payable by the entity selling or transferring such controlling interest, a tax at the rate set forth in §44-25-
24 1(a) on the interest so sold or transferred, directly or indirectly. Whenever an entity shall make such a sale
25 or transfer, the tax imposed by this section shall become due and payable at the time when the tax
26 administrator is notified, or, if he or she is not notified, at the time when he or she should have been
27 notified.

28 (b) A taxable sale or transfer of a controlling interest may occur in one transaction or in a series
29 of transactions. Transactions which occur within two (2) years of each other are presumed, unless shown
30 to the contrary to the tax administrator's satisfaction, to be a series of transactions subject to the tax.

31 (c) A taxable sale or transfer of a controlling interest may be made by one seller or transferor, or
32 may be made by a group of sellers or transferors acting in concert. Sellers or transferors who are related to
33 each other by blood or marriage are presumed, unless shown to the contrary to the tax administrator's
34 satisfaction, to be acting in concert.

1 (d) For the tax collected pursuant to section (a) above, the tax administrator shall contribute to the
2 distressed community relief program established pursuant to § 45-13-12 the sum as set forth in § 44-25-
3 1(c) to be distributed pursuant to § 45-13-12 and to the housing resources commission restricted receipts
4 account the sum as set forth in § 44-25-1(c). Funds distributed under this section will be administered by
5 the department of administration, office of housing and community development, through the housing
6 resources commission. The state shall retain sixty cents (\$.60) for state use. The balance of the tax shall
7 be remitted to the municipality in which said real estate is located. The tax would be administered and
8 collected under the provisions of this chapter.

9 (e) For the purpose of this section the term “controlling interest” means:

10 (1) In the case of a corporation, fifty percent (50%) or more of the total combined voting power
11 of all classes of stock of such corporation; or

12 (2) In the case of a partnership, association, trust or other entity, fifty percent (50%) or more of
13 the capital, profits or beneficial interest in such partnership, association, trusts or other entity.

14 SECTION 7. Section 44-18-30 of General Laws in Chapter 44-18 entitled “Sales and Use Taxes
15 – Liability and Computation” is hereby amended to read as follows:

16 § 44-18-30 Gross receipts exempt from sales and use taxes. – There are exempted from the
17 taxes imposed by this chapter the following gross receipts:

18 (1) *Sales and uses beyond constitutional power of state.* From the sale and from the storage, use,
19 or other consumption in this state of tangible personal property the gross receipts from the sale of which,
20 or the storage, use, or other consumption of which, this state is prohibited from taxing under the
21 Constitution of the United States or under the constitution of this state.

22 (2) *Newspapers.*

23 (i) From the sale and from the storage, use, or other consumption in this state of any newspaper.

24 (ii) "Newspaper" means an unbound publication printed on newsprint, that contains news,
25 editorial comment, opinions, features, advertising matter, and other matters of public interest.

26 (iii) "Newspaper" does not include a magazine, handbill, circular, flyer, sales catalog, or similar
27 item unless the item is printed for and distributed as a part of a newspaper.

28 (3) *School meals.* From the sale and from the storage, use, or other consumption in this state of
29 meals served by public, private, or parochial schools, school districts, colleges, universities, student
30 organizations, and parent-teacher associations to the students or teachers of a school, college, or
31 university whether the meals are served by the educational institutions or by a food service or
32 management entity under contract to the educational institutions.

33 (4) *Containers.*

34 (i) From the sale and from the storage, use, or other consumption in this state of:

1 (A) Non-returnable containers, including boxes, paper bags, and wrapping materials that are
2 biodegradable and all bags and wrapping materials utilized in the medical and healing arts, when sold
3 without the contents to persons who place the contents in the container and sell the contents with the
4 container.

5 (B) Containers when sold with the contents if the sale price of the contents is not required to be
6 included in the measure of the taxes imposed by this chapter.

7 (C) Returnable containers when sold with the contents in connection with a retail sale of the
8 contents or when resold for refilling.

9 (ii) As used in this subdivision, the term "returnable containers" means containers of a kind
10 customarily returned by the buyer of the contents for reuse. All other containers are "non-returnable
11 containers."

12 (5)(i) *Charitable, educational, and religious organizations.* From the sale to, as in defined in this
13 section, and from the storage, use, and other consumption in this state or any other state of the United
14 States of America of tangible personal property by hospitals not operated for a profit; "educational
15 institutions" as defined in subdivision (18) not operated for a profit; churches, orphanages, and other
16 institutions or organizations operated exclusively for religious or charitable purposes; interest-free loan
17 associations not operated for profit; nonprofit, organized sporting leagues and associations and bands for
18 boys and girls under the age of nineteen (19) years; the following vocational student organizations that are
19 state chapters of national vocational students organizations: Distributive Education Clubs of America
20 (DECA); Future Business Leaders of America, Phi Beta Lambda (FBLA/PBL); Future Farmers of
21 America (FFA); Future Homemakers of America/Home Economics Related Occupations (FHA/HERD);
22 Vocational Industrial Clubs of America (VICA); organized nonprofit golden age and senior citizens clubs
23 for men and women; and parent-teacher associations.

24 (ii) In the case of contracts entered into with the federal government, its agencies or
25 instrumentalities, this state or any other state of the United States of America, its agencies, any city, town,
26 district, or other political subdivision of the states; hospitals not operated for profit; educational
27 institutions not operated for profit; churches, orphanages, and other institutions or organizations operated
28 exclusively for religious or charitable purposes; the contractor may purchase such materials and supplies
29 (materials and/or supplies are defined as those that are essential to the project) that are to be utilized in the
30 construction of the projects being performed under the contracts without payment of the tax.

31 (iii) The contractor shall not charge any sales or use tax to any exempt agency, institution, or
32 organization but shall in that instance provide his or her suppliers with certificates in the form as
33 determined by the division of taxation showing the reason for exemption and the contractor's records must

1 substantiate the claim for exemption by showing the disposition of all property so purchased. If any
2 property is then used for a nonexempt purpose, the contractor must pay the tax on the property used.

3 (6) *Gasoline*. From the sale and from the storage, use, or other consumption in this state of: (i)
4 gasoline and other products taxed under chapter 36 of title 31 and (ii) fuels used for the propulsion of
5 airplanes.

6 (7) *Purchase for manufacturing purposes*.

7 (i) From the sale and from the storage, use, or other consumption in this state of computer
8 software, tangible personal property, electricity, natural gas, artificial gas, steam, refrigeration, and water,
9 when the property or service is purchased for the purpose of being manufactured into a finished product
10 for resale and becomes an ingredient, component, or integral part of the manufactured, compounded,
11 processed, assembled, or prepared product, or if the property or service is consumed in the process of
12 manufacturing for resale computer software, tangible personal property, electricity, natural gas, artificial
13 gas, steam, refrigeration, or water.

14 (ii) "Consumed" means destroyed, used up, or worn out to the degree or extent that the property
15 cannot be repaired, reconditioned, or rendered fit for further manufacturing use.

16 (iii) "Consumed" includes mere obsolescence.

17 (iv) "Manufacturing" means and includes manufacturing, compounding, processing, assembling,
18 preparing, or producing.

19 (v) "Process of manufacturing" means and includes all production operations performed in the
20 producing or processing room, shop, or plant, insofar as the operations are a part of and connected with
21 the manufacturing for resale of tangible personal property, electricity, natural gas, artificial gas, steam,
22 refrigeration, or water and all production operations performed insofar as the operations are a part of and
23 connected with the manufacturing for resale of computer software.

24 (vi) "Process of manufacturing" does not mean or include administration operations such as
25 general office operations, accounting, collection or sales promotion, nor does it mean or include
26 distribution operations that occur subsequent to production operations, such as handling, storing, selling,
27 and transporting the manufactured products, even though the administration and distribution operations
28 are performed by, or in connection with, a manufacturing business.

29 (8) *State and political subdivisions*. From the sale to, and from the storage, use, or other
30 consumption by, this state, any city, town, district, or other political subdivision of this state. Every
31 redevelopment agency created pursuant to chapter 31 of title 45 is deemed to be a subdivision of the
32 municipality where it is located.

33 (9) *Food and food ingredients*. From the sale and storage, use, or other consumption in this state
34 of food and food ingredients as defined in § 44-18-7.1(l).

1 For the purposes of this exemption "food and food ingredients" shall not include candy, soft
2 drinks, dietary supplements, alcoholic beverages, tobacco, food sold through vending machines, or
3 prepared food, as those terms are defined in § 44-18-7.1, unless the prepared food is:

4 (i) Sold by a seller whose primary NAICS classification is manufacturing in sector 311, except
5 sub-sector 3118 (bakeries);

6 (ii) Sold in an unheated state by weight or volume as a single item;

7 (iii) Bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts,
8 danish, cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas; and is not sold with utensils provided by
9 the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws.

10 (10) *Medicines, drugs, and durable medical equipment.* From the sale and from the storage, use,
11 or other consumption in this state, of;

12 (i) "Drugs" as defined in § 44-18-7.1(h)(i), sold on prescriptions, medical oxygen, and insulin
13 whether or not sold on prescription. For purposes of this exemption drugs shall not include over-the-
14 counter drugs and grooming and hygiene products as defined in § 44-18-7.1(h)(iii).

15 (ii) Durable medical equipment as defined in § 44-18-7.1(k) for home use only, including, but not
16 limited to, syringe infusers, ambulatory drug delivery pumps, hospital beds, convalescent chairs, and chair
17 lifts. Supplies used in connection with syringe infusers and ambulatory drug delivery pumps that are sold
18 on prescription to individuals to be used by them to dispense or administer prescription drugs, and related
19 ancillary dressings and supplies used to dispense or administer prescription drugs, shall also be exempt
20 from tax.

21 (11) *Prosthetic devices and mobility enhancing equipment.* From the sale and from the storage,
22 use, or other consumption in this state, of prosthetic devices as defined in § 44-18-7.1(t), sold on
23 prescription, including, but not limited to: artificial limbs, dentures, spectacles, eyeglasses, and artificial
24 eyes; artificial hearing devices and hearing aids, whether or not sold on prescription; and mobility
25 enhancing equipment as defined in § 44-18-7.1(p), including wheelchairs, crutches and canes.

26 (12) *Coffins, caskets, and burial garments.* From the sale and from the storage, use, or other
27 consumption in this state of coffins or caskets, and shrouds or other burial garments that are ordinarily
28 sold by a funeral director as part of the business of funeral directing.

29 (13) *Motor vehicles sold to nonresidents.*

30 (i) From the sale, subsequent to June 30, 1958, of a motor vehicle to a bona fide nonresident of
31 this state who does not register the motor vehicle in this state, whether the sale or delivery of the motor
32 vehicle is made in this state or at the place of residence of the nonresident. A motor vehicle sold to a bona
33 fide nonresident whose state of residence does not allow a like exemption to its nonresidents is not
34 exempt from the tax imposed under § 44-18-20. In that event, the bona fide nonresident pays a tax to

1 Rhode Island on the sale at a rate equal to the rate that would be imposed in his or her state of residence
2 not to exceed the rate that would have been imposed under § 44-18-20. Notwithstanding any other
3 provisions of law, a licensed motor vehicle dealer shall add and collect the tax required under this
4 subdivision and remit the tax to the tax administrator under the provisions of chapters 18 and 19 of this
5 title. When a Rhode Island licensed, motor vehicle dealer is required to add and collect the sales and use
6 tax on the sale of a motor vehicle to a bona fide nonresident as provided in this section, the dealer in
7 computing the tax takes into consideration the law of the state of the nonresident as it relates to the trade-
8 in of motor vehicles.

9 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may require
10 any licensed motor vehicle dealer to keep records of sales to bona fide nonresidents as the tax
11 administrator deems reasonably necessary to substantiate the exemption provided in this subdivision,
12 including the affidavit of a licensed motor vehicle dealer that the purchaser of the motor vehicle was the
13 holder of, and had in his or her possession a valid out of state motor vehicle registration or a valid out of
14 state driver's license.

15 (iii) Any nonresident who registers a motor vehicle in this state within ninety (90) days of the
16 date of its sale to him or her is deemed to have purchased the motor vehicle for use, storage, or other
17 consumption in this state, and is subject to, and liable for, the use tax imposed under the provisions of §
18 44-18-20.

19 (14) *Sales in public buildings by blind people.* From the sale and from the storage, use, or other
20 consumption in all public buildings in this state of all products or wares by any person licensed under §
21 40-9-11.1.

22 (15) *Air and water pollution control facilities.* From the sale, storage, use, or other consumption
23 in this state of tangible personal property or supplies acquired for incorporation into or used and
24 consumed in the operation of a facility, the primary purpose of which is to aid in the control of the
25 pollution or contamination of the waters or air of the state, as defined in chapter 12 of title 46 and chapter
26 25 of title 23, respectively, and that has been certified as approved for that purpose by the director of
27 environmental management. The director of environmental management may certify to a portion of the
28 tangible personal property or supplies acquired for incorporation into those facilities or used and
29 consumed in the operation of those facilities to the extent that that portion has as its primary purpose the
30 control of the pollution or contamination of the waters or air of this state. As used in this subdivision,
31 "facility" means any land, facility, device, building, machinery, or equipment.

32 (16) *Camps.* From the rental charged for living quarters, or sleeping, or housekeeping
33 accommodations at camps or retreat houses operated by religious, charitable, educational, or other

1 organizations and associations mentioned in subdivision (5), or by privately owned and operated summer
2 camps for children.

3 (17) *Certain institutions.* From the rental charged for living or sleeping quarters in an institution
4 licensed by the state for the hospitalization, custodial, or nursing care of human beings.

5 (18) *Educational institutions.* From the rental charged by any educational institution for living
6 quarters, or sleeping, or housekeeping accommodations or other rooms or accommodations to any student
7 or teacher necessitated by attendance at an educational institution. "Educational institution" as used in this
8 section means an institution of learning not operated for profit that is empowered to confer diplomas,
9 educational, literary, or academic degrees; that has a regular faculty, curriculum, and organized body of
10 pupils or students in attendance throughout the usual school year; that keeps and furnishes to students and
11 others records required and accepted for entrance to schools of secondary, collegiate, or graduate rank;
12 and no part of the net earnings of which inures to the benefit of any individual.

13 (19) *Motor vehicle and adaptive equipment for persons with disabilities.*

14 (i) From the sale of: (A) Special adaptations; (B) The component parts of the special adaptations;
15 or (C) A specially adapted motor vehicle; provided that the owner furnishes to the tax administrator an
16 affidavit of a licensed physician to the effect that the specially adapted motor vehicle is necessary to
17 transport a family member with a disability or where the vehicle has been specially adapted to meet the
18 specific needs of the person with a disability. This exemption applies to not more than one motor vehicle
19 owned and registered for personal, noncommercial use.

20 (ii) For the purpose of this subsection the term "special adaptations" includes, but is not limited
21 to: wheelchair lifts, wheelchair carriers, wheelchair ramps, wheelchair securements, hand controls,
22 steering devices, extensions, relocations, and crossovers of operator controls, power-assisted controls,
23 raised tops or dropped floors, raised entry doors, or alternative signaling devices to auditory signals.

24 (iii) From the sale of: (a) special adaptations, (b) the component parts of the special adaptations,
25 for a "wheelchair accessible taxicab" as defined in § 39-14-1, and/or a "wheelchair accessible public
26 motor vehicle" as defined in § 39-14.1-1.

27 (iv) For the purpose of this subdivision the exemption for a "specially adapted motor vehicle"
28 means a use tax credit not to exceed the amount of use tax that would otherwise be due on the motor
29 vehicle, exclusive of any adaptations. The use tax credit is equal to the cost of the special adaptations,
30 including installation.

31 (20) *Heating fuels.* From the sale and from the storage, use, or other consumption in this state of
32 every type of fuel used in the heating of homes and residential premises.

33 (21) *Electricity and gas.* From the sale and from the storage, use, or other consumption in this
34 state of electricity and gas furnished for domestic use by occupants of residential premises.

1 (22) *Manufacturing machinery and equipment.*

2 (i) From the sale and from the storage, use, or other consumption in this state of tools, dies,
3 molds, machinery, equipment (including replacement parts), and related items to the extent used in an
4 industrial plant in connection with the actual manufacture, conversion, or processing of tangible personal
5 property, or to the extent used in connection with the actual manufacture, conversion, or processing of
6 computer software as that term is utilized in industry numbers 7371, 7372, and 7373 in the standard
7 industrial classification manual prepared by the Technical Committee on Industrial Classification, Office
8 of Statistical Standards, Executive Office of the President, United States Bureau of the Budget, as revised
9 from time to time, to be sold, or that machinery and equipment used in the furnishing of power to an
10 industrial manufacturing plant. For the purposes of this subdivision, "industrial plant" means a factory at a
11 fixed location primarily engaged in the manufacture, conversion, or processing of tangible personal
12 property to be sold in the regular course of business;

13 (ii) Machinery and equipment and related items are not deemed to be used in connection with the
14 actual manufacture, conversion, or processing of tangible personal property, or in connection with the
15 actual manufacture, conversion, or processing of computer software as that term is utilized in industry
16 numbers 7371, 7372, and 7373 in the standard industrial classification manual prepared by the Technical
17 Committee on Industrial Classification, Office of Statistical Standards, Executive Office of the President,
18 United States Bureau of the Budget, as revised from time to time, to be sold to the extent the property is
19 used in administration or distribution operations;

20 (iii) Machinery and equipment and related items used in connection with the actual manufacture,
21 conversion, or processing of any computer software or any tangible personal property that is not to be
22 sold and that would be exempt under subdivision (7) or this subdivision if purchased from a vendor or
23 machinery and equipment and related items used during any manufacturing, converting, or processing
24 function is exempt under this subdivision even if that operation, function, or purpose is not an integral or
25 essential part of a continuous production flow or manufacturing process;

26 (iv) Where a portion of a group of portable or mobile machinery is used in connection with the
27 actual manufacture, conversion, or processing of computer software or tangible personal property to be
28 sold, as previously defined, that portion, if otherwise qualifying, is exempt under this subdivision even
29 though the machinery in that group is used interchangeably and not otherwise identifiable as to use.

30 (23) *Trade-in value of motor vehicles.* From the sale and from the storage, use, or other
31 consumption in this state of so much of the purchase price paid for a new or used automobile as is
32 allocated for a trade-in allowance on the automobile of the buyer given in trade to the seller, or of the
33 proceeds applicable only to the automobile as are received from the manufacturer of automobiles for the
34 repurchase of the automobile whether the repurchase was voluntary or not towards the purchase of a new

1 or used automobile by the buyer. For the purpose of this subdivision, the word "automobile" means a
2 private passenger automobile not used for hire and does not refer to any other type of motor vehicle.

3 (24) *Precious metal bullion.*

4 (i) From the sale and from the storage, use, or other consumption in this state of precious metal
5 bullion, substantially equivalent to a transaction in securities or commodities.

6 (ii) For purposes of this subdivision, "precious metal bullion" means any elementary precious
7 metal that has been put through a process of smelting or refining, including, but not limited to, gold,
8 silver, platinum, rhodium, and chromium, and that is in a state or condition that its value depends upon its
9 content and not upon its form.

10 (iii) The term does not include fabricated precious metal that has been processed or manufactured
11 for some one or more specific and customary industrial, professional, or artistic uses.

12 (25) *Commercial vessels.* From sales made to a commercial ship, barge, or other vessel of fifty
13 (50) tons burden or over, primarily engaged in interstate or foreign commerce, and from the repair,
14 alteration, or conversion of the vessels, and from the sale of property purchased for the use of the vessels
15 including provisions, supplies, and material for the maintenance and/or repair of the vessels.

16 (26) *Commercial fishing vessels.* From the sale and from the storage, use, or other consumption in
17 this state of vessels and other water craft that are in excess of five (5) net tons and that are used
18 exclusively for "commercial fishing", as defined in this subdivision, and from the repair, alteration, or
19 conversion of those vessels and other watercraft, and from the sale of property purchased for the use of
20 those vessels and other watercraft including provisions, supplies, and material for the maintenance and/or
21 repair of the vessels and other watercraft and the boats nets, cables, tackle, and other fishing equipment
22 appurtenant to or used in connection with the commercial fishing of the vessels and other watercraft.
23 "Commercial fishing" means taking or attempting to take any fish, shellfish, crustacea, or bait species
24 with the intent of disposing of it for profit or by sale, barter, trade, or in commercial channels. The term
25 does not include subsistence fishing, i.e., the taking for personal use and not for sale or barter; or sport
26 fishing; but shall include vessels and other watercraft with a Rhode Island party and charter boat license
27 issued by the department of environmental management pursuant to § 20-2-27.1 that meet the following
28 criteria: (i) The operator must have a current U.S.C.G. license to carry passengers for hire; (ii) U.S.C.G.
29 vessel documentation in the coast wide fishery trade; (iii) U.S.C.G. vessel documentation as to proof of
30 Rhode Island home port status or a Rhode Island boat registration to prove Rhode Island home port status;
31 and (iv) The vessel must be used as a commercial passenger carrying fishing vessel to carry passengers
32 for fishing. The vessel must be able to demonstrate that at least fifty percent (50%) of its annual gross
33 income derives from charters or provides documentation of a minimum of one hundred (100) charter trips
34 annually; and (v) The vessel must have a valid Rhode Island party and charter boat license. The tax

1 administrator shall implement the provisions of this subdivision by promulgating rules and regulations
2 relating thereto.

3 (27) *Clothing and footwear.* From the sales of articles of clothing, including footwear, intended to
4 be worn or carried on or about the human body for sales prior to October 1, 2012. Effective October 1,
5 2012, the exemption will apply to the sales of articles of clothing, including footwear, intended to be worn
6 or carried on or about the human body up to two hundred and fifty dollars (\$250) of the sales price per
7 item. For the purposes of this section, "clothing or footwear" does not include clothing accessories or
8 equipment or special clothing or footwear primarily designed for athletic activity or protective use as
9 these terms are defined in section 44-18-7.1(f). In recognition of the work being performed by the
10 streamlined sales and use tax governing board, upon passage of any federal law that authorizes states to
11 require remote sellers to collect and remit sales and use taxes, this unlimited exemption will apply as it
12 did prior to October 1, 2012. The unlimited exemption on sales of clothing and footwear shall take effect
13 on the date that the state requires remote sellers to collect and remit sales and use taxes.

14 (28) *Water for residential use.* From the sale and from the storage, use, or other consumption in
15 this state of water furnished for domestic use by occupants of residential premises.

16 (29) *Bibles.* [Unconstitutional; see *Ahlburn v. Clark*, 728 A.2d 449 (R.I. 1999); see Notes to
17 Decisions.] From the sale and from the storage, use, or other consumption in the state of any canonized
18 scriptures of any tax-exempt nonprofit religious organization including, but not limited to, the Old
19 Testament and the New Testament versions.

20 (30) *Boats.*

21 (i) From the sale of a boat or vessel to a bona fide nonresident of this state who does not register
22 the boat or vessel in this state or document the boat or vessel with the United States government at a home
23 port within the state, whether the sale or delivery of the boat or vessel is made in this state or elsewhere;
24 provided, that the nonresident transports the boat within thirty (30) days after delivery by the seller
25 outside the state for use thereafter solely outside the state.

26 (ii) The tax administrator, in addition to the provisions of §§ 44-19-17 and 44-19-28, may require
27 the seller of the boat or vessel to keep records of the sales to bona fide nonresidents as the tax
28 administrator deems reasonably necessary to substantiate the exemption provided in this subdivision,
29 including the affidavit of the seller that the buyer represented himself or herself to be a bona fide
30 nonresident of this state and of the buyer that he or she is a nonresident of this state.

31 (31) *Youth activities equipment.* From the sale, storage, use, or other consumption in this state of
32 items for not more than twenty dollars (\$20.00) each by nonprofit Rhode Island eleemosynary
33 organizations, for the purposes of youth activities that the organization is formed to sponsor and support;

1 and by accredited elementary and secondary schools for the purposes of the schools or of organized
2 activities of the enrolled students.

3 (32) *Farm equipment.* From the sale and from the storage or use of machinery and equipment
4 used directly for commercial farming and agricultural production; including, but not limited to: tractors,
5 ploughs, harrows, spreaders, seeders, milking machines, silage conveyors, balers, bulk milk storage tanks,
6 trucks with farm plates, mowers, combines, irrigation equipment, greenhouses and greenhouse coverings,
7 graders and packaging machines, tools and supplies and other farming equipment, including replacement
8 parts appurtenant to or used in connection with commercial farming and tools and supplies used in the
9 repair and maintenance of farming equipment. "Commercial farming" means the keeping or boarding of
10 five (5) or more horses or the production within this state of agricultural products, including, but not
11 limited to, field or orchard crops, livestock, dairy, and poultry, or their products, where the keeping,
12 boarding, or production provides at least two thousand five hundred dollars (\$2,500) in annual gross sales
13 to the operator, whether an individual, a group, a partnership, or a corporation for exemptions issued prior
14 to July 1, 2002. For exemptions issued or renewed after July 1, 2002, there shall be two (2) levels. Level I
15 shall be based on proof of annual, gross sales from commercial farming of at least twenty-five hundred
16 dollars (\$2,500) and shall be valid for purchases subject to the exemption provided in this subdivision
17 except for motor vehicles with an excise tax value of five thousand dollars (\$5,000) or greater. Level II
18 shall be based on proof of annual gross sales from commercial farming of at least ten thousand dollars
19 (\$10,000) or greater and shall be valid for purchases subject to the exemption provided in this subdivision
20 including motor vehicles with an excise tax value of five thousand dollars (\$5,000) or greater. For the
21 initial issuance of the exemptions, proof of the requisite amount of annual gross sales from commercial
22 farming shall be required for the prior year; for any renewal of an exemption granted in accordance with
23 this subdivision at either level I or level II, proof of gross annual sales from commercial farming at the
24 requisite amount shall be required for each of the prior two (2) years. Certificates of exemption issued or
25 renewed after July 1, 2002, shall clearly indicate the level of the exemption and be valid for four (4) years
26 after the date of issue. This exemption applies even if the same equipment is used for ancillary uses, or is
27 temporarily used for a non-farming or a non-agricultural purpose, but shall not apply to motor vehicles
28 acquired after July 1, 2002, unless the vehicle is a farm vehicle as defined pursuant to § 31-1-8 and is
29 eligible for registration displaying farm plates as provided for in § 31-3-31.

30 (33) *Compressed air.* From the sale and from the storage, use, or other consumption in the state of
31 compressed air.

32 (34) *Flags.* From the sale and from the storage, consumption, or other use in this state of United
33 States, Rhode Island or POW-MIA flags.

1 (35) *Motor vehicle and adaptive equipment to certain veterans.* From the sale of a motor vehicle
2 and adaptive equipment to and for the use of a veteran with a service-connected loss of or the loss of use
3 of a leg, foot, hand, or arm, or any veteran who is a double amputee, whether service connected or not.
4 The motor vehicle must be purchased by and especially equipped for use by the qualifying veteran.
5 Certificate of exemption or refunds of taxes paid is granted under rules or regulations that the tax
6 administrator may prescribe.

7 (36) *Textbooks.* From the sale and from the storage, use, or other consumption in this state of
8 textbooks by an "educational institution", as defined in subdivision (18) of this section, and any
9 educational institution within the purview of § 16-63-9(4), and used textbooks by any purveyor.

10 (37) *Tangible personal property and supplies used in on-site hazardous waste recycling, reuse, or*
11 *treatment.* From the sale, storage, use, or other consumption in this state of tangible personal property or
12 supplies used or consumed in the operation of equipment, the exclusive function of which is the recycling,
13 reuse, or recovery of materials (other than precious metals, as defined in subdivision (24)(ii) of this
14 section) from the treatment of "hazardous wastes", as defined in § 23-19.1-4, where the "hazardous
15 wastes" are generated in Rhode Island solely by the same taxpayer and where the personal property is
16 located at, in, or adjacent to a generating facility of the taxpayer in Rhode Island. The taxpayer shall
17 procure an order from the director of the department of environmental management certifying that the
18 equipment and/or supplies as used or consumed, qualify for the exemption under this subdivision. If any
19 information relating to secret processes or methods of manufacture, production, or treatment is disclosed
20 to the department of environmental management only to procure an order, and is a "trade secret" as
21 defined in § 28-21-10(b), it is not open to public inspection or publicly disclosed unless disclosure is
22 required under chapter 21 of title 28 or chapter 24.4 of title 23.

23 (38) *Promotional and product literature of boat manufacturers.* From the sale and from the
24 storage, use, or other consumption of promotional and product literature of boat manufacturers shipped to
25 points outside of Rhode Island that either: (i) Accompany the product that is sold; (ii) Are shipped in bulk
26 to out-of-state dealers for use in the sale of the product; or (iii) Are mailed to customers at no charge.

27 (39) *Food items paid for by food stamps.* From the sale and from the storage, use, or other
28 consumption in this state of eligible food items payment for which is properly made to the retailer in the
29 form of U.S. government food stamps issued in accordance with the Food Stamp Act of 1977, 7 U.S.C. §
30 2011 et seq.

31 (40) *Transportation charges.* From the sale or hiring of motor carriers as defined in § 39-12-2(1)
32 to haul goods, when the contract or hiring cost is charged by a motor freight tariff filed with the Rhode
33 Island public utilities commission on the number of miles driven or by the number of hours spent on the
34 job.

1 (41) *Trade-in value of boats.* From the sale and from the storage, use, or other consumption in
2 this state of so much of the purchase price paid for a new or used boat as is allocated for a trade-in
3 allowance on the boat of the buyer given in trade to the seller or of the proceeds applicable only to the
4 boat as are received from an insurance claim as a result of a stolen or damaged boat, towards the purchase
5 of a new or used boat by the buyer.

6 (42) *Equipment used for research and development.* From the sale and from the storage, use, or
7 other consumption of equipment to the extent used for research and development purposes by a qualifying
8 firm. For the purposes of this subdivision, "qualifying firm" means a business for which the use of
9 research and development equipment is an integral part of its operation and "equipment" means scientific
10 equipment, computers, software, and related items.

11 (43) *Coins.* From the sale and from the other consumption in this state of coins having
12 numismatic or investment value.

13 (44) *Farm structure construction materials.* Lumber, hardware, and other materials used in the
14 new construction of farm structures, including production facilities such as, but not limited to, farrowing
15 sheds, free stall and stanchion barns, milking parlors, silos, poultry barns, laying houses, fruit and
16 vegetable storages, rooting cellars, propagation rooms, greenhouses, packing rooms, machinery storage,
17 seasonal farm worker housing, certified farm markets, bunker and trench silos, feed storage sheds, and
18 any other structures used in connection with commercial farming.

19 (45) *Telecommunications carrier access service.* Carrier access service or telecommunications
20 service when purchased by a telecommunications company from another telecommunications company to
21 facilitate the provision of telecommunications service.

22 (46) *Boats or vessels brought into the state exclusively for winter storage, maintenance, repair or*
23 *sale.* Notwithstanding the provisions of §§ 44-18-10, 44-18-11 and 44-18-20, the tax imposed by § 44-18-
24 20 is not applicable for the period commencing on the first day of October in any year up to and including
25 the 30th day of April next succeeding with respect to the use of any boat or vessel within this state
26 exclusively for purposes of: (i) Delivery of the vessel to a facility in this state for storage, including dry
27 storage and storage in water by means of apparatus preventing ice damage to the hull, maintenance, or
28 repair; (ii) The actual process of storage, maintenance, or repair of the boat or vessel; or (iii) Storage for
29 the purpose of selling the boat or vessel.

30 (47) *Jewelry display product.* From the sale and from the storage, use, or other consumption in
31 this state of tangible personal property used to display any jewelry product; provided that title to the
32 jewelry display product is transferred by the jewelry manufacturer or seller and that the jewelry display
33 product is shipped out of state for use solely outside the state and is not returned to the jewelry
34 manufacturer or seller.

1 (48) *Boats or vessels generally.* Notwithstanding the provisions of this chapter, the tax imposed
2 by §§ 44-18-20 and 44-18-18 shall not apply with respect to the sale and to the storage, use, or other
3 consumption in this state of any new or used boat. The exemption provided for in this subdivision does
4 not apply after October 1, 1993, unless prior to October 1, 1993, the federal ten percent (10%) surcharge
5 on luxury boats is repealed.

6 (49) *Banks and regulated investment companies interstate toll-free calls.* Notwithstanding the
7 provisions of this chapter, the tax imposed by this chapter does not apply to the furnishing of interstate
8 and international, toll-free terminating telecommunication service that is used directly and exclusively by
9 or for the benefit of an eligible company as defined in this subdivision; provided that an eligible company
10 employs on average during the calendar year no less than five hundred (500) "full-time equivalent
11 employees" as that term is defined in § 42-64.5-2. For purposes of this section, an "eligible company"
12 means a "regulated investment company" as that term is defined in the Internal Revenue Code of 1986, 26
13 U.S.C. § 1 et seq., or a corporation to the extent the service is provided, directly or indirectly, to or on
14 behalf of a regulated investment company, an employee benefit plan, a retirement plan or a pension plan
15 or a state-chartered bank.

16 (50) *Mobile and manufactured homes generally.* From the sale and from the storage, use, or other
17 consumption in this state of mobile and/or manufactured homes as defined and subject to taxation
18 pursuant to the provisions of chapter 44 of title 31.

19 (51) *Manufacturing business reconstruction materials.*

20 (i) From the sale and from the storage, use, or other consumption in this state of lumber,
21 hardware, and other building materials used in the reconstruction of a manufacturing business facility that
22 suffers a disaster, as defined in this subdivision, in this state. "Disaster" means any occurrence, natural or
23 otherwise, that results in the destruction of sixty percent (60%) or more of an operating manufacturing
24 business facility within this state. "Disaster" does not include any damage resulting from the willful act of
25 the owner of the manufacturing business facility.

26 (ii) Manufacturing business facility includes, but is not limited to, the structures housing the
27 production and administrative facilities.

28 (iii) In the event a manufacturer has more than one manufacturing site in this state, the sixty
29 percent (60%) provision applies to the damages suffered at that one site.

30 (iv) To the extent that the costs of the reconstruction materials are reimbursed by insurance, this
31 exemption does not apply.

32 (52) *Tangible personal property and supplies used in the processing or preparation of floral*
33 *products and floral arrangements.* From the sale, storage, use, or other consumption in this state of
34 tangible personal property or supplies purchased by florists, garden centers, or other like producers or

1 vendors of flowers, plants, floral products, and natural and artificial floral arrangements that are
2 ultimately sold with flowers, plants, floral products, and natural and artificial floral arrangements or are
3 otherwise used in the decoration, fabrication, creation, processing, or preparation of flowers, plants, floral
4 products, or natural and artificial floral arrangements, including descriptive labels, stickers, and cards
5 affixed to the flower, plant, floral product, or arrangement, artificial flowers, spray materials, floral paint
6 and tint, plant shine, flower food, insecticide and fertilizers.

7 (53) *Horse food products.* From the sale and from the storage, use, or other consumption in this
8 state of horse food products purchased by a person engaged in the business of the boarding of horses.

9 (54) *Non-motorized recreational vehicles sold to nonresidents.*

10 (i) From the sale, subsequent to June 30, 2003, of a non-motorized recreational vehicle to a bona
11 fide nonresident of this state who does not register the non-motorized recreational vehicle in this state,
12 whether the sale or delivery of the non-motorized recreational vehicle is made in this state or at the place
13 of residence of the nonresident; provided that a non-motorized recreational vehicle sold to a bona fide
14 nonresident whose state of residence does not allow a like exemption to its nonresidents is not exempt
15 from the tax imposed under § 44-18-20; provided, further, that in that event the bona fide nonresident
16 pays a tax to Rhode Island on the sale at a rate equal to the rate that would be imposed in his or her state
17 of residence not to exceed the rate that would have been imposed under § 44-18-20. Notwithstanding any
18 other provisions of law, a licensed, non-motorized recreational vehicle dealer shall add and collect the tax
19 required under this subdivision and remit the tax to the tax administrator under the provisions of chapters
20 18 and 19 of this title. Provided, that when a Rhode Island licensed, non-motorized recreational vehicle
21 dealer is required to add and collect the sales and use tax on the sale of a non-motorized recreational
22 vehicle to a bona fide nonresident as provided in this section, the dealer in computing the tax takes into
23 consideration the law of the state of the nonresident as it relates to the trade-in of motor vehicles.

24 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may require
25 any licensed, non-motorized recreational vehicle dealer to keep records of sales to bona fide nonresidents
26 as the tax administrator deems reasonably necessary to substantiate the exemption provided in this
27 subdivision, including the affidavit of a licensed, non-motorized recreational vehicle dealer that the
28 purchaser of the non-motorized recreational vehicle was the holder of, and had in his or her possession a
29 valid out-of-state non-motorized recreational vehicle registration or a valid out-of-state driver's license.

30 (iii) Any nonresident who registers a non-motorized recreational vehicle in this state within
31 ninety (90) days of the date of its sale to him or her is deemed to have purchased the non-motorized
32 recreational vehicle for use, storage, or other consumption in this state, and is subject to, and liable for,
33 the use tax imposed under the provisions of § 44-18-20.

1 (iv) "Non-motorized recreational vehicle" means any portable dwelling designed and constructed
2 to be used as a temporary dwelling for travel, camping, recreational, and vacation use that is eligible to be
3 registered for highway use, including, but not limited to, "pick-up coaches" or "pick-up campers," "travel
4 trailers," and "tent trailers" as those terms are defined in chapter 1 of title 31.

5 (55) *Sprinkler and fire alarm systems in existing buildings.* From the sale in this state of sprinkler
6 and fire alarm systems; emergency lighting and alarm systems; and the materials necessary and attendant
7 to the installation of those systems that are required in buildings and occupancies existing therein in July
8 2003 in order to comply with any additional requirements for such buildings arising directly from the
9 enactment of the Comprehensive Fire Safety Act of 2003 and that are not required by any other provision
10 of law or ordinance or regulation adopted pursuant to that Act. The exemption provided in this
11 subdivision shall expire on December 31, 2008.

12 (56) *Aircraft.* Notwithstanding the provisions of this chapter, the tax imposed by §§ 44-18-18 and
13 44-18-20 shall not apply with respect to the sale and to the storage, use, or other consumption in this state
14 of any new or used aircraft or aircraft parts.

15 (57) *Renewable energy products.* Notwithstanding any other provisions of Rhode Island general
16 laws, the following products shall also be exempt from sales tax: solar photovoltaic modules or panels, or
17 any module or panel that generates electricity from light; solar thermal collectors, including, but not
18 limited to, those manufactured with flat glass plates, extruded plastic, sheet metal, and/or evacuated tubes;
19 geothermal heat pumps, including both water-to-water and water-to-air type pumps; wind turbines; towers
20 used to mount wind turbines if specified by or sold by a wind turbine manufacturer; DC to AC inverters
21 that interconnect with utility power lines; and manufactured mounting racks and ballast pans for solar
22 collector, module, or panel installation. Not to include materials that could be fabricated into such racks;
23 monitoring and control equipment, if specified or supplied by a manufacturer of solar thermal, solar
24 photovoltaic, geothermal, or wind energy systems or if required by law or regulation for such systems but
25 not to include pumps, fans or plumbing or electrical fixtures unless shipped from the manufacturer affixed
26 to, or an integral part of, another item specified on this list; and solar storage tanks that are part of a solar
27 domestic hot water system or a solar space heating system. If the tank comes with an external heat
28 exchanger it shall also be tax exempt, but a standard hot water tank is not exempt from state sales tax.

29 (58) *Returned property.* The amount charged for property returned by customers upon rescission
30 of the contract of sale when the entire amount exclusive of handling charges paid for the property is
31 refunded in either cash or credit, and where the property is returned within one hundred twenty (120) days
32 from the date of delivery.

33 (59) *Dietary Supplements.* From the sale and from the storage, use, or other consumption of
34 dietary supplements as defined in § 44-18-7.1(l)(v), sold on prescriptions.

1 (60) *Blood*. From the sale and from the storage, use, or other consumption of human blood.

2 (61) *Agricultural products for human consumption*. From the sale and from the storage, use, or
3 other consumption of livestock and poultry of the kinds of products that ordinarily constitute food for
4 human consumption and of livestock of the kind the products of which ordinarily constitutes fibers for
5 human use.

6 (62) *Diesel emission control technology*. From the sale and use of diesel retrofit technology that is
7 required by § 31-47.3-4.

8 (63) *Feed for certain animals used in commercial farming*. From the sale of feed for animals as
9 described in § 44-18-30(61).

10 (64) *Alcoholic beverages*. From the sale and storage, use, or other consumption in this state by a
11 Class A licensee of alcoholic beverages, as defined in § 44-18-7.1, excluding beer and malt beverages
12 from December 1, 2013, through June 30, 2015; provided, further, notwithstanding § 6-13-1 or any other
13 general or public law to the contrary, alcoholic beverages, as defined in § 44-18-7.1, shall not be subject
14 to minimum markup from December 1, 2013, through June 30, 2015.

15 (65) *Electricity, gas and heating fuels*. Effective July 1, 2015, twenty percent (20%) of the gross
16 receipts from the sale and from the storage, use, or other consumption in this state of electricity, gas, and
17 every type of fuel used in heating not covered under § 44-18-30(7), § 44-18-30(20) and § 44-18-30(21).
18 Effective July 1, 2016, forty percent (40%) of the gross receipts from the sale and from the storage, use,
19 or other consumption in this state of electricity, gas, and every type of fuel used in heating not covered
20 under § 44-18-30(7), § 44-18-30(20) and § 44-18-30(21). Effective July 1, 2017, sixty percent (60%) of
21 the gross receipts from the sale and from the storage, use, or other consumption in this state of electricity,
22 gas, and every type of fuel used in heating not covered under § 44-18-30(7), § 44-18-30(20) and § 44-18-
23 30(21). Effective July 1, 2018, eighty percent (80%) of the gross receipts from the sale and from the
24 storage, use, or other consumption in this state of electricity, gas, and every type of fuel used in heating
25 not covered under § 44-18-30(7), § 44-18-30(20) and § 44-18-30(21). Effective July 1, 2019, one
26 hundred percent (100%) the gross receipts from the sale and from the storage, use, or other consumption
27 in this state of electricity, gas, and every type of fuel used in heating not covered under § 44-18-30(7), §
28 44-18-30(20) and § 44-18-30(21).

29 SECTION 8. Sections 44-18-7.3 and 44-18-36.1 of the General Laws in Chapter 44-18 entitled
30 "Sales and Use Tax – Liability and Computation" are hereby amended to read as follows:

31 **§ 44-18-7.3 Services defined.** – (a) "Services" means all activities engaged in for other persons
32 for a fee, retainer, commission, or other monetary charge, which activities involve the performance of a
33 service in this state as distinguished from selling property.

1 (b) The following businesses and services performed in this state, along with the applicable 2007
2 North American Industrial Classification System (NAICS) codes, are included in the definition of
3 services:

4 (1) Taxicab and limousine services including but not limited to:

5 (i) Taxicab services including taxi dispatchers (485310); and

6 (ii) Limousine services (485320).

7 (2) Other road transportation service including but not limited to:

8 (i) Charter bus service (485510); and

9 (ii) All other transit and ground passenger transportation (485999).

10 (3) Pet care services (812910) except veterinary and testing laboratories services.

11 (4)(i) "Room reseller" or "reseller" means any person, except a tour operator as defined in § 42-
12 63.1-2, having any right, permission, license, or other authority from or through a hotel as defined in §
13 42-63.1-2, to reserve, or arrange the transfer of occupancy of, accommodations the reservation or transfer
14 of which is subject to this chapter, such that the occupant pays all or a portion of the rental and other fees
15 to the room reseller or reseller. room reseller or reseller shall include, but not be limited to, sellers of
16 travel packages as defined in this section. Notwithstanding the provisions of any other law, where said
17 reservation or transfer of occupancy is done using a room reseller or reseller, the application of the sales
18 and use under §§ 44-18-18 and 44-18-20, and the hotel tax under § 44-18- 36.1 shall be as follows: The
19 room reseller or reseller is required to register with and shall collect and pay to the tax administrator the
20 sales and use and hotel taxes, with said taxes being calculated upon the amount of rental and other fees
21 paid by the occupant to the room reseller or reseller, less the amount of any rental and other fees paid by
22 the room reseller or reseller to the hotel. The hotel shall collect and pay to the tax administrator said taxes
23 upon the amount of rental and other fees paid to the hotel by the room reseller or reseller and/or the
24 occupant. No assessment shall be made by the tax administrator against a hotel because of an incorrect
25 remittance of the taxes under this chapter by a room reseller or reseller. No assessment shall be made by
26 the tax administrator against a room reseller or reseller because of an incorrect remittance of the taxes
27 under this chapter by a hotel. If the hotel has paid the taxes imposed under this chapter, the occupant
28 and/or room reseller or reseller, as applicable, shall reimburse the hotel for said taxes. If the room reseller
29 or reseller has paid said taxes, the occupant shall reimburse the room reseller or reseller for said taxes.
30 Each hotel and room reseller or reseller shall add and collect from the occupant or the room reseller or the
31 reseller the full amount of the taxes imposed on the rental and other fees. When added to the rental and
32 other fees, the taxes shall be a debt owed by the occupant to the hotel or room reseller or reseller, as
33 applicable, and shall be recoverable at law in the same manner as other debts. The amount of the taxes
34 collected by the hotel and/or room reseller or reseller from the occupant under this chapter shall be stated

1 and charged separately from the rental and other fees, and shall be shown separately on all records
2 thereof, whether made at the time the transfer of occupancy occurs, or on any evidence of the transfer
3 issued or used by the hotel or the room reseller or the reseller. A room reseller or reseller shall not be
4 required to disclose to the occupant the amount of tax charged by the hotel; provided, however, the room
5 reseller or reseller shall represent to the occupant that the separately stated taxes charged by the room
6 reseller or reseller include taxes charged by the hotel. No person shall operate a hotel in this state, or act
7 as a room reseller or reseller for any hotel in the state, unless the tax administrator has issued a permit
8 pursuant to § 44-19-1.

9 (ii) "Travel package" means a room or rooms bundled with one or more other, separate
10 components of travel such as air transportation, car rental or similar items, which travel package is
11 charged to the customer or occupant for a single retail price. When the room occupancy is bundled for a
12 single consideration, with other property, services, amusement charges, or any other items, the separate
13 sale of which would not otherwise be subject to tax under this chapter, the entire single consideration
14 shall be treated as the rental or other fees for room occupancy subject to tax under this chapter; provided,
15 however, that where the amount of the rental or other fees for room occupancy is stated separately from
16 the price of such other property, services, amusement charges, or other items, on any sales slip, invoice,
17 receipt, or other statement given the occupant, and such rental and other fees are determined by the tax
18 administrator to be reasonable in relation to the value of such other property, services, amusement
19 charges or other items, only such separately stated rental and other fees will be subject to tax under this
20 chapter. The value of the transfer of any room or rooms bundled as part of a travel package may be
21 determined by the tax administrator from the room reseller's and/or reseller's and/or hotel's books and
22 records that are kept in the regular course of business.

23 (c) The tax administrator is authorized to promulgate rules and regulations in accordance with the
24 provisions of chapter 42-35 to carry out the provisions, policies, and purposes of this chapter.

25 **§ 44-18-36.1 Hotel tax.** – (a) There is imposed a hotel tax of five percent (5%) upon the total
26 consideration charged for occupancy of any space furnished by any hotel, or room reseller or reseller as
27 defined in § 44-18-7.3(c), in this state. The hotel tax is in addition to any sales tax imposed. This hotel tax
28 is administered and collected by the division of taxation and unless provided to the contrary in this
29 chapter, all the administration, collection, and other provisions of chapters 18 and 19 of this title apply.
30 Nothing in this chapter shall be construed to limit the powers of the convention authority of the city of
31 Providence established pursuant to the provisions of chapter 84 of the public laws of 1980, except that
32 distribution of hotel tax receipts shall be made pursuant to chapter 63.1 of title 42 rather than chapter 84
33 of the public laws of 1980.

1 (b) There is hereby levied and imposed, upon the total consideration charged for occupancy of
2 any space furnished by any hotel in this state, in addition to all other taxes and fees now imposed by law,
3 a local hotel tax at a rate of one percent (1%). The local hotel tax shall be administered and collected in
4 accordance with subsection (a).

5 (c) All sums received by the division of taxation from the local hotel tax, penalties or forfeitures,
6 interest, costs of suit and fines shall be distributed at least quarterly, credited and paid by the state
7 treasurer to the city or town where the space for occupancy that is furnished by the hotel is located.
8 Unless provided to the contrary in this chapter, all of the administration, collection, and other provisions
9 of chapters 18 and 19 of this title shall apply.

10 (d) Notwithstanding the provisions of subsection (a) of this section, the city of Newport shall
11 have the authority to collect from hotels located in the city of Newport the tax imposed by subsection (a)
12 of this section.

13 (1) Within ten (10) days of collection of the tax, the city of Newport shall distribute the tax as
14 provided in § 42-63.1-3. No later than the first day of March and the first day of September in each year
15 in which the tax is collected, the city of Newport shall submit to the division of taxation a report of the tax
16 collected and distributed during the six (6) month period ending thirty (30) days prior to the reporting
17 date.

18 (2) The city of Newport shall have the same authority as the division of taxation to recover
19 delinquent hotel taxes pursuant to chapter 44-19, and the amount of any hotel tax, penalty and interest
20 imposed by the city of Newport until collected constitutes a lien on the real property of the taxpayer.

21 In recognition of the work being performed by the Streamlined Sales and Use Tax Governing
22 Board, upon any federal law which authorizes states to requires remote sellers to collect and remit taxes,
23 effective the first (1st) day of the first (1st) state fiscal quarter following the change, the rate imposed
24 under § 44-18-36.1(b) shall be one and one-half percent (1.5%).

25 SECTION 9. Chapter 44-19 of the General Laws entitled "Sales and Use Taxes – Enforcement
26 and Collection" is hereby amended by adding hereto the following section:

27 **§ 44-19-43 Managed Audit Program.** (a) The tax administrator may, in a written agreement
28 with a taxpayer, authorize a taxpayer to conduct a managed audit pursuant to this section. The agreement
29 shall specify the period to be audited and the procedure to be followed, and shall be signed by an
30 authorized representative of the tax administrator and the taxpayer.

31 (b) For purposes of this section, the term "managed audit" means a review and analysis of
32 invoices, checks, accounting records, or other documents or information to determine the correct amount
33 of tax. A managed audit may include, but is not required to include, the following categories of liability
34 under this Chapter, including tax on:

1 (i) Sales of one or more types of taxable items.

2 (ii) Purchases of assets.

3 (iii) Purchases of expense items.

4 (iv) Purchases under a direct payment permit.

5 (v) Any other category specified in an agreement authorized by this section. It shall be in the tax
6 administrator's sole discretion as to which categories of liability shall be included in any managed audit.

7 (c) The decision to authorize a managed audit rests solely with the tax administrator. In
8 determining whether to authorize a managed audit, the tax administrator may consider, in addition to
9 other facts the tax administrator may consider relevant, any of the following:

10 (i) The taxpayer's history of tax compliance.

11 (ii) The amount of time and resources the taxpayer has available to dedicate to the managed audit.

12 (iii) The extent and availability of the taxpayer's records.

13 (iv) The taxpayer's ability to pay any expected liability.

14 (d) The tax administrator may examine records and perform reviews that he determines are
15 necessary before the managed audit is finalized to verify the results of the managed audit. Unless the
16 managed audit or information reviewed by the tax administrator discloses fraud or willful evasion of the
17 tax, the tax administrator may not assess a penalty and may waive all or a part of the interest that would
18 otherwise accrue on any amount identified as due in a managed audit. This subsection (d) does not apply
19 to any amount collected by the taxpayer that was a tax or represented to be a tax that was not remitted to
20 the state.

21 SECTION 10. Sections 44-20-12 and 44-20-13 of the General Laws in Chapter 44-20 entitled
22 "Cigarette Tax" are hereby amended to read as follows:

23 **§ 44-20-12 Tax imposed on cigarettes sold.** – A tax is imposed on all cigarettes sold or held for
24 sale in the state. The payment of the tax to be evidenced by stamps, which may be affixed only by
25 licensed distributors to the packages containing such cigarettes. Any cigarettes on which the proper
26 amount of tax provided for in this chapter has been paid, payment being evidenced by the stamp, is not
27 subject to a further tax under this chapter. The tax is at the rate of ~~one hundred seventy five (175)~~ one
28 hundred eighty-seven and one half (187.5) mills for each cigarette.

29 **§ 44-20-13 Tax imposed on unstamped cigarettes.** - A tax is imposed at the rate of ~~one~~
30 ~~hundred seventy five (175)~~ one hundred eighty-seven and one half (187.5) mills for each cigarette upon
31 the storage or use within this state of any cigarettes not stamped in accordance with the provisions of this
32 chapter in the possession of any consumer within this state.

33 SECTION 11. Chapter 44-20 of the General Laws entitled "Cigarette Tax" is hereby amended by
34 adding hereto the following section:

1 § 44-20-12.5 Floor stock tax on cigarettes and stamps. – (a) Whenever used in this section,
2 unless the context requires otherwise:

3 (1) "Cigarette" means any cigarette as defined in § 44-20-1(2);

4 (2) "Person" means each individual, firm, fiduciary, partnership, corporation, trust, or association,
5 however formed.

6 (b) Each person engaging in the business of selling cigarettes at retail in this state shall pay a tax
7 or excise to the state for the privilege of engaging in that business during any part of the calendar year
8 2015. In calendar year 2015, the tax shall be measured by the number of cigarettes held by the person in
9 this state at 12:01 a.m. on August 1, 2015 and is computed at the rate of twelve and one half (12.5) mills
10 for each cigarette on August 1, 2015.

11 (c) Each distributor licensed to do business in this state pursuant to this chapter shall pay a tax or
12 excise to the state for the privilege of engaging in that business during any part of the calendar year 2015.
13 The tax is measured by the number of stamps, whether affixed or to be affixed to packages of cigarettes,
14 as required by § 44-20-28. In calendar year 2015 the tax is measured by the number of stamps, as defined
15 in § 44-20-1(10), whether affixed or to be affixed, held by the distributor at 12:01 a.m. on August 1, 2015,
16 and is computed at the rate of twelve and one half (12.5) mills per cigarette in the package to which the
17 stamps are affixed or to be affixed.

18 (d) Each person subject to the payment of the tax imposed by this section shall, on or before
19 August 15, 2015, file a return, under oath or certified under the penalties of perjury, with the tax
20 administrator on forms furnished by him or her, showing the amount of cigarettes and under subsection
21 (b) above the number of stamps under subsection (c) above, in that person's possession in this state at
22 12:01 a.m. on August 1, 2015, and the amount of tax due, and shall at the time of filing the return pay the
23 tax to the tax administrator. Failure to obtain forms shall not be an excuse for the failure to make a return
24 containing the information required by the tax administrator.

25 (e) The tax administrator may prescribe rules and regulations, not inconsistent with law, with
26 regard to the assessment and collection of the tax imposed by this section.

27 SECTION 12. Section 44-30-2.6 and 44-30-12 of General Laws in Chapter 44-30 entitled
28 "Personal Income Tax" is hereby amended to read as follows:

29 44-30-2.6 Rhode Island taxable income – Rate of tax. – (a) "Rhode Island taxable income"
30 means federal taxable income as determined under the Internal Revenue Code, 26 U.S.C. § 1 et seq., not
31 including the increase in the basic standard deduction amount for married couples filing joint returns as
32 provided in the Jobs and Growth Tax Relief Reconciliation Act of 2003 and the Economic Growth and
33 Tax Relief Reconciliation Act of 2001 (EGTRRA), and as modified by the modifications in § 44-30-12.

1 (b) Notwithstanding the provisions of §§ 44-30-1 and 44-30-2, for tax years beginning on or after
2 January 1, 2001, a Rhode Island personal income tax is imposed upon the Rhode Island taxable income of
3 residents and nonresidents, including estates and trusts, at the rate of twenty-five and one-half percent
4 (25.5%) for tax year 2001, and twenty-five percent (25%) for tax year 2002 and thereafter of the federal
5 income tax rates, including capital gains rates and any other special rates for other types of income,
6 except as provided in § 44-30-2.7, which were in effect immediately prior to enactment of the Economic
7 Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA); provided, rate schedules shall be adjusted
8 for inflation by the tax administrator beginning in taxable year 2002 and thereafter in the manner
9 prescribed for adjustment by the commissioner of Internal Revenue in 26 U.S.C. § 1(f). However, for tax
10 years beginning on or after January 1, 2006, a taxpayer may elect to use the alternative flat tax rate
11 provided in § 44-30-2.10 to calculate his or her personal income tax liability.

12 (c) For tax years beginning on or after January 1, 2001, if a taxpayer has an alternative minimum
13 tax for federal tax purposes, the taxpayer shall determine if he or she has a Rhode Island alternative
14 minimum tax. The Rhode Island alternative minimum tax shall be computed by multiplying the federal
15 tentative minimum tax without allowing for the increased exemptions under the Jobs and Growth Tax
16 Relief Reconciliation Act of 2003 (as redetermined on federal form 6251 Alternative Minimum Tax-
17 Individuals) by twenty-five and one-half percent (25.5%) for tax year 2001, and twenty-five percent
18 (25%) for tax year 2002 and thereafter, and comparing the product to the Rhode Island tax as computed
19 otherwise under this section. The excess shall be the taxpayer's Rhode Island alternative minimum tax.

20 (1) For tax years beginning on or after January 1, 2005 and thereafter the exemption amount for
21 alternative minimum tax, for Rhode Island purposes, shall be adjusted for inflation by the tax
22 administrator in the manner prescribed for adjustment by the commissioner of Internal Revenue in 26
23 U.S.C. § 1(f).

24 (2) For the period January 1, 2007 through December 31, 2007, and thereafter, Rhode Island
25 taxable income shall be determined by deducting from federal adjusted gross income as defined in 26
26 U.S.C. § 62 as modified by the modifications in § 44-30-12 the Rhode Island itemized deduction amount
27 and the Rhode Island exemption amount as determined in this section.

28 (A) Tax imposed.

29 (1) There is hereby imposed on the taxable income of married individuals filing joint returns and
30 surviving spouses a tax determined in accordance with the following table:

31 If taxable income is: The tax is:

32 Not over \$53,150 3.75% of taxable income

33 Over \$53,150 but not over \$128,500 \$1,993.13 plus 7.00% of the excess over \$53,150

34 Over \$128,500 but not over \$195,850 \$7,267.63 plus 7.75% of the excess over \$128,500

1 Over \$195,850 but not over \$349,700 \$12,487.25 plus 9.00% of the excess over
2 \$195,850

3 Over \$349,700 \$26,333.75 plus 9.90% of the excess over \$349,700

4 (2) There is hereby imposed on the taxable income of every head of household a tax determined
5 in accordance with the following table:

6 If taxable income is: The tax is:

7 Not over \$42,650 3.75% of taxable income

8 Over \$42,650 but not over \$110,100 \$1,599.38 plus 7.00% of the excess over \$42,650

9 Over \$110,100 but not over \$178,350 \$6,320.88 plus 7.75% of the excess over \$110,100

10 Over \$178,350 but not over \$349,700 \$11,610.25 plus 9.00% of the excess over
11 \$178,350

12 Over \$349,700 \$27,031.75 plus 9.90% of the excess over \$349,700

13 (3) There is hereby imposed on the taxable income of unmarried individuals (other than surviving
14 spouses and heads of households) a tax determined in accordance with the following table:

15 If taxable income is: The tax is:

16 Not over \$31,850 3.75% of taxable income

17 Over \$31,850 but not over \$77,100 \$1,194.38 plus 7.00% of the excess over \$31,850

18 Over \$77,100 but not over \$160,850 \$4,361.88 plus 7.75% of the excess over \$77,100

19 Over \$160,850 but not over \$349,700 \$10,852.50 plus 9.00% of the excess over
20 \$160,850

21 Over \$349,700 \$27,849.00 plus 9.90% of the excess over \$349,700

22 (4) There is hereby imposed on the taxable income of married individuals filing separate returns
23 and bankruptcy estates a tax determined in accordance with the following table:

24 If taxable income is: The tax is:

25 Not over \$26,575 3.75% of taxable income

26 Over \$26,575 but not over \$64,250 \$996.56 plus 7.00% of the excess over \$26,575

27 Over \$64,250 but not over \$97,925 \$3,633.81 plus 7.75% of the excess over \$64,250

28 Over \$97,925 but not over \$174,850 \$6,243.63 plus 9.00% of the excess over \$97,925

29 Over \$174,850 \$13,166.88 plus 9.90% of the excess over \$174,850

30 (5) There is hereby imposed a taxable income of an estate or trust a tax determined in accordance
31 with the following table:

32 If taxable income is: The tax is:

33 Not over \$2,150 3.75% of taxable income

34 Over \$2,150 but not over \$5,000 \$80.63 plus 7.00% of the excess over \$2,150

1 Over \$5,000 but not over \$7,650 \$280.13 plus 7.75% of the excess over \$5,000

2 Over \$7,650 but not over \$10,450 \$485.50 plus 9.00% of the excess over \$7,650

3 Over \$10,450 \$737.50 plus 9.90% of the excess over \$10,450

4 (6) Adjustments for inflation.

5 The dollars amount contained in paragraph (A) shall be increased by an amount equal to:

6 (a) Such dollar amount contained in paragraph (A) in the year 1993, multiplied by;

7 (b) The cost-of-living adjustment determined under section (J) with a base year of 1993;

8 (c) The cost-of-living adjustment referred to in subparagraph (a) and (b) used in making
9 adjustments to the nine percent (9%) and nine and nine tenths percent (9.9%) dollar amounts shall be
10 determined under section (J) by substituting "1994" for "1993."

11 (B) Maximum capital gains rates

12 (1) In general

13 If a taxpayer has a net capital gain for tax years ending prior to January 1, 2010, the tax imposed
14 by this section for such taxable year shall not exceed the sum of:

15 (a) 2.5 % of the net capital gain as reported for federal income tax purposes under section 26
16 U.S.C. 1(h)(1)(a) and 26 U.S.C. 1(h)(1)(b).

17 (b) 5% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
18 1(h)(1)(c).

19 (c) 6.25% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
20 1(h)(1)(d).

21 (d) 7% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
22 1(h)(1)(e).

23 (2) For tax years beginning on or after January 1, 2010 the tax imposed on net capital gain shall
24 be determined under subdivision 44-30-2.6(c)(2)(A).

25 (C) Itemized deductions.

26 (1) In general

27 For the purposes of section (2) "itemized deductions" means the amount of federal itemized
28 deductions as modified by the modifications in § 44-30-12.

29 (2) Individuals who do not itemize their deductions

30 In the case of an individual who does not elect to itemize his deductions for the taxable year, they
31 may elect to take a standard deduction.

32 (3) Basic standard deduction.

33 The Rhode Island standard deduction shall be allowed in accordance with the following table:

34 Filing status Amount

- 1 Single \$5,350
- 2 Married filing jointly or qualifying widow(er) \$8,900
- 3 Married filing separately \$4,450
- 4 Head of Household \$7,850

5 (4) Additional standard deduction for the aged and blind.

6 An additional standard deduction shall be allowed for individuals age sixty-five (65) or older or
7 blind in the amount of \$1,300 for individuals who are not married and \$1,050 for individuals who are
8 married.

9 (5) Limitation on basic standard deduction in the case of certain dependents.

10 In the case of an individual to whom a deduction under section (E) is allowable to another
11 taxpayer, the basic standard deduction applicable to such individual shall not exceed the greater of:

- 12 (a) \$850;
- 13 (b) The sum of \$300 and such individual's earned income;
- 14 (6) Certain individuals not eligible for standard deduction.

15 In the case of:

- 16 (a) A married individual filing a separate return where either spouse itemizes deductions;
- 17 (b) Nonresident alien individual;
- 18 (c) An estate or trust;

19 The standard deduction shall be zero.

20 (7) Adjustments for inflation.

21 Each dollars amount contained in paragraphs (3), (4) and (5) shall be increased by an amount
22 equal to:

- 23 (a) Such dollar amount contained in paragraphs (3), (4) and (5) in the year 1988, multiplied by
- 24 (b) The cost-of-living adjustment determined under section (J) with a base year of 1988.
- 25 (D) Overall limitation on itemized deductions

26 (1) General rule.

27 In the case of an individual whose adjusted gross income as modified by § 44-30-12 exceeds the
28 applicable amount, the amount of the itemized deductions otherwise allowable for the taxable year shall
29 be reduced by the lesser of:

30 (a) Three percent (3%) of the excess of adjusted gross income as modified by § 44-30-12 over the
31 applicable amount; or

32 (b) Eighty percent (80%) of the amount of the itemized deductions otherwise allowable for such
33 taxable year.

34 (2) Applicable amount.

1 (a) In general.

2 For purposes of this section, the term "applicable amount" means \$156,400 (\$78,200 in the case
3 of a separate return by a married individual)

4 (b) Adjustments for inflation.

5 Each dollar amount contained in paragraph (a) shall be increased by an amount equal to:

6 (i) Such dollar amount contained in paragraph (a) in the year 1991, multiplied by

7 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

8 (3) Phase-out of Limitation.

9 (a) In general.

10 In the case of taxable year beginning after December 31, 2005, and before January 1, 2010, the
11 reduction under section (1) shall be equal to the applicable fraction of the amount which would be the
12 amount of such reduction.

13 (b) Applicable fraction.

14 For purposes of paragraph (a), the applicable fraction shall be determined in accordance with the
15 following table:

16 For taxable years beginning in	The applicable fraction is calendar year
17 2006 and 2007	2/3
18 2008 and 2009	1/3

19 (E) Exemption amount

20 (1) In general.

21 Except as otherwise provided in this subsection, the term "exemption amount" mean \$3,400.

22 (2) Exemption amount disallowed in case of certain dependents.

23 In the case of an individual with respect to whom a deduction under this section is allowable to
24 another taxpayer for the same taxable year, the exemption amount applicable to such individual for such
25 individual's taxable year shall be zero.

26 (3) Adjustments for inflation.

27 The dollar amount contained in paragraph (1) shall be increased by an amount equal to:

28 (a) Such dollar amount contained in paragraph (1) in the year 1989, multiplied by

29 (b) The cost-of-living adjustment determined under section (J) with a base year of 1989.

30 (4) Limitation.

31 (a) In general.

32 In the case of any taxpayer whose adjusted gross income as modified for the taxable year exceeds
33 the threshold amount shall be reduced by the applicable percentage.

34 (b) Applicable percentage.

1 In the case of any taxpayer whose adjusted gross income for the taxable year exceeds the
 2 threshold amount, the exemption amount shall be reduced by two (2) percentage points for each \$2,500
 3 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds the
 4 threshold amount. In the case of a married individual filing a separate return, the preceding sentence shall
 5 be applied by substituting "\$1,250" for "\$2,500." In no event shall the applicable percentage exceed one
 6 hundred percent (100%).

7 (c) Threshold Amount.

8 For the purposes of this paragraph, the term "threshold amount" shall be determined with the
 9 following table:

10 Filing status	Amount
11 Single	\$156,400
12 Married filing jointly of qualifying widow(er)	\$234,600
13 Married filing separately	\$117,300
14 Head of Household	\$195,500

15 (d) Adjustments for inflation.

16 Each dollars amount contain in paragraph (b) shall be increased by an amount equal to:

- 17 (i) Such dollar amount contained in paragraph (b) in the year 1991, multiplied by
- 18 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

19 (5) Phase-out of Limitation.

20 (a) In general.

21 In the case of taxable years beginning after December 31, 2005, and before January 1, 2010, the
 22 reduction under section 4 shall be equal to the applicable fraction of the amount which would be the
 23 amount of such reduction.

24 (b) Applicable fraction.

25 For the purposes of paragraph (a), the applicable fraction shall be determined in accordance with
 26 the following table:

27 For taxable years beginning in	The applicable fraction is
28 calendar year	
29 2006 and 2007	2/3
30 2008 and 2009	1/3

31 (F) Alternative minimum tax

32 (1) *General rule.* There is hereby imposed (in addition to any other tax imposed by this subtitle) a
 33 tax equal to the excess (if any) of:

34 (a) The tentative minimum tax for the taxable year, over

1 (b) The regular tax for the taxable year.

2 (2) The tentative minimum tax for the taxable year is the sum of:

3 (a) 6.5 percent of so much of the taxable excess as does not exceed \$175,000, plus

4 (b) 7.0 percent of so much of the taxable excess above \$175,000.

5 (3) The amount determined under the preceding sentence shall be reduced by the alternative
6 minimum tax foreign tax credit for the taxable year.

7 (4) *Taxable excess.* For the purposes of this subsection the term "taxable excess" means so much
8 of the federal alternative minimum taxable income as modified by the modifications in § 44-30-12 as
9 exceeds the exemption amount.

10 (5) In the case of a married individual filing a separate return, subparagraph (2) shall be applied
11 by substituting "\$87,500" for \$175,000 each place it appears.

12 (6) Exemption amount.

13 For purposes of this section "exemption amount" means:

Filing status	Amount
Single	\$39,150
Married filing jointly or qualifying widow(er)	\$53,700
Married filing separately	\$26,850
Head of Household	\$39,150
Estate or trust	\$24,650

20 (7) Treatment of unearned income of minor children

21 (a) In general.

22 In the case of a minor child, the exemption amount for purposes of section (6) shall not exceed
23 the sum of:

24 (i) Such child's earned income, plus

25 (ii) \$6,000.

26 (8) Adjustments for inflation.

27 The dollar amount contained in paragraphs (6) and (7) shall be increased by an amount equal to:

28 (a) Such dollar amount contained in paragraphs (6) and (7) in the year 2004, multiplied by

29 (b) The cost-of-living adjustment determined under section (J) with a base year of 2004.

30 (9) Phase-out.

31 (a) In general.

32 The exemption amount of any taxpayer shall be reduced (but not below zero) by an amount equal
33 to twenty-five percent (25%) of the amount by which alternative minimum taxable income of the taxpayer
34 exceeds the threshold amount.

1 (b) Threshold amount.

2 For purposes of this paragraph, the term "threshold amount" shall be determined with the
3 following table:

4 Filing status	Amount
5 Single	\$123,250
6 Married filing jointly or qualifying widow(er)	\$164,350
7 Married filing separately	\$82,175
8 Head of Household	\$123,250
9 Estate or Trust	\$82,150

10 (c) Adjustments for inflation

11 Each dollar amount contained in paragraph (9) shall be increased by an amount equal to:

- 12 (i) Such dollar amount contained in paragraph (9) in the year 2004, multiplied by
- 13 (ii) The cost-of-living adjustment determined under section (J) with a base year of 2004.

14 (G) Other Rhode Island taxes

15 (1) *General rule.* There is hereby imposed (in addition to any other tax imposed by this subtitle) a
16 tax equal to twenty-five percent (25%) of:

- 17 (a) The Federal income tax on lump-sum distributions.
- 18 (b) The Federal income tax on parents' election to report child's interest and dividends.
- 19 (c) The recapture of Federal tax credits that were previously claimed on Rhode Island return.
- 20 (H) Tax for children under 18 with investment income

21 (1) *General rule.* There is hereby imposed a tax equal to twenty-five percent (25%) of:

- 22 (a) The Federal tax for children under the age of 18 with investment income.

23 (I) Averaging of farm income

24 (1) *General rule.* At the election of an individual engaged in a farming business or fishing
25 business, the tax imposed in section 2 shall be equal to twenty-five percent (25%) of:

- 26 (a) The Federal averaging of farm income as determined in IRC section 1301.

27 (J) Cost-of-living adjustment

28 (1) In general.

29 The cost-of-living adjustment for any calendar year is the percentage (if any) by which:

- 30 (a) The CPI for the preceding calendar year exceeds
 - 31 (b) The CPI for the base year.
- 32 (2) CPI for any calendar year.

33 For purposes of paragraph (1), the CPI for any calendar year is the average of the Consumer Price
34 Index as of the close of the twelve (12) month period ending on August 31 of such calendar year.

1 (3) Consumer Price Index

2 For purposes of paragraph (2), the term "consumer price index" means the last consumer price
3 index for all urban consumers published by the department of labor. For purposes of the preceding
4 sentence, the revision of the consumer price index which is most consistent with the consumer price index
5 for calendar year 1986 shall be used.

6 (4) Rounding.

7 (a) In general.

8 If any increase determined under paragraph (1) is not a multiple of \$50, such increase shall be
9 rounded to the next lowest multiple of \$50.

10 (b) In the case of a married individual filing a separate return, subparagraph (a) shall be applied
11 by substituting "\$25" for \$50 each place it appears.

12 (K) *Credits against tax.* For tax years beginning on or after January 1, 2001, a taxpayer entitled to
13 any of the following federal credits enacted prior to January 1, 1996 shall be entitled to a credit against
14 the Rhode Island tax imposed under this section:

15 (1) [Deleted by P.L. 2007, ch. 73, art. 7, § 5].

16 (2) Child and dependent care credit;

17 (3) General business credits;

18 (4) Credit for elderly or the disabled;

19 (5) Credit for prior year minimum tax;

20 (6) Mortgage interest credit;

21 (7) Empowerment zone employment credit;

22 (8) Qualified electric vehicle credit.

23 (L) *Credit against tax for adoption.* For tax years beginning on or after January 1, 2006, a
24 taxpayer entitled to the federal adoption credit shall be entitled to a credit against the Rhode Island tax
25 imposed under this section if the adopted child was under the care, custody, or supervision of the Rhode
26 Island department of children, youth and families prior to the adoption.

27 (M) The credit shall be twenty-five percent (25%) of the aforementioned federal credits provided
28 there shall be no deduction based on any federal credits enacted after January 1, 1996, including the rate
29 reduction credit provided by the federal Economic Growth and Tax Reconciliation Act of 2001
30 (EGTRRA). In no event shall the tax imposed under this section be reduced to less than zero. A taxpayer
31 required to recapture any of the above credits for federal tax purposes shall determine the Rhode Island
32 amount to be recaptured in the same manner as prescribed in this subsection.

33 (N) Rhode Island earned income credit

34 (1) In general.

1 For tax years beginning on or after January, 1, 2015 and before January 1, 2016, a taxpayer
2 entitled to a federal earned income credit shall be allowed a Rhode Island earned income credit equal to
3 ten percent (10%) of the federal earned income credit. Such credit shall not exceed the amount of the
4 Rhode Island income tax.

5 For tax years beginning on or after January, 1, 2016 and before January 1, 2017, a taxpayer
6 entitled to a federal earned income credit shall be allowed a Rhode Island earned income credit equal to
7 twelve and one-half percent (12.5%) of the federal earned income credit. Such credit shall not exceed the
8 amount of the Rhode Island income tax.

9 For tax years beginning on or after January, 1, 2017, a taxpayer entitled to a federal earned
10 income credit shall be allowed a Rhode Island earned income credit equal to fifteen percent (15%) of the
11 federal earned income credit. Such credit shall not exceed the amount of the Rhode Island income tax.

12 (2) Refundable portion.

13 In the event the Rhode Island earned income credit allowed under section (J) exceeds the amount
14 of Rhode Island income tax, a refundable earned income credit shall be allowed.

15 (a) For purposes of paragraph (2) refundable earned income credit means one hundred percent
16 (100%) of the amount by which the Rhode Island earned income credit exceeds the Rhode Island income
17 tax.

18 (O) The tax administrator shall recalculate and submit necessary revisions to paragraphs (A)
19 through (J) to the general assembly no later than February 1, 2010 and every three (3) years thereafter for
20 inclusion in the statute.

21 (3) For the period January 1, 2011 through December 31, 2011, and thereafter, "Rhode Island
22 taxable income" means federal adjusted gross income as determined under the Internal Revenue Code, 26
23 U.S.C. 1 et seq., and as modified for Rhode Island purposes pursuant to § 44-30-12 less the amount of
24 Rhode Island Basic Standard Deduction allowed pursuant to subparagraph 44-30-2.6(c)(3)(B), and less
25 the amount of personal exemption allowed pursuant of subparagraph 44-30-2.6(c)(3)(C).

26 (A) Tax imposed.

27 (I) There is hereby imposed on the taxable income of married individuals filing joint returns,
28 qualifying widow(er), every head of household, unmarried individuals, married individuals filing separate
29 returns and bankruptcy estates, a tax determined in accordance with the following table:

30	Over	But not over	Pay + Excess	on the amount over
31	\$ 0 -	\$ 55,000	\$ 0 + 3.75%	\$ 0
32	55,000 -	125,000	2,063 + 4.75%	55,000
33	125,000 -		5,388 + 5.99%	125,000

1 (II) There is hereby imposed on the taxable income of an estate or trust a tax determined in
2 accordance with the following table:

3 Over	But not over	Pay + % on Excess	on the amount over
4 \$ 0 -	\$ 2,230	\$ 0 + 3.75%	\$ 0
5 2,230 -	7,022	84 + 4.75%	2,230
6 7,022 -		312 + 5.99%	7,022

7 (B) Deductions:

8 (I) Rhode Island Basic Standard Deduction.

9 Only the Rhode Island standard deduction shall be allowed in accordance with the following
10 table:

11 Filing status:	Amount
12 Single	\$7,500
13 Married filing jointly or qualifying widow(er)	\$15,000
14 Married filing separately	\$7,500
15 Head of Household	\$11,250

16 (II) Nonresident alien individuals, estates and trusts are not eligible for standard deductions.

17 (III) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island
18 purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five thousand dollars
19 (\$175,000), the standard deduction amount shall be reduced by the applicable percentage. The term
20 "applicable percentage" means twenty (20) percentage points for each five thousand dollars (\$5,000) (or
21 fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds one hundred
22 seventy-five thousand dollars (\$175,000).

23 (C) Exemption Amount:

24 (I) The term "exemption amount" means three thousand five hundred dollars (\$3,500) multiplied
25 by the number of exemptions allowed for the taxable year for federal income tax purposes.

26 (II) Exemption amount disallowed in case of certain dependents. In the case of an individual with
27 respect to whom a deduction under this section is allowable to another taxpayer for the same taxable year,
28 the exemption amount applicable to such individual for such individual's taxable year shall be zero.

29 (D) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island
30 purposes pursuant to § 33-30-12, for the taxable year exceeds one hundred seventy- five thousand dollars
31 (\$175,000), the exemption amount shall be reduced by the applicable percentage. The term "applicable
32 percentage" means twenty (20) percentage points for each five thousand dollars (\$5,000) (or fraction
33 thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds one hundred seventy-
34 five thousand dollars (\$175,000).

1 (E) *Adjustment for inflation.* The dollar amount contained in subparagraphs 44-30-2.6(c)(3)(A),
2 44-30-2.6(c)(3)(B) and 44-30-2.6(c)(3)(C) shall be increased annually by an amount equal to:

3 (I) Such dollar amount contained in subparagraphs 44-30-2.6(c)(3)(A), 44-30-2.6(c)(3)(B) and
4 44-30-2.6(c)(3)(C) adjusted for inflation using a base tax year of 2000, multiplied by;

5 (II) The cost-of-living adjustment with a base year of 2000.

6 (III) For the purposes of this section the cost-of-living adjustment for any calendar year is the
7 percentage (if any) by which the consumer price index for the preceding calendar year exceeds the
8 consumer price index for the base year. The consumer price index for any calendar year is the average of
9 the consumer price index as of the close of the twelve (12) month period ending on August 31, of such
10 calendar year.

11 (IV) For the purpose of this section the term "consumer price index" means the last consumer
12 price index for all urban consumers published by the department of labor. For the purpose of this section
13 the revision of the consumer price index which is most consistent with the consumer price index for
14 calendar year 1986 shall be used.

15 (V) If any increase determined under this section is not a multiple of fifty dollars (\$50.00), such
16 increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a married
17 individual filing separate return, if any increase determined under this section is not a multiple of twenty-
18 five dollars (\$25.00), such increase shall be rounded to the next lower multiple of twenty-five dollars
19 (\$25.00).

20 (E) Credits against tax.

21 (I) Notwithstanding any other provisions of Rhode Island Law, for tax years beginning on or after
22 January 1, 2011, the only credits allowed against a tax imposed under this chapter shall be as follows:

23 (a) Rhode Island Earned Income Credit: Credit shall be allowed for earned income credit pursuant
24 to subparagraph 44-30-2.6(c)(2)(N).

25 (b) Property Tax Relief Credit: Credit shall be allowed for property tax relief as provided in § 44-
26 33-1 et seq.

27 (c) Lead Paint Credit: Credit shall be allowed for residential lead abatement income tax credit as
28 provided in § 44-30.3-1 et seq.

29 (d) *Credit for income taxes of other states.* Credit shall be allowed for income tax paid to other
30 states pursuant to § 44-30-74.

31 (e) Historic Structures Tax Credit: Credit shall be allowed for historic structures tax credit as
32 provided in § 44-33.2-1 et seq.

33 (f) Motion Picture Productions Tax Credit: Credit shall be allowed for motion picture production
34 tax credit as provided in § 44-31.2-1 et seq.

1 (g) Child and Dependent Care: Credit shall be allowed for twenty-five percent (25%) of the
2 federal child and dependent care credit allowable for the taxable year for federal purposes; provided,
3 however, such credit shall not exceed the Rhode Island tax liability.

4 (h) Tax credits for contributions to Scholarship Organizations: Credit shall be allowed for
5 contributions to scholarship organizations as provided in § 44-62 et seq.

6 (i) *Credit for tax withheld.* Wages upon which tax is required to be withheld shall be taxable as if
7 no withholding were required, but any amount of Rhode Island personal income tax actually deducted and
8 withheld in any calendar year shall be deemed to have been paid to the tax administrator on behalf of the
9 person from whom withheld, and the person shall be credited with having paid that amount of tax for the
10 taxable year beginning in that calendar year. For a taxable year of less than twelve (12) months, the credit
11 shall be made under regulations of the tax administrator.

12 (2) Except as provided in section 1 above, no other state and federal tax credit shall be available
13 to the taxpayers in computing tax liability under this chapter.

14 **§ 44-30-12 Rhode Island income of a resident individual.** – (a) *General.* The Rhode Island
15 income of a resident individual means his or her adjusted gross income for federal income tax purposes,
16 with the modifications specified in this section.

17 (b) *Modifications increasing federal adjusted gross income.* There shall be added to federal
18 adjusted gross income:

19 (1) Interest income on obligations of any state, or its political subdivisions, other than Rhode
20 Island or its political subdivisions;

21 (2) Interest or dividend income on obligations or securities of any authority, commission, or
22 instrumentality of the United States, but not of Rhode Island or its political subdivisions, to the extent
23 exempted by the laws of the United States from federal income tax but not from state income taxes;

24 (3) The modification described in § 44-30-25(g);

25 (4)(i) The amount defined below of a nonqualified withdrawal made from an account in the
26 tuition savings program pursuant to § 16-57-6.1. For purposes of this section, a nonqualified withdrawal
27 is:

28 (A) A transfer or rollover to a qualified tuition program under Section 529 of the Internal
29 Revenue Code, 26 U.S.C. § 529, other than to the tuition savings program referred to in § 16-57-6.1; and

30 (B) A withdrawal or distribution which is:

31 (I) Not applied on a timely basis to pay "qualified higher education expenses" as defined in § 16-
32 57-3(12) of the beneficiary of the account from which the withdrawal is made;

33 (II) Not made for a reason referred to in § 16-57-6.1(e); or

1 (III) Not made in other circumstances for which an exclusion from tax made applicable by
2 Section 529 of the Internal Revenue Code, 26 U.S.C. § 529, pertains if the transfer, rollover, withdrawal
3 or distribution is made within two (2) taxable years following the taxable year for which a contributions
4 modification pursuant to subdivision (c)(4) of this section is taken based on contributions to any tuition
5 savings program account by the person who is the participant of the account at the time of the
6 contribution, whether or not the person is the participant of the account at the time of the transfer,
7 rollover, withdrawal or distribution;

8 (ii) In the event of a nonqualified withdrawal under subparagraphs (i)(A) or (i)(B) of this
9 subdivision, there shall be added to the federal adjusted gross income of that person for the taxable year
10 of the withdrawal an amount equal to the lesser of:

11 (A) The amount equal to the nonqualified withdrawal reduced by the sum of any administrative
12 fee or penalty imposed under the tuition savings program in connection with the nonqualified withdrawal
13 plus the earnings portion thereof, if any, includible in computing the person's federal adjusted gross
14 income for the taxable year; and

15 (B) The amount of the person's contribution modification pursuant to subdivision (c)(4) of this
16 section for the person's taxable year of the withdrawal and the two (2) prior taxable years less the amount
17 of any nonqualified withdrawal for the two (2) prior taxable years included in computing the person's
18 Rhode Island income by application of this subsection for those years. Any amount added to federal
19 adjusted gross income pursuant to this subdivision shall constitute Rhode Island income for residents,
20 nonresidents and part-year residents; and

21 (5) The modification described in § 44-30-25.1(d)(3)(i).

22 (6) The amount equal to any unemployment compensation received but not included in federal
23 adjusted gross income.

24 (7) The amount equal to the deduction allowed for sales tax paid for a purchase of a qualified
25 motor vehicle as defined by the Internal Revenue Code § 164(a)(6).

26 (c) *Modifications reducing federal adjusted gross income.* There shall be subtracted from federal
27 adjusted gross income:

28 (1) Any interest income on obligations of the United States and its possessions to the extent
29 includible in gross income for federal income tax purposes, and any interest or dividend income on
30 obligations, or securities of any authority, commission, or instrumentality of the United States to the
31 extent includible in gross income for federal income tax purposes but exempt from state income taxes
32 under the laws of the United States; provided, that the amount to be subtracted shall in any case be
33 reduced by any interest on indebtedness incurred or continued to purchase or carry obligations or

1 securities the income of which is exempt from Rhode Island personal income tax, to the extent the interest
2 has been deducted in determining federal adjusted gross income or taxable income;

3 (2) A modification described in § 44-30-25(f) or § 44-30-1.1(c)(1);

4 (3) The amount of any withdrawal or distribution from the "tuition savings program" referred to
5 in § 16-57-6.1 which is included in federal adjusted gross income, other than a withdrawal or distribution
6 or portion of a withdrawal or distribution that is a nonqualified withdrawal;

7 (4) Contributions made to an account under the tuition savings program, including the
8 "contributions carryover" pursuant to paragraph (iv) of this subdivision, if any, subject to the following
9 limitations, restrictions and qualifications:

10 (i) The aggregate subtraction pursuant to this subdivision for any taxable year of the taxpayer
11 shall not exceed five hundred dollars (\$500) or one thousand dollars (\$1,000) if a joint return;

12 (ii) The following shall not be considered contributions:

13 (A) Contributions made by any person to an account who is not a participant of the account at the
14 time the contribution is made;

15 (B) Transfers or rollovers to an account from any other tuition savings program account or from
16 any other "qualified tuition program" under section 529 of the Internal Revenue Code, 26 U.S.C. § 529;
17 or

18 (C) A change of the beneficiary of the account;

19 (iii) The subtraction pursuant to this subdivision shall not reduce the taxpayer's federal adjusted
20 gross income to less than zero (0);

21 (iv) The contributions carryover to a taxable year for purpose of this subdivision is the excess, if
22 any, of the total amount of contributions actually made by the taxpayer to the tuition savings program for
23 all preceding taxable years for which this subsection is effective over the sum of:

24 (A) The total of the subtractions under this subdivision allowable to the taxpayer for all such
25 preceding taxable years; and

26 (B) That part of any remaining contribution carryover at the end of the taxable year which
27 exceeds the amount of any nonqualified withdrawals during the year and the prior two (2) taxable years
28 not included in the addition provided for in this subdivision for those years. Any such part shall be
29 disregarded in computing the contributions carryover for any subsequent taxable year;

30 (v) For any taxable year for which a contributions carryover is applicable, the taxpayer shall
31 include a computation of the carryover with the taxpayer's Rhode Island personal income tax return for
32 that year, and if for any taxable year on which the carryover is based the taxpayer filed a joint Rhode
33 Island personal income tax return but filed a return on a basis other than jointly for a subsequent taxable
34 year, the computation shall reflect how the carryover is being allocated between the prior joint filers; and

1 (5) The modification described in § 44-30-25.1(d)(1).

2 (6) Amounts deemed taxable income to the taxpayer due to payment or provision of insurance
3 benefits to a dependent, including a domestic partner pursuant to chapter 12 of title 36 or other coverage
4 plan.

5 (7) *Modification for organ transplantation.* (i) An individual may subtract up to ten thousand
6 dollars (\$10,000) from federal adjusted gross income if he or she, while living, donates one or more of his
7 or her human organs to another human being for human organ transplantation, except that for purposes of
8 this subsection, "human organ" means all or part of a liver, pancreas, kidney, intestine, lung, or bone
9 marrow. A subtract modification that is claimed hereunder may be claimed in the taxable year in which
10 the human organ transplantation occurs.

11 (ii) An individual may claim that subtract modification hereunder only once, and the subtract
12 modification may be claimed for only the following unreimbursed expenses that are incurred by the
13 claimant and related to the claimant's organ donation:

14 (A) Travel expenses.

15 (B) Lodging expenses.

16 (C) Lost wages.

17 (iii) The subtract modification hereunder may not be claimed by a part-time resident or a
18 nonresident of this state.

19 (8) For a person who files a return as an unmarried individual, head of household or married
20 filing separate whose federal adjusted gross income for such taxable year is less than fifty thousand
21 dollars, or a married individual filing jointly or individual filing qualifying widow(er) whose federal
22 adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the
23 social security benefits includable in federal adjusted gross income.

24 (d) *Modification for Rhode Island fiduciary adjustment.* There shall be added to or subtracted
25 from federal adjusted gross income (as the case may be) the taxpayer's share, as beneficiary of an estate or
26 trust, of the Rhode Island fiduciary adjustment determined under § 44-30-17.

27 (e) *Partners.* The amounts of modifications required to be made under this section by a partner,
28 which relate to items of income or deduction of a partnership, shall be determined under § 44-30-15.

29 SECTION 13. Section 44-64-3 of General Laws in Chapter 44-64 entitled "The Outpatient
30 Health Care Facility Surcharge" is hereby amended to read as follows:

31 **§ 44-64-3 Imposition of surcharge – Outpatient health care facility.** – (a) For the purposes of
32 this section, an "outpatient health care facility" means a person or governmental unit that is licensed to
33 establish, maintain, and operate a free-standing ambulatory surgery center or a physician ambulatory
34 surgery center or a podiatry ambulatory surgery center, in accordance with chapter 17 of title 23.

1 (b) A surcharge at a rate of two percent (2.0%) shall be imposed upon the net patient services
2 revenue received each month by every outpatient health care facility. Every provider shall pay the
3 monthly surcharge no later than the twenty-fifth (25th) day of the month following the month that the
4 gross patient revenue is received. This surcharge shall be in addition to any other authorized fees that
5 have been assessed upon outpatient facilities.

6 (c) Effective July 1, 2015, a surcharge at a rate of one and one-half percent (1.5%) shall be
7 imposed upon the net patient services revenue received each month by every outpatient health care
8 facility. Every provider shall pay the monthly surcharge no later than the twenty-fifth (25th) day of the
9 month following the month that the gross patient revenue is received. This surcharge shall be in addition
10 to any other authorized fees that have been assessed upon outpatient facilities.

11 (d) Effective July 1, 2016, a surcharge at a rate of one percent (1.0%) shall be imposed upon the
12 net patient services revenue received each month by every outpatient health care facility. Every provider
13 shall pay the monthly surcharge no later than the twenty-fifth (25th) day of the month following the
14 month that the gross patient revenue is received. This surcharge shall be in addition to any other
15 authorized fees that have been assessed upon outpatient facilities.

16 (e) Effective July 1, 2017, a surcharge at a rate of one-half percent (0.5%) shall be imposed upon
17 the net patient services revenue received each month by every outpatient health care facility. Every
18 provider shall pay the monthly surcharge no later than the twenty-fifth (25th) day of the month following
19 the month that the gross patient revenue is received. This surcharge shall be in addition to any other
20 authorized fees that have been assessed upon outpatient facilities.

21 (f) Effective July 1, 2018, the surcharge imposed upon the net patient service revenue under this
22 chapter is hereby repealed.

23 SECTION 14. Section 44-65-3 of General Laws in Chapter 44-64 entitled “Imaging Services
24 Surcharge” is hereby amended to read as follows:

25 **§ 44-65-3 Imposition of surcharge.** – (a) A surcharge shall be imposed upon the net patient
26 revenue received by every provider in each month at a rate of two percent (2.0%). Every provider shall
27 pay the monthly surcharge no later than the twenty-fifty (25th) day of each month following the month of
28 receipt of net patient services revenue. This surcharge shall be in addition to any other fees or assessments
29 upon the provider allowable by law.

30 (b) Effective July 1, 2015, a surcharge shall be imposed upon the net patient revenue received by
31 every provider in each month at a rate of one and one-half percent (1.5%). Every provider shall pay the
32 monthly surcharge no later than the twenty-fifty (25th) day of each month following the month of receipt
33 of net patient services revenue. This surcharge shall be in addition to any other fees or assessments upon
34 the provider allowable by law.

1 (c) Effective July 1, 2016, a surcharge shall be imposed upon the net patient revenue received by
2 every provider in each month at a rate of one percent (1.0%). Every provider shall pay the monthly
3 surcharge no later than the twenty-fifty (25th) day of each month following the month of receipt of net
4 patient services revenue. This surcharge shall be in addition to any other fees or assessments upon the
5 provider allowable by law.

6 (d) Effective July 1, 2017, a surcharge shall be imposed upon the net patient revenue received by
7 every provider in each month at a rate of one-half percent (0.5%). Every provider shall pay the monthly
8 surcharge no later than the twenty-fifty (25th) day of each month following the month of receipt of net
9 patient services revenue. This surcharge shall be in addition to any other fees or assessments upon the
10 provider allowable by law.

11 (e) Effective July 1, 2018, the surcharge imposed upon the net patient service revenue under this
12 chapter is hereby repealed.

13 SECTION 15. Title 44 of the General Laws entitled "Taxation" is hereby amended by adding
14 thereto the following chapter:

15 CHAPTER 70

16 THE NON-OWNER OCCUPIED PROPERTY TAX

17 § 44-70-1 Short title. – This chapter shall be known as "The Non-Owner Occupied Property
18 Tax."

19 § 44-70-2 Purpose. – (a) The state funds cities and towns pursuant to chapter § 45-13.

20 (b) There is a compelling state interest in protecting the tax base of its cities and towns.

21 (c) There are numerous non-owner occupied residential properties throughout the cities and towns
22 of Rhode Island assessed at values over \$1 million dollars (\$1,000,000).

23 (d) The existence of such properties within a city or town has an impact on the value of real
24 property within the cities and towns and the tax base within these cities and towns.

25 (e) Non-owner occupied properties sometimes place a greater demand on essential state, city or
26 town services such as police and fire protection than do occupied properties comparably assessed for real
27 estate tax purposes.

28 (f) The residents of non-owner occupied properties are not vested with a motive to maintain such
29 properties.

30 (g) The owners of non-owner occupied properties do not always contribute a fair share of the
31 costs of providing the foregoing essential state, city or town services financed in part by real estate tax
32 revenues, which revenues are solely based on the assessed value of properties.

33 (h) Some properties are deliberately left vacant by their owners in the hope that real estate values
34 will increase, thereby enabling the owners to sell these properties at a substantial profit without making

1 any of the necessary repairs or improvements to the property.

2 (i) The non-owner occupation of such property whether for profit speculation, tax benefit, or any
3 other purposes is the making use of that property and as such, is a privilege incident to the ownership of
4 the property.

5 (j) Owners of non-owner occupied properties must be encouraged to use the properties in a
6 positive manner to stop the spread of deterioration, to increase the stock of viable real estate within a city
7 or town, and to maintain real estate values within communities.

8 (k) Owners of non-owner occupied properties must be required, through a state's power to tax, to
9 pay a fair share of the cost of providing certain essential state services to protect the public health, safety,
10 and welfare.

11 (l) For all of the reasons stated within this section, the purpose of this chapter is to impose a state-
12 wide tax upon non-owner occupied residential property assessed at a value of one million dollars
13 (\$1,000,000) or more.

14 **§ 44-70-3 Definitions.** – The following words and phrases as used in this chapter have the
15 following meaning:

16 (a) "Administrator" means the tax administrator within the department of revenue.

17 (b) "Assessed value" means the assessed value of the real estate as returned by the tax assessor of
18 the city or town where the property is located.

19 (c) "Person" means any individual, corporation, company, association, partnership, joint stock
20 association, and the legal successor thereof or any other entity or group organization against which a tax
21 may be assessed.

22 (d) "Non-owner occupied" means that the residential property is not occupied by the owner of the
23 property for a majority of the privilege year. A seasonal or vacation occupancy is deemed non-owner
24 occupied residency for the purposes of this chapter.

25 (e) "Non-owner occupied tax" means the assessment imposed upon the non-owner occupied
26 residential property assessed at one million dollars (\$1,000,000) or more pursuant to this chapter.

27 (f) "Taxable year" means July 1 through June 30.

28 **§ 44-70-4 Imposition of Tax.** –(a) The tax administrator of the state of Rhode Island is
29 empowered to impose a tax upon the privilege of utilizing property as non-owner occupied residential
30 property within the state during any privilege year commencing with the privilege year beginning July 1,
31 2015 and every tax year thereafter. The non-owner occupied tax shall be in addition to any other taxes
32 authorized by the general or public laws.

33 **§ 44-70-5 Exemptions:** This act does not supersede any applicable exemption in the general or
34 public laws; provided, however, that the tax administrator shall be provided with the alleged basis for that

1 exemption in writing and may reject said alleged exemption if he/she deems said exemption is not
2 applicable.

3 **§ 44-70-6 Rate of tax.** – The tax authorized by this chapter shall be measured by the assessed
4 value of the real estate at the rate two dollars and fifty cents (\$2.50) for each one thousand dollars
5 (\$1,000) or fractional part of the assessed value.

6 **§ 44-70-7 Returns.** – (a) The tax imposed under authority of this chapter shall be due and
7 payable in four (4) equal installments. The first installment shall be paid on or before September 15 of
8 the taxable year, the second installment shall be paid on or before December 15 of the taxable year, the
9 third installment shall be paid on or before March 15 of the taxable year, and fourth installment shall be
10 paid on or before June 15 of the taxable year.

11 (b) The tax administrator is authorized to adopt rules, pursuant to this chapter, relative to the form
12 of the return and the data that it must contained on the return for the correct computation of the imposed
13 tax. All returns shall be signed by the taxpayer or by its authorized representative, subject to the pains and
14 penalties of perjury. If a return shows an overpayment of the tax due, the tax administrator shall refund or
15 credit the overpayment to the taxpayer.

16 (c) The tax administrator, for good cause shown, may extend the time within which a taxpayer is
17 required to file a return, and if the return is filed during the period of extension. No penalty or late filing
18 charge may be imposed for failure to file the return at the time required by this chapter, but the taxpayer
19 shall be liable for interest as prescribed in this chapter. Failure to file the return during the period for the
20 extension shall void the extension.

21 **§ 44-70-8 Set-off for delinquent payment of tax.** – If a taxpayer shall fail to pay a tax within
22 thirty (30) days of its due date, the tax administrator may request any agency of state government making
23 payments to the taxpayer to set-off the amount of the delinquency against any payment due the taxpayer
24 from the agency of state government and remit the sum to the tax administrator. Upon receipt of the set-
25 off request from the tax administrator, any agency of state government is authorized and empowered to
26 set-off the amount of the delinquency against any payment or amounts due the taxpayer. The amount of
27 set-off shall be credited against the tax due from the taxpayer.

28 **§ 44-70-9 Tax on available information – Interest on delinquencies – Penalties – Collection**
29 **powers.** – If any taxpayer shall fail to file a return within the time required by this chapter, or shall file an
30 insufficient or incorrect return, or shall not pay the tax imposed by this chapter when it is due, the tax
31 administrator shall assess the tax upon the information as may be available, which shall be payable upon
32 demand and shall bear interest at the annual rate provided by § 44-1-7 of the Rhode Island general laws,
33 as amended, from the date when the tax should have been paid. If any part of the tax made is due to
34 negligence or intentional disregard of the provisions of this chapter, a penalty of ten percent (10%) of the

1 amount of the determination shall be added to the tax. The tax administrator shall collect the tax with
2 interest in the same manner and with the same powers as are prescribed for collection of taxes in this title.

3 **§ 44-70-10 Claims for refund – Hearing upon denial.** – (a) Any taxpayer subject to the
4 provisions of this chapter, may file a claim for refund with the tax administrator at any time within two
5 (2) years after the tax has been paid. If the tax administrator determines that the tax has been overpaid, he
6 or she shall make a refund with interest from the date of overpayment.

7 (b) Any taxpayer whose claim for refund has been denied may, within thirty (30) days from the
8 date of the mailing by the administrator of the notice of the decision, request a hearing and the
9 administrator shall, as soon as practicable, set a time and place for the hearing and shall notify the
10 taxpayer.

11 **§ 44-70-11 Hearing by tax administrator on application.** – Any taxpayer aggrieved by the
12 action of the tax administrator in determining the amount of any tax or penalty imposed under the
13 provisions of this chapter may apply to the tax administrator, within thirty (30) days after the notice of the
14 action is mailed to it, for a hearing relative to the tax or penalty. The tax administrator shall fix a time and
15 place for the hearing and shall so notify the taxpayer. Upon the hearing the tax administrator shall correct
16 manifest errors, if any, disclosed at the hearing and thereupon assess and collect the amount lawfully due
17 together with any penalty or interest thereon.

18 **§ 44-70-12 Appeals.** – (a) In any appeal from the imposition of the tax set forth in this chapter,
19 the tax administrator shall find in favor of an appellant who shows that the property assessed:

20 (1) Was actively occupied by the owner during the privilege year for more than six (6) months; or

21 (2) Was exempt pursuant to the Rhode Island General or Public laws from the imposition of the
22 tax set forth in that section.

23 (b) Appeals from administrative orders or decisions made pursuant to any provisions of this
24 chapter shall be to the sixth division district court pursuant to chapter 8 of title 8 of the Rhode Island
25 general laws, as amended. The taxpayer’s right to appeal under this section shall be expressly made
26 conditional upon prepayment of all surcharges, interest, and penalties unless the taxpayer moves for and
27 is granted an exemption from the prepayment requirement pursuant to § 8-8-26 of the Rhode Island
28 general laws, as amended. If the court, after appeal, holds that the taxpayer is entitled to a refund, the
29 taxpayer shall also be paid interest on the amount at the rate provided in § 44-1-7.1 of the Rhode Island
30 general laws, as amended.

31 **§ 44-70-13 Taxpayer records.** – Every taxpayer shall:

32 (1) Keep records as may be necessary to determine the amount of its liability under this chapter,
33 including, but not limited to: rental agreements, payments for rent, bank statements for payment of
34 residential expenses, utility bills, and any other records establishing residency or non-residency.

1 (2) Preserve those records for the period of three (3) years following the date of filing of any
2 return required by this chapter, or until any litigation or prosecution under this chapter is finally
3 determined.

4 (3) Make those records available for inspection by the administrator or his/her authorized agents,
5 upon demand, at reasonable times during regular business hours.

6 **§ 44-70-14 Rules and regulations.** – The tax administrator is authorized to make and
7 promulgate rules, regulations, and procedures not inconsistent with state law and fiscal procedures as he
8 or she deems necessary for the proper administration of this chapter and to carry out the provisions,
9 policies, and purposes of this chapter.

10 **§ 44-65-15 Severability.** – If any provision of this chapter or the application of this chapter to
11 any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications
12 of the chapter that can be given effect without the invalid provision or application, and to this end the
13 provisions of this chapter are declared to be severable. It is declared to be the legislative intent that this
14 chapter would have been adopted had those provisions not been included or that person, circumstance, or
15 time period been expressly excluded from its coverage.

16 SECTION 16. This article shall take effect as of July 1, 2015.

17 ARTICLE 12

18 RELATING TO TOBACCO SETTLEMENT FINANCING TRUST

19 SECTION 1. Article 4, Section 7 of Chapter 145 of the Public Laws of 2014, enacted in Article 4
20 of 14-H-7133 Sub A as amended and approved on June 19, 2014, is hereby amended to read as follows:

21 **SECTION 7.** – The Corporation shall make the following transfers from the Tobacco Settlement
22 Financing Trust:

23 (1) Five million dollars (\$5,000,000) to the state general fund in FY 2015;

24 (2) Nineteen million dollars (\$19,000,000) to the state general fund in FY 2016;

25 ~~(2)(3)~~ Five million dollars (\$5,000,000) to the municipal road and bridge revolving fund,
26 established pursuant to § 24-18-4 of the Rhode Island general laws; and

27 ~~(3)(4)~~ All remaining net bond proceeds to the information technology investment fund,
28 established pursuant to § 42-11-2.5 of the Rhode Island general laws.

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

30 ARTICLE 13

31 RELATING TO RESTRICTED RECEIPT ACCOUNTS

32 SECTION 1. Section 35-4-27 of the General Laws in Chapter 35-4 entitled “State Funds” is
33 hereby amended to read as follows:

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

10 Executive Office of Health and Human Services

11 Organ Transplant Fund

12 HIV Care Grant Drug Rebates

13 Department of Human Services

14 Veterans' home – Restricted account

15 Veterans' home – Resident benefits

16 Pharmaceutical Rebates Account

17 Demand Side Management Grants

18 Veteran's Cemetery Memorial Fund

19 Donations- New Veterans' Home Construction

20 Department of Health

21 Providence Water Lead Grant

22 Pandemic medications and equipment account

23 Miscellaneous Donations/Grants from Non-Profits

24 State Loan Repayment Match

25 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

26 Eleanor Slater non-Medicaid third-party payor account

27 Hospital Medicare Part D Receipts

28 RICLAS Group Home Operations

29 Commission on the Deaf and Hard of Hearing

30 Emergency and public communication access account

31 Department of Environmental Management

32 National heritage revolving fund

33 Environmental response fund II

34 Underground storage tanks registration fees

1 Rhode Island Historical Preservation and Heritage Commission
2 Historic preservation revolving loan fund
3 Historic Preservation loan fund – Interest revenue
4 Department of Public Safety
5 Forfeited property – Retained
6 Forfeitures – Federal
7 Forfeited property – Gambling
8 Donation – Polygraph and Law Enforcement Training
9 Rhode Island State Firefighter's League Training Account
10 Fire Academy Training Fees Account
11 Attorney General
12 Forfeiture of property
13 Federal forfeitures
14 Attorney General multi-state account
15 Forfeited property – Gambling
16 Department of Administration
17 RI Health Benefits Exchange
18 Office of Management and Budget
19 Information Technology Investment Fund
20 Restore and replacement – Insurance coverage
21 Convention Center Authority rental payments
22 Investment Receipts – TANS
23 Car Rental Tax/Surcharge-Warwick Share
24 Housing Resources Commission Restricted Account
25 Legislature
26 Audit of federal assisted programs
27 Department of Children, Youth and Families
28 Children's Trust Accounts – SSI
29 Military Staff
30 RI Military Family Relief Fund
31 RI National Guard Counterdrug Program
32 Treasury
33 Admin. Expenses – State Retirement System
34 Retirement – Treasury Investment Options

- 1 Defined Contribution – Administration - RR
- 2 Violent Crimes Compensation – Refunds
- 3 Treasury Research Fellowship
- 4 Business Regulation
- 5 Banking Division Reimbursement Account
- 6 Office of the Health Insurance Commissioner Reimbursement Account
- 7 Securities Division Reimbursement Account
- 8 Commercial Licensing and Racing and Athletics Division Reimbursement Account
- 9 Insurance Division Reimbursement Account
- 10 Historic Preservation Tax Credit Account.
- 11 Judiciary
- 12 Arbitration Fund Restricted Receipt Account
- 13 Third Party Grants
- 14 RI Judiciary Technology Surcharge Account
- 15 Department of Elementary and Secondary Education
- 16 Statewide Student Transportation Services Account
- 17 School for the Deaf Fee for Service Account
- 18 Davies Career and Technical School Local Education Aid Account
- 19 Davies – National School Breakfast & Lunch Program
- 20 Department of Labor and Training
- 21 Job Development Fund
- 22 Department of Transportation
- 23 Rhode Island Highway Maintenance Account

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

25 **ARTICLE 14**
26 RELATING TO STATE BUDGET

27 SECTION 1. Section 35-6-1 of the General Laws in Chapter 35-6 entitled “Accounts and
28 Control” is hereby amended to read as follows:

29 **§ 35-6-1 Controller – Duties in general.** – (a) Within the department of administration there
30 shall be a controller who shall be appointed by the director of administration pursuant to chapter 4 of title
31 36. The controller shall be responsible for accounting and expenditure control and shall be required to:

- 32 (1) Administer a comprehensive accounting and recording system which will classify the
33 transactions of the state departments and agencies in accordance with the budget plan;

1 (2) Maintain control accounts for all supplies, materials, and equipment for all departments and
2 agencies except as otherwise provided by law;

3 (3) Prescribe a financial, accounting, and cost accounting system for state departments and
4 agencies;

5 (4) Preaudit all state receipts and expenditures;

6 (5) Prepare financial statements required by the several departments and agencies, by the
7 governor, or by the general assembly;

8 (6) Approve the orders drawn on the general treasurer; provided, that the preaudit of all
9 expenditures under authority of the legislative department and the judicial department by the state
10 controller shall be purely ministerial, concerned only with the legality of the expenditure and availability
11 of the funds, and in no event shall the state controller interpose his or her judgment regarding the wisdom
12 or expediency of any item or items of expenditure;

13 (7) Prepare and timely file, on behalf of the state, any and all reports required by the United
14 States, including, but not limited to, the internal revenue service, or required by any department or agency
15 of the state, with respect to the state payroll; and

16 (8) Prepare a preliminary closing statement for each fiscal year. The controller shall forward the
17 statement to the chairpersons of the house finance committee and the senate finance committee, with
18 copies to the house fiscal advisor and the senate fiscal and policy advisor, by September 1 following the
19 fiscal year ending the prior June 30 or thirty (30) days after enactment of the appropriations act,
20 whichever is later. The report shall include but is not limited to:

21 (i) A report of all revenues received by the state in the completed fiscal year, together with the
22 estimates adopted for that year as contained in the final enacted budget, and together with all deviations
23 between estimated revenues and actual collections. The report shall also include cash collections and
24 accrual adjustments;

25 (ii) A comparison of actual expenditures with each of the actual appropriations, including
26 supplemental appropriations and other adjustments provided for in the Rhode Island General Laws;

27 (iii) A statement of the opening and closing surplus in the general revenue account; and

28 (iv) A statement of the opening surplus, activity, and closing surplus in the state budget reserve
29 and cash stabilization account and the state bond capital fund.

30 (b) The controller shall provide supporting information on revenues, expenditures, capital
31 projects, and debt service upon request of the house finance committee chairperson, senate finance
32 committee chairperson, house fiscal advisor, or senate fiscal and policy advisor.

1 (c) Upon issuance of the audited annual financial statement, the controller shall provide a report
2 of the differences between the preliminary financial report and the final report as contained in the audited
3 annual financial statement.

4 (d) Upon issuance of the audited financial statement and a determination by the director of the
5 office of management and budget that there is no projected deficit for the current fiscal year, the
6 controller shall transfer all general revenues received in the completed fiscal year, net of transfer to the
7 state budget reserve and cash stabilization account as required by § 35-3-20, in excess of those estimates
8 adopted for that year as contained in the final enacted budget to the employees' retirement system of the
9 state of Rhode Island as defined in § 36-8-2. There shall be no transfer of excess revenues from FY 2014,
10 as determined by the Controller's fiscal year 2014 final audit, to the employees' retirement system in FY
11 2015.

12 (e) The controller shall create a special fund not part of the general fund and shall deposit
13 amounts equivalent to all deferred contributions under this act into that fund. Any amounts remaining in
14 the fund on June 15, 2010, shall be transferred to the general treasurer who shall transfer such amounts
15 into the retirement system as appropriate.

16 (f) The controller shall implement a direct deposit payroll system for state employees.

17 (i) There shall be no service charge of any type paid by the state employee at any time which
18 shall decrease the net amount of the employee's salary deposited to the financial institution of the personal
19 choice of the employee as a result of the use of direct deposit.

20 (ii) Employees hired after September 30, 2014, shall participate in the direct deposit system. At
21 the time the employee is hired, the employee shall identify a financial institution that will serve as a
22 personal depository agent for the employee.

23 (iii) No later than June 30, 2016, each employee hired before September 30, 2014, who is not a
24 participant in the direct deposit system, shall identify a financial institution that will serve as a personal
25 depository agent for the employee.

26 (iv) The controller shall promulgate rules and regulations as necessary for implementation and
27 administration of the direct deposit system, which shall include limited exceptions to required
28 participation.

29 SECTION 2. Sections 35-16-1 and 35-16-2 of the General Laws in Chapter 35-17 entitled
30 "Revenue Estimating Conferences" are hereby amended to read as follows:

31 **§ 35-16-1 Purpose and membership.** – (a) In order to provide for a more stable and accurate
32 method of financial planning and budgeting and to facilitate the adoption of a balanced budget wherein
33 appropriations and expenditures do not exceed anticipated revenues, as is required by the statutes and
34 constitution of Rhode Island, it is hereby declared the intention of the legislature that there be a procedure

1 for the determination of an official estimate of anticipated state revenues upon which the executive budget
2 shall be based and beyond which appropriations by the legislature and expenditures by the state shall not
3 exceed.

4 (b) The budget office, the house fiscal advisor, and the senate fiscal advisor shall meet in
5 regularly scheduled consensus revenue estimating conferences (R.E.C.). These conferences shall be open
6 public meetings.

7 (c) The chairpersonship of each regularly scheduled R.E.C. will rotate among the state budget
8 officer, the house fiscal advisor, and the senate fiscal advisor, hereinafter referred to as principals. The
9 schedule shall be arranged so that no chairperson shall preside over two (2) successive regularly
10 scheduled conferences on the same subject.

11 ~~(d) Representatives of all state agencies, including by way of illustration, and not by way of~~
12 ~~limitation, the division of taxation, department of transportation, department of business regulation,~~
13 ~~department of health, and the office of general treasurer and any other state agency or board responsible~~
14 ~~for a revenue source under consideration by the R.E.C., are to participate in all conferences for which~~
15 ~~their input is germane. The department of revenue and legislative economist shall provide estimates for~~
16 ~~state revenues at each R.E.C with associated methodology. The department of revenue and legislative~~
17 ~~economist shall develop or obtain an economic forecast upon which to base revenue estimates. The~~
18 ~~economic forecast shall be available to each principal in a timely fashion for each principal to review~~
19 ~~before meetings.~~

20 **§ 35-16-2 Meetings.** – (a) The principals of the R.E.C. shall meet within the first ten (10) days of
21 February, May and November of each year.

22 (b) The primary purpose of regularly scheduled conferences is to ~~prepare~~ reconcile economic
23 forecasts and forecast revenue estimates between the department of revenue and legislative economist,
24 and review current revenue collections under current tax law. The conference principals can agree,
25 however, to address special legislation or special topics.

26 (c) Prior to each R.E.C., the principals will determine the documentation and information
27 necessary to support that conference.

28 (d) No votes will be taken in the revenue estimating conferences. These are truly consensus
29 conferences and all principals must agree and are bound to the conference recommendations.

30 SECTION 3. Sections 35-16-5 and 35-16-7 of the General Laws in Chapter 35-16 entitled
31 “Revenue Estimating Conferences” are hereby repealed.

32 ~~**§ 35-16-5 Staff support for meetings.**~~ (a) ~~The R.E.C. chairperson and his or her staff will be~~
33 ~~responsible for preparing and distributing work papers before each conference. Each participant and~~
34 ~~principal will be responsible for providing the chairperson with the appropriate materials for the work~~

1 ~~papers on a schedule determined by the chairperson. Failure to meet this schedule shall be grounds, at the~~
2 ~~chairperson's option, to delay the conference.~~

3 ~~(b) Work papers will include a side by side comparison of the revenue scenarios advocated by~~
4 ~~each of the principals. This analysis and its side by side presentation will be completed in time to~~
5 ~~distribute to each R.E.C. party at least one full day prior to the scheduled meeting date.~~

6 ~~(c) The principals may request each participant to provide the R.E.C. chairperson and the~~
7 ~~remaining principals an independent revenue estimate and supporting information for each revenue source~~
8 ~~under the responsibility of the participant's agency. This information should be provided on a schedule~~
9 ~~provided by the conference chairperson and will be included in the conference comparison report.~~

10 ~~(d) The principals may request that each participant shall notify the R.E.C. chairperson of any~~
11 ~~prospective administrative changes contemplated by their respective agency which will affect the cash~~
12 ~~flow of any revenue source under consideration.~~

13 ~~(e) For general revenue conferences, the principals shall adopt a consensus economic forecast~~
14 ~~upon which to base revenue estimates. The principals shall obtain the services of economists and~~
15 ~~economic forecast services as required for this purpose. The consensus economic forecast shall be~~
16 ~~available to each principal in a timely fashion for each principal to prepare revenue estimates.~~

17 ~~**§ 35-16-7 Two year budget cycle study.** The budget office, the house fiscal advisor, and the~~
18 ~~senate fiscal advisor along with the house and senate fiscal staff and legal counsel shall study the~~
19 ~~feasibility and benefits of adopting a two (2) year budget cycle, and shall report in writing to the~~
20 ~~governor, the speaker of the house of representatives, and the president of the senate on or before January~~
21 ~~2, 1994. The report shall address not only the benefits, if any, but also any disadvantages and/or legal~~
22 ~~impediments, constitutional and/or statutory, to adopting such a budget cycle.~~

23 SECTION 4. Chapter 35-17 of the General Laws entitled "Medical Assistance and Public
24 Assistance Caseload Estimating Conferences" is hereby renamed "Medical Assistance Caseload
25 Estimating Conferences".

26 SECTION 5. Sections 35-17-1 and 35-17-2 of the General Laws in Chapter 35-17 entitled
27 "Medical Assistance and Public Assistance Caseload Estimating Conferences" are hereby amended to
28 read as follows:

29 ~~**§ 35-17-1 Purpose and membership.**~~ – (a) In order to provide for a more stable and accurate
30 method of financial planning and budgeting, it is hereby declared the intention of the legislature that there
31 be a procedure for the determination of official estimates of anticipated medical assistance expenditures
32 ~~and public assistance caseloads~~, upon which the executive budget shall be based and for which
33 appropriations by the general assembly shall be made.

1 (b) The state budget officer, the house fiscal advisor, and the senate fiscal advisor shall meet in
2 regularly scheduled caseload estimating conferences (C.E.C.). These conferences shall be open public
3 meetings.

4 (c) The chairpersonship of each regularly scheduled C.E.C. will rotate among the state budget
5 officer, the house fiscal advisor, and the senate fiscal advisor, hereinafter referred to as principals. The
6 schedule shall be arranged so that no chairperson shall preside over two (2) successive regularly
7 scheduled conferences on the same subject.

8 (d) Representatives of all state agencies are to participate in all conferences for which their input
9 is germane.

10 (e) ~~The department of human services~~ executive office of health and human services shall provide
11 monthly data to the members of the caseload estimating conference by the fifteenth day of the following
12 month. ~~Monthly data shall include, but is not limited to, actual caseloads and expenditures for the~~
13 ~~following case assistance programs: Rhode Island Works, SSI state program, general public assistance,~~
14 ~~and child care.~~ The executive office of health and human services shall report relevant caseload
15 information and expenditures for the following medical assistance categories: hospitals, long-term care,
16 managed care, pharmacy, ~~and~~ other medical services, integrated care, and medicaid expansion. In the
17 category of managed care, caseload information and expenditures for the following populations shall be
18 separately identified and reported: children with disabilities, children in foster care, and children receiving
19 adoption assistance. The information shall include the number of Medicaid recipients whose estate may
20 be subject to a recovery, the anticipated recoveries from the estate and the total recoveries collected each
21 month.

22 **§ 35-17-2 Meetings.** – (a) The principles of the C.E.C. shall meet within the first ten (10) days of
23 February, May, and November of each year.

24 (b) The primary purpose of regularly scheduled conferences is to forecast medical assistance ~~and~~
25 ~~public assistance~~ caseloads and associated expenditures for the medical assistance program administered
26 by the executive office of health and human services, financing for which is appropriated within the
27 budget of the executive of health and human services. The conference principals can agree, however, to
28 address special legislation or special topics.

29 (c) Prior to each caseload estimating conference, the principals will determine the documentation
30 and information necessary to support that conference.

31 (d) No votes will be taken in the caseload estimating conferences. These are truly consensus
32 conferences and all principals must agree and are bound to the conference recommendations.

33 (e) In the interim period between departmental testimony and the day designated for the adoption
34 of consensus estimates, the principals and /or representatives of the state budget office, the house fiscal

1 advisory staff, and the senate fiscal advisory staff may meet with officials of the executive office of health
2 and human services to further review material presented at testimony, propose modifications to estimates
3 contained therein, and ultimately to reach provisional consensus estimates. These estimates will be
4 presented at the caseload estimating conference and will become the officially adopted estimates provided
5 they are unanimously ratified by the principals of the C.E.C. The executive office of health and human
6 services will be granted the opportunity to rebut these estimates in the event of disagreement, and the
7 principals will take these objections into account prior to adopting final estimates.

8 SECTION 6. Section 35-17-4 of the General Laws in Chapter 35-17 entitled “Medical
9 Assistance and Public Assistance Caseload Estimating Conferences” is hereby repealed.

10 ~~§ 35-17-4 Impact meetings. — (a) The caseload estimating conference principals, along with the~~
11 ~~appropriate participants, will meet from time to time to compare current caseload data with the most~~
12 ~~recent financial projections as required by § 35-3-1(6). Any principal can call an impact meeting at any~~
13 ~~time.~~

14 ~~(b) Following each legislative session, the principals, along with the appropriate participants,~~
15 ~~shall meet and review all changes in legislation affecting caseloads and shall amend the official~~
16 ~~recommendations of the caseload estimating conference accordingly.~~

17 SECTION 7. Section 35-3-7 of the General Laws in Chapter 35-3 entitled “State Budget” is
18 hereby amended to read as follows:

19 **§ 35-3-7 Submission of budget to general assembly – Contents.** – (a) On or before the third
20 Thursday in ~~January~~ February in each year of each January session of the general assembly, the governor
21 shall submit to the general assembly a budget containing a complete plan of estimated revenues and
22 proposed expenditures, with a personnel supplement detailing the number and titles of positions of each
23 agency and the estimates of personnel costs for the next fiscal year, and with the inventory required by §
24 35-1.1-3(b)(4). Provided, however, in those years that a new governor is inaugurated, the new governor
25 shall submit the budget on or before the ~~first~~ second Thursday in ~~March~~ February. In the budget the
26 governor may set forth in summary and detail:

27 (1) Estimates of the receipts of the state during the ensuing fiscal year under laws existing at the
28 time the budget is transmitted and also under the revenue proposals, if any, contained in the budget, and
29 comparisons with the estimated receipts of the state during the current fiscal year, as well as actual
30 receipts of the state for the last two (2) completed fiscal years.

31 (2) Estimates of the expenditures and appropriations necessary in the governor's judgment for the
32 support of the state government for the ensuing fiscal year, and comparisons with appropriations for
33 expenditures during the current fiscal year, as well as actual expenditures of the state for the last two (2)
34 complete fiscal years.

1 (3) Financial statements of the:

2 (i) Condition of the treasury at the end of the last completed fiscal year;

3 (ii) The estimated condition of the treasury at the end of the current fiscal year; and

4 (iii) Estimated condition of the treasury at the end of the ensuing fiscal year if the financial
5 proposals contained in the budget are adopted.

6 (4) All essential facts regarding the bonded and other indebtedness of the state.

7 (5) A report indicating those program revenues and expenditures whose funding source is
8 proposed to be changed from state appropriations to restricted receipts, or from restricted receipts to other
9 funding sources.

10 (6) Such other financial statements and data as in the governor's opinion are necessary or
11 desirable.

12 (b) Any other provision of the general laws to the contrary notwithstanding, the proposed
13 appropriations submitted by the governor to the general assembly for the next ensuing fiscal year should
14 not be more than five and one-half percent (5.5%) in excess of total state appropriations, excluding any
15 estimated supplemental appropriations, enacted by the general assembly for the fiscal year previous to
16 that for which the proposed appropriations are being submitted; provided that the increased state-share
17 provisions required to achieve fifty percent (50%) state financing of local school operations as provided
18 for in P.L. 1985, ch. 182, shall be excluded from the definition of total appropriations.

19 ~~(c) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
20 assembly a budget for the fiscal year ending June 30, 2006, not later than the fourth (4th) Thursday in
21 January 2005.~~

22 ~~(d) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
23 assembly a supplemental budget for the fiscal year ending June 30, 2006, and/or a budget for the fiscal
24 year ending June 30, 2007, not later than Thursday, January 26, 2006.~~

25 ~~(e) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
26 assembly a supplemental budget for the fiscal year ending June 30, 2007, and/or a budget for the fiscal
27 year ending June 30, 2008, not later than Wednesday, January 31, 2007.~~

28 ~~(f) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
29 assembly a budget for the fiscal year ending June 30, 2012, not later than Thursday, March 10, 2011.~~

30 ~~(g) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
31 assembly a budget for the fiscal year ending June 30, 2013, not later than Tuesday, January 31, 2012.~~

32 SECTION 8. Section 1 of this article shall take effect as of July 1, 2014; all other sections shall
33 take effect upon passage.

1 **ARTICLE 15**

2 **RELATING TO THE RHODE ISLAND LOCAL AGRICULTURE AND SEAFOOD ACT &**
3 **COMMERCIAL FEEDS**

4 SECTION 1. Sections 2-25-5, 2-25-6, and 2-25-7 of the General Laws in Chapter 2-25 entitled
5 "The Rhode Island Local Agricultural and Seafood Act" are hereby amended to read as follows:

6 **§ 2-25-5 Small grants and technical assistance program established.** – The department of
7 environmental management shall establish the local agriculture and seafood small grants and technical
8 assistance program. Through the program the department shall: (1) Assist in the marketing of Rhode
9 Island grown agricultural products and local seafood for the purpose of sale and promotion within the
10 state of Rhode Island or United States; (2) Enhance the economic competitiveness of Rhode Island grown
11 agricultural products and local seafood; (3) Provide financial and technical assistance support to
12 organizations and farmers for activities and programs which enhance the economic viability of local
13 agriculture, and support the development of a locally based, safe and sustainable food system; (4) Provide
14 individual farm grants to small or beginning Rhode Island farmers that support ~~the entry or~~ sustainability
15 and commerce within the respective industry; (5) Work with the state department of health to further
16 develop and support food safety related programs and standards pertaining to local agriculture and
17 seafood; and (6) Perform other activities necessary to facilitate the success and viability of the state's
18 agricultural and seafood sectors.

19 **§ 2-25-6 Local agriculture and seafood small grants and technical assistance fund**
20 **established and solicitation of funding.** – (a) For the purpose of paying the costs to the department of
21 environmental management of administering the local agriculture and seafood small grants and technical
22 assistance program and for the purpose of carrying out the purposes of the program as stated in
23 subdivisions 2-25-5(3) and 2-25-5(4) a restricted receipt account is hereby created and known as the
24 "local agriculture and seafood small grants and technical assistance fund."

25 (b) The local agriculture and seafood small grants and technical assistance program shall receive
26 forty dollars (\$40.00) of the one-hundred dollar fee (\$100.00) required to register commercial feed
27 products in Rhode Island pursuant to § 4-2-4 (b) in order to carry out the purposes of the program
28 established in § 2-25-5. The fee shall be deposited into the local agriculture and seafood small grants and
29 technical assistance fund.

30 (b)(c) The local agriculture and seafood small grants and technical assistance program shall be
31 empowered to apply for and receive from any federal, state, or local agency, private foundation, or
32 individual, any grants, appropriations, or gifts in order to carry out the purposes of the program
33 established in § 2-25-5.

1 **§ 2-25-7 Use of funds.** – (a) A non-profit entity or small or beginning farmer may apply to the
2 department of environmental management for a grant to be used to fulfill the purposes of the program as
3 stated in subdivisions 2-25-5(3) and 2-25-5(4). Any grant disbursed under this program shall not exceed
4 twenty thousand dollars (\$20,000) per year or ten percent (10%) of the total yearly aggregate funding
5 granted to the program from any federal, state, or local agency, private foundation, or individual,
6 whichever amount is greater. Applications for grants authorized under this section shall:

7 (1) Provide a brief summary of the nonprofit entity or small or beginning farmer's mission, goals,
8 history, programs, and major accomplishments, success stories and qualifications;

9 (2) Briefly describe the proposed project or program, the capacity to carry out the program and
10 who will benefit from the program;

11 (3) Describe the expected outcomes and the indicators of those outcomes;

12 (4) Outline the timeline to be used in the implementation of the program or project; and

13 (5) Provide a program or project budget.

14 (b) The funds shall also be used by the department to provide administrative and technical
15 support of the program, and to leverage program funds with other potential federal, state or nonprofit
16 funding sources, and shall serve to develop, implement and enforce when appropriate food safety related
17 standards and programs related to local agriculture and seafood in coordination with the Rhode Island
18 department of health and appropriate federal agencies.

19 SECTION 2. Section 4-2-4 of the General laws in Chapter 4-2 entitled “Commercial Feeds” is
20 hereby amended to read as follows:

21 **§ 4-2-4 Registration.** – (a) No person shall manufacture a commercial feed in this state, unless
22 he or she has filed with the director on forms provided by the director, his or her name, place of business
23 and location of each manufacturing facility in this state.

24 (b) No person shall distribute in this state a commercial feed except a customer formula feed,
25 which has not been registered pursuant to this section. The application for registration, accompanied by a
26 ~~sixty dollar (\$60.00)~~ one-hundred dollar (\$100.00) per brand registration fee, shall be submitted in the
27 manner prescribed by the director, on forms furnished by the director. A tag, label, or facsimile for each
28 brand to be registered must accompany the application. Upon approval by the director, the registration
29 shall be issued to the applicant. All registrations expire on the 31st day of December of each year.

30 (c) The director is empowered to refuse registration of any commercial feed not in compliance
31 with this chapter and to cancel any registration subsequently found not to be in compliance with any
32 provisions of this chapter provided, that no registration shall be refused or canceled unless the registrant
33 has been given an opportunity to be heard before the director and to amend his or her application in order
34 to comply with the requirements of this chapter.

1 (d) Changes of either chemical or ingredient composition of a registered commercial feed may be
2 permitted with no new registration required provided there is satisfactory evidence that those changes
3 would not result in a lowering of the guaranteed analysis of the product for the purpose for which
4 designed, and provided a new label is submitted to the director notifying the director of the change.

5 (e) ~~All moneys~~ Sixty percent (60%) of the fees received by the director under this chapter shall be
6 deposited as general revenues, ~~and shall consist of all fertilizer registration and tonnage fees paid pursuant~~
7 ~~to §§ 2-7-4 and 2-7-6 and fees paid pursuant to § 4-2-4.~~ Forty percent (40%) of the fees received under
8 this chapter shall be deposited in the local agriculture and seafood small grants and technical assistance
9 fund in accordance with § 2-25-6 for the administration of the local agriculture and seafood small grants
10 and technical assistance program pursuant to § 2-25-5.

11 (f) All moneys appropriated for the feed and fertilizer quality testing program shall be made
12 available for the following purposes:

13 (1) To support the feed and fertilizer testing laboratory for the testing and analysis of commercial
14 feeds distributed within this state for the expressed purpose of detection of deficiency.

15 (2) For payment of ancillary services, personnel and equipment incurred in order to carry out the
16 purposes of quality assurance defined by this chapter.

17 SECTION 3. This article shall take effect as of July 1, 2015.

18 ARTICLE 16

19 RELATING TO BAYS, RIVERS AND WATERSHEDS

20 SECTION 1. Chapter 46-31 of the General Laws entitled “The Rhode Island Bays, Rivers and
21 Watersheds Coordination Team” is hereby repealed in its entirety:

22 ~~§ 46-31-1 Legislative findings.~~ The general assembly hereby finds and declares as follows:

23 (1) ~~The bays, rivers, and associated watersheds of Rhode Island are unique and unparalleled~~
24 ~~natural resources that provide significant cultural, ecological, and economic benefit to the state.~~

25 (2) ~~Pursuant to the provisions of R.I. Const., art. 1, § 17, it is the duty of the general assembly to~~
26 ~~provide for the conservation of the air, land, water, plant, animal, mineral, and other natural resources of~~
27 ~~the state; and to adopt all means necessary and proper by law to protect the natural environment of the~~
28 ~~people of the state by providing adequate resource planning for the control and regulation of the use of the~~
29 ~~natural resources of the state; and for the preservation, regeneration, and restoration of the natural~~
30 ~~environment of the state.~~

31 (3) ~~It is in the best interest of the state and its citizens to preserve, protect, and restore our bays,~~
32 ~~rivers, and associated watersheds.~~

33 (4) ~~Sixty percent (60%) of the watershed of Narragansett Bay is within Massachusetts, almost all~~
34 ~~of the watershed of Mount Hope Bay is within Massachusetts, and five percent (5%) of the watershed of~~

1 ~~Little Narragansett Bay is within Connecticut; further, a cluster of water related economic interests spans~~
2 ~~the three (3) states.~~

3 ~~(5) There are a number of separate agencies of the state defined by statute, granted statutory~~
4 ~~authority, and appropriated state resources for the performance of distinct functions, the development of~~
5 ~~various programs, and the execution of diverse regulatory powers that affect the bays, rivers, and~~
6 ~~watersheds of Rhode Island including management, preservation, restoration, and monitoring of the~~
7 ~~natural resources, and promotion of sustainable economic development of the water cluster. It is~~
8 ~~important to retain these various agencies as separate and distinct entities. Each agency has essential and~~
9 ~~distinct responsibilities. However, each of these agencies has limited responsibilities and jurisdictions. No~~
10 ~~one agency has the statutory authority to adequately address the full range of issues that pertain to the~~
11 ~~bays, rivers, and watersheds.~~

12 ~~(6) The formation of an interagency group for the coordination of the functions, programs, and~~
13 ~~regulations that affect the bays, rivers, and watersheds is the most effective way to transcend the limited~~
14 ~~responsibilities and jurisdictions of each agency, address complex issues using an ecosystem based~~
15 ~~approach, and provide for continuity over time.~~

16 ~~(7) There is a need for coordination of the development and implementation of policies and plans~~
17 ~~for the management, preservation, restoration, and monitoring of the bays, rivers, and watersheds; and the~~
18 ~~promotion of sustainable economic development of businesses that rely directly or indirectly on the bays,~~
19 ~~rivers, and watersheds.~~

20 ~~(8) There is a need for the development of a systems level plan that synthesizes individual plans~~
21 ~~and coordinates separate authorities. The systems level plan must establish overall goals and priorities, set~~
22 ~~forth a strategy for obtaining goals which delineates specific responsibilities among agencies, identify~~
23 ~~funding sources and a timetable for obtaining goals, provide an estimate of the total projected cost of~~
24 ~~implementation, and oversee a monitoring strategy to evaluate progress in implementing the plan and to~~
25 ~~provide the necessary information to adapt the plan in response to changing conditions.~~

26 ~~(9) The implementation of a systems level plan needs to include the preparation of coordinated~~
27 ~~annual work plans, annual work plan budgets, and multi year funding plans in order to identify areas of~~
28 ~~duplicative or insufficient effort or funding.~~

29 ~~(10) The development and implementation of a systems level plan must be coordinated with local~~
30 ~~and federal efforts and efforts in Massachusetts and Connecticut and in some cases with other states in the~~
31 ~~region that have connections with the ecosystem and/or the water cluster. It must be accomplished with~~
32 ~~input from scientists, policy makers, non-governmental organizations, and the general public.~~

33 ~~(11) There is a need for a structure and process that enhances the efficiency of the goal setting~~
34 ~~and oversight roles of the legislature including fiscal and performance accountability.~~

1 ~~§ 46-31-2 Definitions.~~ As used in this chapter, unless the context clearly indicates otherwise:

2 (1) ~~"Bays" means the estuaries including Narragansett Bay, Mount Hope Bay, Greenwich Bay,~~
3 ~~Little Narragansett Bay, the coastal ponds, the Sakonnet River, and Rhode Island territorial waters that~~
4 ~~extend seaward three geographical miles from the shoreline including the area around Block Island.~~

5 (2) ~~"Chair" means the chairperson of the coordination team.~~

6 (3) ~~"Coordination" means to harmonize in a common action or effort and/or to function in a~~
7 ~~complementary manner.~~

8 (4) ~~"Coordination team" or "team" means the Rhode Island Bays, Rivers, and Watersheds~~
9 ~~Coordination Team that is the group of senior executive officials created in § 46-31-3.~~

10 (5) ~~"Ecosystem based plan" means a plan that addresses the complex interrelationships among the~~
11 ~~ocean, land, air, and all living creatures including humans, and considers the interactions among multiple~~
12 ~~activities that affect entire systems.~~

13 (6) ~~"River" means a flowing body of water or estuary or a section, portion, or tributary thereof,~~
14 ~~including, but not limited to, streams, creeks, brooks, ponds, and small lakes.~~

15 (7) ~~"Systems level plan" means an interagency ecosystem based plan for the bays, rivers, and~~
16 ~~watersheds that:~~

17 (i) ~~Establishes overall goals and priorities for the management, preservation, and restoration of~~
18 ~~bays, rivers, and watersheds and the promotion of sustainable economic development of the water cluster;~~

19 (ii) ~~Sets forth a strategy for attaining goals which delineates specific responsibilities among~~
20 ~~agencies;~~

21 (iii) ~~Identifies funding sources and a timetable for attaining goals;~~

22 (iv) ~~Provides an estimate of the total projected cost of implementing the plan including capital~~
23 ~~improvements; and~~

24 (v) ~~Guides a strategy for a monitoring program that evaluates progress in implementing the plan~~
25 ~~and to provide the necessary information to adapt the plan in response to changing conditions.~~

26 (8) ~~"Water cluster" means an economically interconnected grouping of businesses, institutions,~~
27 ~~and people relying directly or indirectly on the bays, rivers, and watersheds including, but not limited to,~~
28 ~~the following sectors:~~

29 (i) ~~Recreation, tourism, and public events;~~

30 (ii) ~~Fisheries and aquaculture;~~

31 (iii) ~~Boat and ship building;~~

32 (iv) ~~Boating related businesses;~~

33 (v) ~~Transportation;~~

34 (vi) ~~Military;~~

1 (vii) Research; and

2 (viii) Technology development and education.

3 (9) "~~Watershed~~" means a land area which because of its topography, soil type, and drainage
4 patterns acts as a collector of raw waters which regorge or replenish rivers and existing or planned public
5 water supplies.

6 ~~**§ 46-31-3 Coordination team and chair position created.**~~ (a) There is hereby created and
7 established within the office of the governor the "Rhode Island bays, rivers, and watersheds coordination
8 team". The coordination team shall include the senior executive official of the following agencies of the
9 state: the coastal resources management council; the Rhode Island department of environmental
10 management; the department of administration; the Rhode Island water resources board; the Rhode Island
11 rivers council; the Rhode Island economic development corporation; and the Narragansett Bay
12 commission.

13 (b) A member of the coordination team may designate in writing a designee of that member's
14 agency to act in the place of that member.

15 (c) The members of the coordination team shall serve on said team without additional
16 compensation.

17 (d) The governor shall appoint a chair of the coordination team, with the advice and consent of
18 the senate, within four (4) months of the passage of this act. The chair shall serve at the pleasure of the
19 governor. Provided, in making the appointment of said chair, the governor shall select an individual from
20 outside of those agencies listed in subsection (a) herein. The governor shall further provide the
21 coordination team with suitable quarters and resources so as to enable it to perform its functions.

22 (e) The chair of the coordination team may request the involvement of other state agencies as may
23 be appropriate to carry out the duties of the team as set forth in this chapter.

24 (f) The coordination team shall meet initially at the call of the governor until the chair has been
25 appointed and qualified. The team shall remain in existence until such time as it is terminated by action of
26 the general assembly.

27 ~~**§ 46-31-4 Purpose and duties of the coordination team.**~~ (a) The purpose and duties of the
28 coordination team shall include:

29 (1) Preparing and adopting by rule a systems level plan as provided for pursuant to the provisions
30 of § 46-31-5;

31 (2) Coordinating the projects, programs, and activities carried out by the members of the team
32 and its committees that pertain to the implementation of such plan pursuant to the provisions of § 46-31-
33 6; and

1 ~~(3) Coordinating with other state agencies, local governments, federal agencies, other states, and~~
2 ~~non government entities, as necessary, to accomplish the purpose of preparing and implementing a~~
3 ~~systems level plan.~~

4 ~~(b) The coordination team shall be responsible for recommending to the governor and the general~~
5 ~~assembly actions necessary to effectuate the coordination of projects, programs, and activities described~~
6 ~~in this chapter.~~

7 ~~(c) The coordination team shall provide information to the general assembly on such projects,~~
8 ~~programs, and activities to assist the general assembly in the general assembly's exercise of oversight, in~~
9 ~~order to maximize the efficient use of state and available resources.~~

10 ~~(d) The coordination team shall meet on a quarterly basis or more often if deemed necessary by~~
11 ~~its members. In order to constitute a quorum for the transaction of any business, at least two thirds of the~~
12 ~~membership of the team must be present.~~

13 ~~(e) Within the first six (6) months after the passage of this act, the coordination team shall meet~~
14 ~~monthly at the call of the governor, and shall be chaired by the governor or a designee of the governor~~
15 ~~until such time when the chair of the team is appointed and qualified.~~

16 ~~(f) The team shall convene a joint meeting with the scientific advisory committee and the public~~
17 ~~advisory committee established pursuant to the provisions of this chapter, at least once per year.~~

18 **§ 46-31-5 Preparation of a systems level plan.** ~~(a) The coordination team shall be responsible~~
19 ~~for the preparation of a systems level plan and may recommend adoption of all or portions of said plan by~~
20 ~~the state planning council as elements of the state guide plan. Nothing in this chapter shall be interpreted~~
21 ~~to contravene the statutory authority of the state planning council to adopt a state guide plan and elements~~
22 ~~thereof.~~

23 ~~(b) The systems level plan shall establish overall goals and priorities for the management,~~
24 ~~preservation, and restoration of the state's bays, rivers, and watersheds, and the promotion of sustainable~~
25 ~~economic development of the water cluster.~~

26 ~~(c) The systems level plan shall include a strategy for attaining goals, shall delineate specific~~
27 ~~responsibilities among agencies, and shall identify funding sources and a timetable for attaining goals.~~

28 ~~(d) The systems level plan shall include an estimate of the total projected cost of implementing~~
29 ~~the plan including capital improvements.~~

30 ~~(e) The systems level plan shall include, but not be limited to, planning for:~~

31 ~~(1) Reduction of pollution from point source discharges, including, but not limited to, municipal~~
32 ~~and industrial discharges, and storm water and combined sewer overflows;~~

1 ~~(2) Reduction of pollution from non point sources, including, but not limited to, on site~~
2 ~~individual sewage disposal systems, residential and agricultural fertilizing practices, animal wastes,~~
3 ~~recreational boating, and land use practices;~~

4 ~~(3) Protection and restoration of shellfish and finfish;~~

5 ~~(4) Protection and restoration of aquatic and terrestrial habitat;~~

6 ~~(5) Conservation of open space and promotion of smart growth practices;~~

7 ~~(6) Management of aquatic nuisance species;~~

8 ~~(7) Management of dredging and dredged material disposal;~~

9 ~~(8) Identification of research needs and priorities;~~

10 ~~(9) Promotion of education and outreach;~~

11 ~~(10) Promotion of equitable public access; and~~

12 ~~(11) Promotion of sustainable economic development of the water cluster.~~

13 ~~(f) The systems level plan shall include the development of strategies for both environmental and~~
14 ~~economic monitoring programs. The monitoring programs shall evaluate progress in implementing the~~
15 ~~plan and provide the necessary information to adapt the plan in response to changing conditions. The~~
16 ~~implementation of said programs shall be accomplished by the economic monitoring collaborative created~~
17 ~~by § 46-31-9(d) and the environmental monitoring collaborative created by § 46-31-9(e).~~

18 ~~(g) A scope of work for the systems level plan shall be completed within six (6) months of the~~
19 ~~passage of this act. A copy of said scope of work shall be submitted for review to the governor, the~~
20 ~~speaker of the house of representatives, and the president of the senate.~~

21 ~~(h) A draft of the systems level plan shall be completed on or before January 31, 2006. A copy of~~
22 ~~such draft shall be submitted for review to the governor, the speaker of the house of representatives, and~~
23 ~~the president of the senate.~~

24 ~~(i) The systems level plan shall be completed on or before June 30, 2006. A copy of such plan~~
25 ~~shall be submitted for review to the governor, the speaker of the house of representatives, and the~~
26 ~~president of the senate.~~

27 ~~**§ 46-31-6 Implementation of the systems level plan.** (a) The team shall be responsible for~~
28 ~~coordinating the projects, programs, and activities necessary to implement the systems level plan.~~

29 ~~(b) In order to facilitate the coordination of the implementation of the systems level plan, the~~
30 ~~team shall prepare an annual work plan. The annual work plan shall prescribe the necessary projects,~~
31 ~~programs, and activities each member of the team shall perform for the following fiscal year to implement~~
32 ~~the systems level plan. It shall include, but not be limited to, the systems level plan priorities, individual~~
33 ~~work plan elements, and significant program products including proposed regulations, grant solicitations,~~
34 ~~schedules for production of environmental documents, and project selection processes. The preparation of~~

1 ~~the annual work plan shall include an evaluation of any needed revisions to the systems level plan~~
2 ~~including changes to the timetable for attaining goals or adaptations in response to the results of the~~
3 ~~monitoring programs.~~

4 ~~The first annual work plan shall be prepared for work to be completed during fiscal year 2007 and~~
5 ~~each year thereafter.~~

6 ~~(e) In preparing an annual work plan the team shall coordinate the annual work plan activities~~
7 ~~with other relevant activities including, but not limited to, those prescribed by other state, local, federal,~~
8 ~~and non governmental organization programs.~~

9 ~~(d) The team shall prepare a proposed annual work plan budget for inclusion in the governor's~~
10 ~~annual budget as submitted to the general assembly and for submittal to the speaker of the house of~~
11 ~~representatives, and the president of the senate which shall identify the total funds necessary to implement~~
12 ~~the annual work plan, including any proposed capital improvements. It shall also include any~~
13 ~~recommendations for the allocation of appropriated funds among agencies to achieve the purpose of this~~
14 ~~chapter. The first annual work plan budget shall be prepared for inclusion in the governor's annual budget~~
15 ~~for 2007, as submitted to the general assembly, and each year thereafter.~~

16 ~~(e) The team shall hold a minimum of one public hearing each year to solicit public comment on~~
17 ~~the annual work plan and annual work plan budget.~~

18 ~~(f) The team shall coordinate with federal agencies to develop proposed federal agreements to~~
19 ~~support the implementation of the systems level plan.~~

20 ~~(g) The team, in consultation with the scientific advisory committee, shall be responsible for~~
21 ~~coordinating the work of any entity that receives grants or other funding from the state of Rhode Island~~
22 ~~for research related to bay, river, and watershed management. The team shall seek to prioritize and direct~~
23 ~~areas of research in order to meet the goals and policies established by the systems level plan.~~

24 ~~(h) The team may facilitate the resolution of programmatic conflicts that may arise during the~~
25 ~~implementation of the systems level plan between or among members of the team.~~

26 ~~(i) The team shall develop a regulatory coordination and streamlining process for the issuance of~~
27 ~~permits and approvals required under local, state, and federal law as necessary to implement the systems-~~
28 ~~level plan that reduces or eliminates duplicative permitting processes.~~

29 ~~(j) Within ninety (90) days after the end of each fiscal year, the team shall submit a written~~
30 ~~progress report that describes and evaluates the successes and shortcomings of the implementation of the~~
31 ~~annual work plan from the previous fiscal year to the governor, the speaker of the house of~~
32 ~~representatives, and the president of the senate. Where prescribed actions have not been accomplished in~~
33 ~~accordance with the annual work plan, the responsible members of the team shall include in the report~~
34 ~~written explanations for the shortfalls, together with their proposed remedies. The report shall also include~~

1 an evaluation of the progress of the coordinative efforts and shall include any recommendations regarding
2 modifications to the composition of the team, including, but not limited to, the proposed addition of any
3 new members to the team.

4 (k) ~~Within six (6) months of the completion of the systems level plan, the team shall prepare a~~
5 ~~report and convene a public forum in order to disseminate information about the current condition of the~~
6 ~~environmental health of Rhode Island's bays, rivers, and watersheds; and the economic vitality of the~~
7 ~~water cluster using information collected by the economic and environmental monitoring collaboratives.~~

8 (l) ~~Within four (4) years after the completion of the systems level plan and every four (4) years~~
9 ~~thereafter, the team shall prepare a report and convene a public forum in order to disseminate information~~
10 ~~about the current condition of the environmental health of Rhode Island's bays, rivers, and watersheds;~~
11 ~~and the economic vitality of the water cluster using information collected by the economic and~~
12 ~~environmental monitoring collaboratives. The report shall include an evaluation of the progress made~~
13 ~~towards attaining the systems level plan's goals, and an evaluation of any updates necessary for the~~
14 ~~strategies for the economic and environmental monitoring programs.~~

15 **§ 46-31-7 Duties of chairperson.** ~~(a) In addition to calling the meetings of the team, the chair~~
16 ~~shall facilitate the coordination necessary for the team to develop the systems level plan, and to prepare~~
17 ~~annual work plans, annual work plan budgets, reports, and any other documents requested under the~~
18 ~~provisions of this chapter.~~

19 (b) ~~The chair shall be responsible for presenting the systems level plan, annual work plans,~~
20 ~~annual work plan budgets, reports, and other documents to the governor, the speaker of the house of~~
21 ~~representatives, and the president of the senate.~~

22 (c) ~~The chair shall be responsible for the administration of all functions of the team including~~
23 ~~hiring support staff with appropriations, terminating staff when necessary, preparing budgets, contracting,~~
24 ~~and delegating administrative functions to support staff.~~

25 **§ 46-31-8 Powers of the coordination team.** ~~(a) In order to accomplish the purposes of this~~
26 ~~chapter and to effectuate the coordination required by this chapter, the coordination team is authorized~~
27 ~~and directed to exercise the following powers:~~

28 (1) ~~Adopt procedures for the conduct of business as needed to carry out the provisions of this~~
29 ~~chapter;~~

30 (2) ~~Request reports from local, state, and federal entities or agencies in order to perform their~~
31 ~~duties as provided for in this chapter;~~

32 (3) ~~Make application for grants, services or other aids as may be available from public or private~~
33 ~~sources to finance or assist in effectuating any purposes or duties as set forth in this chapter, and receive~~
34 ~~and accept the same on such terms and conditions as may be required by general laws;~~

1 ~~(4) Employ the services of other public, nonprofit or private entities;~~

2 ~~(5) Enter into agreements and into contracts consistent with existing contracting practices of the~~
3 ~~department of administration;~~

4 ~~(6) Request assistance from state employees provided that such assistance does not adversely~~
5 ~~impact the operation of affected agencies; and~~

6 ~~(7) Such other powers as may be necessary or convenient to the performance of these functions.~~

7 ~~(b) The coordination team may:~~

8 ~~(1) Collect, compile, analyze, interpret, summarize, and distribute any information relative to~~
9 ~~Rhode Island's bays, rivers, and watersheds and the duties of the team, subject to any privileges or legal~~
10 ~~requirements of privacy;~~

11 ~~(2) Within available funding, employ any technical experts, other agents, and employees,~~
12 ~~permanent and temporary, that it may require to carry out its functions pursuant to this chapter, and~~
13 ~~determine their qualifications, duties, and compensation.~~

14 ~~(c) The team may have additional powers granted to it from time to time by the legislature as~~
15 ~~deemed necessary to perform its duties.~~

16 ~~(d) Nothing in this statute shall be construed to grant the coordination team the authority to~~
17 ~~impair, derogate or supersede constitutional, statutory, regulatory or adjudicatory authority or public trust~~
18 ~~responsibilities of any local, state or federal entity.~~

19 ~~**§ 46-31-9 Committees.** (a) The coordination team may appoint such subcommittees, task~~
20 ~~forces or advisory committees to make recommendations to the team as it deems necessary to carry out~~
21 ~~the provisions of this chapter. The coordination team shall annually review the work done by, and the~~
22 ~~need for, any such subcommittees, task forces, and/or advisory committees, and shall terminate the~~
23 ~~existence of such entities that are deemed to have fulfilled their purpose and/or are no longer deemed~~
24 ~~necessary by the team.~~

25 ~~(b) A "scientific advisory committee" shall be established to advise the coordination team on~~
26 ~~research priorities, technical matters, and best management practices. The members of the scientific~~
27 ~~advisory committee shall be appointed by the governor to serve for terms of two (2) years. The members~~
28 ~~of said committee shall consist of members of the academic community as well as non-government~~
29 ~~organizations. The members of the scientific advisory committee shall receive no additional~~
30 ~~compensation for their services on the committee. The scientific advisory committee shall assist the~~
31 ~~coordination team in:~~

32 ~~(1) Ensuring that peer review is employed in the development of an environmental monitoring~~
33 ~~strategy;~~

1 ~~(2) Providing the team with unbiased reviews of current validated scientific knowledge relevant~~
2 ~~to their work; and~~

3 ~~(3) Assisting with the review of existing or future plans.~~

4 ~~The scientific advisory committee shall elect annually from among their members a chair and a~~
5 ~~vice chair.~~

6 ~~(c) A "public advisory committee" shall be established to advise the coordination team on the~~
7 ~~development and implementation of the systems level plan, and the preparation of annual work plans and~~
8 ~~annual work plan budgets. The members of the public advisory committee shall be appointed by the~~
9 ~~governor for terms of two (2) years each. The members of said public advisory committee shall include,~~
10 ~~but not be limited to, representatives from the following groups: commercial fishers, recreational fishers,~~
11 ~~environmental advocacy organizations, and economic advocacy organizations. The members of the public~~
12 ~~advisory committee shall receive no additional compensation for their services to the committee. The~~
13 ~~public advisory committee shall elect annually from among their members a chair and a vice chair.~~

14 ~~(d) An "economic monitoring collaborative" shall be established for the purpose of developing~~
15 ~~and implementing a strategy for an economic monitoring program as specified by this section. The~~
16 ~~members of the economic monitoring collaborative shall be appointed by the governor to serve for two~~
17 ~~(2) years and shall include, but not be limited to, a representative from the Rhode Island economic policy~~
18 ~~council and a representative from the Department of Environment and Natural Resource Economics at the~~
19 ~~University of Rhode Island. From among the members, the governor shall appoint a chair. Members of~~
20 ~~the economic monitoring collaborative shall serve without additional salary but may be paid expenses~~
21 ~~incurred in the performance of their duties. The strategy for the economic monitoring program shall~~
22 ~~include baselines, protocols, guidelines, and quantifiable indicators for assessing the economic health and~~
23 ~~performance of the water cluster. Economic indicators shall include, but not be limited to, the following~~
24 ~~aspects where or when appropriate and/or available:~~

25 ~~(1) Total gross state product originating in the water cluster;~~

26 ~~(2) Direct and indirect employment in the water cluster; and~~

27 ~~(3) Public expenditures for infrastructure to support the water cluster. The strategy for said~~
28 ~~economic monitoring program shall be developed by the economic monitoring collaborative and adopted~~
29 ~~by the coordination team within six (6) months of passage of this act; and shall be reviewed and updated~~
30 ~~every four (4) years, and included in the reports described in § 46-31-6(1)~~

31 ~~(e) An "environmental monitoring collaborative" shall be established for the purpose of~~
32 ~~developing and implementing a strategy for an environmental monitoring program as specified by this~~
33 ~~section or as otherwise provided for by statute. The environmental monitoring collaborative shall include,~~
34 ~~but not be limited to, one representative from each of the following: Coastal Institute at the University of~~

1 ~~Rhode Island (URI) Bay Campus (Chair); coastal resources management council; department of~~
2 ~~environmental management; department of health; URI Watershed Watch; URI Graduate School of~~
3 ~~Oceanography; Narragansett Bay commission; statewide planning program (RIGIS) division; and URI~~
4 ~~Environmental Data Center. Members of the environmental monitoring collaborative shall serve without~~
5 ~~additional salary but may be paid expenses incurred in the performance of their duties. The strategy for~~
6 ~~the environmental monitoring program shall be developed in consultation with the scientific advisory~~
7 ~~committee and shall include baselines, protocols, guidelines, and quantifiable environmental indicators.~~
8 ~~Environmental indicators shall include, but not be limited to, the following aspects where appropriate for~~
9 ~~rivers and bays:~~

10 ~~(1) Land cover or uses within the shoreline buffers;~~

11 ~~(2) Water temperature, salinity, and pH;~~

12 ~~(3) Concentrations of nitrogen, phosphorous, dissolved oxygen, and bacteria;~~

13 ~~(4) Water flows and circulation;~~

14 ~~(5) Species assemblages and relative abundances of finfish, shellfish, and benthic~~
15 ~~macroinvertebrates; and~~

16 ~~(6) Presence of aquatic nuisance species. The strategy for said monitoring program shall be~~
17 ~~developed by the environmental monitoring collaborative and adopted by the coordination team within~~
18 ~~six (6) months of passage of this act; and shall be reviewed and updated every four (4) years, and included~~
19 ~~in the reports described in § 46-31-6(1).~~

20 ~~(f) The data collected as part of the economic and environmental monitoring programs shall be~~
21 ~~analyzed, synthesized, and made accessible to the governor, the general assembly, and the general public.~~

22 ~~(g) The committees and collaboratives established pursuant to this chapter shall remain in~~
23 ~~existence so long as the coordination team is in existence. All committees shall expire and dissolve upon~~
24 ~~the expiration and/or dissolution of the coordination team.~~

25 ~~**§ 46-31-10 Compliance with plans by local municipalities.**—The statewide planning program~~
26 ~~established pursuant to the provisions of chapter 11 of title 42 shall advise the coordination team on issues~~
27 ~~of planning in general and also on local comprehensive plans, and shall consider recommendations for~~
28 ~~revisions to the state guide plan from the coordination team as necessary to achieve consistency with the~~
29 ~~systems level plan for Rhode Island's bays, rivers, and watersheds. As provided for in chapter 22.2 of title~~
30 ~~45, cities and towns shall amend their comprehensive plans to conform with the state guide plan elements~~
31 ~~adopted or amended to effectuate this chapter, but not later than within one year.—~~

32 ~~**§ 46-31-11 Plans, reports, budgets, and other documents.**—All plans, reports, budgets or~~
33 ~~other documents required to be produced pursuant to this chapter shall be submitted to the speaker of the~~
34 ~~house of representatives, president of the senate, the chairpersons of the house of representatives and~~

1 ~~senate finance committees, and the chairpersons of the appropriate house of representatives and senate~~
2 ~~oversight entities; further, all plans, reports, budgets or other documents required to be produced pursuant~~
3 ~~to this chapter shall be considered by the house of representatives and senate finance committees in their~~
4 ~~current and future budget processes. Adherence to such plans, reporting requirements, and budgets and~~
5 ~~the timely achievement of goals contained therein shall be considered by the finance committees and the~~
6 ~~oversight entities of the house of representatives and senate, among other relevant factors, in determining~~
7 ~~appropriations or other systemic changes.~~

8 ~~**§ 46-31-12 Staff and budget.**~~ (a) ~~The coordination team may employ staff and make such~~
9 ~~expenditures as may be authorized by the general assembly from time to time. The coordination team~~
10 ~~shall annually prepare an operating budget for inclusion in the governor's annual budget as submitted to~~
11 ~~the general assembly and for submittal to the speaker of the house of representatives and the president of~~
12 ~~the senate.~~

13 (b) ~~The office of the governor is authorized and directed to establish a position in the unclassified~~
14 ~~service for the chair of the coordination team, and to perform such administrative support functions as~~
15 ~~may be required.~~

16 ~~**§ 46-31-12.1 Bays, Rivers and Watersheds Fund.**~~ (a) ~~There is hereby established a restricted~~
17 ~~receipt account within the Department of Environmental Management to be called the Bays, Rivers and~~
18 ~~Watersheds Fund;~~

19 (b) ~~The fund shall consist of any funds which the state may from time to time appropriate, as well~~
20 ~~as money received as gifts, grants, bequests, donations or other funds from any public or private sources,~~
21 ~~as well as all fees collected pursuant to § 46-23-1(f)(2) for the leasing of submerged lands for transatlantic~~
22 ~~cables, and all fees collected pursuant to chapter 46-12.11 for the disposal of septage;~~

23 (c) ~~All funds, monies, and fees collected pursuant to this section shall be deposited in the Bays,~~
24 ~~Rivers and Watersheds Fund, and shall be disbursed by the Rhode Island Bays, Rivers, and Watersheds~~
25 ~~Coordination Team consistent with the purposes and duties of the team as set forth in chapter 46-31. All~~
26 ~~expenditures from the fund shall be subject to appropriation by the general assembly.~~

27 ~~**§ 46-31-13 Assistance by state officers, departments, boards and commissions.**~~ (a) ~~All state~~
28 ~~agencies may render any services to the coordination team within their respective functions as may be~~
29 ~~requested by the team.~~

30 (b) ~~Upon request of the coordination team, any state agency is authorized and empowered to~~
31 ~~transfer to the team any officers and employees as it may deem necessary from time to time to assist the~~
32 ~~team in carrying out its functions and duties pursuant to this chapter.~~

33 ~~**§ 46-31-14 Severability.**~~ ~~If any provision of this chapter or the application thereof to any~~
34 ~~person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of~~

1 ~~the chapter, which can be given effect without the invalid provision or application, and to this end the~~
2 ~~provisions of this chapter are declared to be severable.~~

3 SECTION 2. Title 46 of the General Laws entitled "Waters and Navigation" is hereby amended
4 by adding thereto the following chapter:

5 CHAPTER 46-31.1

6 THE RHODE ISLAND BAYS, RIVERS AND WATERSHEDS FUND

7 **§ 46-31.1-1 Legislative findings.** – The general assembly hereby finds and declares as follows:

8 (1) The bays, rivers, and associated watersheds of Rhode Island are unique and unparalleled
9 natural resources that provide significant cultural, ecological, and economic benefit to the state.

10 (2) Pursuant to the provisions of R.I. Const., art. 1, § 17, it is the duty of the general assembly to
11 provide for the conservation of the air, land, water, plant, animal, mineral, and other natural resources of
12 the state; and to adopt all means necessary and proper by law to protect the natural environment of the
13 people of the state by providing adequate resource planning for the control and regulation of the use of the
14 natural resources of the state; and for the preservation, regeneration, and restoration of the natural
15 environment of the state.

16 (3) It is in the best interest of the state and its citizens to preserve, protect, and restore our bays,
17 rivers, and associated watersheds.

18 (4) Sixty percent (60%) of the watershed of Narragansett Bay is within Massachusetts, almost all
19 of the watershed of Mount Hope Bay is within Massachusetts, and five percent (5%) of the watershed of
20 Little Narragansett Bay is within Connecticut; further, a cluster of water-related economic interests spans
21 the three (3) states.

22 (5) There is a need to foster effective management, preservation, restoration, and monitoring of
23 the bays, rivers, and watersheds; and the promotion of sustainable economic development of businesses
24 that rely directly or indirectly on the bays, rivers, and watersheds; and the promotion of sustainable
25 economic development of businesses that rely directly or indirectly on the bays, rivers, and watersheds.

26 **§ 46-31.1-2 Definitions.** – As used in this chapter, unless the context clearly indicates otherwise:

27 (1) "Bays" means the estuaries including Narragansett Bay, Mount Hope Bay, Greenwich Bay,
28 Little Narragansett Bay, the coastal ponds, the Sakonnet River, and Rhode Island territorial waters that
29 extend seaward three geographical miles from the shoreline including the area around Block Island.

30 (2) "Coordination" means to harmonize in a common action or effort and/or to function in a
31 complementary manner.

32 (3) "River" means a flowing body of water or estuary or a section, portion, or tributary thereof,
33 including, but not limited to, streams, creeks, brooks, ponds, and small lakes.

1 (4) "Water cluster" means an economically interconnected grouping of businesses, institutions,
2 and people relying directly or indirectly on the bays, rivers, and watersheds including, but not limited to,
3 the following sectors:

4 (i) Recreation, tourism, and public events;

5 (ii) Fisheries and aquaculture;

6 (iii) Boat and ship building;

7 (iv) Boating-related businesses;

8 (v) Transportation;

9 (vi) Military;

10 (vii) Research; and

11 (viii) Technology development and education.

12 (5) "Watershed" means a land area which because of its topography, soil type, and drainage
13 patterns acts as a collector of raw waters which regorge or replenish rivers and existing or planned public
14 water supplies.

15 **§ 46-31.1 -3 Bays, Rivers and Watersheds Fund.** – (a) There is hereby established a restricted
16 receipt account within the Department of Environmental Management to be called the Bays, Rivers and
17 Watersheds Fund;

18 (b) The fund shall consist of any funds which the state may from time to time appropriate, as well
19 as money received as gifts, grants, bequests, donations or other funds from any public or private sources,
20 as well as all fees collected pursuant to § 46-23-1(f)(2) for the leasing of submerged lands for transatlantic
21 cables, and all fees collected pursuant to chapter 46-12.11 for the disposal of septage;

22 (c) All funds, monies, and fees collected pursuant to this section shall be deposited in the Bays,
23 Rivers and Watersheds Fund, and shall be utilized by the Department of Environmental Management
24 consistent with the purposes of §46-23.2-1 entitled, “The Comprehensive Watershed and Marine
25 Monitoring Act of 2004”, §46-12, “Water Pollution” and §46-6.2 entitled “Resilient Rhode Island Act of
26 2014 – Climate Change Coordination Council”. All expenditures from the fund shall be subject to
27 appropriation by the general assembly.

28 **§ 46-31.1-4 Severability.** – If any provision of this chapter or the application thereof to any
29 person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of
30 the chapter, which can be given effect without the invalid provision or application, and to this end the
31 provisions of this chapter are declared to be severable.

32 SECTION 3. Section 46-12.7-13 of the General Laws in Chapter entitled “Oil Spill Prevention,
33 Administration and Response Fund” is hereby amended to read as follows:

1 **§ 46-12.7-13 Preventative uses of the fund.** – (a) Recognizing the importance of the
2 development of readiness and response programs, the legislature may allocate not more than two hundred
3 fifty thousand dollars (\$250,000) per annum of the amount then currently in the fund to be devoted to
4 research and development in the causes, effects and removal of pollution caused by oil, petroleum
5 products and their by-products on the marine environment and the monitoring of baseline environmental
6 and economic conditions.

7 (b) The two hundred fifty thousand dollars (\$250,000) per annum allocated for research,
8 development, and monitoring shall be allocated to the Department of Environmental Management
9 ~~Coordination Team established pursuant to chapter 31 of this title and expended by the Coordination~~
10 ~~Team~~ consistent with the purposes of ~~subsections 46-31-9(d) and 46-31-9(e).~~ §46-23.2-3 entitled “The
11 Comprehensive Watershed and Marine Monitoring Act of 2004”.

12 (c) The remaining moneys in the fund which the legislature may allocate to research,
13 development, and monitoring shall be used for purposes approved by the director. Such purpose may
14 include, but shall not be limited to:

15 (1) Sensitive area data management and mapping;

16 (2) Scientific research and monitoring which is directly relevant to state legislation; and

17 (3) Development of more effective removal and containment technologies, appropriate for the cleanup
18 and containment of refined fuel oils.

19 SECTION 4. Sections 46-23.2-2, 46-23.2-5, and 46-23.2-6 of the General Laws in Chapter 46-
20 23.2 entitled “The Comprehensive Watershed and Marine Monitoring Act of 2004” is hereby amended to
21 read as follows:

22 **§ 46-23.2-2 Legislative findings.** – (a) The general assembly finds and declares that there is a
23 need for an environmental marine monitoring system in the state that is capable of:

24 (1) Measuring the changing conditions in the functionality and health of the waters of the state,
25 including, but not limited to, Narragansett Bay and its watersheds, with one purpose being identifying and
26 predicting potential problems in the marine and freshwater habitats;

27 (2) Providing a data-based management system that employs central database via the internet to
28 ~~store an internet-based electronic system to monitor, store and monitoring data and~~ disseminate the
29 analysis of this data to decision-makers and the public;

30 (3) Establishing a mechanism to coordinate and make consistent, monitoring efforts between
31 government agencies, municipalities, nonprofit organizations and universities; and

32 (4) Providing the comprehensive data needed to assess a sudden perturbation in the marine and
33 freshwater environments and to contribute to efforts of disaster prevention, preparedness, response and
34 recovery as defined in chapter 15 of title 30 entitled "The Rhode Island Emergency Management Act."

1 (b) The general assembly recognizes and declares that the health of the waters of the state,
2 including, but not limited to, Narragansett Bay and its watersheds needs to be monitored comprehensively
3 on a long-term basis in order to be proactive in planning and responsive to potential problems in the
4 ~~marine~~ environment, including those that may arise due to a changing climate. The availability of
5 consistent environmental data supports ~~systems-level~~ planning and management and provides resource
6 managers, decision-makers and citizens with information on how marine and freshwater habitats are
7 responding to management programs and what adjustments need to be made to existing programs or what
8 new programs must be implemented to achieve a healthy marine and freshwater environments.

9 (c) The general assembly recognizes the need for an integrated mechanism by which individual
10 monitoring efforts can be coordinated and managed as a system in which the functionality of Narragansett
11 Bay, ~~and~~ its watersheds is and other watersheds are measured and individual planning and management
12 efforts are adjusted to respond to support effective environmental management. ~~the needs of this marine~~
13 ~~environment.~~

14 **§ 46-23.2-5 The Rhode Island environmental monitoring collaborative – Creation.** – (a)

15 There is hereby authorized, created and established the "Rhode Island environmental monitoring
16 collaborative" (also known as the "collaborative") with such powers as are set forth in this chapter, for
17 the purposes of organizing, coordinating, maintaining and supporting the environmental monitoring
18 systems within Narragansett Bay ~~and~~ its watersheds and other watersheds in Rhode Island. The
19 collaborative shall consist of ten (10) members, one representative from each of the following: Coastal
20 Institute at the University of Rhode Island ("URI") Bay Campus (chair); coastal resources management
21 council; department of environmental management, water quality; department of environmental
22 management, fisheries; department of health; URI Watershed Watch; URI Graduate School of
23 Oceanography; Narragansett Bay commission; Statewide Planning Program (RIGIS) Division; and URI
24 Environmental Data Center. Members of the collaborative shall serve without salary but may be paid
25 expenses incurred in the performance of their duties.

26 (b) The collaborative shall work with other organizations and agencies that monitor Narragansett
27 Bay and its watersheds to perform the powers and duties established herein. These include, but are not
28 limited to, the Environmental Protection Agency, National Oceanic and Atmospheric Agency, Natural
29 Resources Conservation Service, U.S. Fish and Wildlife, U.S. Geological Survey, Massachusetts
30 Executive Office of Environmental Affairs, Narragansett Bay Estuary Program, Brown University, Roger
31 Williams University, Rhode Island Natural History Survey, Save the Bay, Rhode Island Sea Grant, URI
32 Cooperative Extension, and the Rhode Island Rivers Council.

33 **§ 46-23.2-6 Powers and duties.** – The collaborative shall have the following powers:

1 (1) To effectuate and implement a state monitoring strategy that addresses critical state resource
2 management needs, including, but not limited to, water quality protection, water pollution control,
3 fisheries and wildlife management, habitat restoration, coastal management, public health protection and
4 emergency response and that assesses and tracks environmental health and function. Within six (6)
5 months of its enactment, the collaborative shall adopt a statewide monitoring strategy that will provide
6 cost-effective and useful policies, standards, protocols and guidelines for monitoring programs
7 undertaken for the waters of the state, ~~that will support system level planning~~. This strategy shall be
8 reviewed and updated every ~~three (3)~~ five (5) years. This strategy shall include the following elements:

9 (i) An inventory of existing monitoring programs;

10 (ii) An outline of additional monitoring programs the state needs;

11 (iii) A list of indicators that will be used to measure the health of the marine and freshwater
12 habitats of the state;

13 (iv) ~~A list~~ Identification of data standards and protocols that will be used on a reasonable and
14 consistent basis by monitoring programs that contribute data to the state monitoring system;

15 (v) A ~~mechanism~~ plan for data sharing among all monitoring programs that optimizes the ability
16 ~~enables~~ both monitors and users to securely access monitoring data via the Internet and to retain the
17 integrity of such data;

18 (vi) A plan to provide data from the state marine environmental monitoring system for disaster
19 prevention, preparedness, response and recovery efforts in the marine environment; and

20 (vii) A communications strategy to provide for public access to monitoring data.

21 (2) To assist with the development and implementation of a state water monitoring and
22 assessment program, developed consistent with guidance issued by the United States Environmental
23 Protection Agency, and to augment ~~and implement~~ such a program to achieve the purposes of this
24 strategy set forth in subdivision (1).

25 (3) To prepare an annual report in the month of January to the governor and general assembly on
26 the activities for the preceding year as well as the predicted financial needs of the system for the
27 upcoming fiscal year.

28 (4) To enter into data sharing agreements with federal and state agencies, municipalities and
29 nongovernmental organizations for the purposes of coordination and management of monitoring data and
30 programs.

31 (5) To accept grants, donations and contributions in money, services, materials, or otherwise,
32 from the United States or any of its agencies, from this state and its agencies, or from any other source,
33 and to use or expend those moneys, services, materials or other contributions in carrying out the purposes
34 of this chapter.

1 (6) To enter into agreements for staff support that it deems necessary for its work, and to contract
2 with consultants for the services it may require to the extent permitted by its financial resources.

3 SECTION 5. This article shall take effect as of July 1, 2015.

4 **ARTICLE 17**

5 **RELATING TO DEPARTMENT OF CHILDREN, YOUTH AND FAMILIES**

6 SECTION 1. Sections 42-72-5 of the General Laws in Chapter 42-72 entitled "Department of
7 Children, Youth and Families" is hereby amended to read as follows:

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

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

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

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

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

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

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

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

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

- 1 (8) To recruit and coordinate community resources, public and private;
- 2 (9) To promulgate rules and regulations concerning the confidentiality, disclosure and
3 expungement of case records pertaining to matters under the jurisdiction of the department;
- 4 (10) To establish a minimum mandatory level of twenty (20) hours of training per year and
5 provide ongoing staff development for all staff; provided, however, all social workers hired after June 15,
6 1991, within the department shall have a minimum of a bachelor's degree in social work or a closely
7 related field, and must be appointed from a valid civil service list;
- 8 (11) To establish procedures for reporting suspected child abuse and neglect pursuant to chapter
9 11 of title 40;
- 10 (12) To promulgate all rules and regulations necessary for the execution of departmental powers
11 pursuant to the Administrative Procedures Act, chapter 35 of title 42;
- 12 (13) To provide and act as a clearinghouse for information, data and other materials relative to
13 children;
- 14 (14) To initiate and carry out studies and analysis which will aid in solving local, regional and
15 statewide problems concerning children;
- 16 (15) To represent and act on behalf of the state in connection with federal grant programs
17 applicable to programs for children in the functional areas described in this chapter;
- 18 (16) To seek, accept, and otherwise take advantage of all federal aid available to the department,
19 and to assist other agencies of the state, local agencies, and community groups in taking advantage of all
20 federal grants and subventions available for children;
- 21 (17) To review and coordinate those activities of agencies of the state and of any political
22 subdivision of the state which affect the full and fair utilization of community resources for programs for
23 children, and initiate programs that will help assure utilization;
- 24 (18) To administer the pilot juvenile restitution program, including the overseeing and
25 coordinating of all local community based restitution programs, and the establishment of procedures for
26 the processing of payments to children performing community service; and
- 27 (19) To adopt rules and regulations which:
 - 28 (i) For the twelve (12) month period beginning on October 1, 1983, and for each subsequent
29 twelve (12) month period, establish specific goals as to the maximum number of children who will remain
30 in foster care for a period in excess of two (2) years; and
 - 31 (ii) Are reasonably necessary to implement the child welfare services and foster care programs;
- 32 (20) May establish and conduct seminars for the purpose of educating children regarding sexual
33 abuse;

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

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

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

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

20 In fulfilling its responsibilities the department shall:

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

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

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

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

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

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

1 Each community, as defined in chapter 7 of title 16, shall contribute to the department, at least in
2 accordance with rules and regulations to be adopted by the department, at least its average per pupil cost
3 for special education for the year in which placement commences, as its share of the cost of educational
4 services furnished to a seriously emotionally disturbed child pursuant to this section in a residential
5 treatment program which includes the delivery of educational services.

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

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

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

19 (a) Is attributable to a mental or physical impairment or combination of mental physical
20 impairments;

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

22 (c) Is likely to continue indefinitely;

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

25 (i) Self-care;

26 (ii) Receptive and expressive language;

27 (iii) Learning;

28 (iv) Mobility;

29 (v) Self-direction;

30 (vi) Capacity for Independent Living; and

31 (vii) Economic self-sufficiency; and

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

1 Funding for these clients shall include funds that are transferred to the Department of Human
2 Services as part of the Managed Health Care program transfer. However, the expenditures relating to
3 these clients shall not be part of the Department of Human Services' Caseload estimated for the semi-
4 annual Caseload Estimating Conference. The expenditures shall be accounted for separately.

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

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

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

30 (28) In fulfilling the above responsibilities and subject to the provisions of chapter 3 of title 35,
31 the director of the department of children, youth and families shall have the authority to reallocate line
32 item expenditures within a bottom line appropriation for purposes of achieving more effective outcomes
33 for children, youth and families and for supporting productive and efficient operational practices through
34 program innovation practices and performance-based contracting through June 30, 2017. The director's

1 authority to reallocate line item expenditures is intended to provide the department with the flexibility to
2 implement initiatives that include but are not limited to the following:

3 (i) Support program innovation, either through new or existing high performing programs;

4 (ii) Expand the utilization of home-based and/or community-based services;

5 (iii) Enhance direct service support for children placed in foster homes and adoption; and

6 (iv) Strengthen the use of assessment tools and protocols for children, youth and families
7 involved with the department.

8 (29) The director of the department of children, youth and families shall identify and implement
9 fiscal controls to achieve savings throughout the department's operations and, subject to the approval of
10 the office of management and budget, may reinvest such savings in technology, infrastructure and other
11 related services through June 30, 2017.

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

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

15 **ARTICLE 18**

16 **RELATING TO DIVISION OF ADVOCACY**

17 SECTION 1. Sections 23-1.8-1 and 23-1.8-2 of the General Laws in Chapter 23-1.8 entitled
18 "Commission on the Deaf and Hard-of-Hearing" are hereby amended to read as follows:

19 **§ 23-1.8-1 Purpose – Creation of commission.** – (a) In view of the barriers and disadvantages
20 which deafness and hearing impairments impose on those individuals so affected, and in view of the
21 testimony on deafness received by a legislative study commission, it is hereby proposed that a permanent
22 Rhode Island commission on the deaf and hard-of-hearing be established. This commission shall be
23 composed as follows: a thirteen (13) member commission, eleven (11) of whom are appointed by the
24 governor, one representative appointed by the speaker of the house and one senator appointed by the
25 president of the senate. Four (4) of the governor's appointments shall be initially appointed for a term to
26 expire July 1, 1995 and three (3) members shall be appointed for a term to expire July 1, 1994. Thereafter
27 the commissioners shall serve staggered two (2) year terms, each member serving until his or her
28 successor is appointed. These commissioners shall be responsible for the establishment of policies and the
29 appointment of an executive director who shall be in the unclassified service and other staff as needed and
30 for whom appropriations are available. They shall meet not less than four (4) times per year, and shall not
31 be paid for their services, except for reimbursement of expenses incurred by their service. The
32 commissioners may elect their own officers.

33 (b) The members appointed by the governor shall include five (5) individuals who are deaf who
34 use American Sign Language, one individual who is deaf who does not use American Sign Language,

1 three (3) who are hard-of-hearing, and two (2) who are hearing. Commission members shall select their
2 own chairperson. Five (5) members shall constitute a quorum.

3 (c) For budgetary and administrative purposes only, the commission on the deaf and hard-of-
4 hearing shall be part of the division of advocacy established within the executive office of health and
5 human services pursuant to § 42-7.2-20.

6 **§ 23-1.8-2 Duties – Activities.** – The commission shall be primarily a coordinating and
7 advocating body, acting on behalf of the special concerns of deaf and hard-of-hearing persons in Rhode
8 Island. ~~Its activities shall be independent of any existing agency or department within the state.~~ The
9 commission shall be accountable directly to the executive office of the state, and shall submit an annual
10 report to the governor. The commission will assume the following duties:

11 (1) Bring about greater cooperation and coordination among agencies and organizations now
12 servicing or having the potential to serve the deaf and hard-of-hearing;

13 (2) Promote greater accessibility to services for the deaf and hard-of-hearing;

14 (3) Conduct an ongoing needs assessment;

15 (4) Promote increased awareness and provide information and referrals;

16 (5) Advocate for the enactment of legislation that would assist the needs of individuals who are
17 deaf and hard-of-hearing;

18 (6) Administer a sign language interpreter referral service;

19 (7) Take necessary action to improve the quality of life for deaf and hard-of-hearing individuals
20 living in Rhode Island;

21 (8) Develop a statewide coordinating council that will coordinate the implementation of the
22 comprehensive statewide strategic plan for children in Rhode Island who are deaf or have hearing loss.
23 The composition, functions and activities of the statewide coordinating council shall be consistent with
24 the provisions of the strategic plan developed through the Rhode Island department of elementary and
25 secondary education.

26 (9) Track the yearly services provided by exempted interpreters, as defined in subsection 5-71-
27 15(4).

28 SECTION 2. Section 40.1-5-13 of the General Laws in Chapter 40.1-5 entitled “Mental Health
29 Law” is hereby amended to read as follows:

30 **§ 40.1-5-13 Mental health advocate.** – (a) There is hereby created the office of mental health
31 advocate.

32 (b) For budgetary and administrative purposes only, the office of the mental health advocate shall
33 be part of the division of advocacy established within the executive office of health and human services
34 pursuant to § 42-7.2-20.

1 SECTION 3. Chapter 42-7.2 of the General Laws entitled “Office of Health and Human
2 Services” is hereby amended by adding thereto the following section:

3 **§ 42-7.2-20 Creation of the division of advocacy.** – There is hereby established within the
4 executive office of health and human services the division of advocacy, which shall consist of the
5 commission on the deaf and hard-of-hearing, the governor’s commission on disabilities, the office of the
6 mental health advocate, and the child advocate office.

7 SECTION 4. Section 42-7.2-5 of the General Laws in Chapter 42-7.2 entitled “Office of Health
8 and Human Services is hereby amended to read as follows:

9 **§ 42-7.2-5 Duties of the secretary.** – The secretary shall be subject to the direction and
10 supervision of the governor for the oversight, coordination and cohesive direction of state administered
11 health and human services and in ensuring the laws are faithfully executed, not withstanding any law to
12 the contrary. In this capacity, the Secretary of Health and Human Services shall be authorized to:

13 (1) Coordinate the administration and financing of health care benefits, human services and
14 programs including those authorized by the Global Consumer Choice Compact Waiver and, as applicable,
15 the Medicaid State Plan under Title XIX of the US Social Security Act. However, nothing in this section
16 shall be construed as transferring to the secretary the powers, duties or functions conferred upon the
17 departments by Rhode Island public and general laws for the administration of federal/state programs
18 financed in whole or in part with Medicaid funds or the administrative responsibility for the preparation
19 and submission of any state plans, state plan amendments, or authorized federal waiver applications, once
20 approved by the secretary.

21 (2) Serve as the governor's chief advisor and liaison to federal policymakers on Medicaid reform
22 issues as well as the principal point of contact in the state on any such related matters.

23 (3) Review and ensure the coordination of any Global Consumer Choice Compact Waiver
24 requests and renewals as well as any initiatives and proposals requiring amendments to the Medicaid state
25 plan or category two (II) or three (III) changes, as described in the special terms and conditions of the
26 Global Consumer Choice Compact Waiver with the potential to affect the scope, amount or duration of
27 publicly-funded health care services, provider payments or reimbursements, or access to or the
28 availability of benefits and services as provided by Rhode Island general and public laws. The secretary
29 shall consider whether any such changes are legally and fiscally sound and consistent with the state's
30 policy and budget priorities. The secretary shall also assess whether a proposed change is capable of
31 obtaining the necessary approvals from federal officials and achieving the expected positive consumer
32 outcomes. Department directors shall, within the timelines specified, provide any information and
33 resources the secretary deems necessary in order to perform the reviews authorized in this section;

1 (4) Beginning in 2006, prepare and submit to the governor, the chairpersons of the house and
2 senate finance committees, the caseload estimating conference, and to the joint legislative committee for
3 health care oversight, by no later than March 15 of each year, a comprehensive overview of all Medicaid
4 expenditures outcomes, and utilization rates. The overview shall include, but not be limited to, the
5 following information:

6 (i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;

7 (ii) Expenditures, outcomes and utilization rates by population and sub-population served (e.g.
8 families with children, children with disabilities, children in foster care, children receiving adoption
9 assistance, adults with disabilities, and the elderly);

10 (iii) Expenditures, outcomes and utilization rates by each state department or other municipal or
11 public entity receiving federal reimbursement under Titles XIX and XXI of the Social Security Act, as
12 amended; and

13 (iv) Expenditures, outcomes and utilization rates by type of service and/or service provider.

14 The directors of the departments, as well as local governments and school departments, shall assist and
15 cooperate with the secretary in fulfilling this responsibility by providing whatever resources, information
16 and support shall be necessary.

17 (5) Resolve administrative, jurisdictional, operational, program, or policy conflicts among
18 departments and their executive staffs and make necessary recommendations to the governor.

19 (6) Assure continued progress toward improving the quality, the economy, the accountability and
20 the efficiency of state-administered health and human services. In this capacity, the secretary shall:

21 (i) Direct implementation of reforms in the human resources practices of the departments that
22 streamline and upgrade services, achieve greater economies of scale and establish the coordinated system
23 of the staff education, cross-training, and career development services necessary to recruit and retain a
24 highly-skilled, responsive, and engaged health and human services workforce;

25 (ii) Encourage the departments to utilize consumer-centered approaches to service design and
26 delivery that expand their capacity to respond efficiently and responsibly to the diverse and changing
27 needs of the people and communities they serve;

28 (iii) Develop all opportunities to maximize resources by leveraging the state's purchasing power,
29 centralizing fiscal service functions related to budget, finance, and procurement, centralizing
30 communication, policy analysis and planning, and information systems and data management, pursuing
31 alternative funding sources through grants, awards and partnerships and securing all available federal
32 financial participation for programs and services provided through the departments;

33 (iv) Improve the coordination and efficiency of health and human services legal functions by
34 centralizing adjudicative and legal services and overseeing their timely and judicious administration;

1 (v) Facilitate the rebalancing of the long term system by creating an assessment and coordination
2 organization or unit for the expressed purpose of developing and implementing procedures across
3 departments that ensure that the appropriate publicly-funded health services are provided at the right time
4 and in the most appropriate and least restrictive setting; and

5 (vi) Strengthen health and human services program integrity, quality control and collections, and
6 recovery activities by consolidating functions within the office in a single unit that ensures all affected
7 parties pay their fair share of the cost of services and are aware of alternative financing.

8 (vii) Broaden access to publicly funded food and nutrition services by consolidating agency
9 programs and initiatives to eliminate duplication and overlap and improve the availability and quality of
10 services; and

11 (viii) Assure protective services are available to vulnerable elders and adults with developmental
12 and other disabilities by reorganizing existing services, establishing new services where gaps exist and
13 centralizing administrative responsibility for oversight of all related initiatives and programs.

14 (7) Prepare and integrate comprehensive budgets for the health and human services departments
15 and any other functions and duties assigned to the office. The budgets shall be submitted to the state
16 budget office by the secretary, for consideration by the governor, on behalf of the state's health and
17 human services in accordance with the provisions set forth in § 35-3-4 of the Rhode Island general laws.

18 (8) Utilize objective data to evaluate health and human services policy goals, resource use and
19 outcome evaluation and to perform short and long-term policy planning and development.

20 (9) Establishment of an integrated approach to interdepartmental information and data
21 management that complements and furthers the goals of the CHOICES initiative and that will facilitate
22 the transition to consumer-centered system of state administered health and human services.

23 (10) At the direction of the governor or the general assembly, conduct independent reviews of
24 state-administered health and human services programs, policies and related agency actions and activities
25 and assist the department directors in identifying strategies to address any issues or areas of concern that
26 may emerge thereof. The department directors shall provide any information and assistance deemed
27 necessary by the secretary when undertaking such independent reviews.

28 (11) Provide regular and timely reports to the governor and make recommendations with respect
29 to the state's health and human services agenda.

30 (12) Employ such personnel and contract for such consulting services as may be required to
31 perform the powers and duties lawfully conferred upon the secretary.

32 (13) Implement the provisions of any general or public law or regulation related to the disclosure,
33 confidentiality and privacy of any information or records, in the possession or under the control of the

1 executive office or the departments assigned to the executive office, that may be developed or acquired
2 for purposes directly connected with the secretary's duties set forth herein.

3 (14) Hold the director of each health and human services department accountable for their
4 administrative, fiscal and program actions in the conduct of the respective powers and duties of their
5 agencies.

6 (15) For budgetary and administrative purposes only, oversee the division of advocacy
7 established in § 42-7.2-20.

8 SECTION 5. Section 42-51-1 of the General Laws in Chapter 42-51 entitled "Governor's
9 Commission on Disabilities" is hereby amended to read as follows:

10 **§ 42-51-1 Establishment of commission.** – (a) There is established within the executive
11 department a permanent commission to be known as the "governor's commission on disabilities,"
12 hereinafter referred to as "the commission."

13 (b) For budgetary and administrative purposes only, the governor's commission on disabilities
14 shall be part of the division of advocacy established within the executive office of health and human
15 services pursuant to § 42-7.2-20.

16 SECTION 6. Section 42-73-1 of the General Laws in Chapter 42-73 entitled "Child Advocate
17 Office" is hereby amended to read as follows:

18 **§ 42-73-1 Establishment.** – (a) There is created the child advocate office.

19 (b) For budgetary and administrative purposes only, the child advocate office shall be part of the
20 division of advocacy established within the executive office of health and human services pursuant to
21 §42-7.2-20.

22 SECTION 7. This article shall take effect as of July 1, 2015.

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

24 **ARTICLE 19**

25 **RELATING TO CONSOLIDATION OF DEPARTMENT OF HEALTH BOARDS**

26 SECTION 1. Chapter 5-26 of the General Laws entitled "Division of Professional Regulation" is hereby
27 repealed in its entirety.

28 ~~CHAPTER 5-26~~

29 ~~DIVISION OF PROFESSIONAL REGULATION~~

30 ~~**§ 5-26-1 Establishment of division Administrator.** Within the department of health there~~
31 ~~shall be a division of professional regulation, and the director of health shall appoint an administrator of~~
32 ~~that division, in accordance with the provisions of chapter 4 of title 36. The administrator of the division~~
33 ~~professional regulation shall act as the administrative agent for the boards established.~~

~~1 § 5-26-2 Boards of examiners appointed by director of health. The director of health, with~~
2 ~~the approval of the governor, shall also appoint to the division of professional regulation a board of~~
3 ~~nursing registration and education as provided by chapter 34 of this title, and a board of examiners of~~
4 ~~each of the following arts, practices, sciences, or callings: barbering, podiatry, chiropractic, (except as~~
5 ~~provided in § 5-30-1.1) psychology, optometry, electrolysis, and physical therapy; and a board of five (5)~~
6 ~~examiners in speech pathology, audiology, and embalming. Those boards shall perform the duties~~
7 ~~prescribed by chapters 10, 29, 30, (except as provided in § 5-30-1.1), 32, 33, 34, 35, 40, 44, and 48 of this~~
8 ~~title.~~

~~9 § 5-26-3 Qualifications of examiners. The examiners appointed for each specific art, practice,~~
10 ~~science, or calling referred to in § 5-26-2 shall be persons competent to give those examinations and shall~~
11 ~~be appointed from persons licensed to practice such an art, practice, science, or calling in this state, except~~
12 ~~that one member of each of the chiropractic, and electrolysis boards shall be a physician licensed to~~
13 ~~practice medicine in the state.~~

~~14 § 5-26-4 Terms of examiners — Vacancies. The membership of the boards of examiners~~
15 ~~mentioned in § 5-26-2 shall be for terms of three (3) years. On the expiration of the term of any member,~~
16 ~~the director of health, by and with the advice and consent of the governor, shall fill the vacancy by~~
17 ~~appointment for a term of three (3) years. On the death, resignation, or removal for cause of any member,~~
18 ~~the director of health, by and with the consent and advice of the governor, shall fill the vacancy by~~
19 ~~appointment for the unexpired portion of the term. Every member shall serve until his or her successor~~
20 ~~has been appointed and qualified.~~

~~21 § 5-26-5 Holding of examinations — Compensation of examiners. The director of health~~
22 ~~shall cause examinations to be held as required by law for the various arts and practices enumerated in §~~
23 ~~5-26-2. Members of each board of examiners as enumerated in § 5-26-2 shall not be compensated for~~
24 ~~their service on the board of examiners.~~

~~25 § 5-26-6 Non-discrimination in licensing or certification. The division of professional~~
26 ~~regulation and the licensing and examining boards established in this title shall administer their licensing~~
27 ~~or certification programs in a manner which does not violate the requirements of 29 U.S.C. § 794, 42~~
28 ~~U.S.C. § 12101 et seq., and chapter 87 of title 42.~~

29 SECTION 2. TITLE 5 of the General Laws entitled "Businesses and Professions" is hereby
30 amended by adding thereto the following chapter:

31 CHAPTER 5-26.1

32 THE DIVISION OF PROFESSIONAL REGULATION AND LICENSING

33 § 5-26.1-1 Establishment of the division of professional regulation and licensing –
34 Administrator -- Staff. – (a) Within the department of health there shall be a division of professional

1 regulation and licensing. The director of health shall appoint an administrator of this division, in
2 accordance with the provisions of chapter 4 of title 36.

3 (b) Subject to appropriation, the director of health may appoint appropriate staff to the division of
4 professional regulation and licensing for the proper administration of this chapter, including a chief field
5 inspector, approved by the governor, to assist the division in the proper administration of this chapter.

6 **§ 5-26.1-2 Division of professional regulation and licensing powers and duties.** – (a) The
7 division of professional regulation and licensing shall be the licensing and regulatory authority for the
8 following arts, practices, sciences or callings:

9 (1) Barbers, hairdressers, cosmeticians, manicurists, and estheticians in chapter 10 of title 5;

10 (2) Chiropractic physicians in chapter 30 of title 5;

11 (3) Electrolysis in chapter 32 of title 5;

12 (4) Funeral director/embalmer in chapter 33.2 of title 5;

13 (5) Opticians in chapter 35.2 in title 5;

14 (6) Social workers in chapter 39.1 of title 5;

15 (7) Physical therapists in chapter 40 in title 5;

16 (8) Occupational therapy in chapter 40.1 in title 5;

17 (9) Psychologists in chapter 44 of title 5;

18 (10) Nursing home administrators 45 of title 5;

19 (11) Speech pathology and audiology in chapter 48 of title 5;

20 (12) Hearing aid dealers and fitters in chapter 49 of title 5;

21 (13) Prosthetist in chapter 59 of title 5;

22 (14) Athletic trainers in chapter 60 in title 5;

23 (15) Mental health counselors and marriage and family therapists in chapter 63 of title 5;

24 (16) Licensed dietician in chapter 64 of title 5;

25 (17) Dietary manager in chapter 64.1 of title 5;

26 (18) Radiologic technologists in chapter 68 of title 5;

27 (19) Licensed chemical dependency professionals in chapter 69 of title 5;

28 (20) Interpreters for the deaf in chapter 71 of title 5;

29 (21) Applied behavior analysts in chapter 86 of title 5;

30 (22) Clinical laboratory science practice in chapter 16.3 in title 23;

31 (23) Assisted living residence administrators in chapter 17.4 of title 23;

32 (24) Massage therapists in chapter 20.8 in title 23; and

33 (25) Respiratory care in chapter 39 of title 23;

34 (b) Over all professions stated in (a), the division of professional regulation and licensing shall:

1 (1) Approve all written and practical examinations in accordance with (c) below;

2 (2) Issue all licenses and permits subsequently provided for in this chapter;

3 (3) Serve as the inspector of sanitation of all individuals and establishments licensed under this
4 chapter;

5 (4) Make any rules and regulations that the division deems necessary or expedient, in conformity
6 with the provisions of this chapter and not contrary to law, relating to the practice of any of the
7 professions provided in subsection (a), including, but not limited to, the licensing, examination,
8 examination fees, conduct of the business, the establishment, the sanitary requirements in all
9 establishments and of all persons licensed or unlicensed under the provisions of this chapter;

10 (5) Keep a register of all persons and places of business licensed under this chapter;

11 (6) Keep complete records of all persons and establishments licensed under this chapter;

12 (7) Summon witnesses; and

13 (8) Perform all acts necessary to enforce the provisions of this chapter.

14 (9) Act as the administrative agent and keep a record of all proceedings of the health professions
15 board of review, issue all notices, attest all records, and perform any other administrative duties that are
16 required by the health professionals board of review, established in accordance with § 5-26.1-3.

17 (c)(1) If an examination is deemed necessary as a condition of licensing by the director of
18 health, the examination for licensure may be conducted by the division as scheduled by the division as
19 appropriate and according to methods and in any subject fields that is deemed most practical and
20 expeditious to test the applicant's qualifications. Further:

21 (i) The division may require examinations to be written or oral, or both.

22 (ii) In any written examination, the division may require that the identity of the applicant shall not
23 be disclosed until after the examination papers have been graded.

24 (iii) Written examination papers shall be preserved and available for at least two (2) years.

25 (iv) A candidate shall pass the examination upon receiving the threshold score determined in
26 advance by the division.

27 (v) Any appeal regarding the examination or score of an individual shall be submitted to the
28 health professions board of review.

29 (2) A license may be issued by the division without examination in Rhode Island if:

30 (i) An applicant who has been licensed or certified under the laws of another state, United States
31 territory, or foreign country where the division determines that the requirements are substantially
32 equivalent or stricter to those of this state; or

1 (ii) An applicant has been licensed or certified after examination by an association deemed
2 suitable by the division and the division determines that the examination is substantially equivalent to, or
3 exceeds, the requirements or examination in the State of Rhode Island.

4 (d) The division may issue temporary permit or provisional license to practice to a candidate for
5 licensure who has paid the required fees as set forth in § 23-1-54 and has satisfied the following
6 requirements:

7 (1) Filed an application for licensure with all required supporting materials;

8 (2) Has met all of the requirements determined necessary by the division as specified in rules and
9 regulations;

10 (3) Shall only practice under the appropriate supervision of a licensed practitioner as delineated in
11 the rules and regulations promulgated hereunder;

12 (4) Shall refrain from using the professional title or representing himself or herself as a licensed
13 professional, other than by using the title "student", "trainee" or "intern", or "resident"; and

14 (5) The temporary permit or provisional license shall expire, but may be extended, in accordance
15 with a time period to be determined by the division under regulation.

16 (e) Establish standards for continuing education.

17 (f) (1) Be responsible for investigation and enforcement of all disciplinary actions under this
18 chapter.

19 (2) If the division has reason to believe that any person, firm, corporation or association is
20 conducting any activities requiring licensure without obtaining a license, or who after the denial,
21 suspension or revocation of a license conducts any activities requiring licensure, or who conducting
22 activities in an improper manner, in the interest of public health and safety, the department may issue a
23 cease and desist order to that person, firm, corporation or association commanding them to halt unlawful
24 activities and to appear within thirty (30) days for a hearing before the health professions board of review
25 established in accordance with § 5-26.1-3. Additionally, the division may impose any appropriate
26 sanctions or take further action consistent with law or regulation.

27 (3) The order to show cause may be served on any person, firm, corporation or association named
28 in the order in the same manner that summons in a civil action may be served, or by mailing a copy of the
29 order, certified mail, return receipt requested, to that person at any address at which he or she has done
30 business or at which he or she lives. If, upon that hearing, the board is satisfied that the person is in fact
31 violating any provision of title 5, then the department may order that person, in writing, to cease and
32 desist from that violation and the department may impose sanctions or take further action consistent with
33 law or regulations. If that person, firm, corporation or association fails to comply with an order of the

1 division, the superior court in Providence county has jurisdiction upon complaint of the department to
2 restrain and enjoin that person from further violation.

3 (g) Effective July 1, 2015, all functions and authority vested in the division of professional
4 regulation under § 5-26 are hereby transferred to the division of professional regulation and licensing
5 hereunder. The division of regulation and licensing shall have authority as expressly provided in the
6 provisions of chapter 26 of title 5. Notwithstanding any other general law to the contrary, the division
7 shall supersede all licensing and regulatory authority previously established pursuant to chapters 10, 30,
8 32, 33.2, 35.2, 39.1, 40, 40.1, 44, 45, 48, 49, 59, 60, 63, 64, 64.1, 68, 69, 71, and 86 of title 5 and chapters
9 16.3, 17.4, 20.8, and 39 of title 23, granted to individual boards under these chapters. All administrative
10 appeals and advisory authority conferred by these sections shall now be vested in the health professions
11 board of review established by § 5-26.1-3.

12 (h)The division shall administer their licensing or certification programs in a manner which does
13 not violate the requirements of 29 U.S.C. § 794, 42 U.S.C. § 12101 et seq., and chapter 87 of title 42.

14 **§ 5-26.1-3 Health professions board of review established.** – (a) A single health professions
15 board of review is hereby established for the purpose of appeals, discipline and advisory functions for the
16 arts, practices, sciences, or callings listed in § 5-26.1-2(a).

17 **§ 5-26.1-4 Health professions board of review – Appointments – Terms -- Removal of**
18 **members – Vacancies – Technical Subcommittee.** – (a) With recommendation by the director of health,
19 and approval of the governor, the department shall appoint ten (10) members to the health professions
20 board of review. Four (4) of the members shall be professionals licensed and in good standing in any of
21 the arts, practices, sciences, or callings stated in § 5-26.1-2(a). Three (3) of the members shall be general
22 members of the public and consumers of the professions stated in § 5-26.1-2(a). Three (3) of the
23 members shall be employed in the healthcare industry. The entire membership as a whole shall be diverse
24 and representative of the Rhode Island population to the greatest extent possible. In addition to the ten
25 (10) appointed members, the director of health or his or her designee shall serve as a member and
26 chairperson.

27 (b) Appointed members of the board of review shall serve until their successors are appointed and
28 qualified and for the following terms:

29 1) Three (3) members for one (1) year;

30 2) Three (3) members for two (2) years;

31 3) Three (3) members for three (3) years; and

32 4) Beginning July 1, 2018, all members shall serve for three (3) years from their date of
33 appointment.

1 (c) Upon recommendation of the director of health, any member of the board may be removed by
2 the governor for cause, including, but not limited to failure to attend regularly scheduled meetings or
3 failure to maintain good standing in his or profession. On the death, resignation, or removal for cause of
4 any member of the board, the governor shall fill the vacancy by appointment for a new three (3) year term
5 in accordance with subsection (a).

6 (d) The director of health shall designate at least one (1) person licensed and in good standing in
7 each profession listed in § 5-26.1-2(a) to serve as a non-voting technical expert to the board in his or her
8 profession as necessary and required by the board.

9 (e) All members of the board and designated technical experts shall not be compensated for their
10 service.

11 (d) All members of the board are subject to the provisions of chapter 14 of title 36 and associated
12 provisions.

13 **§ 5-26.1-5 Health professions board of review – Powers and duties.** (a) Upon formal request,
14 the board shall hear an appeal of disciplinary actions taken by the division of professional regulation and
15 licensing related to the professions listed in § 5-26.1-3(a) within thirty (30) days from the issuance of a
16 complaint by the division. Any such hearing shall be conducted in accordance with chapter 35 of title 42,
17 administrative procedures. The board shall render a decision within ten business (10) days from the close
18 of the hearing. The board shall adopt regulations for the conduct of any such hearings. The board may
19 summon witnesses and administer oaths as necessary. If a person fails to comply with an order of the
20 board after being afforded a hearing, the superior court in Providence county has jurisdiction upon
21 complaint of the department of health to restrain and enjoin that person from violating any order.

22 (b) The board shall hear all licensing and examination appeals pertaining to professions listed in §
23 5-26.1-2(a) in a manner consistent with subsection (a).

24 (c) Any aggrieved person, including the division, may appeal from the decision of the board
25 pursuant to § 42-35-15 to the superior court.

26 (d) The board may serve in an advisory capacity and may make recommendations to the director
27 of health and the division of professional regulation and licensing regarding any selection, review and
28 evaluation of the licensing examinations; regarding any policy that may be necessary to improve the
29 operations of the division of professional regulation and licensing; recommend that the director adopt
30 rules and regulations that set professional practice standards for professions listed in § 5-26.1-2(a). Any
31 recommendations are advisory in nature and are subject to the approval of the director of health.

32 (e) The board shall administer their function in a manner which does not violate the requirements
33 of 29 U.S.C. § 794, 42 U.S.C. § 12101 et seq., and chapter 87 of title 42.

1 SECTION 3. Sections 5-10-1, 5-10-28, 5-10-31 and 5-10-32 of the General Laws entitled
2 “Barbers, Hairdressers, Cosmeticians, Manicurists, and Estheticians” are hereby amended to read as
3 follows:

4 **§ 5-10-1 Definitions.** – The following words and phrases, when used in this chapter, are
5 construed as follows:

6 (1) "Apprentice barber" means an employee whose principal occupation is service with a barber
7 or hairdresser who has held a current license as a barber or hairdresser for at least three (3) years with a
8 view to learning the art of barbering, as defined in subdivision (15) of this section.

9 (2) "Barber" means any person who shaves or trims the beard, waves, dresses, sings, shampoos,
10 or dyes the hair or applies hair tonics, cosmetic preparations, antiseptics, powders, oil clays, or lotions to
11 scalp, face, or neck of any person; or cuts the hair of any person, gives facial and scalp massages, or
12 treatments with oils, creams, lotions, or other preparations.

13 (3) "Board" means the health professions board of review ~~state board of barbering and~~
14 ~~hairdressing as provided for in this chapter~~ in Chapter 26.1-3 of title 5.

15 (4) "Department" means the Rhode Island department of health.

16 (5) "Division" means the division of professional regulation and licensing within the department
17 of health.

18 (6) "Esthetician" means a person who engages in the practice of esthetics, and is licensed as an
19 esthetician.

20 (7) "Esthetician shop" means a shop licensed under this chapter to do esthetics of any person.

21 (8) "Esthetics" means the practice of cleansing, stimulating, manipulating, and beautifying skin,
22 including, but not limited to, the treatment of such skin problems as dehydration, temporary capillary
23 dilation, excessive oiliness, and clogged pores.

24 (9) "Hair design shop" means a shop licensed under this chapter to do barbering or
25 hairdressing/cosmetology, or both, to any person.

26 (10) "Hairdresser and cosmetician" means any person who arranges, dresses, curls, cuts, waves,
27 sings, bleaches, or colors the hair or treats the scalp, or manicures the nails of any person either with or
28 without compensation or who, by the use of the hands or appliances, or of cosmetic preparations,
29 antiseptics, tonics, lotions, creams, powders, oils or clays, engages, with or without compensation, in
30 massaging, cleansing, stimulating, manipulating, exercising, or beautifying or in doing similar work upon
31 the neck, face, or arms or who removes superfluous hair from the body of any person.

32 (11) "Instructor" means any person licensed as an instructor under the provisions of this chapter.

33 (12) "Manicuring shop" means a shop licensed under this chapter to do manicuring only on the
34 nails of any person.

1 (13) "Manicurist" means any person who engages in manicuring for compensation and is duly
2 licensed as a manicurist.

3 (14) "School" means a school approved under chapter 40 of title 16, as amended, devoted to the
4 instruction in and study of the theory and practice of barbering, hairdressing and cosmetic therapy,
5 esthetics and/or manicuring.

6 (15) "The practice of barbering" means the engaging by any licensed barber in all or any
7 combination of the following practices: shaving or trimming the beard or cutting the hair; giving facial
8 and scalp massages or treatments with oils, creams, lotions, or other preparations either by hand or
9 mechanical appliances; singeing, shampooing, arranging, dressing, curling, waving, chemical waving,
10 hair relaxing, or dyeing the hair or applying hair tonics; or applying cosmetic preparations, antiseptics,
11 powders, oils, clays or lotions to scalp, face, or neck.

12 (16) "The practice of hairdressing and cosmetic therapy" means the engaging by any licensed
13 hairdresser and cosmetician in any one or more of the following practices: the application of the hands or
14 of mechanical or electrical apparatus, with or without cosmetic preparations, tonics, lotions, creams,
15 antiseptics, or clays, to massage, cleanse, stimulate, manipulate, exercise, or otherwise to improve or to
16 beautify the scalp, face, neck, shoulders, arms, bust, or upper part of the body or the manicuring of the
17 nails of any person; or the removing of superfluous hair from the body of any person; or the arranging,
18 dressing, curling, waving, weaving, cleansing, cutting, singeing, bleaching, coloring, or similarly treating
19 the hair of any person.

20 (17) "The practice of manicuring" means the cutting, trimming, polishing, tinting, coloring, or
21 cleansing the nails of any person.

22 **§ 5-10-28 Appeals.** – Any person aggrieved by any decision or ruling of the Division may appeal
23 to the ~~board administrator of the division or his or her designee in accordance with § 5-26.1-5.~~ A further
24 judicial appeal may ~~then be made to the appropriate board of examiners.~~ of the board's decision may be
25 brought in accordance with § 5-26.1-5(c). ~~Any person aggrieved by any decision or ruling of the board~~
26 ~~may appeal it to the director of the department. Any further appeal from the action of the director is in~~
27 ~~accordance with the provisions of chapter 35 of title 42.~~ For the purpose of this section the division is
28 considered a person.

29 **§ 5-10-31 Prosecution of violations.** – Complaints for violations of the provisions of this
30 chapter shall be made by to the division, the board of hairdressing, or a member or any person authorized
31 by the division, who shall investigate the complaint and take appropriate action in accordance with
32 regulation and as necessary. Nothing herein shall prevent the division from bringing a complaint on its
33 own accord, and ~~and~~ The complainant, other than the division, shall not be required to recognize for costs;
34 provided, that if the division, ~~board or any member~~ refuses or unreasonably neglects to prosecute a

1 violation of this chapter, any person holding any license issued by the division may complain to the
2 attorney general, who shall assign a member of his or her department to investigate the complaint and, if
3 reasonable cause for the complaint is found to exist, shall diligently prosecute the person, association,
4 partnership, or corporation violating the provisions of this chapter or portion of this chapter.

5 **§ 5-10-32 Enforcement of chapter – Annual reports.** – The division is specifically charged
6 with the enforcement of this chapter, shall investigate all complaints for violations of the provisions of
7 this chapter. The board shall hold a hearing upon any complaint for any violation of the chapter within
8 thirty (30) days after the filing of the complaint and render a decision, in writing, within ten (10) days
9 from the close of the hearing. If the ~~division~~ board finds that any of the provisions of this chapter have
10 been violated, ~~it~~ the division shall immediately institute any criminal prosecution that the violation
11 warrants.

12 SECTION 4. Sections 5-10-2, 5-10-3, 5-10-4, 5-10-6 of the General Laws in Chapter 5-10,
13 entitled, “Barbers, Hairdressers, Cosmeticians, Manicurists and Estheticians” are hereby repealed.

14 **§ 5-10-2 Creation of division of professional regulation and board of barbering and**
15 **hairdressing – Powers and duties.**

16 ~~(a) Within the department of health there is a division of professional regulation and a board of barbering and hairdressing. The division shall:~~

17 ~~(1) Approve all written and practical examinations;~~

18 ~~(2) Issue all licenses and permits subsequently provided for in this chapter;~~

19 ~~(3) Serve as the sole inspector of sanitation of all establishments licensed under this chapter;~~

20 ~~(4) Make any rules and regulations that the division deems necessary or expedient, in conformity~~
21 ~~with the provisions of this chapter and not contrary to law, for the conduct of the business of barbering~~
22 ~~and hairdressing and cosmetic therapy or esthetics and manicuring, for the use of appliances, apparatus,~~
23 ~~and electrical equipment and machines and the establishment of sanitary requirements in all~~
24 ~~establishments and of all persons licensed under the provisions of this chapter;~~

25 ~~(5) Keep a register of all persons and places of business licensed under this chapter;~~

26 ~~(6) Keep complete records of all persons and establishments licensed under this chapter;~~

27 ~~(7) Summon witnesses and administer oaths; and~~

28 ~~(8) Do all things and perform all acts necessary to enforce the provisions of this chapter.~~

29 ~~(b) The board of barbering and hairdressing shall have a policy making role in selection of the~~
30 ~~examinations. Subsequent to the administration of the examination, the board of examiners shall review~~
31 ~~the examinations to evaluate their effectiveness. The board shall supervise the operations of the division~~
32 ~~of professional regulation in an advisory capacity in promulgating any policy that is necessary to improve~~
33 ~~the operations of the division in their areas of expertise. The promulgation of that policy is subject to the~~

1 approval of the director of the department. Members of the board are subject to the provisions of chapter
2 14 of title 36.

3 ~~**§ 5-10-3 Board of barbering and hairdressing—Appointments—Organization—Removal of**~~
4 ~~**members.**~~ (a) The governor shall appoint seven (7) members to a board of hairdressing who shall be
5 appointed for a term of four (4) years and until their successors are appointed and qualified. The governor
6 shall appoint one public member, three (3) licensed cosmetologists, and three (3) licensed barbers.
7 However, for the initial board appointments the three hairdressing members of the current board of
8 hairdressing and the three (3) barber members of the current board of barbering shall be automatically
9 appointed to the board of barbering and hairdressing to fulfill their unexpired terms. To be eligible for
10 appointment to the board, the appointee shall have been a licensed barber or hairdresser and cosmetician,
11 continuously and actively engaged in that practice for at least five (5) years immediately preceding his or
12 her appointment, and not be connected, either directly or indirectly, with any school of barbering,
13 hairdressing, and cosmetic therapy as defined in § 5-10-1(14), or any establishment dealing in barbering,
14 cosmetic, or hairdressing supplies.

15 (b) Any member of the board appointed by the governor may be removed by the governor for
16 cause and any vacancy occurring in the membership of the board by that removal shall be filled by the
17 governor by the appointment of a qualified person to serve for the unexpired term.

18 (c) The division shall keep a record of all proceedings of the board, issue all notices, attest all
19 records, and perform any other duties that are required by the board.

20 (d) The department is authorized to employ a chief field inspector appointed by the governor and
21 to assist the division in the proper administration of this chapter.

22 ~~**§ 5-10-4 Board of barbering and hairdressing—Compensation of members.**~~ No member of
23 the board shall be compensated for his or her services for attendance at meetings of the board, attendance
24 at examinations, but shall be reimbursed by the department of health for his or her traveling and other
25 expenses incurred in the performance of his or her duties provided in this chapter.

26 ~~**§ 5-10-6 Meetings of board—Time and notice of examinations.**~~ The board shall meet as
27 often as necessary for the transaction of any business that regularly comes before it. The board shall hold
28 each year, at any times and places within the state that it designates, at least two (2) public examinations
29 for the various classes of licenses that it is empowered to issue. Practical examinations shall be held for
30 those licenses.

31 SECTION 5. Sections 5-30-6, 5-30-7, 5-30-8, 5-30-9, 5-30-10, 5-30-12, 5-30-13, 5-30-14 and 5-
32 30-15 of the General Laws in Chapter 5-30 entitled “Chiropractic Physicians,” are hereby amended as
33 follows:

1 **§ 5-30-6 Qualifications and examinations of applicants.** – Every person desiring to begin the
2 practice of chiropractic medicine, except as provided in this chapter, shall present satisfactory evidence to
3 the division of professional regulation and licensing of the department of health, verified by oath, that he
4 or she is more than twenty-three (23) years of age, of good moral character, and that before he or she
5 commenced the study of chiropractic medicine had satisfactorily completed credit courses equal to four
6 (4) years of pre-professional study acceptable by an accredited academic college and obtained a bachelor
7 of science or bachelor of arts degree and subsequently graduated from a school or college of chiropractic
8 medicine approved by the division of professional regulation and licensing of the department of health,
9 and has completed a residential course of at least four (4) years, each year consisting of at least nine (9)
10 months study. Any qualified applicant shall take an examination ~~before the state board of chiropractic~~
11 ~~examiners~~ as required by the division of professional regulation and licensing to determine his or her
12 qualifications to practice chiropractic medicine. Every applicant for an examination shall pay a fee as set
13 forth in § 23-1-54 for the examination to the division of professional and licensing regulation. Every
14 candidate who passes the examination shall be recommended by the division of professional regulation of
15 the department of health to the director of the department of health to receive a certificate of qualification
16 to practice chiropractic medicine. Nothing herein shall prevent the division of professional regulation and
17 licensing from issuing a license without examination in accordance with the provisions of § 5-26.1-
18 2(c)(2) or § 5-30-7.

19 **§ 5-30-7 Certification of chiropractic physicians authorized to practice in other states.** –
20 The division of professional regulation and licensing of the department of health may, at its discretion,
21 dispense with the examination of any chiropractic physician authorized to practice chiropractic medicine
22 in any other state, and who has been practicing his or her profession in that state for at least five (5) years
23 and desires to reside permanently and practice his or her profession in this state, provided the laws of that
24 state require qualifications of a grade equal to those required in Rhode Island, and provided that equal
25 rights are accorded by that state to chiropractic physicians of Rhode Island. The chiropractic physician
26 shall make an application to the division for exemption from examination and the division may in its
27 discretion exempt him or her. If the division exempts him or her, he or she shall pay a fee as set forth in §
28 23-1-54 for a certificate of exemption from that examination, and upon receipt of that fee, the division
29 shall recommend him or her to the director of the department of health to receive a certificate of
30 qualification to practice chiropractic medicine.

31 **§ 5-30-8 Certification to practice physiotherapy.** – (a) Every person desiring to practice
32 physiotherapy in addition to chiropractic medicine and who completed a course of four (4) years, of eight
33 (8) months each, in some school of chiropractic medicine approved by the division of professional
34 regulation and licensing of the department of health, completed a course of three (3) years, of nine (9)

1 months each, at some school of chiropractic medicine approved by the division and an additional year, of
2 at least six (6) months, in physiotherapy and all branches of that field, at that school, or has served as an
3 intern for six (6) months in any year at an institution approved by the division, and satisfies the division
4 that he or she is qualified, may take an examination ~~before the state board of chiropractic examiners~~ to
5 determine his or her qualification to practice physiotherapy in addition to chiropractic medicine.

6 (b) Every applicant for that examination shall pay a fee for the examination to the division of
7 professional regulation and licensing of the department of health, provided that if the examination is taken
8 at the same time as the examination to determine the applicant's fitness to practice chiropractic medicine,
9 only one fee as set forth in § 23-1-54 is charged. Every candidate who passes that examination shall be
10 recommended by the division of professional regulation and licensing of the department of health to the
11 director of the department of health to receive a certificate of qualification to practice physiotherapy.

12 **§ 5-30-9 Method and scope of examinations – Reexaminations.** – With the exception of
13 vertebral palpation and adjusting which is by demonstration, the examination provided for in § 5-30-6 to
14 determine the applicant's qualification to practice chiropractic medicine shall be in writing, and it shall be
15 given in any subjects that the division of professional regulation and licensing of the department of health
16 determines, but it must include questions in all of the following subjects: microbiology, anatomy,
17 histology and embryology, physiology, chemistry, laboratory diagnosis, hygiene and sanitation,
18 philosophy of chiropractic medicine, spinal analysis, pathology, physical diagnosis, practice of
19 chiropractic medicine, technique, clinical diagnosis, x-ray, first aid, gynecology and dietetics. The
20 division utilizes for the examinations in the basic sciences subjects of microbiology, anatomy,
21 physiology, chemistry, and pathology the examination prepared and scored by the examination institute
22 committee of the Federation of State Medical Boards of the United States, Inc., (FLEX) or any other
23 examination that in the opinion of the division of professional regulation and licensing is substantially
24 equivalent to it. The Rhode Island board of medical licensure shall cooperate with the division in making
25 the (FLEX) examination available. In case an applicant fails to pass the first examination, he or she is
26 entitled to reexamination at the next regular examination without further fee. The examination to
27 determine the applicant's fitness to practice physiotherapy shall include questions in any branches of
28 physiotherapy that the division determines. The division shall prepare reasonable questions and shall
29 fairly mark and grade the answers to these questions, all of which shall be done for the purpose of
30 determining whether the applicant is reasonably qualified to practice chiropractic medicine and
31 physiotherapy.

32 **§ 5-30-10 Issuance and registration of certificates.** – Upon receipt of any recommendation
33 from the division of professional regulation and licensing ~~board of chiropractic examiners~~, as provided in
34 §§ 5-30-6 – 5-30-8, the director of the department of health shall issue to the recommended person a

1 certificate to practice chiropractic medicine or physiotherapy within this state, or certificates to practice
2 each of them, in accordance with that recommendation. Those certificates shall be signed by the
3 administrator of the division of professional regulation and licensing ~~members of the board of chiropractic~~
4 ~~examiners~~ and by the director of the department of health, who shall affix the official seal of the
5 department of health to the certificates. The holder of a certificate authorizing him or her to practice
6 chiropractic medicine, immediately upon receipt of the certificate, shall cause it to be filed for registration
7 in the office of the clerk of the city or town in which he or she resides, and that act shall constitute him or
8 her a regularly registered chiropractic physician.

9 **§ 5-30-12 Annual registration – Payment of fees.** – Annually, during the month of October in
10 each year, every person granted a certificate to practice chiropractic medicine shall register his or her
11 name, address, and place of business with the division of professional regulation and licensing of the
12 department of health. The division shall keep a book for that purpose, and each person registering shall
13 pay a fee as set forth in § 23-1-54 and shall receive a certificate of registration for the next succeeding
14 fiscal year, unless the certificate of practice has been suspended or revoked for cause, as provided in § 5-
15 30-13. All fees for examination, for certificate of exemption from examination, and for annual registration
16 shall be deposited as general revenues.

17 **§ 5-30-13 Continuing education requirements** – Grounds for refusal, revocation, or suspension
18 of certificates. – (a) The division of professional regulation and licensing of the department of health may,
19 after notice and a hearing, in its discretion refuse to grant the certificate provided for in this chapter to any
20 chiropractic physician if the applicant has not furnished satisfactory evidence that he or she has
21 completed, in the twelve (12) months preceding each renewal date, at least twelve (12) hours of
22 instruction in chiropractic related subjects as conducted by the Chiropractic Society of Rhode Island or
23 the equivalent as approved by the division. Satisfactory evidence of completion of postgraduate study of a
24 type and character, or at an educational session or institution approved by the division, is considered
25 equivalent. Every chiropractic physician licensed to practice within this state, on or before the thirty-first
26 day of October of every third year after the 1980 registration, shall apply to the division ~~Rhode Island~~
27 ~~state board of chiropractic examiners~~ for certification of triennial registration with the division ~~board~~. The
28 division may, after notice and a hearing, in its discretion refuse to grant the certificate provided for in this
29 chapter to any chiropractic physician, if the applicant has not furnished satisfactory evidence ~~to the board~~
30 ~~of examiners~~ that in the preceding three (3) years the practitioner has completed sixty (60) hours of
31 instruction in chiropractic related subjects prescribed by the rules and regulations, ~~by the board of~~
32 ~~chiropractic examiners~~ as conducted by the Chiropractic Society of Rhode Island or the equivalent as
33 approved by the division. Satisfactory evidence of completion of postgraduate study of a type and
34 character, or at an educational session or institution approved by the division, is considered equivalent.

1 The division may waive the educational requirements if the division is satisfied that an applicant has
2 suffered a hardship or for any other sufficient reason was prevented from meeting the educational
3 requirements.

4 (b) The division of professional regulation and licensing of the department of health may, after
5 notice and hearings, in its discretion refuse to grant the certificate provided for in this chapter to any
6 chiropractic physician who is not of good moral character, or who has violated any of the laws of the state
7 involving moral turpitude or affecting the ability of any chiropractic physician to practice chiropractic
8 medicine, or who has been guilty of gross unprofessional conduct or conduct of a character likely to
9 deceive or defraud the public, and may, after notice and hearing, revoke or suspend any certificate issued
10 or granted by it for like cause or for any fraud or deception committed in obtaining the certificate. "Gross
11 unprofessional conduct" is defined as including, but not being limited to:

12 (1) The use of any false or fraudulent statement in any document connected with the practice of
13 chiropractic medicine.

14 (2) The obtaining of any fee by willful fraud or misrepresentation either to a patient or insurance
15 plan.

16 (3) The willful violation of a privileged communication.

17 (4) Knowingly performing any act which in any way aids or assists an unlicensed person to
18 practice chiropractic medicine in violation of this chapter.

19 (5) The practice of chiropractic medicine under a false or assumed name.

20 (6) The advertising for the practice of chiropractic medicine in a deceptive or unethical manner.

21 (7) The obtaining of a fee as personal compensation or gain for an employer or for a person on a
22 fraudulent representation that a manifestly incurable condition can be permanently cured.

23 (8) Habitual intoxication or addiction to the use of drugs.

24 (9) Willful or repeated violations of any of the rules or regulations of the state department of
25 health.

26 (10) Gross incompetence in the practice of his or her profession.

27 (11) Repeated acts of immorality or repeated acts of gross misconduct in the practice of his or her
28 profession.

29 (12) The procuring or aiding or abetting in procuring a criminal abortion.

30 (13) A chiropractic physician providing services to a person who is making a claim as a result of
31 a personal injury who charges or collects from the person any amount in excess of the reimbursement to
32 the chiropractic physician by the insurer as a condition of providing or continuing to provide services or
33 treatment.

1 (c) The division of professional regulation and licensing of the department of health shall serve a
2 copy of its decision or ruling upon any person whose certificate has been revoked or refused.

3 **§ 5-30-14 Appeals from director and division.** – Any person aggrieved by any decision or
4 ruling ~~of the director of the department of health, or~~ of the division of professional regulation and
5 licensing, in regard to any of the provisions of this chapter, may appeal to the health professions board of
6 review in accordance with § 5-26.1-5. A further judicial appeal of the board’s decision may be brought
7 pursuant to § 5-26.1-5(c). ~~–the superior court in the manner provided for in chapter 35 of title 42.–~~

8 **§ 5-30-15 Disposition of fees – Compensation of board members.** – The administrator of the
9 division of professional regulation and licensing shall collect all fees for the division under the provisions
10 of this chapter, and shall remit those fees to the general treasurer monthly. Under no circumstances shall
11 any fee be returned. ~~Members of the board of chiropractic examiners shall not be compensated for actual~~
12 ~~attendance at meetings of the board.~~

13 SECTION 6. Sections 5-30-1.1, 5-30-2, and 5-30-17 of the General Laws in Chapter 5-30
14 entitled “Chiropractic Physicians” are hereby repealed:

15 ~~**§ 5-30-1.1 Board of Chiropractic Examiners.** (a) Within the division of professional~~
16 ~~regulation of the department of health, there shall be a state board of chiropractic examiners to be~~
17 ~~appointed by the director of the department of health with the approval of the governor. The board shall~~
18 ~~consist of five (5) members who are certified electors in this state, to be appointed to terms of three (3)~~
19 ~~years each. No member shall serve more than two (2) consecutive full terms. Three (3) members shall be~~
20 ~~chiropractic physicians licensed to practice in the state of Rhode Island, and two (2) members shall be~~
21 ~~representatives of the general public.~~

22 ~~(b) The current members of the board as provided for in chapter 26 of this title shall continue to~~
23 ~~serve until the expiration of their terms. One additional chiropractic physician and the public members~~
24 ~~shall be appointed for initial terms to expire on June 30, 2002.~~

25 ~~(c) At the expiration of the terms, the director, with the approval of the governor, shall appoint, at~~
26 ~~that time, and every three (3) years thereafter, qualified persons for a term of three (3) years. Upon the~~
27 ~~death, resignation or removal of any member, the director of the department of health, with the approval~~
28 ~~of the governor, shall appoint to vacancies, as they occur, a qualified person to serve on the board for the~~
29 ~~remainder of the term and until his or her successor is appointed and qualified.~~

30 ~~(d) The director of the department of health may remove any member of the board for neglect of~~
31 ~~any duty required by law or for any incompetent, unprofessional, or dishonorable conduct. Vacancies~~
32 ~~shall be filled in the same manner as the original appointment is made for the remainder of the term.~~
33 ~~Before beginning his or her term of office, each member shall take the oath prescribed by law for state~~
34 ~~officers, a record of which shall be filed with the secretary of state.–~~

1 ~~§ 5-30-2 Board of examiners – Rules and regulations – Oaths – Seal.~~ The state board of
2 chiropractic examiners shall make any rules and regulations, not inconsistent with law, that it deems
3 necessary to carry out the provisions of this chapter relating to the practice of chiropractic medicine. Any
4 member of the board has power to administer oaths for all purposes required in the discharge of his or her
5 duties. The board shall adopt a seal to be affixed to all its official documents.

6 ~~§ 5-30-17 Applicability of chapter 37 of this title to chiropractic medicine.~~ Except as
7 expressly provided in this chapter, all provisions of chapter 37 of this title apply to the practice of
8 chiropractic medicine, and to persons practicing chiropractic medicine within the state[MD(1)][BS2].

9 SECTION 7. Sections 5-32-2, 5-32-3, 5-32-4, 5-32-6, 5-32-8, 5-32-9, 5-32-11, 5-32-12, 5-32-13,
10 and 5-32-17 in Chapter 5-32 entitled “Electrolysis” are hereby amended to read as follows:

11 **§ 5-32-2 Penalty for unlicensed practice.** – Every person who subsequently engages in the
12 practice of electrolysis in this state without being licensed by the division of professional regulation and
13 licensing board of examiners in electrolysis is practicing illegally and, upon conviction, shall be fined not
14 more than twenty-five dollars (\$25.00) and every day of the continuation of illegal practice is a separate
15 offense.

16 **§ 5-32-3 Certificates – Applications – Penalty for violations.** – The division of professional
17 regulation and licensing of the department of health shall issue certificates to practice electrolysis, as
18 defined in this chapter, to any persons that comply with the provisions of this chapter. Any person who
19 desires to engage in that practice shall submit, in writing, in any form that is required by the division
20 board, an application for a certificate to engage in that practice. The application shall be accompanied by
21 a fee as set forth in § 23-1-54. Any person, firm, corporation or association violating any of the provisions
22 of this chapter commits a misdemeanor and, upon conviction, shall be punished by a fine not to exceed
23 two hundred dollars (\$200), or imprisoned for a period not to exceed three (3) months, or both the fine
24 and imprisonment.

25 **§ 5-32-4 Qualifications of applicants.** – Licenses to engage in the practice of electrolysis shall
26 be issued to the applicants who comply with the following requirements:

- 27 (1) Are citizens or legal residents of the United States.
- 28 (2) Have attained the age of eighteen (18) years.
- 29 (3) Have graduated from a high school or whose education is the equivalent of a high school
30 education.
- 31 (4) Have satisfactorily completed a course of training and study in electrolysis as a registered
32 apprentice under the supervision of a licensed Rhode Island electrologist who is qualified to teach
33 electrolysis to apprentices as prescribed in § 5-32-17 or has graduated from a school of electrolysis after
34 having satisfactorily completed a program consisting of not less than six hundred fifty (650) hours of

1 study and practice in the theory and practical application of electrolysis. That apprenticeship includes at
2 least six hundred and fifty (650) hours of study and practice in the theory and practical application of
3 electrolysis within a term of nine (9) months; provided, that the apprentice registers with the division of
4 professional regulation and licensing of the department of health upon beginning his or her course of
5 instruction, and the licensed person with whom he or she serves that apprenticeship keeps a record of the
6 hours of that instruction, and upon the completion of that apprenticeship certifies that fact to the division.
7 ~~board of examiners in electrolysis.~~

8 (5) Is of good moral character.

9 (6) Passes an examination approved by the department of health.

10 **§ 5-32-6 Examination of applicants – Expiration and renewal of certificates.** – (a)

11 Examination of applicants for certificates shall be held at least twice a year in the city of Providence and
12 may be held elsewhere at the discretion of the division of professional regulation and licensing of the
13 department of health. The division has the power to adopt, change, alter and amend, rules and regulations
14 for the conducting of those examinations, and may fix the fee for reexamination. The division shall issue
15 to each person successfully passing the examination, where an examination is required, and who satisfies
16 the division of his or her qualifications, a certificate, signed by the administrator of the division, entitling
17 him or her to practice that business in this state for the annual period stated in the certificate, or until the
18 certificate is revoked or suspended, as subsequently provided.

19 (b) All certificates shall expire on the 30th day of April of each year, unless sooner suspended or
20 revoked, and shall be renewed for the next ensuing year by the division upon payment to the division of
21 an annual renewal fee as set forth in § 23-1-54 for each renewal.

22 **§ 5-32-8 Apprenticeship register.** – The division of professional regulation and licensing of the
23 department of health shall keep a register in which the names of all persons serving apprenticeships
24 licensed under this chapter shall be recorded. This register is open to public inspection.

25 **§ 5-32-9 Fixed place of business – Sanitary regulation.** – The practice of electrolysis shall be
26 engaged in only in a fixed place or establishment, which place or establishment shall be provided with
27 any instruments, implements, and equipment and subject to any sanitary regulation and inspection that the
28 division of professional regulation and licensing of the department of health prescribes.

29 **§ 5-32-11 Display of licenses – Revocation or suspension of licenses for gross unprofessional**
30 **misconduct.** – (a) Every license issued under this chapter shall specify the name of the person to whom it
31 was issued and shall be displayed prominently in the place of business or employment. The division of
32 professional regulation and licensing of the department of health has the power to revoke or suspend any
33 license of registration issued under this chapter for gross unprofessional conduct. Gross unprofessional
34 conduct is defined as including, but not limited to:

1 (1) The use of any false or fraudulent statement in any document connected with the practice of
2 electrolysis.

3 (2) The obtaining of any fee by fraud or misrepresentation either to a patient or insurance plan.

4 (3) The violation of a privileged communication.

5 (4) Knowingly performing any act which in any way aids or assists an unlicensed person to
6 practice electrolysis in violation of this chapter.

7 (5) The practice of electrolysis under a false or assumed name.

8 (6) The advertising for the practice of electrolysis in a deceptive or unethical manner.

9 (7) Habitual intoxication or addiction to the use of drugs.

10 (8) Violations of any of the rules or regulations of the state department of health, or the violation
11 of any section of this chapter.

12 (9) Gross incompetence in the practice of his or her profession.

13 (10) Repeated acts of immorality or repeated acts of gross misconduct in the practice of his or her
14 profession.

15 (b) Any person aggrieved by any decision or of the division of professional regulation, in regard
16 to any of the provisions of this chapter, may appeal to the health professions board of review in
17 accordance with § 5-26.1-5. Before any license is suspended or revoked, its holder shall be notified, in
18 writing, of the charge or charges preferred against him or her and shall have a reasonable time to prepare
19 his or her defense and has the right to be represented by counsel and to be heard and to present his or her
20 defense. Any person whose license has been suspended or revoked may apply to have the license reissued
21 and the license may be reissued to him or her upon a satisfactory showing that the cause for
22 disqualification has ceased. The division of professional regulation of the department of health has power
23 by its administrator to summon any person to appear as a witness and testify at any hearing of the
24 division, to examine witnesses, administer oaths and punish for contempt any person refusing to appear or
25 testify. The division shall serve a copy of its decision or ruling upon any person whose license has been
26 revoked or refused.

27 **§ 5-32-12 Appeals from division.** – Any person aggrieved by any decision or ruling of the
28 health professions board of review ~~division of professional regulation of the department of health~~ may
29 appeal that decision in accordance with § 5-26.1-5(c). ~~to the superior court in the manner provided in the~~
30 ~~Administrative Procedures Act, chapter 35 of title 42.~~

31 **§ 5-32-13 Annual renewal of certificates.** – All certificates issued under the provisions of this
32 chapter shall be renewed annually by the holders of the certificate at an annual renewal fee as set forth in
33 § 23-1-54 by the division of professional regulation and licensing of the department of health.

1 **§ 5-32-17 Qualifications for teaching electrolysis.** – (a) A person in order to qualify as an

2 instructor or teacher of electrolysis to apprentices must:

3 (1) Have been actively engaged as a licensed practitioner of electrolysis for at least five (5) years.

4 (2) Pass a state board examination specifically designed to evaluate his or her qualifications to
5 teach electrolysis.

6 (3) Be a high school graduate or the equivalent.

7 (b) Upon satisfactorily passing this examination, the division of professional regulation and
8 licensing of the department of health shall issue a license to the person upon the payment of a fee as set
9 forth in § 23-1-54.

10 (c) A qualified licensed electrologist shall not register more than one apprentice for each nine (9)
11 month training period.

12 SECTION 8. Sections 5-33.2-1, 5-33.2-5, and 5-33.2-19 of the General Laws in Chapter 5-33.2
13 entitled “Funeral Director/Embalmer Funeral Service Establishments” are hereby amended to read as
14 follows:

15 **§ 5-33.2-1 Definitions.** – As used in this chapter:

16 (1) "Board" means the health professions board of review ~~—state board of funeral~~
17 ~~directors/embalmers.~~ established in accordance with § 5-26.1-3.

18 (2) "Cremation" means a two (2) part procedure where a dead human body or body parts are
19 reduced by direct flames to residue which includes bone fragments and the pulverization of the bone
20 fragments to a coarse powdery consistency.

21 (3) "Department" means the Rhode Island department of health.

22 (4) "Division" means the division of professional regulation and licensing created under chapter
23 26.1 of this title.

24 (5) "Embalmer" means any person who has completed an internship, full course of study at an
25 accredited mortuary science school, has passed the national board examination and is engaged in the
26 practice or profession of embalming, as defined in this section.

27 (6) "Embalming" means the practice, science or profession of preserving, disinfecting, and
28 preparing in any manner, dead human bodies for burial, cremation or transportation.

29 (7) "Funeral" means a period following death in which there are religious services or other rites or
30 ceremonies with the body of the deceased present.

31 (8)(i) "Funeral directing" means:

32 (A) Conducting funeral services; or

1 (B) The arrangement for disposition of dead human bodies, except in the case of any religion
2 where the preparation of the body or the provision of funeral services should be done according to
3 religious custom or belief.

4 (ii) Only funeral directors/embalmers, working for a licensed funeral establishment are allowed to
5 meet with families for the purpose of arranging funerals. Provided, that any person who assumed an
6 ownership interest from their spouse or any widow or widower of a licensed funeral director who at the
7 time of November 1, 1995 has been meeting with families to arrange for the conducting of funeral
8 services are allowed to continue this practice.

9 (9) "Funeral director/embalmer" means any person engaged, or holding himself or herself out as
10 engaged in the practice or profession of funeral directing, and the science, practice or profession of
11 embalming as previously defined, including a funeral director of record, who may be a funeral director at
12 more than one establishment or any other word or title intending to imply or designate him or her as a
13 funeral director/embalmer, undertaker, or mortician. The holder of this license must be the holder of an
14 embalmer's license.

15 (10) "Funeral director/embalmer intern" means any person engaged in learning the practice, or
16 profession of funeral directing and the science, practice or profession of embalming under the instruction
17 and supervision of a funeral director/embalmer licensed and registered under the provisions of this
18 chapter and actively engaged in the practice, or profession of funeral directing and embalming in this
19 state.

20 (11) "Funeral establishment" means a fixed place, establishment or premises, licensed by the
21 department, devoted to the activities which are incident, convenient, or related to the care and preparation,
22 arrangement, financial and otherwise, for the funeral, transportation, burial or other disposition of human
23 dead bodies and including, but not limited to, a suitable room with all instruments and supplies used for
24 the storage and/or preparation of dead human bodies for burial or other disposition.

25 (12) "Funeral merchandise" means those items which are normally presented for sale as part of
26 the funeral home operation on a for profit basis. These items include caskets, sealed warranted outer
27 burial containers, and burial clothing. Not included are urns, grave markers, and non-sealed outer burial
28 containers. All persons engaged in the sale of funeral merchandise must comply with the provisions of
29 chapter 33 of this title.

30 (13) "Person" includes individuals, partnership, corporations, limited liability companies,
31 associations and organization of all kinds.

32 (14) "Practice of funeral service" means a person engaging in providing shelter, care and custody
33 of human dead remains; in the practice of preparing of the human dead remains by embalming or other
34 methods for burial or other disposition; in entering into a funeral service contract; engaging in the

1 functions of funeral directing and/or embalming as presently known including those stipulated within this
2 chapter and as defined in the federal trade commission "funeral rule". The practice of conducting funeral
3 services is conducted in the presence of a licensed funeral director/embalmer.

4 **§ 5-33.2-5 Application for license – Application fee.** – Any person who desires to engage in
5 embalming or funeral directing, or both, shall submit, in writing, to the division of professional regulation
6 and licensing, an application for a license. That application shall be accompanied by a fee set by the
7 department of health.

8 **§ 5-33.2-19 Appeals.** – ~~Any person aggrieved by any decision or ruling of the division may~~
9 ~~appeal that decision to the administrator of the division or his or her designee. A further appeal may then~~
10 ~~be made to the appropriate board of examiners. Any person aggrieved by any decision or ruling of that~~
11 ~~board may appeal the decision to the director of the department. Any further appeal from the action of the~~
12 ~~director shall be in accordance with the provisions of chapter 35 of title 42, "Administrative Procedures~~
13 ~~Act." The division shall be considered a person for the purposes of this section. Any person aggrieved by~~
14 any decision or of the division in regard to any of the provisions of this chapter, may appeal to the health
15 professions board of review in accordance with § 5-26.1-5. Any person aggrieved by any decision or
16 ruling of the health professions board of review may appeal that decision in accordance with § 5-26.1-
17 5(c).

18 SECTION 9. Section 5-33.2-2 of the General Laws in Chapter 5-33.2 entitled “Funeral
19 Director/Embalmer Funeral Service Establishments” is hereby repealed.

20 **§ 5-33.2-2 Board of examiners – Qualifications and removal of members – Vacancies.** – (a)
21 ~~The members of the board of examiners in embalming shall be residents of this state for at least five (5)~~
22 ~~years; three (3) of whom shall have had at least five (5) years’ practical experience in embalming dead~~
23 ~~human bodies and in funeral directing, and shall have been actually engaged in these professions in this~~
24 ~~state and two (2) of whom shall be private citizens who represent the consumer and who are not involved~~
25 ~~with or affiliated with, financial or otherwise, any funeral establishment and/or funeral director/embalmer.~~
26 ~~The current members shall serve their present term as they fulfill the requirements of this section. No~~
27 ~~member shall serve more than two (2) consecutive terms.~~

28 ~~(b) The director of the department of health may remove any member of the board for cause.~~
29 ~~Vacancies are filled pursuant to § 5-26-4.~~

30 SECTION 10. Sections 5-35.2-1, 5-35.2-4, 5-35.2-10, 5-35.2-13, and 5-35-14 of the General
31 Laws in Chapter 5-35.2 entitled “Opticians” are hereby amended to read as follows:

32 **§ 5-35.2-1 Definitions.** – As used in this chapter:

33 (1) "Advisory committee" means the health professions board of review established in accordance
34 with § 5-26.1-3. advisory committee of opticianry as established herein.

1 (2) "Department" means the department of health

2 (3) "Director" means the director of the department of health.

3 (4) "Division" means the division of professional regulation and licensing created under chapter
4 26.1 of this title.

5 ~~(4)~~(5) "Optician" means a person licensed in this state to practice opticianry pursuant to the
6 provisions of this chapter.

7 ~~(5)~~(6) "The Practice of Opticianry" means the preparation or dispensing of eyeglasses, spectacles,
8 lenses, or related appurtenances, for the intended wearers, or users, on prescription from licensed
9 physicians or optometrists, or duplications or reproductions of previously prepared eyeglasses, spectacles,
10 lenses, or related appurtenances; or the person who, in accordance with such prescriptions, duplications or
11 reproductions, measures, adapts, fits, and adjusts eyeglasses, spectacles, lenses, including spectacles add
12 powers for task specific use or occupational applications, or appurtenances, to the human face. Provided,
13 however, a person licensed under the provisions of this chapter shall be specifically prohibited from
14 engaging in the practice of ocular refraction, orthoptics, visual training, the prescribing of subnormal
15 vision aids, telescopic spectacles, fitting, selling, replacing, or dispensing contact lenses.

16 **§ 5-35.2-4 Advertising by opticians.** – This division, ~~of professional regulation,~~ in addition to
17 conducting the examinations, licensing, and registering of opticians, shall make rules and regulations
18 governing advertising by opticians. The division shall have the power to revoke the license of any
19 optician violating those rules and regulations.

20 **§ 5-35.2-10 Refusal, suspension or revocation of license for unprofessional conduct.** – (a) In
21 addition to any and all other remedies provided in this chapter, the division ~~director~~ may, after notice and
22 hearing, in the division's ~~director's~~ discretion, refuse to grants, refuse to renew, suspend, or revoke any
23 license provided for in this chapter to any person who is guilty of unprofessional conduct or conduct of a
24 character likely to deceive or defraud the public, or for any fraud or deception committed in obtaining a
25 license. "Unprofessional conduct" is defined as including, but is not limited to:

26 (1) Conviction of one of the offenses set forth in § 23-17-37;

27 (2) Knowingly placing the health of a client a serious risk without maintaining proper
28 precautions;

29 (3) Advertising by means of false or deceptive statements;

30 (4) The use of drugs or alcohol to an extent that impairs that person's ability to properly engage in
31 the profession;

32 (5) The use of any false or fraudulent statement in any document connected with his or her
33 practice;

1 (6) The obtaining of any fee by fraud or willful misrepresentation of any kind either to a patient
2 or insurance plan;

3 (7) Knowingly performing any act which in any way aids or assists an unlicensed person to
4 practice in violation of this chapter;

5 (8) Violating or attempting to violate, directly or indirectly, or assisting in, or abetting, the
6 violation of, or conspiring to violate, any of the provisions of this chapter or regulations previously or
7 hereafter issued pursuant to this chapter;

8 (9) Incompetence;

9 (10) Repeated acts of gross misconduct;

10 (11) (a) Failure to conform to acceptable and prevailing community standard of opticianry
11 practice.

12 (b) Any person aggrieved by any decision of the division in regard to any of the provisions of this
13 chapter may appeal to the health professions board of review in accordance with § 5-26.1-5. Any person
14 aggrieved by any decision or ruling of the health professions board of review may appeal that decision in
15 accordance with § 5-26.1-5(c).

16 **§ 5-35.2-13 Prosecution of violations.** – It shall be the duty of the division director to enforce
17 the provisions of this chapter and to prosecute every person who violates those provisions. Whenever a
18 complaint is made by the department, or by any of its authorized agents, of any violation of the provisions
19 of this chapter, they shall not be required to furnish surety for costs, nor are they liable for costs on that
20 complaint.

21 **§ 5-35.2-14 Rules and regulations.** – The division department, in addition to approving the
22 examinations and licensing of opticians, shall make rules and regulations governing the practice of
23 opticianry. The division department shall have the power to revoke the license of any optician violating
24 those rules and regulations.

25 SECTION 11. Section 5-35.2-8 of the General Laws in Chapter 5-35.2 entitled “Opticians” is
26 hereby repealed.

27 ~~**§ 5-35.2-8 Advisory committee for opticianry.** – There is created an advisory committee for
28 opticianry, appointed by the director, to consist of five (5) members, who shall be residents of the state,
29 four (4) of whom shall be licensed as opticians under the provisions of this chapter, and shall have
30 practiced as opticians for a period of at least five (5) years, and one lay person who shall be from the
31 public. The members of the advisory committee shall be appointed for terms of three (3) years; each
32 member may serve a maximum of two (2) full terms. The duties of the advisory committee for opticianry
33 shall include but not be limited to advising the director on all matters pertaining to the licensure and
34 regulation of opticianry in this state.~~

1 SECTION 12. Sections 5-39.1-2, 5-39-5, 5-39-8, 5-39-9, 5-39-10, 5-39-11, and 5-39-12 of the
2 General Laws in Chapter 5-39 entitled "Social Workers" are hereby amended to read as follows:

3 **§ 5-39.1-2 Definitions. – As used in this chapter:**

4 (1) "Board" means the ~~state board of social work examiners for licensure of social workers.~~ health
5 professions board of review established in accordance with § 5-26.1-3.

6 (2) "Clinical social work practice" means the professional application of social work theories,
7 methods, and values in the diagnosis, assessment, and treatment of cognitive, affective, and behavioral
8 disorders arising from physical, environmental, or emotional conditions. Clinical social work services
9 include, but are not limited to, diagnosis; assessment; evaluation; psychotherapy and counseling for
10 individuals, couples, families, and groups; client-centered advocacy; consultation; and supervision.
11 Clinical social work services do not include psychological testing, and nothing in this chapter shall be
12 construed to permit social workers to practice psychology.

13 (3) "Continuing education hours" means actual hours earned in continuing education courses,
14 seminars, and workshops.

15 (4) "Department" means the Rhode Island department of health.

16 (5) "Director" means the director of the Rhode Island department of health.

17 (6) "Division" means the division of professional regulation and licensing in the Rhode Island
18 department of health.

19 (7)(i) "Experience" means three thousand (3,000) hours of post-master's practice of clinical social
20 work during a twenty-four (24) to seventy-two (72) month period of time immediately preceding the date
21 of application for licensure.

22 (ii) One thousand five hundred (1,500) hours must consist of providing clinical social work
23 services directly to clients.

24 (8) "Supervision" means face-to-face contact with a licensed independent clinical social worker
25 for the purpose of apprising the supervisor of the diagnosis, assessment, and treatment of each client;
26 receiving oversight and guidance from the supervisor in the delivery of clinical social work services to
27 each client; and being evaluated by the supervisor. This contact must consist of:

28 (i) A minimum of two (2) hours of supervision every two (2) weeks;

29 (ii) A minimum of one hour of supervision per twenty (20) hours of direct contact with clients,
30 whether or not the number of hours of supervision required for a two (2) week period have been met;

31 (iii) One-to-one contact with the supervisor at least seventy-five percent (75%) of the time with
32 group supervision of no more than ten (10) supervisees during the balance of the time; and

1 (iv) Supervision by an individual other than the applicant's parents, spouse, former spouse,
2 siblings, children, employees, or anyone sharing the same household or any romantic, domestic, or
3 familial relationship.

4 **§ 5-39.1-5 Agency powers.** – The department of health shall promulgate rules and regulations
5 that may be reasonably necessary for the administration of this chapter and to further its purposes. The
6 ~~division department of health, on the recommendation of the board of social work examiners,~~ shall:

- 7 (1) Issue licenses to those qualified under this chapter;
- 8 (2) Examine individuals seeking licensure and pass on the examinations; and
- 9 (3) Determine if applicants are qualified for licensure.

10 **§ 5-39.1-8 Licenses.** – (a) The ~~division department~~ shall issue the appropriate license to
11 applicants who meet the qualifications of the section.

12 (b) Prerequisites: "Licensed clinical social worker". A license as a "licensed clinical social
13 worker" shall be issued to an applicant who meets the following qualifications:

- 14 (1) Has a doctorate in clinical social work from a duly accredited college or university or master's
15 degree from a school of social work accredited by the council on social work education, and
- 16 (2) Has satisfactorily completed an examination for this license, or
- 17 (3) Has a comparable license, certification, or registration from the state, or another state or
18 territory of the United States that imposes qualifications substantially similar to those of this chapter, as
19 determined by the board.

20 (c) Prerequisites: "Licensed independent clinical social worker". A license for a "licensed
21 independent clinical social worker" shall be issued to an applicant who meets the following qualifications:

- 22 (1) Is licensed under this chapter as a "licensed clinical social worker", and
- 23 (2) Has twenty-four (24) months of experience acceptable to the board, under appropriate
24 supervision, and
- 25 (3) Has fulfilled the continuing education requirements for this license, and
- 26 (4) Has satisfactorily completed an examination for this license, or
- 27 (5) Has a comparable license, certification, or registration from the state, or another state or
28 territory of the United States that imposes qualifications substantially similar to those of this chapter.

29 (d) In addition to these qualifications, an applicant for any of the these titles must prove to the
30 board's satisfaction:

- 31 (1) An age of at least twenty-one (21) years;
- 32 (2) That he or she merits the public trust;
- 33 (3) A United States citizenship or proof of other legal resident status;

1 (4) An absence of conviction of a felony, which is subject to waiver by the board upon
2 presentation of satisfactory evidence that this conviction does not impair the ability of the person to
3 conduct with safety to the public the practice authorized by this license. The applicant shall bear the
4 burden of proving that his or her conviction does not impair his or her ability to conduct with safety to the
5 public the practice authorized by this license;

6 (5) An absence of NASW sanction for violation of Code of Ethics, or other state board sanction
7 which is subject to waiver by the board upon presentation of satisfactory evidence that this sanction does
8 not impair the ability of the person to conduct with safety to the public the practice authorized by this
9 license. The applicant bears the burden of proving that his or her sanction does not impair his or her
10 ability to conduct with safety to the public the practice authorized by this license;

11 (6) That the applicant has not been declared mentally incompetent by any court, and if any decree
12 has ever been rendered, that there has been a subsequent court determination that the applicant is
13 competent; and

14 (7) Freedom from use of any controlled substance or any alcoholic beverages to the extent that
15 the use impairs the ability of the person to conduct with safety to the public the practice authorized by this
16 license. The applicant bears the burden of proving that he or she is free from use of any controlled
17 substance or any alcoholic beverages that impair his or her ability to conduct with safety to the public the
18 practice authorized by this license.

19 **§ 5-39.1-9 Fees and renewal.** – The initial fee for application for licensure and the renewal fee
20 every twenty-four (24) months after initial licensure shall be as set forth in § 23-1-54. Renewal shall be
21 approved upon payment of the fee and in compliance with any additional requirements that the division
22 ~~board~~-promulgates.

23 **§ 5-39.1-10 Social worker discipline.** – Licensees subject to this chapter shall conduct their
24 activities, services, and practice in accordance with this chapter and with any rules promulgated pursuant
25 to this chapter. The division ~~board~~ may recommend to the director refusal to grant a license to, or may
26 recommend that the director suspend, revoke, condition, limit, qualify, or restrict the license of any
27 individual who the division ~~board~~, after a hearing, determines:

28 (1) Is incompetent to practice under the provisions of this chapter, or is found to engage in the
29 practice of social work in a manner harmful or dangerous to a client or to the public;

30 (2) Has obtained or attempted to obtain a certificate or license, or renewal of a certificate or
31 license, by bribery or fraudulent representation;

32 (3) Has knowingly made a false statement on a form required by the division ~~board~~ for licensing
33 or renewal of license;

34 (4) Has failed to obtain the continuing education credits required by the division ~~board~~;

1 (5) Has engaged in or solicited sexual relations with a client, or committed an act of sexual abuse
2 or sexual misconduct against a past or current client;

3 (6) Has failed to remain free from use of any controlled substance or any alcoholic beverages to
4 the extent that the use impairs the ability of the person to conduct with safety to the public the practice
5 authorized by this license. The applicant bears the burden of proving that he or she is free from use of any
6 controlled substance or any alcoholic beverages, which impair his or her ability to conduct with safety to
7 the public the practice authorized by this license;

8 (7) Has been convicted of a felony, which is subject to waiver by the Division board upon
9 presentation of satisfactory evidence that this conviction does not impair the ability of the person to
10 conduct with safety to the public practice authorized by this license. The applicant bears the burden of
11 proving that his or her conviction does not impair his or her ability to conduct with safety to the public the
12 practice authorized by this license;

13 (8) Has disciplinary action pending or has revocation, suspension, or probation taken against the
14 licensee license in another state;

15 (9) Assists or permits unlicensed persons under the licensee's supervision to perform services for
16 which a license is required under this chapter;

17 (10) Has failed to maintain confidentiality, except as required or permitted by law;

18 (11) Has engaged in false or misleading advertising;

19 (12) Has a mental disability, which significantly impairs the ability of the person to conduct with
20 safety to the public the practice authorized by this license. Mental disability includes, but is not limited to,
21 an order by a court that a licensee is in need of mental treatment for incompetence; or

22 (13) Has violated any of the provisions of this chapter, or the provisions of any code of ethics
23 adopted by the division board.

24 **§ 5-39.1-11 Complaints.** – All complaints concerning a licensee's business or professional
25 practice shall be received by ~~either the board or the division state agency~~. Each complaint received shall
26 be logged, recording at a minimum the following information:

27 (1) Licensee's name;

28 (2) Name of the complaining party;

29 (3) Date of complaint;

30 (4) Brief statement of complaint; and

31 (5) Disposition.

32 **§ 5-39.1-12 Disciplinary process.** – (a) Disciplinary procedures under this chapter shall be
33 conducted by the division in accordance with the process outlined in § 5-26.1-2. Administrative
34 Procedures Act, chapter 35 of title 42.

1 (b) Any person aggrieved by any determination of the division in regard to any of the provisions
2 of this chapter, may appeal to the health professions board of review in accordance with § 5-26.1-5. The
3 board ~~or its designee~~ shall hear evidence produced in support of the formal charges and contrary evidence
4 produced by the licensee. At the conclusion of the hearing, the board shall make a determination.
5 ~~recommendation to the director who shall issue an order.~~

6 (c) Any person further aggrieved by any decision or ruling of the health professions board of
7 review may appeal that decision in accordance with § 5-26.1-5(c). The term “person” in this section
8 includes the Department.

9 SECTION 13. Section 5-39.1-6 of the General Laws in Chapter 5-39 entitled “Social Workers” is
10 hereby repealed:

11 ~~**§ 5-39.1-6 Board of social work examiners.** (a) Within the department there is established a~~
12 ~~board of social work examiners.~~

13 ~~(b) The governor shall appoint a board consisting of seven (7) members. Two (2) shall be social~~
14 ~~workers; two (2) shall be licensed clinical social workers; and two (2) shall be licensed independent~~
15 ~~clinical social workers (for the purposes of initial appointments certified social workers represent licensed~~
16 ~~clinical social workers and certified independent social workers represent licensed independent social~~
17 ~~workers). One member shall be a public member. At least one member shall be a NASW member.~~

18 ~~(c) All board members shall be appointed for a term of three (3) years. No member shall serve~~
19 ~~more than nine (9) consecutive years. In the event a member cannot complete his or her term, a successor~~
20 ~~shall be appointed to serve the unexpired term.~~

21 ~~(d) Terms of initial members shall be staggered with two (2) members appointed for a one year~~
22 ~~term, two (2) for two (2) years, and three (3) for three (3) year terms.~~

23 SECTION 14. Sections 5-40-1, 5-40-6, 5-40-6.1, 5-40-7, 5-40-7.1, 5-40-13, 5-40-14, 5-40-15 and
24 5-40-16 of the General Laws in Chapter 5-40 entitled “Physical Therapists” are hereby amended to read
25 as follows:

26 **§ 5-40-1 Definitions.** – As used in this chapter:

27 (1) "Board" means the health professions board of review established in accordance with § 5-
28 26.1-3, ~~board of physical therapy established by § 5-40-2.~~

29 (2) "Department" means the department of health.

30 (3) "Division" means the division of professional regulation and licensing in the Rhode Island
31 department of health.

32 (4) "Examination" means an examination approved by the department in consultation with the
33 board.

34 (45) "License" means a license issued by the department to practice physical therapy.

1 (56) "Physical therapist" means an individual who is licensed by the department to practice
2 physical therapy.

3 (67) "Physical therapist assistant" means an individual who is licensed by the department to assist
4 in the practice of physical therapy under the supervision of a physical therapist.

5 (78)(i) "Practice physical therapy" means the examination, treatment, and instruction of human
6 beings to detect, assess, prevent, correct, alleviate and limit physical disability, physical dysfunction, and
7 pain from injury, disease and any other bodily conditions, and includes the administration, interpretation,
8 and evaluation of tests and measurements of bodily functions and structures; the planning, administration,
9 evaluation, and modification of treatment and instruction, including the use of physical measures,
10 activities, and devices, for preventive and therapeutic purposes; and the provision of consultative,
11 educational, and other advisory services for the purpose of reducing the incidence and severity of physical
12 disability, physical dysfunction and pain.

13 (ii) The practice of physical therapy does not include the practice of medicine as defined in
14 chapter 37 of this title.

15 (89) "Supervision" means that a licensed physical therapist is at all times responsible for
16 supportive personnel and students.

17 **§ 5-40-6 Qualification of physical therapists.** – Any applicant for licensure shall submit to the
18 division board written evidence on forms furnished by the department of health, verified by oath, that the
19 applicant meets all of the following requirements:

20 (1) Is at least eighteen (18) years of age;

21 (2) Is of good moral character;

22 (3) Has graduated from an education program in physical therapy accredited by the Commission
23 on Accreditation of Physical Therapy Education (CAPTE) or other accrediting agency as approved by the
24 department in consultation with the board, in the year of the applicant's graduation; and

25 (4) Has passed the National Physical Therapy Examination (NPTE) of the Federation of State
26 Boards of Physical Therapy (FSBPT) or other physical therapy certification examination as approved by
27 the department in consultation with the board to determine the applicant's fitness to engage in the practice
28 of physical therapy.

29 **§ 5-40-6.1 Qualifications of physical therapist assistants.** – Any applicant for licensure shall
30 submit to the division board written evidence on forms furnished by the department of health, verified by
31 oath, that the applicant meets all of the following requirements:

32 (1) Is at least eighteen (18) years of age;

33 (2) Is of good moral character;

1 (3) Has graduated from an educational program in physical therapy accredited by the
2 Commission on Accreditation of Physical Therapy Education (CAPTE) or other accrediting agency as
3 approved by the department ~~in consultation with the board~~, in the year of said applicant's graduation; and

4 (4) Has passed the National Physical Therapy Examination (NPTE) of the Federation of State
5 Boards of Physical Therapy (FSBPT) or other physical therapy assistant certification examination as
6 approved by the department ~~in consultation with the board~~ to determine the applicant's fitness to engage
7 in the practice of physical therapy.

8 **§ 5-40-7 Licensing of physical therapists.** – (a) By Examination. The applicant is required to
9 pass with a grade determined by the division board, an examination approved by the department ~~in~~
10 ~~consultation with the board~~; physical therapists licensed under the provisions of this chapter on August
11 31, 1982, shall continue to be licensed.

12 (b) Without Examination by Endorsement. A license to practice physical therapy may be issued
13 without examination to an applicant who has been licensed by examination as a physical therapist under
14 the laws of another state or territory or District of Columbia, if, in the opinion of the division board, the
15 applicant meets the qualifications required of physical therapists in this state.

16 (c)(1) Graduate Practice. Every graduate of a division board-approved physical therapy school
17 who has filed a physical therapy application may, upon receiving a permit from the department of health,
18 perform as a physical therapist under the supervision of a physical therapist licensed in this state.

19 (2) During this period, the applicant shall identify him or herself only as a "graduate physical
20 therapist".

21 (3) If the applicant fails to take the examination, as specified in § 5-40-7(a), within ninety (90)
22 days from effective date of graduate status, without cause, or fails to pass the examination and receive a
23 license, all privileges provided in subdivisions (1) and (2) of this subsection automatically cease.

24 (d)(1) Foreign-Trained Applicants. If the foreign-trained applicant has successfully met the
25 requirements of the rules and regulations, the applicant's credentials shall be accepted by the division.
26 ~~board.~~

27 (2) Prior to becoming licensed in this state, the foreign-trained applicant must also meet all of the
28 appropriate requirements described in this section or its equivalent as established in rules and regulations.

29 **§ 5-40-7.1 Licensing of physical therapist assistants.** – (a) By Examination. The applicant is
30 required to pass with a grade determined by the division board an examination approved by the
31 department, ~~in consultation with the board~~.

32 (b) Without Examination by Endorsement. A license may be issued without examination to an
33 applicant who has been licensed by examination as a physical therapist assistant under the laws of another

1 state or territory or District of Columbia, if, in the opinion of the division board, the applicant meets the
2 qualifications required of physical therapist assistants in this state.

3 (c)(1) Graduate Practice. Every graduate of a division board approved physical therapist assistant
4 educational program who has filed a physical therapy application may, upon receiving a permit from the
5 department of health, perform as a physical therapist assistant under the supervision of a physical
6 therapist licensed in this state.

7 (2) During this period, the applicant shall identify him or herself only as a "graduate physical
8 therapist assistant."

9 (3) If the applicant fails to take the examination, as specified in § 5-40-7(a), within ninety (90)
10 days from the effective date of graduate status, without cause or fails to pass the examination and receive
11 a license, all privileges provided in subdivisions (1) and (2) of this subsection automatically cease.

12 (d)(1) Foreign-Trained Applicants. If the foreign-trained applicant has successfully met the
13 requirements of the rules and regulations, the applicant's credentials shall be accepted by the division.
14 ~~board~~.

15 (2) Prior to becoming licensed in this state, the foreign-trained applicant must also meet all of the
16 appropriate requirements described in this section or its equivalent as established in rules and regulations.

17 **§ 5-40-13 Grounds for discipline of licensees.** – (a) The division board has power to deny,
18 revoke, or suspend any license issued by the department or applied for in accordance with this chapter, or
19 to discipline a person licensed under this chapter upon proof that said person has engaged in
20 unprofessional conduct including, but not limited to:

21 (1) Fraud or deceit in procuring or attempting to procure a license or in the practice of physical
22 therapy;

23 (2) Is habitually intemperate or is addicted to the use of habit forming drugs;

24 (3) Is mentally and/or professionally incompetent;

25 (4) Has repeatedly violated any of the provisions of this chapter;

26 (5) Providing services to a person who is making a claim as a result of a personal injury, who
27 charges or collects from the person any amount in excess of the reimbursement to the physical therapist
28 by the insurer as a condition of providing or continuing to provide services or treatment;

29 (6) Conviction, including a plea of nolo contendere, of one or more of the offenses listed in § 23-
30 17-37;

31 (7) Abandonment of a patient;

32 (8) Promotion by a physical therapist or physical therapist assistant of the sale of drugs, devices,
33 appliances, or goods or services provided for a patient in a manner as to exploit the patient for the
34 financial gain of the physical therapist or physical therapist assistant;

- 1 (9) Making or filing false reports or records in the practice of physical therapy;
- 2 (10) Repeated failure to file or record, or impede or obstruct a filing or recording, or inducing
3 another person to fail to file or record physical therapy reports;
- 4 (11) Failure to furnish patient records upon proper request;
- 5 (12) Practice as a physical therapist assistant without supervision by a physical therapist licensed
6 in the state of Rhode Island;
- 7 (13) Incompetent or negligent misconduct in the practice of physical therapy;
- 8 (14) Revocation, suspension, surrender, or limitation of privilege based on quality of care
9 provided or disciplinary action against a license to practice as a physical therapist or physical therapist
10 assistant in another state, jurisdiction, or country;
- 11 (15) Failure to furnish the board, administrator, investigator, or representatives information
12 legally requested by the division board;
- 13 (16) Violation of this chapter or any of the rules and regulations or departure from or failure to
14 conform to the current standards of acceptable and prevailing practice and code of ethics of physical
15 therapy.
- 16 (b) Whenever a patient seeks or receives treatment from a physical therapist without referral from
17 a doctor of medicine, osteopathy, dentistry, podiatry, chiropractic, physician assistant, or certified
18 registered nurse practitioner, the physical therapist shall:
- 19 (1) Disclose to the patient, in writing, the scope and limitations of the practice of physical therapy
20 and obtain their consent in writing; and
- 21 (2) Refer the patient to a doctor of medicine, osteopathy, dentistry, podiatry, or chiropractic
22 within ninety (90) days after the date treatment commenced; provided, that a physical therapist is not
23 required to make this a referral after treatment is concluded;
- 24 (3) No physical therapist who has less than one year clinical experience as a physical therapist
25 shall commence treatment on a patient without a referral from a doctor of medicine, osteopathy, dentistry,
26 podiatry, chiropractic, physician assistant, or certified registered nurse practitioner.
- 27 (c) For purposes of this chapter and notwithstanding any other provisions of this chapter or any
28 rules or regulations adopted by the division board, any person licensed or registered under this chapter
29 who is a bona fide employee or independent contractor of a physician or a physician group entitled to
30 wages and compensation pursuant to such employment or contract, or is a co-owner of a physical therapy
31 practice with a physician group, shall not be deemed to be engaged in conduct unbecoming a person
32 licensed or registered under this chapter, or to be engaged in conduct detrimental to the best interest of the
33 public, or to be in violation of any other provision of this chapter by virtue of any of the above

1 relationships, and shall not be subject to licensure denial, suspension, revocation, or any other disciplinary
2 action or penalty under this chapter:

3 (1) Solely by virtue of such employment or contract; or

4 (2) Solely by virtue of the provision of physical therapy services pursuant to a referral from the
5 employing or contracting physician or physician group.

6 Any such interest referenced in this paragraph shall be in accordance with federal and state law,
7 specifically, including, but not limited to, chapter 5-48.1.

8 **§ 5-40-14 Procedure for discipline of physical therapist.** – (a) When a written allegation is
9 filed with the division board charging a person with having been guilty of any of the actions specified in §
10 5-40-13, the division of professional regulation and licensing shall immediately investigate those
11 charges, ~~or, the board, after investigation, may institute charges.~~

12 (1) In the event that investigation reveals reasonable grounds for believing that the person is
13 guilty of the charges, ~~upon the recommendation of the board or the administrator, the director~~ the division
14 shall ~~fix a time and place for a hearing, and shall~~ serve a copy of the charges together with a notice of the
15 time and the place fixed for the hearing before board, personally upon the accused at least twenty (20)
16 days prior to the time fixed for the hearing.

17 (2) When personal service cannot be effected and that fact is certified by oath by any person
18 authorized to make service, the division board shall publish once in each of two (2) successive weeks, a
19 notice of the hearing in a newspaper published in the county where the accused last resided according to
20 the records of the division board and shall mail a copy of the charges and of that notice to the accused at
21 his or her last known address. When publication of notice is necessary, the date of the hearing shall not be
22 less than twenty (20) days after the last date of publication of the notice.

23 (3) At the hearing, the accused has the right to appear personally or by counsel or both, to
24 produce witnesses and evidence on his or her behalf, to cross-examine witnesses, and to have subpoenas
25 issued by the administrator of professional regulation. The attendance of witnesses and the production of
26 books, documents, and papers at the hearing may be compelled by subpoenas issued by the administrator,
27 which shall be served in accordance with law.

28 (4) At the hearing, the board ~~administrator~~ shall administer oaths as may be necessary for the
29 proper conduct of the hearing.

30 (5) The board is not bound by the strict rules of procedure or by the laws of evidence in the
31 conduct of its proceedings, but the determination shall be based upon sufficient legal evidence to sustain
32 it.

33 (6) If the accused is found guilty of the charges, the board may refuse to issue a registration to the
34 applicant or may revoke or suspend their license or otherwise discipline that person.

1 (c) Upon the revocation or suspension of any license, the license holder shall surrender the license
2 to the administrator of professional regulation who shall strike the name of the holder from the register.

3 (d) A revoked or suspended license may be reviewed at the discretion of the division board.

4 **§ 5-40-15 Grounds for discipline without a hearing.** – (a) In the event a person is hospitalized
5 for mental illness or as an alcoholic as defined in chapter 1.10 of title 23, the division board may, without
6 the necessity of the proceedings provided for in § 5-40-16, suspend, or refuse to renew the license of that
7 person for the duration of his or her confinement or until that person is medically discharged from
8 hospitalization.

9 (b) A plea of nolo contendere cannot be used as a defense to prevent the board from suspending
10 or refusing to renew the license.

11 (c) With the approval of the director, the division may temporarily suspend the license without a
12 hearing if the division finds that evidence in its possession indicates that a continuing in practice would
13 constitute an immediate danger to the public. In the event that the division temporarily suspends the
14 license without a hearing by the board, a hearing must be held within ten (10) days after the suspension
15 has occurred.

16 **§ 5-40-16 Appeals from board, administrator, or director.** – (a) An appeal from any decision
17 or order of the board, ~~administrator of professional regulation, or director of the department of health may~~
18 ~~be~~ may be brought by an aggrieved person in accordance with § 42-35-15. The term “person” in this
19 section includes the Department, claimed by any aggrieved party within thirty (30) days of that decision
20 or order by filing a claim of appeal and reasons for the appeal in the office of the clerk of the superior
21 court in the county in which the aggrieved party resides.

22 (b) A copy of the aggrieved party's claim of appeal and the reasons for the appeal shall be served
23 on the secretary of the board, or administrator of professional regulation. The secretary or administrator
24 shall promptly certify to the clerk of the superior court a correct and full copy of the record in connection
25 with the order, including a transcript of the evidence, if the transcript has been taken, its findings of fact,
26 conclusions, and a copy of the order.

27 (c) The court shall review the record of the order or decision and in the event it finds that order or
28 decision unlawful, arbitrary, or unreasonable, may vacate or set aside that order.

29 (d) The aggrieved party may claim or waive a trial by jury and proceedings shall be the same as those
30 taken at other criminal or civil proceedings, but no party shall rely on any other grounds than those stated
31 in his or her reasons of appeal[BS3]-[MD(4)]

32 (e) The filing of a claim of appeal shall not in itself stay or suspend the operation of any order or
33 decision of the board, but during the pendency of those proceedings, the superior court may, in its
34 discretion, stay or suspend in whole or in part, the order or decision. No order of the court staying or

1 suspending an order or decision shall be made by the court other than on five (5) days' notice and after a
2 hearing thereon and the suspension of the order or decision shall be based upon a finding by the court that
3 great or irreparable damage would result to the aggrieved party in the absence of that stay or suspension.

4 (f) An appeal may be taken from the decision of the superior court to the supreme court of the
5 state in the same manner as an appeal is taken under ~~§42-35-16 28-35-29~~.

6 SECTION 15. Sections 5-40-2, 5-40-3, 5-40-4 and 5-40-5 of the General Laws in Chapter 5-40
7 entitled "Physical Therapists" are hereby repealed.

8 ~~§ 5-40-2 Board of physical therapy — Creation — Composition.~~ Within the division of
9 professional regulation of the department of health there is a board of physical therapy consisting of seven
10 (7) members as provided by § 5-40-3.

11 ~~§ 5-40-3 Board of physical therapy — Composition — Appointment, terms, oath and removal~~
12 ~~of members.~~ (a) In the month of June, 1983, and annually thereafter, the director of health, with the
13 approval of the governor, appoints the appropriate number of persons to serve on the board for terms of
14 three (3) years and until his or her successor has been appointed and qualified. The board shall consist of
15 seven (7) members appointed by the director of the department of health with the approval of the
16 governor. Four (4) members shall be licensed physical therapists; one member shall be a licensed physical
17 therapist assistant; one member shall be a physician licensed to practice medicine in this state; and one
18 member shall be a consumer.

19 (b) ~~No member shall serve for more than two (2) successive terms. The director of health may~~
20 ~~remove any member from the board for neglect of any duty required by law or for any incompetency,~~
21 ~~unprofessional or dishonorable conduct. Vacancies created by voluntary resignation or removal by the~~
22 ~~director of health shall be filled in the same manner as the original appointment is made for the remainder~~
23 ~~of the term not exceeding the original two (2) term limitation.~~

24 (c) ~~Before beginning a term, each member of the board shall takes the oath prescribed by law for~~
25 ~~state officers which shall be filed with the secretary of state.~~

26 ~~§ 5-40-4 Board of physical therapy — Organization and meetings.~~ The board shall organize
27 immediately after the appointment and qualification of its members. The board shall elect annually a
28 chairperson and secretary. The board shall meet at least semiannually. Meetings may also be called at any
29 time by the chairperson, or the director of the department of health, or the administrator of the division of
30 professional regulation, or by written request of two (2) members of the board. A majority of the fully
31 authorized board constitutes a quorum to do business.

32 The board is authorized to recommend to the director of the department of health for his or her
33 approval the adoption and revision of rules and regulations not inconsistent with law, that are necessary to
34 enable it to carry into effect the provisions of this chapter. The board shall recommend for licensure only

1 ~~qualified applicants. The board shall review applicants at least twice a year. The board shall recommend~~
2 ~~the tests which applicants for licensure take. The department shall adopt policies to be followed in the~~
3 ~~examination, licensure, and renewal of license of duly qualified applicants. The board shall conduct~~
4 ~~hearings upon charges calling for the discipline of a licensee or revocation of a license. The department~~
5 ~~has the power to issue subpoenas and compel the attendance of witnesses and administer oaths to persons~~
6 ~~giving testimony at hearings. The board or the director of the department of health shall prosecute all~~
7 ~~persons violating this chapter and has the power to incur necessary expenses of prosecution. The board~~
8 ~~shall keep a record of all of its proceedings. The board may utilize other persons as necessary to carry on~~
9 ~~the work of the board.~~

10 ~~**§ 5-40-5 Board of physical therapy — General powers.** — The board is authorized to~~
11 ~~recommend to the director of the department of health for his or her approval the adoption and revision of~~
12 ~~rules and regulations not inconsistent with law, that are necessary to enable it to carry into effect the~~
13 ~~provisions of this chapter. The board shall recommend for licensure only qualified applicants. The board~~
14 ~~shall review applicants at least twice a year. The board shall recommend the tests which applicants for~~
15 ~~licensure take. The department shall adopt policies to be followed in the examination, licensure, and~~
16 ~~renewal of license of duly qualified applicants. The board shall conduct hearings upon charges calling for~~
17 ~~the discipline of a licensee or revocation of a license. The department has the power to issue subpoenas~~
18 ~~and compel the attendance of witnesses and administer oaths to persons giving testimony at hearings. The~~
19 ~~board or the director of the department of health shall prosecute all persons violating this chapter and has~~
20 ~~the power to incur necessary expenses of prosecution. The board shall keep a record of all of its~~
21 ~~proceedings. The board may utilize other persons as necessary to carry on the work of the board.~~

22 SECTION 16. Sections 5-40.1-3, 5-40.1-8, 5-40.1-10, 5-40.1-10, 5-40.1-12, and 5-40.1-14 of the
23 General Laws in Chapter 5-40 entitled "Occupational Therapists" are hereby amended to read as
24 follows:

25 **§ 5-40.1-3 Definitions.** – (a) "Administrator" means the administrator of the division of
26 professional regulation.

27 (b) "Board" means the health professions board of review established in accordance with § 5-
28 26.1-3, board of occupational therapy within the division of professional regulation established pursuant
29 to the provisions of § 5-40.1-4.

30 (c) "Chapter" refers to chapter 40.1 of this title, entitled "Occupational Therapy", of the general
31 laws of Rhode Island.

32 (d) "Director" means the director of the Rhode Island department of health.

33 (e) "Division" means the division of professional regulation and licensing.

1 (f)(1) "Occupational therapy" (OT) is the use of purposeful activity or interventions designed to
2 achieve functional outcomes which promote health, prevent injury or disability, and develop, improve,
3 sustain, or restore the highest possible level of independence of any individual who has an injury, illness,
4 cognitive impairment, sensory impairment, psychosocial dysfunction, mental illness, developmental or
5 learning disability, physical disability, or other disorder or condition.

6 (2) Occupational therapy includes evaluation by means of skilled observation of functional
7 performance and/or assessment through the administration and interpretation of standardized or non-
8 standardized tests and measurements.

9 (g)(1) "Occupational therapy services" includes, but is not limited to:

10 (i) Evaluating and providing treatment in consultation with the individual, family, or other
11 appropriate persons;

12 (ii) Interventions directed toward developing, improving, sustaining, or restoring daily living
13 skills, including self-care skills and activities that involve interactions with others and the environment,
14 work readiness or work performance, play skills or leisure capacities or educational performance skills;

15 (iii) Developing, improving, sustaining, or restoring sensory-motor, oral-motor, perceptual, or
16 neuromuscular functioning; or emotional, motivational, cognitive, or psychosocial components of
17 performance; and

18 (iv) Educating the individual, family, or other appropriate persons in carrying out appropriate
19 interventions.

20 (2) These services may encompass evaluating need; and designing, developing, adapting,
21 applying, or training in the use of assistive technology devices; designing, fabricating or applying
22 rehabilitative technology, such as selected orthotic devices; training in the functional use of orthotic or
23 prosthetic devices; applying therapeutic activities, modalities, or exercise as an adjunct to or in
24 preparation for functional performance; applying ergonomic principles; adapting environments and
25 processes to enhance daily living skills; or promoting health and wellness.

26 (h) "Occupational therapist" means a person licensed to practice occupational therapy under the
27 provisions of this chapter and the rules and regulations authorized by this chapter.

28 (i) "Occupational therapy aide" means a person not licensed pursuant to the statutes and rules
29 applicable to the practice of occupational therapy, who works under the supervision of a licensed
30 occupational therapist or occupational therapy assistant, who assists in the practice of occupational
31 therapy and whose activities require an understanding of occupational therapy, but do not require
32 professional or advanced training in the basic anatomical, psychological, and social sciences involved in
33 the practice of occupational therapy.

1 (j) "Occupational therapy assistant" means a person licensed to practice occupational therapy
2 under the provisions of this chapter and the rules and regulations authorized by this chapter.

3 (k) "Supervision" means that a licensed occupational therapist or occupational therapy assistant is
4 at all times responsible for supportive personnel and students.

5 **§ 5-40.1-8 Requirements for licensure.** – (a) Any applicant seeking licensure as an
6 occupational therapist or occupational therapy assistant in this state must:

7 (1) Be at least eighteen (18) years of age;

8 (2) Be of good moral character;

9 (3) Have successfully completed the academic requirements of an education program in
10 occupational therapy accredited by the American Occupational Therapy Association's Accreditation
11 Council for Occupational Therapy Education or other therapy accrediting agency that may be approved
12 by the division board;

13 (4) Have successfully completed a period of supervised fieldwork experience arranged by the
14 recognized educational institution where he or she met the academic requirements:

15 (i) For an occupational therapist, a minimum of twenty-four (24) weeks of supervised fieldwork
16 experience shall be required;

17 (ii) For an occupational therapy assistant, a minimum of twelve (12) weeks shall be required;

18 (5) Have successfully passed the National Certification Examination for Occupational Therapists,
19 Registered, or National Certification Examination for Occupational Therapy Assistants, of the National
20 Board for Certification in Occupational Therapy (NBCOT) or other occupational therapy certification
21 examination as approved by the division board.

22 (b) Application for licensure to practice occupational therapy in this state either by endorsement
23 or by examination shall be made on forms provided by the division, which shall be completed, notarized,
24 and submitted to the board thirty (30) days prior to the scheduled date of the board meeting. The
25 application shall be accompanied by the following documents:

26 (1) Three (3) affidavits from responsible persons attesting to the applicant's good moral character;

27 (2) For U.S. citizens: a certified copy of birth record or naturalization papers;

28 (3) For non-U.S. citizens: documented evidence of alien status, such as immigration papers or
29 resident alien card or any other verifying papers acceptable to the administrator;

30 (4) Documented evidence and supporting transcripts of qualifying credentials as prescribed in this
31 section;

32 (5) One unmounted passport photograph of the applicant (head and shoulder view) approximately
33 2x3 inches in size;

1 (6) A statement from the board of occupational therapy in each state in which the applicant has
2 held or holds licensure, or is otherwise subject to state regulation, to be submitted to the board of this state
3 attesting to the licensure status of the applicant during the time period the applicant held licensure in that
4 state; and

5 (7) The results of the written national examination of the National Board for Certification in
6 Occupational Therapy (NBCOT).

7 (c)(1) Applicants seeking licensure as occupational therapists or occupational therapy assistants
8 are required to pass the national written examination of the National Board for Certification in
9 Occupational Therapy (NBCOT) approved by the board to test the applicant's fitness to engage in the
10 practice of occupational therapy pursuant to the provisions of this chapter.

11 (2) The date, time, and place of examinations shall be available from the National Board for
12 Certification in Occupational Therapy (NBCOT).

13 (d) In case any applicant fails to satisfactorily pass an examination, the applicant shall be entitled
14 to re-examination.

15 (e) Occupational therapists and occupational therapy assistants who are licensed or regulated to
16 practice under laws of another state or territory or the District of Columbia may, upon receiving a receipt
17 from the division, perform as an occupational therapist or occupational therapy assistant under the
18 supervision of a qualified and licensed occupational therapist or occupational therapy assistant. If this
19 applicant fails to receive licensure when the board reviews the application, all previously mentioned
20 privileges automatically cease.

21 (f) Applicants from foreign occupational therapy schools must meet the requirements of the
22 National Board for Certification in Occupational Therapy (NBCOT) and present evidence of passage of
23 the National Certification Examination for Occupational Therapists or the National Certification
24 Examination for Occupational Therapy Assistants of the NBCOT. Applicants must meet all of the
25 appropriate requirements for licensure to the satisfaction of the board and in accordance with the statutory
26 and regulatory provisions of this chapter.

27 **§ 5-40.1-10 Examination.** – The applicant shall be required to pass with a grade determined by
28 the ~~division board~~, an examination approved by the board pursuant to § 5-40.1-8(a)(5).

29 **§ 5-40.1-12 Renewal of licenses – Inactive status.** – (a) Upon the recommendation of the
30 ~~division board~~, the director shall issue to applicants who have satisfactorily met the licensure
31 requirements of this chapter, a license to practice occupational therapy in this state. The license, unless
32 sooner suspended or revoked, shall expire on the thirty-first (31st) day of March, of each even year
33 (biennially).

1 (1) On or before the first (1st) day of March of each even year, the administrator of the division
2 shall mail an application for renewal of license to every individual to whom a license has been issued or
3 renewed during the current licensure period.

4 (2) Every licensed individual who desires to renew his or her license shall file with the division a
5 renewal application executed together with the evidence of continuing education requirements as
6 delineated in subdivision (3) of this subsection and the renewal fee as set forth in § 23-1-54 made payable
7 by check to the general treasurer, state of Rhode Island, on or before the thirty-first (31st) day of March of
8 each even year.

9 (3) On application for renewal of license, occupational therapists and occupational therapy
10 assistants must show proof of participation in twenty (20) hours biennially in presentations, clinical
11 instruction, publications, research, in-service programs, American Occupational Therapy Association-
12 recognized conferences, university course, and/or self-study courses.

13 (4) Upon receipt of a renewal application and payment of fee, the director shall, upon the
14 recommendation of the board, grant a renewal license effective the thirty-first (31st) day of March for a
15 period of two (2) years, unless sooner suspended or revoked.

16 (5) Any individual who allows his or her license to lapse by failing to renew it on or before the
17 thirty-first (31st) day of March of the next even year as provided in subdivisions (1), (2) and (3) of this
18 subsection, may be reinstated by the director upon receiving a receipt from the division for payment of the
19 current renewal fee plus an additional fee as set forth in § 23-1-54 made payable by check to the general
20 treasurer, state of Rhode Island.

21 (6) An individual using the title "occupational therapist" or "occupational therapy assistant"
22 during the time his or her license has lapsed is subject to the penalties provided for violation of those
23 regulations and this chapter.

24 (b) An individual licensed as an occupational therapist or occupational therapy assistant in this
25 state who does not intend to engage in the practice of occupational therapy within this state during any
26 year, may upon request to the division, have his or her name transferred to an inactive status and shall not
27 be required to register biennially or pay any fee as long as he or she remains inactive. Any individual
28 whose name has been transferred to an inactive status pursuant to this section, may be restored to active
29 status to practice occupational therapy without a penalty fee, upon the filing of an application for
30 licensure renewal, the licensure renewal fee as set forth in § 23-1-54 made payable by check to the
31 general treasurer of the state of Rhode Island, and any other information that may be requested by the
32 division.

33 **5-40.1-14 Grounds for refusal to renew, suspension, or revocation of license.** – (a) The
34 division board may deny a license or refuse to renew a license or may suspend or revoke a license or may

1 impose probationary conditions if the licensee has been found guilty of unprofessional conduct which has
2 endangered or is likely to endanger the health, welfare, or safety of the public. Unprofessional conduct
3 includes:

4 (1) Obtaining a license by means of fraud, misrepresentation, or concealment of material facts;

5 (2) Being found guilty of fraud or deceit in connection with his or her services rendered as an
6 occupational therapist or occupational therapy assistant;

7 (3) Committing a felony, whether or not involving moral turpitude, or a misdemeanor involving
8 moral turpitude. In either case, conviction by a court of competent jurisdiction or a plea of "no contest"
9 shall be conclusive evidence that a felony or misdemeanor was committed.

10 (4) Violating any lawful order, rule or regulation rendered or adopted by the board;

11 (5) Failing to report, in writing, to the division board ~~board~~ any disciplinary decision issued against the
12 licensee or the applicant in another jurisdiction within thirty (30) days of the disciplinary decisions;

13 (6) Violating any provision of this chapter; and

14 (7) Providing services to a person who is making a claim as a result of a personal injury, who
15 charges or collects from the person any amount in excess of the reimbursement to the occupational
16 therapist by the insurer as a condition of providing or continuing to provide services or treatment.

17 (b) A denial, refusal to renew, suspension, revocation, or imposition of probationary conditions
18 upon the license may be ordered by the division board ~~board~~ or the director of the department of health after a
19 hearing in the manner provided by the Administrative Procedures Act, chapter 35 of title 42.

20 (c) The American Occupational Therapy Association's "Occupational Therapy Code of Ethics" is
21 adopted as a public statement of the values and principles used in promoting and maintaining high
22 standards of behavior in occupational therapy. These state:

23 (1) Occupational therapy personnel shall demonstrate a concern for the well-being of the
24 recipients of their services;

25 (2) Occupational therapy personnel shall respect the rights of the recipients of their services;

26 (3) Occupational therapy personnel shall achieve and continually maintain high standards of
27 competence;

28 (4) Occupational therapy personnel shall comply with laws and association policies guiding the
29 profession of occupational therapy;

30 (5) Occupational therapy personnel shall provide accurate information about occupational therapy
31 services; and

32 (6) Occupational therapy personnel shall treat colleagues and other professionals with fairness,
33 discretion, and integrity.

1 SECTION 17. Sections 5-40.1-4, 5-40.1-5 and 5-40.1-15 of the General Laws in Chapter 5-40.1
2 entitled "Occupational Therapists" are hereby repealed.

3 ~~§ 5-40.1-4 Board of occupational therapy Practice Creation Composition~~
4 ~~Appointment and term of members Meetings Vacancies.~~ (a) There is created within the division
5 of professional regulation in the department of health a board of occupational therapy practice. The board
6 shall consist of five (5) members appointed by the director of the department of health with the approval
7 of the governor. Three (3) members shall be licensed occupational therapists; one member shall be a
8 physician licensed to practice medicine in this state; and one member shall be a consumer.

9 (b) The director of the department of health, with the approval of the governor, within sixty (60)
10 days following May 11, 1984, shall appoint one board member for a term of one year; two (2) for a term
11 of two (2) years; and two (2) for a term of three (3) years. Appointments made thereafter shall be for three
12 (3) year terms, but no person shall be appointed to serve more than two (2) consecutive terms. Terms shall
13 begin on the first day of the calendar year and end on the last day of the calendar year or until successors
14 are appointed, except for the first appointed members who shall serve through the last calendar day of the
15 year in which they are appointed, before commencing the terms prescribed by this section.

16 (c) The board shall meet during the first month of each calendar year to select a chairperson and
17 for other purposes. At least one additional meeting shall be held before the end of each calendar year.
18 Other meetings may be convened at the call of the chairperson, the administrator of professional
19 regulation, or upon the written request of any two (2) board members. A majority of the members of the
20 board constitutes a quorum for all purposes.

21 (d) In the event of a vacancy in one of the positions, the director of the department of health, with
22 the approval of the governor, may appoint a person to fill the unexpired term.

23 ~~§ 5-40.1-5 Board of occupational therapy practice Powers and duties Office~~
24 ~~Compensation of members.~~ (a) The board is authorized to recommend to the director of the
25 department of health for his or her approval the adoption and revision of any rules and regulations not
26 inconsistent with law as necessary to enable it to carry into effect the provisions of this chapter.

27 (b) The board shall recommend only qualified applicants for licensure. The board shall review
28 applicants at least twice a year.

29 (c) The division of professional regulation shall adopt policies to be followed in the examination,
30 licensure, and renewal of licenses of qualified applicants.

31 (d) The board shall conduct hearings upon charges calling for the discipline of licensees or
32 revocation of licenses as shall be necessary, in accordance with the Administrative Procedures Act,
33 chapter 35 of title 42. The administrator of professional regulation has the power to issue subpoenas and
34 compel the attendance of witnesses, and administer oaths to persons giving testimony at hearings.

1 (e) ~~The board shall maintain in the office of the division of professional regulation a register of all~~
2 ~~persons holding a license.~~

3 (f) ~~Members of the board shall receive no compensation for their services.~~

4 ~~**§ 5-40.1-15 Board of occupational therapy practice — Seal — Authentication of records.**~~

5 ~~The board shall adopt a seal by which it authenticates its proceedings. Copies of the proceedings, records,~~
6 ~~and acts of the board and certificates purporting to relate the facts concerning its proceedings, records,~~
7 ~~and acts signed by the secretary and authenticated by the seal, shall be evidence in all courts of this state.~~

8 SECTION 18. Sections 5-44-1, 5-44-9, 5-44-10, 5-44-11, 5-44-13, 5-44-14, 5-44-15, 5-44-18, 5-
9 44-19, 5-44-20, and 5-44-22 of the General Laws in Chapter 5-44 entitled “Psychologists” are hereby
10 amended to read as follows:

11 **§ 5-44-1 Definitions.** – As used in this chapter:

12 (1) "Academic psychologist" means a person employed by or associated with a recognized
13 college or university or other recognized institution who is engaged in teaching, studying, or conducting
14 research in the science of psychology.

15 (2) "Board" means the health professions board of review established in accordance with § 5-
16 26.1-3. ~~board of psychology established by § 5-44-3.~~

17 (3) "Education" means the academic program pursued by a person in obtaining a doctoral degree,
18 that program to include formal course work, seminars, and practica.

19 (4) "Licensed psychologist" means a person who has been licensed for the practice of psychology
20 under this chapter. "Psychologist" as used in this chapter means a licensed psychologist as defined in this
21 section.

22 (5) "Practice of psychology" means the rendering of professional psychological services to
23 individuals, groups, families, or any public or private organization for remuneration. Professional
24 psychological services means applying established psychological principles, methods, or procedures for
25 the purpose of preventing or eliminating symptomatic, maladaptive or undesired behavior and of
26 enhancing interpersonal relationships, work and life adjustment, personal effectiveness, and mental
27 health. The practice of psychology includes, but is not limited to:

28 (i) Diagnoses and treatment of emotional, mental or behavioral dysfunction, disorder or disability,
29 alcoholism and substance abuse disorders of habit or conduct, as well as of the psychological aspects of
30 physical illness, accident, injury, or disability;

31 (ii) Psychological testing and evaluation of intelligence, personality, abilities, interests, aptitudes,
32 and neuropsychological functioning;

33 (iii) Psychoeducation evaluation, therapy, remediation and consultation; and

1 (iv) Counseling, psychotherapy, psychoanalysis, hypnotherapy, biofeedback and behavior
2 analysis and therapy.

3 (6) "Psychology student", "psychology trainee", "psychology intern", or "psychology resident"
4 means a student, intern, or other person studying or preparing for the profession of psychologist under the
5 supervision of recognized educational or training institutions or facilities.

6 (7) "Training" means the pre-professional or professional supervised experience received by the
7 person at the pre or post-doctoral level, that experience to have been obtained in an internship, clinic, or
8 other similar professional setting.

9 (8) "Department" means the Rhode Island department of health.

10 (9) "Director" means the director of the Rhode Island department of health.

11 (10) "Division" means the division of professional regulation and licensing within the department
12 of health.

13 **§ 5-44-9 Qualifications of psychologists.** – An applicant for licensure shall submit to the
14 division board written evidence acceptable to the department, verified under oath, that the applicant:

15 (1) Is of good moral character;

16 (2) Has received a doctorate degree in psychology from a college or university whose program of
17 study for that degree at that time meets or exceeds the stated requirements for approval by the American
18 Psychological Association, or its equivalent in terms of excellence of education and training, or a
19 doctorate degree in an allied field whose education and training requirements are substantially similar to
20 current American Psychological Association standards of accreditation for the granting of a doctorate in
21 psychology;

22 (3) Has had the requisite supervised experience as deemed acceptable to the board as delineated
23 in the rules and regulations;

24 (4) Has passed an examination conducted by the board to determine his or her qualification for
25 licensure as a psychologist, or is applying under the provisions of § 5-44-11;

26 **§ 5-44-10 Examinations.** – (a) Examinations for licensure shall be conducted by the division as
27 scheduled by the director of the department of health, and shall be offered ~~by the board~~ at least twice a
28 year according to methods and in any subject fields that it deems most practical and expeditious to test the
29 applicant's qualifications.

30 (1) The division board may require examinations to be written or oral, or both.

31 (2) In any written examination, the identity of the applicant shall not be disclosed to the division
32 ~~board~~ until after the examination papers have been graded.

33 (3) Written examination papers shall be preserved and available to the division board for at least
34 two (2) years.

1 (b) A candidate shall pass the examination by reaching the threshold score and requirements set
2 forth by the Division. ~~upon the affirmative vote of at least two (2) members of the board.~~

3 **§ 5-44-11 Licensure without examination.** – A licensure as a psychologist may be issued to:

4 (1) An applicant who has been licensed or certified as a psychologist under the laws of another
5 state, United States territory, or foreign country where the division ~~board~~ determines that the
6 requirements are substantially equivalent to those of this state; or

7 (2) A person who has been certified after examination by the American Board of Examiners in
8 Professional Psychology, if the division board determines that the examination is substantially equivalent
9 to, or exceeds, the requirements of the examination approved by the division. ~~board.~~

10 **§ 5-44-13 Temporary license.** – (a) Pursuant to §§ 5-44-6 and 5-44-23(e) of this chapter and
11 rules and regulations promulgated hereunder, a temporary permit to practice psychology under
12 supervision may be granted to a candidate for licensure who has paid the required fee as set forth in § 23-
13 1-54 and has satisfied the following requirements:

14 (1) Filed an application for licensure with all required supporting materials;

15 (2) Has received a doctoral degree in accordance with § 5-44-10, and successfully completed one
16 thousand five hundred (1,500) hours of supervision satisfactory to the division ~~board~~ as specified in the
17 rules and regulations;

18 (3) Shall only practice under the appropriate supervision of a licensed psychologist as delineated
19 in the rules and regulations promulgated hereunder;

20 (4) Shall refrain from using the title "psychologist" or representing himself or herself as a
21 psychologist other than by using the title "psychology student", "psychology trainee" or "psychology
22 intern", or "psychology resident"; and

23 (5) The temporary permit shall be valid for a period of two (2) years from the date of issuance.

24 (b) Temporary permit holders may request from the division ~~board~~ a one year extension. Such an
25 extension may be granted at the discretion of the division ~~board~~ upon review of the applicant's
26 circumstances. This extension shall only be granted once.

27 **§ 5-44-14 Limitation of practice.** – The division ~~board~~ shall ensure through regulations and
28 enforcement that licensees limit their practice to demonstrated areas of competence as documented by
29 relevant professional education, training, and experience.

30 **§ 5-44-15 Expiration and renewal of licenses – Continuing education – Lapsed license.** – (a)
31 The license of every person licensed under the provisions of this chapter shall expire on the first day of
32 July of the next even-numbered year following the issuance of his or her license.

1 (b) On or before the first day of May of each even-numbered year, the department shall mail an
2 application for renewal of license to every person to whom a license has been issued or renewed during
3 the cycle.

4 (c) Every licensed person who desires to renew his or her license shall file with the department a
5 renewal application, executed, together with a renewal fee as set forth in § 23-1-54, on or before the first
6 day of June in each even-numbered year. Upon receipt of a renewal application and payment of the
7 renewal fee, the accuracy of the application shall be verified and the department may grant a renewal
8 license effective July 1st and expiring the June 30th in each even-numbered year.

9 (d) Every licensed psychologist who desires to continue licensure as a licensed psychologist shall
10 present satisfactory evidence to the division board and approved by rule or regulation of the division
11 ~~board~~ that the licensed psychologist has completed a prescribed course of continuing licensed
12 psychological education.

13 (e) Any person who allows his or her license to lapse, by failing to renew it on or before June 1st
14 in each even-numbered year, as provided in this section, may be reinstated by the department on payment
15 of the current renewal fee, plus an additional fee as set forth in § 23-1-54. Any person using the title
16 "psychologist" or offering services defined as the practice of psychology under this chapter during the
17 time his or her license has lapsed is subject to the penalties provided for violation of this chapter.

18 **§ 5-44-18 Grounds for discipline.** – The division board has the power to deny, revoke, or
19 suspend any license issued by the department in accordance with this chapter, or to discipline a
20 psychologist upon proof that the person:

21 (1) Is guilty of fraud or deceit in procuring or attempting to procure a license or temporary
22 license;

23 (2) Is guilty of a felony or of a crime of immorality;

24 (3) Is habitually intemperate or is addicted to the use of habit-forming drugs;

25 (4) Is mentally incompetent;

26 (5) Is incompetent or negligent in the practice of psychology and has violated the provisions of
27 chapter 5-44 or the rules and regulations promulgated hereunder;

28 (6) Has violated the ethical principles governing psychologists and the practice of psychology, as
29 adopted by the board and in force at the time a charge is made regardless of whether or not the person is a
30 member of any national, regional, or state psychological association; provided, that those ethical
31 principles are a national recognized standard; and departure from or the failure to conform to the minimal
32 standards of acceptable and prevailing psychology practice.

33 (7) Has practiced as a psychologist or has performed the duties of a psychologist without proper
34 supervision by a psychologist licensed under this chapter unless specifically exempted by this chapter.

1 (8) Has had their license revoked, suspended, privileges limited or other disciplinary action in
2 another state or jurisdiction, including the voluntary surrender of a license.

3 (9) Has failed to furnish the department or its legal representative information requested by the
4 board as part of a disciplinary action.

5 **§ 5-44-19 Procedure for discipline.** – (a) When a sworn complaint is filed with the division
6 ~~board~~ charging a person with being guilty of any of the actions specified in § 5-44-18, the department
7 shall immediately investigate those charges, ~~or, the board, investigation, may institute charges.~~

8 (b)(1) If the investigation reveals reasonable grounds for believing that the applicant or
9 psychologist is guilty of the charges, the division board ~~shall fix a time and place for a hearing, and~~ shall
10 serve a copy of the charges, together with a notice of the time and the place fixed for the hearing before
11 the board, personally upon the accused at least twenty (20) days prior to the time fixed for the hearing.

12 (2) The board ~~may investigate and~~ will render a decision on any disciplinary complaint against
13 anyone practicing psychology (regardless of whether he or she was licensed at the time of the alleged
14 complaint) or that their license has subsequently been surrendered, revoked or not renewed.

15 (3) The board at its discretion may dismiss or suspend a complaint without a finding as delineated
16 in the rules and regulations so that a person who is the subject of the complaint may participate in
17 colleague assistance program acceptable to the board. The board may suspend a complaint contingent
18 upon the person complying with directions issued by the board. The board may reinstate any suspended
19 complaint at anytime it deems that the person is not in compliance with the directions of the board.

20 (4) When personal service cannot be effected and that fact is certified by oath by any person
21 authorized to make service, the division board ~~shall~~ publish once in each of two (2) successive weeks, a
22 notice of the hearing in a newspaper published in the county where the accused last resided according to
23 the records of the division board ~~and~~ shall mail a copy of the charges and of the notice to the accused at
24 his or her last known address.

25 (5) When publication of notice is necessary, the date of the hearing shall not be less than twenty
26 (20) days after the last date of publication of the notice.

27 (c)(1) At the hearing, the accused has the right to appear personally or by counsel or both, to
28 produce witnesses and evidence on his or her behalf, to cross-examine witnesses, and to have subpoenas
29 issued by the administrator of professional regulation.

30 (2) The attendance of witnesses and the production of books, documents, and papers at the
31 hearing may be compelled by subpoenas issued by the department, which shall be served in accordance
32 with law.

33 (3) The board ~~department~~ shall administer oaths as necessary for the proper conduct of the
34 hearing.

1 (4) The board is not bound by the strict rules of procedure or by the laws of evidence in the
2 conduct of its proceedings, but the determination shall be based upon sufficient legal evidence to sustain
3 it.

4 (d) If the accused is found guilty of the charges, the board may refuse to issue a registration to the
5 applicant, or may revoke or suspend his or her license, or discipline that person.

6 (e) Upon the revocation or suspension of any license, the license holder shall surrender the license
7 to the department who shall indicate same in the licensure verification database.

8 (f) A revocation or suspension of license may be reviewed at the discretion of the division board,
9 ~~or at the initiative of the department~~ who may request order a rehearing of the issue if he or she finds
10 cause.

11 **§ 5-44-20 Grounds for discipline without a hearing.** – With the approval of the director, the
12 division board may temporarily suspend the license of a psychologist without a hearing if the division
13 ~~board~~ finds that evidence in its possession indicates that a psychologist continuing in practice would
14 constitute an immediate danger to the public. In the event that the division board temporarily suspends the
15 license of a psychologist without a hearing by the board, a hearing must be held within ten (10) days after
16 the suspension has occurred.

17 **§ 5-44-22 Injunction of violations.** – When it appears to the division board that any person is
18 violating any of the provisions of this chapter, the director may institute an action, commenced in the
19 name of the department board, to enjoin that violation in a court of competent jurisdiction. That court may
20 enjoin any person from violating any of the provisions of this chapter, without regard to whether
21 proceedings have been or may be instituted before the board or whether criminal proceedings have been
22 or may be instituted.

23 SECTION 19. Sections 5-44-3, 5-44-4, 5-44-5, 5-44-6 of the General Laws in Chapter 5-44
24 entitled “Psychologists” are hereby repealed.

25 ~~**§ 5-44-3 Board of psychology — Creation — Composition.** — Within the department of~~
26 ~~professional regulation in the department of health, there shall be a board of psychology consisting of five~~
27 ~~(5) members as provided by § 5-44-4.~~

28 ~~**§ 5-44-4 Board of psychology — Appointment, terms, oath, and removal of members.** — (a)~~
29 ~~The director of the department of health shall, with the approval of the governor, appoint five (5) electors~~
30 ~~as members of the board. One member of the board shall be representative of the public, and four (4) shall~~
31 ~~be psychologists pursuant to this chapter and each of them shall have been engaged in their profession for~~
32 ~~at least five (5) years. At least one member of the board shall be an academic psychologist.~~

33 ~~(b) The director shall, with the approval of the governor, appoint persons to serve on the board for a term~~
34 ~~of three (3) years and each member shall serve until his or her successor has been appointed and qualified.~~

1 ~~(c) The director may remove any member from the board for neglect of any duty required by law, or for~~
2 ~~incompetence, or unprofessional or dishonorable conduct. Vacancies shall be filled in the same manner as~~
3 ~~the original appointment was made, for the remainder of the term.~~

4 ~~**§ 5-44-5 Board of psychology — Organization and meetings.** (a) The board shall organize~~
5 ~~immediately after the appointment and qualification of its members.~~

6 ~~(b) The board shall annually elect a chairperson and secretary. Meetings may be called by the chairperson~~
7 ~~or the director of the department of health or by written request of three (3) members of the board. A~~
8 ~~majority of seats filled shall constitute a quorum. The board shall meet as often as necessary.~~

9 ~~**§ 5-44-6 Board of psychology — General powers.** The board of psychology shall:~~

10 ~~(1) Be authorized to recommend to the director for his or her approval the adoption and revision of rules~~
11 ~~and regulations not inconsistent with law as necessary to enable it to carry into effect the provisions of~~
12 ~~this chapter.~~

13 ~~(2) Determine the tests which applicants for licensure take. The department shall adopt policies to~~
14 ~~be followed in the examinations, licensure, and renewal of licenses of qualified applicants.~~

15 ~~(3) Conduct hearings upon charges calling for the discipline of a license or revocation. The~~
16 ~~department has the power to issue subpoenas and compel the attendance of witnesses and administer~~
17 ~~oaths to persons giving testimony at hearings.~~

18 ~~(4) The board, or the director shall prosecute all persons violating this chapter and has the power~~
19 ~~to incur the necessary expenses of prosecution. The board shall keep a record of all its proceedings.~~

20 SECTION 20. Sections 5-45-4, 5-45-6, 5-45-7, and 5-45-12 of the General Laws in Chapter 5-45
21 entitled "Nursing Home Administrators" are hereby amended to read as follows:

22 **§ 5-45-4 Definitions.** – For the purpose of this chapter, and as used in it:

23 (1) "Board" means the health professions board of review established in accordance with § 5-
24 26.1-3. ~~board of examiners for nursing home administrators established by this chapter.~~

25 (2) "Department" means the department of health.

26 (3) "Designee" means any subordinate official of the department authorized by the director to
27 carry out any of the powers and responsibilities granted to him or her by this chapter.

28 (4) "Director" means the director of the department of health.

29 (5) "Division" means the division of professional regulation and licensing within the department
30 of health.

31 ~~(5)(6)~~ "Nursing home" means any facility providing nursing care to any in-patient, which is
32 required to be licensed under any law or regulation of the state, and which is further defined as a skilled
33 nursing home by the licensing authority of the state.

1 ~~(6)(7)~~ "Nursing home administrator" means the individual responsible for planning, organizing,
2 directing, and controlling the operation of the nursing home, whether or not those functions are shared by
3 one or more other persons.

4 **§ 5-45-6 Licensing function of department of health – Term of licenses – Appeal of license**
5 **denials, suspensions, or revocations.** – The department shall license nursing home administrators in
6 accordance with rules and regulations adopted by the division board with the approval of the director. A
7 nursing home administrator's license shall be nontransferable and shall be valid until the following June
8 30th, or until surrendered for cancellation, or suspended or revoked for violation of this chapter or any
9 other laws or regulations relating to the proper operation of a nursing home. Any denial of issuance or
10 renewal, or any suspension or revocation shall be subject to review by the board upon the timely request
11 of the licensee and pursuant to Administrative Procedures Act, chapter 35 of title 42.

12 **§ 5-45-7 Qualification for licensure.** – In order to be eligible for licensure pursuant to this
13 chapter, a person shall:

14 (1) Be not less than eighteen (18) years of age and of good moral character.

15 (2) Have satisfactorily completed a course of instruction and training approved by the department.

16 The course shall be designed as to content and administered as to present sufficient knowledge of the
17 needs properly to be served by nursing homes, laws governing the operation of nursing homes and the
18 protection of the interests of patients in the nursing homes, and the elements of good nursing home
19 administration.

20 (3) Have passed an examination conducted by the division board and designed to test for
21 competence in the subject matter referred to in subdivision (2) of this section. Where the department
22 deems it appropriate for purposes of according with religious teachings, the examination of an individual
23 may exclude any subjects which could be considered in derogation of, or in conflict with, the teachings
24 and practice of any recognized religious faith. Any license issued on the basis of that abridged
25 examination shall be annotated to designate the appropriate limitation of the type of facility of which the
26 licensed individual may be an administrator.

27 (4) Pay licensure fees as set forth in § 23-1-54.

28 **§ 5-45-12 Disciplinary proceedings – Grounds for discipline.** – (a) The department may
29 suspend, revoke or refuse to renew any license issued under this chapter, or may reprimand, censure, or
30 discipline a licensee or may require participation in continuing education, or professional mentoring or
31 may place an administrator on probation in accordance with the provisions of this section, upon decision
32 and after a board hearing as provided by chapter 35 of title 42, upon proof that the licensee engaged in
33 unprofessional conduct. Unprofessional conduct includes, but is not limited to, any of the following:

34 (1) Being unfit or incompetent by reason of negligence, habits, or other causes;

1 (2) Violating any of the provisions of this chapter or the rules enacted in accordance with it; or
2 acting in a manner inconsistent with the health and safety of the patients of the nursing facility in which
3 he or she is the administrator;

4 (3) Engaging in fraud or deceit in the practice of nursing home administration, or in his or her
5 admission to this practice;

6 (4) Being convicted in a court of competent jurisdiction, either within or without this state, of a
7 felony.

8 (5) Failing to conform to minimal standards of acceptable and prevailing practice of nursing
9 home administration.

10 (b) If a nursing home administrator is placed on probation, the department may require the
11 licensee to:

12 (1) Report regularly to the department on matters that are the basis of the probation;

13 (2) Limit practice to the areas prescribed by the department; or

14 (3) Complete a prescribed program of continuing professional education until the licensee attains
15 a degree of skill satisfactory to the department in those areas that are the basis of the probation.

16 SECTION 21. Sections 5-45-1 and 5-45-3 of the General Laws in Chapter 5-45 entitled "Nursing
17 Home Administrators" are hereby repealed.

18 ~~§ 5-45-1 Board of examiners — Creation — Composition — Appointment, terms, oath, and~~
19 ~~removal of members — Meetings.~~ (a) ~~Within the department of health, there shall be a board of~~
20 ~~examiners for nursing home administrators. The board shall be appointed by the director of the~~
21 ~~department of health, with the approval of the governor, and shall consist of seven (7) persons who shall~~
22 ~~be certified electors of this state.~~

23 ~~(1) Three (3) members of the board shall be persons licensed as nursing home administrators~~
24 ~~pursuant to the provisions of this chapter.~~

25 ~~(2) Two (2) members of the board shall be representatives from senior citizen groups.~~

26 ~~(3) On June 1, 1979, two (2) additional qualified members are appointed. One shall be a nurse~~
27 ~~who is licensed in the state, is a graduate of an accredited school of nursing, and has been actively~~
28 ~~engaged in nursing service for at least two (2) years immediately preceding appointment or~~
29 ~~reappointment. The other member shall be a physician licensed to practice medicine in this state, who has~~
30 ~~been actively engaged in the practice of medicine for at least two (2) years immediately preceding~~
31 ~~appointment or reappointment. The physician and nurse members of the board shall be representative of~~
32 ~~those persons of the profession concerned with the care and treatment of chronically ill or infirm elderly~~
33 ~~patients.~~

1 ~~(4) A majority of the board members may not be representative of a single profession or category~~
2 ~~of institution, and members who are not representative of institutions may not have a direct financial~~
3 ~~interest in any nursing home. Licensed nursing home administrators shall be considered representatives of~~
4 ~~institutions for the purpose of this section.~~

5 ~~(b) Members shall be appointed to a term of three (3) years. No member shall serve more than~~
6 ~~two (2) terms. The director of the department of health shall, with the approval of the governor, appoint to~~
7 ~~vacancies, as they occur, a qualified person to serve on the board for the remainder of the term and until~~
8 ~~his or her successor is appointed and qualified.~~

9 ~~(c) The director of the department of health may remove, after a hearing and with the approval of~~
10 ~~the governor, any member of the board for neglect of any duty required by law or for any incompetency,~~
11 ~~unprofessional or dishonorable conduct. Vacancies shall be filled in the same manner as the original~~
12 ~~appointment was made for the remainder of the term. Before beginning his or her term of office, each~~
13 ~~member shall take the oath prescribed by law for state officers, a record of which shall be filed with the~~
14 ~~secretary of state.~~

15 ~~(d) The director shall appoint a chairperson. No member shall serve as chairperson for more than~~
16 ~~three (3) years.~~

17 ~~(e) Four (4) members of the board shall constitute a quorum.~~

18 ~~(f) The members of the board shall serve without compensation.~~

19 ~~(g) Meetings shall be called by the director of the department of health, or his or her authorized~~
20 ~~designee, or by a majority of the members of the board.~~

21 ~~(h) The administrator of professional regulation of the department of health, as provided by~~
22 ~~chapter 26 of this title shall serve as administrative agent of the board.~~

23 ~~**§ 5-45-3 Board of examiners — Functions.**~~ (a) It is the function of the board to:

24 ~~(1) Conduct examinations as required by the department and to act in an advisory capacity to the~~
25 ~~department in all matters pertaining to the licensing of nursing home administrators;~~

26 ~~(2) Develop and apply appropriate techniques, including examinations and investigations, for~~
27 ~~determining whether an individual meets those standards, subject to the approval of the director;~~

28 ~~(3) Recommend to the department the issuance of licenses and registrations to individuals~~
29 ~~determined, after application of those techniques, to meet those standards; and to recommend to the~~
30 ~~director the revocation or suspension of licenses or registrations previously issued; and to recommend~~
31 ~~disciplinary action to be taken against a nursing home administrator, including placing a licensee on~~
32 ~~probation, and ordering continuing education or professional mentoring by nursing facility professionals~~
33 ~~in any case where the individual holding that license or registration is determined substantially to have~~
34 ~~failed to conform to the requirements of those standards or when a nursing facility under the~~

1 ~~administrator's control has been found on its survey to have continued poor performance or is repeatedly~~
2 ~~unable to remain in compliance with standards; and~~

3 ~~(4) Adopt, on or before January 1, 1995, with the approval of the director of the department of~~
4 ~~health, rules and regulations governing a mandatory program of continuing education for nursing home~~
5 ~~administrators.~~

6 ~~(b) Programs for continuing education for nursing facility administrators may be presented by:~~

7 ~~(1) The Rhode Island Health Care Association;~~

8 ~~(2) The Rhode Island Association of Facilities for the Aging;~~

9 ~~(3) The American College of Health Care Administrators;~~

10 ~~(4) The Alliance for Better Nursing Home Care;~~

11 ~~(5) Nationally recognized associations of the groups listed in subdivisions (1) — (4) of this~~
12 ~~subsection;~~

13 ~~(6) Any accredited college or university; or~~

14 ~~(7) Any organizations authorized and approved by the department.~~

15 SECTION 22. Sections 5-48-1, 5-48-7, 5-48-7.1, 5-48-7.2, 5-48-9, 5-48-9.1, 5-48-12, and 5-48-
16 13 of the General Laws in Chapter 5-48 entitled "Speech Pathology and Audiology" are hereby amended
17 to read as follows:

18 **§ 5-48-1 Purpose and legislative intent – Definitions.** – (a) It is declared to be a policy of this
19 state that the practice of speech language pathology and audiology is a privilege granted to qualified
20 persons and that, in order to safeguard the public health, safety, and welfare, protect the public from being
21 misled by incompetent, unscrupulous, and unauthorized persons, and protect the public from
22 unprofessional conduct by qualified speech language pathologists and audiologists, it is necessary to
23 provide regulatory authority over persons offering speech language pathology and audiology services to
24 the public.

25 (b) The following words and terms when used in this chapter have the following meaning unless
26 otherwise indicated within the context:

27 (1) "Audiologist" means an individual licensed by the board to practice audiology.

28 (2) "Audiology" means the application of principles, methods, and procedures related to hearing
29 and the disorders of the hearing and balance systems, to related language and speech disorders, and to
30 aberrant behavior related to hearing loss. A hearing disorder in an individual is defined as altered
31 sensitivity, acuity, function, processing, and/or damage to the integrity of the physiological
32 auditory/vestibular systems.

33 (3) "Audiology support personnel" means individuals who meets minimum qualifications,
34 established by the board, which are less than those established by this chapter as necessary for licensing

1 as an audiologist, who do not act independently, and who work under the direction and supervision of an
2 audiologist licensed under this chapter who has been actively working in the field for twenty-four (24)
3 months after completion of the postgraduate professional experience and who accepts the responsibility
4 for the acts and performances of the audiology assistant while working under this chapter.

5 (4) "Board" means the health professions board of review established in accordance with § 5-
6 26.1-3. state board of examiners for speech language pathology and audiology.

7 (5) "Clinical fellow" means the person who is practicing speech language pathology under the
8 supervision of a licensed speech language pathologist while completing the postgraduate professional
9 experience as required by this chapter.

10 (6) (i) "Department" means the Rhode Island department of health.

11 (ii) "Division" means the division of professional regulation and licensing within the department
12 of health.

13 (7) "Director" means the director of the Rhode Island department of health.

14 (8) "Person" means an individual, partnership, organization, or corporation, except that only
15 individuals can be licensed under this chapter.

16 (9)(i) "Practice of audiology" means rendering or offering to render any service in audiology,
17 including prevention, screening, and identification, evaluation, habilitation, rehabilitation; participating in
18 environmental and occupational hearing conservation programs, and habilitation and rehabilitation
19 programs including hearing aid and assistive listening device evaluation, prescription, preparation,
20 dispensing, and/or selling and orientation; auditory training and speech reading; conducting and
21 interpreting tests of vestibular function and nystagmus; conducting and interpreting electrophysiological
22 measures of the auditory pathway; cerumen management; evaluating sound environment and equipment;
23 calibrating instruments used in testing and supplementing auditory function; and planning, directing,
24 conducting or supervising programs that render or offer to render any service in audiology.

25 (ii) The practice of audiology may include speech and/or language screening to a pass or fail
26 determination, for the purpose of initial identification of individuals with other disorders of
27 communication.

28 (iii) A practice is deemed to be the "practice of audiology" if services are offered under any title
29 incorporating such word as "audiology", "audiologist", "audiometry", "audiometrist", "audiological",
30 "audiometrics", "hearing therapy", "hearing therapist", "hearing clinic", "hearing clinician", "hearing
31 conservation", "hearing conservationist", "hearing center", "hearing aid audiologist", or any similar title
32 or description of services.

33 (10)(i) "Practice of speech language pathology" means rendering or offering to render any service
34 in speech language pathology including prevention, identification, evaluation, consultation, habilitation,

1 rehabilitation; determining the need for augmentative communication systems, dispensing and selling
2 these systems, and providing training in the use of these systems; and planning, directing, conducting, or
3 supervising programs that render or offer to render any service in speech language pathology.

4 (ii) The practice of speech language pathology may include nondiagnostic pure tone air
5 conduction screening, screening tympanometry, and acoustic reflex screening, limited to a pass or fail
6 determination, for the purpose of performing a speech and language evaluation or for the initial
7 identification of individuals with other disorders of communication.

8 (iii) The practice of speech language pathology also may include aural rehabilitation, which is
9 defined as services and procedures for facilitating adequate receptive and expressive communication in
10 individuals with hearing impairment.

11 (iv) A practice is deemed to be the "practice of speech language pathology" if services are offered
12 under any title incorporating such words as "speech pathology", "speech pathologist", "speech therapy",
13 "speech therapist", "speech correction", "speech correctionist", "speech clinic", "speech clinician",
14 "language pathology", "language pathologist", "voice therapy", "voice therapist", "voice pathology",
15 "voice pathologist", "logopedics", "logopedist", "communicology", "communicologist", "aphasiology",
16 "aphasiologist", "phoniatriest", or any similar title or description of services.

17 (11) "Regionally accredited" means the official guarantee that a college or university or other
18 educational institution is in conformity with the standards of education prescribed by a regional
19 accrediting commission recognized by the United States Secretary of Education.

20 (12) "Speech language pathologist" means an individual who is licensed by the board to practice
21 speech language pathology.

22 (13) "Speech language pathology" means the application of principles, methods, and procedures
23 for prevention, identification, evaluation, consultation, habilitation, rehabilitation, instruction, and
24 research related to the development and disorders of human communication. Disorders are defined to
25 include any and all conditions, whether of organic or non-organic origin, that impede the normal process
26 of human communication in individuals or groups of individuals who have or are suspected of having
27 these conditions, including, but not limited to, disorders and related disorders of:

28 (i) Speech: articulation, fluency, voice, (including respiration, phonation and resonance);

29 (ii) Language (involving the parameters of phonology, morphology, syntax, semantics and
30 pragmatics; and including disorders of receptive and expressive communication in oral, written, graphic,
31 and manual modalities);

32 (iii) Oral, pharyngeal, laryngeal, cervical esophageal, and related functions (e.g., dysphasia,
33 including disorders of swallowing and oral function for feeding; oro-facial myofunctional disorders);

1 (iv) Cognitive aspects of communication (including communication disability and other
2 functional disabilities associated with cognitive impairment); and

3 (v) Social aspects of communication (including challenging behavior, ineffective social skills,
4 lack of communication opportunities).

5 (14) "Speech language support personnel" means individuals who meet minimum qualifications
6 established by the board, which are less than those established by this chapter as necessary for licensing
7 as a speech language pathologist, who do not act independently, and who work under the direction and
8 supervision of a speech language pathologist licensed under this chapter who has been actively working
9 in the field for twenty-four (24) months after completion of the postgraduate professional experience and
10 who accepts the responsibility for the acts and performances of the speech language pathology assistant
11 while working under this chapter. Speech language support personnel shall be registered with the board
12 within thirty (30) days of beginning work, or the supervising speech language pathologist will be assessed
13 a late filing fee as set forth in § 23-1-54.

14 **§ 5-48-7 Qualifications of applicants for a license as a speech language pathologist.** – To be
15 eligible for licensure by the division board as a speech language pathologist the applicant must:

16 (1) Be of good moral character;

17 (2) Apply to the department, upon a form prescribed by the department;

18 (3) Submit the appropriate application fee;

19 (4) Submit an official transcript indicating possession of a master's degree or a doctorate degree
20 or equivalent in speech language pathology from an educational institution accredited by the Council on
21 Academic Accreditation (CAA) of the American Speech Language Hearing Association (ASHA) or other
22 national accrediting association as may be approved by the board. The degree shall consist of course work
23 in accordance with the current minimum requirements for the certificate of clinical competence issued by
24 the American Speech Language Hearing Association (ASHA) or other national accrediting association as
25 may be approved by the board and delineated in the rules and regulations;

26 (5) Complete supervised clinical practicum experiences from an educational institution or its
27 cooperating programs. The content of the practicum shall be in accordance with the current minimum
28 requirements for the certificate of clinical competence issued by the American Speech Language Hearing
29 Association (ASHA) or other national accrediting association as may be approved by the division board
30 and delineated in the rules and regulations;

31 (6) Pass a national examination in speech language pathology as required by the American
32 Speech Language Hearing Association (ASHA) or other national accrediting association as may be
33 approved by the board and delineated in the rules and regulations;

1 (7) Present verification of a certificate of clinical competence from the American Speech
2 Language Hearing Association (ASHA) or other national accrediting association as may be approved by
3 the division board; and

4 (8) If applicable, present evidence from the board of speech language pathology in each state in
5 which the applicant has held or holds licensure to be submitted to the board of this state, attesting to the
6 licensure status of the applicant during the time period the applicant held licensure in said state.

7 **§ 5-48-7.1 Qualifications for a provisional license for a speech language pathologist.** – (a) To
8 be eligible for provisional licensure by the division board, the speech language pathologist applicant must
9 submit an application with the required application fee and be in compliance with the requirements of § 5-
10 48-7(1), (4), (5) and (6).

11 (b) In addition to the requirements of subsection (a) of this section, content of the supervised
12 postgraduate professional experience shall meet the standards of a trainee or fellow of speech pathology
13 as required by the American Speech Language Hearing Association (ASHA) or other national accrediting
14 association as may be approved by the division board.

15 (c) If the postgraduate professional experience extends beyond one year, provisional licensure
16 must be renewed annually and not exceed thirty-six (36) months past the initiation of the professional
17 experience.

18 (d) The provisional licensure shall expire ninety (90) days after the end of the postgraduate
19 professional experience.

20 **§ 5-48-7.2 Qualifications for license as an audiologist.** – Persons seeking initial licensure as an
21 audiologist on or after January 1, 2008 shall meet the following requirements:

22 (1) Be of good moral character;

23 (2) Apply to the board, upon a form prescribed by the board;

24 (3) Submit the appropriate application fee;

25 (4) Submit an official transcript indicating possession of an earned doctorate degree in audiology
26 from a regionally accredited educational institution as delineated in the rules and regulations;

27 (5) Pass a national examination in audiology approved by the division board and delineated in the
28 rules and regulations;

29 (6) Present evidence of practicum experience that is equivalent to a minimum of twelve (12)
30 months of full-time, supervised experience, that may be completed as part of the graduate degree, as
31 delineated in the rules and regulations;

32 (7) If applicable, present evidence from the board of audiology in each state in which the
33 applicant has held or holds licensure to be submitted to the board of this state, attesting to the licensure
34 status of the applicant during the time period the applicant held licensure in said state;

1 (8) Any other requirements as set forth in the rules and regulations.

2 **§ 5-48-9 Fees – Late filing – Inactive status – Filing fees for support personnel registration.**

3 (a) The division board may charge an application fee; a biennial license renewal fee payable
4 before July 1 of even years (biennially); or a provisional license renewal fee as set forth in § 23-1-54
5 payable annually from the date of issue.

6 (b) Any person who allows his or her license to lapse by failing to renew it on or before the
7 thirtieth (30th) day of June of even years (biennially), may be reinstated by the board on payment of the
8 current renewal fee plus an additional late filing fee as set forth in § 23-1-54.

9 (c) An individual licensed as a speech language pathologist and/or audiologist in this state, not in
10 the active practice of speech-language pathology or audiology within this state during any year, may upon
11 request to the board, have his or her name transferred to an inactive status and shall not be required to
12 register biennially or pay any fee as long as he or she remains inactive. Inactive status may be maintained
13 for no longer than two (2) consecutive licensing periods, after which period licensure shall be terminated
14 and reapplication to the board shall be required to resume practice.

15 (d) Any individual whose name has been transferred to an inactive status may be restored to
16 active status within two (2) licensing periods without a penalty fee, upon the filing of:

17 (1) An application for licensure renewal, with a licensure renewal fee as set forth in § 23-1-54
18 made payable by check to the general treasurer of the state of Rhode Island; and

19 (2) Any other information that the division board may request.

20 (e) Audiology and speech language pathology support personnel shall be registered with the
21 board within thirty (30) days of beginning work, or the supervising audiologist or speech language
22 pathologist shall be assessed a late filing fee as set forth in § 23-1-54.

23 **§ 5-48-9.1 Continuing education.** – (a)(1) On or before the thirtieth (30th) day of June of even
24 years, every person licensed to practice speech language pathology and/or audiology within this state
25 shall complete not less than twenty (20) clock hours of continuing education within the preceding two (2)
26 years and be able to present satisfactory evidence of completion to the division board.

27 (2) Those persons holding licensure in both speech language pathology and audiology must have
28 completed and have evidence of completion of not less than thirty (30) clock hours of continuing
29 education within the preceding two (2) years.

30 (b) Continuing education hours may not be carried over from one renewal period to the next.

31 (c) The division board at its discretion may extend, reduce, or waive the requirement for
32 continuing education for hardship or other extenuating circumstances as the division board deems
33 appropriate.

1 **§ 5-48-12 Penalty for violations.** – (a) The ~~division board~~ is granted the authority to impose the
2 following disciplinary actions in those instances in which an applicant for a license or a licensee has been
3 guilty of conduct which has endangered, or is likely to endanger, the health, welfare, or safety of the
4 public:

5 (1) Refuse to issue or renew a license.

6 (2) Issue a letter of reprimand or concern.

7 (3) Require restitution of fees.

8 (4) Impose probationary conditions.

9 (5) Suspend or revoke a license.

10 (b) Any person found to be in violation of any provision of this chapter, upon conviction, shall be
11 guilty of a misdemeanor and punished by a fine of not more than one thousand dollars (\$1,000).

12 **§ 5-48-13 Revocation and suspension procedure – Reinstatement.** – (a)(1) Notice, in writing,
13 of a contemplated revocation or suspension of a license, of this particular cause, and of the date of a
14 hearing, shall be sent by the division through registered or certified mail to the licensee at his or her last
15 known address at least fifteen (15) days before the date of the hearing before the board.

16 (2) The individual against whom a charge is filed has the right to appear before the board in
17 person or by counsel, or both; may produce witnesses and evidence on his or her behalf; and may
18 question witnesses.

19 (3) No license shall be revoked or suspended without a hearing, but the nonappearance of the
20 licensee, after notice, shall not prevent a hearing.

21 (4) All matters upon which the decision is based shall be introduced in evidence at the
22 proceeding.

23 (5) The licensee shall be notified, in writing, of the board's decision.

24 (6) ~~The board may make any rules and regulations that it deems proper for the filing of charges~~
25 ~~and the conduct of hearings.~~

26 ~~(b)~~ (a) After issuing an order of revocation or suspension by the board, the department board
27 [AB5] may also file a petition in equity in the superior court in a county in which the respondent resides or
28 transacts business, to ensure appropriate injunctive relief to expedite and secure the enforcement of its
29 order, pending the final determination.

30 ~~(c)~~ (b) An application for reinstatement may be made to the board, which may, upon the
31 affirmative vote of at least the majority of its members, which may hear further argument regarding grant
32 a reinstatement.

33 (c) An appeal from any decision or order of the board may be brought by an aggrieved person in
34 accordance with § 42-35-15. The term “person” in this section includes the department.

1 SECTION 23. Sections 5-48-2, 5-48-3 and 5-48-4 of the General Laws in Chapter 5-48 entitled
2 “Speech Pathology and Audiology” are hereby repealed.

3 ~~§ 5-48-2 Board of examiners — Composition — Appointments, terms and qualifications of~~
4 ~~members.~~

5 (a) ~~There exists within the department of health a board of examiners of speech language~~
6 ~~pathology and audiology. The board shall consist of five (5) persons who are residents of the state, and~~
7 ~~who have worked within the state for at least one year prior to their appointments.~~

8 (1) ~~Two (2) members shall be speech language pathologists who have practiced speech language~~
9 ~~pathology for at least five (5) years preceding appointment, are currently practicing speech language~~
10 ~~pathology, and hold active and valid licensure for the practice of speech language pathology in this state.~~

11 (2) ~~One member shall be an audiologist who has practiced audiology for at least five (5) years~~
12 ~~immediately preceding appointment, is currently practicing audiology, and holds active and valid~~
13 ~~licensure for the practice of audiology in this state.~~

14 (3) ~~One member shall be an otolaryngologist who holds certification by the American Academy~~
15 ~~of Otolaryngology — head and neck surgery, who is currently practicing otolaryngology, and holds active~~
16 ~~and valid licensure as a physician within this state.~~

17 (4) ~~One member shall be a representative of the consumer public who is not associated with or~~
18 ~~financially interested in the practice or business of speech language pathology or audiology.~~

19 (b) ~~All appointments to the board shall be for the term of three (3) years. Members shall serve~~
20 ~~until the expiration of the term for which they have been appointed or until their appointed successors are~~
21 ~~qualified.~~

22 (c) ~~When a vacancy upon the board occurs, the director of the department of health shall, with the~~
23 ~~approval of the governor, appoint persons who are working within the state to fill the remainder of the~~
24 ~~vacant term.~~

25 (d) ~~The board shall reorganize annually during the month of January and shall select a~~
26 ~~chairperson.~~

27 (e) ~~A majority of currently filled positions shall constitute a quorum to do business.~~

28 (f) ~~No person shall be appointed to serve more than two (2) consecutive terms.~~

29 (g) ~~The first board and all future members shall be appointed by the director of the department of~~
30 ~~health, with the approval of the governor.~~

31 (h) ~~The director of the department of health, with the approval of the governor, may remove any~~
32 ~~member of the board for dishonorable conduct, incompetency, or neglect of duty.~~

33 ~~§ 5-48-3 Board of examiners — Duties and powers — Meetings — Compensation of members.~~

34 (a) ~~The board shall administer, coordinate, and enforce the provisions of this chapter, evaluate the~~
35 ~~qualifications of applicants, and may issue subpoenas, examine witnesses, and administer oaths, conduct~~

1 ~~hearings, and at its discretion investigate allegations of violations of this chapter and impose penalties if~~
2 ~~any violations of the chapter have occurred.~~

3 ~~(b) The board shall conduct hearings and keep records and minutes as necessary to an orderly~~
4 ~~dispatch of business.~~

5 ~~(c) The board shall, with the approval of the director of the department of health, adopt, amend or~~
6 ~~repeal rules and regulations, including, but not limited to, regulations that delineate qualifications for~~
7 ~~licensure and establish standards of professional conduct. Following their adoption, the rules and~~
8 ~~regulations shall govern and control the professional conduct of every person who holds a license to~~
9 ~~practice speech language pathology or audiology in this state.~~

10 ~~(d) The board shall make available complete lists of the names and addresses of all licensed~~
11 ~~speech language pathologists and/or audiologists.~~

12 ~~(e) The board may request legal advice and assistance from the appropriate state legal officer.~~

13 ~~(f) Regular meetings of the board shall be held at the times and places that it prescribes, and~~
14 ~~special meetings may be held upon the call of the chairperson; provided, that at least one regular meeting~~
15 ~~shall be held each year.~~

16 ~~(g) The conferral or enumeration of specific powers in this chapter shall not be construed as a~~
17 ~~limitation of the general powers conferred by this section. No member of the board shall be liable to civil~~
18 ~~action for any act performed in good faith in the performance of his or her duties as prescribed by this~~
19 ~~chapter.~~

20 ~~(h) Board members shall serve without compensation.~~

21 ~~(i) The board may suspend the authority of any registered speech language pathologist or~~
22 ~~audiologist to practice speech language pathology or audiology for failure to comply with any of the~~
23 ~~requirements of this chapter.~~

24 ~~**§ 5-48-4 Board examiners — Seal — Authentication of records.** The board shall adopt the~~
25 ~~state seal by which it authenticates its proceedings. Copies of the proceedings, records, and acts of the~~
26 ~~board, and certificates purporting to relate the facts concerning those proceedings, records, and acts,~~
27 ~~signed by the secretary and authenticated by that seal, shall be evidence in all courts of this state.~~

28 SECTION 24. Sections 5-49-1, 5-49-6, 5-49-7, and 5-49-12 of the General Laws in Chapter 5-49
29 entitled "Hearing Aid Dealers and Fitters" are hereby amended to read as follows:

30 **§ 5-49-1 Definitions.** – As used in this chapter, except as the context may require:

31 (1) "Audiologist" means a person who has been awarded a certificate of competency by the
32 American Speech and Hearing Association and who is duly licensed by the department.

33 (2) "Board" means the health professions board of review established in accordance with § 5-
34 26.1-3. board of hearing aid dealers and fitters.

1 (3) "Department" means the department of health.

2 (4) "Division" means the division of professional regulation and licensing within the department
3 of health.

4 (4) (5) "Hearing aid" means any wearable instrument or device designed for or offered for the
5 purpose of aiding or compensating for impaired human hearing, and any parts, attachments, or
6 accessories, including ear mold, but excluding batteries and cords.

7 (5) (6) "License" means a license issued by the state under this chapter to hearing aid dealers and
8 fitters.

9 (6) (7) "Practice of fitting and dealing in hearing aids" means the evaluation and measurement of
10 human hearing by means of an audiometer or by any other means solely for the purpose of making
11 selections, adaptations, or sale of hearing aids. The term also includes the making of impressions for ear
12 molds. This term does not include the making of audiograms for a physician or a member of related
13 professions for use in consultation with the hard of hearing.

14 (7) (8) "Sell" or "sale" means any transfer of title or of the right to use by lease, bailment, or any
15 other contract, excluding wholesale transactions with distributors or dealers.

16 (8) (9) "Temporary permit" means a permit issued while the applicant is in training to become a
17 licensed hearing aid dealer and fitter.

18 **§ 5-49-6 Issuance of licenses and certificates of endorsement.** – (a) The ~~division~~ department
19 shall register each applicant without discrimination who passes an examination as provided in § 5-49-7.
20 Upon the applicant's payment as set forth in § 23-1-54 per annum for each year of the term of license, the
21 ~~division~~ department shall issue to the applicant a license signed by the department. The total fee for the
22 entire term of licensure shall be paid prior to the issuance of the license.

23 (b) Whenever the ~~division~~ board determines that another state or jurisdiction has requirements
24 equivalent to or higher than those in effect pursuant to this chapter, and that this state or jurisdiction has a
25 program equivalent to or stricter than the program for determining whether applicants pursuant to this
26 chapter are qualified to dispense and fit hearing aids, the department may issue certificates of
27 endorsement to applicants who hold current, unsuspended, and unrevoked certificates or licenses to fit
28 and sell hearing aids in that other state or jurisdiction.

29 (c) No applicant for certificate of endorsement shall be required to submit to or undergo a
30 qualifying examination, etc., other than the payment of fees, as set forth in § 23-1-54.

31 (d) The holder of a certificate of endorsement shall be registered in the same manner as a
32 licensee. The fee for an initial certificate of endorsement shall be the same as the fee for an initial license.
33 Fees, grounds for renewal, and procedures for the suspension and revocation of certificates of
34 endorsement shall be the same as for renewal, suspension, and revocation of a license.

1 **§ 5-49-7 License by examination.** – (a) Applicants who do not meet the experience qualification
2 of former § 5-49-5 on July 1, 1973, may obtain a license by successfully passing a qualifying
3 examination, provided the applicant:

4 (1) Is at least twenty-one (21) years of age;

5 (2) Is of good moral character;

6 (3) Has an education equivalent to a four-year course in an accredited high school; and (4) Is free
7 of contagious or infectious disease.

8 (b) Applicants for license by examination shall appear at a time, place, and before any persons
9 that the department designates, to be examined by means of written and practical tests in order to
10 demonstrate that he or she is qualified to practice the fitting and sale of hearing aids. The examination
11 administered as directed by the division board shall not be conducted in a manner that requires college
12 training in order to pass. Nothing in this examination shall imply that the applicant possess the degree of
13 medical competence normally expected of physicians.

14 **§ 5-49-12 Complaints – Grounds and proceedings for revocation or suspension of licenses.** –

15 (a)(1) Any person wishing to make a complaint against a licensee under this chapter shall file this
16 complaint, in writing, with the department, within one year from the date of the action upon which the
17 complaint is based.

18 (2) If the department determines the charges made in the complaint are sufficient to warrant a
19 hearing to determine whether the license issued under this chapter should be suspended or revoked, it
20 shall make an order fixing a time and place for a hearing before the board and shall require the licensee
21 complained against to appear and defend against the complaint. The order shall have annexed to it a copy
22 of the complaint.

23 (3) The order and copy of the complaint shall be served upon the licensee, either personally or by
24 registered mail sent to the licensee's last known address, at least twenty (20) days before the date set for
25 the hearing.

26 (4) Continuances or an adjournment of the hearing shall be made if for good cause.

27 (5) At the hearing, the licensee complained against may be represented by counsel.

28 (6) The licensee complained against and the department shall have the right to take depositions in
29 advance of the hearing and after service of the complaint, and either may compel the attendance of
30 witness by subpoenas issued by the department under its seal.

31 (7) Either party taking depositions shall give at least five (5) days' written notice to the other party
32 of the time and place of those depositions, and the other party has the right to attend (with counsel if
33 desired) and cross-examine.

1 (8) Judicial appeals ~~Appeals~~ from suspension or revocation by the board may be made in
2 accordance with § 42-35-15. ~~through the appropriate administrative procedures act.~~

3 (b) Any person registered under this chapter may have his or her license revoked or suspended for
4 a fixed period by the department for any of the following causes:

5 (1) The conviction of a felony, or a misdemeanor involving moral turpitude. The record of
6 conviction, or a certified copy, certified by the clerk of the court or by the judge in whose court the
7 conviction was had, shall be conclusive evidence of this conviction.

8 (2) Procuring a license by fraud or deceit practiced upon the department.

9 (3) Unethical conduct, including:

10 (i) Obtaining any fee or making any sale by fraud or misrepresentation.

11 (ii) Knowingly employing, directly or indirectly, any suspended or unregistered person to perform
12 any work covered by this chapter.

13 (iii) Using, or causing, or promoting the use of, any advertising matter, promotional literature,
14 testimonial, guarantee, warranty, label, brand, insignia or any other representation, however disseminated
15 or published, which is misleading, deceptive, or untruthful.

16 (iv) Advertising a particular model or type of hearing aid for sale when purchasers or prospective
17 purchasers responding to the advertisement cannot purchase the advertised model or type, where it is
18 established that the purpose of the advertisement is to obtain prospects for the sale of a different model or
19 type than that advertised.

20 (v) Representing that the service or advice of a person licensed to practice medicine will be used
21 or made available in the selection, fitting, adjustment, maintenance, or repair of hearing aids when that is
22 not true.

23 (vi) Habitual intemperance.

24 (vii) Gross immorality.

25 (viii) Permitting another's use of a license.

26 (ix) Advertising a manufacturer's product or using a manufacturer's name or trademark which
27 implies a relationship with the manufacturer that does not exist.

28 (x) Directly or indirectly giving or offering to give, or permitting or causing to be given, money
29 or anything of value to any person who advises another in a professional capacity, as an inducement to
30 influence him or her, or have him or her influence others, to purchase or contract to purchase products
31 sold or offered for sale by a hearing aid dealer or fitter, or influencing persons to refrain from dealing in
32 the products of competitors.

1 (xi) Representing, when this is not the case, that the hearing aid is or will be "custom-made",
2 "made to order", or "prescription-made", or in any other sense specially fabricated for an individual
3 person.

4 (4) Knowingly placing the health of a client at serious risk without maintaining proper
5 precautions;

6 (5) Engaging in the fitting and sale of hearing aids under a false name or alias with fraudulent
7 intent.

8 (6) Selling a hearing aid to a person who has not been given tests utilizing appropriate established
9 procedures and instrumentation in fitting of hearing aids, except in cases of selling replacement hearing
10 aids. Selling a hearing aid to a person who has discharge from the ear, loss of balance and dizzy spells, or
11 a loss of hearing for less than ninety (90) days, unless that person has received a prescription from a
12 physician.

13 (7) Gross incompetence or negligence in fitting and selling hearing aids.

14 (8) Violating any provisions of this chapter.

15 SECTION 25. Sections 5-49-15, 5-49-16, 5-49-17 of the General Laws in Chapter 5-49 entitled
16 "Hearing Aid Dealers and Fitters" are hereby repealed.

17 ~~§ 5-49-15 Board Creation Composition Appointment and terms.~~ (a) There is
18 established a board of hearing aid dealers and fitters which guides, advises, and makes recommendations
19 to the department.

20 ~~(b)(1) Members of the board shall be residents of the state.~~

21 ~~(2) The board shall consist of three (3) hearing aid dealers and fitters; one otolaryngologist; one~~
22 ~~audiologist; and one lay member who shall be a user of hearing aids and not employed in the practice of~~
23 ~~fitting and dealing in hearing aids.~~

24 ~~(3) Each hearing aid dealer and fitter on the board shall have no less than five (5) years~~
25 ~~experience and hold a valid license as a hearing aid dealer and fitter, as provided under this chapter.~~

26 ~~(4) Excepted shall be the hearing aid dealers and fitters of the first board appointed, who have no~~
27 ~~less than five (5) years of experience and fulfill all qualifications under § 5-49-7 as provided under this~~
28 ~~chapter.~~

29 ~~(c) All members of the board shall be appointed by the governor.~~

30 ~~(d) The term of office of each member shall be three (3) years; except that of the members of the~~
31 ~~first board appointed under this chapter, two (2) shall be appointed for two (2) years, two (2) shall be~~
32 ~~appointed for three (3) years, and two (2) shall be appointed for four (4) years.~~

33 ~~(e) Before a member's term expires, the governor shall appoint a successor to assume his or her~~
34 ~~duties on the expiration of his or her predecessor's term.~~

1 ~~(f) A vacancy in the office of a member shall be filled by appointment for the unexpired term.~~

2 ~~(g) The members of the board shall annually designate one member to serve as chair and another~~
3 ~~to serve as secretary treasurer.~~

4 ~~(h) No member of the board who has served two (2) or more full terms may be reappointed to the~~
5 ~~board until at least one year after the expiration of his or her most recent full term of office.~~

6 ~~(i) Members of the board shall not be compensated for their services on the board.~~

7 ~~**§ 5-49-16 Board Duties.**~~ (a) The board shall:

8 ~~(1) Advise the department in all matters relating to this chapter;~~

9 ~~(2) Prepare the examinations required by this chapter for the department; and~~

10 ~~(3) Assist the department in carrying out the provisions of this chapter.~~

11 ~~(b) The department shall be guided by the recommendations of the board in all matters relating to~~
12 ~~this chapter.~~

13 ~~**§ 5-49-17 Board Meetings.**~~ The board shall meet not less than six (6) times each year at a
14 place, day, and hour determined by the board. The board shall also meet at any other times and places as
15 requested by the department.

16 SECTION 26. Sections 5-59.1-3, 5-59.1-6, and 5-59.1-12 of the General Laws in Chapter 5-59.1
17 entitled "Orthotics and Prosthetics Practices" are hereby amended to read as follows:

18 ~~**§ 5-59.1-3 Definitions.**~~ – As used in this chapter:

19 (1) "ABC" means the American Board for Certification in Orthotics and Prosthetics or its
20 successor agency.

21 (2) "Board" means the health professions board of review established in accordance with § 5-
22 26.1-3. ~~"BOC" means the Board for Orthotist/Prosthetist Certification or its successor agency.~~

23 (3) "Custom fabricated orthotics" or "custom made orthotics" means devices designed and
24 fabricated, in turn, from raw materials for a specific patient and require the generation of an image, form,
25 or mold that replicates the patient's body or body segment and, in turn, involves the rectification of an
26 image.

27 (4) "Department" means the Rhode Island department of health.

28 (5) "Director" means the director of the department of health.

29 (6) "Direct-formed orthoses" means devices formed or shaped during the molding process
30 directly on the patient's body or body segment.

31 (7) "Division" means the division of professional regulation and licensing in the department of
32 health.

33 ~~(7)(8)~~ "Licensed Orthotist" means a person licensed under this chapter to practice orthotics.

34 ~~(8)(9)~~ "Licensed Prosthetist" means a person licensed under this chapter to practice prosthetics.

1 ~~(9)~~(10)"Off-the-shelf orthosis" means devices manufactured by companies registered with the
2 Federal Food and Drug Administration other than devices designed for a particular person based on that
3 particular person's condition.

4 ~~(10)~~(11) "Orthosis" means a custom fabricated brace or support that is designed based on medical
5 necessity. Orthosis does not include prefabricated or direct-formed orthotic devices, as defined in this
6 section, or any of the following assistive technology devices: commercially available knee orthoses used
7 following injury or surgery; spastic muscle-tone inhibiting orthoses; upper extremity adaptive equipment;
8 finger splints; hand splints; wrist gauntlets; face masks used following burns; wheelchair seating that is an
9 integral part of the wheelchair and not worn by the patient independent of the wheelchair; fabric or elastic
10 supports; corsets; low-temperature formed plastic splints; trusses; elastic hose; canes; crutches; cervical
11 collars; dental appliances; and other similar devices as determined by the director, such as those
12 commonly carried in stock by a pharmacy, department store, corset shop, or surgical supply facility.

13 ~~(11)~~(12)"Orthotics" means the science and practice of evaluating, measuring, designing,
14 fabricating, assembling, fitting, adjusting or, servicing, as well as providing the initial training necessary
15 to accomplish the fitting of, an orthosis for the support, correction, or alleviation of neuromuscular or
16 musculoskeletal dysfunction, disease, injury or deformity. The practice of orthotics encompasses
17 evaluation, treatment, and consultation; with basic observational gait and postural analysis, orthotists
18 assess and design orthoses to maximize function and provide not only the support but the alignment
19 necessary to either prevent or correct deformity or to improve the safety and efficiency of mobility or
20 locomotion, or both. Orthotic practice includes providing continuing patient care in order to assess its
21 effect on the patient's tissues and to assure proper fit and function of the orthotic device by periodic
22 evaluation.

23 ~~(12)~~(13)"Orthotist" means an allied health professional who is specifically trained and educated
24 to provide or manage the provision of a custom-designed, fabricated, modified and fitted external orthosis
25 to an orthotic patient, based on a clinical assessment and a physician's prescription, to restore
26 physiological function and/or cosmesis, and certified by ABC or BOC.

27 ~~(13)~~(14) "Physician" means a doctor of allopathic medicine (M.D.), osteopathic medicine (D.O.),
28 podiatric medicine (D.P.M.), and chiropractic medicine (D.C.).

29 ~~(14)~~(15)"Prefabricated orthoses" or "off-shelf orthoses" means devices that are manufactured as
30 commercially available stock items for no specific patient.

31 ~~(15)~~(16)"Prosthesis" means an artificial limb that is alignable or, in lower extremity applications,
32 capable of weight bearing. Prosthesis also means an artificial medical device that is not surgically
33 implanted and that is used to replace a missing limb, appendage, or other external human body part

1 including an artificial limb, hand, or foot. The term does not include artificial eyes, ears, noses, dental
2 appliances, osotmy products, or devices such as eyelashes or wigs or artificial breasts.

3 ~~(16)~~(17)"Prosthetics" means the science and practice of evaluation, measuring, designing,
4 fabricating, assembling, fitting, aligning, adjusting or servicing, as well as providing the initial training
5 necessary to accomplish the fitting of, a prosthesis through the replacement of external parts of a human
6 body, lost due to amputation or congenital deformities or absences. The practice of prosthetics also
7 includes the generation of an image, form, or mold that replicates the patient's body or body segment and
8 that requires rectification of dimensions, contours and volumes for use in the design and fabrication of a
9 socket to accept a residual anatomic limb to, in turn, create an artificial appendage that is designed either
10 to support body weight or to improve or restore function or cosmesis, or both. Involved in the practice of
11 prosthetics is observational gait analysis and clinical assessment of the requirements necessary to refine
12 and mechanically fix the relative position of various parts of the prosthesis to maximize function,
13 stability, and safety of the patient. The practice of prosthetics includes providing and continuing patient
14 care in order to assess the prosthetic device's effect on the patient's tissues and to assure proper fit and
15 function of the prosthetic device by periodic evaluation.

16 ~~(17)~~(18)"Prosthetist" means a practitioner, certified by the ABC or BOC, who provides care to
17 patients with partial or total absence of a limb by designing, fabricating, and fitting devices, known as
18 prostheses. At the request of and in consultation with physicians, the prosthetist assists in formulation of
19 prescriptions for prostheses, and examines and evaluates patients' prosthetic needs in relation to their
20 disease entity and functional loss. In providing the prostheses, he or she is responsible for formulating its
21 design, including selection of materials and components; making all necessary costs, measurements and
22 model modifications; performing fittings including static and dynamic alignments; evaluating the
23 prosthesis on the patient; instructing the patient in its use, and maintaining adequate patient records; all in
24 conformity with the prescription.

25 **§ 5-59.1-6 Qualifications for license.** – (a) Qualification for licensing under this chapter shall be
26 the possession of the title "certified prosthetist" or "certified orthotist", as issued by and under the rules of
27 the American Board for Certification in Orthotics and Prosthetics, Inc. or the division ~~Board for~~
28 ~~Orthotist/Prosthetist certification~~. Evidence of the possession of that title shall be presented to the
29 department.

30 (b) In order to qualify for a license to practice orthotics or prosthetics a person shall provide proof
31 of:

32 (1) Possession of a baccalaureate degree from an accredited college or university;

33 (2) Completion of an orthotic, or prosthetic education program that meets or exceeds the
34 requirements of the National Commission on Orthotic and Prosthetic Education;

1 (3) Completion of a clinical residency in orthotics and/or prosthetics that meets or exceeds the
2 standards of the National Commission on Orthotic and Prosthetic Education; and

3 (4) Current certification by ABC or division BOC in the discipline for which the application
4 corresponds.

5 **§ 5-59.1-12 Relicensing – Renewal.** – Every holder of a license issued under this chapter shall
6 biannually attest to the department as to current certification issued by the American Board of
7 Certification in Orthotics and Prosthetics or the division's Board for Orthotists/Prosthetist Certification.
8 All licenses issued under this chapter shall expire biannually on the last day of September of every odd
9 numbered year. A biennial renewal fee as set forth in § 23-1-54 shall be required. Every orthotist and
10 prosthetist shall conform to the standards of the American Board for Certification in Orthotics and
11 Prosthetics or division Board for Orthotists/Prosthetists Certification.

12 SECTION 27. Sections 5-59.1-10 and 5-59.1-17 of the General Laws in Chapter 5-59.1 entitled
13 “Orthotics and Prosthetics Practices” are hereby repealed.

14 ~~**§ 5-59.1-10 Grandfather clause.**— Any person currently practicing full time in the state of
15 Rhode Island on January 1, 2007 in an orthotist and/or prosthetic facility as a certified BOC or ABC
16 orthotist and/or prosthetist must file an application for licensure prior to sixty (60) days after January 1,
17 2007 to continue practice at his or her identified level of practice. The applicant must provide verifiable
18 proof of active certification in orthotics and/or prosthetics by the ABC or BOC. This section shall not be
19 construed to grant licensing to a person who is a certified or registered orthotic or prosthetic "fitter" or
20 orthotic or prosthetic "assistant."~~

21 ~~**§ 5-59.1-17 Advisory Board of orthotics and prosthetics practice — Composition —**
22 **Appointment and terms — Powers and duties.**— (a) There is hereby created an advisory licensing board
23 to review applications for licensure to obtain a license as an orthotist or prosthetist pursuant to this
24 chapter of the general laws. The review of each applicant's licensing shall require that the applicant have
25 completed an NCOPE (National Commission on Orthotic and Prosthetic Education); accredited residency
26 under a board certified practitioner in the respective discipline; and meet all of the requirements of the
27 chapter. The board shall conduct its interviews and/or investigation and shall report its findings to the
28 director of the department of health.~~

29 ~~(b) The licensing board shall be composed of three (3) persons: the director of the department of
30 health, or his or her designee; one board certified Rhode Island state licensed prosthetist; and one board
31 certified Rhode Island state licensed orthotist. The board certified orthotist and the board certified
32 prosthetist shall be certified by the American Board of Certification in orthotics and prosthetics and
33 licensed by the State of Rhode Island, shall serve for three (3) year terms and shall be selected by the~~

1 ~~board of directors of the Rhode Island Society of Orthotists and Prosthetists, Inc. The members of the~~
2 ~~board shall serve without compensation.~~

3 SECTION 28. Sections 5-60-2, 5-60-9, 5-60-13, 5-60-14, and 5-60-15 of the General Laws in
4 Chapter 5-60 entitled "Athletic Trainers" are hereby amended to read as follows:

5 **§ 5-60-2 Definitions.** – As used in this chapter:

6 (1) "Athletic trainer" means a person with the specific qualifications established in § 5-60-10
7 who, upon the direction of his or her team physician and/or consulting physician, carries out the practice
8 of athletic training to athletic injuries incurred by athletes in preparation of or participation in an athletic
9 program being conducted by an educational institution under the jurisdiction of an interscholastic or
10 intercollegiate governing body, a professional athletic organization, or a board sanctioned amateur athletic
11 organization; provided, that no athlete shall receive athletic training services if classified as geriatric by
12 the consulting physician. No athlete shall receive athletic training services if non-athletic or age-related
13 conditions exist or develop that render the individual debilitated or non-athletic. To carry out these
14 functions, the athletic trainer is authorized to utilize modalities such as heat, light, sound, cold, electricity,
15 exercise, or mechanical devices related to care and reconditioning. The athletic trainer, as defined in this
16 chapter, shall not represent himself or herself or allow an employer to represent him or her to be, any
17 other classification of healthcare professional governed by a separate and distinct practice act. This
18 includes billing for services outside of the athletic trainer's scope of practice, including, but not limited to
19 services labeled as physical therapy.

20 (2) "Board" means the health professions board of review established in accordance with § 5-
21 26.1-3. Rhode Island board of athletic trainers established under § 5-60-4.

22 (3) "Department of health" means the department of state under which the board of athletic
23 trainers is listed.

24 (4) "Director" means the director or state official in charge of the department of health.

25 (5) "Division" means the division of professional regulation and licensing at the department of
26 health.

27 **§ 5-60-9 License required to use title "athletic trainer".** – No person may use the title
28 "athletic trainer" or perform the duties of an athletic trainer, unless licensed by the division ~~state of Rhode~~
29 ~~Island~~ to perform those duties.

30 **§ 5-60-13 Expiration and renewal of licenses.** – A license issued under this chapter shall expire
31 on the thirtieth day of June of every odd-numbered year. Licenses shall be renewed according to
32 procedures established by the department and upon payment of the renewal fees established in § 5-60-11.
33 Beginning with the renewal application due July 1, 2003, and every renewal year thereafter, each licensed
34 athletic trainer who wishes to continue licensure as an athletic trainer shall present satisfactory evidence

1 to the ~~division board~~ that he or she has completed the continuing education requirements established by
2 the ~~division board~~ through regulation.

3 **§ 5-60-14 Grounds for refusal or revocation of licenses.** – The ~~division board~~ may refuse to
4 issue a license to an applicant or may suspend, revoke, or refuse to renew the license of any licensee if he
5 or she has:

6 (1) Been convicted of a felony or misdemeanor involving moral turpitude, the record of
7 conviction being conclusive evidence of conviction if the department determines after investigation that
8 the person has not been sufficiently rehabilitated to warrant the public trust;

9 (2) Secured a license under this chapter by fraud or deceit; or

10 (3) Violated or conspired to violate this chapter or rules or regulations issued pursuant to this
11 chapter.

12 **§ 5-60-15 Appeals.** – An appeal from any decision or order of the ~~division board~~ may be taken
13 by any aggrieved party to the board in the manner provided for in the Administrative Procedures Act,
14 chapter 35 of title 42.

15 SECTION 29. Sections 5-60-4 and 5-60-5 of the General Laws in Chapter 5-60 entitled “Athletic
16 Trainers” are hereby repealed.

17 ~~**§ 5-60-4 Board — Composition — Appointment, terms, oaths, and removal of members —**~~
18 ~~**Officers — Meetings.**~~ (a) The director of the department of health, with the approval of the governor,
19 shall appoint the members of the Rhode Island board of athletic trainers, which shall be composed of
20 three (3) licensed athletic trainers and one public member and one physician licensed to practice medicine
21 and with an interest in sports medicine. In making appointments to the board, the director shall give
22 consideration to recommendations made by professional organizations of athletic trainers and physicians.
23 Each appointee shall be licensed and practicing in the state, except that the director in appointing the
24 athletic trainer members of the first board may appoint any practicing athletic trainer who possesses the
25 qualification required by § 5-60-10. To qualify as a member, a person must be a citizen of the United
26 States and a resident of the state for five (5) years immediately preceding appointment.

27 (b) The members of the board shall be appointed for terms of three (3) years which expire on
28 August 1 of even numbered years, except that in making the initial appointments the director shall
29 designate one member to serve one year, two (2) members to serve two (2) years, and two (2) members to
30 serve three (3) years. In the event of death, resignation, or removal of any member, the vacancy shall be
31 filled for the unexpired portion of the term in the same manner as the original appointment. The director
32 may remove any member for cause at any time prior to the expiration of his or her term. No member shall
33 serve for more than two (2) consecutive three (3) year terms.

1 ~~(c) Each appointee to the board shall qualify by taking the constitutional oath of office within~~
2 ~~thirty (30) days from the date of his or her appointment. On presentation of the oath, the director shall~~
3 ~~issue commissions to appointees as evidence of their authority to act as members of the board.~~

4 ~~(d) The board shall elect from its members for a term of one year, a chairperson, vice-~~
5 ~~chairperson, and secretary treasurer, and may appoint committees that it considers necessary to carry out~~
6 ~~its duties. The board shall meet at least two (2) times a year. Additional meetings may be held on the call~~
7 ~~of the chairperson or at the written request of any three (3) members of the board. The quorum required~~
8 ~~for any meeting of the board shall be three (3) members. No action by the board or its members has any~~
9 ~~effect unless a quorum of the board is present.~~

10 ~~**§ 5-60-5 Board Powers and duties.** Subject to the approval of the director, the board has the~~
11 ~~powers and duties to:~~

12 ~~(1) Make rules and regulations consistent with this chapter, which are necessary for the~~
13 ~~performance of its duties.~~

14 ~~(2) Prescribe application forms for license applicants.~~

15 ~~(3) Keep a complete record of all licensed athletic trainers and prepare annually a roster showing~~
16 ~~the names and addresses of all licensed athletic trainers, and make available a copy of the roster to any~~
17 ~~person requesting it on payment of a fee established by the department sufficient to cover the costs of the~~
18 ~~roster.~~

19 ~~(4) Keep a permanent record of all proceedings under this chapter.~~

20 ~~(5) Issue licenses to qualified applicants.~~

21 ~~(6) Conduct hearings to deny, revoke, suspend, or refuse renewal of licenses under this chapter,~~
22 ~~and issue subpoenas to compel witnesses to testify or produce evidence at the hearings.~~

23 SECTION 30. Sections 5-63.2-2, 5-63.2-8, 5-63.2-9, 5-63.2-10, 5-63.2-13, 5-63.2-14, 5-63.2-15,
24 5-63.2-17, 5-63.2-21, 5-63.2-22, 5-63.2-24 and 5-63.2-26 of the General Laws in Chapter 5-63.2 entitled
25 “Mental Health Counselors and Marriage and Family Therapists” are hereby amended to read as
26 follows:

27 ~~**§ 5-63.2-2 Definitions.** – As used in this chapter:~~

28 ~~(1) "Advertise" means, but is not limited to, the issuing or causing to be distributed any card,~~
29 ~~sign, or device to any person; or the causing, permitting or allowing any sign or marking on or in any~~
30 ~~building, radio or television, or by advertising by any other means designed to secure public attention.~~

31 ~~(2) "Board" means the health professions board of review established in accordance with § 5-~~
32 ~~26.1-3. board of mental health counselors and marriage and family therapists.~~

33 ~~(3) "Clinical counselor in mental health" means a person who is licensed pursuant to § 5-63.2-9,~~
34 ~~which license is in force and not suspended or revoked as of the particular time in question.~~

1 (4) "Division" means the division of professional regulation and licensing in the department of
2 health.

3 (5) ~~(4)~~ "Internship" means a part of an organized graduate program in counseling therapy and
4 constitutes a supervised experience within a mental health and/or marriage and family setting.

5 (6) ~~(5)~~ "Marriage and family therapists" means a person who is licensed pursuant to § 5-63.2-10
6 which license is in force and not suspended or revoked as of the particular time in question.

7 (7) ~~(6)~~ "Person" means any individual, firm, corporation, partnership, organization or body
8 politic.

9 (8) ~~(7)~~ "Practice of clinical mental health counseling" means the rendering of professional
10 services to individuals, families or groups for monetary compensation. These professional services
11 include:

12 (i) Applying the principals, methods and theories of counseling and/or psychotherapeutic
13 techniques to define goals and develop a treatment plan of action aimed toward the prevention, treatment
14 and resolution of social, mental and emotional dysfunction and intra or interpersonal disorders in persons
15 diagnosed at intake as non-psychotic and not presenting medical problems; and

16 (ii) Engaging in psychotherapy of a non-medical nature utilizing supervision when appropriate
17 and making referrals to other psychiatric, psychological or medical resources when the person is
18 diagnosed as psychotic or presenting a medical problem.

19 (9) ~~(8)~~ "Practice of marriage and family therapy" means the rendering of professional services to
20 individuals, family groups, couples or organizations for monetary compensation. These professional
21 services include applying principles, methods and therapeutic techniques for the purpose of resolving
22 emotional conflicts, modifying perceptions and behavior, enhancing communications and understanding
23 among all family members and the prevention of family and individual crisis. Individual marriage and
24 family therapists shall also engage in psychotherapy of a non-medical and non -psychotic nature with
25 appropriate referrals to psychiatric resources.

26 (10) ~~(9)~~ "Practicum" means a part of an organized graduate program in counseling therapy and
27 constitutes a supervised experience within the graduate counseling program.

28 (11) ~~(10)~~ "Qualified supervision" means the supervision of clinical services in accordance with
29 standards established by the division Board under the supervision of an individual who has been
30 recognized by the Board as an approved supervisor.

31 (12) ~~(11)~~ "Recognized educational institution" means any educational institution which grants a
32 Bachelor's, Master's, or Doctoral degree and which is recognized by the division Board of Mental Health
33 Counselors and Marriage and Family Therapy Examiners or a recognized post-graduate clinical training
34 program as specified in §§ 5-63.2-9(2) and 5-63.2-10(2).

1 (13) (12) "Use a title or description of" means to hold oneself out to the public as having a
2 particular status by means of stating on signs, mailboxes, address plates, stationery, announcements,
3 calling cards or other instruments of professional identification.

4 **§ 5-63.2-8 Register of mental health counselors and marriage and family therapists –**
5 **Records – Issuance of licenses.** – The division administrator ~~of professional regulations of the~~
6 ~~department of health~~ shall maintain a register of all clinical mental health counselors and marriage and
7 family therapists licensed under this chapter which shall be open at all reasonable times to public
8 inspection. The division administrator shall be the custodian of all records pertaining to the licensure of
9 clinical mental health counselors and marriage and family therapists. The division shall determine
10 whether a license shall be issued. ~~He or she shall issue licenses only upon the recommendation of the~~
11 ~~board.~~

12 **§ 5-63.2-9 Qualifications of licensed clinical mental health counselors.** – (a) An applicant for
13 licensure shall submit to the division board ~~written evidence on forms furnished by the division of~~
14 ~~professional regulation~~ verified under oath that the applicant:

15 (1) Is of good character; and

16 (2) Has received a graduate degree specializing in counseling/therapy from a college or university
17 accredited by the New England Association of Schools and Colleges, or an equivalent regional
18 accrediting agency, and which has the approval by a cognizable national or regional certifying authority;
19 and

20 (3) Has completed sixty (60) semester hours or ninety (90) quarter hours within their graduate
21 counseling/therapy program; and

22 (4) Has completed a minimum of twelve (12) semester hours or eighteen (18) quarter hours of
23 supervised practicum and a minimum of one calendar year of supervised internship consisting of twenty
24 (20) hours per week or its equivalent with emphasis in mental health counseling supervised by the
25 department within the college or university granting the requisite degree or by an accredited postgraduate
26 clinical training program recognized by the United States Department of Education, or education and/or
27 experience which is deemed equivalent by the division board; and

28 (5) Has completed a minimum of two (2) years of relevant postgraduate experience, including at
29 least two thousand (2,000) hours of direct client contact offering clinical or counseling or therapy services
30 with emphasis in mental health counseling subsequent to being awarded a master's degree, certificate of
31 advanced graduate study or doctorate; and

32 (6) A minimum of one hundred (100) hours of post-degree supervised case work spread over a
33 two (2) year period; provided, that the supervision was provided by a person who at the time of rendering
34 the supervision was recognized by the division board as an approved supervisor; and

1 (7) Has passed to the satisfaction of the division board an examination conducted by it to
2 determine the applicant's qualification for licensure as a clinical mental health counselor or is applying for
3 licensure under the provisions of § 5-63.2-15.

4 (b) A candidate shall be held to have qualified for licensure as a clinical mental health counselor
5 upon a determination of qualifications by the division. ~~the affirmative vote of at least four (4) members of~~
6 ~~the board, two (2) of whom must be mental health counselors on the board.~~

7 **§ 5-63.2-10 Qualifications of licensed – Marriage and family therapists.** – (a) An applicant
8 for licensure shall submit to the division board written evidence on forms furnished by the division of
9 professional regulation verified under oath that the applicant:

10 (1) Is of good character; and

11 (2) Has completed a graduate degree program specializing in marital and family therapy from a
12 college or university accredited by the New England Association of Schools and Colleges, or an
13 equivalent regional accreditation agency; and

14 (3) Has completed sixty (60) semester hours or ninety (90) quarter hours within their graduate
15 degree program specializing in marital and family therapy; and

16 (4) Has completed a minimum of twelve (12) semester hours or eighteen (18) quarter hours of
17 supervised practicum and a one calendar year of supervised internship consisting of twenty (20) hours per
18 week or its equivalent with emphasis in marriage and family therapy supervised by the department within
19 the college or university granting the requisite degree or by an accredited postgraduate clinical training
20 program, approved by the commission on accreditation for marriage and family therapy education
21 recognized by the United States department of education or education and/or experience which is deemed
22 equivalent by the division board; and

23 (5) Has had a minimum of two (2) years of relevant postgraduate experience, including at least
24 two thousand (2,000) hours of direct client contact offering clinical or counseling or therapy services with
25 emphasis in marriage and family therapy subsequent to being awarded a master's degree or doctorate; and

26 (6) Has had a minimum of one hundred (100) hours of post-degree supervised case spread over
27 two (2) years; provided, that the supervision was provided by a person who at the time of rendering the
28 supervision was recognized by the division board as an approved supervisor; and

29 (7) Has passed to the satisfaction of the board an examination conducted by it to determine the
30 applicant's qualifications for licensure as a marriage and family therapist or is applying for licensure
31 under the provisions of § 5-63.2-15.

32 (b) A candidate shall be qualified for licensure as a marriage and family therapist upon a
33 determination of qualifications by the division. ~~the affirmative vote of at least four (4) members of the~~
34 ~~board, two (2) of whom must be marriage and family therapists on the board.~~

1 **§ 5-63.2-13 Licensure application.** – (a) Each person desiring to obtain a license as a practicing
2 marriage and family therapist or clinical mental health counselor shall make application to the division
3 ~~board~~ upon the form and in the manner that the board prescribes and shall furnish satisfactory evidence to
4 the division ~~board~~ that she or he:

5 (1) Is of good moral character;

6 (2) Has not engaged or is not engaged in any practice or conduct which would be a ground for
7 refusing to issue a license under § 5-63.2-21 of this chapter;

8 (3) Is qualified for licensure pursuant to the requirements of this chapter, or is currently certified
9 by the Rhode Island department of health as a mental health counselor or a marriage and family therapist.

10 The transition from certification to licensure does not require an additional fee payment.

11 (b) Any person who applies to the division ~~board~~ shall be issued a license ~~by the board~~ if she or
12 he meets the qualifications stated in subdivisions (a)(1), (2), and (3) of this section and provides
13 satisfactory evidence to the board that she or he:

14 (1) Meets educational experience qualifications as follows:

15 (i) Educational requirements: a master's degree or certificate in advanced graduate studies or a
16 doctoral degree in marriage and family therapy or mental health counseling from a recognized educational
17 institution, or a graduate degree in an allied field from a recognized educational institution and graduate
18 level course work which is equivalent to a master's degree in marriage and family therapy or mental
19 health counseling, as determined by the division ~~board~~.

20 (ii) Experience requirements: successful completion of two (2) calendar years of work experience
21 in marriage and family therapy or mental health counseling under qualified supervision following receipt
22 of a qualifying degree.

23 (2) Passes an examination administered by the division~~board~~.

24 **§ 5-63.2-14 Examination of applicants.** – Examination for licensure shall be conducted by the
25 division as scheduled by the director of the department of health and offered ~~by the board~~ at least twice a
26 year according to methods and in each subject fields that ~~is~~ the division deems most practical and
27 expeditious to test the applicant's qualifications. The division ~~board~~ may require examinations to be
28 written or oral, or both. In any written examination the identity of the applicant shall not be disclosed to
29 the division ~~board~~ until after the examination papers are graded. Written examination papers shall be
30 preserved and available ~~to the board~~ for at least two (2) years.

31 **§ 5-63.2-15 Licensure by endorsement.** – A license as a clinical mental health counselor or
32 marriage and family therapist may be issued, in the discretion of the division ~~board~~, without examination,
33 to an applicant who is a clinical mental health counselor where the applicant is licensed or certified in

1 another state whose requirements are equivalent to or exceed the requirements established pursuant to this
2 chapter.

3 **§ 5-63.2-17 Expiration and renewal of license.** – (a) Every clinical mental health counselor and
4 marriage and family therapist who desires to continue licensure as a licensed clinical mental health
5 counselor and licensed marriage and family therapist shall present satisfactory evidence to the division
6 ~~board~~ and approved by rule or regulation of the division ~~board~~ that the licensed clinical mental health
7 counselor and licensed marriage and family therapist has completed a prescribed course of continuing
8 education. The license of every person licensed under the provisions of this chapter shall expire on the
9 first day of July of the next even year following the date of his or her license; provided, that no license
10 shall expire prior to July 1, 1998. On or before the first day of May in each even year, commencing in the
11 year 1998, the division administrator shall mail an application for renewal of license to every person to
12 whom a license is issued or renewed during the current year, and every licensed person who desires to
13 renew his or her license files with the division the renewal application executed. This application shall
14 include verification of prescribed continuing education requirements, together with a renewal fee as set
15 forth in § 23-1-54 on or before the first day of June in each even year. Upon receipt of the application and
16 payment of the fee, the accuracy of the application shall be verified and the division administrator ~~of~~
17 ~~professional regulation~~ shall grant a renewal license effective July 1st and expiring twenty-four (24)
18 months later.

19 (b) Any person who allows his or her license to lapse, by failing to renew it on or before June 1st
20 in each year, as provided in this section, shall be reinstated by the administrator of professional regulation
21 on payment of the current renewal fee plus an additional fee as set forth in § 23-1-54; and verification of
22 prescribed continuing education requirements. Any person using the title "clinical mental health
23 counselor" and/or "marriage and family therapist" during the time his or her license has lapsed shall be
24 subject to the penalties provided for violation of this chapter; provided, that if a person has allowed his or
25 her licensure to lapse for four (4) years or more, he or she shall be reinstated only at the discretion of the
26 director. ~~board~~.

27 **§ 5-63.2-21 Grounds for discipline.** – The division ~~board~~ has the power to deny, revoke or
28 suspend any registration issued by the department administrator of professional regulation or applied for
29 in accordance with this chapter or to discipline a licensed clinical mental health counselor and/or a
30 licensed marriage and family therapist upon proof that the person:

- 31 (1) Is guilty of fraud or deceit in procuring or attempting to procure a registration;
32 (2) Is guilty of a felony or of a crime of immorality;
33 (3) Is habitually intemperate or is addicted to the use of habit-forming drugs;
34 (4) Is mentally incompetent;

1 (5) Has willfully or repeatedly violated any of the provisions of this chapter;

2 (6) Is habitually negligent in the performance of his or her duties;

3 (7) Has willfully or repeatedly violated any of the ethical principles governing mental health
4 counselors and marriage and family therapists and the practice of mental health counseling and marriage
5 and family therapy, as adopted by the department board, and in force at the time a charge is made and
6 determined by the division board, regardless of whether or not the person is a member of any national,
7 regional or state professional association; provided, that the ethical principles are of a nationally-
8 recognized standard of the respective national professional organization.

9 **§ 5-63.2-22 Procedure for discipline.** – When a sworn complaint is filed with the division board
10 charging a person with having been guilty of any of the actions specified in § 5-63.2-20, the division of
11 ~~professional regulation~~ shall immediately investigate the charges, and ~~or, the board~~, after investigation,
12 may institute charges. In the event the investigation reveals reasonable grounds for believing that the
13 applicant or person licensed under this chapter is guilty of the charges, the division board ~~shall fix a~~
14 ~~time and place for a hearing, and~~ shall cause a copy of the charges, together with a notice of the time and
15 the place fixed for a hearing before the board, to be personally served upon the accused at least twenty
16 (20) days prior to the time fixed for the hearing. When personal service cannot be effected and the fact is
17 certified by oath by any person authorized to make service, the division board shall cause to be published
18 once in each of two (2) successive weeks, a notice of the hearing in a newspaper published in the county
19 where the accused last resided according to the records of the division board and shall mail a copy of the
20 charges and the notice to the accused at his or her last known address. When publication of notice is
21 necessary, the date of the hearing shall not be less than twenty (20) days after the last date of publication
22 of the notice. At the hearing the accused has the right to appear personally or by counsel or both, to
23 produce witnesses and evidence on his or her behalf, to cross-examine witnesses and to have subpoenas
24 issued by the administrator of professional regulation. The attendance of witnesses and the production of
25 books, documents and papers at the hearing may be compelled by subpoenas issued by the administrator,
26 which is served in accordance with law. At the hearing the board administrator shall administer oaths that
27 are necessary for the proper conduct of the hearing. The board shall not be bound by the strict rules of
28 procedure or by the laws of evidence in the conduct of its proceedings, but the determination shall be
29 based upon sufficient legal evidence to sustain it. If the accused is found guilty of the charges, the board
30 may refuse to issue a registration to the applicant or may revoke or suspend his or her license or discipline
31 the person. Upon the revocation or suspension of any license the holder shall surrender the license to the
32 administrator of professional regulation who shall strike the name of the holder from the register of
33 licensed clinical mental health counselors and/or licensed marriage and family therapists. A revocation or

1 suspension of a license may be reviewed at the discretion of the board or at the initiative of the
2 administrator of professional regulation who may order a rehearing of the issue if he or she finds cause.

3 **§ 5-63.2-24 Injunction of violations.** – When it appears to the ~~division~~ board that any person is
4 violating any of the provisions of this chapter, the director of the department of health may cause an
5 action to be instituted, commenced in the name of the ~~department~~ board, to enjoin the violation in a court
6 of competent jurisdiction and the court may enjoin any person from violating any of the provisions of this
7 chapter without regard to whether proceedings have been or may be instituted before the board or whether
8 criminal proceedings have been or may be instituted.

9 **§ 5-63.2-26 Appeals from director and board.** – Any person aggrieved by a decision or ruling
10 of the ~~director of the department of health or the~~ board may appeal to the superior court in the manner
11 provided in the Administrative Procedures Act, chapter 35 of title 42. The term “person” shall include the
12 department.

13 SECTION 31. Sections 5-63.2-3, 5-63.2-4, 5-63.2-5, 5-63.2-6, 5-63.2-7 of the General Laws in
14 Chapter 5-63.2 entitled “Mental Health Counselors and Marriage and Family Therapists” are hereby
15 repealed:

16 ~~**§ 5-63.2-3 Board of mental health counselors and marriage and family therapists.** Within~~
17 ~~the division of professional regulation in the state department of health, there is a board of mental health~~
18 ~~counselors and marriage and family therapists consisting of nine (9) members.~~

19 ~~**§ 5-63.2-4 Composition of board – Appointment, terms and removal of members.** The~~
20 ~~director of the department of health with the approval of the governor shall appoint nine (9) electors as~~
21 ~~members of the board. Three (3) shall be clinical mental health counselors, at least two (2) of whom shall~~
22 ~~meet the qualifications of § 5-63.2-9 and have at least five (5) years of private practice experience in~~
23 ~~mental health counseling; three (3) shall be marriage and family therapists, who shall be clinical marriage~~
24 ~~and family therapists who meet the qualifications of § 5-63.2-10 and have at least five (5) years of private~~
25 ~~practice experience in marriage and family therapy; three (3) shall be members of the public.~~
26 ~~Commencing September 1996, the director of the department of health shall appoint one clinical mental~~
27 ~~health counselor for one year, one clinical mental health counselor for two (2) years, one clinical mental~~
28 ~~health counselor for three (3) years; one marriage and family therapist for one year, one marriage and~~
29 ~~family therapist for two (2) years, and one marriage and family therapist for three (3) years, and one~~
30 ~~public member for two (2) years, and two (2) public members for three (3) years. After this all terms of~~
31 ~~appointments shall be for three (3) years. In no instance shall a person serve more than six (6) consecutive~~
32 ~~years on the board.~~

33 ~~**§ 5-63.2-5 Organization and meeting of board.** The board shall organize immediately after~~
34 ~~the appointment and qualification of its members. The board shall annually elect a chairperson and~~

1 ~~secretary. Meetings may be called by the chairperson or the director of the department of health or by~~
2 ~~written request of four (4) members of the board. Five (5) members of the board shall constitute a~~
3 ~~quorum; provided, that a clinical mental health counselor and a marriage and family therapist must be~~
4 ~~present. The board shall meet as often as necessary.~~

5 ~~**§ 5-63.2-6 General powers of board.** The board is authorized to recommend to the director of~~
6 ~~the department of health for his or her approval the adoption, and from time to time, the revision of the~~
7 ~~rules and regulations not inconsistent with law that may be necessary to enable it to carry into effect the~~
8 ~~provisions of this chapter. The board shall recommend for licensure at least twice a year. It shall~~
9 ~~determine the tests which applicants for licensure take. The division of professional regulation shall adopt~~
10 ~~policies to be followed in the examination, licensure and renewal of licenses of qualified applicants. The~~
11 ~~board shall conduct hearings upon charges calling for the discipline of a licensed clinical mental health~~
12 ~~counselor or licensed marriage and family therapist or for revocation of a license. The administrator of~~
13 ~~professional regulation has the power to issue subpoenas and compel the attendance of witnesses and~~
14 ~~administer oaths to persons giving testimony at hearings. The board or the director of the department of~~
15 ~~health shall cause the prosecution of all persons violating this chapter and has the power to incur the~~
16 ~~necessary expenses for the prosecution. The board shall make provisions for continuing educational~~
17 ~~requirements for licensure. The board shall keep a record of all its proceedings.~~

18 ~~**§ 5-63.2-7 Reimbursement of board members.** — Members of the board shall serve without~~
19 ~~compensation.~~

20 SECTION 32. Sections 5-64-3, 5-64-10, 5-64-12, 5-64-13 and 5-64-14 of the General Laws in
21 Chapter 5-64 entitled "Licensed Dietitian" are hereby amended to read as follows:

22 **§ 5-64-3 Definitions. – As used in this chapter:**

23 (1) "Board" means the health professions board of review established in accordance with § 5-
24 26.1-3. Rhode Island state board of dietetics.

25 (2) "Commission of dietetic registration" (CDR) means a commission on dietetic registration that
26 is a member of the National Commission for Health Certifying Agencies.

27 (3) "Degree" means a degree received from or validated by a college or university that was
28 regionally accredited through the council on postsecondary accreditation and the U.S. Department of
29 Education at the time the degree was conferred.

30 (4) "Dietetics" means the professional discipline of applying principles derived from the sciences
31 of nutrition, biochemistry, physiology, management, and behavioral and social sciences in the provision
32 of dietetic services.

33 (5) "Dietitian and/or nutritionist" means a person engaged in the practice of dietetics.

34 (6) "Director" means the director of the Rhode Island department of health.

1 (7) "Division" means the division of professional regulation and licensing in the department of
2 health.

3 (8) ~~(7)~~ "Examination" means the registration examination for dietitians or other exam as
4 determined by and approved by the board.

5 (9) ~~(8)~~ "Licensed dietitian/nutritionist" means a person licensed under this chapter.

6 (10) ~~(9)~~ "Registered dietitian" means a person registered by the commission of dietetic
7 registration.

8 **§ 5-64-10 Procedure for discipline.** – (a) When a sworn complaint is filed with the division
9 ~~board~~ charging a person with having been guilty of any of the actions specified in § 5-64-9, the division
10 ~~of professional regulation~~ shall immediately investigate the charges, ~~or, the board, after investigation,~~
11 ~~may institute charges.~~ In the event the investigation reveals reasonable grounds for believing that the
12 applicant or person certified under this chapter is guilty of the charges, the division board ~~shall fix a time~~
13 ~~and place for a hearing, and~~ shall cause a copy of the charges together with a notice of the time and place
14 fixed for the hearing before the board to be served personally upon the accused at least twenty (20) days
15 prior to the time fixed for the hearing. When personal service cannot be affected and the fact is certified
16 by oath by any person authorized to make service, the division board shall cause to be published once in
17 each of two (2) successive weeks, a notice of the hearing in a newspaper published in the county where
18 the accused last resided according to the records of the division board and shall mail a copy of the charges
19 and the notice to the accused at his or her last known address. When publication of notice is necessary,
20 the date of the hearing shall not be less than twenty (20) days after the last date of publication of the
21 notice. At the hearing the accused has the right to appear personally or by counsel or both, to produce
22 witnesses and evidence on his or her behalf and to cross-examine witnesses. The attendance of witnesses
23 and the production of books, documents, and papers at the hearing may be compelled by subpoenas issued
24 by the administrator of the division which shall be served in accordance with law. At the hearing the
25 board administrator shall administer oaths that may be necessary for the proper conduct of the hearing.
26 The board division of professional regulation shall not be bound by the strict rules of procedure or by the
27 laws of evidence in the conduct of its proceedings but the determination shall be based upon sufficient
28 legal evidence to sustain it. If the accused is found guilty of the charges, the division ~~of professional~~
29 ~~regulation~~ may refuse to issue a license or otherwise discipline the person.

30 (b) Upon the revocation or suspension of any license the holder shall surrender the license to the
31 division administrator of professional regulation who shall strike the name of the holder from the register.

32 (c) A revocation or suspension of license may be reviewed at the discretion of the division ~~of~~
33 ~~professional regulation or at the initiative of the administrator of professional regulation~~ who may order a
34 rehearing of the issue if he or she finds cause.

1 **§ 5-64-12 Exemptions.** – This chapter shall not be construed as preventing or restricting the
2 practice, services, or activities of:

3 (1) Any person who does not call himself or herself a dietitian/nutritionist from furnishing
4 nutritional information to customers or any consumer as to the use of foods, food products, or dietary
5 supplements in connection with the marketing and distribution of those products; or to the general public
6 for educational purposes and any person who provides a weight loss program and/or health maintenance
7 counseling as long as the persons do not engage in nutrition counseling for the management of disease,
8 and do not hold themselves out to be dietitians/nutritionists.

9 (2) A person licensed or certified in this state under any other law from engaging in the
10 profession or occupation for which the person is licensed or certified and any person holding a doctoral
11 degree from an accredited institution in nutrition or a related field as determined by the division board;
12 and any person with a bachelor's degree in home economics from furnishing nutrition information
13 incidental to the practice of his or her profession.

14 (3) A person employed as a dietitian/nutritionist by the government of the United States or the
15 state or by a participating local agency of the special supplemental food program for women, infants and
16 children, if the person practices solely under direction or control of the organization by which the person
17 is employed.

18 (4) A student enrolled in a division board approved academic program in dietetics/nutrition.

19 (5) Family members, friends, or acquaintances who provide gratuitous nutrition advice as long as
20 the advisor does not hold himself or herself out to be a dietitian/nutritionist.

21 (6) Not-for-profit health-related agencies, as described in 26 U.S.C. § 501(c)(3), which provide
22 nutrition information in the normal course of doing business.

23 **§ 5-64-13 License expiration, renewal.** – All licenses under this chapter shall be renewed
24 biennially and shall be accompanied by a fee of one hundred twenty-five dollars (\$125). The application
25 shall be accompanied or supported by evidence of the completion of a minimum of twenty (20)
26 continuing nutrition education credits as approved by the division board, reported biennially every second
27 year after the 1993 recertification period. Failure to file an application for a renewal license to practice
28 and to furnish the evidence shall constitute grounds for revocation, suspension, or refusal to renew the
29 license, unless the division board of dietetics in its discretion determines the failure to be due to
30 reasonable cause or excusable neglect. This applicant shall be given six (6) months to make up the
31 appropriate amount of credits required to bring him or her into compliance. The candidate shall be subject
32 to immediate suspension or revocation of license.

33 **§ 5-64-14 Licensing without examination.** – (a) The division board shall recommend for
34 licensure any person:

1 (1) Who meets the qualifications of § 5-64-6(a)(1) and who submits the required application and
2 fee together with satisfactory evidence to the division board that he or she has been practicing dietetics for
3 at least one year since 1983; or

4 (2) Who provides evidence of current registration as a registered dietitian by the commission of
5 dietetic registration.

6 (b) Licensure under the provisions of subdivision (a)(1) of this section cannot be granted after
7 two (2) years following promulgation of rules and regulations.

8 SECTION 33. Section 5-64-5 of the General Laws in Chapter 5-64 entitled "Licensed Dietitian"
9 is hereby repealed.

10 ~~§ 5-64-5 Rhode Island state board of dietetics practice. (a) Within the division of~~
11 ~~professional regulation in the Rhode Island department of health there is a board of dietetics practice.~~

12 ~~(1) The board shall consist of nine (9) members appointed for terms of three (3) years each with~~
13 ~~no member serving more than two (2) consecutive terms. One shall be the director of the department of~~
14 ~~health or designee. Five (5) shall be licensed dietitians/nutritionists appointed by the director of the~~
15 ~~department of health, with the approval of the governor, except that the appointments made initially need~~
16 ~~not be licensed under this chapter. (In his or her initial appointment the director shall designate the~~
17 ~~licensed dietitian/nutritionist members of the board as follows: one member to serve for a term of one~~
18 ~~year; two (2) members to serve for a term of two (2) years; and two (2) members to serve for a term of~~
19 ~~three (3) years). One member shall be a physician licensed to practice medicine in this state appointed by~~
20 ~~the governor. Two (2) shall be consumers appointed by the governor.~~

21 ~~(2) The director of the department of health may remove any member of the board for cause.~~

22 ~~(3) Vacancies shall be filled for the unexpired portion of any term in the same manner as the~~
23 ~~original appointment.~~

24 ~~(b) The duties of the board shall be to:~~

25 ~~(1) Recommend to the director rules and regulations necessary to implement this chapter.~~

26 ~~(2) Determine the qualification and fitness of applicants and to issue and/or reinstate licenses.~~

27 ~~(3) Recommend to the director revocation, suspension and/or denial of a license.~~

28 SECTION 34. Sections 5-64.1-3, 5-64-5, 5-64.1-7, and 5-64.1-10 of the General Laws in
29 Chapter 5-64.1 entitled "Dietary Manager" are hereby amended to read as follows:

30 **§ 5-64.1-3 Definitions.** – As used in this chapter:

31 (1) "Board" means the health professions board of review established in accordance with § 5-
32 26.1-3. certifying board for dietary managers[MD(6)]. ~~The board has authority over the rules and~~
33 ~~regulations of the certification program for dietary managers.~~

1 (2) "Certified dietary manager" (C.D.M.) means to have entry level competency to perform the
2 duties and responsibilities of a dietary manager; that a person has training and experience, and has passed
3 an entry level credentialing exam to document his or her competency after which participation in
4 continuing education to maintain competency.

5 (3) "Dietary manager" means a person who:

6 (i) Integrates and applies principles with education and training at an accredited school, college,
7 or university in purchasing, personnel practices, supervision of people, budgeting and finance, menu
8 planning, and nutrition;

9 (ii) Directs and coordinates food service activities of a hospital, nursing home, or a related
10 facility;

11 (iii) Confers with dietitians to ensure that menus and department policies conform to nutritional
12 standards and government and established regulations and procedures;

13 (iv) Reviews patient diet information and discusses requests, changes, and inconsistencies with
14 patient, professional staff, and/or resident food committee or council;

15 (v) Plans and coordinates through subordinate supervisors, standards and procedures of food
16 storage, preparation, and service, department and equipment sanitation, employee safety, and personnel
17 policies and procedures;

18 (vi) Inspects food and food preparation and storage areas with knowledge of health and sanitation
19 regulations;

20 (vii) Tastes, smells, and observes food to ensure conformance with recipes and appearance
21 standards;

22 (viii) Attends meetings with employees, department heads, administration, and dietitians to
23 discuss regulations, procedures, grievances, and recommendations for improving food service;

24 (ix) Computes operating costs for own information and for information of administration;

25 (x) In the absence of the dietitian, a certified dietary manager is responsible for the department;
26 and

27 (xi) Oversees all therapeutic diets to be planned in writing, reviewed, approved, and dated by the
28 qualified dietitian.

29 (4) "Division" means the division of professional regulation and licensing in the department of
30 health.

31 (5) (4) "Facility" or "institution" means an organization or corporation such as hospitals, nursing
32 homes, commercial and/or community feeding.

33 (6) (5) "Managerial/supervisory experience" means that eighty percent (80%) of the individual's
34 time is spent in a full-time managerial/supervisory capacity.

1 (7) ~~(6)~~ "Person" or "individual" means an individual person whether a resident of this state or not.

2 (8) ~~(7)~~ "Registered dietitian" means any person registered to practice dietetics as specified by the
3 commission of registration of the American Dietetic Association.

4 **§ 5-64.1-5 Restriction on use of titles.** – Only a person certified by the division board as a
5 certified dietary manager shall use the words "Certified Dietary Manager" (C.D.M.) in connection with
6 his or her name or place of business, or may use the words, letters, abbreviations, or insignia indicating or
7 implying that he or she is a certified dietary manager.

8 **§ 5-64.1-7 Eligibility of dietary managers.** – (a) A person shall present satisfactory evidence to
9 the division board of having successfully completed the academic requirements of an educational
10 program in dietary management recognized by the division board at an accredited college or university as
11 determined by the division board.

12 (b) All persons shall meet the qualifications established by the commission of registration of the
13 American Dietetic Association for registered dietitians.

14 (c) An applicant for certification shall have successfully completed the written examination of the
15 Dietary Manager's Association. The title of C.D.M. must be earned by successfully completing the
16 examination.

17 (d) Applicants shall be responsible for applying to take the certifying board for dietary manager's
18 examination which is offered at a predetermined time and place. The application shall be accompanied by
19 a fee as prescribed by the division board, and this fee shall not be refundable.

20 (e) An applicant shall only be required to take the examination on one occasion; provided, that he
21 or she shall be required to maintain certified status by earning sufficient work time hours as prescribed by
22 the D.M.A., and shall pay annual certification fees when they are due.

23 (f) Failure to comply with requirements of this section shall result in the loss of certified status,
24 and the person shall be required to successfully complete the exam again.

25 (g) To maintain certified status, forty-five (45) hours of continuing education must still be earned
26 in each three (3) year certifying period. If this requirement is not met, certified status shall be lost.

27 (h) The exam may be taken three (3) times. If an applicant fails all three (3) times, he or she has
28 to take some board certified specific refresher courses before being eligible to take the exam again.
29 Application and fees must be submitted each time he or she applies.

30 (i) Neither D.M.A. nor the division certifying board for dietary managers shall administer the
31 examination. It shall be administered by a recognized testing firm. [MD(7)]

32 (j) Simply graduating from a dietary manager training program only does not constitute
33 certification. The graduate must meet all eligibility requirements for membership in D.M.A. as
34 established in this chapter.

1 **§ 5-64.1-10 Fees.** – The ~~division board~~ shall prescribe reasonable fees for, but not limited to:

- 2 (1) Initial fees;
- 3 (2) Renewal fees;
- 4 (3) Late fees;
- 5 (4) Certification fees; and
- 6 (5) Membership fees.

7 SECTION 35. Sections 5-68.1-2, 5-68.1-4, 5-68.1-6, 5-68.1-7, 5-68.1-10, 5-68.1-11, and 5-68.1-
8 13 of the General Laws in Chapter 5-68.1 entitled “Radiologic Technologists” are hereby amended to
9 read as follows:

10 **§ 5-68.1-2 Definitions.** – As used in this chapter:

11 (1) "Authorized user" means a licensed practitioner who meets the training and experience
12 requirements defined in rules and regulations promulgated pursuant to chapter 23-1.3.

13 (2) "Board" means the health professions board of review established in accordance with § 5-
14 26.1-3. board of radiologic technology.

15 (3)(i) "Department" means the Rhode Island department of health.

16 (ii) “Division” means the division of professional regulation and licensing in the department of
17 health.

18 (4) "Director" means the director of the Rhode Island department of health.

19 (5) "Financial interest" means being:

20 (i) A licensed practitioner of radiologic technology; or

21 (ii) A person who deals in goods and services that are uniquely related to the practice of
22 radiologic technology; or

23 (iii) A person who has invested anything of value in a business that provides radiologic
24 technology services.

25 (6) "License" means a license issued by the director to practice radiologic technology.

26 (7) "Licensed practitioner" means an individual licensed to practice medicine, chiropractic, or
27 podiatry, or an individual licensed as a registered nurse practitioner or physician assistant in this state.

28 (8) "Medical physicist" means an individual, other than a licensed practitioner, who practices
29 independently one or more of the subfields of medical physics, and is registered or licensed under rules
30 and regulations promulgated pursuant to section 23-1.3

31 (9) "National organization" means a professional association or registry, approved by the director,
32 that examines, registers, certifies or approves individuals and education programs relating to operators of
33 sources of radiation.

1 (10) "Nuclear medicine technologist" means an individual, other than a licensed practitioner, who
2 compounds, calibrates, dispenses and administers radiopharmaceuticals, pharmaceuticals, and
3 radionuclides under the general supervision of an authorized user for benefit of performing a
4 comprehensive scope of nuclear medicine procedures, and who has met and continues to meet the
5 licensure standards of this chapter.

6 (11) "Person" means any individual, corporation, partnership, firm, association, trust, estate,
7 public or private institution, group, agency, political subdivision of this state or any other state, or
8 political subdivision of any agency thereof and any legal successor, representative, agent or agency of the
9 foregoing.

10 (12) "Radiation therapist" means an individual, other than a licensed practitioner, who utilizes
11 ionizing radiation under the general supervision of an authorized user for the planning and delivery of
12 therapeutic procedures, and who has met and continues to meet the licensure standards of this chapter.

13 (13) "Radiology technologist" also known as a "radiographer" means an individual, other than a
14 licensed practitioner, who performs a comprehensive scope of diagnostic radiologic procedures under the
15 general supervision of a licensed practitioner using external ionizing radiation, resulting in radiographic
16 or digital images, and who has met and continues to meet the licensure standard of this chapter.

17 (14) "Radiologist" means a licensed practitioner specializing in radiology who is certified by or
18 eligible for certification by the American Board of Radiology or the American Osteopathic Board of
19 Radiology, the British Royal College of Radiology, or the Canadian College of Physicians and Surgeons.

20 (15) "Radiologist assistant" means an individual, other than a licensed practitioner, who performs
21 as an advanced level radiologic technologist and works under the general supervision of a radiologist to
22 enhance patient care by assisting the radiologist in the medical imaging environment, and who has met
23 and continues to meet the licensure standards of this chapter.

24 (16) "Source of radiation" means any substance or device emitting or capable of producing
25 ionizing radiation, for the purpose of performing therapeutic or diagnostic radiologic procedures on
26 human beings.

27 (17) "Student" means an individual enrolled in a course of study for medicine or radiologic
28 technology.

29 (18) "Supervision" means and includes:

30 (i) "Direct supervision" means supervision and control by a licensed practitioner who assumes
31 legal liability for the services rendered by the radiologic technologist, which supervision requires the
32 physical presence of the licensed practitioner for consultation and direction of the actions of the
33 radiologic technologist.

1 (ii) "General supervision" means supervision whereby a licensed practitioner, who assumes legal
2 liability for the services rendered, authorizes the services to be performed by the radiologic technologist,
3 which supervision, except in cases of emergency, requires the easy availability or physical presence of the
4 licensed practitioner for consultation and direction of the actions of the radiologic technologist.

5 **§ 5-68.1-4 License required.** – (a) No individual shall practice radiologic technology or shall
6 represent themselves as practicing radiologic technology, unless they are licensed under this chapter. The
7 provisions of this section do not apply to:

8 (1) A licensed practitioner when practicing within his or her field of expertise.

9 (2) A student of medicine, when under the general supervision of an instructor who is a
10 radiologist and when acting within the scope of practice.

11 (3) A dentist, licensed dental hygienist or certified dental assistant when practicing within his or
12 her field of expertise.

13 (4) A podiatry assistant who has received a "certificate of completion" from the Community
14 College of Rhode Island or other equivalent training approved by the division board, after having taken
15 and passed the course on "radiography for podiatry assistance" and when acting within the practice of
16 podiatry.

17 (5) A medical physicist when practicing within his or her field of expertise.

18 (6) A licensed healthcare provider at a licensed ambulatory care facility on Block Island and
19 where the director of health determines a waiver of the licensure requirements to be in the interest of
20 public health.

21 (b) Nothing in this chapter is intended to limit, preclude or interfere with the practice of persons
22 and health care providers licensed by appropriate agencies of Rhode Island.

23 (c) This chapter does not prohibit an individual enrolled in an approved school of radiologic
24 technology, under the direct supervision of a radiologist or a licensed radiologic technologist, from
25 performing those duties essential for completion of a student's clinical service.

26 (d) This chapter is not intended to supersede the mammography rules and regulations
27 promulgated pursuant to § 23-17-32.

28 **§ 5-68.1-6 Licensing by training and examination.** – (a) Any individual desiring to become a
29 licensed radiologic technologist shall make application to the division board on a written form and in the
30 manner that the division board prescribes, shall pay all the required application fees and shall furnish
31 evidence to the board that the applicant:

32 (1) Has successfully completed a training program approved by the division board;

1 (2) Has passed the appropriate examination(s) given by the American Registry of Radiologic
2 Technologists, the Nuclear Medicine Technology Certification Board or other national organization
3 specified in rules and regulations adopted pursuant to this chapter; and

4 (b) Graduate practice. Any graduate of a training program approved by the division board who
5 has filed a completed application (including all documents except for examination scores) for licensing
6 shall be recognized, upon receiving a receipt from the director, as a graduate technologist for a period not
7 to exceed ninety (90) days from the date on the application fee receipt.

8 (1) This receipt shall authorize the applicant to practice that branch of radiologic technology
9 specified on the application until the results of the exam are distributed and acted upon by the division
10 ~~board~~, but in no case shall the authorized period exceed ninety (90) days. During this authorized period,
11 the applicant shall identify him or herself only as a "graduate technologist."

12 (2) If the applicant fails to take the examination and receive a license, as specified in subsection
13 5-68.1-6(a), during this authorized ninety (90) day period or fails to pass the examination, all
14 authorization to practice as a graduate technologist shall immediately become null and void.

15 (3) Authorization to practice as a graduate technologist shall only be granted by the division
16 ~~board~~ to an individual for a single period not to exceed ninety (90) days, and shall not be extended or
17 renewed.

18 **§ 5-68.1-7 Licensing by endorsement.** – Any individual desiring to become a licensed
19 radiologic technologist by endorsement shall make application to the division board on a written form and
20 in a manner that the division board prescribes and shall pay all the required application fees. The
21 applicant shall also furnish evidence to the division board that he or she holds a current certificate, license
22 or registration to practice radiologic technology in another state, and the requirements for such certificate,
23 license or registration, as determined by the division board, are substantially equivalent to those
24 established under this chapter, and rules and regulations promulgated pursuant to this chapter.

25 **§ 5-68.1-10 Fees.** – (a) The director, ~~in consultation with the board~~, shall establish an initial
26 application fee as set forth in § 23-1-54 and a license renewal fee that shall be prescribed in rules and
27 regulations promulgated pursuant to § 5-68.1-15.

28 (b) The proceeds of any fees collected pursuant to the provisions of this chapter shall be deposited
29 in the general fund as general revenues.

30 **§ 5-68.1-11 Denial, suspension, revocation and reinstatement of licenses.** – (a) The division
31 ~~board~~ may recommend refusal, suspension or revocation of any license, ~~in accordance with the provisions~~
32 ~~of section 42-35~~, for any of the following causes:

33 (1) Having a certificate, license or registration to practice radiologic technology revoked,
34 suspended, or otherwise acted against, including being denied certification by a national organization, by

1 a specialty board recognized by the director, or by a certification authority of another state, territory or
2 country;

3 (2) Fraud in the procurement of any license under this chapter, including, but not limited to,
4 impersonating or acting a proxy for an applicant in an examination for licensure in the field of radiologic
5 technology;

6 (3) Being convicted or found guilty, regardless of adjudication, in any jurisdiction of a crime that
7 directly relates to the practice of radiologic technology or to the ability to practice radiologic technology.
8 Pleading nolo contendere shall be considered a conviction for the purpose of this provision.

9 (4) Incompetence or engaging in negligent or unprofessional conduct, which includes, but is not
10 limited to, any departure from, or the failure to conform to, the standards of practice of radiologic
11 technology as established by the director, in which case actual injury need not be established;

12 (5) Being unable to practice radiologic technology with reasonable skill and safety to patients by
13 reason of illness or use of alcohol, drugs, narcotics, chemicals, or other materials or as a result of any
14 mental or physical condition. A licensee affected under this paragraph shall, at reasonable intervals, be
15 afforded an opportunity to demonstrate that he or she can resume the competent practice of radiologic
16 technology with reasonable skill and safety.

17 (6) Making or filing a false report or record that the licensee knows to be false, intentionally or
18 negligently failing to file a report or record required by state or federal law, or willfully impeding or
19 obstructing such filing or inducing another to so. Such reports or records include only those reports or
20 records which are signed in the capacity of the licensee.

21 (7) (a) Violating, or aiding or abetting any person to violate, any provision of this chapter, any
22 rule or regulation promulgated pursuant to this chapter, or any lawful order of the director previously
23 entered in a disciplinary proceeding or failing to comply with a lawfully issued subpoena of the director.

24 (b) Any person aggrieved by any determination of the division in regard to any of the provisions
25 of this chapter, may appeal to the health professions board of review in accordance with § 5-26.1-5.

26 (c) ~~(b)~~ Five (5) years from the date of revocation of a license under this chapter, application may
27 be made for reinstatement, restoration or modification of probation. The division board has the discretion
28 to accept or reject any application for the reinstatement.

29 **§ 5-68.1-13 Appeals from board or director.** – An appeal from any decision or order of the
30 board ~~or director~~ may be taken in accordance with the provisions of section 42-35-15.

31 SECTION 36. Section 5-68.1-3 of the General Laws in Chapter 5-68 entitled “Radiologic
32 Technologists” is hereby repealed.

1 ~~§ 5-68.1-3 Board — Composition — Appointment and terms of members.~~ (a) Within the

2 Rhode Island department of health there shall be a board of radiologic technology consisting of seven (7)
3 members as follows:

4 (1) ~~One member shall be a member of the public who has no financial interest in radiologic~~
5 ~~technology other than as a consumer or possible consumer of its services. They shall have no financial~~
6 ~~interest personally or through a spouse.~~

7 (2) ~~Two (2) members of the board shall be licensed practitioners, one of whom shall be a~~
8 ~~radiologist who utilizes ionizing radiation in the normal course of his or her practice. Nominations for the~~
9 ~~licensed practitioner board members shall be submitted by the Rhode Island Medical Society and the~~
10 ~~Rhode Island Radiological Society to the director for approval.~~

11 (3)(i) ~~Three (3) members of the board shall be licensed under this chapter. One shall be from~~
12 ~~radiography, one shall be from nuclear medicine, and one shall be from radiation therapy.~~

13 (ii) ~~The director shall appoint as radiologic technologist members of the board, individuals~~
14 ~~currently practicing as registered radiologic technologists in Rhode Island.~~

15 (4) ~~One member shall be a representative of the hospital association who shall be nominated by~~
16 ~~the Hospital Association of Rhode Island and submitted to the director for approval.~~

17 (5)(i) ~~The director, with the approval of the governor, shall make appointments for a three (3)~~
18 ~~year term, but no individual shall serve more than two (2) consecutive terms. Members of the board as of~~
19 ~~the effective date of this chapter, who were previously appointed pursuant to § 5-68-4, shall continue to~~
20 ~~serve for the remainder of their appointed term.~~

21 (ii) ~~In the event of a vacancy in one of the positions, the director, with the approval of the~~
22 ~~governor, may appoint an individual who shall fill the unexpired term.~~

23 (6) ~~The board shall meet during the first month of each calendar year to select a chairperson and~~
24 ~~for other purposes. At least one additional meeting shall be held during each calendar year. Meetings may~~
25 ~~also be called at any time by the chairperson, the director or by written request of two (2) members of the~~
26 ~~board. A majority of the fully authorized board constitutes a quorum.~~

27 (b) ~~The duties of the board shall be as follows:~~

28 (1) ~~To evaluate the qualifications of applicants and review the required examination results~~
29 ~~administered by a testing agency approved by the board;~~

30 (2) ~~To recommend to the director the issuance of licenses to applicants who meet the~~
31 ~~requirements of this chapter;~~

32 (3) ~~To administer, coordinate and enforce the provisions of this chapter and investigate persons~~
33 ~~engaging in practices that may violate the provisions of the chapter;~~

1 ~~(4) To recommend to the director the denial or revocation of licenses to practice radiologic~~
2 ~~technology as provided in this chapter; and~~

3 ~~(5) To recommend to the director adoption of rules and regulations pursuant to this chapter.~~

4 SECTION 37. Sections 5-69-2, 5-69-5, 5-69-8, 5-69-10, 5-69-11, and 5-69-12 of the General
5 Laws in Chapter 5-69 entitled "License Procedure for Chemical Dependency Professionals" are hereby
6 amended to read as follows:

7 **§ 5-69-2 Definitions.** – As used in this chapter:

8 (1) "ACDP" means an advanced chemical dependency professional certification as per the Rhode
9 Island board for certification of chemical dependency professionals requirements.

10 (2) "ACDP II" means an advanced chemical dependency professional II certification as per the
11 International Certification and Reciprocity Consortium/Alcohol and Other Drug Abuse. "ICRC/AODA".

12 (3) "Advertise" includes, but is not limited to, the issuing or causing to be distributed any card,
13 sign, or device to any person; or the causing, permitting, or allowing any sign or marking on or in any
14 building or structure, or in any newspaper or magazine or in any directory, or on radio or television, or by
15 the use of any other means designed to secure public attention.

16 (4) "Approved continuing education" means research and training programs, college and
17 university courses, in-service training programs, seminars and conferences designed to maintain and
18 enhance the skills of substance abuse counselors or clinical supervisors and which are recognized by the
19 ICRC/AODA member board.

20 (5) "CDCS" means chemical dependency clinical supervisor.

21 (6) "Clergy" includes any minister, priest, rabbi, Christian Science practitioner, or any other
22 similar religious counselor.

23 (7) "Continuum of care network" means public and private substance abuse care agencies such as
24 detoxification centers, emergency rooms, hospitals, treatment centers, outpatient and day treatment
25 clinics, and community residences for substance abusers. The services employs or refers to medical,
26 psychological, health, and counseling professions that treat substance abuse and related concerns.

27 (8) "Department" means the Rhode Island department of health and "division" means the division
28 of professional regulation and licensing in the department.

29 (9) "Director" means the director of the Rhode Island department of health.

30 (10) "Documented professional work experience" means the ICRC/AODA member board
31 approved form completed by employer or approved supervisor verifying dates of employment and
32 responsibilities.

33 (11) "Experience" means six thousand (6,000) hours of supervised practice of chemical
34 dependency counseling in a department of mental health, retardation, and hospitals licensed or division

1 approved facility during a sixty (60) month period of time immediately preceding the date of application
2 for licensure.

3 (12) "ICRC/AODA" means International Certification and Reciprocity Consortium/Alcohol and
4 Other Drug Abuse.

5 (13) "Licensed chemical dependency clinical supervisor" means an individual licensed by the
6 department of health to practice and supervise substance abuse counseling and who meets the
7 qualification established in this section.

8 (14) "Licensed chemical dependency professional" means an individual licensed by the
9 department of health to practice substance abuse counseling and who meets the qualifications established
10 in this section.

11 (15) "~~Licensing board~~" or "~~b~~Board" means the health professions board of review established in
12 accordance with § 5-26.1-3, the board of licensing for chemical dependency professionals.

13 (16) "Member Board" means the Rhode Island Board for Certification of Chemical Dependency
14 Professionals.

15 (17) "Practice of substance abuse counseling" means rendering or offering to render professional
16 service for any fee, monetary or otherwise, documented to individuals, families or groups. Those
17 professional services include the application of the ICRC/AODA specific knowledge, skills, counseling
18 theory, and application of techniques to define goals and develop a treatment plan of action aimed toward
19 the prevention, education, or treatment in the recovery process of substance abuse within the continuum
20 of care service network. The practice further includes, but is not limited to, networking and making
21 referrals to medical, social services, psychological, psychiatric, and/or legal resources when indicated.

22 (18) "Recognized education institution" means any educational institution, which grants an
23 associate, bachelor, masters, or doctoral degree and which is recognized by the division board, or by a
24 nationally or regionally recognized educational or professional accrediting organization.

25 (19) "Substance abuse" means addictive (chronic or habitual) consumption, injection, inhalation,
26 or behavior of/with substance (such as alcohol and drugs), progressively injuring and afflicting the user's
27 psychological, physical, social, economical, and/or spiritual functioning.

28 (20) "Supervision" means no less than one hour per week and consists of individual or group
29 supervision with a clinician licensed or certified in substance abuse counseling with education,
30 supervisory experience, and ethics approved by the ICRC/AODA member.

31 **§ 5-69-5 Agency powers.** – The department shall promulgate rules and regulations that are
32 reasonably necessary for the administration of this chapter and to further its purposes. The department
33 shall, ~~on recommendation of the licensing board~~, issue licenses to those qualified under this chapter. The

1 director of the department of health may issue additional levels of licensing that may be developed,
2 approved, or adopted by both ~~the licensing board~~ division and the ICRC/AODA member board.

3 **§ 5-69-8 Licenses.** – (a) The department shall issue the appropriate license to applicants who
4 meet the qualifications for the license as specified:

5 (1) "Licensed chemical dependency professional". Any individual desiring to obtain a license as a
6 licensed chemical dependency professional shall be currently certified as an advanced chemical
7 dependency professional or advanced chemical dependency professional II in accord with the
8 ICRC/AODA member board standards, as a prerequisite for submitting the application to the division,
9 ~~licensing board~~.

10 (2) "Licensed chemical dependency clinical supervisor". Any individual desiring to obtain a
11 license as a licensed chemical dependency clinical supervisor shall be currently certified as an advanced
12 chemical dependency professional or advanced chemical dependency professional II, shall have
13 completed the ICRC/AODA member board standards for chemical dependency clinical supervisor, and
14 shall submit an application to the division, ~~licensing board~~.

15 (3) Other. An applicant having a comparable license, certification, or reciprocity within Rhode
16 Island or from another state or territory of the United States that imposes qualifications substantially
17 similar to those of this chapter, as determined by the division, ~~licensing board~~.

18 (b) In addition to the qualifications listed in this section, an applicant for any of these titles must
19 prove to the division's ~~licensing board's~~ satisfaction:

20 (1) Good moral character that is a continuing requirement for licensure;

21 (2) United States citizenship or status as a legal resident alien;

22 (3) Absence of a sanction from the National Association of Alcohol and Drug Abuse Counselors,
23 or ICRC/AODA member board sanction for violation of the code of ethics, or other related state board
24 which shall be waived by the division ~~board~~ upon presentation of satisfactory evidence that the sanction
25 does not impair the ability of the person to conduct with safety to the public the practice authorized by
26 this license. The applicant shall bear the burden of proving that his or her sanction does not impair his or
27 her ability to conduct with safety to the public the practice authorized by this license;

28 (4) Absence of conviction of a felony, which shall be waived by the division ~~board~~ upon
29 presentation of satisfactory evidence that the conviction does not impair the ability of the person to
30 conduct with safety to the public the practice authorized by this license. The applicant shall bear the
31 burden of proving that his or her conviction does not impair his or her ability to conduct with safety to the
32 public the practice authorized by this license;

1 (5) That the applicant has not been declared mentally incompetent by any court, and if the decree
2 has ever been rendered, that there has been a subsequent court determination that the applicant is
3 competent; and

4 (6) Freedom from use of any controlled substance or any alcoholic beverages to the extent that
5 the use impairs the ability of the person to conduct with safety to the public the practice authorized by this
6 license. The applicant shall bear the burden of proving that he or she is free from use of any controlled
7 substance or any alcoholic beverages that impair his or her ability to conduct with safety to the public the
8 practice authorized by this license.

9 **§ 5-69-10 Licensed professionals discipline.** – Licensees subject to this chapter shall conduct
10 their activities, services, and practice in accordance with this chapter and with any rules promulgated
11 pursuant to this chapter. The ~~division licensing board~~ may ~~recommend to the director~~ ~~refusal~~ refuse to
12 grant a license to, or to suspend, revoke, condition, limit, qualify, or restrict the license of any individual
13 who the ~~division licensing board~~ or its designee, after a hearing by the board, determines:

14 (1) Is incompetent to practice under the provisions of this chapter, or is found to engage in the
15 practice of chemical dependency counseling and/or supervision in a manner harmful or dangerous to a
16 client or to the public;

17 (2) Has obtained or attempted to obtain a license, or renewal, by bribery or fraudulent
18 representation;

19 (3) Has knowingly made a false statement on a form required by the ~~division licensing board~~;

20 (4) Has failed to obtain the continuing education credits necessary for re-licensing;

21 (5) Has engaged in sexual relations with a current client, solicited sexual relations with a current
22 client, or committed an act of sexual abuse, or sexual misconduct with a current client;

23 (6) Has failed to remain free from the use of any controlled substance or any alcoholic beverages
24 to the extent that the use impairs the ability of the person to conduct with safety to the public the practice
25 authorized by this license. The applicant shall bear the burden of proving that he or she is free from use of
26 any controlled substance or any alcoholic beverages that impair his or her ability to conduct with safety to
27 the public the practice authorized by this license;

28 (7) Has been convicted of a felony, which shall be waived by the board upon presentation of
29 satisfactory evidence that the conviction does not impair the ability of the person to conduct with safety to
30 the public the practice authorized by this license. The applicant shall bear the burden of proving that his
31 or her conviction does not impair his or her ability to conduct with safety to the public the practice
32 authorized by this license;

33 (8) Has disciplinary action pending or has revocation, suspension, or probation taken against the
34 licensee in Rhode Island or another state or territory of these United States;

1 (9) Has failed to maintain confidentiality per federal regulation 42 CFR part 2;

2 (10) Has engaged in false or misleading advertising;

3 (11) Has a mental disability which significantly impairs the ability or judgment (the order of a
4 court that the licensee is in need of mental treatment for incompetency shall continue the mental
5 disability); and

6 (12) Has violated any of the provisions of this chapter, or the provisions of any code of ethics
7 adopted by the department. ~~licensing board~~.

8 **§ 5-69-11 Complaints.** – All complaints concerning a licensee's business or professional practice
9 shall be received by either the division. ~~licensing board or the department of health~~. Each complaint
10 received shall be logged, recording at a minimum the following information:

11 (1) Licensee's name;

12 (2) Name of the complaining party;

13 (3) Date of complaint;

14 (4) Brief statement of complaint; and

15 (5) Disposition.

16 **§ 5-69-12 Disciplinary process.** – (a) Disciplinary procedures under this chapter shall be
17 conducted in accordance with the Administrative Procedures Act, chapter 35 of title 42.

18 (b) In accordance with § 5-26.1-5, ~~The licensing board or its designee~~ shall hear evidence
19 produced in support of the formal charges and contrary evidence produced by the licensee. At the
20 conclusion of the hearing, the ~~licensing board~~ shall make a determination regarding the charges.
21 ~~recommendations to the director who shall issue an order.~~

22 (c) An appeal from any decision or order of the board may be brought by an aggrieved person in
23 accordance with § 42-35-15. The term “person” in this section includes the department.

24 **§ 5-69-13 Disciplinary sanctions.** – (a) The division ~~licensing board~~ may recommend that the
25 director impose any of the following sanctions, singly or in combination, when it finds that a licensee is
26 guilty of any offenses described in this section:

27 (1) Revocation of the license;

28 (2) Suspension of the license for any period of time;

29 (3) Censure of the licensee;

30 (4) Issue a letter or reprimand;

31 (5) Place a licensee on probationary status and require the licensee to submit to any of the
32 following:

33 (i) Report regularly to the licensing board upon matters that are the basis of probation;

1 (ii) Continue to renew professional education until a satisfactory degree of skill has been attached
2 in those areas that are the basis of probation;

3 (iii) Attend employee assistance counseling services.

4 (6) Refuse to renew a license;

5 (7) Revoke probation which was granted and impose any other discipline provided in this section
6 when the requirements of probation are not fulfilled or have been violated.

7 (b) The director may reinstate any licensee to good standing under this chapter, if after a hearing
8 the department of health is satisfied that the applicant's renewed practice is in the public interest.

9 (c) Upon the suspension or revocation of a license issued under this chapter, a licensee shall be
10 required to surrender the license to the director and upon failure to do so, the director shall have the right
11 to seize the license.

12 (d) The director may make available annually a list of the names and addresses of all licensees
13 under the provisions of this chapter, and of all persons who have been disciplined within the preceding
14 twelve (12) months.

15 (e) Any persons convicted of violating the provisions of this chapter shall be guilty of a
16 misdemeanor, punishable by a fine of not more than five hundred dollars (\$500), imprisonment for not
17 more than one year, or both.

18 SECTION 38. Sections 5-69-6 and 5-69-7 of the General Laws in Chapter 5-69 entitled,
19 "License Procedure for Chemical Dependency Professionals" are hereby repealed.

20 ~~§ 5-69-6 Licensing board.~~ (a) ~~Within the department there shall be established a board of~~
21 ~~licensing for chemical dependency professionals. The governor shall appoint a licensing board consisting~~
22 ~~of seven (7) members.~~

23 ~~(b) Of the seven (7) licensing board members, three (3) shall be licensed under this chapter;~~

24 ~~(2) Licensing board members shall be:~~

25 ~~(i) Two (2) members appointed by the governor shall be representatives of groups that reflect~~
26 ~~demographics of person(s) served;~~

27 ~~(ii) Three (3) members shall represent the licensed professionals appointed by the director of~~
28 ~~health;~~

29 ~~(iii) One member shall be an active member or administrator of the Rhode Island board for~~
30 ~~certification of chemical dependency professionals appointed by the director of health;~~

31 ~~(iv) One member shall be a consumer advocate from an established substance abuse recovery~~
32 ~~consumer advocacy group appointed by the director of health.~~

33 ~~(3) Licensing board members shall serve without compensation.~~

1 ~~(4) Each licensing board member shall take and subscribe to the oath of affirmation prescribed by~~
2 ~~law and shall file this oath in the office of the secretary of state.~~

3 ~~(5) The term of office shall be three (3) years, except that of the members of the first licensing~~
4 ~~board. Three (3) shall be appointed for a term of one year, three (3) for a term of two (2) years, three (3)~~
5 ~~for a term of three (3) years. At least one member representing the general public, and one member~~
6 ~~representing a minority group, as defined by the federal Department of Health, Education, and Welfare,~~
7 ~~shall be appointed for the initial term of three (3) full years. Successors to these licensing board positions~~
8 ~~shall be appointed for a term of three (3) years each, except that any person appointed to fill a vacancy~~
9 ~~shall be for the unexpired term of office. Upon expiration of the term of office, a member shall continue to~~
10 ~~serve until a successor is appointed and qualified. No person shall be appointed for more than two (2)~~
11 ~~consecutive three (3) year terms.~~

12 ~~(6) The governor may remove any member of the licensing board for neglect of duty,~~
13 ~~malfeasance, conviction of a felony or a crime of moral turpitude while in office or for lack of~~
14 ~~attendance/participation in board meetings. No licensing board member shall participate in any matter~~
15 ~~before the licensing board in which pecuniary interest, personal bias, or other similar conflicts of interests~~
16 ~~is established.~~

17 ~~**§ 5-69-7 Powers and duties of the licensing board.**~~ (a) ~~The organization, meeting, and~~
18 ~~management of the licensing board shall be established by regulations promulgated by the department of~~
19 ~~health.~~

20 ~~(b) In addition to duties set forth in this chapter, the licensing board shall:~~

21 ~~(1) Examine and pass on the qualifications of all applicants identified by the ICRC/AODA~~
22 ~~member board that all standards have been successfully completed for licensure under this chapter, and~~
23 ~~recommend to the director that a license shall be issued to each qualified successful applicant, attesting to~~
24 ~~the applicant's professional qualification to practice as a "licensed chemical dependency professional" or a~~
25 ~~"licensed chemical dependency clinical supervisor";~~

26 ~~(2) Recommend that the director adopt rules and regulations that set ICRC/AODA professional~~
27 ~~practice standards for licensed chemical dependency professionals and licensed chemical dependency~~
28 ~~clinical supervisors;~~

29 ~~(3) Recommend modifications or amendments deemed necessary to effectuate its purpose;~~

30 ~~(4) Be responsible for making recommendations to the director concerning all disciplinary~~
31 ~~functions carried out regarding all licenses under this chapter;~~

32 ~~(5) Have any other powers required to carry out the provisions of this chapter.~~

33 **SECTION 39.** [MD(8)] Sections 5-71-3, 5-71-7, 5-71-8, 5-71-10, and 5-71-13 of the General
34 Laws in Chapter 5-71 entitled "Interpreters for the Deaf" are hereby amended to read as follows:

1 **§ 5-71-3 Definitions.** – (1) "Board" means the health professions board of review established in
2 accordance with § 5-26.1-3. ~~state board of examiners for interpreters for the deaf.~~

3 (2) "Certified" means any person who is a certified member of the Registry of Interpreters for the
4 Deaf, Inc., (RID), its successor agency or other agencies as approved by the department, ~~in consultation~~
5 ~~with the board.~~

6 (3) "Consumer" is an individual who is deaf, hard of hearing or other individual with disabilities
7 whose primary language is sign language (e.g., American Sign Language, manually coded sign systems).

8 (4) "Department" means the Rhode Island department of health and "division" shall mean the
9 division of professional regulation and licensing.

10 (5) "Director" means the director of the department of health.

11 (6) "Educational Interpreter for the Deaf" means an individual who has specialized licensure in
12 the provision of sign language interpreting to students who are deaf, hard-of-hearing or deaf-blind in
13 grades preschool through twelve (12).

14 (7) "Emergency" means an urgent circumstance that demands immediate action in order for a
15 consumer to avoid imminent harm or loss. In the event of an emergency, the consumer may elect to use
16 the services of a nonlicensed interpreter or transliterator as set forth in regulations promulgated by the
17 department.

18 (8) "Interpreter for the deaf" means any person who engages in the practice of interpreting for the
19 deaf as defined in subsection (9) below.

20 (9) "Interpreter trainee" and "interpreter student" means any person, meeting the minimum
21 requirements established by the department in consultation with the board who is currently enrolled in a
22 nationally accredited interpreter training program and participating in the practicum portion of their
23 studies.

24 (10) "Interpreting for the deaf" means conveying spoken English into American Sign Language
25 (ASL) (voice-to-sign) or conveying American Sign Language into English (sign-to-voice), or interpreting
26 English to and/or from a visual gestural system. Such practice shall not include transliterating for the deaf.

27 (11) "Screened interpreter or transliterator for the deaf" means any person who presents proof of
28 an active state screening or its equivalent and presents proof of successful completion of an examination
29 as approved by the department in consultation with the board.

30 (12) "Transliterator for the deaf" means any person who engages in the practice of transliterating
31 for the deaf as defined in subsection (13) below.

32 (13) "Transliterating for the deaf" means conveying spoken English into Manually coded English
33 (voice-to-sign), or conveying manually coded English into spoken English (sign-to-voice), or conveying

1 English on the lips so that it is accessible to speech reading (i.e. oral transliterating). Such practice shall
2 not include interpreting for the deaf.

3 **§ 5-71-7 Disposition of moneys received.** – All moneys received by the division board shall be
4 deposited in the treasury of the state.

5 **§ 5-71-8 Qualifications of applicants for licenses.** – (a) To be eligible for licensure by the
6 division board as an interpreter for the deaf or transliterator for the deaf, or educational interpreter for the
7 deaf, the applicant must submit written evidence on forms furnished by the department, verified by oath,
8 that the applicant meets all of the following requirements:

- 9 (1) Is of good moral character;
10 (2) Meets the certification or screened requirements as defined in regulations promulgated by the
11 department; and
12 (3) Pays the department a license fee as set forth in § 23-1-54.

13 (b) To be eligible for licensure by the board as an educational interpreter for the deaf, the
14 applicant must meet all of the requirements as described in subsection (a) and must further present proof
15 of successful completion of the educational interpreter performance assessment (EIPA), written and
16 performance tests, or a similar test as approved by the division board, at a performance level established
17 by the division board.

18 **§ 5-71-10 Endorsement.** – The department in consultation with the division board shall
19 promulgate regulations providing for a procedure for waiver of the requirements of § 5-71-9 for
20 applicants who hold a valid license, certificate, or equivalent issued within another state; provided, that
21 the requirements under which that license, certificate, or equivalent was issued, meet or exceed the
22 standards required by this chapter.

23 **§ 5-71-13 Grounds for suspension or revocation of licenses.** – (a) The division board may
24 recommend to the director of the department of health the issuance, renewal, or revocation of a license, or
25 suspension, placement on probation, censure or reprimand a licensee, or any other disciplinary action that
26 the division board may deem appropriate, for conduct that may result from, but not necessarily be limited
27 to:

- 28 (1) Obtaining his or her license by means of fraud, misrepresentation, or concealment of material
29 facts;
30 (2) Being guilty of fraud, misrepresentation, concealment or material misstatement of facts or
31 deceit in connection with his or her services rendered as an interpreter for the deaf, transliterator for the
32 deaf, or educational interpreter for the deaf;

1 (3) Being guilty of unprofessional conduct as defined by the rules established by the department
2 ~~in consultation with the board~~, and/or has violated any standard of professional or ethical conduct adopted
3 by the National Registry of Interpreters for the Deaf;

4 (4) Violating the continuing education requirements of this chapter as defined in subsection 5-71-
5 9(d), and rules and regulations as promulgated by the department;

6 (5) Violating any lawful order, or any provision of this chapter or of the rules or regulations
7 promulgated in this chapter;

8 (6) Aiding or assisting another person in violating any provision of this chapter or any rule or
9 regulation adopted under this chapter;

10 (7) Departure from or failure to conform to the current standards of acceptable and prevailing
11 practice of interpreting for the deaf.

12 (b) Working under a license that is expired or on inactive status, working under a license when
13 certification is expired or on inactive status, and practicing interpreting without being exempt under
14 chapter 5-71 shall be considered to be practicing without a license.

15 (c) ~~The department shall respond to all recommendations from the board under this section within~~
16 ~~thirty (30) calendar days.~~ Disciplinary procedures under this chapter shall be conducted in accordance
17 with the Administrative Procedures Act, chapter 35 of title 42.

18 (d) In accordance with § 5-26.1-5, the board shall hear evidence produced in support of the
19 formal charges and contrary evidence produced by the licensee. At the conclusion of the hearing, the
20 board shall make a determination regarding the charges.

21 (e) An appeal from any decision or order of the board may be brought by an aggrieved person in
22 accordance with § 42-35-15. The term “person” in this section includes the department.

23 SECTION 40. Sections 5-71-4, 5-71-5 and 5-71-6 of the General Laws in Chapter 5-71 entitled
24 “Interpreters for the Deaf” are hereby repealed.

25 ~~**§ 5-71-4 Board of examiners — Creation — Compensation — Appointment, terms and**~~
26 ~~**qualifications of members.**~~ (a) ~~There shall exist within the state department of health a board of~~
27 ~~examiners of interpreters for the deaf. The board shall consist of five (5) persons who shall be residents of~~
28 ~~the state of Rhode Island for at least two (2) years prior to their appointments: three (3) nationally~~
29 ~~certified interpreters, and two (2) consumers.~~

30 (b) ~~All appointments made under this section shall be made by the governor with the advice and~~
31 ~~consent of the senate. In making appointments to the board, the governor shall give consideration to~~
32 ~~recommendations made by the commission on the deaf and hard of hearing established pursuant to § 23-~~
33 ~~1.8-1. All members shall serve terms of three (3) years. Members shall serve until the expiration of the~~
34 ~~term for which they have been appointed or until their successor is appointed. No person shall be~~

1 ~~appointed to serve more than two (2) consecutive terms. When a vacancy upon the board occurs, a~~
2 ~~replacement shall be appointed for the remainder of that term as prescribed in this section.~~

3 ~~(c) The board shall reorganize annually during the month of December and shall elect a~~
4 ~~chairperson and vice chairperson for the subsequent calendar year. The board may elect from among its~~
5 ~~members such other officers as it deems necessary.~~

6 ~~(d) Three (3) members of the board shall constitute a quorum to do business. A majority vote of~~
7 ~~those present shall be required for action.~~

8 ~~(e) Members of the board shall be removable by the governor pursuant to the provisions of § 36-~~
9 ~~1-7 of the general laws and for cause only, and removal solely for partisan or personal reasons unrelated~~
10 ~~to capacity or fitness for the office shall be unlawful.~~

11 **§ 5-71-5 Board of examiners — Duties and powers — Meetings — Compensation of members.**

12 ~~(a) The department with the assistance of the board shall administer, coordinate and enforce the~~
13 ~~provisions of this chapter, evaluate the qualifications of applicants, and may issue subpoenas, examine~~
14 ~~witnesses, and administer oaths, and investigate persons engaging in practices which violate the~~
15 ~~provisions of this chapter.~~

16 ~~(b) The department shall conduct hearings and shall keep records and minutes that are necessary~~
17 ~~for the orderly dispatch of business.~~

18 ~~(c) The department shall hold public hearings regarding rules and regulations.~~

19 ~~(d) The department in consultation with the board, in accordance with the rule-making provisions~~
20 ~~of the Administrative Procedures Act, chapter 35 of title 42, shall adopt responsible rules and regulations,~~
21 ~~and may amend or repeal those rules and regulations. Following their adoption, the rules and regulations~~
22 ~~shall govern and control the professional conduct of every person who holds a license to practice~~
23 ~~interpreting or transliterating for the deaf in the state of Rhode Island.~~

24 ~~(e) Regular meetings of the board shall be held, and special meetings may be held upon the call of~~
25 ~~the chairperson as necessary to deal with such issues as violations of this chapter; provided, that at least~~
26 ~~one regular meeting is held each calendar year.~~

27 ~~(f) The conferral or enumeration of specific powers in this chapter shall not be construed as a~~
28 ~~limitation of the general powers conferred by the section. No member of the board shall be liable to civil~~
29 ~~action for any act performed in good faith in the performance of his or her duties as prescribed by this~~
30 ~~chapter.~~

31 ~~(g) Board members shall serve on an honorable basis without compensation.~~

32 ~~(h) The board may request legal advice and assistance from the appropriate legal officer.~~

33 ~~(i) The board shall conduct a training course for newly appointed and qualified members within~~
34 ~~six (6) months of their appointment. The course shall be developed and conducted by the chair of the~~

1 ~~commission, approved by the commission, and shall include instruction in the subject areas of this~~
2 ~~chapter, and chapters 42-46, 36-14, and 38-2, and the commission's rules and regulations. The director of~~
3 ~~the department of administration shall, within ninety (90) days of March 29, 2006, prepare and~~
4 ~~disseminate training materials relating to the provisions of chapters 42-46, 36-14, and 38-2.~~

5 ~~(j) Within ninety (90) days after the end of each fiscal year, the board shall approve and submit an~~
6 ~~annual report to the governor, the speaker of the house of representatives, the president of the senate, and~~
7 ~~the secretary of state of its activities during that fiscal year. The report shall provide: an operating~~
8 ~~statement summarizing meetings or hearings held, including meeting minutes, subjects addressed,~~
9 ~~decisions rendered, licenses considered and their dispositions, rules or regulations promulgated, studies~~
10 ~~conducted, policies and plans developed, approved or modified, and programs administered or initiated; a~~
11 ~~consolidated financial statement of all funds received and expended including the source of the funds, a~~
12 ~~listing of any staff supported by these funds, and a summary of any clerical, administrative or technical~~
13 ~~support received; a summary of performance during the previous fiscal year including accomplishments,~~
14 ~~shortcomings and remedies; a synopsis of hearings, complaints, suspensions or other legal matters related~~
15 ~~to the authority of the board; a summary of any training courses held pursuant to the provisions of~~
16 ~~paragraph 5-71-5(i); a briefing on anticipated activities in the upcoming fiscal year; and findings and~~
17 ~~recommendations for improvements. The report shall be posted electronically on the general assembly~~
18 ~~and the secretary of state's websites as prescribed in § 42-20-8.2. The director of the department of~~
19 ~~administration shall be responsible for the enforcement of this provision.~~

20 ~~**§ 5-71-6 Board of examiners — Seal — Authentication of records.** The board shall adopt the~~
21 ~~state seal by which it shall authenticate its proceedings. Copies of the proceedings, records and acts of the~~
22 ~~board, and certificates purporting to relate the facts concerning those proceedings, records, and acts,~~
23 ~~signed by the secretary and authenticated by that seal, shall be evidence in all courts of this state.~~

24 SECTION 41. Sections 5-86-2, 5-86-9, 5-86-10, 5-86-12, 5-86-16, 5-86-17, 5-86-18, and 5-86-
25 20 of the General Laws in Chapter 5-86 entitled "Licensing of Applied Behavior Analysts" are hereby
26 amended to read as follows:

27 ~~**§ 5-86-2 Definitions.**~~ – As used in this chapter, the following terms shall be construed as
28 follows:

29 (1) "Applied behavior analyst" means a person licensed to practice applied behavior analysis
30 under the provisions of this chapter and the rules and regulations authorized by this chapter.

31 (2) "Applied behavior analyst aide" means a person not licensed pursuant to the laws and rules
32 applicable to the practice of applied behavior analysis, who works under the supervision of a licensed
33 applied behavior analyst, who assists in the practice of applied behavior analysis and whose activities
34 require an understanding of applied behavior analysis, but do not require professional or advanced

1 training in the basic anatomical, psychological, and social sciences involved in the practice of applied
2 behavior analysis.

3 (3) "Applied behavior assistant analyst" means a person licensed who practices applied behavior
4 analysis under the provisions of this chapter and the rules and regulations authorized by this chapter.

5 (4) "Board" means the health professions board of review established in accordance with § 5-
6 26.1-3. licensing board of applied behavior analysts within the Rhode Island department of health,
7 established pursuant to the provisions of § 5-86-3 of the chapter.

8 (5) "Department" means the Rhode Island department of health and "division" means the division
9 of professional regulation and licensing with the department.

10 (6) "Director" means the director of the Rhode Island department of health.

11 (7) "Education" means the academic program pursued by the person in obtaining the bachelor's,
12 master's or doctorate degree, that the programs to include formal course work, seminars and practica.

13 (8) "Psychologist with equivalent experience" means a person deemed to hold equivalent
14 licensure as an applied behavior analyst upon satisfying equivalency requirements through submission
15 and satisfaction of written evidence of education and relevant experience to the department pursuant to
16 subsection 5-86-9(c) of this chapter.

17 (9) "Practice of applied behavior analysis" means the design, implementation and evaluation of
18 environmental modifications by a behavior analyst to produce socially significant improvements in
19 human behavior. It includes the empirical identification of functional relations between environment and
20 behavior, known as functional assessment and analysis. Applied behavior analysis interventions are based
21 on scientific research and the direct observation and measurement of behavior and environment. They
22 utilize contextual factors, establishing operations, antecedent stimuli, positive reinforcement and other
23 consequences to help people develop new behaviors, increase or decrease existing behaviors, and emit
24 behaviors under specific environmental conditions. The practice of applied behavior analysis expressly
25 excludes psychological testing, neuropsychology, psychotherapy, cognitive therapy, sex therapy,
26 psychoanalysis, hypnotherapy, and long-term counseling as treatment modalities. Such services are
27 provided by a person licensed under this chapter only when applied behavior analysis services are
28 prescribed by a child psychiatrist, a behavioral developmental pediatrician, a child neurologist or a
29 licensed psychologist with training in child psychology pursuant to § 27-20.11-4.

30 (10) "Supervised experience" means the practical application of principles, methods and
31 procedures of the science of applied behavioral analysis in accordance with the requirements of § 5-86-9
32 of this chapter.

33 (11) "Supervision" means that a licensed applied behavior analyst is at all times responsible for
34 supportive personnel and clients.

1 (12) "These regulations" mean all parts of Rhode Island rules and regulations for licensing
2 applied behavior analysts, applied behavior assistant analysts, and psychologists with equivalent
3 experience.

4 (13) "Training" means the pre-professional or professional supervised experience received by the
5 person at the pre or post-doctoral level that experience to have been obtained in an internship, clinic, or
6 other similar professional setting.

7 **§ 5-86-9 Qualifications and examinations for licensing.** – (a) An applicant for licensure as a
8 licensed applied behavior analyst shall submit to the division board written evidence on forms furnished
9 by the department verified under oath (i.e. notarized) that said applicant:

10 (1) Be of good moral character;

11 (2) Has obtained a graduate degree in applied behavior analysis or a related field, as approved by
12 the division board, from a college or university accredited by the New England association of schools and
13 colleges, or an equivalent regional accrediting agency, and which has the approval by a national or
14 regional certifying authority, including but not limited to the division applied behavior analyst licensing
15 board;

16 (3) Has successfully completed the amount of coursework in applied behavior analysis acceptable
17 to the division board;

18 (4) Has appropriate supervised experience to include either: (i) One year, including one thousand
19 five hundred (1500) hours of supervised independent fieldwork in applied behavior analysis. The
20 distribution of supervised independent fieldwork hours must be at least ten (10) hours per week, but not
21 more than thirty (30) hours per week, for a minimum of three (3) weeks per month; (ii) One thousand
22 (1000) hours of practicum in behavior analysis within a university experience program approved by the
23 national or regional certifying authority. The distribution of practicum hours must be at least ten (10)
24 hours per week, but not more than twenty-five (25) hours per week, for a minimum of three (3) weeks per
25 month; or (iii) Seven hundred fifty (750) hours of intensive practicum in behavior analysis within a
26 university experience program approved by the national or regional certifying authority. The distribution
27 of intensive practicum hours must be at least ten (10) hours per week, but not more than twenty-five (25)
28 hours per week, for a minimum of three (3) weeks per month;

29 (5) Has passed the relevant examination administered by an appropriate nationally recognized
30 accrediting organization as approved by the department of health for this function;

31 (6) Maintain active status and fulfill all relevant requirements for renewal and relicensing with the
32 nationally recognized and accredited organization(s) as approved by the department of health licensing;

1 (7) Conducts his or her professional activities in accordance with accepted standards for
2 responsible professional conduct, as approved by the division ~~Rhode Island applied behavior analyst~~
3 ~~licensing board~~; and

4 (8) Meets the criteria as established in § 5-86-12.

5 (b) An applicant for licensure as a licensed applied behavior assistant analyst shall submit to the
6 division ~~board~~ written evidence on forms furnished by the department verified under oath (i.e., notarized)
7 that said applicant:

8 (1) Be of good moral character;

9 (2) Has obtained a bachelor's degree in behavior analysis or a related field, as approved by the
10 division ~~board~~, from a college or university accredited by the New England Association of Schools and
11 Colleges, or an equivalent regional accrediting agency, and which has the approval by a national or
12 regional certifying authority, including, but not limited to, the division; ~~applied behavior analyst licensing~~
13 ~~board~~;

14 (3) Has successfully completed the amount of coursework in applied behavior analysis acceptable
15 to the division; ~~board~~;

16 (4) Has appropriate supervised experience to include either: (i) One thousand (1000) hours of
17 supervised independent fieldwork in applied behavior analysis. The distribution of supervised
18 independent fieldwork hours must be at least ten (10) hours per week, but not more than thirty (30) hours
19 per week, for a minimum of (3) three weeks per month; (ii) Six hundred seventy (670) hours of practicum
20 in behavior analysis within a university experience program approved by the national or regional
21 certifying board. The distribution of practicum hours must be at least ten (10) hours per week, but not
22 more than twenty-five (25) hours per week, for a minimum of three (3) weeks per month; or (iii) Five
23 hundred (500) hours of intensive practicum in behavior analysis within a university experience program
24 approved by the national or regional certifying board. The distribution of intensive practicum hours must
25 be at least ten (10) hours per week, but not more than twenty-five (25) hours per week, for a minimum of
26 three (3) weeks per month.

27 (5) Is supervised by a licensed applied behavior analyst in a manner consistent with the division's
28 ~~board's~~ requirements for supervision of licensed applied behavior assistant analysts;

29 (6) Has passed the examination administered by an appropriate nationally recognized accrediting
30 organization as approved by department of health licensing for this function;

31 (7) Maintain active status and fulfill all relevant requirements for renewal and relicensing with the
32 nationally recognized and accredited organization(s) as approved by the department of health licensing;

1 (8) Conduct his or her professional activities in accordance with accepted standards for
2 responsible professional conduct, as required by the division ~~Rhode Island applied behavior analyst~~
3 ~~licensure board~~; and

4 (9) Meet the criteria as established in § 5-86-11.

5 (c) applicant shall be judged to hold the equivalent requirement of a licensure as an applied
6 behavior analyst upon submission to the division ~~board~~, written evidence on forms furnished by the
7 department verified under oath (i.e., notarized), if the following equivalency requirements are met to the
8 satisfaction of the division; ~~licensing board~~;

9 (1) Has received a doctoral degree in psychology from a college or university accredited by the
10 New England association of schools and colleges, or an equivalent regional accrediting agency, and
11 which has the approval by a national or regional certifying authority;

12 (2) individually licensed by the department of health as a psychologist subject to chapter 5-44;

13 (3) Be of good moral character;

14 (4) Has completed coursework in applied behavior analysis supervised by the department within
15 the college or university granting the requisite degree or by an accredited postgraduate clinical training
16 program recognized by the United States department of education, or education and/or experience which
17 is deemed equivalent by the division; ~~board~~;

18 (5) Has completed one thousand five hundred (1,500) hours of direct client contact offering
19 applied behavior analysis services subsequent to being awarded a doctoral degree in psychology;

20 (6) Conducts his or her professional activities in accordance with accepted standards for
21 responsible professional conduct, as required by the division; ~~Rhode Island applied behavior analyst~~
22 ~~licensure board~~; and

23 (7) Meets the criteria as established in § 5-86-12.

24 **§ 5-86-10 Licensure.** – A license may be issued to:

25 (1) An applicant who meets the requirements for licensure as approved by the department of
26 health and licensed as a licensed applied behavior analyst, licensed applied behavior assistant analyst or
27 psychologist with equivalent experience as stated in this chapter; and

28 (2) An applicant who has been certified by an appropriate nationally recognized and accredited
29 organization, as approved by the department of health, licensing and licensed as a licensed applied
30 behavior analyst, licensed applied behavior assistant analyst or psychologist with equivalent experience
31 under the laws of another state, United States territory, or foreign country where the division ~~board~~
32 determines that the requirements are substantially equivalent to those of this state.

1 **§ 5-86-12 Limitation of practice.** – The division board shall ensure through regulations and
2 enforcement that licensees limit their practice to demonstrated areas of competence as documented by
3 relevant professional education, training, and experience.

4 **§ 5-86-16 Grounds for discipline.** – The division board has the power to deny, revoke, or
5 suspend any license issued by the department in accordance with this chapter, or to discipline a licensee
6 upon proof that the person:

7 (1) Is guilty of fraud or deceit in procuring or attempting to procure a license or temporary
8 license;

9 (2) Is guilty of a felony or of a crime of immorality;

10 (3) Is habitually intemperate or is addicted to the use of habit-forming drugs;

11 (4) Is mentally incompetent;

12 (5) Is incompetent or negligent in the practice of applied behavior analysis as determined by the
13 division; Rhode Island applied behavior analyst licensing board;

14 (6) Has not fulfilled the required continuing education requirements as determined by the
15 division; Rhode Island applied behavior analysis licensing board;

16 (7) Has violated the ethical principles governing applied behavior analysts and the practice of
17 applied behavior analysis, as adopted by the board and in force at the time a charge is made, provided that
18 those ethical principles are a nationally recognized standard;

19 (8) Has practiced as a licensed applied behavior assistant analyst or has performed the duties of a
20 licensed applied behavior assistant analyst without proper supervision by a licensed applied behavior
21 analyst pursuant to § 5-86-26;

22 (9) Has had their license revoked, suspended, privileges limited or other disciplinary action in
23 another state or jurisdiction, including the voluntary surrender of a license; or

24 (10) Has failed to furnish the department or its legal representative information requested by the
25 division board as part of a disciplinary action.

26 **§ 5-86-17 Procedure for discipline.** – (a) When a sworn complaint is filed with the division
27 board charging a person with being guilty of any of the actions specified in section 5-86-16, the
28 department shall immediately investigate those charges. ~~or, the board, after investigation, may institute~~
29 ~~charges.~~ The department may coordinate investigations of alleged violations of the Rhode Island applied
30 ~~behavior analyst licensing board~~ with an appropriate nationally recognized accrediting organization.

31 (b) If the investigation reveals reasonable grounds for believing that the licensee or applicant for
32 licensure is guilty of the charges, the division board ~~shall fix a time and place for a hearing, and~~ shall
33 serve a copy of the charges, together with a notice of the time and the place fixed for the hearing before
34 the board, personally upon the accused at least twenty (20) days prior to the time fixed for the hearing.

1 (c) When personal service cannot be effected and that fact is certified by oath by any person
2 authorized to make service, the division board shall publish once in each of two (2) successive weeks, a
3 notice of the hearing in a newspaper published in the county where the accused last resided according to
4 the records of the division board and shall mail a copy of the charges and of the notice to the accused at
5 his or her last known address.

6 (d) When publication of notice is necessary, the date of the hearing shall not be less than twenty
7 (20) days after the last date of publication of the notice.

8 (e) At the hearing, the accused has the right to appear personally or by counsel or both, to produce
9 witnesses and evidence on his or her behalf, to cross-examine witnesses, and to have subpoenas issued by
10 the administrator of professional regulation.

11 (f) The attendance of witnesses and the production of books, documents, and papers at the
12 hearing may be compelled by subpoenas issued by the department, which shall be served in accordance
13 with law.

14 (g) The board department shall administer oaths as necessary for the proper conduct of the
15 hearing.

16 (h) The board is not bound by the strict rules of procedure or by the laws of evidence in the
17 conduct of its proceedings, but the determination shall be based upon sufficient legal evidence to sustain
18 it.

19 (i) If the accused is found guilty of the charges, the board may refuse to issue a license to the
20 applicant, or may revoke or suspend his or her license, or discipline that person.

21 (j) Upon the revocation or suspension of any license, the license holder shall surrender the license
22 to the department, who shall indicate the same in the licensure verification database.

23 (k) A revocation or suspension of license may be reviewed at the discretion of the division board,
24 ~~or at the initiative of the department~~ which may order a rehearing of the issue if it finds cause.

25 **§ 5-86-18 Grounds for discipline without a hearing.** – With the approval of the director, the
26 division board may temporarily suspend the license of a licensed applied behavior analyst, licensed
27 applied behavior assistant analyst or psychologist with equivalent experience without a hearing if the
28 division board finds that evidence in its possession indicates that a licensed applied behavior analyst,
29 licensed applied behavior assistant analyst or psychologist with equivalent experience continuing in
30 practice would constitute an immediate danger to the public. In the event that the division board
31 temporarily suspends the license of a licensed applied behavior analyst, licensed applied behavior
32 assistant analyst or psychologist with equivalent experience without a hearing by the board, a hearing
33 must be held within ten (10) days after the suspension has occurred.

1 **§ 5-86-20 Injunction of violations.** – When it appears to the ~~division board~~ that any person is
2 violating any of the provisions of this chapter, the director may institute an action, commenced in the
3 name of the ~~department board~~, to enjoin that violation in a court of competent jurisdiction. That court may
4 enjoin any person from violating any of the provisions of this chapter, without regard to whether
5 proceedings have been or may be instituted before the board or whether criminal proceedings have been
6 or may be instituted.

7 SECTION 42. Sections 5-86-4, 5-86-5, 5-86-6 and 5-86-7 of the General Laws in Chapter 5-86
8 entitled “Licensing of Applied Behavior Analysts” are hereby repealed.

9 ~~**§ 5-86-4 Board of applied behavior analysts — Creation — Composition.**~~ Within the
10 department of professional regulation in the department of health there shall be a Rhode Island applied
11 behavior analyst licensing board consisting of five (5) members as provided by § 5-86-5.

12 ~~**§ 5-86-5 Board of applied behavior analysts — Appointment, terms, and removal of**~~
13 ~~**members.**~~ (a) The director of the department of health shall, with the approval of the governor, appoint
14 five (5) electors as members of the board. Three (3) members of the board shall be licensed applied
15 behavior analysts, one member shall be a licensed applied behavior assistant analyst, and one shall be a
16 consumer representative holding neither license. The licensed applied behavior analysts and licensed
17 applied behavior assistant analyst shall have at least three (3) years professional experience with
18 credentials comparable as those established in this chapter, be certified for a minimum of five (5) years by
19 an appropriate nationally recognized accrediting organization as approved by the department of health.

20 (b) The director shall, with the approval of the governor, appoint persons to serve on the board.
21 Two (2) of those members first appointed by the director of the department of health shall serve initial
22 terms of three (3) years; two (2) of those members first appointed by the director of the department of
23 health shall serve an initial term of two (2) years; and one of those members appointed by the director of
24 the department of health shall serve an initial term of one year thereafter, all appointed members of the
25 board shall be appointed to serve for terms of three (3) years.

26 (c) The board members are eligible to succeed themselves.

27 (d) ~~The director may remove any member from the board for neglect of any duty required by law,~~
28 ~~or for incompetence, or unprofessional or dishonorable conduct. Vacancies shall be filled in the same~~
29 ~~manner as the original appointment was made, for the remainder of the term.~~

30 ~~**§ 5-86-6 Board of applied behavior analysts — Organization and meetings.**~~ (a) The board
31 shall organize immediately after the appointment and qualification of its members.

32 (b) ~~The board shall annually elect a chairperson and secretary. Meetings may be called by the~~
33 ~~chairperson or the director of the department of health or by written request of three (3) members of the~~
34 ~~board. A majority of seats filled shall constitute a quorum. The board shall meet as often as necessary.~~

1 ~~§ 5-86-7 Board of applied behavior analysts – General powers.~~ The Rhode Island applied
2 behavior analyst licensing board shall:

3 ~~(1) Recommend to the director for his or her approval the adoption and revision of rules and~~
4 ~~regulations not inconsistent with law as necessary to enable it to carry into effect the provisions of this~~
5 ~~chapter;~~

6 ~~(2) Adopt policies to be followed in the licensure and renewal of licenses of qualified applicants~~
7 ~~in accordance with chapter 42-35, of the administrative procedures act;~~

8 ~~(3) Conduct hearings upon charges calling for the discipline of a license or revocation. The~~
9 ~~department has the power to issue subpoenas and compel the attendance of witnesses and administer~~
10 ~~oaths to persons giving testimony at hearings; and~~

11 ~~(4) The board or the director shall prosecute all persons violating this chapter and has the power~~
12 ~~to incur the necessary expenses of prosecution. The board shall keep a record of all its proceedings,~~
13 ~~including, but not limited to, meeting minutes.~~

14 SECTION 43. Sections 23-16.3-3, 23-16.3-8, 23-16.3-9, 23-16.3-10, 23-16.3-11, 23-16.3-12,
15 and 23-16.3-13 of the General Laws in Chapter 23-16.3 entitled “Clinical Laboratory Science Practice”
16 are hereby amended to read as follows:

17 **§ 23-16.3-3 Definitions.** – The following words and terms when used in this chapter have the
18 following meaning unless otherwise indicated within the context:

19 (1) "Accredited clinical laboratory program" means a program planned to provide a
20 predetermined amount of instruction and experience in clinical laboratory science that has been accredited
21 by one of the accrediting agencies recognized by the United States Department of Education.

22 (2) "Board" means ~~the health professions board of review established in accordance with § 5-~~
23 ~~26.1-3, clinical laboratory science board appointed by the director of health.~~

24 (3) "Clinical laboratory" or "laboratory" means any facility or office in which clinical laboratory
25 tests are performed.

26 (4) "Clinical laboratory science practitioner" or "one who engages in the practice of clinical
27 laboratory science" means a health care professional who performs clinical laboratory tests or who is
28 engaged in management, education, consulting, or research in clinical laboratory science, and includes
29 laboratory directors, supervisors, clinical laboratory scientists (technologists), specialists, and technicians
30 working in a laboratory, but does not include persons employed by a clinical laboratory to perform
31 supportive functions not related to direct performance of laboratory tests and does not include clinical
32 laboratory trainees. Provided, however, nothing contained in this chapter shall apply to a clinical
33 perfusionist engaged in the testing of human laboratory specimens for extracorporeal functions, which

1 shall include those functions necessary for the support, treatment, measurement, or supplementation of the
2 cardiopulmonary or circulatory system of a patient.

3 (5) "Clinical laboratory scientist" and/or "technologist" means a person who performs clinical
4 laboratory tests pursuant to established and approved protocols requiring the exercise of independent
5 judgment and responsibility, maintains equipment and records, performs quality assurance activities
6 related to test performance, and may supervise and teach within a clinical laboratory setting.

7 (6) "Clinical laboratory technician" means a person who performs laboratory tests pursuant to
8 established and approved protocols which require limited exercise of independent judgment and which
9 are performed under the personal and direct supervision of a clinical laboratory scientist (technologist),
10 laboratory supervisor, or laboratory director.

11 (7) "Clinical laboratory test" or "laboratory test" means a microbiological, serological, chemical,
12 hematological, radiobioassay, cytological, immunological, or other pathological examination which is
13 performed on material derived from the human body, the test or procedure conducted by a clinical
14 laboratory which provides information for the diagnosis, prevention, or treatment of a disease or
15 assessment of a medical condition.

16 (8) "Department" means the Rhode Island department of health.

17 (9) "Director" means the director of the Rhode Island department of health.

18 (10) "Division" means the division of professional regulation and licensing with the department.

19 (11)(10) "Limited function test" means a test conducted using procedures which as determined by
20 the director have an insignificant risk of an erroneous result, including those which:

21 (i) Have been approved by the United States Food and Drug Administration for home use;

22 (ii) Employ methodologies that are so simple and accurate as to render the likelihood of
23 erroneous results negligible; or

24 (iii) The director has determined pose no reasonable risk of harm to the patient if performed
25 incorrectly.

26 **§ 23-16.3-8 Standards for licensure.** – (a) Clinical laboratory scientist (technologist). The
27 department of health shall issue a clinical laboratory scientist's license to an individual who meets the
28 qualifications developed by the division board, including at least one of the following qualifications:

29 (1) A baccalaureate degree in clinical laboratory science (medical technology) from an accredited
30 college or university whose curriculum included appropriate clinical education;

31 (2) A baccalaureate degree in biological, chemical, or physical science from an accredited college
32 or university, and subsequent to graduation has at least twelve (12) months of appropriate clinical
33 education in an accredited clinical laboratory science program;

1 (3) A baccalaureate degree which includes a minimum of thirty-six (36) semester (or equivalent)
2 hours in the biological, chemical, and physical sciences from an accredited college or university plus two
3 (2) years of full-time work experience including a minimum of four (4) months in each of the four (4)
4 major disciplines of laboratory practice (clinical chemistry, clinical microbiology, hematology,
5 immunology/immunohematology); or

6 (4) A baccalaureate degree consisting of ninety (90) semester (or equivalent) hours, thirty-six (36)
7 of which must be in the biological, chemical, or physical sciences, from an accredited university, and
8 appropriate clinical education in an accredited clinical laboratory science program.

9 (5) A clinical laboratory scientist (technologist) who previously qualified under federal regulatory
10 requirements such as 42 CFR § 493.1433 of the March 14, 1990 federal register or other regulations or
11 criteria which may be established by the division ~~board~~.

12 (b) Clinical laboratory technician. The department of health shall issue a clinical laboratory
13 technician's license to an individual who meets the qualifications promulgated by the division ~~board~~,
14 including at least one of the following qualifications:

15 (1) An associate degree or completion of sixty (60) semester (or equivalent) hours from a clinical
16 laboratory technician program (MLT or equivalent) accredited by an agency recognized by the United
17 States Department of Education that included a structured curriculum in clinical laboratory techniques;

18 (2) A high school diploma (or equivalent) and (i) completion of twelve (12) months in a
19 technician training program in an accredited school such as CLA (ASCP) clinical laboratory assistant
20 (American Society of Clinical Pathologists), and MLT-C medical laboratory technician-certificate
21 programs approved by the division ~~board~~; or (ii) successful completion of an official military medical
22 laboratory procedure course of at least fifty (50) weeks duration and has held the military enlisted
23 occupational specialty of medical laboratory specialist (laboratory technician); or

24 (3) A clinical laboratory technician who previously qualified under federal regulatory
25 requirements such as 42 CFR § 493.1441 of the March 14, 1990 federal register which meet or exceed the
26 requirements for licensure set forth by the division ~~board~~.

27 (c) Clinical histologic technician. The department of health shall issue a clinical histologic
28 technician license to an individual who meets the qualifications promulgated by the division ~~board~~,
29 including at least one of the following:

30 (1) Associate degree or at least sixty (60) semester hours (or equivalent) from an accredited
31 college/university to include a combination of mathematics and at least twelve (12) semester hours of
32 biology and chemistry, and successfully complete an accredited program in histologic technique or one
33 full year of training in histologic technique under the supervision of a certified histotechnologist or an
34 appropriately certified histopathology supervisor with at least three (3) years experience.

1 (2) High school graduation (or equivalent) and two (2) years full time acceptable experience
2 under the supervision of a certified/licensed clinical histologic technician at a licensed clinical laboratory
3 in histologic technique.

4 (d) Cytotechnologist. The department of health shall issue a cytotechnologist license to an
5 individual who meets the qualifications promulgated by the division ~~board~~ including at least one of the
6 following:

7 (1) A baccalaureate degree from an accredited college or university with twenty (20) semester
8 hours (30 quarter hours) of biological science, eight (8) semester hours (12 quarter hours) of chemistry,
9 and three (3) semester hours (4 quarter hours) of mathematics and successful completion of a twelve (12)
10 month cytotechnology program.

11 (2) A baccalaureate degree from an accredited college or university with twenty (20) semester
12 hours (30 quarter hours) of biological science, eight (8) semester hours (12 quarter hours) of chemistry,
13 and three (3) semester hours (4 quarter hours) of mathematics and five (5) years full time acceptable
14 clinical laboratory experience including cytopreparatory techniques, microscopic analysis, and evaluation
15 of the body systems within the last ten (10) years. At least two (2) of these years must be subsequent to
16 the completion of the academic component and at least two (2) years must be under the supervision of a
17 licensed physician who is a pathologist, certified, or eligible for certification, by the American Board of
18 Pathology in anatomic pathology or has other suitable qualifications acceptable to the division ~~board~~.

19 (3) A cytotechnologist who previously qualified under federal regulatory requirements such as 42
20 CFR § 493.1437 of the March 14, 1990 federal register.

21 (e) The board shall recommend standards for any other clinical laboratory science practitioners
22 specializing in areas such as nuclear medical technology, radioimmunoassay, electron microscopy,
23 forensic science, molecular biology, or similar recognized academic and scientific disciplines with
24 approval of the director of health.

25 **§ 23-16.3-9 Waiver of requirements.** – The division ~~board~~ shall recommend regulations
26 providing procedures for waiver of the requirements of § 23-16.3-8 for all applicants who hold a valid
27 license or its equivalent issued by another state; provided that the requirements under which that license
28 or its equivalent was issued to meet or exceed the standards required by this chapter with the approval of
29 the director. The division ~~board~~ may also recommend regulations it deems appropriate with respect to
30 individuals who hold valid licenses or their equivalent in other countries.

31 **§ 23-16.3-10 Licensure application procedures.** – (a) Licensure applicants shall submit their
32 application for licensure to the department of health upon the forms prescribed and furnished by the
33 department of health, and shall pay the designated application or examination fee.

1 (b) Upon receipt of application and payment of a fee, the department of health shall issue a
2 license for a clinical laboratory scientist or technologist, a clinical laboratory technician, or an appropriate
3 specialty license to any person who meets the qualifications specified in this chapter and the regulations
4 promulgated under this chapter.

5 (c) The division ~~board~~ may recommend a procedure for issuance of temporary permits to
6 individuals otherwise qualified under this chapter who intend to engage in clinical laboratory science
7 practice in this state for a limited period of time not to exceed eighteen (18) months.

8 (d) The division ~~board~~ may recommend a procedure for issuance of provisional licenses to
9 individuals who otherwise qualify under this chapter but are awaiting the results of certification
10 examinations. A provisional license so issued shall be converted to a license under the provisions of § 23-
11 16.3-8 or expire not more than twelve (12) months after issuance. At the discretion of the division ~~board~~,
12 the provisional license may be reissued at least one time with the director's approval.

13 **§ 23-16.3-11 Licensure renewal.** – (a) Licenses issued pursuant to this chapter shall expire on a
14 date and time specified by the department of health.

15 (b) Every person licensed pursuant to this chapter shall be issued a renewal license every two (2)
16 years upon:

17 (1) Submission of an application for renewal on a form prescribed by the department of health
18 and payment of an appropriate fee determined by the division ~~recommended by the board~~; and

19 (2) Proof of completion, in the period since the license was first issued or last renewed, of at least
20 thirty (30) hours of continuing education courses, clinics, lectures, training programs, seminars, or other
21 programs related to clinical laboratory practice which are approved or accepted by the division ~~board~~; or
22 proof of re-certification by a national certification organization that mandates an annual minimum of
23 fifteen (15) hours of continuing education, such as the National Certification Agency for Medical
24 Laboratory Personnel.

25 (c) The division ~~board~~ may recommend any other evidence of competency it shall deem
26 reasonably appropriate as a prerequisite to the renewal of any license provided for by this chapter, as long
27 as these requirements are uniform as to application, are reasonably related to the measurement of
28 qualification, performance, or competence, and are desirable and necessary for the protection of the
29 public health.

30 **§ 23-16.3-12 Disciplinary requirements.** – The division ~~board~~ may recommend to the director of
31 health issuance, renewal, or revocation of a license, or suspension, placement on probation, censure, or
32 reprimand of a licensee, or any other disciplinary action that the board may deem appropriate, including
33 the imposition of a civil penalty, for conduct that may result from, but not necessarily be limited to:

34 (1) A material misstatement in furnishing information to the department of health;

1 (2) A violation or negligent or intentional disregard of this chapter, or of the rules or regulations
2 promulgated under this chapter;

3 (3) A conviction of any crime under the laws of the United States or any state or territory of the
4 United States which is a felony or which is a misdemeanor, an essential element of which is dishonesty,
5 or of any crime which is directly related to the practice of the profession;

6 (4) Making any misrepresentation for the purpose of obtaining registration or violating any
7 provision of this chapter;

8 (5) Violating any standard of professional conduct adopted by the department ~~board~~;

9 (6) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to
10 deceive, defraud, or harm the public;

11 (7) Providing professional services while mentally incompetent, under the influence of alcohol or
12 narcotic or controlled dangerous substance that is in excess of therapeutic amounts or without valid
13 medical indication;

14 (8) Directly or indirectly contracting to perform clinical laboratory tests in a manner which offers
15 or implies an offer of rebate, fee-splitting inducements or arrangements, or other unlawful remuneration;
16 or

17 (9) Aiding or assisting another person in violating any provision of this chapter or any rule
18 adopted under this chapter.

19 **§ 23-16.3-13 Hearing requirements – Procedure.** – (a) The proceedings for the revocation,
20 suspension or limiting of any license may be initiated by any person, corporation, association, or public
21 officer or by the division ~~board~~ by the filing of written charges, but no license shall be revoked,
22 suspended, or limited without a hearing before the board within sixty (60) days after the filing of written
23 charges in accordance with the procedures established by the board. A license may be temporarily
24 suspended without a hearing for the period not to exceed thirty (30) days upon notice to the licensee
25 following a finding by the division ~~board~~ that there exists a significant threat to the public health and
26 approved by the director. In the event of a temporary suspension the board will hear the matter within
27 thirty (30) days and take appropriate action as necessary.

28 SECTION 44. Sections 23-16.3-6 and 23-16.3-7 of the General Laws in Chapter 23-16.3 entitled
29 “Clinical Laboratory Science Practice” are hereby repealed.

30 **§ 23-16.3-6 Administration.** ~~(a) There is created within the division of professional regulation~~
31 ~~of the department of health a clinical laboratory advisory board which shall consist of seven (7) persons~~
32 ~~who have been residents of the state for at least two (2) years prior to their appointment, and who are~~
33 ~~actively engaged in their areas of practice. The director of the department of health, with the approval of~~

1 ~~the governor, shall make appointments to the board from lists submitted by organizations of clinical~~
2 ~~laboratory science practitioners and organizations of physicians and pathologists.~~

3 (b) ~~The board shall be composed of:~~

4 (1) ~~One physician certified by the American Board of Pathology or American Board of~~
5 ~~Osteopathic Pathology;~~

6 (2) ~~One physician who is not a laboratory director and is not a pathologist;~~

7 (3) ~~Four (4) clinical laboratory science practitioners, at least one of whom is a non-physician~~
8 ~~laboratory director, one of whom is a clinical laboratory scientist (technologist), and one of whom is a~~
9 ~~clinical laboratory technician, and who, except for the initial appointments, hold active and valid licenses~~
10 ~~as clinical laboratory science practitioners in this state and one of whom is a clinical laboratory science~~
11 ~~practitioner not falling in one of the first three (3) categories; and~~

12 (4) ~~One public member who is not associated with or financially interested in the practice of~~
13 ~~clinical laboratory science.~~

14 (c) ~~Board members shall serve for a term of three (3) years, and until their successors are~~
15 ~~appointed and qualified, except that the initial appointments, which shall be made within sixty (60) days~~
16 ~~after July 1, 1992, shall be as follows:~~

17 (1) ~~One pathologist, one non-physician laboratory director, and one clinical laboratory scientist,~~
18 ~~shall be appointed to serve for three (3) years;~~

19 (2) ~~One public representative and one non-pathologist physician, shall be appointed to serve for~~
20 ~~two (2) years; and~~

21 (3) ~~The remaining members shall be appointed to serve for one year.~~

22 (d) ~~The membership of the board shall receive no compensation for their services.~~

23 (e) ~~Whenever a vacancy shall occur on the board by reason other than the expiration of a term of~~
24 ~~office, the director of the department of health with the approval of the governor shall appoint a successor~~
25 ~~of like qualifications for the remainder of the unexpired term. No person shall be appointed to serve more~~
26 ~~than two (2) successive three (3) year terms.~~

27 **§ 23-16.3-7 Duties and powers of the clinical laboratory advisory board.** ~~In addition to any~~

28 ~~other power conferred upon the board pursuant to this chapter, the board shall recommend to the director:~~

29 (1) ~~Rules and regulations for the implementation of this chapter including, but not limited to,~~
30 ~~regulations that delineate qualifications for licensure of clinical laboratory science practitioners as defined~~
31 ~~in this chapter, specify requirements for the renewal of licensure, establish standards of professional~~
32 ~~conduct, and recommend on the amendment or on the repeal of the rules and regulations. Following their~~
33 ~~adoption, the rules and regulations shall govern and control the professional conduct of every person who~~

1 holds a license to perform clinical laboratory tests or otherwise engages in the profession of clinical
2 laboratory science;

3 (2) Standard written, oral, or practical examinations for purposes of licensure of clinical
4 laboratory science practitioners as provided for in § 23-16.3-5;

5 (3) Rules and regulations governing qualifications for licensure of specialists in those clinical
6 laboratory science specialties that the board may determine in accordance with § 23-16.3-8(e);

7 (4) Rules and regulations governing personnel performing tests in limited function laboratories;

8 (5) A schedule of fees for applications and renewals;

9 (6) Establish criteria for the continuing education of clinical laboratory science practitioners as
10 required for license renewal;

11 (7) Any other rules and regulations necessary to implement and further the purpose of this
12 chapter.

13 SECTION 45. Sections 23-17.4-21.1 and 23-17.4-21.3 of the General Laws in Chapter 23-17.4
14 entitled "Assisted Living Residence Licensing Act" are hereby repealed.

15 ~~§ 23-17.4-21.1 Assisted living administrator certification board.~~ (a) Within the department
16 there is established an assisted living administrator certification board to be appointed by the director of
17 health with the approval of the governor consisting of seven (7) members as follows: two (2) members of
18 the board are persons with at least five (5) years experience in operating an assisted living residence; one
19 member of the board is an active assisted living administrator who is not an assisted living owner; two (2)
20 members are persons representing assisted living consumers or family members; and two (2) members are
21 representatives of the assisted living industry or are assisted living employees.

22 (b) Members shall be appointed to three (3) year terms. No member shall serve for more than two
23 (2) terms. The director, with the approval of the governor, shall appoint all vacancies, as they occur for
24 the remainder of a term or until a successor is appointed.

25 (c) The director may remove, after a hearing and with the approval of the governor, any member
26 of the board for neglect of any duty required by law or for any incompetency, unprofessional or
27 dishonorable conduct. Before beginning a term, a member shall take an oath prescribed by law for state
28 officers, a record of which shall be filed with the secretary of state.

29 (d) The director shall appoint a chairperson.

30 (e) Four (4) members of the board shall constitute a quorum.

31 (f) The board shall serve without compensation.

32 (g) Meetings of the board shall be called by the director or the director's designee, or a majority of
33 the board members.

1 ~~(h) The director shall provide for a staff person of the department to serve as an administrative~~
2 ~~agent for the board.~~

3 ~~**§ 23-17.4-21.3 Functions of assisted living certification board.** It is the function of the board~~
4 ~~to:~~

5 ~~(1) Conduct examinations as required by the department and to act in an advisory capacity to the~~
6 ~~department in all matters pertaining to the certification of assisted living administrators;~~

7 ~~(2) Develop and apply appropriate techniques, including examinations and investigations, for~~
8 ~~determining whether an individual meets those standards, subject to the approval of the director;~~

9 ~~(3) Recommend to the department the issuance of licenses and registrations to individuals~~
10 ~~determined, after application of those techniques, to meet those standards; and to recommend to the~~
11 ~~director the revocation or suspension of licenses or registrations previously issued in any case where the~~
12 ~~individual holding that license or registration is determined substantially to have failed to conform to the~~
13 ~~requirements of those standards; and~~

14 ~~(4) Adopt, with the approval of the director of health, rules and regulations governing a~~
15 ~~mandatory program of continuing education for assisted living administrators.~~

16 SECTION 46. Sections 23-20.8-1, 23-20.8-3, 23-20.8-5 and 23-20.8-6 of the General Laws in
17 Chapter 23-20 entitled "Licensing of Massage Therapists" are hereby amended to read as follows:

18 **§ 23-20.8-1 Definitions.** – As used in this chapter:

19 (1) "Massage therapist" means a person engaged in the practice of massage and is licensed in
20 accordance with this chapter of the general laws of the state of Rhode Island.

21 (2) "Practice of massage" means the manual manipulation of the soft tissues of the human body
22 through the systematic application of massage techniques including: effleurage, petrissage, compression,
23 friction, vibration, percussion, pressure, positional holding, movement, range of motion for purposes of
24 demonstrating muscle excursion or muscle flexibility and nonspecific stretching. The term massage
25 includes the external application of lubricants or other topical preparations such as water, heat and cold
26 via the use of the hand, foot, arm or elbow with or without the aid of massage devices for the purpose of
27 aiding muscle relaxation, reducing stress, improving circulation increasing range of motion, relieving
28 muscular pain and the overall enhancement of health. Massage shall not include the touch of genitalia,
29 diagnosis of illness or disease, the prescribing of drugs, medicines or exercise, high-velocity thrust
30 applied to the joints or spine, electrical stimulation, application of ultrasound or any services or
31 procedures for which a license to practice medicine, chiropractic, occupational therapy, physical therapy
32 or podiatry as required by law.

33 (3) "Board" means the health professions board of review established in accordance with § 5-
34 26.1-3. Rhode Island State Board of Licensed Massage Therapists as established within this chapter.

1 (4) “Division” means the division of professional regulation and licensing within the department
2 of health.

3 **§ 23-20.8-3 Practice of massage – Licensed required – Use of title limited – Qualifications**
4 **for licenses continuing education – Fees.**

5 – (a) A person shall not practice or hold himself or herself out
6 to others as practicing massage therapy, or as a massage therapist without first receiving from the
7 division board a license to engage in that practice.

8 (b) A person shall hold himself or herself out to others as a massage therapist when the person
9 adopts or uses any title or description including "massage therapist," "masseur," "masseuse," "massagist,"
10 "massotherapist," "myotherapist," "body therapist," "massage technician," "massage practitioner," or any
11 derivation of those terms that implies this practice.

12 (c) It shall be unlawful to advertise the practice of massage using the term massage or any other
13 term that implies a massage technique or method in any public or private publication or communication
14 by a person not licensed by the state of Rhode Island department of health as a massage therapist. Any
15 person who holds a license to practice as a massage therapist in this state may use the title "licensed
16 massage therapist" and the abbreviation "LMT." No other persons may assume such title or use such
17 abbreviation or any other word, letters, signs, or figures to indicate that the person using the title is a
18 licensed massage therapist. A massage therapist's name and license number must conspicuously appear on
19 all of the massage therapist's advertisements. A massage therapist licensed under this chapter must
20 conspicuously display his or her license in his or her principal place of business. If the massage therapists
21 does not have a principal place of business or conducts business in any other location, he or she must have
22 a copy of his or her license available for inspection while performing any activities related to massage
23 therapy.

24 (d)(1) The division board shall, by rule, establish requirements for continued education. The
25 division board may establish such requirements to be completed and verified biennially or annually. The
26 board shall require no more than twelve (12) hours biennially or six (6) hours annually.

27 (2) Applicants for biennial licensure renewal shall meet continuing education requirements as
28 prescribed by the division board. On application for renewal of license, massage therapists shall attest to
29 completion of six (6) hours annually in scope of practice-specific offerings that may include, but not be
30 limited to:

- 31 (i) Formal presentations;
- 32 (ii) Conferences;
- 33 (iii) Coursework from a regionally accredited college/university; and/or
- 34 (iv) Self-study course, such as online courses awarding one education hour for each hour
completed.

1 Such programs or offerings shall be approved or sponsored by a division board~~board~~-approved organization.

2 The board shall require no more than two (2) hours of ethics or standards of practice biennially.

3 (3) A licensee who fails to complete the continuing education requirements described herein may
4 be subject to disciplinary action pursuant to § 5-40-13 of this chapter.

5 (4) A license may be denied to any applicant who fails to provide satisfactory evidence of
6 completion of continuing education relevant to massage therapy as required herein.

7 (5) The division board~~board~~ may waive the requirement for these educational requirements if the board
8 is satisfied that the applicant has suffered hardship, which may have prevented meeting the educational
9 requirements.

10 (e) The fee for original application for licensure as a massage therapist and for annual license
11 renewal shall be as set forth in § 23-1-54. Fees for all other licenses under this chapter shall be fixed in an
12 amount necessary to cover the cost of administering this chapter.

13 (f) Any person applying for a license under this chapter shall undergo a criminal background
14 check. Such persons shall apply to the bureau of criminal identification of the state police or local police
15 department for a nationwide criminal records check. Fingerprinting shall be required. Upon the discovery
16 of any disqualifying information as defined in subsection (g), the bureau of criminal identification of the
17 state police or the local police department shall inform the applicant, in writing, of the nature of the
18 disqualifying information and, without disclosing the nature of the disqualifying information, shall notify
19 the board, in writing, that disqualifying information has been found. In those situations in which no
20 disqualifying information has been found, the bureau of criminal identification shall inform the applicant
21 and the board in writing of this fact. An applicant against whom disqualifying information has been found
22 may request that a copy of the criminal background report be sent to the division board~~board~~, which shall make
23 a judgment regarding the licensure of the applicant. The applicant shall be responsible for payment of the
24 costs of the criminal records check.

25 (g) "Disqualifying information" means those offenses, including, but not limited to, those
26 offenses defined in sections 11-37, 11-37-8.1, 11-37-8.3, 23-17-37, 11-34 and 11-34.1.

27 **§ 23-20.8-5 Application for license – Issuance or denial of license – Minimum qualifications.**

28 – (a) Every person desiring to begin the practice of massage therapy, except exempt persons as provided
29 in this chapter, shall present satisfactory evidence to the division of professional regulation of the
30 department of health, verified by oath, that he or she is:

31 (1) Over eighteen (18) years of age;

32 (2) Of good moral character (via background check in accordance with § 23-20.8-3);

1 (3) Has successfully completed an educational program, meeting minimum requirements
2 established by the division board, including at least five hundred (500) hours of in-class, hands-on and
3 supervised coursework and clinical work; and

4 (4) Has successfully completed an examination approved by the division board. Any examination
5 approved by the division board must meet generally recognized standards including development through
6 the use of a job-task analysis and must meet appropriate psychometric standards.

7 (b) The department may grant a license to any applicant satisfying the requirements of
8 subdivisions 23-20.8-5(a)(1) and (2), has completed all appropriate forms, paid all appropriate fees and
9 has met substantially equivalent standards in obtaining a valid license, permit, certificate or registration
10 issued by any other state or territory of the United States or by a foreign country.

11 (c) The department shall, within sixty (60) days from the time any application for a license is
12 received, grant the applications and issue a license to practice massage for a year from that date if the
13 department is satisfied that the applicant complies with the rules and regulations promulgated in
14 accordance with this chapter. An applicant, whose criminal records check reveals a conviction for any
15 sexual offense, including, but not limited to, those offenses defined in chapters 34 and 37 of title 11, shall
16 be denied a license under this chapter.

17 (d) The fee for original application for licensure as a massage therapist and the fee for annual
18 license renewal shall be determined by the division board and shall not exceed one hundred dollars
19 (\$100).

20 **§ 23-20.8-6 Suspension and revocation of licenses.** – Whenever the division board, or ~~board~~
21 ~~designee~~ has reason to believe or that any person licensed under this chapter to practice massage therapy
22 has been convicted of any sexual offense, or that any person is practicing massage in violation of this
23 chapter or regulations promulgated under this chapter, the division board, or ~~board designee~~, may,
24 pending an investigation and hearing by the board in accordance with § 5-26.1-5, suspend for a period not
25 exceeding ninety (90) days any license issued under authority of this chapter and may, after due notice
26 and hearing, revoke the license if he or she finds that the person practicing massage is in violation of
27 those rules and regulations or any provision of this chapter. The holder of a license shall upon its
28 revocation promptly surrender it to the division board, or ~~board designee~~.

29 SECTION 47. Sections 23-20.8-2.1 and 23-20.8-4 of the General Laws in Chapter 23-20.8
30 entitled “Licensing of Massage Therapists” are hereby repealed.

31 **§ 23-20.8-2.1 Board of massage therapists.** ~~(a) Within the division of professional regulation~~
32 ~~of the department of health, there shall be a state board of massage therapy examiners to be appointed by~~
33 ~~the director of the department of health with the approval of the governor. The board shall consist of~~
34 ~~seven (7) members who reside in the state of Rhode Island, four (4) of whom shall be licensed pursuant to~~

1 ~~this chapter and one of whom shall be a member of the general public, and who does not have financial~~
2 ~~interest in the profession, or is married to someone in the profession. At no time shall more than one~~
3 ~~board member be an owner of, an instructor of, or otherwise affiliated with a board approved massage~~
4 ~~therapy school or course of instruction. The four (4) members who are licensed pursuant to this chapter~~
5 ~~shall represent both solo practitioners as well as members of a group practice.~~

6 ~~(b) The initial board shall be appointed for staggered terms, the longest of which shall not exceed~~
7 ~~three (3) years. After the initial appointments, all terms shall be for two (2) years and a member may be~~
8 ~~reappointed for a second (2nd) term. No member shall serve more than three (3) consecutive terms. Upon~~
9 ~~the death, resignation or removal of any member, the director of the department of health, with the~~
10 ~~approval of the governor, shall appoint to fill vacancies, as they occur, a qualified person to serve on the~~
11 ~~board for the remainder of his or her term or until his or her successor is appointed and qualified.~~

12 ~~(c) The board shall meet at least quarterly thereafter, shall hold a meeting and elect a chairman.~~
13 ~~The board may hold additional meetings at the call of the chair or at the written request of any three (3)~~
14 ~~members of the board. The board may appoint such committees as it considers necessary to carry out its~~
15 ~~duties. A majority of the sitting members of the board shall constitute a quorum.~~

16 ~~(d) The director of the department of health may remove any member of the board for the neglect~~
17 ~~of any duty required by law or for any incompetent, unprofessional, or dishonorable conduct. Before~~
18 ~~beginning his or her term of office, each member shall take the oath prescribed by law, a record of which~~
19 ~~shall be filed with the secretary of state.~~

20 ~~**§ 23-20.8-4 Establishment — Board of massage therapists — Powers and duties.** — Subject to~~
21 ~~the provisions of this chapter, the board shall have the following powers and duties:~~

22 ~~(1) Adopt rules and regulations governing the licensure of massage therapists in a manner~~
23 ~~consistent with the provisions of this chapter and in accordance with the procedures outlined in the~~
24 ~~Administrative Procedures Act;~~

25 ~~(2) Establish standards of professional and ethical conduct;~~

26 ~~(3) Adopt rules that endorse equivalent licensure examinations of another state or territory of the~~
27 ~~United States, the District of Columbia, or a foreign country and that may include licensure by~~
28 ~~reciprocity; hold hearing, as necessary, in accordance with the Administrative Procedures Act.~~

29 ~~(4) Maintain a complete record of all licensed massage therapists, ensure licensee compliance~~
30 ~~with all established requirements. The board will make an annual report to the governor which shall~~
31 ~~contain duties performed, actions taken and appropriate recommendations. Consult and advise other~~
32 ~~regulatory entities as necessary regarding issues pertaining to massage therapy practice, education and/or~~
33 ~~issues related to the regulation of massage therapists.~~

1 SECTION 48. Sections 23-39-2, 23-39-7, 23-39-9, 23-39-11, and 23-39-12 of the General Laws
2 in Chapter 23-39 entitled "Respiratory Care Act" are hereby amended to read as follows:

3 **§ 23-39-2 Definitions.** – As used in this chapter:

4 (1) "Board" means the health professions board of review established in accordance with § 5-
5 26.1-3; ~~administrative board of respiratory care;~~

6 (2) "Department" means the Rhode Island department of health;

7 (3) "Director" means the director of the Rhode Island health department;

8 (4) "Division" means the division of professional regulation and licensing within the department;

9 (5) "Respiratory care" (including respiratory therapy and inhalation therapy) means a health
10 professional, under qualified medical direction, employed in the therapy, management, rehabilitation,
11 diagnostic evaluation, and care of patients with deficiencies and abnormalities which affect the
12 cardiopulmonary system and associated aspects of other system function;

13 (6) "Respiratory care practitioner" means a person who is licensed to practice respiratory care in
14 Rhode Island. The respiratory care practitioner may transcribe and implement a physician's written and
15 verbal orders pertaining to the practice of respiratory care as defined in this chapter; and

16 (7) "Respiratory care training program" means a program accredited or recognized by the
17 commission on accreditation of allied health education programs in collaboration with the committee on
18 accreditation for respiratory care or any other accrediting agency that may be approved by the division.
19 ~~board.~~

20 **§ 23-39-7 Licensing by training and examination.** – (a) Any person desiring to become
21 licensed as a respiratory care practitioner shall make application to the division ~~board~~ on a written form in
22 the manner that the division ~~board~~ prescribes, pay all required application fees, and certify and furnish
23 evidence to the division ~~board~~ that the applicant:

24 (1) Has successfully completed a training program as defined in this chapter;

25 (2) Has passed the examination approved by the division ~~board~~, as specified by rules and
26 regulations of the department, for respiratory care practitioners administered by a nationally recognized
27 organization for respiratory care; and

28 (3) Is of good moral character.

29 (b) Respiratory care providers who are licensed or otherwise regulated to practice under laws of
30 another state or territory or the District of Columbia may, upon receiving an authorization from the
31 division, perform as a respiratory care practitioner under the supervision of a qualified and licensed
32 respiratory care practitioner. If the applicant fails to receive licensure when the division ~~board~~ reviews the
33 application, all mentioned privileges shall automatically cease.

1 **§ 23-39-9 Other licensing provisions.** – (a)(1) Graduate Practice. Every graduate of a division
2 ~~board~~ approved respiratory care school who has filed a respiratory care practitioner application may, upon
3 receiving a receipt from the division of ~~professional regulation~~, perform as a respiratory care practitioner
4 under the supervision of a respiratory care practitioner licensed in this state.

5 (2) During this period the applicant shall identify himself or herself only as a "graduate
6 respiratory care practitioner."

7 (3) If the applicant shall fail to take the examination within ninety (90) days from effective date
8 of graduate status, without due cause or fail to pass the examination and receive a license, all privileges
9 described in subsection (a)(1) shall automatically cease.

10 (b) Unless licensed as a respiratory care practitioner under the respiratory care act, no person shall
11 use any title or abbreviation to indicate that the person is a licensed respiratory care practitioner.

12 (c) Verification of a valid license issued pursuant to this chapter shall be available at the
13 respiratory care practitioner's place of employment.

14 (d) Licenses, including initial licenses, shall be issued for a period of two (2) years.

15 (e) License renewal dates will be set by the division.

16 (f) Applicants and biennial licensure shall meet the continuing education requirements as
17 prescribed by the director of health.

18 **§ 23-39-11 Fees.** – (a) The director, ~~in consultation with the board~~, shall establish a schedule of
19 reasonable fees for licenses, and for renewal of licenses for respiratory care practitioners.

20 (b) The initial application fee shall be as set forth in § 23-1-54.

21 (c) A biennial license renewal fee shall be established in an amount as set forth in § 23-1-54.

22 **§ 23-39-12 Denial, suspension, revocation, and reinstatement of licenses.** – (a) The division
23 ~~board~~ may refuse to issue or may suspend or revoke any license in accordance with the procedures set
24 forth in the Administrative Procedures Act, chapter 35 of title 42, for any of the following causes:

25 (1) Fraud in the procurement of any license under this chapter;

26 (2) Imposition of any disciplinary action upon a person by any agency of another state which
27 regulates respiratory care but not to exceed the period or extent of that action;

28 (3) Conviction of a crime which substantially relates to the qualifications, functions or duties of a
29 respiratory care practitioner. The record of conviction or a certified copy thereof shall be conclusive
30 evidence of the conviction;

31 (4) Impersonating or acting as a proxy for an applicant in any examination given under this
32 chapter;

33 (5) Habitual or excessive use of intoxicants or drugs;

34 (6) Gross negligence in his or her practice as a respiratory care practitioner;

1 (7) Violating any of the provisions of this chapter or any rules or regulations duly adopted under
2 this chapter or aiding or abetting any person to violate the provisions of or any rules or regulations
3 adopted under this chapter;

4 (8) Engaging in acts of unprofessional conduct as defined by rule and regulation; or

5 (9) (a) Committing any fraudulent, dishonest or corrupt act which is substantially related to the
6 qualifications, functions, or duties of a respiratory care practitioner.

7 (b) The proceedings for the denial, revocation, suspension or limiting of any license may be
8 initiated by any person, corporation, association, or public officer or by the division board by the filing of
9 written charges, but no license shall be revoked, suspended, or limited without a hearing before the board
10 within sixty (60) days after the filing of written charges in accordance with the procedures established by
11 the board. A license may be temporarily suspended without a hearing for the period not to exceed thirty
12 (30) days upon notice to the licensee following a finding by the division that there exists a significant
13 threat to the public health and approved by the director. In the event of a temporary suspension, the board
14 shall hear the matter within 30 days and may take appropriate action as necessary.

15 SECTION 49. Sections 23-39-5 and 23-39-6 of the General Laws in Chapter 23-39 entitled
16 “Respiratory Care Act” are hereby repealed.

17 ~~§ 23-39-5 Board created.~~ (a) ~~Within the division of professional regulation of the health~~
18 ~~department shall be a board of respiratory care consisting of five (5) members as follows:~~

19 ~~(1) One physician licensed in the state who is knowledgeable in respiratory care;~~

20 ~~(2) Three (3) licensed respiratory care practitioners;~~

21 ~~(3) One public member who is a resident of Rhode Island. The public member shall not have been~~
22 ~~licensed as a respiratory care practitioner nor shall he or she have any financial interest, direct or indirect,~~
23 ~~in the occupation regulated.~~

24 ~~(b) The director of the department of health, with the approval of the governor, within sixty (60)~~
25 ~~days following November 1, 1986, shall appoint one board member for a term of one year; two (2) for a~~
26 ~~term of two (2) years; and two (2) for a term of three (3) years. Appointments made thereafter shall be for~~
27 ~~three year terms but no person shall be appointed to serve more than two (2) consecutive terms.~~

28 ~~(c) The director, in his or her initial appointment, shall appoint as the respiratory care practitioner~~
29 ~~one of the members of the board or a person currently practicing as respiratory care practitioners in Rhode~~
30 ~~Island.~~

31 ~~(d) The board shall meet during the first month of each calendar year to select a chairperson and~~
32 ~~for other purposes. At least one additional meeting shall be held before the end of each calendar year.~~
33 ~~Other meetings may be convened at the call of the chairperson, the administrator of professional~~
34 ~~regulation, or upon the written request of any two (2) board members.~~

1 **§ 5-10-1 Definitions.** – The following words and phrases, when used in this chapter, are

2 construed as follows:

3 ~~(1) "Apprentice barber" means an employee whose principal occupation is service with a barber~~
4 ~~or hairdresser who has held a current license as a barber or hairdresser for at least three (3) years with a~~
5 ~~view to learning the art of barbering, as defined in subdivision (15) of this section.~~

6 (12) "Barber" means any person who shaves or trims the beard, waves, dresses, sings, shampoos,
7 or dyes the hair or applies hair tonics, cosmetic preparations, antiseptics, powders, oil clays, or lotions to
8 scalp, face, or neck of any person; or cuts the hair of any person, gives facial and scalp massages, or
9 treatments with oils, creams, lotions, or other preparations.

10 (23) "Board" means the state board of barbering and hairdressing as provided for in this chapter.

11 (34) "Department" means the Rhode Island department of health.

12 (45) "Division" means the division of professional regulation within the department of health.

13 (56) "Esthetician" means a person who engages in the practice of esthetics, and is licensed as an
14 esthetician.

15 (67) "Esthetician shop" means a shop licensed under this chapter to do esthetics of any person.

16 (78) "Esthetics" means the practice of cleansing, stimulating, manipulating, and beautifying skin,
17 including, but not limited to, the treatment of such skin problems as dehydration, temporary capillary
18 dilation, excessive oiliness, and clogged pores.

19 (89) "Hair design shop" means a shop licensed under this chapter to do barbering or
20 hairdressing/cosmetology, or both, to any person.

21 (940) "Hairdresser and cosmetician" means any person who arranges, dresses, curls, cuts, waves,
22 sings, bleaches, or colors the hair or treats the scalp, or manicures the nails of any person either with or
23 without compensation or who, by the use of the hands or appliances, or of cosmetic preparations,
24 antiseptics, tonics, lotions, creams, powders, oils or clays, engages, with or without compensation, in
25 massaging, cleansing, stimulating, manipulating, exercising, or beautifying or in doing similar work upon
26 the neck, face, or arms or who removes superfluous hair from the body of any person.

27 ~~(11) "Instructor" means any person licensed as an instructor under the provisions of this chapter.~~

28 (1042) "Manicuring shop" means a shop licensed under this chapter to do manicuring only on the
29 nails of any person.

30 (1143) "Manicurist" means any person who engages in manicuring for compensation and is duly
31 licensed as a manicurist.

32 (1244) "School" means a school approved under chapter 40 of title 16, as amended, devoted to
33 the instruction in and study of the theory and practice of barbering, hairdressing and cosmetic therapy,
34 esthetics and/or manicuring.

1 (1315) "The practice of barbering" means the engaging by any licensed barber in all or any
2 combination of the following practices: shaving or trimming the beard or cutting the hair; giving facial
3 and scalp massages or treatments with oils, creams, lotions, or other preparations either by hand or
4 mechanical appliances; singeing, shampooing, arranging, dressing, curling, waving, chemical waving,
5 hair relaxing, or dyeing the hair or applying hair tonics; or applying cosmetic preparations, antiseptics,
6 powders, oils, clays or lotions to scalp, face, or neck.

7 (1416) "The practice of hairdressing and cosmetic therapy" means the engaging by any licensed
8 hairdresser and cosmetician in any one or more of the following practices: the application of the hands or
9 of mechanical or electrical apparatus, with or without cosmetic preparations, tonics, lotions, creams,
10 antiseptics, or clays, to massage, cleanse, stimulate, manipulate, exercise, or otherwise to improve or to
11 beautify the scalp, face, neck, shoulders, arms, bust, or upper part of the body or the manicuring of the
12 nails of any person; or the removing of superfluous hair from the body of any person; or the arranging,
13 dressing, curling, waving, weaving, cleansing, cutting, singeing, bleaching, coloring, or similarly treating
14 the hair of any person.

15 (1517) "The practice of manicuring" means the cutting, trimming, polishing, tinting, coloring, or
16 cleansing the nails of any person.

17 **§ 5-10-9 Classes of licenses.** – Licenses shall be divided into the following classes and shall be
18 issued by the division to applicants for the licenses who have qualified for each class of license:

19 (1) A "hairdresser's and cosmetician's license" shall be issued by the division to every applicant
20 for the license who meets the requirements of § 5-10-8 and has completed a course of instruction in
21 hairdressing and cosmetology consisting of not less than fifteen hundred (1,500) hours of continuous
22 study and practice.

23 ~~(2) An "instructor's license" shall be granted by the division to any applicant for the license who~~
24 ~~has held a licensed hairdresser's and cosmetician's license, a barber's license, a manicurist's license, or an~~
25 ~~esthetician's license issued under the laws of this state or another state, for at least the three (3) years~~
26 ~~preceding the date of application for an instructor's license and:~~

27 ~~(i) Meets the requirements of § 5-10-8;~~

28 ~~(ii) Has satisfactorily completed three hundred (300) hours of instruction in hairdressing and~~
29 ~~cosmetology, barber, manicurist, or esthetician teacher training approved by the division as prescribed by~~
30 ~~regulation;~~

31 ~~(iii) Has satisfactorily passed a written and a practical examination approved by the division to~~
32 ~~determine the fitness of the applicant to receive an instructor's license;~~

33 ~~(iv) Has complied with § 5-10-10; and~~

34 ~~(v) Has complied with any other qualifications that the division prescribes by regulation.~~

1 (23) A "manicurist license" shall be granted to any applicant for the license who meets the
2 following qualifications:

3 (i) Meets the requirements of § 5-10-8; and

4 (ii) Has completed a course of instruction consisting of not less than three hundred (300) hours of
5 professional training in manicuring, in an approved school.

6 (34) An "esthetician license" shall be granted to any applicant for the license who meets the
7 following qualifications:

8 (i) Meets the requirements of § 5-10-8;

9 (ii) Has completed a course of instruction in esthetics consisting of not less than six hundred
10 (600) hours of continuous study and practice over a period of not less than four (4) months in an approved
11 school of hairdressing and cosmetology; and

12 (iii) Any applicant who holds a diploma or certificate from a skin care school that is recognized
13 as a skin care school by the state or nation in which it is located, and meets the requirements of paragraph
14 (i) of this subdivision, shall be granted a license to practice esthetics; provided, that the skin care school
15 has a requirement that in order to graduate from the school a student must have completed a number of
16 hours of instruction in the practice of skin care, which number is at least equal to the number of hours of
17 instruction required by the division.

18 (45) A "barber" license shall be issued by the division to every applicant for the license who
19 meets the requirements of § 5-10-8 and:

20 (i) Has completed a course of instruction in barbering consisting of not less than one thousand
21 five hundred (1,500) hours of continuous study and practice in an approved school;

22 (ii) ~~Has possessed for at least two (2) years prior to the filing of the application a certificate of~~
23 ~~registration in full force and effect from the department of health of the state specifying that person as a~~
24 ~~registered apprentice barber, and the application of that applicant is accompanied by a~~ An affidavit or
25 affidavits of his or her employer or former employers or other reasonably satisfactory evidence showing
26 that the applicant has been actually engaged in barbering as an apprentice barber in the state during those
27 two (2) years; or

28 (iii) A combination of barber school training and apprenticeship training as determined by the
29 rules and regulations prescribed by the division.

30 SECTION 3. Section 5-10-13 of the General Laws in Chapter 5-10 entitled "Barbers,
31 Hairdressers, Cosmeticians, Manicurists" is hereby repealed.

32 ~~**§ 5-10-13 Demonstrator's permit.** The division may in its discretion issue to any person~~
33 ~~recognized by the division as an authority on, or an expert in the theory or practice of, barbering,~~
34 ~~hairdressing, and cosmetic therapy and/or manicuring or esthetics and is the holder of a current~~

1 ~~esthetician's, manicurist's or a barber's, hairdresser's, and cosmetician's license in this state, another state~~
2 ~~or the District of Columbia, a demonstrator's permit for not more than six (6) days' duration for~~
3 ~~educational and instructive demonstrations; provided, that the permit shall not be used in the sense of a~~
4 ~~license to practice barbering, manicuring, esthetics or hairdressing and cosmetic therapy. The fee for the~~
5 ~~permit is as set forth in § 23-1-54.~~

6 SECTION 4. Section 5-32-4 of the General Laws in Chapter 5-37 entitled "Electrolysis" is
7 hereby amended to read as follows:

8 **§ 5-32-4 Qualifications of applicants.** – Licenses to engage in the practice of electrolysis shall
9 be issued to the applicants who comply with the following requirements:

10 (1) Are citizens or legal residents of the United States.

11 (2) Have attained the age of eighteen (18) years.

12 (3) Have graduated from a high school or whose education is the equivalent of a high school
13 education.

14 (4) Have satisfactorily completed a course of training and study in electrolysis, as prescribed by
15 rules and regulations promulgated by the department of health authorized by section § 5-32-18 of this
16 chapter. ~~as a registered apprentice under the supervision of a licensed Rhode Island electrologist who is~~
17 ~~qualified to teach electrolysis to apprentices as prescribed in § 5-32-17 or has graduated from a school of~~
18 ~~electrolysis after having satisfactorily completed a program consisting of not less than six hundred fifty~~
19 ~~(650) hours of study and practice in the theory and practical application of electrolysis. That~~
20 ~~apprenticeship includes at least six hundred and fifty (650) hours of study and practice in the theory and~~
21 ~~practical application of electrolysis within a term of nine (9) months; provided, that the apprentice~~
22 ~~registers with the division of professional regulation of the department of health upon beginning his or her~~
23 ~~course of instruction, and the licensed person with whom he or she serves that apprenticeship keeps a~~
24 ~~record of the hours of that instruction, and upon the completion of that apprenticeship certifies that fact to~~
25 ~~the board of examiners in electrolysis.~~

26 (5) Is of good moral character.

27 (6) Passes an examination approved by the department of health.

28 SECTION 5. Sections 5-32-8 and 5-32-17 of the General Laws in Chapter 5-37 entitled
29 "Electrolysis" are hereby repealed.

30 ~~**§ 5-32-8 Apprenticeship register.** The division of professional regulation of the department of~~
31 ~~health shall keep a register in which the names of all persons serving apprenticeships licensed under this~~
32 ~~chapter shall be recorded. This register is open to public inspection.~~

33 ~~**§ 5-32-17 Qualifications for teaching electrolysis.** (a) A person in order to qualify as an~~
34 ~~instructor or teacher of electrolysis to apprentices must:~~

1 ~~(1) Have been actively engaged as a licensed practitioner of electrolysis for at least five (5) years.~~

2 ~~(2) Pass a state board examination specifically designed to evaluate his or her qualifications to~~
3 ~~teach electrolysis.~~

4 ~~(3) Be a high school graduate or the equivalent.~~

5 ~~(b) Upon satisfactorily passing this examination, the division of professional regulation of the~~
6 ~~department of health shall issue a license to the person upon the payment of a fee as set forth in § 23-1-54.~~

7 ~~(c) A qualified licensed electrologist shall not register more than one apprentice for each nine (9)~~
8 ~~month training period.~~

9 SECTION 6. Chapter 5-32 of the General Laws entitled "Electrolysis" is hereby amended by
10 adding thereto the following section:

11 § 5-32-18- Training and study. – The department of health may promulgate rules and
12 regulations applying to training and study in electrolysis.

13 SECTION 7. Sections 5-37.2-2, 5-37.2-14, and 5-37.2-15 of the General Laws in Chapter 5-37.2
14 entitled "The Healing Art of Acupuncture" are hereby amended to read as follows:

15 § 5-37.2-2 Definitions. – Unless the context otherwise requires, the words, phrases, and
16 derivatives employed in this chapter have the meanings ascribed to them in this section:

17 (1) "Acupuncture" means the insertion of needles into the human body by piercing the skin of the
18 body, for the purpose of controlling and regulating the flow and balance of energy in the body.

19 (2) "Department" means the state department of health.

20 (3) "Doctor of acupuncture" means a person licensed under the provisions of this chapter to
21 practice the art of healing known as acupuncture.

22 ~~(4) "Licensed acupuncture assistant" means a person who assists in the practice of acupuncture~~
23 ~~under the direct supervision of a person licensed under the provisions of this chapter to practice~~
24 ~~acupuncture.~~

25 § 5-37.2-14 Recordation and display of licenses – Annual registration fee – Penalties for
26 failure to pay fee. – (a) Every person holding a license authorizing him or her to practice acupuncture ~~or~~
27 ~~to serve as an acupuncture assistant~~ in this state shall record his or her license with the city or town hall in
28 the city or town where his or her office and residence are located. Every licensee upon a change of
29 residence or office shall have his or her certificate recorded in the same manner in the municipality to
30 which he or she has changed.

31 (b) Every license shall be displayed in the office, place of business, or place of employment of the
32 license holder.

33 (c) Every person holding a license shall pay to the department on or before February 1 of each
34 year, the annual registration fee required pursuant to department rules and regulation. If the holder of a

1 license fails to pay the registration fee his or her license shall be suspended. The license may be reinstated
2 by payment of the required fee within ninety (90) days after February 1.

3 (d) A license which is suspended for more than three (3) months under the provisions of
4 subsection (c) of this section may be canceled by the board after thirty (30) days notice to the holder of
5 the license.

6 **§ 5-37.2-15 Suspension, revocation, or refusal of license – Grounds.** – The department may
7 either refuse to issue or may suspend or revoke any license for any one or any combination of the
8 following causes:

9 (1) Conviction of a felony, conviction of any offense involving moral turpitude, or conviction of a
10 violation of any state or federal law regulating the possession, distribution or use of any controlled
11 substance as defined in § 21-28-1.02, as shown by a certified copy of record of the court;

12 (2) The obtaining of, or any attempt to obtain, a license, or practice in the profession for money or
13 any other thing of value, by fraudulent misrepresentations;

14 (3) Gross malpractice;

15 (4) Advertising by means of knowingly false or deceptive statement;

16 (5) Advertising, practicing, or attempting to practice under a name other than one's own;

17 (6) Habitual drunkenness or habitual addiction to the use of a controlled substance as defined in §
18 21-28-1.02;

19 (7) Using any false, fraudulent, or forged statement or document, or engaging in any fraudulent,
20 deceitful, dishonest, immoral practice in connection with the licensing requirement of this chapter;

21 (8) Sustaining a physical or mental disability which renders further practice dangerous;

22 (9) Engaging in any dishonorable, unethical, or unprofessional conduct which may deceive,
23 defraud, or harm the public, or which is unbecoming a person licensed to practice under this chapter;

24 (10) Using any false or fraudulent statement in connection with the practice of acupuncture or any
25 branch of acupuncture;

26 (11) Violating or attempting to violate, or assisting or abetting the violation of, or conspiring to
27 violate, any provision of this chapter;

28 (12) Being adjudicated incompetent or insane;

29 (13) Advertising in an unethical or unprofessional manner;

30 (14) Obtaining a fee or financial benefit for any person by the use of fraudulent diagnosis,
31 therapy, or treatment;

32 (15) Willfully disclosing a privileged communication;

33 (16) Failure of a licensee to designate his or her school of practice in the professional use of his or
34 her name by the term "doctor of acupuncture" or "acupuncture assistant", as the case may be;

1 (17) Willful violation of the law relating to the health, safety, or welfare of the public, or of the
2 rules and regulations promulgated by the state board of health;

3 (18) Administering, dispensing, or prescribing any controlled substance as defined in § 21-28-
4 1.02, except for the prevention, alleviation, or cure of disease or for relief from suffering; and

5 (19) Performing, assisting, or advising in the injection of any liquid silicone substance into the
6 human body.

7 SECTION 8. Section 5-37.2-13 of the General Laws in Chapter 5-37.2 entitled "Issuance of
8 license for acupuncture assistant" is hereby repealed.

9 ~~§ 5-37.2-13 Issuance of license for acupuncture assistant.~~ — An applicant for a license for
10 acupuncture assistant shall be issued a license by the department if he or she:

11 (1) ~~Has successfully completed a course of study in acupuncture in any college or school in any~~
12 ~~country, territory, province, or state requiring any attendance to thirty six (36) months;~~

13 (2) ~~Practiced acupuncture for not less than three (3) years;~~

14 (3) ~~Passes the examination of the department for acupuncture assistant; and~~

15 (4) ~~Pays any fees as set forth in § 23-1-54.~~

16 SECTION 9. Sections 5-40-1, 5-40-3, 5-40-9, 5-40-10, 5-40-11, 5-40-13, and 5-40-17 of the
17 General Laws in Chapter 5-40 entitled "Physical Therapists" are hereby amended to read as follows:

18 **§ 5-40-1 Definitions.** – As used in this chapter:

19 (1) "Board" means the board of physical therapy established by § 5-40-2.

20 (2) "Department" means the department of health.

21 (3) "Examination" means an examination approved by the department in consultation with the
22 board.

23 (4) "License" means a license issued by the department to practice physical therapy.

24 (5) "Physical therapist" means an individual who is licensed by the department to practice
25 physical therapy.

26 (6) ~~"Physical therapist assistant" means an individual who is licensed by the department to assist~~
27 ~~in the practice of physical therapy under the supervision of a physical therapist.~~

28 (67)(i) "Practice physical therapy" means the examination, treatment, and instruction of human
29 beings to detect, assess, prevent, correct, alleviate and limit physical disability, physical dysfunction, and
30 pain from injury, disease and any other bodily conditions, and includes the administration, interpretation,
31 and evaluation of tests and measurements of bodily functions and structures; the planning, administration,
32 evaluation, and modification of treatment and instruction, including the use of physical measures,
33 activities, and devices, for preventive and therapeutic purposes; and the provision of consultative,

1 educational, and other advisory services for the purpose of reducing the incidence and severity of physical
2 disability, physical dysfunction and pain.

3 (ii) The practice of physical therapy does not include the practice of medicine as defined in
4 chapter 37 of this title.

5 (78) "Supervision" means that a licensed physical therapist is at all times responsible for
6 supportive personnel and students.

7 **§ 5-40-3 Board of physical therapy – Composition – Appointment, terms, oath and removal**
8 **of members.** – (a) In the month of June, 1983, and annually thereafter, the director of health, with the

9 approval of the governor, appoints the appropriate number of persons to serve on the board for terms of
10 three (3) years and until his or her successor has been appointed and qualified. The board shall consist of
11 seven (7) members appointed by the director of the department of health with the approval of the
12 governor. ~~Four (4)~~Five (5) members shall be licensed physical therapists; ~~one member shall be a licensed~~
13 ~~physical therapist assistant~~; one member shall be a physician licensed to practice medicine in this state;
14 and one member shall be a consumer.

15 (b) No member shall serve for more than two (2) successive terms. The director of health may
16 remove any member from the board for neglect of any duty required by law or for any incompetency,
17 unprofessional or dishonorable conduct. Vacancies created by voluntary resignation or removal by the
18 director of health shall be filled in the same manner as the original appointment is made for the remainder
19 of the term not exceeding the original two (2) term limitation.

20 (c) Before beginning a term, each member of the board shall takes the oath prescribed by law for
21 state officers which shall be filed with the secretary of state.

22 **§ 5-40-9 Right of use of the title of physical therapist.** – (a) To safeguard the welfare and
23 health of the people of the state, it is unlawful for any person to represent himself or herself as a physical
24 therapist ~~or physical therapist assistant~~ in this state or to use any title, abbreviation, sign, or device to
25 indicate that the person is a physical therapist ~~or physical therapist assistant~~ unless this person has been
26 licensed pursuant to the provisions of this chapter.

27 (b) Any person who holds a license to practice physical therapy in this state has the right to use
28 the title "physical therapist" and abbreviation "P.T." No other person may assume the title or use the
29 abbreviation P.T. or other words, or letters, signs, figures, or devices to indicate that the person using the
30 title is a physical therapist.

31 (c) The abbreviation "G.P.T." shall be used to identify a "graduate physical therapist".

32 ~~(d) Any person who holds a license as a physical therapist assistant in this state has the right to~~
33 ~~use the title "physical therapist assistant". No other person may assume the title or other words, or letters,~~
34 ~~signs, figures, or devices to indicate that the person using the title is a physical therapist assistant.~~

1 **§ 5-40-10 Continuing education requirements and expiration and renewal of licenses.** – (a)

2 The certificate of every person licensed under the provisions of this chapter shall expire on the first day of
3 May of the next even year following the date of original licensure. On or before the first day of March of
4 each year, the department shall mail an application for renewal of license to every person to whom a
5 license has been issued or renewed during the current licensure period. Every licensed person who desires
6 to renew his or her license shall provide satisfactory evidence to the department that in the preceding two
7 (2) years the practitioner has completed the twenty-four (24) required continuing education hours as
8 established by the department through rules and regulations and shall file with department a renewal
9 application executed together with a renewal fee as set forth in § 23-1-54 on or before the thirty-first day
10 of March of each even year. The department may extend for only one six (6) month period these
11 educational requirements if the department is satisfied that the applicant has suffered hardship, which
12 prevented meeting the educational requirement.

13 (b) Upon receipt of the renewal application, and payment of the renewal fee, the accuracy of the
14 application shall be verified and the department shall grant a renewal license effective the second day of
15 May, and expiring on the first day of May of the next even year.

16 (c) Any person who allows his or her license to lapse by failing to renew it on or before the thirty-
17 first day of March of the next even year, as provided in this section, may be reinstated by the department
18 on payment of the current renewal fee plus an additional fee as set forth in § 23-1-54.

19 (d) Any person using the title "physical therapist" or "~~physical therapist assistant~~" during the time
20 that his or her license has lapsed is subject to the penalties provided for violations in this chapter.

21 **§ 5-40-11 Register of physical therapists – Records – Issuance of licenses.** – (a) The

22 department shall maintain a register of all persons licensed under this chapter which shall be open at all
23 reasonable times to public inspection and the department shall be the custodian of all records pertaining to
24 the licensure of physical therapists, ~~or physical therapist assistants.~~

25 (b) The director of the department of health shall issue licenses only to applicants who meet the
26 requirements of this chapter.

27 **§ 5-40-13 Grounds for discipline of licensees.** – (a) The board has power to deny, revoke, or

28 suspend any license issued by the department or applied for in accordance with this chapter, or to
29 discipline a person licensed under this chapter upon proof that said person has engaged in unprofessional
30 conduct including, but not limited to:

31 (1) Fraud or deceit in procuring or attempting to procure a license or in the practice of physical
32 therapy;

33 (2) Is habitually intemperate or is addicted to the use of habit forming drugs;

34 (3) Is mentally and/or professionally incompetent;

- 1 (4) Has repeatedly violated any of the provisions of this chapter;
- 2 (5) Providing services to a person who is making a claim as a result of a personal injury, who
3 charges or collects from the person any amount in excess of the reimbursement to the physical therapist
4 by the insurer as a condition of providing or continuing to provide services or treatment;
- 5 (6) Conviction, including a plea of nolo contendere, of one or more of the offenses listed in § 23-
6 17-37;
- 7 (7) Abandonment of a patient;
- 8 (8) Promotion by a physical therapist ~~or physical therapist assistant~~ of the sale of drugs, devices,
9 appliances, or goods or services provided for a patient in a manner as to exploit the patient for the
10 financial gain of the physical therapist ~~or physical therapist assistant~~;
- 11 (9) Making or filing false reports or records in the practice of physical therapy;
- 12 (10) Repeated failure to file or record, or impede or obstruct a filing or recording, or inducing
13 another person to fail to file or record physical therapy reports;
- 14 (11) Failure to furnish patient records upon proper request;
- 15 ~~(12) Practice as a physical therapist assistant without supervision by a physical therapist licensed~~
16 ~~in the state of Rhode Island;~~
- 17 (13) Incompetent or negligent misconduct in the practice of physical therapy;
- 18 (14) Revocation, suspension, surrender, or limitation of privilege based on quality of care
19 provided or disciplinary action against a license to practice as a physical therapist ~~or physical therapist~~
20 ~~assistant~~ in another state, jurisdiction, or country;
- 21 (15) Failure to furnish the board, administrator, investigator, or representatives information
22 legally requested by the board;
- 23 (16) Violation of this chapter or any of the rules and regulations or departure from or failure to
24 conform to the current standards of acceptable and prevailing practice and code of ethics of physical
25 therapy.
- 26 (b) Whenever a patient seeks or receives treatment from a physical therapist without referral from
27 a doctor of medicine, osteopathy, dentistry, podiatry, chiropractic, physician assistant, or certified
28 registered nurse practitioner, the physical therapist shall:
 - 29 (1) Disclose to the patient, in writing, the scope and limitations of the practice of physical therapy
30 and obtain their consent in writing; and
 - 31 (2) Refer the patient to a doctor of medicine, osteopathy, dentistry, podiatry, or chiropractic
32 within ninety (90) days after the date treatment commenced; provided, that a physical therapist is not
33 required to make this a referral after treatment is concluded;

1 (3) No physical therapist who has less than one year clinical experience as a physical therapist
2 shall commence treatment on a patient without a referral from a doctor of medicine, osteopathy, dentistry,
3 podiatry, chiropractic, physician assistant, or certified registered nurse practitioner.

4 (c) For purposes of this chapter and notwithstanding any other provisions of this chapter or any
5 rules or regulations adopted by the board, any person licensed or registered under this chapter who is a
6 bona fide employee or independent contractor of a physician or a physician group entitled to wages and
7 compensation pursuant to such employment or contract, or is a co-owner of a physical therapy practice
8 with a physician group, shall not be deemed to be engaged in conduct unbecoming a person licensed or
9 registered under this chapter, or to be engaged in conduct detrimental to the best interest of the public, or
10 to be in violation of any other provision of this chapter by virtue of any of the above relationships, and
11 shall not be subject to licensure denial, suspension, revocation, or any other disciplinary action or penalty
12 under this chapter:

13 (1) Solely by virtue of such employment or contract; or

14 (2) Solely by virtue of the provision of physical therapy services pursuant to a referral from the
15 employing or contracting physician or physician group.

16 Any such interest referenced in this paragraph shall be in accordance with federal and state law,
17 specifically, including, but not limited to, chapter 5-48.1.

18 **§ 5-40-17 Penalties for violations.** – (a) It is a misdemeanor for any person, firm, corporation,
19 or association to:

20 (1) Use in connection with his or her name any designation tending to imply that he or she is a
21 physical therapist ~~or physical therapist assistant~~ unless licensed under the provisions of this chapter;

22 (2) Use in connection with his or her name any designation tending to imply that he or she is a
23 physical therapist ~~or physical therapist assistant~~ during the time his or her license issued under the
24 provisions of this chapter is suspended or revoked;

25 (3) Violate any of the provisions of this chapter.

26 (b) All misdemeanors shall be punishable by a fine of not less than three hundred dollars (\$300)
27 for the first offense. Each subsequent offense shall be punishable by a fine of not less than five hundred
28 dollars (\$500), or by imprisonment of not more than one year, or both.

29 SECTION 10. Sections 5-40-6.1, 5-40-7.1 and 5-40-8.1 of the General Laws in Chapter 5-40
30 entitled “Physical Therapists” are hereby repealed.

31 **§ 5-40-6.1 Qualifications of physical therapist assistants.** — Any applicant for licensure shall
32 submit to the board written evidence on forms furnished by the department of health, verified by oath,
33 that the applicant meets all of the following requirements:

34 (1) Is at least eighteen (18) years of age;

1 ~~(2) Is of good moral character;~~

2 ~~(3) Has graduated from an educational program in physical therapy accredited by the~~
3 ~~Commission on Accreditation of Physical Therapy Education (CAPTE) or other accrediting agency as~~
4 ~~approved by the department in consultation with the board, in the year of said applicant's graduation; and~~

5 ~~(4) Has passed the National Physical Therapy Examination (NPTE) of the Federation of State~~
6 ~~Boards of Physical Therapy (FSBPT) or other physical therapy assistant certification examination as~~
7 ~~approved by the department in consultation with the board to determine the applicant's fitness to engage~~
8 ~~in the practice of physical therapy.~~

9 ~~**§ 5-40-7.1 Licensing of physical therapist assistants.**—(a) *By Examination.* The applicant is~~
10 ~~required to pass with a grade determined by the board an examination approved by the department in~~
11 ~~consultation with the board.~~

12 ~~(b) *Without Examination by Endorsement.* A license may be issued without examination to an~~
13 ~~applicant who has been licensed by examination as a physical therapist assistant under the laws of another~~
14 ~~state or territory or District of Columbia, if, in the opinion of the board, the applicant meets the~~
15 ~~qualifications required of physical therapist assistants in this state.~~

16 ~~(c)(1) *Graduate Practice.* Every graduate of a board approved physical therapist assistant~~
17 ~~educational program who has filed a physical therapy application may, upon receiving a permit from the~~
18 ~~department of health, perform as a physical therapist assistant under the supervision of a physical~~
19 ~~therapist licensed in this state.~~

20 ~~(2) During this period, the applicant shall identify him or herself only as a "graduate physical~~
21 ~~therapist assistant."~~

22 ~~(3) If the applicant fails to take the examination, as specified in § 5-40-7(a), within ninety (90)~~
23 ~~days from the effective date of graduate status, without cause or fails to pass the examination and receive~~
24 ~~a license, all privileges provided in subdivisions (1) and (2) of this subsection automatically cease.~~

25 ~~(d)(1) *Foreign Trained Applicants.* If the foreign trained applicant has successfully met the~~
26 ~~requirements of the rules and regulations, the applicant's credentials shall be accepted by the board.~~

27 ~~(2) Prior to becoming licensed in this state, the foreign trained applicant must also meet all of the~~
28 ~~appropriate requirements described in this section or its equivalent as established in rules and regulations.~~

29 ~~**§ 5-40-8.1 Application fee for physical therapists assistants.**—When an application is~~
30 ~~submitted to the department for a license to practice physical therapy in Rhode Island pursuant to this~~
31 ~~chapter, either by endorsement or by examination, the applicant shall pay a fee as set forth in § 23-1-54 to~~
32 ~~the general treasurer of the state of Rhode Island.~~

1 SECTION 11. Sections 5-40.1-3, 5-40.1-6, 5-40.1-7, 5-40.1-8, 5-40.1-9, 5-40.1-12, 5-40.1-14,
2 and 5-40.1-21 of the General Laws in Chapter 5-40.1 entitled "Occupational Therapy" are hereby
3 amended to read as follows:

4 **§ 5-40.1-3 Definitions.** – (a) "Administrator" means the administrator of the division of
5 professional regulation.

6 (b) "Board" means the board of occupational therapy within the division of professional
7 regulation established pursuant to the provisions of § 5-40.1-4.

8 (c) "Chapter" refers to chapter 40.1 of this title, entitled "Occupational Therapy", of the general
9 laws of Rhode Island.

10 (d) "Director" means the director of the Rhode Island department of health.

11 (e) "Division" means the division of professional regulation.

12 (f)(1) "Occupational therapy" (OT) is the use of purposeful activity or interventions designed to
13 achieve functional outcomes which promote health, prevent injury or disability, and develop, improve,
14 sustain, or restore the highest possible level of independence of any individual who has an injury, illness,
15 cognitive impairment, sensory impairment, psychosocial dysfunction, mental illness, developmental or
16 learning disability, physical disability, or other disorder or condition.

17 (2) Occupational therapy includes evaluation by means of skilled observation of functional
18 performance and/or assessment through the administration and interpretation of standardized or non-
19 standardized tests and measurements.

20 (g)(1) "Occupational therapy services" includes, but is not limited to:

21 (i) Evaluating and providing treatment in consultation with the individual, family, or other
22 appropriate persons;

23 (ii) Interventions directed toward developing, improving, sustaining, or restoring daily living
24 skills, including self-care skills and activities that involve interactions with others and the environment,
25 work readiness or work performance, play skills or leisure capacities or educational performance skills;

26 (iii) Developing, improving, sustaining, or restoring sensory-motor, oral-motor, perceptual, or
27 neuromuscular functioning; or emotional, motivational, cognitive, or psychosocial components of
28 performance; and

29 (iv) Educating the individual, family, or other appropriate persons in carrying out appropriate
30 interventions.

31 (2) These services may encompass evaluating need; and designing, developing, adapting,
32 applying, or training in the use of assistive technology devices; designing, fabricating or applying
33 rehabilitative technology, such as selected orthotic devices; training in the functional use of orthotic or
34 prosthetic devices; applying therapeutic activities, modalities, or exercise as an adjunct to or in

1 preparation for functional performance; applying ergonomic principles; adapting environments and
2 processes to enhance daily living skills; or promoting health and wellness.

3 (h) "Occupational therapist" means a person licensed to practice occupational therapy under the
4 provisions of this chapter and the rules and regulations authorized by this chapter.

5 ~~(i) "Occupational therapy aide" means a person not licensed pursuant to the statutes and rules
6 applicable to the practice of occupational therapy, who works under the supervision of a licensed
7 occupational therapist or occupational therapy assistant, who assists in the practice of occupational
8 therapy and whose activities require an understanding of occupational therapy, but do not require
9 professional or advanced training in the basic anatomical, psychological, and social sciences involved in
10 the practice of occupational therapy.~~

11 ~~(j) "Occupational therapy assistant" means a person licensed to practice occupational therapy
12 under the provisions of this chapter and the rules and regulations authorized by this chapter.~~

13 ~~(k) "Supervision" means that a licensed occupational therapist or occupational therapy assistant
14 is at all times responsible for supportive personnel and students.~~

15 **§ 5-40.1-6 Licenses required.** – (a) Pursuant to this section, no person may practice
16 occupational therapy, or hold himself or herself out as an occupational therapist ~~or occupational therapy
17 assistant~~, or as being able to practice as an occupational therapist ~~or occupational therapy assistant~~, or as
18 being able to practice occupational therapy, or to render occupational therapy services, in this state unless
19 he or she is licensed under the provisions of this chapter and the rules and regulations authorized by this
20 chapter.

21 (b) Only an individual may be licensed under this chapter.

22 (c) Only an individual licensed in this state as an occupational therapist may use the words
23 "occupational therapist", "licensed occupational therapist", or "occupational therapist registered" in
24 connection with his or her name or place of business; or may use other words, letters, abbreviations, or
25 insignia indicating or implying that he or she is an occupational therapist.

26 ~~(d) Only an individual licensed in this state as an occupational therapy assistant may use the
27 words "certified occupational therapy assistant", "occupational therapy assistant", or "licensed
28 occupational therapy assistant" in connection with his or her name or place of business; or may use other
29 words, letters, abbreviations, or insignia indicating or implying that he or she is an occupational therapy
30 assistant.~~

31 **§ 5-40.1-7 Persons and practices not affected.** – Nothing in this chapter shall be construed as
32 preventing or restricting the practice, services, or activities of:

33 (1) Any person licensed in this state by any other law from engaging in the profession or
34 occupation for which he or she is licensed;

1 (2) Any person employed as an occupational therapist ~~or occupational therapy assistant~~ by the
2 government of the United States or any agency of it, if that person provides occupational therapy solely
3 under the direction or control of the organization by which he or she is employed;

4 (3) Any person pursuing a supervised course of study leading to a degree or certificate in
5 occupational therapy at an accredited or approved educational program, if the person is designated by a
6 title which clearly indicates his or her status as a student or trainee; or

7 (4) Any person fulfilling the supervised fieldwork experience requirements of § 5-40.1-8(a)(3), if
8 the experience constitutes a part of the experience necessary to meet the requirement of that section.

9 **§ 5-40.1-8 Requirements for licensure.** – (a) Any applicant seeking licensure as an
10 occupational therapist ~~or occupational therapy assistant~~ in this state must:

11 (1) Be at least eighteen (18) years of age;

12 (2) Be of good moral character;

13 (3) Have successfully completed the academic requirements of an education program in
14 occupational therapy accredited by the American Occupational Therapy Association's Accreditation
15 Council for Occupational Therapy Education or other therapy accrediting agency that may be approved
16 by the board;

17 (4) Have successfully completed a period of supervised fieldwork experience arranged by the
18 recognized educational institution where he or she met the academic requirements:

19 (i) For an occupational therapist, a minimum of twenty-four (24) weeks of supervised fieldwork
20 experience shall be required;

21 ~~(ii) For an occupational therapy assistant, a minimum of twelve (12) weeks shall be required;~~

22 (5) Have successfully passed the National Certification Examination for Occupational Therapists,
23 ~~Registered, or National Certification Examination for Occupational Therapy Assistants~~, of the National
24 Board for Certification in Occupational Therapy (NBCOT) or other occupational therapy certification
25 examination as approved by the board.

26 (b) Application for licensure to practice occupational therapy in this state either by endorsement
27 or by examination shall be made on forms provided by the division, which shall be completed, notarized,
28 and submitted to the board thirty (30) days prior to the scheduled date of the board meeting. The
29 application shall be accompanied by the following documents:

30 (1) Three (3) affidavits from responsible persons attesting to the applicant's good moral character;

31 (2) For U.S. citizens: a certified copy of birth record or naturalization papers;

32 (3) For non-U.S. citizens: documented evidence of alien status, such as immigration papers or
33 resident alien card or any other verifying papers acceptable to the administrator;

1 (4) Documented evidence and supporting transcripts of qualifying credentials as prescribed in this
2 section;

3 (5) One unmounted passport photograph of the applicant (head and shoulder view) approximately
4 2x3 inches in size;

5 (6) A statement from the board of occupational therapy in each state in which the applicant has
6 held or holds licensure, or is otherwise subject to state regulation, to be submitted to the board of this state
7 attesting to the licensure status of the applicant during the time period the applicant held licensure in that
8 state; and

9 (7) The results of the written national examination of the National Board for Certification in
10 Occupational Therapy (NBCOT).

11 (c)(1) Applicants seeking licensure as occupational therapists ~~or occupational therapy assistants~~
12 are required to pass the national written examination of the National Board for Certification in
13 Occupational Therapy (NBCOT) approved by the board to test the applicant's fitness to engage in the
14 practice of occupational therapy pursuant to the provisions of this chapter.

15 (2) The date, time, and place of examinations shall be available from the National Board for
16 Certification in Occupational Therapy (NBCOT).

17 (d) In case any applicant fails to satisfactorily pass an examination, the applicant shall be entitled
18 to re-examination.

19 (e) Occupational therapists ~~and occupational therapy assistants~~ who are licensed or regulated to
20 practice under laws of another state or territory or the District of Columbia may, upon receiving a receipt
21 from the division, perform as an occupational therapist ~~or occupational therapy assistant~~ under the
22 supervision of a qualified and licensed occupational therapist ~~or occupational therapy assistant~~. If this
23 applicant fails to receive licensure when the board reviews the application, all previously mentioned
24 privileges automatically cease.

25 (f) Applicants from foreign occupational therapy schools must meet the requirements of the
26 National Board for Certification in Occupational Therapy (NBCOT) and present evidence of passage of
27 the National Certification Examination for Occupational Therapists ~~or the National Certification~~
28 ~~Examination for Occupational Therapy Assistants~~ of the NBCOT. Applicants must meet all of the
29 appropriate requirements for licensure to the satisfaction of the board and in accordance with the statutory
30 and regulatory provisions of this chapter.

31 **§ 5-40.1-9 Graduate practice.** – (a) Any individual who graduates from an approved
32 occupational therapy school who has filed a completed application for licensure, may upon receiving a
33 receipt from the division, perform as an occupational therapist ~~or occupational therapy assistant~~ under the
34 supervision of an occupational therapist licensed in this state, until the next scheduled examination.

1 (b) If this applicant fails to take the next succeeding examination without cause, or fails to pass
2 the examination and received a license, all privileges provided in subsection (a) of this section
3 automatically cease. This applicant shall, during the interim period (between time of application and
4 examination) identify himself or herself only as a "graduate occupational therapist" ~~or "graduate~~
5 ~~occupational therapy assistant"~~.

6 **§ 5-40.1-12 Renewal of licenses – Inactive status.** – (a) Upon the recommendation of the board,
7 the director shall issue to applicants who have satisfactorily met the licensure requirements of this
8 chapter, a license to practice occupational therapy in this state. The license, unless sooner suspended or
9 revoked, shall expire on the thirty-first (31st) day of March, of each even year (biennially).

10 (1) On or before the first (1st) day of March of each even year, the administrator of the division
11 shall mail an application for renewal of license to every individual to whom a license has been issued or
12 renewed during the current licensure period.

13 (2) Every licensed individual who desires to renew his or her license shall file with the division a
14 renewal application executed together with the evidence of continuing education requirements as
15 delineated in subdivision (3) of this subsection and the renewal fee as set forth in § 23-1-54 made payable
16 by check to the general treasurer, state of Rhode Island, on or before the thirty-first (31st) day of March of
17 each even year.

18 (3) On application for renewal of license, occupational therapists ~~and occupational therapy~~
19 ~~assistants~~ must show proof of participation in twenty (20) hours biennially in presentations, clinical
20 instruction, publications, research, in-service programs, American Occupational Therapy Association-
21 recognized conferences, university course, and/or self-study courses.

22 (4) Upon receipt of a renewal application and payment of fee, the director shall, upon the
23 recommendation of the board, grant a renewal license effective the thirty-first (31st) day of March for a
24 period of two (2) years, unless sooner suspended or revoked.

25 (5) Any individual who allows his or her license to lapse by failing to renew it on or before the
26 thirty-first (31st) day of March of the next even year as provided in subdivisions (1), (2) and (3) of this
27 subsection, may be reinstated by the director upon receiving a receipt from the division for payment of the
28 current renewal fee plus an additional fee as set forth in § 23-1-54 made payable by check to the general
29 treasurer, state of Rhode Island.

30 (6) An individual using the title "occupational therapist" ~~or "occupational therapy assistant"~~
31 during the time his or her license has lapsed is subject to the penalties provided for violation of those
32 regulations and this chapter.

33 (b) An individual licensed as an occupational therapist ~~or occupational therapy assistant~~ in this
34 state who does not intend to engage in the practice of occupational therapy within this state during any

1 year, may upon request to the division, have his or her name transferred to an inactive status and shall not
2 be required to register biennially or pay any fee as long as he or she remains inactive. Any individual
3 whose name has been transferred to an inactive status pursuant to this section, may be restored to active
4 status to practice occupational therapy without a penalty fee, upon the filing of an application for
5 licensure renewal, the licensure renewal fee as set forth in § 23-1-54 made payable by check to the
6 general treasurer of the state of Rhode Island, and any other information that may be requested by the
7 division.

8 **§ 5-40.1-14 Grounds for refusal to renew, suspension, or revocation of license.** – (a) The

9 board may deny a license or refuse to renew a license or may suspend or revoke a license or may impose
10 probationary conditions if the licensee has been found guilty of unprofessional conduct which has
11 endangered or is likely to endanger the health, welfare, or safety of the public. Unprofessional conduct
12 includes:

13 (1) Obtaining a license by means of fraud, misrepresentation, or concealment of material facts;

14 (2) Being found guilty of fraud or deceit in connection with his or her services rendered as an
15 occupational therapist or occupational therapy assistant;

16 (3) Committing a felony, whether or not involving moral turpitude, or a misdemeanor involving
17 moral turpitude. In either case, conviction by a court of competent jurisdiction or a plea of "no contest"
18 shall be conclusive evidence that a felony or misdemeanor was committed.

19 (4) Violating any lawful order, rule or regulation rendered or adopted by the board;

20 (5) Failing to report, in writing, to the board any disciplinary decision issued against the licensee
21 or the applicant in another jurisdiction within thirty (30) days of the disciplinary decisions;

22 (6) Violating any provision of this chapter; and

23 (7) Providing services to a person who is making a claim as a result of a personal injury, who
24 charges or collects from the person any amount in excess of the reimbursement to the occupational
25 therapist by the insurer as a condition of providing or continuing to provide services or treatment.

26 (b) A denial, refusal to renew, suspension, revocation, or imposition of probationary conditions
27 upon the license may be ordered by the board or the director of the department of health after a hearing in
28 the manner provided by the Administrative Procedures Act, chapter 35 of title 42.

29 (c) The American Occupational Therapy Association's "Occupational Therapy Code of Ethics" is
30 adopted as a public statement of the values and principles used in promoting and maintaining high
31 standards of behavior in occupational therapy. These state:

32 (1) Occupational therapy personnel shall demonstrate a concern for the well-being of the
33 recipients of their services;

34 (2) Occupational therapy personnel shall respect the rights of the recipients of their services;

1 (3) Occupational therapy personnel shall achieve and continually maintain high standards of
2 competence;

3 (4) Occupational therapy personnel shall comply with laws and association policies guiding the
4 profession of occupational therapy;

5 (5) Occupational therapy personnel shall provide accurate information about occupational therapy
6 services; and

7 (6) Occupational therapy personnel shall treat colleagues and other professionals with fairness,
8 discretion, and integrity.

9 **§ 5-40.1-21 Supervision.** – (a) A licensed occupational therapist shall exercise sound judgment
10 and shall provide adequate care in the performance of duties. A licensed occupational therapist shall be
11 permitted to supervise the following: occupational therapists, ~~occupational therapy assistants,~~
12 ~~occupational therapy aides,~~ care extenders, occupational therapy students, ~~and volunteers,~~ and any other
13 staff as permitted by the director of health.

14 ~~(b) A licensed occupational therapy assistant shall exercise sound judgment and shall provides~~
15 ~~adequate care in the performance of duties. A licensed occupational therapy assistant shall be permitted to~~
16 ~~supervise the following: occupational therapy aides, care extenders, students, and volunteers.~~

17 ~~(c) Subject to the requirements of this section, a licensed occupational therapy assistant may~~
18 ~~practice limited occupational therapy only under the supervision of a licensed occupational therapist.~~
19 ~~Supervision requires at a minimum that the supervising licensed occupational therapist meet in person~~
20 ~~with the licensed occupational therapy assistant to provide initial direction and periodic on-site~~
21 ~~supervision. The supervising licensed occupational therapist working with the licensed occupational~~
22 ~~therapy assistant shall determine the amount and type of supervision necessary in response to the~~
23 ~~experience and competence of the licensed occupational therapy assistant and the complexity of the~~
24 ~~treatment program. The supervisor and the licensed occupational therapy assistant shall be jointly~~
25 ~~responsible for maintaining records, including patient records, to document compliance with this~~
26 ~~regulation.~~

27 ~~(d) A licensed occupational therapy assistant:~~

28 ~~(1) May not initiate a treatment program until the patient has been evaluated and the treatment~~
29 ~~planned by the licensed occupational therapist;~~

30 ~~(2) May not perform an evaluation, but may assist in the data gathering process and administer~~
31 ~~specific assessments where clinical competency has been demonstrated, under the direction of the~~
32 ~~licensed occupational therapist;~~

33 ~~(3) May not analyze or interpret evaluation data;~~

1 ~~(4) May participate in the screening process by collecting data and communicate the information~~
2 ~~gathered to the licensed occupational therapist;~~

3 ~~(5) Monitors the need for reassessment and report changes in status that might warrant~~
4 ~~reassessment or referral under the supervision of the licensed occupational therapist; and~~

5 ~~(6) Immediately discontinues any treatment procedure, which appears harmful to the patient and~~
6 ~~immediately notifies the supervising occupational therapist.~~

7 ~~(e)(1) An occupational therapy aide shall be a worker trained on the job. A licensed occupational~~
8 ~~therapist or licensed occupational therapy assistant using occupational therapy aide personnel to assist~~
9 ~~with the provision of occupational therapy services must provide close supervision in order to protect the~~
10 ~~health and welfare of the consumer.~~

11 ~~(2) The primary function of an occupational therapy aide functioning in an occupational therapy~~
12 ~~setting shall be to perform designated routine tasks related to the operation of an occupational therapy~~
13 ~~service. These tasks may include, but are not limited to, routine department maintenance, transporting~~
14 ~~patients/clients, preparing or setting up treatment equipment and work area, assisting patients/clients with~~
15 ~~their personal needs during treatment, assisting in the construction of adaptive equipment, and carrying~~
16 ~~out a predetermined segment or task in the patient's care.~~

17 ~~(f) The licensed occupational therapist or occupational therapy assistant shall not delegate to an~~
18 ~~occupational therapy aide:~~

19 ~~(1) Performance of occupational therapy evaluation procedures;~~

20 ~~(2) Initiation, planning, adjustment, modification, or performance of occupational therapy~~
21 ~~procedures requiring the skills or judgment of a licensed occupational therapist or licensed occupational~~
22 ~~therapy assistant;~~

23 ~~(3) Making occupational therapy entries directly in patients' or clients' official records; and~~

24 ~~(4) Acting on behalf of the occupational therapist in any matter related to occupational therapy,~~
25 ~~which requires decision making or professional judgment.~~

26 SECTION 12. Chapter 5-40.1 of the General Laws entitled "Occupational Therapy" is hereby
27 amended by adding thereto the following section:

28 **§ 5-40.1-22 Other personnel.** – The director may promulgate rules and regulations concerning
29 other personnel in the occupational therapy field, including, but not limited to, roles such as "occupational
30 therapist assistant" and "occupational therapy aide."

31 SECTION 13. Sections 5-48-1 and 5-48-9 of the General Laws in Chapter 5-48 entitled "Speech
32 Pathology and Audiology" are hereby amended to read as follows:

33 **§ 5-48-1 Purpose and legislative intent – Definitions.** – (a) It is declared to be a policy of this
34 state that the practice of speech language pathology and audiology is a privilege granted to qualified

1 persons and that, in order to safeguard the public health, safety, and welfare, protect the public from being
2 misled by incompetent, unscrupulous, and unauthorized persons, and protect the public from
3 unprofessional conduct by qualified speech language pathologists and audiologists, it is necessary to
4 provide regulatory authority over persons offering speech language pathology and audiology services to
5 the public.

6 (b) The following words and terms when used in this chapter have the following meaning unless
7 otherwise indicated within the context:

8 (1) "Audiologist" means an individual licensed by the board to practice audiology.

9 (2) "Audiology" means the application of principles, methods, and procedures related to hearing
10 and the disorders of the hearing and balance systems, to related language and speech disorders, and to
11 aberrant behavior related to hearing loss. A hearing disorder in an individual is defined as altered
12 sensitivity, acuity, function, processing, and/or damage to the integrity of the physiological
13 auditory/vestibular systems.

14 ~~(3) "Audiology support personnel" means individuals who meets minimum qualifications,~~
15 ~~established by the board, which are less than those established by this chapter as necessary for licensing~~
16 ~~as an audiologist, who do not act independently, and who work under the direction and supervision of an~~
17 ~~audiologist licensed under this chapter who has been actively working in the field for twenty four (24)~~
18 ~~months after completion of the postgraduate professional experience and who accepts the responsibility~~
19 ~~for the acts and performances of the audiology assistant while working under this chapter.~~

20 (34) "Board" means the state board of examiners for speech language pathology and audiology.

21 (45) "Clinical fellow" means the person who is practicing speech language pathology under the
22 supervision of a licensed speech language pathologist while completing the postgraduate professional
23 experience as required by this chapter.

24 (56) "Department" means the Rhode Island department of health.

25 (67) "Director" means the director of the Rhode Island department of health.

26 (78) "Person" means an individual, partnership, organization, or corporation, except that only
27 individuals can be licensed under this chapter.

28 (89)(i) "Practice of audiology" means rendering or offering to render any service in audiology,
29 including prevention, screening, and identification, evaluation, habilitation, rehabilitation; participating in
30 environmental and occupational hearing conservation programs, and habilitation and rehabilitation
31 programs including hearing aid and assistive listening device evaluation, prescription, preparation,
32 dispensing, and/or selling and orientation; auditory training and speech reading; conducting and
33 interpreting tests of vestibular function and nystagmus; conducting and interpreting electrophysiological
34 measures of the auditory pathway; cerumen management; evaluating sound environment and equipment;

1 calibrating instruments used in testing and supplementing auditory function; and planning, directing,
2 conducting or supervising programs that render or offer to render any service in audiology.

3 (ii) The practice of audiology may include speech and/or language screening to a pass or fail
4 determination, for the purpose of initial identification of individuals with other disorders of
5 communication.

6 (iii) A practice is deemed to be the "practice of audiology" if services are offered under any title
7 incorporating such word as "audiology", "audiologist", "audiometry", "audiometrist", "audiological",
8 "audiometrics", "hearing therapy", "hearing therapist", "hearing clinic", "hearing clinician", "hearing
9 conservation", "hearing conservationist", "hearing center", "hearing aid audiologist", or any similar title
10 or description of services.

11 ~~(910)~~(i) "Practice of speech language pathology" means rendering or offering to render any
12 service in speech language pathology including prevention, identification, evaluation, consultation,
13 habilitation, rehabilitation; determining the need for augmentative communication systems, dispensing
14 and selling these systems, and providing training in the use of these systems; and planning, directing,
15 conducting, or supervising programs that render or offer to render any service in speech language
16 pathology.

17 (ii) The practice of speech language pathology may include nondiagnostic pure tone air
18 conduction screening, screening tympanometry, and acoustic reflex screening, limited to a pass or fail
19 determination, for the purpose of performing a speech and language evaluation or for the initial
20 identification of individuals with other disorders of communication.

21 (iii) The practice of speech language pathology also may include aural rehabilitation, which is
22 defined as services and procedures for facilitating adequate receptive and expressive communication in
23 individuals with hearing impairment.

24 (iv) A practice is deemed to be the "practice of speech language pathology" if services are offered
25 under any title incorporating such words as "speech pathology", "speech pathologist", "speech therapy",
26 "speech therapist", "speech correction", "speech correctionist", "speech clinic", "speech clinician",
27 "language pathology", "language pathologist", "voice therapy", "voice therapist", "voice pathology",
28 "voice pathologist", "logopedics", "logopedist", "communicology", "communicologist", "aphasiology",
29 "aphasiologist", "phoniatriest", or any similar title or description of services.

30 ~~(1011)~~ "Regionally accredited" means the official guarantee that a college or university or other
31 educational institution is in conformity with the standards of education prescribed by a regional
32 accrediting commission recognized by the United States Secretary of Education.

33 ~~(1112)~~ "Speech language pathologist" means an individual who is licensed by the board to
34 practice speech language pathology.

1 (12+3) "Speech language pathology" means the application of principles, methods, and
2 procedures for prevention, identification, evaluation, consultation, habilitation, rehabilitation, instruction,
3 and research related to the development and disorders of human communication. Disorders are defined to
4 include any and all conditions, whether of organic or non-organic origin, that impede the normal process
5 of human communication in individuals or groups of individuals who have or are suspected of having
6 these conditions, including, but not limited to, disorders and related disorders of:

7 (i) Speech: articulation, fluency, voice, (including respiration, phonation and resonance);

8 (ii) Language (involving the parameters of phonology, morphology, syntax, semantics and
9 pragmatics; and including disorders of receptive and expressive communication in oral, written, graphic,
10 and manual modalities);

11 (iii) Oral, pharyngeal, laryngeal, cervical esophageal, and related functions (e.g., dysphasia,
12 including disorders of swallowing and oral function for feeding; oro-facial myofunctional disorders);

13 (iv) Cognitive aspects of communication (including communication disability and other
14 functional disabilities associated with cognitive impairment); and

15 (v) Social aspects of communication (including challenging behavior, ineffective social skills,
16 lack of communication opportunities).

17 (14) ~~"Speech language support personnel" means individuals who meet minimum qualifications~~
18 ~~established by the board, which are less than those established by this chapter as necessary for licensing~~
19 ~~as a speech language pathologist, who do not act independently, and who work under the direction and~~
20 ~~supervision of a speech language pathologist licensed under this chapter who has been actively working~~
21 ~~in the field for twenty four (24) months after completion of the postgraduate professional experience and~~
22 ~~who accepts the responsibility for the acts and performances of the speech language pathology assistant~~
23 ~~while working under this chapter. Speech language support personnel shall be registered with the board~~
24 ~~within thirty (30) days of beginning work, or the supervising speech language pathologist will be assessed~~
25 ~~a late filing fee as set forth in § 23-1-54.~~

26 **§ 5-48-9 Fees – Late filing – Inactive status – Filing fees for support personnel registration.**

27 – (a) The board may charge an application fee; a biennial license renewal fee payable before July 1 of
28 even years (biennially); or a provisional license renewal fee as set forth in § 23-1-54 payable annually
29 from the date of issue.

30 (b) Any person who allows his or her license to lapse by failing to renew it on or before the
31 thirtieth (30th) day of June of even years (biennially), may be reinstated by the board on payment of the
32 current renewal fee plus an additional late filing fee as set forth in § 23-1-54.

33 (c) An individual licensed as a speech language pathologist and/or audiologist in this state, not in
34 the active practice of speech-language pathology or audiology within this state during any year, may upon

1 request to the board, have his or her name transferred to an inactive status and shall not be required to
2 register biennially or pay any fee as long as he or she remains inactive. Inactive status may be maintained
3 for no longer than two (2) consecutive licensing periods, after which period licensure shall be terminated
4 and reapplication to the board shall be required to resume practice.

5 (d) Any individual whose name has been transferred to an inactive status may be restored to
6 active status within two (2) licensing periods without a penalty fee, upon the filing of:

7 (1) An application for licensure renewal, with a licensure renewal fee as set forth in § 23-1-54
8 made payable by check to the general treasurer of the state of Rhode Island; and

9 (2) Any other information that the board may request.

10 ~~(e) Audiology and speech language pathology support personnel shall be registered with the~~
11 ~~board within thirty (30) days of beginning work, or the supervising audiologist or speech language~~
12 ~~pathologist shall be assessed a late filing fee as set forth in § 23-1-54.~~

13 SECTION 14. Chapter 5-58 of the General Laws entitled "Auctioneers" is hereby repealed in its
14 entirety.

15 ~~**§ 5-58-1 Licensing of auctioneers and apprentices.** (a) Any person desiring to hold an~~
16 ~~auctioneer's license or apprentice auctioneer's permit shall make written application for that license or~~
17 ~~permit on appropriate forms provided by the director of the department of business regulations. Each~~
18 ~~applicant shall be a person who has a good reputation for honesty, truthfulness, and fair dealing; good~~
19 ~~moral character, and is competent and financially qualified to conduct the business of an auctioneer or~~
20 ~~apprentice all of which may be considered by the director along with any other information the director~~
21 ~~deems appropriate in determining whether the granting of the application is in the public interest. Other~~
22 ~~information deemed appropriate includes, but is not limited to, a criminal records check. The director~~
23 ~~shall process the criminal records check for all resident applicants for an auctioneer's license. Non-~~
24 ~~resident applicants for an auctioneer's license shall apply to the bureau of criminal identification of the~~
25 ~~state police for a nationwide criminal records check. The bureau of criminal identification of the state~~
26 ~~police shall forward the results of the criminal records check to the director. The director may deny any~~
27 ~~application for a license if the director finds, based upon the results of the criminal records check, that the~~
28 ~~applicant has been convicted of a felony. Each application for an auctioneer, apprentice auctioneer, or~~
29 ~~nonresident auctioneer's license shall be accompanied by an application fee of ten dollars (\$10.00).~~

30 ~~(b) Prior to the taking of the examination, each applicant shall pay an examination fee in an~~
31 ~~amount to be established by the director of business regulation. Each applicant granted an auctioneer's~~
32 ~~license shall pay a licensing fee of two hundred dollars (\$200) per annum. Each nonresident auctioneer~~
33 ~~applicant granted a license shall pay a licensing fee of three hundred dollars (\$300) per annum. Each~~
34 ~~applicant granted an apprentice auctioneer permit shall pay a permit fee of twenty dollars (\$20.00) per~~

1 ~~annum. There is a five dollar (\$5.00) charge for issuance of a duplicate license or permit to replace a lost,~~
2 ~~damaged, or destroyed original or renewal license or permit. Fees for the replacement and for an original~~
3 ~~or renewal license or permit shall be paid into the general fund. The director shall promulgate rules and~~
4 ~~regulations mandating the term of the license or permit for each category of license or permit issued~~
5 ~~pursuant to this chapter. No license or permit shall remain in force for a period in excess of three (3)~~
6 ~~years. The fee for the initial license or renewal shall be determined by multiplying the per annum fee by~~
7 ~~the number of years in the term of license or renewal. The entire fee for the full term of licensure must be~~
8 ~~paid in full prior to issuing the renewal or initial license.~~

9 ~~**§ 5-58-2 Auctioneer's and apprentice's bond.**— Every auctioneer, upon approval of application~~
10 ~~and prior to issuance of a license or an apprentice permit, shall deliver and file with the department of~~
11 ~~business regulation a surety company bond in favor of the people of the state of Rhode Island in the~~
12 ~~principle amount not exceeding ten thousand dollars (\$10,000) nor less than two thousand dollars (\$2,000),~~
13 ~~at the discretion of the director; and payable to any party injured under the terms of the bond. The bond~~
14 ~~does not limit or impact any right of recovery available pursuant to law nor is the amount of the bond~~
15 ~~relevant in determining the amount of damage or other relief to which any claimant shall be entitled.~~

16 ~~**§ 5-58-6 Announcement of conditions of sale.**— Every auctioneer before exposing any real or~~
17 ~~personal estate to public sale shall make out, in writing, and sign and publicly read the conditions of sale.~~

18 ~~**§ 5-58-7 Auctioneer's commission and apprentice's wage.**— Whenever the whole amount of~~
19 ~~sales at any public auction does not exceed four hundred dollars (\$400), the auctioneer has for making~~
20 ~~that sale two and one half percent (2 1/2%) commission; if the amount of the sale exceeds that sum and~~
21 ~~does not exceed twenty thousand dollars (\$20,000), he or she shall have only one percent (1%) on the~~
22 ~~excess; and if the amount of the sale does not exceed thirty thousand dollars (\$30,000), he or she shall~~
23 ~~have three fourths percent (3/4%) on the excess; and if the amount of the sale exceeds thirty thousand~~
24 ~~dollars (\$30,000), he or she has one fourth percent (1/4%) on the excess. Nothing contained in this~~
25 ~~section shall be construed to prevent any person interested in selling any property by auction from making~~
26 ~~a special contract with the auctioneer for selling the property. Notwithstanding the preceding, agreement~~
27 ~~to change the previously stated fee schedule may be made between auctioneers and either owners or~~
28 ~~consignees of owners, only if those changes are specifically agreed to, in writing, by the parties.~~
29 ~~Auctioneers shall enter into a written contract with owners or consignees of property sold at auction~~
30 ~~which contract shall establish terms for any remuneration paid to the auctioneer for his or her services. A~~
31 ~~copy of the contract shall be kept in the possession of the auctioneer for a period of three (3) years and~~
32 ~~shall be made available for inspection by the director at his or her discretion. Apprentices employed by~~
33 ~~licensed auctioneers in accordance with standards prescribed in regulations promulgated under this~~
34 ~~chapter shall be paid for their services at a rate not less than the minimum wage established by law. No~~

1 apprentice shall enter into a verbal or written contract or agreement for remuneration for services
2 rendered when remuneration is separate, apart from, or in addition to wages paid to the apprentice by the
3 employing auctioneer.

4 ~~§ 5-58-8 Regulation of sales.~~ The director of business regulation has the authority to
5 promulgate rules and regulations which are reasonable, proper, and necessary to enforce the provisions of
6 this chapter, to establish procedures for the preparation and processing of examinations, applications,
7 licenses, and permits for the conduct of auction sales; to deny, suspend, or revoke licenses, or permits, to
8 issue cease and desist orders, to assess administrative penalties of up to one thousand dollars (\$1,000) and
9 to establish procedures for renewals, appeals, hearings, and rulemaking proceedings.

10 ~~§ 5-58-9 Officers of mortgagee forbidden to act as auctioneer in foreclosure.~~ No officer of
11 any corporation shall act as an auctioneer in the foreclosure of any mortgage held by that corporation.

12 ~~§ 5-58-10 Penalty for violations.~~ Any person acting as auctioneer or apprentice auctioneer
13 without a license is guilty of a misdemeanor. Anyone who is convicted shall be punished by a fine not to
14 exceed five hundred dollars (\$500), or by imprisonment for a term not to exceed ninety (90) days, or both
15 the fine and imprisonment for each violation.

16 ~~§ 5-58-11 Severability.~~ If any provision of this chapter or any rule or regulation made, or the
17 application under this chapter to any person or circumstances, is held invalid by a court of competent
18 jurisdiction, the remainder of the chapter, rule, or regulation, and the application of that provision to other
19 persons or circumstances, shall not be affected.

20 SECTION 15. Chapter 5-59.1 of the General Laws entitled "Rhode Island Orthotics and
21 Prosthetics Practices" is hereby repealed in its entirety.

22 ~~§ 5-59.1-1 Legislative Intent.~~ The purpose of this chapter is to safeguard the public health to
23 regulate the practice of orthotics and prosthetics by untrained and unethical persons.

24 ~~§ 5-59.1-2 Short title.~~ This act shall be known and may be cited as "The Rhode Island
25 Orthotics and Prosthetics Practices Act".

26 ~~§ 5-59.1-3 Definitions.~~ As used in this chapter:

27 (1) "ABC" means the American Board for Certification in Orthotics and Prosthetics or its
28 successor agency.

29 (2) "BOC" means the Board for Orthotist/Prosthetist Certification or its successor agency.

30 (3) "Custom fabricated orthotics" or "custom made orthotics" means devices designed and
31 fabricated, in turn, from raw materials for a specific patient and require the generation of an image, form,
32 or mold that replicates the patient's body or body segment and, in turn, involves the rectification of an
33 image.

34 (4) "Department" means the Rhode Island department of health.

1 ~~(5) "Director" means the director of the department of health.~~

2 ~~(6) "Direct formed orthoses" means devices formed or shaped during the molding process~~
3 ~~directly on the patient's body or body segment.~~

4 ~~(7) "Licensed Orthotist" means a person licensed under this chapter to practice orthotics.~~

5 ~~(8) "Licensed Prosthetist" means a person licensed under this chapter to practice prosthetics.~~

6 ~~(9) "Off the shelf orthosis" means devices manufactured by companies registered with the~~
7 ~~Federal Food and Drug Administration other than devices designed for a particular person based on that~~
8 ~~particular person's condition.~~

9 ~~(10) "Orthosis" means a custom fabricated brace or support that is designed based on medical~~
10 ~~necessity. Orthosis does not include prefabricated or direct formed orthotic devices, as defined in this~~
11 ~~section, or any of the following assistive technology devices: commercially available knee orthoses used~~
12 ~~following injury or surgery; spastic muscle tone inhibiting orthoses; upper extremity adaptive equipment;~~
13 ~~finger splints; hand splints; wrist gauntlets; face masks used following burns; wheelchair seating that is an~~
14 ~~integral part of the wheelchair and not worn by the patient independent of the wheelchair; fabric or elastic~~
15 ~~supports; corsets; low temperature formed plastic splints; trusses; elastic hose; canes; crutches; cervical~~
16 ~~collars; dental appliances; and other similar devices as determined by the director, such as those~~
17 ~~commonly carried in stock by a pharmacy, department store, corset shop, or surgical supply facility.~~

18 ~~(11) "Orthotics" means the science and practice of evaluating, measuring, designing, fabricating,~~
19 ~~assembling, fitting, adjusting or, servicing, as well as providing the initial training necessary to~~
20 ~~accomplish the fitting of, an orthosis for the support, correction, or alleviation of neuromuscular or~~
21 ~~musculoskeletal dysfunction, disease, injury or deformity. The practice of orthotics encompasses~~
22 ~~evaluation, treatment, and consultation; with basic observational gait and postural analysis, orthotists~~
23 ~~assess and design orthoses to maximize function and provide not only the support but the alignment~~
24 ~~necessary to either prevent or correct deformity or to improve the safety and efficiency of mobility or~~
25 ~~locomotion, or both. Orthotic practice includes providing continuing patient care in order to assess its~~
26 ~~effect on the patient's tissues and to assure proper fit and function of the orthotic device by periodic~~
27 ~~evaluation.~~

28 ~~(12) "Orthotist" means an allied health professional who is specifically trained and educated to~~
29 ~~provide or manage the provision of a custom designed, fabricated, modified and fitted external orthosis to~~
30 ~~an orthotic patient, based on a clinical assessment and a physician's prescription, to restore physiological~~
31 ~~function and/or cosmesis, and certified by ABC or BOC.~~

32 ~~(13) "Physician" means a doctor of allopathic medicine (M.D.), osteopathic medicine (D.O.),~~
33 ~~podiatric medicine (D.P.M.), and chiropractic medicine (D.C.).~~

1 ~~(14) "Prefabricated orthoses" or "off shelf orthoses" means devices that are manufactured as~~
2 ~~commercially available stock items for no specific patient.~~

3 ~~(15) "Prosthesis" means an artificial limb that is alignable or, in lower extremity applications,~~
4 ~~capable of weight bearing. Prosthesis also means an artificial medical device that is not surgically~~
5 ~~implanted and that is used to replace a missing limb, appendage, or other external human body part~~
6 ~~including an artificial limb, hand, or foot. The term does not include artificial eyes, ears, noses, dental~~
7 ~~appliances, osotmy products, or devices such as eyelashes or wigs or artificial breasts.~~

8 ~~(16) "Prosthetics" means the science and practice of evaluation, measuring, designing,~~
9 ~~fabricating, assembling, fitting, aligning, adjusting or servicing, as well as providing the initial training~~
10 ~~necessary to accomplish the fitting of, a prosthesis through the replacement of external parts of a human~~
11 ~~body, lost due to amputation or congenital deformities or absences. The practice of prosthetics also~~
12 ~~includes the generation of an image, form, or mold that replicates the patient's body or body segment and~~
13 ~~that requires rectification of dimensions, contours and volumes for use in the design and fabrication of a~~
14 ~~socket to accept a residual anatomic limb to, in turn, create an artificial appendage that is designed either~~
15 ~~to support body weight or to improve or restore function or cosmesis, or both. Involved in the practice of~~
16 ~~prosthetics is observational gait analysis and clinical assessment of the requirements necessary to refine~~
17 ~~and mechanically fix the relative position of various parts of the prosthesis to maximize function,~~
18 ~~stability, and safety of the patient. The practice of prosthetics includes providing and continuing patient~~
19 ~~care in order to assess the prosthetic device's effect on the patient's tissues and to assure proper fit and~~
20 ~~function of the prosthetic device by periodic evaluation.~~

21 ~~(17) "Prosthetist" means a practitioner, certified by the ABC or BOC, who provides care to~~
22 ~~patients with partial or total absence of a limb by designing, fabricating, and fitting devices, known as~~
23 ~~prostheses. At the request of and in consultation with physicians, the prosthetist assists in formulation of~~
24 ~~prescriptions for prostheses, and examines and evaluates patients' prosthetic needs in relation to their~~
25 ~~disease entity and functional loss. In providing the prostheses, he or she is responsible for formulating its~~
26 ~~design, including selection of materials and components; making all necessary costs, measurements and~~
27 ~~model modifications; performing fittings including static and dynamic alignments; evaluating the~~
28 ~~prosthesis on the patient; instructing the patient in its use, and maintaining adequate patient records; all in~~
29 ~~conformity with the prescription.~~

30 ~~**§ 5-59.1-4 Licensing of practitioners.** The department shall issue to those persons eligible~~
31 ~~under the provisions of this chapter certificate licenses attesting to their qualifications to practice as~~
32 ~~certified licensed orthotists or prosthetists.~~

33 ~~**§ 5-59.1-5 Application for orthotic or prosthetic license.** Any person who desires to be~~
34 ~~licensed as set forth in § 5-59.1-4 shall in writing submit an application on forms provided by the~~

1 department for a license accompanied by a fee as set forth in § 23-1-54 with all other credentials that the
2 department requires and as required by this chapter. All the proceeds of any fees collected pursuant to the
3 provisions of this chapter shall be deposited as general revenues.

4 ~~§ 5-59.1-6 Qualifications for license.~~ (a) Qualification for licensing under this chapter shall be
5 the possession of the title "certified prosthetist" or "certified orthotist", as issued by and under the rules of
6 the American Board for Certification in Orthotics and Prosthetics, Inc. or the Board for
7 Orthotist/Prosthetist certification. Evidence of the possession of that title shall be presented to the
8 department.

9 (b) In order to qualify for a license to practice orthotics or prosthetics a person shall provide proof
10 of:

11 (1) Possession of a baccalaureate degree from an accredited college or university;

12 (2) Completion of an orthotic, or prosthetic education program that meets or exceeds the
13 requirements of the National Commission on Orthotic and Prosthetic Education;

14 (3) Completion of a clinical residency in orthotics and/or prosthetics that meets or exceeds the
15 standards of the National Commission on Orthotic and Prosthetic Education; and

16 (4) Current certification by ABC or BOC in the discipline for which the application corresponds.

17 ~~§ 5-59.1-7 Use of "licensed prosthetist" or "licensed orthotist" title.~~ No person offering
18 service to the public shall use the title licensed prosthetist or licensed orthotist or shall use the
19 abbreviation "L.P." or "L.O.", or in any other way represent themselves as licensed practitioners unless
20 they hold a current license as provided in this chapter.

21 ~~§ 5-59.1-8 Exceptions.~~ This chapter shall not be construed to prohibit:

22 (a) A physician licensed in this state from engaging in the practice for which he or she is licensed;

23 (b) The practice of orthotics or prosthetics by a person who is employed by the federal
24 government while in the discharge of the employee's official duties;

25 (c) The practice of orthotics or prosthetics by a resident continuing his or her clinical education in
26 a residency accredited by the National Commission on Orthotic and Prosthetic Education;

27 (d) Consistent with his or her license, a licensed pharmacist, physical or occupational therapist, or
28 certified athletic trainer from engaging in his or her profession; or

29 (e) Measuring, fitting, or adjusting an off the shelf orthosis by employees or authorized
30 representatives of an orthosis manufacturer, which is registered with the Federal Food and Drug
31 Administration when such employee or representative is supervised by a physician.

32 ~~§ 5-59.1-9 License and biannual renewal required.~~ No person may practice orthotics or
33 prosthetics without a license issued under authority of this chapter, which license has not been suspended
34 or revoked as provided under this chapter, without renewal biannually, as provided in § 5-59.1-12.

1 ~~§ 5-59.1-10 Grandfather clause.~~ Any person currently practicing full time in the state of
2 Rhode Island on January 1, 2007 in an orthotist and/or prosthetic facility as a certified BOC or ABC
3 orthotist and/or prosthetist must file an application for licensure prior to sixty (60) days after January 1,
4 2007 to continue practice at his or her identified level of practice. The applicant must provide verifiable
5 proof of active certification in orthotics and/or prosthetics by the ABC or BOC. This section shall not be
6 construed to grant licensing to a person who is a certified or registered orthotic or prosthetic "fitter" or
7 orthotic or prosthetic "assistant."

8 ~~§ 5-59.1-11 Limitation on provisions of care and services.~~ A licensed orthotist and/or
9 prosthetist may provide care and services only if care and services are provided pursuant to an order from
10 a licensed physician, unless the item which may be purchased without a prescription.

11 ~~§ 5-59.1-12 Relicensing — Renewal.~~ Every holder of a license issued under this chapter shall
12 biannually attest to the department as to current certification issued by the American Board of
13 Certification in Orthotics and Prosthetics or the Board for Orthotists/Prosthetist Certification. All licenses
14 issued under this chapter shall expire biannually on the last day of September of every odd numbered
15 year. A biennial renewal fee as set forth in § 23-1-54 shall be required. Every orthotist and prosthetist
16 shall conform to the standards of the American Board for Certification in Orthotics and Prosthetics or
17 Board for Orthotists/Prosthetists Certification.

18 ~~§ 5-59.1-13 Rules and regulations.~~ The department is authorized to promulgate such
19 regulations as it deems necessary to implement the provisions of this chapter.

20 ~~§ 5-59.1-14 Responsibilities of the department.~~ In addition to other authority provided by
21 law, the department has the authority to:

22 (1) Register applicants, issue licenses to applicants who have met the education, training and
23 requirements for licensure, and deny licenses to applicants who do not meet the minimum qualifications;

24 (2) Maintain the official department records of all applicants and licensees;

25 (3) Establish requirements and procedures for an inactive license; and

26 (4) Seek the advice and knowledge of the prosthetic and orthotic associations in this state on any
27 matter relating to the enforcement of this chapter.

28 ~~§ 5-59.1-15 Penalty for violations.~~ Any person, firm, corporation or association violating any
29 of the provisions of this chapter is deemed to have committed a misdemeanor and upon conviction shall
30 be punished by a fine not to exceed two hundred dollars (\$200), or imprisonment for a period not to
31 exceed three (3) months, or both, and for a second or subsequent violation by a fine of not less than three
32 hundred dollars (\$300) nor more than five hundred dollars (\$500), or imprisonment for one year, or both
33 the fine and imprisonment.

1 ~~§ 5-59.1-16 Severability.~~ If any provision of this chapter or of any rule or regulation made
2 under this chapter, or the application of this chapter to any person or circumstances, is held invalid by a
3 court of competent jurisdiction, the remainder of the chapter, rule or regulation, and the application of that
4 provision to other persons or circumstances shall not be affected.

5 ~~§ 5-59.1-17 Advisory Board of orthotics and prosthetics practice — Composition —~~
6 ~~Appointment and terms — Powers and duties.~~ (a) There is hereby created an advisory licensing board
7 to review applications for licensure to obtain a license as an orthotist or prosthetist pursuant to this
8 chapter of the general laws. The review of each applicant's licensing shall require that the applicant have
9 completed an NCOPE (National Commission on Orthotic and Prosthetic Education); accredited residency
10 under a board certified practitioner in the respective discipline; and meet all of the requirements of the
11 chapter. The board shall conduct its interviews and/or investigation and shall report its findings to the
12 director of the department of health.

13 (b) The licensing board shall be composed of three (3) persons: the director of the department of
14 health, or his or her designee; one board certified Rhode Island state licensed prosthetist; and one board
15 certified Rhode Island state licensed orthotist. The board certified orthotist and the board certified
16 prosthetist shall be certified by the American Board of Certification in orthotics and prosthetics and
17 licensed by the State of Rhode Island, shall serve for three (3) year terms and shall be selected by the
18 board of directors of the Rhode Island Society of Orthotists and Prosthetists, Inc. The members of the
19 board shall serve without compensation.

20 SECTION 16. Chapter 5-60 of the General Laws entitled "Athletic Trainers" is hereby repealed
21 in its entirety.

22 ~~§ 5-60-1 Short title.~~ This chapter shall be known and may be cited as the "Rhode Island
23 Athletic Trainers Chapter".

24 ~~§ 5-60-2 Definitions.~~ As used in this chapter:

25 (1) "Athletic trainer" means a person with the specific qualifications established in § 5-60-10
26 who, upon the direction of his or her team physician and/or consulting physician, carries out the practice
27 of athletic training to athletic injuries incurred by athletes in preparation of or participation in an athletic
28 program being conducted by an educational institution under the jurisdiction of an interscholastic or
29 intercollegiate governing body, a professional athletic organization, or a board sanctioned amateur athletic
30 organization; provided, that no athlete shall receive athletic training services if classified as geriatric by
31 the consulting physician. No athlete shall receive athletic training services if non athletic or age related
32 conditions exist or develop that render the individual debilitated or non athletic. To carry out these
33 functions, the athletic trainer is authorized to utilize modalities such as heat, light, sound, cold, electricity,
34 exercise, or mechanical devices related to care and reconditioning. The athletic trainer, as defined in this

1 chapter, shall not represent himself or herself or allow an employer to represent him or her to be, any
2 other classification of healthcare professional governed by a separate and distinct practice act. This
3 includes billing for services outside of the athletic trainer's scope of practice, including, but not limited to
4 services labeled as physical therapy.

5 (2) "Board" means the Rhode Island board of athletic trainers established under § 5-60-4.

6 (3) "Department of health" means the department of state under which the board of athletic
7 trainers is listed.

8 (4) "Director" means the director or state official in charge of the department of health.

9 ~~§ 5-60-3 Practices not authorized.~~ Nothing in this chapter shall be construed to authorize the
10 practice of medicine, or any of its branches, by any person not licensed by the department of health.

11 ~~§ 5-60-4 Board — Composition — Appointment, terms, oaths, and removal of members —~~
12 ~~Officers — Meetings.~~ (a) The director of the department of health, with the approval of the governor,
13 shall appoint the members of the Rhode Island board of athletic trainers, which shall be composed of
14 three (3) licensed athletic trainers and one public member and one physician licensed to practice medicine
15 and with an interest in sports medicine. In making appointments to the board, the director shall give
16 consideration to recommendations made by professional organizations of athletic trainers and physicians.
17 Each appointee shall be licensed and practicing in the state, except that the director in appointing the
18 athletic trainer members of the first board may appoint any practicing athletic trainer who possesses the
19 qualification required by § 5-60-10. To qualify as a member, a person must be a citizen of the United
20 States and a resident of the state for five (5) years immediately preceding appointment.

21 (b) The members of the board shall be appointed for terms of three (3) years which expire on
22 August 1 of even numbered years, except that in making the initial appointments the director shall
23 designate one member to serve one year, two (2) members to serve two (2) years, and two (2) members to
24 serve three (3) years. In the event of death, resignation, or removal of any member, the vacancy shall be
25 filled for the unexpired portion of the term in the same manner as the original appointment. The director
26 may remove any member for cause at any time prior to the expiration of his or her term. No member shall
27 serve for more than two (2) consecutive three (3) year terms.

28 (c) Each appointee to the board shall qualify by taking the constitutional oath of office within
29 thirty (30) days from the date of his or her appointment. On presentation of the oath, the director shall
30 issue commissions to appointees as evidence of their authority to act as members of the board.

31 (d) The board shall elect from its members for a term of one year, a chairperson, vice-
32 chairperson, and secretary-treasurer, and may appoint committees that it considers necessary to carry out
33 its duties. The board shall meet at least two (2) times a year. Additional meetings may be held on the call
34 of the chairperson or at the written request of any three (3) members of the board. The quorum required

1 for any meeting of the board shall be three (3) members. No action by the board or its members has any
2 effect unless a quorum of the board is present.

3 ~~§ 5-60-5 Board Powers and duties.~~ Subject to the approval of the director, the board has the
4 powers and duties to:

5 (1) ~~Make rules and regulations consistent with this chapter, which are necessary for the~~
6 ~~performance of its duties.~~

7 (2) ~~Prescribe application forms for license applicants.~~

8 (3) ~~Keep a complete record of all licensed athletic trainers and prepare annually a roster showing~~
9 ~~the names and addresses of all licensed athletic trainers, and make available a copy of the roster to any~~
10 ~~person requesting it on payment of a fee established by the department sufficient to cover the costs of the~~
11 ~~roster.~~

12 (4) ~~Keep a permanent record of all proceedings under this chapter.~~

13 (5) ~~Issue licenses to qualified applicants.~~

14 (6) ~~Conduct hearings to deny, revoke, suspend, or refuse renewal of licenses under this chapter,~~
15 ~~and issue subpoenas to compel witnesses to testify or produce evidence at the hearings.~~

16 ~~§ 5-60-9 License required to use title "athletic trainer".~~ No person may use the title
17 "athletic trainer" or perform the duties of an athletic trainer, unless licensed by the state of Rhode Island
18 to perform those duties.

19 ~~§ 5-60-10 Qualifications of athletic trainers.~~ (a) An applicant for an athletic trainer license
20 must possess one of the following qualifications:

21 (1) ~~Give proof of graduation from an accredited college or university and have met the following~~
22 ~~minimum athletic training curriculum requirements established by the board, by completing the following~~
23 ~~specific course requirements:~~

24 (i) ~~Human anatomy;~~

25 (ii) ~~Human physiology;~~

26 (iii) ~~Physiology of exercise;~~

27 (iv) ~~Applied anatomy and kinesiology;~~

28 (v) ~~Psychology (2 courses);~~

29 (vi) ~~First aid and CPR;~~

30 (vii) ~~Nutrition;~~

31 (viii) ~~Remedial exercise;~~

32 (ix) ~~Personal, community, and school health;~~

33 (x) ~~Techniques of athletic training;~~

34 (xi) ~~Advanced techniques of athletic training; and~~

1 ~~(xii) Clinical experience in accordance with national standards and as approved by the director.~~

2 ~~(2) Show proof acceptable to the board of education and experience of equal caliber to that~~
3 ~~specified in subdivision (1) of this subsection.~~

4 ~~(3) Have passed the required examination, approved by the department.~~

5 ~~(b) On and after January 1, 2004, an applicant for initial licensure shall be required to~~
6 ~~demonstrate:~~

7 ~~(1) Proof of graduation from an accredited college or university and shall have met minimum~~
8 ~~athletic training requirements as established by department regulation; and~~

9 ~~(2) Proof of having passed the required examination, approved by the department, and shall have~~
10 ~~been certified by the national certifying body recognized by the National Athletic Trainers Association~~
11 ~~(NATA).~~

12 ~~**§ 5-60-11 Fees.**— Applicants for athletic trainer licenses shall pay a license fee, and, if~~
13 ~~applicable, a biennial license renewal fee as set forth in § 23-1-54. Any person allowing their license to~~
14 ~~lapse shall pay a late fee as set forth in § 23-1-54.~~

15 ~~**§ 5-60-12 Applications for licenses.**— (a) An applicant for an athletic trainer license shall~~
16 ~~submit an application to the department on the prescribed forms and shall submit the fee listed in § 5-60-~~
17 ~~11.~~

18 ~~(b) The applicant shall be entitled to an athletic trainer license if he or she possesses the~~
19 ~~qualifications enumerated in § 5-60-10, pays the license fee established in § 5-60-11 and has not~~
20 ~~committed an act which constitutes grounds for denial of a license under § 5-60-14.~~

21 ~~**§ 5-60-13 Expiration and renewal of licenses.**— A license issued under this chapter shall expire~~
22 ~~on the thirtieth day of June of every odd-numbered year. Licenses shall be renewed according to~~
23 ~~procedures established by the department and upon payment of the renewal fees established in § 5-60-11.~~
24 ~~Beginning with the renewal application due July 1, 2003, and every renewal year thereafter, each licensed~~
25 ~~athletic trainer who wishes to continue licensure as an athletic trainer shall present satisfactory evidence~~
26 ~~to the board that he or she has completed the continuing education requirements established by the board~~
27 ~~through regulation.~~

28 ~~**§ 5-60-14 Grounds for refusal or revocation of licenses.**— The board may refuse to issue a~~
29 ~~license to an applicant or may suspend, revoke, or refuse to renew the license of any licensee if he or she~~
30 ~~has:~~

31 ~~(1) Been convicted of a felony or misdemeanor involving moral turpitude, the record of~~
32 ~~conviction being conclusive evidence of conviction if the department determines after investigation that~~
33 ~~the person has not been sufficiently rehabilitated to warrant the public trust;~~

34 ~~(2) Secured a license under this chapter by fraud or deceit; or~~

1 ~~(3) Violated or conspired to violate this chapter or rules or regulations issued pursuant to this~~
2 ~~chapter.~~

3 ~~**§ 5-60-15 Appeals.**—An appeal from any decision or order of the board may be taken by any~~
4 ~~aggrieved party in the manner provided for in the Administrative Procedures Act, chapter 35 of title 42.~~

5 ~~**§ 5-60-17 Penalty for violations.**—Any person who violates a provision of this chapter is guilty~~
6 ~~of a misdemeanor offense and upon conviction shall be punishable by a fine not less than twenty five~~
7 ~~dollars (\$25.00) nor more than five hundred dollars (\$500).~~

8 ~~**§ 5-60-18 Receipts.**—The proceeds of any fees collected pursuant to the provisions of this~~
9 ~~chapter shall be deposited as general revenues.~~

10 ~~**§ 5-60-19 Severability.**—If any provision of this chapter, or the application of this chapter to~~
11 ~~any person or circumstances, is held invalid, that invalidity shall not affect other provisions or application~~
12 ~~of the chapter which can be given effect without the invalid provision or application, and to this end the~~
13 ~~provisions of this chapter are declared to be severable.~~

14 SECTION 17. Sections 5-68.1-2, 5-68.1-5, 5-68.1-8, and 5-68.1-9 of the General Laws in
15 Chapter 5-68.1 entitled “Radiologic Technologists” are hereby amended to read as follows:

16 **§ 5-68.1-2 Definitions.** – As used in this chapter:

17 (1) "Authorized user" means a licensed practitioner who meets the training and experience
18 requirements defined in rules and regulations promulgated pursuant to chapter 23-1.3.

19 (2) "Board" means the board of radiologic technology.

20 (3) "Department" means the Rhode Island department of health.

21 (4) "Director" means the director of the Rhode Island department of health.

22 (5) "Financial interest" means being:

23 (i) A licensed practitioner of radiologic technology; or

24 (ii) A person who deals in goods and services that are uniquely related to the practice of
25 radiologic technology; or

26 (iii) A person who has invested anything of value in a business that provides radiologic
27 technology services.

28 (6) "License" means a license issued by the director to practice radiologic technology.

29 (7) "Licensed practitioner" means an individual licensed to practice medicine, chiropractic, or
30 podiatry, or an individual licensed as a registered nurse practitioner or physician assistant in this state.

31 (8) "Medical physicist" means an individual, other than a licensed practitioner, who practices
32 independently one or more of the subfields of medical physics, and is registered or licensed under rules
33 and regulations promulgated pursuant to section 23-1.3

1 (9) "National organization" means a professional association or registry, approved by the director,
2 that examines, registers, certifies or approves individuals and education programs relating to operators of
3 sources of radiation.

4 (10) "Nuclear medicine technologist" means an individual, other than a licensed practitioner, who
5 compounds, calibrates, dispenses and administers radiopharmaceuticals, pharmaceuticals, and
6 radionuclides under the general supervision of an authorized user for benefit of performing a
7 comprehensive scope of nuclear medicine procedures, and who has met and continues to meet the
8 licensure standards of this chapter.

9 (11) "Person" means any individual, corporation, partnership, firm, association, trust, estate,
10 public or private institution, group, agency, political subdivision of this state or any other state, or
11 political subdivision of any agency thereof and any legal successor, representative, agent or agency of the
12 foregoing.

13 (12) "Radiation therapist" means an individual, other than a licensed practitioner, who utilizes
14 ionizing radiation under the general supervision of an authorized user for the planning and delivery of
15 therapeutic procedures, and who has met and continues to meet the licensure standards of this chapter.

16 (13) "Radiology technologist" also known as a "radiographer" means an individual, other than a
17 licensed practitioner, who performs a comprehensive scope of diagnostic radiologic procedures under the
18 general supervision of a licensed practitioner using external ionizing radiation, resulting in radiographic
19 or digital images, and who has met and continues to meet the licensure standard of this chapter.

20 (14) "Radiologist" means a licensed practitioner specializing in radiology who is certified by or
21 eligible for certification by the American Board of Radiology or the American Osteopathic Board of
22 Radiology, the British Royal College of Radiology, or the Canadian College of Physicians and Surgeons.

23 ~~(15) "Radiologist assistant" means an individual, other than a licensed practitioner, who performs~~
24 ~~as an advanced level radiologic technologist and works under the general supervision of a radiologist to~~
25 ~~enhance patient care by assisting the radiologist in the medical imaging environment, and who has met~~
26 ~~and continues to meet the licensure standards of this chapter.~~

27 ~~(15+6)~~ "Source of radiation" means any substance or device emitting or capable of producing
28 ionizing radiation, for the purpose of performing therapeutic or diagnostic radiologic procedures on
29 human beings.

30 ~~(16+7)~~ "Student" means an individual enrolled in a course of study for medicine or radiologic
31 technology.

32 ~~(17+8)~~ "Supervision" means and includes:

33 (i) "Direct supervision" means supervision and control by a licensed practitioner who assumes
34 legal liability for the services rendered by the radiologic technologist, which supervision requires the

1 physical presence of the licensed practitioner for consultation and direction of the actions of the
2 radiologic technologist.

3 (ii) "General supervision" means supervision whereby a licensed practitioner, who assumes legal
4 liability for the services rendered, authorizes the services to be performed by the radiologic technologist,
5 which supervision, except in cases of emergency, requires the easy availability or physical presence of the
6 licensed practitioner for consultation and direction of the actions of the radiologic technologist.

7 **§ 5-68.1-5 Licensure standards.** – (a) The director shall develop standards for licensure of the
8 following categories of radiologic technology:

- 9 (1) Radiographer;
- 10 (2) Nuclear medicine technologist;
- 11 (3) Radiation therapist; and
- 12 ~~(4) Radiologist assistant.~~

13 (b) The director may promulgate rules and regulations which authorize additional categories of
14 licensure, consistent with a radiologic technology certification established by the American Registry of
15 Radiologic Technologists, the Nuclear Medicine Technology Certification Board or other national
16 organization.

17 (c) The director may promulgate rules and regulations that establish requirements for radiologic
18 technologist authorization to operate hybrid imaging modalities, including, but not limited to, a
19 combination nuclear medicine-computed tomography device.

20 **§ 5-68.1-8 Other licensing provisions.** – (a) Each radiologic technologist license issued by the
21 director shall only specify one category of radiologic technology. An individual qualified to practice more
22 than one category of radiologic technology shall submit a separate application for each category to be
23 licensed. Each radiologic technologist license issued by the director shall indicate, as appropriate, that the
24 individual is a licensed radiographer, a licensed nuclear medicine technologist, a licensed radiation
25 therapist, ~~a licensed radiologist assistant~~ or other category of radiologic technology license established by
26 the director pursuant to subsection 5-68.1-5(c).

27 (b) Unless licensed as a radiologic technologist pursuant to this chapter, no individual shall use
28 any title or abbreviation to indicate that the individual is a licensed radiologic technologist.

29 (1) An individual holding a license as a radiographer may use the title "Licensed Radiologic
30 Technologist-Radiographer" or the letters "LRT-R" after his or her name.

31 (2) An individual holding a license as a radiation therapy technologist may use the title "Licensed
32 Radiologic Technologist-Therapy" or the letters "LRT-T" after his or her name.

33 (3) An individual holding a license as a nuclear medicine technologist may use the title "Licensed
34 Radiologic Technologist-Nuclear Medicine" or the letters "LRT-N" after his or her name.

1 ~~(4) An individual holding a license as a radiologist assistant may use the title "Licensed~~
2 ~~Radiologist Assistant" or the letters "LRA" after his or her name.~~

3 (c) A valid license issued pursuant to this chapter shall be carried on the person of the radiologic
4 technologist while performing the duties for which the license is required.

5 (d) Licenses, with the exception of initial licenses, shall be issued for a period of two (2) years.

6 (e) The director shall promulgate rules and regulations which specify a renewal date for all
7 licenses issued pursuant to this chapter.

8 (f) The director shall promulgate rules and regulations which specify the minimum continuing
9 education credits required for renewal of a radiologic technologist license. Failure to attest to completion
10 of the minimum continuing education credits shall constitute grounds for revocation, suspension or
11 refusal to renew the license.

12 ~~**§ 5-68.1-9 Special requirements pertaining to licensure of radiologist assistants.**~~ (a) The
13 ~~director shall promulgate rules and regulations that delineate the specific duties allowed for a licensed~~
14 ~~radiologist assistant. These duties shall be consistent with guidelines adopted by the American College of~~
15 ~~Radiology, the American Society of Radiologic Technologists and the American Registry of Radiologic~~
16 ~~Technologists, with the level of supervision required by such guidelines.~~

17 (b) ~~A licensed radiologist assistant is specifically not authorized to:~~

18 (1) ~~Perform nuclear medicine or radiation therapy procedures unless currently licensed and~~
19 ~~trained to perform those duties under the individual's nuclear medicine technologist or radiation therapy~~
20 ~~technologist license;~~

21 (2) ~~Interpret images;~~

22 (3) ~~Make diagnoses; and~~

23 (4) ~~Prescribe medications or therapies.~~

24 SECTION 18. Section 16-11.1-1 of the General Laws in Chapter 16-11.1 entitled "Certification
25 of Athletic Coaches" is hereby amended to read as follows:

26 CHAPTER 16-11.1

27 Certification of Athletic Coaches

28 ~~**§ 16-11.1-1 Certification of athletic coaches — Athletic coaches - Red cross fFirst aid course**~~
29 ~~**required.**~~ – The department of elementary and secondary education shall promulgate rules and
30 regulations concerning the necessary requirements for first aid certification for any person who coaches in
31 any athletic program in any school supported wholly or in part by public money. ~~No person shall coach~~
32 ~~in any athletic program in any school supported wholly or in part by public money unless the person shall~~
33 ~~have acquired a certificate of qualification issued by or under the authority of the department of~~
34 ~~elementary and secondary education which indicates that the person has, no more than three (3) years~~

1 ~~prior to the application for certification, successfully completed the minimum of a red cross first aid~~
2 ~~course or a comparable course approved by the department of elementary and secondary education.~~
3 ~~Participating schools shall require annual proof of current and valid first aid training from all coaches in~~
4 ~~their athletic programs.~~

5 SECTION 19. Section 20-2-30 of the General Laws in Chapter 20-2 entitled "Licensing" is
6 hereby amended to read as follows:

7 **§ 20-2-30 Fur trapping and buying licenses.** - ~~(a)(1) Fur trapper – Resident: ten dollars~~
8 ~~(\$10.00);~~

9 ~~(2) Fur trapper – Non-resident: thirty dollars (\$30.00);~~

10 ~~(3) Fur buyer – Resident: ten dollars (\$10.00);~~

11 ~~(4) Fur buyer – Non-resident: thirty dollars (\$30.00).~~

12 (b) Fur trapper and fur buyer licenses expire on the last day of March of each year.

13 SECTION 20. Chapter 23-16.3 of the General Laws entitled "Clinical Laboratory Science
14 Practice" is hereby repealed in its entirety.

15 **§ 23-16.3-1 Short title.** ~~This chapter shall be known and may be cited as the "Clinical~~
16 ~~Laboratory Science Practice Act".~~

17 **§ 23-16.3-2 Declaration of policy and statement of purpose.** ~~It is declared to be a policy of~~
18 ~~the state that the practice of clinical laboratory science by health care professionals affects the public~~
19 ~~health, safety, and welfare and is subject to control and regulation in the public interest. It is further~~
20 ~~declared that clinical laboratories and clinical laboratory science practitioners provide essential services to~~
21 ~~practitioners of the healing arts by furnishing vital information which may be used in the diagnosis,~~
22 ~~prevention, and treatment of disease or impairment and the assessment of the health of humans. The~~
23 ~~purpose of this chapter is to provide for the better protection of public health by providing minimum~~
24 ~~qualifications for clinical laboratory science practitioners, and by ensuring that clinical laboratory tests are~~
25 ~~performed with the highest degree of professional competency by those engaged in providing clinical~~
26 ~~laboratory science services in the state.~~

27 **§ 23-16.3-3 Definitions.** ~~The following words and terms when used in this chapter have the~~
28 ~~following meaning unless otherwise indicated within the context:~~

29 (1) ~~"Accredited clinical laboratory program" means a program planned to provide a~~
30 ~~predetermined amount of instruction and experience in clinical laboratory science that has been accredited~~
31 ~~by one of the accrediting agencies recognized by the United States Department of Education.~~

32 (2) ~~"Board" means the clinical laboratory science board appointed by the director of health.~~

33 (3) ~~"Clinical laboratory" or "laboratory" means any facility or office in which clinical laboratory~~
34 ~~tests are performed.~~

1 ~~(4) "Clinical laboratory science practitioner" or "one who engages in the practice of clinical~~
2 ~~laboratory science" means a health care professional who performs clinical laboratory tests or who is~~
3 ~~engaged in management, education, consulting, or research in clinical laboratory science, and includes~~
4 ~~laboratory directors, supervisors, clinical laboratory scientists (technologists), specialists, and technicians~~
5 ~~working in a laboratory, but does not include persons employed by a clinical laboratory to perform~~
6 ~~supportive functions not related to direct performance of laboratory tests and does not include clinical~~
7 ~~laboratory trainees. Provided, however, nothing contained in this chapter shall apply to a clinical~~
8 ~~perfusionist engaged in the testing of human laboratory specimens for extracorporeal functions, which~~
9 ~~shall include those functions necessary for the support, treatment, measurement, or supplementation of the~~
10 ~~cardiopulmonary or circulatory system of a patient.~~

11 ~~(5) "Clinical laboratory scientist" and/or "technologist" means a person who performs clinical~~
12 ~~laboratory tests pursuant to established and approved protocols requiring the exercise of independent~~
13 ~~judgment and responsibility, maintains equipment and records, performs quality assurance activities~~
14 ~~related to test performance, and may supervise and teach within a clinical laboratory setting.~~

15 ~~(6) "Clinical laboratory technician" means a person who performs laboratory tests pursuant to~~
16 ~~established and approved protocols which require limited exercise of independent judgment and which~~
17 ~~are performed under the personal and direct supervision of a clinical laboratory scientist (technologist),~~
18 ~~laboratory supervisor, or laboratory director.~~

19 ~~(7) "Clinical laboratory test" or "laboratory test" means a microbiological, serological, chemical,~~
20 ~~hematological, radiobioassay, cytological, immunological, or other pathological examination which is~~
21 ~~performed on material derived from the human body, the test or procedure conducted by a clinical~~
22 ~~laboratory which provides information for the diagnosis, prevention, or treatment of a disease or~~
23 ~~assessment of a medical condition.~~

24 ~~(8) "Department" means the Rhode Island department of health.~~

25 ~~(9) "Director" means the director of the Rhode Island department of health.~~

26 ~~(10) "Limited function test" means a test conducted using procedures which as determined by the~~
27 ~~director have an insignificant risk of an erroneous result, including those which:~~

28 ~~(i) Have been approved by the United States Food and Drug Administration for home use;~~

29 ~~(ii) Employ methodologies that are so simple and accurate as to render the likelihood of~~
30 ~~erroneous results negligible; or~~

31 ~~(iii) The director has determined pose no reasonable risk of harm to the patient if performed~~
32 ~~incorrectly.~~

33 ~~**§ 23-16.3-4 Exceptions.** — This chapter shall not apply to:~~

1 ~~(1) Any person performing clinical laboratory tests within the scope of his or her practice and for~~
2 ~~which he or she is licensed pursuant to any other provisions of the general laws.~~

3 ~~(2) Clinical laboratory science practitioners employed by the United States government or any~~
4 ~~bureau, division, or agency of the United States government while in the discharge of the employee's~~
5 ~~official duties.~~

6 ~~(3) Clinical laboratory science practitioners engaged in teaching or research, provided that the~~
7 ~~results of any examination performed are not used in health maintenance, diagnosis, or treatment of~~
8 ~~disease.~~

9 ~~(4) Students or trainees enrolled in a clinical laboratory science education program provided that~~
10 ~~these activities constitute a part of a planned course in the program, that the persons are designated by~~
11 ~~title such as intern, trainee, or student, and the persons work directly under the supervision of an~~
12 ~~individual licensed by this state to practice laboratory science.~~

13 ~~(5) Individuals performing limited function tests.~~

14 ~~**§ 23-16.3-5 License required.** — (a) No person shall practice clinical laboratory science or hold~~
15 ~~himself or herself out as a clinical laboratory science practitioner in this state unless he or she is licensed~~
16 ~~pursuant to this chapter.~~

17 ~~(b) All persons who were engaged in the practice of clinical laboratory science on July 1, 1992,~~
18 ~~who are certified by or eligible for certification by an agency approved by the department of health, and~~
19 ~~who have applied to the department of health on or before July 1, 1994, and have complied with all~~
20 ~~necessary requirements for the application, may continue to perform clinical laboratory tests until July 1,~~
21 ~~1995 unless the application is denied by the department of health, or the withdrawal of the application,~~
22 ~~whichever occurs first.~~

23 ~~(c) Persons not meeting the education, training, and experience qualifications for any license~~
24 ~~described in this chapter may be considered to have met the qualifications providing they have:~~

25 ~~(1) Three (3) years acceptable experience between January 1, 1986 and January 1, 1996 and~~
26 ~~submits to the department of health the job description of the position which the applicant has most~~
27 ~~recently performed attested to by his or her employer and notarized; or~~

28 ~~(2) No less than twelve (12) years acceptable experience prior to 1993 and submits to the~~
29 ~~department of health the job description of the position which the applicant has most recently performed~~
30 ~~attested to by his or her employer and notarized on or before December 1, 2001.~~

31 ~~(d) After December 1, 2001, no initial license shall be issued until an applicant meets all of the~~
32 ~~requirements under this chapter, and successfully completes a nationally recognized certification~~
33 ~~examination, such as NCA, DHHS, ASCP, state civil service examination, or others including appropriate~~
34 ~~categorical and specialty exams. Provided, however, that the provisions of this subsection shall not be~~

1 available to any individual who has been previously denied a license as a clinical laboratory science
2 practitioner by the department of health.

3 ~~§ 23-16.3-6 Administration.~~ (a) There is created within the division of professional regulation
4 of the department of health a clinical laboratory advisory board which shall consist of seven (7) persons
5 who have been residents of the state for at least two (2) years prior to their appointment, and who are
6 actively engaged in their areas of practice. The director of the department of health, with the approval of
7 the governor, shall make appointments to the board from lists submitted by organizations of clinical
8 laboratory science practitioners and organizations of physicians and pathologists.

9 (b) The board shall be composed of:

10 (1) One physician certified by the American Board of Pathology or American Board of
11 Osteopathic Pathology;

12 (2) One physician who is not a laboratory director and is not a pathologist;

13 (3) Four (4) clinical laboratory science practitioners, at least one of whom is a non-physician
14 laboratory director, one of whom is a clinical laboratory scientist (technologist), and one of whom is a
15 clinical laboratory technician, and who, except for the initial appointments, hold active and valid licenses
16 as clinical laboratory science practitioners in this state and one of whom is a clinical laboratory science
17 practitioner not falling in one of the first three (3) categories; and

18 (4) One public member who is not associated with or financially interested in the practice of
19 clinical laboratory science.

20 (c) Board members shall serve for a term of three (3) years, and until their successors are
21 appointed and qualified, except that the initial appointments, which shall be made within sixty (60) days
22 after July 1, 1992, shall be as follows:

23 (1) One pathologist, one non-physician laboratory director, and one clinical laboratory scientist,
24 shall be appointed to serve for three (3) years;

25 (2) One public representative and one non-pathologist physician, shall be appointed to serve for
26 two (2) years; and

27 (3) The remaining members shall be appointed to serve for one year.

28 (d) The membership of the board shall receive no compensation for their services.

29 (e) Whenever a vacancy shall occur on the board by reason other than the expiration of a term of
30 office, the director of the department of health with the approval of the governor shall appoint a successor
31 of like qualifications for the remainder of the unexpired term. No person shall be appointed to serve more
32 than two (2) successive three (3) year terms.

33 ~~§ 23-16.3-7 Duties and powers of the clinical laboratory advisory board.~~ In addition to any
34 other power conferred upon the board pursuant to this chapter, the board shall recommend to the director:

1 ~~(1) Rules and regulations for the implementation of this chapter including, but not limited to,~~
2 ~~regulations that delineate qualifications for licensure of clinical laboratory science practitioners as defined~~
3 ~~in this chapter, specify requirements for the renewal of licensure, establish standards of professional~~
4 ~~conduct, and recommend on the amendment or on the repeal of the rules and regulations. Following their~~
5 ~~adoption, the rules and regulations shall govern and control the professional conduct of every person who~~
6 ~~holds a license to perform clinical laboratory tests or otherwise engages in the profession of clinical~~
7 ~~laboratory science;~~

8 ~~(2) Standard written, oral, or practical examinations for purposes of licensure of clinical~~
9 ~~laboratory science practitioners as provided for in § 23-16.3-5;~~

10 ~~(3) Rules and regulations governing qualifications for licensure of specialists in those clinical~~
11 ~~laboratory science specialties that the board may determine in accordance with § 23-16.3-8(e);~~

12 ~~(4) Rules and regulations governing personnel performing tests in limited function laboratories;~~

13 ~~(5) A schedule of fees for applications and renewals;~~

14 ~~(6) Establish criteria for the continuing education of clinical laboratory science practitioners as~~
15 ~~required for license renewal;~~

16 ~~(7) Any other rules and regulations necessary to implement and further the purpose of this~~
17 ~~chapter.~~

18 **§ 23-16.3-8 Standards for licensure.** — ~~(a) Clinical laboratory scientist (technologist). The~~
19 ~~department of health shall issue a clinical laboratory scientist's license to an individual who meets the~~
20 ~~qualifications developed by the board, including at least one of the following qualifications:~~

21 ~~(1) A baccalaureate degree in clinical laboratory science (medical technology) from an accredited~~
22 ~~college or university whose curriculum included appropriate clinical education;~~

23 ~~(2) A baccalaureate degree in biological, chemical, or physical science from an accredited college~~
24 ~~or university, and subsequent to graduation has at least twelve (12) months of appropriate clinical~~
25 ~~education in an accredited clinical laboratory science program;~~

26 ~~(3) A baccalaureate degree which includes a minimum of thirty six (36) semester (or equivalent)~~
27 ~~hours in the biological, chemical, and physical sciences from an accredited college or university plus two~~
28 ~~(2) years of full-time work experience including a minimum of four (4) months in each of the four (4)~~
29 ~~major disciplines of laboratory practice (clinical chemistry, clinical microbiology, hematology,~~
30 ~~immunology/immunohematology); or~~

31 ~~(4) A baccalaureate degree consisting of ninety (90) semester (or equivalent) hours, thirty six (36)~~
32 ~~of which must be in the biological, chemical, or physical sciences, from an accredited university, and~~
33 ~~appropriate clinical education in an accredited clinical laboratory science program.~~

1 ~~(5) A clinical laboratory scientist (technologist) who previously qualified under federal regulatory~~
2 ~~requirements such as 42 CFR § 493.1433 of the March 14, 1990 federal register or other regulations or~~
3 ~~criteria which may be established by the board.~~

4 ~~(b) Clinical laboratory technician. The department of health shall issue a clinical laboratory~~
5 ~~technician's license to an individual who meets the qualifications promulgated by the board, including at~~
6 ~~least one of the following qualifications:~~

7 ~~(1) An associate degree or completion of sixty (60) semester (or equivalent) hours from a clinical~~
8 ~~laboratory technician program (MLT or equivalent) accredited by an agency recognized by the United~~
9 ~~States Department of Education that included a structured curriculum in clinical laboratory techniques;~~

10 ~~(2) A high school diploma (or equivalent) and (i) completion of twelve (12) months in a~~
11 ~~technician training program in an accredited school such as CLA (ASCP) clinical laboratory assistant~~
12 ~~(American Society of Clinical Pathologists), and MLT-C medical laboratory technician certificate~~
13 ~~programs approved by the board; or (ii) successful completion of an official military medical laboratory~~
14 ~~procedure course of at least fifty (50) weeks duration and has held the military enlisted occupational~~
15 ~~specialty of medical laboratory specialist (laboratory technician); or~~

16 ~~(3) A clinical laboratory technician who previously qualified under federal regulatory~~
17 ~~requirements such as 42 CFR § 493.1441 of the March 14, 1990 federal register which meet or exceed the~~
18 ~~requirements for licensure set forth by the board.~~

19 ~~(c) Clinical histologic technician. The department of health shall issue a clinical histologic~~
20 ~~technician license to an individual who meets the qualifications promulgated by the board, including at~~
21 ~~least one of the following:~~

22 ~~(1) Associate degree or at least sixty (60) semester hours (or equivalent) from an accredited~~
23 ~~college/university to include a combination of mathematics and at least twelve (12) semester hours of~~
24 ~~biology and chemistry, and successfully complete an accredited program in histologic technique or one~~
25 ~~full year of training in histologic technique under the supervision of a certified histotechnologist or an~~
26 ~~appropriately certified histopathology supervisor with at least three (3) years experience.~~

27 ~~(2) High school graduation (or equivalent) and two (2) years full time acceptable experience~~
28 ~~under the supervision of a certified/licensed clinical histologic technician at a licensed clinical laboratory~~
29 ~~in histologic technique.~~

30 ~~(d) Cytotechnologist. The department of health shall issue a cytotechnologist license to an~~
31 ~~individual who meets the qualifications promulgated by the board including at least one of the following:~~

32 ~~(1) A baccalaureate degree from an accredited college or university with twenty (20) semester~~
33 ~~hours (30 quarter hours) of biological science, eight (8) semester hours (12 quarter hours) of chemistry,~~

1 and three (3) semester hours (4 quarter hours) of mathematics and successful completion of a twelve (12)
2 month cytotechnology program.

3 (2) A baccalaureate degree from an accredited college or university with twenty (20) semester
4 hours (30 quarter hours) of biological science, eight (8) semester hours (12 quarter hours) of chemistry,
5 and three (3) semester hours (4 quarter hours) of mathematics and five (5) years full-time acceptable
6 clinical laboratory experience including cytopreparatory techniques, microscopic analysis, and evaluation
7 of the body systems within the last ten (10) years. At least two (2) of these years must be subsequent to
8 the completion of the academic component and at least two (2) years must be under the supervision of a
9 licensed physician who is a pathologist, certified, or eligible for certification, by the American Board of
10 Pathology in anatomic pathology or has other suitable qualifications acceptable to the board.

11 (3) A cytotechnologist who previously qualified under federal regulatory requirements such as 42
12 CFR § 493.1437 of the March 14, 1990 federal register.

13 (e) The board shall recommend standards for any other clinical laboratory science practitioners
14 specializing in areas such as nuclear medical technology, radioimmunoassay, electron microscopy,
15 forensic science, molecular biology, or similar recognized academic and scientific disciplines with
16 approval of the director of health.

17 ~~§ 23-16.3-9 Waiver of requirements.~~ The board shall recommend regulations providing
18 procedures for waiver of the requirements of § 23-16.3-8 for all applicants who hold a valid license or its
19 equivalent issued by another state; provided that the requirements under which that license or its
20 equivalent was issued to meet or exceed the standards required by this chapter with the approval of the
21 director. The board may also recommend regulations it deems appropriate with respect to individuals who
22 hold valid licenses or their equivalent in other countries.

23 ~~§ 23-16.3-10 Licensure application procedures.~~ (a) Licensure applicants shall submit their
24 application for licensure to the department of health upon the forms prescribed and furnished by the
25 department of health, and shall pay the designated application or examination fee.

26 (b) Upon receipt of application and payment of a fee, the department of health shall issue a
27 license for a clinical laboratory scientist or technologist, a clinical laboratory technician, or an appropriate
28 specialty license to any person who meets the qualifications specified in this chapter and the regulations
29 promulgated under this chapter.

30 (c) The board may recommend a procedure for issuance of temporary permits to individuals
31 otherwise qualified under this chapter who intend to engage in clinical laboratory science practice in this
32 state for a limited period of time not to exceed eighteen (18) months.

33 (d) The board may recommend a procedure for issuance of provisional licenses to individuals
34 who otherwise qualify under this chapter but are awaiting the results of certification examinations. A

1 ~~provisional license so issued shall be converted to a license under the provisions of § 23-16.3-8 or expire~~
2 ~~not more than twelve (12) months after issuance. At the discretion of the board, the provisional license~~
3 ~~may be reissued at least one time with the director's approval.~~

4 ~~**§ 23-16.3-11 Licensure renewal.** (a) Licenses issued pursuant to this chapter shall expire on a~~
5 ~~date and time specified by the department of health.~~

6 ~~(b) Every person licensed pursuant to this chapter shall be issued a renewal license every two (2)~~
7 ~~years upon:~~

8 ~~(1) Submission of an application for renewal on a form prescribed by the department of health~~
9 ~~and payment of an appropriate fee recommended by the board; and~~

10 ~~(2) Proof of completion, in the period since the license was first issued or last renewed, of at least~~
11 ~~thirty (30) hours of continuing education courses, clinics, lectures, training programs, seminars, or other~~
12 ~~programs related to clinical laboratory practice which are approved or accepted by the board; or proof of~~
13 ~~re-certification by a national certification organization that mandates an annual minimum of fifteen (15)~~
14 ~~hours of continuing education, such as the National Certification Agency for Medical Laboratory~~
15 ~~Personnel.~~

16 ~~(c) The board may recommend any other evidence of competency it shall deem reasonably~~
17 ~~appropriate as a prerequisite to the renewal of any license provided for by this chapter, as long as these~~
18 ~~requirements are uniform as to application, are reasonably related to the measurement of qualification,~~
19 ~~performance, or competence, and are desirable and necessary for the protection of the public health.~~

20 ~~**§ 23-16.3-12 Disciplinary requirements.** The board may recommend to the director of health~~
21 ~~issuance, renewal, or revocation of a license, or suspension, placement on probation, censure, or~~
22 ~~reprimand of a licensee, or any other disciplinary action that the board may deem appropriate, including~~
23 ~~the imposition of a civil penalty, for conduct that may result from, but not necessarily be limited to:~~

24 ~~(1) A material misstatement in furnishing information to the department of health;~~

25 ~~(2) A violation or negligent or intentional disregard of this chapter, or of the rules or regulations~~
26 ~~promulgated under this chapter;~~

27 ~~(3) A conviction of any crime under the laws of the United States or any state or territory of the~~
28 ~~United States which is a felony or which is a misdemeanor, an essential element of which is dishonesty,~~
29 ~~or of any crime which is directly related to the practice of the profession;~~

30 ~~(4) Making any misrepresentation for the purpose of obtaining registration or violating any~~
31 ~~provision of this chapter;~~

32 ~~(5) Violating any standard of professional conduct adopted by the board;~~

33 ~~(6) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to~~
34 ~~deceive, defraud, or harm the public;~~

1 ~~(7) Providing professional services while mentally incompetent, under the influence of alcohol or~~
2 ~~narcotic or controlled dangerous substance that is in excess of therapeutic amounts or without valid~~
3 ~~medical indication;~~

4 ~~(8) Directly or indirectly contracting to perform clinical laboratory tests in a manner which offers~~
5 ~~or implies an offer of rebate, fee splitting inducements or arrangements, or other unlawful remuneration;~~
6 ~~or~~

7 ~~(9) Aiding or assisting another person in violating any provision of this chapter or any rule~~
8 ~~adopted under this chapter.~~

9 ~~**§ 23-16.3-13 Hearing requirements — Procedure.** — (a) The proceedings for the revocation,~~
10 ~~suspension or limiting of any license may be initiated by any person, corporation, association, or public~~
11 ~~officer or by the board by the filing of written charges with the board, but no license shall be revoked,~~
12 ~~suspended, or limited without a hearing before the board within sixty (60) days after the filing of written~~
13 ~~charges in accordance with the procedures established by the board. A license may be temporarily~~
14 ~~suspended without a hearing for the period not to exceed thirty (30) days upon notice to the licensee~~
15 ~~following a finding by the board that there exists a significant threat to the public health and approved by~~
16 ~~the director.~~

17 ~~(b) Any appeal from the action of the board shall be in accordance with the provisions of chapter~~
18 ~~35 of title 42.~~

19 ~~**§ 23-16.3-14 Roster of licenses.** — The department of health shall maintain a roster of the names~~
20 ~~and addresses of persons currently licensed and registered under the provision of this chapter, and of all~~
21 ~~persons whose licenses have been suspended or revoked within the previous year.~~

22 ~~**§ 23-16.3-15 Receipts.** — The proceeds of any fees collected pursuant to the provisions of this~~
23 ~~chapter shall be deposited as general revenues.~~

24 ~~**§ 23-16.3-16 Severability.** — If any provision of this chapter or the application of any provision~~
25 ~~to any person or circumstance shall be held invalid, that invalidity shall not affect the provisions or~~
26 ~~application of this chapter which can be given effect without the invalid provision or application, and to~~
27 ~~this end the provisions of the chapter are declared to be severable.~~

28 SECTION 21. Chapter 23-19.3 of the General Laws entitled “Sanitarians” is hereby repealed in
29 its entirety.

30 ~~**§ 23-19.3-1 Definitions.** — The following words as used in this chapter shall, unless the context~~
31 ~~requires otherwise, have the following meanings:~~

32 ~~(1) "Division" means the division of professional regulation in the department of health.~~

1 ~~(2) "Sanitarian" means a person with broad basic education experience in the field of~~
2 ~~environmental health sciences and technology, and who is qualified to carry out instructional and~~
3 ~~surveillance duties and enforce the laws in the field of environmental health.~~

4 ~~**§ 23-19.3-2 Division of professional regulation — Powers and duties.** — The division of~~
5 ~~professional regulation shall have the following powers and duties:~~

6 ~~(1) To prepare and establish regulations governing registration of sanitarians.~~

7 ~~(2) To appoint persons to prepare and administer examinations to applicants for registration as~~
8 ~~sanitarian.~~

9 ~~**§ 23-19.3-3 Qualification for registration.** — The division of professional regulation shall~~
10 ~~establish the minimum educational and experience qualifications which applicants must possess before~~
11 ~~being allowed to take the examinations for registration as sanitarians and may, in a similar manner,~~
12 ~~provide for the issuance of certificates of registration without examination to persons holding certificates~~
13 ~~of registration or licenses as sanitarians under the laws of another state, where the requirements are~~
14 ~~substantially equivalent or exceed the requirements of this state.~~

15 ~~**§ 23-19.3-4 Ad hoc committee.** — The director of health may establish, as the director deems~~
16 ~~necessary, an ad hoc committee of three professional environmental health scientists who are registered~~
17 ~~sanitarians with 10 or more years' experience in the field of environmental health services to assist the~~
18 ~~division of professional regulation in establishing any standards deemed necessary to carry out the~~
19 ~~provisions of this chapter.~~

20 ~~**§ 23-19.3-5 Application for registration — Examination — Issuance of certificate.** — (a) A~~
21 ~~person who desires to be registered as a sanitarian shall file with the division of professional regulation an~~
22 ~~application upon a form to be prescribed and furnished by the division of professional regulation. He or~~
23 ~~she shall include in the application, under oath, his or her qualifications as a sanitarian. The application~~
24 ~~shall be accompanied by a registration fee as set forth in § 23-1-54.~~

25 ~~(b) If the division of professional regulation deems the education qualifications of the applicant~~
26 ~~are satisfactory and if he or she passes an examination, both written and oral, satisfactory to the division~~
27 ~~of professional regulation, the division shall issue him or her a certificate of registration. The certificate of~~
28 ~~registration shall expire at the end of the calendar year, and may be renewed on or before January~~
29 ~~fifteenth (15th) of the following year. The fee for renewal of a certificate of registration shall be as set~~
30 ~~forth in § 23-1-54.~~

31 ~~**§ 23-19.3-6 Designation of registered sanitarian.** — Any person to whom a certificate of~~
32 ~~registration as a sanitarian has been issued shall have the right to use after his name the title "registered~~
33 ~~sanitarian" or the letters "R.S." No other person shall assume the title or use the letters or any other words,~~
34 ~~letters, or writing to indicate that he or she is a registered sanitarian.~~

1 ~~§ 23-19.3-7 Restricted receipts.~~ From the proceeds of any fees collected pursuant to the
2 provisions of this chapter, there is created a restricted receipts account which shall be used for the general
3 purposes of the division of professional regulation within the Rhode Island department of health.

4 (a) No person, firm, corporation, partnership, or association shall engage in the business of
5 pumping, cleaning, and/or transporting septage, industrial wastes, or oil waste unless a license is obtained
6 from the department of environmental management.

7 (b) Any person, firm, corporation, partnership or association who desires to engage in this
8 business shall submit in writing in any form as is required by the department, an application for a license
9 to engage in this business.

10 SECTION 22. Chapter 23-20.8.1 of the General Laws entitled "Registration of Music Therapists"
11 is hereby repealed in its entirety.

12 ~~§ 23-20.8.1-1 Definitions.~~ As used in this chapter:

13 (1) ~~"Board certified music therapist" means an individual who has completed the education and~~
14 ~~clinical training requirements established by the American Music Therapy Association; has passed the~~
15 ~~certification board for music therapists certification examination; or transitioned into board certification,~~
16 ~~and remains actively certified by the certification board for music therapists.~~

17 (2) ~~"Music therapist" means a person registered to practice music therapy pursuant to this chapter.~~

18 (3) ~~"Music therapy" means the clinical and evidence based use of music interventions to~~
19 ~~accomplish individualized goals within a therapeutic relationship through an individualized music therapy~~
20 ~~treatment plan for the client that identifies the goals, objectives, and potential strategies of the music~~
21 ~~therapy services appropriate for the client using music therapy interventions, which may include music~~
22 ~~improvisation, receptive music listening, song writing, lyric discussion, music and imagery, music~~
23 ~~performance, learning through music, and movement to music. Music therapy is a distinct and separate~~
24 ~~profession from other licensed, certified, or regulated professions, including speech language pathology.~~
25 ~~The practice of music therapy does not include the diagnosis of any physical, mental, or communication~~
26 ~~disorder. This term may include:~~

27 (i) ~~Accepting referrals for music therapy services from medical, developmental, mental health, or~~
28 ~~education professionals; family members; clients; or caregivers. Before providing music therapy services~~
29 ~~to a client for a medical, developmental, or mental health condition, the registrant shall collaborate, as~~
30 ~~applicable, with the client's physician, psychologist, or mental health professional to review the client's~~
31 ~~diagnosis, treatment needs, and treatment plan. During the provision of music therapy services to a client,~~
32 ~~the registrant shall collaborate, as applicable, with the client's treatment team;~~

1 ~~(ii) Conducting a music therapy assessment of a client to collect systematic, comprehensive, and~~
2 ~~accurate information necessary to determine the appropriate type of music therapy services to provide for~~
3 ~~the client;~~

4 ~~(iii) Developing an individualized music therapy treatment plan for the client;~~

5 ~~(iv) Carrying out an individualized music therapy treatment plan that is consistent with any other~~
6 ~~medical, developmental, mental health, or educational services being provided to the client;~~

7 ~~(v) Evaluating the client's response to music therapy and the individualized music therapy~~
8 ~~treatment plan and suggesting modifications, as appropriate;~~

9 ~~(vi) Developing a plan for determining when the provision of music therapy services is no longer~~
10 ~~needed in collaboration with the client, any physician, or other provider of healthcare or education of the~~
11 ~~client, any appropriate member of the family of the client, and any other appropriate person upon whom~~
12 ~~the client relies for support;~~

13 ~~(vii) Minimizing any barriers so that the client may receive music therapy services in the least~~
14 ~~restrictive environment; and~~

15 ~~(viii) Collaborating with and educating the client and the family or caregiver of the client or any~~
16 ~~other appropriate person about the needs of the client that are being addressed in music therapy and the~~
17 ~~manner in which the music therapy addresses those needs.~~

18 ~~(4) "Office" means the department of health.~~

19 ~~(5) "Director" means the director of the department of health or his or her designee.~~

20 ~~**§ 23-20.8.1-2 Applicability and scope.**— After January 1, 2015, a person shall not practice~~
21 ~~music therapy or represent himself or herself as being able to practice music therapy in this state unless~~
22 ~~the person is registered pursuant to this chapter. Nothing in this chapter may be construed to prohibit or~~
23 ~~restrict the practice, services, or activities of the following:~~

24 ~~(1) Any person licensed, certified, or regulated under the laws of this state in another profession~~
25 ~~or occupation or personnel supervised by a licensed professional in this state performing work, including~~
26 ~~the use of music, incidental to the practice of his or her licensed, certified, or regulated profession or~~
27 ~~occupation, if that person does not represent himself or herself as a music therapist; or~~

28 ~~(2) Any person whose training and national certification attests to the individual's preparation and~~
29 ~~ability to practice his or her certified profession or occupation if that person does not represent himself or~~
30 ~~herself as a music therapist.~~

31 ~~(3) Any practice of music therapy as an integral part of a program of study for students enrolled~~
32 ~~in an accredited music therapy program if the student does not represent himself or herself as a music~~
33 ~~therapist.~~

1 ~~(4) Any person who practices music therapy under the supervision of a registered music therapist~~
2 ~~if the person does not represent himself or herself as a music therapist.~~

3 ~~**§ 23-20.8.1-3 Issuance of registration — Minimum qualifications.**~~ (a) The director shall issue
4 a registration to an applicant for a music therapy registration when such applicant has completed and
5 submitted an application, upon a form and in such manner as the director prescribes, accompanied by
6 applicable fees, and evidence satisfactory to the director that:

7 ~~(1) The applicant is at least eighteen (18) years of age;~~

8 ~~(2) The applicant holds a bachelor's degree or higher in music therapy, or its equivalent, from a~~
9 ~~program approved by the American Music Therapy Association, or any successor organization within an~~
10 ~~accredited college or university;~~

11 ~~(3) The applicant successfully completes a minimum of twelve hundred (1,200) hours of clinical~~
12 ~~training, with at least one hundred eighty (180) hours in pre-internship experiences and at least nine~~
13 ~~hundred (900) hours in internship experiences; provided that the internship is approved by an academic~~
14 ~~institution, the American Music Therapy Association or its successor association, or both;~~

15 ~~(4) The applicant is in good standing based on a review of the applicant's music therapy practice~~
16 ~~history in other jurisdictions, including a review of any alleged misconduct or neglect in the practice of~~
17 ~~music therapy on the part of the applicant;~~

18 ~~(5) The applicant provides proof of passing the examination for board certification offered by the~~
19 ~~certification board for music therapists, or any successor organization, or provides proof of being~~
20 ~~transitioned into board certification, and provides proof that the applicant is currently a board-certified~~
21 ~~music therapist.~~

22 ~~(b) The director shall issue a registration to an applicant for a music therapy registration when~~
23 ~~such applicant has completed and submitted an application upon a form, and in such manner as the~~
24 ~~director prescribes, accompanied by applicable fees, and evidence satisfactory to the director that the~~
25 ~~applicant is registered and in good standing as a music therapist in another jurisdiction where the~~
26 ~~qualifications required are equal to, or greater than, those required in this chapter at the date of~~
27 ~~application.~~

28 ~~**§ 23-20.8.1-4 Suspension and revocation of registration.**~~ (a) Every registration issued under
29 this chapter shall be renewed biennially. A registration shall be renewed upon payment of a renewal fee if
30 the applicant is not in violation of any of the terms of this chapter at the time of application for renewal.
31 The following shall also be required for registration renewal: proof of maintenance of the applicant's
32 status as a board-certified music therapist.

33 ~~(b) A registrant shall inform the director of any changes to his or her address. Each registrant~~
34 ~~shall be responsible for timely renewal of his or her registration.~~

1 ~~(c) Failure to renew a registration shall result in forfeiture of the registration. Registrations that~~
2 ~~have been forfeited may be restored within one year of the expiration date upon payment of renewal and~~
3 ~~restoration fees. Failure to restore a forfeited registration within one year of the date of its expiration shall~~
4 ~~result in the automatic termination of the registration and the director may require the individual to~~
5 ~~reapply for registration as a new applicant.~~

6 ~~**§ 23-20.8.1-5 Waiver of examination.**—The director shall waive the examination requirement~~
7 ~~for an applicant until January 1, 2015, who is:~~

8 ~~(1) A board-certified music therapist; or~~

9 ~~(2) Designated as a registered music therapist, certified music therapist, or advanced-certified~~
10 ~~music therapist and in good standing with the national music therapy registry.~~

11 ~~**§ 23-20.8.1-6 Rules and regulations.**—The director is authorized to adopt, modify, repeal, and~~
12 ~~promulgate rules and regulations in accordance with the purposes of this chapter, and only after~~
13 ~~procedures in accordance with the administrative procedures act (chapter 35 of title 42) have been~~
14 ~~followed. The director is further authorized to assess fees for registrations issued in accordance with rules~~
15 ~~and regulations promulgated pursuant to the authority conferred by this chapter, provided that those fees~~
16 ~~are assessed only after procedures in accordance with the administrative procedures act (chapter 35 of~~
17 ~~title 42) have been followed. All fees shall be deposited into the general fund as general revenue.~~

18 SECTION 23. Section 23-22.5-1 of the General Laws in Chapter 23-22.5 entitled “Drowning
19 Prevention and Lifesaving” is hereby amended to read as follows:

20 ~~**§ 23-22.5-1 Rules, regulations, and orders – Facilities to which applicable.** – (a) The~~
21 ~~department of environmental management is authorized and empowered to adopt and prescribe rules of~~
22 ~~procedure and regulations and to amend, change, and/or repeal these rules and regulations and make any~~
23 ~~orders and perform any actions that it may deem necessary to the proper administration and supervision of~~
24 ~~drowning prevention, lifesaving, first aid and safety personnel and equipment of all camps, camp grounds,~~
25 ~~bathhouses, bathing resorts, beachside motels or boarding houses, beachside parking areas, swimming~~
26 ~~pools, other beach and swimming areas, surfing areas, amusement parks, and skiing areas which serve all~~
27 ~~and/or any part of the general public by fee, membership, or invitation. The provisions of this chapter~~
28 ~~shall not apply to facilities maintained by a person without charge or assessment to the general public and~~
29 ~~which are for the sole use of his or her family, private guests, or tenants.~~

30 ~~(b) The department shall charge an annual fee of ten dollars (\$10.00) for lifeguard certification~~
31 ~~required by the rules and regulations. The funds shall be appropriated to the “user fees at state beaches,~~
32 ~~parks and recreation areas—development fund” established under § 42-17.1-29.~~

33 SECTION 24. Section 41-5-21 of the General Laws in Chapter 41-5 entitled “Boxing and
34 Wrestling” is hereby amended to read as follows:

1 surcharge will be ten dollars (\$10.00) from July 1, 2013 through June 30, 2014, twenty dollars (\$20.00)
2 from July 1, 2014 through June 30, 2015, and thirty dollars (\$30.00) from July 1, 2015 through June 30,
3 2016 and each year thereafter.

4 (i) For owners of vehicles or trucks with the following plate types, the surcharge shall be as set
5 forth below and shall be paid in full in order to register the vehicle or truck and upon each subsequent
6 renewal:

7 Plate Type Surcharge

8 Antique \$5.00

9 Farm \$10.00

10 Motorcycle \$13.00

11 (ii) For owners of trailers, the surcharge shall be one-half (1/2) of the biennial registration amount
12 and shall be paid in full in order to register the trailer and upon each subsequent renewal.

13 (2) There is imposed a surcharge of fifteen dollars (\$15.00) per vehicle or truck, other than those
14 with specific registrations set forth in subsection (b)(2)(i) below, for those vehicles or trucks subject to
15 annual registration, to be paid annually by each vehicle or truck owner in order to register that owner's
16 vehicle, trailer or truck and upon each subsequent annual registration. This surcharge will be phased in at
17 the rate of five dollars (\$5.00) each year. The total surcharge will be five dollars (\$5.00) from July 1,
18 2013 through June 30, 2014, ten dollars (\$10.00) from July 1, 2014 through June 30, 2015, and fifteen
19 dollars (\$15.00) from July 1, 2015 through June 30, 2016 and each year thereafter.

20 (i) For registrations of the following plate types, the surcharge shall be as set forth below and
21 shall be paid in full in order to register the plate, and upon each subsequent renewal:

22 Plate Type Surcharge

23 Boat Dealer \$6.25

24 Cycle Dealer \$6.25

25 In-transit \$5.00

26 Manufacturer \$5.00

27 New Car Dealer \$5.00

28 Used Car Dealer \$5.00

29 Racer Tow \$5.00

30 Transporter \$5.00

31 Bailee \$5.00

32 (ii) For owners of trailers, the surcharge shall be one-half (1/2) of the annual registration amount
33 and shall be paid in full in order to register the trailer and upon each subsequent renewal.

1 (iii) For owners of school buses, the surcharge will be phased in at the rate of six dollars and
2 twenty-five cents (\$6.25) each year. The total surcharge will be six dollars and twenty-five cents (\$6.25)
3 from July 1, 2013 through June 30, 2014 and twelve dollars and fifty cents (\$12.50) from July 1, 2014
4 through June 30, 2015 and each year thereafter.

5 (3) There is imposed a surcharge of thirty dollars (\$30.00) per license to operate a motor vehicle
6 to be paid every five (5) years by each licensed operator of a motor vehicle. This surcharge will be phased
7 in at the rate of ten dollars (\$10.00) each year. The total surcharge will be ten dollars (\$10.00) from July
8 1, 2013 through June 30, 2014, twenty dollars (\$20.00) from July 1, 2014 through June 30, 2015, and
9 thirty dollars (\$30.00) from July 1, 2015 through June 30, 2016 and each year thereafter. In the event that
10 a license is issued or renewed for a period of less than five (5) years, the surcharge will be prorated
11 according to the period of time the license will be valid.

12 (c) All funds collected pursuant to this section shall be deposited in the Rhode Island highway
13 maintenance account and shall be used only for the purposes set forth in this chapter.

14 (d) Unexpended balances and any earnings thereon shall not revert to the general fund but shall
15 remain in the Rhode Island highway maintenance account. There shall be no requirement that monies
16 received into the Rhode Island highway maintenance account during any given calendar year or fiscal
17 year be expended during the same calendar year or fiscal year.

18 (e) The Rhode Island highway maintenance account shall be administered by the director, who
19 shall allocate and spend monies from the fund only in accordance with the purposes and procedures set
20 forth in this chapter.

21 (4) All fees assessed pursuant to § 31-47.1-11, and chapters 3, 6, 10, and 10.1 of title 31 shall be
22 deposited into the Rhode Island highway maintenance account effective July 1, 2016, provided that for
23 fiscal years ~~2016~~, 2017 and 2018 these fees be transferred as follows:

24 ~~(i) From July 1, 2015 through June 30, 2016, twenty five percent (25%) will be deposited;~~

25 ~~(ii)~~ (i) From July 1, 2016 through June 30, 2017, seventy-five percent (75%) will be deposited;

26 and

27 ~~(iii)~~ (ii) From July 1, 2017 and each year thereafter, one hundred percent (100%) will be
28 deposited;

29 (5) All remaining funds from previous general obligation bond issues that have not otherwise
30 been allocated.

31 SECTION 2. This article shall take effect as of July 1, 2015.

32 ARTICLE 22

33 RELATING TO PERSONNEL REFORM

34 SECTION 1. Section 16-59-22 of the General Laws in Chapter 16-59 entitled "Board of

1 Governors for Higher Education” is hereby amended to read as follows:

2 **§ 16-59-22 Applicability of merit system – Teacher certification – List of positions**
3 **transferable to classified service.** – (a) The appointment, promotion, salaries, tenure, and dismissal of all
4 employees of the Rhode Island board of governors for higher education including all administrative,
5 instructional, and research employees, and secretarial, maintenance and services employees ~~not exceeding~~
6 ~~ten (10) in number,~~ of the state colleges and university, as well as the office of higher education, shall not
7 be subject in any manner or degree to control by the personnel administrator, or merit system law, chapter
8 4 of title 36, or by any officer or board other than the council on postsecondary education. ~~The~~
9 ~~certification of teachers at the University of Rhode Island is abolished, except for teachers that elect to~~
10 ~~come or remain under it.~~

11 ~~(b) All positions that are exempt from the Merit System Law, chapter 4 of title 36, which become~~
12 ~~vacant or that are to be established, must be forwarded to the personnel administrator, who in consultation~~
13 ~~with the deputy assistant commissioner of education in charge of personnel and labor relations shall~~
14 ~~determine whether the position(s) in question shall remain in the council on postsecondary education non-~~
15 ~~classified service or be established in the classified service of the state.~~

16 ~~(c) No position presently in the classified service of the state subject to the Merit System Law,~~
17 ~~chapter 4 of title 36, shall be changed or modified so as to establish the position in the council on~~
18 ~~postsecondary education non-classified service.~~

19 ~~(d) Faculty positions, presidents, vice presidents, deans, assistant deans, and student employees of~~
20 ~~the higher education institutions shall not be covered by the preceding provisions and shall remain in the~~
21 ~~council on postsecondary education non-classified service.~~

22 SECTION 2. Section 36-3-10 of the General Laws in Chapter 36-3 entitled “Division of
23 Personnel Administration” is hereby amended to read as follows:

24 **§ 36-3-10 Appeals to appeal board.** – (a) The personnel appeal board shall hear appeals:

25 (1) By any person with provisional, probationary, or permanent status in a position in the
26 classified service aggrieved by an action of the administrator of adjudication for the department of
27 administration on matters of personnel administration.

28 (2) By any person with provisional, probationary, or permanent status in a position in the
29 classified service who has been discharged, demoted, suspended, or laid off by any appointing authority.

30 (3) By any person who holds the belief that he or she has been discriminated against because of
31 his or her race, sex, age, disability, or his or her political or religious beliefs in any personnel action.

32 (4) By any person who by the personnel policy of the state of Rhode Island or by contractual
33 agreement with the state of Rhode Island is vested with the right of appeal to the board.

34 (b) Appeals shall be taken in accordance with the provisions of this chapter and chapter 4 of this

1 title of the personnel rules provided, however, that the personnel appeal board may dismiss the appeal of a
2 person who has already appealed or seeks to appeal the same matter under provisions of a contractual
3 agreement or other law or regulation.

4 (c) An action of the personnel administrator or an appointing authority which is appealable to the
5 personnel appeal board pursuant to this chapter or chapter 36-4 of this title may be reversed or modified
6 on appeal to the personnel appeal board only if the board finds the action to have been arbitrary,
7 capricious, or contrary to rule or law

8 SECTION 3. Sections 36-4-2, 36-4-7, 36-4-16.5, 36-4-17.2, 36-4-24, 36-4-25, 36-4-28, 36-4-29,
9 36-4-37, and 36-4-42 of the General Laws in Chapter 36-4 entitled “Merit System” are hereby amended
10 to read as follows:

11 **§ 36-4-2 Positions in unclassified service.** – The classified service shall comprise all positions
12 in the state service now existing or hereinafter established, except the following specific positions which
13 with other positions heretofore or hereinafter specifically exempted by legislative act shall constitute the
14 unclassified service:

15 (1) Officers and legislators elected by popular vote and persons appointed to fill vacancies in
16 elective offices.

17 (2) Employees of both houses of the general assembly.

18 (3) Officers, secretaries, and employees of the office of the governor, office of the lieutenant
19 governor, department of state, department of the attorney general, and the treasury department.

20 (4) Members of boards and commissions appointed by the governor, members of the state board
21 of elections and the appointees of the board, members of the commission for human rights and the
22 employees of the commission, and directors of departments.

23 (5) The following specific offices:

24 (i) In the department of administration: director, chief information officer; director of office of
25 management and budget, ~~and~~ director of performance management; and in the health benefits exchange
26 created by executive order 11-09 and funded in the state budget: director, deputy director, administrative
27 assistant, senior policy analyst, chief strategic planning monitoring and evaluation;

28 (ii) In the department of business regulation: director;

29 (iii) In the department of elementary and secondary education: commissioner of elementary and
30 secondary education;

31 (iv) In the department of higher education: commissioner of higher education;

32 (v) In the department of health: director;

33 (vi) In the department of labor and training: director, administrative assistant, administrator of the
34 labor board and legal counsel to the labor board;

- 1 (vii) In the department of environmental management: director;
- 2 (viii) In the department of transportation: director;
- 3 (ix) In the department of human services: director and director of veterans' affairs;
- 4 (x) In the state properties committee: secretary;
- 5 (xi) In the workers' compensation court: judges, administrator, deputy administrator, clerk,
6 assistant clerk, clerk secretary;
- 7 (xii) In the division of elderly affairs: director;
- 8 (xiii) In the department of behavioral healthcare, developmental disabilities and hospitals:
9 director;
- 10 (xiv) In the department of corrections: director, assistant director (institutions/operations),
11 assistant director (rehabilitative services), assistant director (administration), and wardens;
- 12 (xv) In the department of children, youth and families: director, one assistant director, one
13 associate director, and one executive director;
- 14 (xvi) In the public utilities commission: public utilities administrator;
- 15 (xvii) In the water resources board: general manager;
- 16 (xviii) In the human resources investment council: executive director.
- 17 (xix) In the office of health and human services: secretary of health and human services.
- 18 (6) Chief of the hoisting engineers, licensing division, and his or her employees; executive
19 director of the veterans memorial building and his or her clerical employees.
- 20 (7) One confidential stenographic secretary for each director of a department and each board and
21 commission appointed by the governor.
- 22 (8) Special counsel, special prosecutors, regular and special assistants appointed by the attorney
23 general, the public defender and employees of his or her office, and members of the Rhode Island bar
24 occupying a position in the state service as legal counsel to any appointing authority.
- 25 (9) The academic and/or commercial teaching staffs of all state institution schools, with the
26 exception of those institutions under the jurisdiction of the board of regents for elementary and secondary
27 education and the board of governors for higher education.
- 28 (10) Members of the military or naval forces, when entering or while engaged in the military or
29 naval service.
- 30 (11) Judges, referees, receivers, clerks, assistant clerks, and clerical assistants of the supreme,
31 superior, family, and district courts, the traffic tribunal, security officers of the traffic tribunal, jurors and
32 any persons appointed by any court.
- 33 (12) Election officials and employees.
- 34 (13) Deputy sheriffs and other employees of the sheriffs division within the department of public

1 safety.

2 (14) Patient or inmate help in state charitable, penal, and correctional institutions and religious
3 instructors of these institutions and student nurses in training, residents in psychiatry in training, and
4 clinical clerks in temporary training at the institute of mental health within the state of Rhode Island
5 medical center.

6 (15)(i) Persons employed to make or conduct a temporary and special inquiry, investigation,
7 project or examination on behalf of the legislature or a committee therefor, or on behalf of any other
8 agency of the state if the inclusion of these persons in the unclassified service is approved by the
9 personnel administrator. The personnel administrator shall notify the house fiscal advisor and the senate
10 fiscal advisor whenever he or she approves the inclusion of a person in the unclassified service.

11 (ii) The duration of the appointment of a person, other than the persons enumerated in this
12 section, shall not exceed ninety (90) days or until presented to the department of administration. The
13 department of administration may extend the appointment another ninety (90) days. In no event shall the
14 appointment extend beyond one hundred eighty (180) days.

15 (16) Members of the division of state police within the department of public safety.

16 (17) Executive secretary of the Blackstone Valley district commission.

17 (18) Artist and curator of state owned art objects.

18 (19) Mental health advocate.

19 (20) Child advocate.

20 (21) The position of aquaculture coordinator and marine infrastructure specialist within the
21 coastal resources management council.

22 (22) Employees of the office of the health insurance commissioner.

23 (23) In the department of revenue: the director, secretary, attorney.

24 (24) In the department of public safety: the director.

25 (25) Positions deemed unclassified by the director of administration pursuant to § 36-4-2.2.

26 **§ 36-4-7 Probationary period in noncompetitive branch – Acquisition of full status. –**

27 Persons appointed to positions in the noncompetitive branch shall serve a probationary period of ~~six (6)~~
28 twelve (12) months during which time the appointing authority shall report to the personnel administrator
29 every ~~sixty (60)~~ one hundred and twenty (120) days concerning the work of the employee and at the end
30 of the probationary period no further salary or other compensation shall be paid to the employee unless
31 the appointing authority has filed with the personnel administrator a statement, in writing, that the
32 services of the employee have been satisfactory and that it is desired that his or her services be continued.
33 The probationary period is further defined to be ~~one hundred and thirty (130)~~ two hundred and sixty (260)
34 days worked in the non-competitive position to which the person has been appointed. Upon completion of

1 the probationary period and receipt of the statement of satisfactory service by the personnel administrator
2 and having fulfilled the requirements for character and physical condition, the employee shall be deemed
3 to have acquired full status and shall enjoy all the rights and privileges of that status. Whenever a class of
4 positions shall be assigned to the noncompetitive branch, every employee holding a position in that class
5 at the time of assignment who is a temporary employee and has served in that class for ~~six (6)~~ twelve (12)
6 months or more shall be considered to have completed the required probationary period and upon receipt
7 of a statement from his or her appointing authority that his or her services have been satisfactory shall be
8 deemed to have acquired full status and shall enjoy all the rights and privileges of that status. A temporary
9 employee who has served at least ~~four (4)~~ eight (8) months but has not completed ~~six (6)~~ twelve (12)
10 months shall be deemed to have served ~~four (4)~~ eight (8) months of the required probationary period and
11 his or her appointing authority shall submit a report concerning the work of the employee to the personnel
12 administrator and shall at the end of ~~sixty (60)~~ one hundred and twenty (120) days submit a final
13 probationary report for the employee. An employee who has served at least ~~two (2)~~ four (4) months but
14 has not completed ~~four (4)~~ eight (8) months shall be deemed to have served ~~two (2)~~ four (4) months of
15 the required probationary period and his or her appointing authority shall submit a report concerning the
16 work of the employee to the personnel administrator and shall subsequently submit a probationary report
17 at the end of the next ~~sixty (60)~~ one hundred and twenty (120) days and a final probationary report at the
18 end of ~~six (6)~~ twelve (12) months of service.

19 **§ 36-4-16.5 Certain unclassified positions excluded.** – ~~Sections~~ Section 36-4-16.2 and ~~36-4-~~
20 ~~16.4~~ of this chapter shall have no application to those positions enumerated in subdivisions 36-4-2(1), 36-
21 4-2(2) and 36-4-2(3), and the department of administration shall have no jurisdiction over the status,
22 tenure or salaries of those said enumerated positions.

23 Section 36-4-16.2 of this chapter shall have no application to state executive department director
24 positions.

25 **§ 36-4-17.2 Future longevity payments.** – Beginning on July 1, 2011, notwithstanding any
26 rule, regulation, or provision of the public laws or general laws to the contrary, there shall be no further
27 longevity increases for state employees; provided, however, for employees with longevity provisions
28 pursuant to a collective bargaining agreement in effect on June 1, 2011, longevity increases shall cease
29 beginning on July 1, 2011 or beginning upon the expiration of the applicable collective bargaining
30 agreement, whichever occurs later. Effective through June 30, 2015, to ~~To~~ the extent an employee has
31 previously accrued longevity payments, the employee shall continue to receive the same longevity
32 percentage in effect on June 30, 2011, or in the case of an employee with longevity provisions pursuant to
33 a collective bargaining agreement in effect on June 1, 2011, the same longevity percentage in effect on
34 June 30, 2011 or upon the expiration of the applicable collective bargaining agreement, whichever occurs

1 later. Effective on July 1, 2015, to the extent an employee has previously accrued longevity payments, the
2 employee's longevity payments shall be equal to the longevity amount earned by the employee for the last
3 pay period in June, 2015, or in the case of an employee with longevity provisions pursuant to a collective
4 bargaining agreement in effect on June 30, 2015, longevity payments shall be equal to the longevity
5 amount earned by the employee for the last pay period in June, 2015 or the last pay period prior to the
6 expiration of the applicable collective bargaining agreement, whichever occurs later. The longevity
7 amount shall not be included as part of the employee's base rate salary.

8 **§ 36-4-24 Removal of disqualified names from lists.** – The personnel administrator may
9 remove the name of any person from any list or lists who is physically so disabled as to be rendered unfit
10 for performance of the required duties; or who is addicted to the use of narcotics or excessive use of
11 intoxicating liquors; or who has been found guilty of any infamous or notoriously disgraceful conduct; or
12 who has made false statement of material fact in his or her application; or who has terminated or retired
13 from state service, ~~except as provided under § 36-4-23.1; and those individuals who have had their~~
14 ~~certification notices returned with no forwarding address provided the notice was sent by certified mail.~~

15 **§ 36-4-25 Designation of appropriate list for filling of vacancies.** – ~~The preferred~~
16 ~~reemployment list shall have precedence over all other lists for the filling of vacancies of comparable or~~
17 ~~less comparable positions in state service until the list is exhausted. Vacancies in positions in the~~
18 ~~classified service shall be filled as far as practicable by promotional appointments. Whenever a vacancy~~
19 ~~does exist in any position in the classified service, the appointing authority may choose to use either the~~
20 ~~employment, or promotion, or reemployment list to fill the vacancy and shall request the personnel~~
21 ~~administrator to certify the names of persons eligible for appointment from the designated list; provided,~~
22 ~~however, that in the event of the reorganization of a department or division, or the abolishment of a~~
23 ~~position or positions in state service, any classified employee with permanent status affected thereby shall~~
24 ~~be placed in a comparable position within the department or division. If, however, placement within the~~
25 ~~department or division is not possible, then the affected employee shall be placed in a comparable~~
26 ~~position elsewhere in state service. Whenever a position is allocated or reallocated upward, the classified~~
27 ~~employee with permanent status holding that position shall be given an opportunity to qualify for the~~
28 ~~allocated or reallocated position by taking a qualifying examination and shall be placed on leave of~~
29 ~~absence from the old position until the employee has gained status or failed to qualify for the position.~~

30 **§ 36-4-28 Probationary period.** – All original appointments and promotional appointments to
31 the classified service shall be for a probationary period of ~~six (6)~~ twelve (12) months, during which time
32 the appointment authority shall report to the personnel administrator every ~~sixty (60)~~ one hundred and
33 twenty (120) days concerning the work of the employee and at the expiration of the probationary period
34 unless the appointing authority files with the personnel administrator a statement in writing that the

1 services of the employee during the probationary period have not been satisfactory and that it is not
2 desired that he or she be continued in the service, he or she shall receive permanent status in this
3 classification. Any employee may be dismissed by the appointing authority during the probationary
4 period for reasons relating to the employee's qualifications or for the good of the service stated by the
5 appointing authority in writing and filed with the personnel administrator. The probationary period is
6 further defined to be ~~one hundred and thirty (130)~~ two hundred and sixty (260) days worked in the
7 classified position to which the person has been appointed.

8 **§ 36-4-29 Restoration to former position of promotional appointees dismissed during**
9 **probation.** – Any promotional appointee who is dismissed from the position to which he or she was
10 promoted during the probationary period or at the conclusion thereof by reason of the failure of the
11 appointing authority to file a request for his or her continuance in the position ~~shall~~ may be restored to the
12 position from which he or she was promoted ~~even though it should be necessary to lay off a person~~
13 ~~holding his or her former position.~~

14 **§ 36-4-37 Layoffs – Preference for retention or reemployment.** – An appointing authority
15 may lay off a classified employee whenever he or she deems it necessary because of a material change in
16 duties or organization, or shortage or stoppage of work or funds. In every case of layoff, the appointing
17 authority shall, before the effective date of the layoff, give written notice of his or her action to the
18 personnel administrator and the employee and shall certify that consideration has been given to length and
19 quality of service of all employees in the affected class under his or her jurisdiction. ~~No employee with~~
20 ~~full status shall be laid off while probational, provisional, or temporary employees are employed by the~~
21 ~~same appointing authority in the same class of positions. No probationary employee shall be laid off~~
22 ~~while provisional or temporary employees are employed by the same appointing authority in the same~~
23 ~~class of positions. No provisional employee shall be laid off while temporary employees are employed by~~
24 ~~the same appointing authority in the same class of positions. Nor shall any temporary appointment be~~
25 ~~made to any position in the class by the appointing authority while any employee who has been laid off~~
26 ~~by the appointing authority is available for certification from a reemployment list. Any person who has~~
27 ~~held full status and who has been laid off shall have his or her name placed on the appropriate~~
28 ~~reemployment list.~~

29 **§ 36-4-42 Appeal from appointing authority to appeal board.** – Any state employee with
30 provisional, probationary, or permanent status who feels aggrieved by an action of an appointing authority
31 resulting in a demotion, suspension, layoff, or dismissal or by any personnel action which an appointing
32 authority might take which causes the person to believe that he or she had been discriminated against
33 because of his or her race, sex, age, disability, or his or her political or religious beliefs, may, within thirty
34 (30) calendar days of the mailing of the notice of that action, appeal in writing to the personnel appeal

1 board for a review or public hearing. Within thirty (30) days after conclusion of the hearing the personnel
2 appeal board shall render a decision and shall notify the affected employee and other interested parties of
3 the decision which ~~may confirm or reduce the demotion, suspension, layoff, or dismissal of the employee~~
4 ~~or may reinstate the employee and the board may order payment of part or all of the salary to the~~
5 ~~employee for the period of time he or she was demoted, suspended, laid off, or dismissed.~~ shall affirm the
6 demotion, suspension, layoff, or dismissal of the employee unless the board finds the action of the
7 appointing authority to have been arbitrary, capricious, or contrary to rule or law.

8 The decision of the board shall be final and binding upon all parties concerned, and upon the
9 finding of the personnel administrator, or upon appeal, in favor of the employee, the employee shall be
10 forthwith returned to his or her office or position without loss of compensation, seniority, or any other
11 benefits he or she may have enjoyed, or under such terms as the appeal board shall determine. The
12 employee who is returned to his or her office or position by the appeal board following a review or public
13 hearing shall be granted by the state of Rhode Island counsel fees, payable to his or her representative
14 counsel, of fifty dollars (\$50.00) for each day his or her counsel is required to appear before the appeal
15 board in the behalf of the aggrieved employee.

16 SECTION 4. Chapter 36-4 of the General Laws entitled "Merit System" is hereby amended by
17 adding thereto the following section:

18 **§ 36-4-2.2 Additional positions in unclassified service.** – (a) Whenever a senior agency level
19 position within a state department is created, is vacant or becomes vacant, the director of administration
20 may deem the position unclassified, provided that the individual filling the position has been notified of
21 such classification prior to his or her engagement.

22 (b) For purposes of this section, the term "state department" shall include the departments
23 enumerated by § 42-6-1 and any executive office, such as the executive office of health and human
24 services, provided that the head of the department or executive office is appointed by the governor.

25 (c) For purposes of this section, a "senior agency level position" includes, but is not limited to,
26 classifications in the following functional areas within state service:

27 (1) Director;

28 (2) Deputy director;

29 (3) Executive director;

30 (4) Chief of staff;

31 (5) Chief financial officer;

32 (6) Budget officer;

33 (7) Chief legal counsel;

34 (8) Legislative director;

1 (9) Policy director;

2 (10) Communications director; and

3 (11) Public information officer.

4 (d) In no event shall this section authorize the director of administration to change a position that
5 is unclassified pursuant to § 36-4-2 to a classified position.

6 (e) This section shall only apply to positions that are ineligible for union membership by virtue of
7 their managerial, supervisory, administrative, or confidential status. No reclassification made pursuant to
8 this section shall circumvent the terms and conditions of a valid collective bargaining agreement.

9 (f) Sections 36-4-16.2 and 36-4-16.4 of this chapter shall have no application to those positions
10 deemed unclassified pursuant to this section.

11 (g) The director of administration shall set the compensation for those positions deemed
12 unclassified pursuant to this section.

13 SECTION 5. Sections 36-4-16.4, 36-4-23 and 36-4-23.1 of the General Laws in Chapter 36-4
14 entitled "Merit System" are hereby repealed.

15 ~~**§ 36-4-16.4 Salaries of directors.** (a) In the month of March of each year, the department of~~
16 ~~administration shall conduct a public hearing to determine salaries to be paid to directors of all state~~
17 ~~executive departments for the following year, at which hearing all persons shall have the opportunity to~~
18 ~~provide testimony, orally and in writing. In determining these salaries, the department of administration~~
19 ~~will take into consideration the duties and responsibilities of the aforementioned officers, as well as such~~
20 ~~related factors as salaries paid executive positions in other states and levels of government, and in~~
21 ~~comparable positions anywhere which require similar skills, experience, or training. Consideration shall~~
22 ~~also be given to the amounts of salary adjustments made for other state employees during the period that~~
23 ~~pay for directors was set last.~~

24 ~~(b) Each salary determined by the department of administration will be in a flat amount, exclusive~~
25 ~~of such other monetary provisions as longevity, educational incentive awards, or other fringe additives~~
26 ~~accorded other state employees under provisions of law, and for which directors are eligible and entitled.~~

27 ~~(c) In no event will the department of administration lower the salaries of existing directors~~
28 ~~during their term of office.~~

29 ~~(d) Upon determination by the department of administration, the proposed salaries of directors~~
30 ~~will be referred to the general assembly by the last day in April of that year to go into effect thirty (30)~~
31 ~~days hence, unless rejected by formal action of the house and the senate acting concurrently within that~~
32 ~~time.~~

33 ~~**§ 36-4-23 Preferred reemployment list.** Any person in the classified service who holds~~
34 ~~permanent status and is laid off as a result of reorganization, abolishment of positions by reason of~~

1 ~~reduction of force due to lack of work or lack of funds shall be placed on the list in the order of length of~~
2 ~~service and appointment therefrom shall be in the same order.~~

3 ~~**§ 36-4-23.1 Reemployment lists.**—Any person who holds full status in the classified service and~~
4 ~~resigns in good standing shall be entitled to have his or her name placed on an appropriate reemployment~~
5 ~~list, provided that the person so requests in writing within three (3) years of the date of his or her~~
6 ~~termination from the state service. Any person with full status who has resigned and whose appointing~~
7 ~~authority has failed to certify that he or she has resigned in good standing or any person with full status~~
8 ~~who has been dismissed from the classified service may request in writing within three (3) years of the~~
9 ~~date of his or her termination that his or her name be placed on the appropriate reemployment list and the~~
10 ~~request may be granted at the discretion of the personnel administrator. Each name placed on a~~
11 ~~reemployment list shall be stricken therefrom at the expiration of three (3) years from the official~~
12 ~~termination date.~~

13 SECTION 6. Sections 36-6-3, 36-6-5, and 36-6-22 of the General Laws in Chapter 36-6 entitled
14 “Salaries and Traveling Expenses” are hereby amended to read as follows:

15 ~~**§ 36-6-3 Salaries of directors of state departments.** – The general officers of the state shall~~
16 ~~receive such annual salaries as the general assembly may by law determine. Directors shall receive such~~
17 ~~annual salaries as may be from time to time established by the unclassified pay plan board which shall~~
18 ~~consist of seven (7) members as provided in § 36-4-16. determined by the director of administration. The~~
19 ~~state controller is hereby authorized and directed to draw his or her orders upon the general treasurer for~~
20 ~~the payment of such sums, or so much thereof, as may be required from time to time, upon receipt by him~~
21 ~~or her of properly authenticated vouchers.~~

22 ~~**§ 36-6-5 Manner of compensation prescribed by appropriation law.** – All officials and~~
23 ~~employees shall be compensated in the manner provided by the annual appropriation act or as may~~
24 ~~hereafter otherwise be prescribed by law. This section shall not apply to the directors of the several~~
25 ~~departments of the state of Rhode Island or to the general officers of the state of Rhode Island whose~~
26 ~~salaries shall be fixed by the general assembly.~~

27 ~~**§ 36-6-22 Longevity payments.** – Beginning on July 1, 2011, notwithstanding any rule,~~
28 ~~regulation, or provision of the public laws or general laws to the contrary, there shall be no further~~
29 ~~longevity increases for officers, secretaries, and employees of the legislative branch, the judicial branch,~~
30 ~~the office of the governor, the office of the lieutenant governor, the department of state, the department of~~
31 ~~the attorney general, and the treasury department; provided, however, for employees with longevity~~
32 ~~provisions pursuant to a collective bargaining agreement in effect on June 1, 2011, longevity increases~~
33 ~~shall cease beginning on July 1, 2011 or beginning upon the expiration of the applicable collective~~
34 ~~bargaining agreement, whichever occurs later. Effective through June 30, 2015, to the extent an~~

1 employee has previously accrued longevity payments, the employee shall continue to receive the same
2 longevity percentage in effect on June 30, 2011, or in the case of an employee with longevity provisions
3 pursuant to a collective bargaining agreement in effect on June 1, 2011, the same longevity percentage in
4 effect on June 30, 2011 or upon the expiration of the applicable collective bargaining agreement,
5 whichever occurs later. Effective July 1, 2015, to the extent an employee has previously accrued
6 longevity payments, the employee's longevity payments shall be equal to the longevity amount earned by
7 the employee for the last pay period in June, 2015, or in the case of an employee with longevity
8 provisions pursuant to a collective bargaining agreement in effect on June 30, 2015, longevity payments
9 shall be equal to the longevity amount earned by the employee for the last pay period in June, 2015 or the
10 last pay period prior to the expiration of the applicable collective bargaining agreement, whichever occurs
11 later. The longevity amount shall not be included as part of the employee's base rate salary.

12 SECTION 7. Sections 36-12-1, 36-12-2, 36-12-2.2, and 36-12-4 of the General Laws in Chapter
13 36-12 entitled "Insurance Benefits" are hereby amended to read as follows:

14 **§ 36-12-1 Definitions.** – The following words, as used in §§ 36-12-1 – 36-12-14, shall have the
15 following meanings:

16 (1) "Employer", means the state of Rhode Island.

17 (2) "Employee", means all persons who are classified employees as the term "classified
18 employee" is defined under § 36-3-3, and all persons in the unclassified and non-classified service of the
19 state; provided, however, that the following shall not be included as "employees" under §§ 36-12-1 – 36-
20 12-14:

21 (i) Part-time personnel whose work week is less than twenty (20) hours a week and limited period
22 and seasonal personnel;

23 (ii) Members of the general assembly, its clerks, doorkeepers, and pages.

24 (3) "Dependents" means an employee's spouse, domestic partner and unmarried children under
25 nineteen (19) years of age. Domestic partners shall certify by affidavit to the benefits director of the
26 division of personnel that the (i) partners are at least eighteen (18) years of age and are mentally
27 competent to contract, (ii) partners are not married to anyone, (iii) partners are not related by blood to a
28 degree which would prohibit marriage in the state of Rhode Island, (iv) partners reside together and have
29 resided together for at least one year, (v) partners are financially interdependent as evidenced by at least
30 two (2) of the following: (A) domestic partnership agreement or relationship contract; (B) joint mortgage
31 or joint ownership of primary residence, (C) two (2) of: (I) joint ownership of motor vehicle; (II) joint
32 checking account; (III) joint credit account; (IV) joint lease; and/or (D) the domestic partner has been
33 designated as a beneficiary for the employee's will, retirement contract or life insurance.
34 Misrepresentation of information in the affidavit will result in an obligation to repay the benefits received,

1 and a civil fine not to exceed one thousand dollars (\$1000) enforceable by the attorney general and
2 payable to the general fund. The employee will notify the benefits director of the division of personnel by
3 completion of a form prescribed by the benefits director when the domestic partnership ends.

4 (4) "Retired employee", means all persons retired from the active service of the state, who,
5 immediately prior to retirement, were employees of the state as determined by the retirement board under
6 § 36-8-1, and also all retired teachers who have elected to come under the employees' retirement system
7 of the state of Rhode Island.

8 (5) "State retiree", means all persons retired from the active service of the state who, immediately
9 prior to retirement, were employees of the state as determined by the retirement board under § 36-8-1.

10 (6) "Teacher retiree", means all retired teachers who have elected to come under the employees '
11 retirement system of the state of Rhode Island.

12 (7) "Long-term health care insurance", means any insurance policy or rider advertised, marketed,
13 offered, or designed to provide coverage for not less than twelve (12) consecutive months for each
14 covered person on an expense incurred, indemnity, prepaid, or other basis for one or more necessary or
15 medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care
16 services, provided in a setting other than an acute care unit of a hospital. The term includes: group and
17 individual policies or riders whether issued by insurers, fraternal benefit societies, nonprofit health,
18 hospital, and medical service corporations; prepaid health plans, health maintenance organizations; or any
19 similar organization. Long-term health care insurance shall not include: any insurance policy which is
20 offered primarily to provide basic medicare supplement coverage; basic hospital expense coverage; basic
21 medical-surgical expense coverage; hospital confinement indemnity coverage; major medical expense
22 coverage; disability income protection coverage; accident only coverage; specified disease or specified
23 accident coverage; or limited benefit health coverage. This list of excluded coverages is illustrative and is
24 not intended to be all inclusive.

25 (8) "Non-Medicare-eligible retiree health care insurance", means the health benefit employees
26 who retire from active service of the state (subsequent to July 1, 1989), who immediately prior to
27 retirement were employees of the state as determined by the retirement board pursuant to § 36-8-1, shall
28 be entitled to receive until attaining Medicare eligibility. ~~This health care insurance shall be equal to~~
29 ~~semi-private hospital care, surgical/medical care and major medical with a one hundred seventy five~~
30 ~~dollar (\$175) calendar year deductible.~~ The aforementioned program will be provided on a shared basis in
31 accordance with § 36-12-4.

32 (9) "Medicare-eligible retiree health care insurance", means the health benefit employees who
33 retire from active service of the state (subsequent to July 1, 1989), who immediately prior to retirement
34 were employees of the state as determined by the retirement board pursuant to § 36-8-1, shall have access

1 to when eligible for Medicare. This health care insurance shall include plans providing hospital care,
2 surgical/medical services, rights and benefits which, when taken together with their federal Medicare
3 program benefits, 42 U.S.C. § 1305 et seq., shall be comparable to those provided for retirees prior to the
4 attainment of Medicare eligibility.

5 (10) "Health reimbursement arrangement", or "HRA" means an account that:

6 (i) Is paid for and funded solely by state contributions;

7 (ii) Reimburses a Medicare-eligible state retiree for medical care expenses as defined in § 213(d)
8 of the Internal Revenue Code of 1986, as amended, which includes reimbursements for health care
9 insurance premiums;

10 (iii) Provides reimbursements up to a maximum dollar amount for a coverage period; and

11 (iv) Provides that any unused portion of the maximum dollar amount at the end of a coverage
12 period is carried forward to increase the maximum reimbursement amount in subsequent coverage
13 periods.

14 **§ 36-12-2 Hospital care and surgical-medical service benefits.** – (a) Employees of the state of
15 Rhode Island shall receive, in addition to wages, salaries, and any other remuneration or benefits, hospital
16 care and surgical-medical services, rights, and benefits purchased by the director of administration
17 pursuant to § 36-12-6, ~~with the specific condition that the benefits and services provided by the carrier(s)~~
18 ~~will be substantially equivalent to those set forth in any collective bargaining agreement(s) executed~~
19 ~~between the state of Rhode Island and authorized representatives of the unions representing state~~
20 ~~employees or the health care coverage presently being provided.~~

21 (b) The state will work diligently with leadership of organized labor in order to ensure
22 competitive, cost effective health care services for all employees of the state who may be eligible for
23 those benefits.

24 (c) Any new plan must accept pre-existing conditions for those individuals who will be covered
25 by the new policy.

26 (d) Part-time employees whose work week is less than twenty (20) hours a week may purchase
27 the benefits set forth above. The employees shall pay the same rate for the benefits as the group rate paid
28 by the state for the benefits. Payments for the benefits may be deducted in accordance with the provisions
29 of § 36-12-3.

30 **§ 36-12-2.2 Disabled retired employees – Hospital care and surgical-medical service**
31 **benefits.** – Notwithstanding any other provision of the law to the contrary, an employee of the state of
32 Rhode Island who retires under the provisions of title 36 of the Rhode Island general laws with a
33 disability pension benefit shall receive only the following state-sponsored health care and subsidies:

34 (1) Disabled retired employees who retire on or before September 30, 2008, and who are at least

1 sixty (60) years of age as of September 30, 2008.

2 (i) Any disabled retired employee of the state of Rhode Island who retires on or before September
3 30, 2008, and is at least sixty (60) years of age as of September 30, 2008, will be eligible until age sixty-
4 five (65) to continue to purchase hospital care and surgical-medical service benefits ~~as set forth in § 36-~~
5 ~~12-2 and as are received by classified employees.~~ Furthermore, if he/she retired subsequent to July 1,
6 1989, he/she shall receive for himself or herself a subsidy on the individual medical plan in accordance
7 with the following formula until attaining age sixty-five (65):

8 Years of Service	State's Share	Employee's Share
9 10-15	50%	50%
10 16-22	70%	30%
11 23-27	80%	20%
12 28+	100%	0%

13 (ii) Any disabled retired employee of the state of Rhode Island who retires on or before
14 September 30, 2008, and is at least sixty-five (65) years of age as of September 30, 2008, will be eligible
15 to continue to purchase hospital care and surgical-medical service benefits ~~as set forth in § 36-12-2 and as~~
16 ~~are received by classified employees.~~ Furthermore, if he/she retired subsequent to July 1, 1989, he/she
17 shall receive for himself or herself a subsidy on his or her individual medical plan in accordance with the
18 following formula applied to the cost of the Medicare supplemental plan:

19 Years of Service	State's Share	Employee's Share
20 10-15	50%	50%
21 16-19	70%	30%
22 20-27	90%	10%
23 28+	100%	0%

24 (iii) Payment for the coverage shall be based on the group rate used by the state for non-
25 Medicare eligible retirees at the same group rate used by the state in making payment for state employees.

26 (2) Disabled retired employees who retire after September 30, 2008, or are under sixty (60) years
27 of age on September 30, 2008. Any disabled retired employee of the state of Rhode Island who retires
28 after September 30, 2008, or any disabled retired employee of the state of Rhode Island who is under
29 sixty (60) years of age on September 30, 2008, will be eligible to receive state-sponsored medical
30 coverage and subsidies as follows:

31 (i) If the retiree is under fifty-nine (59) years of age, the retiree shall have the right to purchase
32 hospital care and surgical-medical service benefits ~~as set forth in § 36-12-2 and as are received by~~
33 ~~classified employees.~~ Payment for the coverage shall be based on the group rate used by the state for non-
34 Medicare eligible retirees at the same group rate used by the state in making payment for state employees.

1 (ii) Furthermore, if the retiree is under fifty-nine (59) years of age, and retired after July 1, 1989,
2 and before September 30, 2008, and the retiree had a minimum of twenty-eight (28) years of total service,
3 he/she shall receive for himself or herself a ninety percent (90%) subsidy on the individual medical plan
4 until attaining age fifty-nine (59).

5 (iii) At age fifty-nine (59) the retiree and his/her dependents shall be eligible only for enrollment
6 in the medical plans available to non-disabled state employee retirees. If the retiree has a minimum of ten
7 (10) years of contributory service, and up to twenty (20) years of total service, the retiree will be eligible
8 for a fifty percent (50%) state subsidy on the cost of the individual retiree medical plan. If the retiree has a
9 minimum of ten (10) years of contributory service, and twenty (20) years or more of total service, the
10 retiree will be eligible for an eighty percent (80%) state subsidy on the cost of the individual retiree
11 medical plan. The retiree is responsible for full payment for any additional dependent plans.

12 (3) Disabled retired employees who retire after September 30, 2008, or are under sixty-five (65)
13 years of age on September 30, 2008. Any disabled retired employee of the state of Rhode Island who
14 retires after September 30, 2008, or any disabled retired employee of the state of Rhode Island who is
15 under sixty-five (65) years of age on September 30, 2008, will be eligible to receive only the following
16 state-sponsored medical coverage and subsidies upon attaining age sixty-five (65):

17 (i) If the retiree is eligible for Medicare at age sixty-five (65), the retiree and spouse shall enroll
18 in a state-sponsored Medicare supplemental plan.

19 (ii) If a retiree is not eligible for Medicare at age sixty-five (65), the retiree may remain in the
20 same medical plan that the retiree was enrolled in prior to attaining age sixty-five (65).

21 (iii) If the retiree has a minimum of ten (10) years of contributory service, and up to twenty (20)
22 years of total service, the retiree will receive a fifty percent (50%) state subsidy based on the cost of the
23 individual Medicare supplemental plan. If the retiree has a minimum of ten (10) years of contributory
24 service and twenty (20) years or more of total service, the retiree will be eligible for an eighty percent
25 (80%) state subsidy based on the cost of the individual Medicare supplemental plan. The retiree is
26 responsible for full payment for any additional dependent plans.

27 (4) Payments for retiree and dependent medical coverage ~~shall~~ may, at the discretion of the
28 director of the department of administration or his or her designee, be deducted from the purchaser's
29 retirement benefits received pursuant to chapter 10 of this title.

30 **§ 36-12-4 Coverage of Non-Medicare-eligible retired employees.** – (a) *Non-Medicare-eligible*
31 *retired employees who retired on or before September 30, 2008.* Any retired employee who retired on or
32 before September 30, 2008 shall be entitled, until attaining Medicare eligibility, to be covered under §§
33 36-12-1 – 36-12-5 for himself and herself and, if he or she so desires, his or her non-Medicare-eligible
34 dependents, upon agreeing to pay the total cost of his or her contract based on the group rate for non-

1 ~~Medicare eligible retirees at the group rate for active state employees.~~ Payments of any non-Medicare-
 2 eligible retired employee for coverage ~~shall~~ may, at the discretion of the director of the department of
 3 administration or his or her designee, be deducted from his or her retirement allowance and remitted from
 4 time to time in payment for such contract. In addition, any retired employee who retired on or before
 5 September 30, 2008 shall be permitted to purchase coverage for his or her non-Medicare-eligible
 6 dependents upon agreeing to pay the additional cost of the contract based on the group rate for non-
 7 Medicare eligible retirees at the group rate for active state employees. Payment for coverage for these
 8 dependents ~~shall~~ may, at the discretion of the director of the department of administration or his or her
 9 designee, be deducted from his or her retirement allowances and remitted as required in payment for the
 10 contract.

11 *(b) Non-Medicare-eligible state retirees who retired subsequent to July 1, 1989, and on or*
 12 *before September 30, 2008.* Non-Medicare-eligible state retirees who retired subsequent to July 1, 1989,
 13 and on or before September 30, 2008, from active service of the state, and who were employees of the
 14 state as determined by the retirement board under § 36-8-1, shall be entitled to receive for himself or
 15 herself non-Medicare-eligible a retiree health care insurance benefit as described in § 36-12-1 in
 16 accordance with the following formula:

17	Years of Service	Age at Retirement	State's Share	Employee's Share
18	10-15	60	50%	50%
19	16-22	60	70%	30%
20	23-27	60	80%	20%
21	28+	--	90%	10%
22	28+	60	100%	0%
23	35+	any	100%	0%

24 If the retired employee is receiving a subsidy on September 30, 2008, the state will continue to
 25 pay the same subsidy share until the retiree attains age sixty-five (65).

26 Until December 31, 2013, when the state retiree reaches that age which will qualify him or her
 27 for Medicare supplement, the formula shall be:

28	Years of Service	State's Share	Employee's Share
29	10-15	50%	50%
30	16-19	70%	30%
31	20-27	90%	10%
32	28+	100%	0%

33 (c) Non-Medicare-eligible retired employees who retire on or after October 1, 2008. Any retired
 34 employee who retires on or after October 1, 2008 shall be entitled, until attaining Medicare eligibility, to

1 be covered under §§ 36-12-1 – 36-12-5 for himself and herself and, if he or she so desires, his or her non-
2 Medicare-eligible dependents, upon agreeing to pay the total cost of the contract in the plan in which he
3 or she enrolls. Payments of any non-Medicare-eligible retired employee for coverage ~~shall~~ may, at the
4 discretion of the director of the department of administration or his or her designee, be deducted from his
5 or her retirement allowance and remitted from time to time in payment for such contract. Any retired
6 employee who retires on or after October 1, 2008, shall be permitted to purchase coverage for his or her
7 non-Medicare-eligible dependents upon agreeing to pay the additional cost of the contract at the group
8 rate for the plan in which the dependent is enrolled. Payment for coverage for dependents ~~shall~~ may, at
9 the discretion of the director of the department of administration or his or her designee, be deducted from
10 the retired employee's retirement allowances and remitted as required in payment for the contract. ~~The~~
11 ~~Director of Administration shall develop and present to the chairpersons of the House Finance Committee~~
12 ~~and the Senate Finance Committee by May 23, 2008 a retiree health plan option or options to be offered~~
13 ~~to retirees eligible for state sponsored medical coverage who are under age sixty five (65) or are not~~
14 ~~eligible for Medicare. This plan will have a reduced benefit level and will have an actuarially based~~
15 ~~premium cost not greater than the premium cost of the plan offered to the active state employee~~
16 ~~population. This new plan option will be available to employees retiring after September 30, 2008, and~~
17 ~~their dependents.~~

18 (d) *Non-Medicare-eligible state retirees who retire on or after October 1, 2008.* Non-Medicare-
19 eligible state retirees who retire on or after October 1, 2008 from active service of the state, and who were
20 employees of the state as determined by the retirement board under § 36-8-1, and who have a minimum of
21 twenty (20) years of service, and who are a minimum of fifty-nine (59) years of age, shall be entitled to
22 receive for himself or herself a non-Medicare-eligible retiree health care insurance benefit as described in
23 § 36-12-1. The state will subsidize 80% of the cost of the health insurance plan for individual coverage in
24 which the state retiree is enrolled in. Payments for coverage ~~shall~~ may, at the discretion of the director of
25 the department of administration or his or her designee, be deducted from his or her retirement allowance
26 and remitted from time to time in payment for such contract.

27 (e) *Medicare-eligible state retirees who retire on or after October 1, 2008.* Until December 31,
28 2013, the state shall subsidize eighty percent (80%) of the cost of the Medicare-eligible health insurance
29 plan for individual coverage in which the state retiree is enrolled, provided the employee retired on or
30 after October 1, 2008; has a minimum of twenty (20) years of service; and is a minimum of fifty-nine (59)
31 years of age. Payments for coverage ~~shall~~ may, at the discretion of the director of the department of
32 administration or his or her designee, be deducted from his or her retirement allowance and remitted from
33 time to time in payment for such health insurance plan.

34 (f) Retired employees, including retired teachers, who are non-Medicare-eligible and who reach

1 the age of sixty-five (65) shall be allowed to continue to purchase group health care insurance benefits in
2 the same manner as those provided to retired employees who have not reached the age of sixty-five (65).

3 SECTION 8. This article shall take effect upon passage, except for Section 1 which shall take
4 effect on passage for new employees hired after July 1, 2015 and shall take effect on September 1, 2015
5 for existing classified employees.

6 ARTICLE 23

7 RELATING TO CORRECTIONS

8 SECTION 1. Sections 11-47-17 and 11-47-17.1 of the General Laws in Chapter 11-47 entitled
9 “Weapons” are hereby amended to read as follows:

10 **§ 11-47-17 Qualifications required of law enforcement officers appointed after June 17,**
11 **1959.** – Except as provided in § 11-47-15.3, all law enforcement officers of this state and its political
12 subdivisions whose permanent appointment shall take place after June 17, 1959, will be required to
13 qualify with the pistol or revolver with which they are armed prior to their permanent appointment, that
14 qualification to be the same as that required in § 11-47-15. Constables, special officers, and all law
15 enforcement officers who by law are authorized to carry side-arms and whose appointments are made on
16 a recurring basis will be required to qualify not later than one year following the date of enactment of this
17 section, and their commissions or warrants will be plainly marked or stamped "QUALIFIED WITH
18 PISTOL OR REVOLVER" and will be signed and dated by the certifying authority attesting to that fact.
19 The failure of any law enforcement officer to qualify under the provisions of this section revokes his or
20 her privilege of carrying a pistol or revolver, whether concealed or not, on or about his or her person. All
21 law enforcement officers of this state and its political subdivisions will repeat this qualification at periods
22 of not more than one year, except for correctional officers ~~who must repeat this qualification every two~~
23 ~~(2) years.~~ who shall not qualify on an annual basis but instead shall qualify every two (2) years only.

24 **§ 11-47-17.1 Mandatory or discretionary nature of § 11-47-15.1 requirements –**
25 **Qualification reports to be filed.** – (a) All law enforcement officers of this state and its political
26 subdivisions, whose permanent appointment shall take place later than June 6, 1970, shall be required to
27 qualify with the pistol or revolver with which they are armed prior to their permanent appointment, that
28 qualification to be as required in §§ 11-47-15.1 and 11-47-15.3. All permanent appointed law
29 enforcement officers of this state and its political subdivisions who are required to qualify under § 11-47-
30 17 may, at the discretion of the officer, qualify under either § 11-47-15, 11-47-15.1 or 11-47-15.3. The
31 failure of any law enforcement officer to qualify under the provisions of this section revokes his or her
32 privilege of carrying a pistol or revolver, whether concealed or not, on or about his or her person.
33 Qualification under this section will be required at periods of not more than one year, except for

1 correctional officers ~~who must repeat this qualification every two (2) years.~~ who shall not qualify on an
2 annual basis but instead shall qualify every two (2) years only.

3 (b) Copies of all of the qualification reports shall be filed with the office of the attorney general.

4 SECTION 2. This article shall take effect as of July 1, 2015.

5 ARTICLE 24

6 RELATING TO INFRASTRUCTURE BANK

7 SECTION 1. Sections 24-18-2 and 24-18-3 of the General Laws in Chapter 24-18 entitled
8 "Municipal Road and Bridge Revolving Fund" are hereby amended to read as follows:

9 **§ 24-18-2 Legislative findings.** – The general assembly finds and declares that:

10 (1) Transportation plays a critical role in enabling economic activity in the state of Rhode Island;

11 (2) Cities and towns can lower the costs of borrowing for road and bridge projects through
12 cooperation with the ~~Clean Water Finance Agency~~ Rhode Island infrastructure bank;

13 (3) The clean water and drinking water fund programs administered by the ~~Clean Water Finance~~
14 ~~Agency~~ Rhode Island infrastructure bank benefit from the highest bond rating of any public entity in the
15 state of Rhode Island; and

16 (4) Greater coordination among cities and towns will enable more efficient allocation of
17 infrastructure resources by the state of Rhode Island.

18 **§ 24-18-3 Definitions.** – As used in this chapter, the following terms, unless the context requires
19 a different interpretation, shall have the following meanings:

20 (1) "Agency" means the ~~Clean Water Finance Agency~~ Rhode Island infrastructure bank as set
21 forth in chapter 46-12.2;

22 (2) "Annual construction plan" means the finalized list of approved projects to commence
23 construction each calendar year;

24 (3) "Approved project" means any project approved by the agency for financial assistance;

25 (4) "Department" means the department of transportation, or, if the department shall be abolished,
26 the board, body, or commission succeeding to the principal functions thereof or upon whom the powers
27 given by chapter 5 of title 37 to the department shall be given by law.

28 (5) "Eligible project" means an infrastructure plan, or portion of an infrastructure plan, that meets
29 the project evaluation criteria;

30 (6) "Financial assistance" means any form of financial assistance other than grants provided by
31 the agency to a city or town in accordance with this chapter for all or any part of the cost of an approved
32 project, including, without limitation, temporary and permanent loans, with or without interest,
33 guarantees, insurance, subsidies for the payment of debt service on loans, lines of credit, and similar
34 forms of financial assistance;

1 (7) "Infrastructure plan" means a project proposed by a city or town that would make capital
2 improvements to roads, bridges and appurtenances thereto consistent with project evaluation criteria;

3 (8) "Market rate" means the rate the city or town would receive in the open market at the time of
4 the original loan agreement as determined by the agency in accordance with its rules and regulations;

5 (9) "Project evaluation criteria" means the criteria used by the department to evaluate
6 infrastructure plans and rank eligible projects and shall include the extent to which the project generates
7 economic benefits, the extent to which the project would be able to proceed at an earlier date, the
8 likelihood that the project would provide mobility benefits, the cost effectiveness of the project, the
9 likelihood that the project would increase safety, and the project's readiness to proceed within the
10 forthcoming calendar year;

11 (10) "Project priority list" means the list of eligible projects ranked in the order in which financial
12 assistance shall be awarded by the agency pursuant to section 7 of this chapter;

13 (11) "Revolving fund" means the municipal road and bridge revolving fund established under
14 section 4 of this chapter; and

15 (12) "Subsidy assistance" means credit enhancements and other measures to reduce the
16 borrowing costs for a city or town.

17 SECTION 2. Section 35-3-7.2 of the General Laws in Chapter 35-3 entitled "State Budget" is
18 hereby amended to read as follows:

19 **§ 35-3-7.2 Budget officer as capital development officer.** – The budget officer shall be a capital
20 development program officer who shall be responsible for:

21 (1) The review of all capital development requests submitted by the various state departments, as
22 set forth in chapter 6 of title 42, which shall include all independent boards and commissions and the
23 capital development plans of the Narragansett Bay Commission, ~~Rhode Island Clean Water Finance~~
24 ~~Agency~~ Rhode Island infrastructure bank, the Lottery Commission, and all other public corporations, as
25 defined in chapter 18 of this title which plans would be subject to the provisions of § 35-18-3; provided,
26 that, except as provided for in this section, nothing in this section shall be construed to limit the powers of
27 the board of governors for higher education as outlined in chapter 59 of title 16. Capital development
28 requests and plans shall be submitted in such form, with such explanation, in such number of copies, and
29 by such date as the budget officer may require. Copies shall also be provided directly to the house fiscal
30 advisor and the senate fiscal advisor.

31 (2) Preparation of a capital budget which shall specify which capital items are proposed for
32 presentation to the electorate at the next general election.

33 (3) The activities which will promote capital development planning and develop criteria which
34 can be used to determine appropriate levels of bonded indebtedness.

1 (4) Acting as chairperson of the capital development planning and oversight commission which is
2 to be appointed by the governor. The commission, in addition to recommending to the governor the
3 biennial capital budget, shall implement a long range capital development planning process and shall be
4 responsible for the development of an inventory of state assets to determine the need and prioritization of
5 capital improvements.

6 (5) Working with the board of governors for higher education in the development by the board of
7 that portion of the board's capital development program involving annual general revenues.

8 SECTION 3. Section 35-18-3 of the General Laws in Chapter 35-18 entitled "Public Corporation
9 Debt Management" is hereby amended to read as follows:

10 **§ 35-18-3 Approval by the general assembly.** – (a) No elected or appointed state official may
11 enter into any financing lease or into any guarantee with any person without the prior approval of the
12 general assembly unless:

13 (1) The governor certifies that federal funds will be available to make all of the payments which
14 the state is or could be obligated to make under the financing lease or guarantee; or

15 (2) The general assembly has adjourned for the year with the expectation that it will not meet
16 again until the following year and the governor certifies that action is necessary, because of events
17 occurring after the general assembly has adjourned, to protect the physical integrity of an essential public
18 facility, to ensure the continued delivery of essential public services, or to maintain the credit worthiness
19 of the state in the financial markets.

20 (b) No bonds may be issued or other obligation incurred by any public corporation to finance, in
21 whole or in part, the construction, acquisition, or improvement of any essential public facility without the
22 prior approval of the general assembly, unless:

23 (1) The governor certifies that federal funds will be available to make all of the payments
24 required to be made by the public corporation in connection with the bond or obligation. The certification
25 shall be transmitted to the speaker of the house and the president of the senate with copies to the
26 chairpersons of the respective finance committees and fiscal advisors; or

27 (2) The general assembly has adjourned for the year with the expectation that it will not meet
28 again until the following year and the governor certifies that action is necessary, because of events
29 occurring after the general assembly has adjourned, to protect the physical integrity of an essential public
30 facility, to ensure the continued delivery of essential public services, or to maintain the credit worthiness
31 of the state in the financial markets. The certification shall be transmitted to the speaker of the house and
32 the president of the senate, with copies to the chairpersons of the respective finance committees and fiscal
33 advisors.

1 (c) In addition to, and not by way of limitation on, the exemptions provided in subsections (a) and
2 (b), prior approval by the general assembly shall not be required under this chapter for bonds or other
3 obligations issued by, or financing leases or guarantee agreements entered into by:

4 (1) The Rhode Island industrial facilities corporation; provided financing leases, bonds or other
5 obligations are being issued for an economic development project;

6 (2) ~~The Rhode Island Clean Water Finance Agency~~ Rhode Island infrastructure bank;

7 (3) The Rhode Island housing and mortgage finance corporation;

8 (4) The Rhode Island student loan authority;

9 (5) Any public corporation to refund any bond or other obligation issued by the public
10 corporation to finance the acquisition, construction, or improvement of an essential public facility
11 provided that the governor certifies to the speaker of the house and the president of the senate, with copies
12 to the chairpersons of the respective finance committees and fiscal advisors that the refunding shall
13 provide a net benefit to the issuer; provided, however, obligations of the Rhode Island resource recovery
14 corporation outstanding on July 31, 1999, may be refunded by the issuance of obligations on or before
15 August 1, 1999;

16 (6) The Narragansett Bay water quality management district commission;

17 (7) The Rhode Island health and educational building corporation, except bonds or other
18 obligations issued in connection with the acquisition, construction, or improvement of any facility used
19 by any state agency, department, board, or commission, including the board of governors for higher
20 education, to provide services to the public pursuant to the requirements of state or federal law, and all
21 fixtures for any of those facilities; and

22 (8) The state to refund any financing leases entered into with the authorization of the general
23 assembly, provided that the governor certifies to the speaker of the house and the president of the senate,
24 with copies to the chairpersons of the respective finance committees and fiscal advisors, that the
25 refunding shall provide a net benefit to the state.

26 (d) Nothing contained in this section applies to any loan authorized to be borrowed under Article
27 VI, § 16 or 17 of the Rhode Island Constitution.

28 (e) Nothing in this section is intended to expand in any way the borrowing authority of any public
29 corporation under its charter.

30 (f)(1) Any certification made by the governor under subsection (a), (b), or (c) of this section may
31 be relied upon by any person, including without limitation, bond counsel.

32 (2) The certifications shall be transmitted to the speaker of the house and the president of the
33 senate with copies to the chairpersons of the respective finance committees and fiscal advisors.

1 (g) Except as provided for in this chapter, the requirements of this chapter supersede any other
2 special or general provision of law, including any provision which purports to exempt sales or leases
3 between the state and a public corporation from the operation of any law.

4 SECTION 4. Section 39-1-27.7 of the General Laws in Chapter 39-1 entitled "Public Utilities
5 Commission" is hereby amended to read as follows:

6 **§ 39-1-27.7 System reliability and least-cost procurement.** – Least-cost procurement shall
7 comprise system reliability and energy efficiency and conservation procurement as provided for in this
8 section and supply procurement as provided for in § 39-1-27.8, as complementary but distinct activities
9 that have as common purpose meeting electrical and natural gas energy needs in Rhode Island, in a
10 manner that is optimally cost-effective, reliable, prudent and environmentally responsible.

11 (a) The commission shall establish not later than June 1, 2008, standards for system reliability
12 and energy efficiency and conservation procurement, which shall include standards and guidelines for:

13 (1) System reliability procurement, including but not limited to:

14 (i) Procurement of energy supply from diverse sources, including, but not limited to, renewable
15 energy resources as defined in chapter 26 of this title;

16 (ii) Distributed generation, including, but not limited to, renewable energy resources and
17 thermally leading combined heat and power systems, which is reliable and is cost-effective, with
18 measurable, net system benefits;

19 (iii) Demand response, including, but not limited to, distributed generation, back-up generation
20 and on-demand usage reduction, which shall be designed to facilitate electric customer participation in
21 regional demand response programs, including those administered by the independent service operator of
22 New England ("ISO-NE") and/or are designed to provide local system reliability benefits through load
23 control or using on-site generating capability;

24 (iv) To effectuate the purposes of this division, the commission may establish standards and/or
25 rates (A) for qualifying distributed generation, demand response, and renewable energy resources; (B) for
26 net-metering; (C) for back-up power and/or standby rates that reasonably facilitate the development of
27 distributed generation; and (D) for such other matters as the commission may find necessary or
28 appropriate.

29 (2) Least-cost procurement, which shall include procurement of energy efficiency and energy
30 conservation measures that are prudent and reliable and when such measures are lower cost than
31 acquisition of additional supply, including supply for periods of high demand.

32 (b) The standards and guidelines provided for by subsection (a) shall be subject to periodic
33 review and as appropriate amendment by the commission, which review will be conducted not less
34 frequently than every three (3) years after the adoption of the standards and guidelines.

1 (c) To implement the provisions of this section:

2 (1) The commissioner of the office of energy resources and the energy efficiency and resources
3 management council, either or jointly or separately, shall provide the commission findings and
4 recommendations with regard to system reliability and energy efficiency and conservation procurement
5 on or before March 1, 2008, and triennially on or before March 1, thereafter through March 1, 204738.
6 The report shall be made public and be posted electronically on the website to the office of energy
7 resources.

8 (2) The commission shall issue standards not later than June 1, 2008, with regard to plans for
9 system reliability and energy efficiency and conservation procurement, which standards may be amended
10 or revised by the commission as necessary and/or appropriate.

11 (3) The energy efficiency and resources management council shall prepare by July 15, 2008, a
12 reliability and efficiency procurement opportunity report which shall identify opportunities to procure
13 efficiency, distributed generation, demand response and renewables, which report shall be submitted to
14 the electrical distribution company, the commission, the office of energy resources and the joint
15 committee on energy.

16 (4) Each electrical and natural gas distribution company shall submit to the commission on or
17 before September 1, 2008, and triennially on or before September 1, thereafter through September 1,
18 204738, a plan for system reliability and energy efficiency and conservation procurement. In developing
19 the plan, the distribution company may seek the advice of the commissioner and the council. The plan
20 shall include measurable goals and target percentages for each energy resource, pursuant to standards
21 established by the commission, including efficiency, distributed generation, demand response, combined
22 heat and power, and renewables. The plan shall be made public and be posted electronically on the
23 website to the office of energy resources, and shall also be submitted to the general assembly.

24 (5) The commission shall issue an order approving all energy efficiency measures that are cost
25 effective and lower cost than acquisition of additional supply, with regard to the plan from the electrical
26 and natural gas distribution company, and reviewed and approved by the energy efficiency and resources
27 management council, and any related annual plans, and shall approve a fully reconciling funding
28 mechanism to fund investments in all efficiency measures that are cost effective and lower cost than
29 acquisition of additional supply, not greater than sixty (60) days after it is filed with the commission.

30 (6)(i) Each electrical and natural gas distribution company shall provide a status report, which shall be
31 public, on the implementation of least cost procurement on or before December 15, 2008, and on or
32 before February 1, 2009, to the commission, the division, the commissioner of the office of energy
33 resources and the energy efficiency and resources management council which may provide the
34 distribution company recommendations with regard to effective implementation of least cost

1 procurement. The report shall include the targets for each energy resource included in the order approving
2 the plan and the achieved percentage for energy resource, including the achieved percentages for
3 efficiency, distributed generation, demand response, combined heat and power, and renewables as well as
4 the current funding allocations for each eligible energy resource and the businesses and vendors in Rhode
5 Island participating in the programs. The report shall be posted electronically on the website of the office
6 of energy resources.

7 (ii) Beginning on November 1, 2012 or before, each electric distribution company shall support
8 the installation and investment in clean and efficient combined heat and power installations at
9 commercial, institutional, municipal, and industrial facilities. This support shall be documented annually
10 in the electric distribution company's energy efficiency program plans. In order to effectuate this
11 provision, the energy efficiency and resource management council shall seek input from the public, the
12 gas and electric distribution company, the economic development corporation, and commercial and
13 industrial users, and make recommendations regarding services to support the development of combined
14 heat and power installations in the electric distribution company's annual and triennial energy efficiency
15 program plans.

16 (iii) The energy efficiency annual plan shall include, but not be limited to, a plan for identifying
17 and recruiting qualified combined heat and power projects, incentive levels, contract terms and
18 guidelines, and achievable megawatt targets for investments in combined heat and power systems. In the
19 development of the plan, the energy efficiency and resource management council and the electric
20 distribution company shall factor into the combined heat and power plan and program, the following
21 criteria: (A) Economic development benefits in Rhode Island, including direct and indirect job creation
22 and retention from investments in combined heat and power systems; (B) Energy and cost savings for
23 customers; (C) Energy supply costs; (D) Greenhouse gas emissions standards and air quality benefits; and
24 (E) System reliability benefits.

25 (iv) The energy efficiency and resource management council shall conduct at least one public
26 review meeting annually, to discuss and review the combined heat and power program, with at least seven
27 (7) business day's notice, prior to the electric and gas distribution utility submitting the plan to the
28 commission. The commission shall evaluate the submitted combined heat and power program as part of
29 the annual energy efficiency plan. The commission shall issue an order approving the energy efficiency
30 plan and programs within sixty (60) days of the filing.

31 (d) If the commission shall determine that the implementation of system reliability and energy
32 efficiency and conservation procurement has caused or is likely to cause under or over-recovery of
33 overhead and fixed costs of the company implementing said procurement, the commission may establish

1 a mandatory rate adjustment clause for the company so affected in order to provide for full recovery of
2 reasonable and prudent overhead and fixed costs.

3 (e) The commission shall conduct a contested case proceeding to establish a performance based
4 incentive plan which allows for additional compensation for each electric distribution company and each
5 company providing gas to end-users and/or retail customers based on the level of its success in mitigating
6 the cost and variability of electric and gas services through procurement portfolios.

7 SECTION 5. Section 39-2-1.2 of the General Laws in Chapter 39-2 entitled "Duties of Utilities
8 and Carriers" is hereby amended as follows:

9 **39-2-1.2. Utility base rate -- Advertising, demand side management and renewables -**

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

21 (b) Effective as of January 1, 2008, and for a period of ~~ten~~ thirty (~~430~~) years thereafter, each
22 electric distribution company shall include a ~~charges~~ per kilowatt-hour delivered to fund demand side
23 management programs (the "electric demand side charge"). Effective as of January 1, 2008, and for a
24 period of ten (10) years thereafter, each electric distribution company shall include a charge of 0.3 mills
25 per kilowatt-hour delivered to fund renewable energy programs. The electric distribution company shall
26 establish and, after July 1, 2007, maintain two (2) separate accounts, one for demand side management
27 programs (the "demand side account"), which shall be funded by the electric demand side charge and
28 ~~administered and implemented~~ by the distribution company, subject to the regulatory reviewing authority
29 of the commission, and one for renewable energy programs, which shall be administered by the economic
30 development corporation pursuant to § 42-64-13.2 and, shall be held and disbursed by the distribution
31 company as directed by the economic development corporation for the purposes of developing, promoting
32 and supporting renewable energy programs.

33 During the ~~ten (10) year period~~ time periods established in section 39-2-1.2(b), the commission
34 may, in its discretion, after notice and public hearing, increase the sums for demand side management and

1 renewable resources; ~~thereafter,~~ In addition, the commission shall, after notice and public hearing,
2 determine the appropriate charges for these programs. The office of energy resources and/or the
3 administrator of the renewable energy programs may seek to secure for the state an equitable and
4 reasonable portion of renewable energy credits or certificates created by private projects funded through
5 those programs. As used in this section, "renewable energy resources" shall mean: (1) power generation
6 technologies as defined in § 39-26-5, "eligible renewable energy resources", including off grid and on-
7 grid generating technologies located in Rhode Island as a priority; (2) research and development activities
8 in Rhode Island pertaining to eligible renewable energy resources and to other renewable energy
9 technologies for electrical generation; or (3) projects and activities directly related to implementing
10 eligible renewable energy resources projects in Rhode Island. Technologies for converting solar energy
11 for space heating or generating domestic hot water may also be funded through the renewable energy
12 programs. Fuel cells may be considered an energy efficiency technology to be included in demand sided
13 management programs. Special rates for low-income customers in effect as of August 7, 1996 shall be
14 continued, and the costs of all of these discounts shall be included in the distribution rates charged to all
15 other customers. Nothing in this section shall be construed as prohibiting an electric distribution company
16 from offering any special rates or programs for low-income customers which are not in effect as of
17 August 7, 1996, subject to the approval by the commission.

18 (1) The renewable energy investment programs shall be administered pursuant to rules
19 established by the ~~economic development corporation.~~ Rhode Island commerce corporation. Said rules
20 shall provide transparent criteria to rank qualified renewable energy projects, giving consideration to:

- 21 (i) the feasibility of project completion;
- 22 (ii) the anticipated amount of renewable energy the project will produce;
- 23 (iii) the potential of the project to mitigate energy costs over the life of the project; and
- 24 (iv) the estimated cost per kilo-watt hour (kwh) of the energy produced from the project.

25 (c) [Deleted by P.L. 2012, ch. 241, § 14].

26 ~~(d) The executive director of the economic development corporation is authorized and may enter~~
27 ~~into a contract with a contractor for the cost effective administration of the renewable energy programs~~
28 ~~funded by this section. A competitive bid and contract award for administration of the renewable energy~~
29 ~~programs may occur every three (3) years and shall include as a condition that after July 1, 2008 the~~
30 ~~account for the renewable energy programs shall be maintained and administered by the economic~~
31 ~~development corporation as provided for in subdivision (b) above.~~

32 ~~(d)~~ (e) Effective January 1, 2007, and for a period of ~~eleven~~ thirty one (~~11~~ 31) years thereafter, each
33 gas distribution company shall include, with the approval of the commission, a charge per deca therm
34 delivered to fund demand side management programs (the "gas demand side charge"), including, but not

1 limited to, programs for cost effective energy efficiency, energy conservation, combined heat and power
2 systems, and weatherization services for low income households.

3 ~~(e) (f)~~ The Each gas company shall establish a separate account for demand side management
4 programs (the “gas demand side account”), which shall be funded by the gas demand side charge and
5 administered and implemented by the distribution company, subject to the regulatory reviewing authority
6 of the commission. The commission may establish administrative mechanisms and procedures that are
7 similar to those for electric demand side management programs administered under the jurisdiction of the
8 commissions and that are designed to achieve cost-effectiveness and high life-time savings of efficiency
9 measures supported by the program.

10 ~~(f) (g)~~ The commission may, if reasonable and feasible, except from this demand side
11 management charge:

12 (i) gas used for distribution generation; and

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

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

22 ~~(h) (i)~~ Effective January 1, 2007, the commission shall allocate from demand-side management
23 gas and electric funds authorized pursuant to this section 39-2-1.2, an amount not to exceed two percent
24 (2%) of such funds on an annual basis for the retention of expert consultants, and reasonable
25 administration costs of the energy efficiency and resources management council associated with planning,
26 management, and evaluation of energy efficiency programs, renewable energy programs, system
27 reliability, least-cost procurement, and with regulatory proceedings, contested cases, and other actions
28 pertaining to the purposes, powers and duties of the council, which allocation may by mutual agreement,
29 be used in coordination with the office of energy resources to support such activities.

30 ~~(i) (j)~~ Effective January 1, 2013~~6~~, the commission shall annually allocate from the administrative
31 funding amount allocated in (i) from the demand-side management program as described in subsection (i)
32 as follows: fifty ~~sixty~~ percent (~~560~~%) for the purposes identified in subsection (i) and ~~forty~~ fifty percent
33 (~~40~~50%) annually to the office of energy resources for activities associated with planning management,
34 and evaluation of energy efficiency programs, renewable energy programs, system reliability, least-cost

1 procurement, and with regulatory proceedings, contested cases, and other actions pertaining to the
2 purposes, powers and duties of the office of energy resources.

3 ~~(j) (k)~~ On April 15, of each year the office and the council shall submit to the governor, the
4 president of the senate, and the speaker of the house of representatives, separate financial and
5 performance reports regarding the demand-side management programs, including the specific level of
6 funds that were contributed by the residential, municipal, and commercial and industrial sectors to the
7 overall programs; ~~the businesses, vendors, and institutions that received funding from demand-side~~
8 ~~management gas and electric funds used for the purposes in section 39-2-1.2; and the businesses, vendors,~~
9 ~~and institutions that received the administrative funds for the purposes in sections 39-2-1.2(i) and 39-2-~~
10 ~~1.2(j). These reports shall be posted electronically on the websites of the office of energy resources and~~
11 ~~the energy efficiency resources management council.~~

12 (k) Effective August 1, 2015 each electric distribution company shall remit five (5) percent of the
13 monthly programmatic proceeds of the electric demand side charge to the Rhode Island infrastructure
14 bank. These proceeds shall be returned to the remitting electric distribution company to fund that electric
15 distribution company's demand side management programs in accordance with Section 46-12.2-14.1.

16 (l) Effective August 1, 2015 each gas distribution company shall remit five (5) percent of the
17 monthly programmatic proceeds of the gas demand side charge to the Rhode Island infrastructure bank.
18 These proceeds shall be returned to the remitting gas distribution company to fund that gas distribution
19 company's demand side management programs in accordance with Section 46-12.2-14.1.

20 SECTION 6. Section 39-26-7 of the General Laws in Chapter 39-26 entitled "Renewable Energy
21 Standard" is hereby amended to read as follows:

22 **§ 39-26-7 Renewable energy development fund** - (a) There is hereby authorized and created
23 within the ~~economic development corporation~~ Rhode Island commerce corporation a renewable energy
24 development fund for the purpose of increasing the supply of NE-GIS certificates available for
25 compliance in future years by obligated entities with renewable energy standard requirements, as
26 established in this chapter. The fund shall be located at ~~and administered by the Rhode Island economic~~
27 ~~development corporation~~ the Rhode Island commerce corporation ~~in accordance with § 42-64-13.2.~~ The
28 ~~economic development corporation~~ Rhode Island commerce corporation shall:

29 Administer the fund and Adopt plans and guidelines for the management and use of the fund in
30 ~~accordance with § 42-64-13.2~~ coordination with the office of energy resources and the Rhode Island
31 infrastructure bank~~accordance with section 42-64-13.2, and~~

32 (b) The ~~economic development corporation~~ Rhode Island commerce corporation shall enter into
33 agreements with obligated entities to accept alternative compliance payments, consistent with rules of the
34 commission and the purposes set forth in this section; and alternative compliance payments received

1 pursuant to this section shall be trust funds to be held and applied solely for the purposes set forth in this
2 section.

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

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

6 (2) Establishing and maintaining a residential renewable energy program using eligible
7 technologies in accordance with § 39-26-5;

8 (3) Providing technical and financial assistance to municipalities for interconnection and
9 feasibility studies, and/or the installation of renewable energy projects;

10 (4) Implementing and supporting commercial and residential property assessed clean energy
11 projects;

12 ~~(45)~~ Issuing assurances and/or guarantees to support the acquisition of renewable energy
13 certificates and/or the development of new renewable energy sources for Rhode Island;

14 ~~(56)~~ Establishing escrows, reserves, and/or acquiring insurance for the obligations of the fund;

15 ~~(67)~~ Paying administrative costs of the fund incurred by the Rhode Island commerce corporation,
16 ~~economic development corporation, the board of trustees, or the Rhode Island infrastructure bank and the~~
17 office of energy resources, not to exceed ten percent (10%) of the income of the fund, including, but not
18 limited to, alternative compliance payments. All funds transferred from the ~~economic development~~
19 ~~corporation~~ Rhode Island commerce corporation to support the Rhode Island infrastructure bank and the
20 office of energy resources' administrative costs shall be deposited as restricted receipts.

21 (d) All applications received for the use of the fund shall be reviewed by the Rhode Island
22 commerce corporation in consultation with the office of energy resources and the Rhode Island
23 infrastructure bank.

24 ~~(de)~~ NE-GIS certificates acquired through the fund may be conveyed to obligated entities or may
25 be credited against the renewable energy standard for the year of the certificate provided that the
26 commission assesses the cost of the certificates to the obligated entity, or entities, benefiting from the
27 credit against the renewable energy standard, which assessment shall be reduced by previously made
28 alternative compliance payments and shall be paid to the fund.

29 SECTION 7. Chapter 39-26.5 of the General Laws entitled “Property Assessed Clean Energy --
30 Residential Program” is hereby renamed “Property Assessed Clean Energy Program”.

31 SECTION 8. Sections 39-26.5-1, 39-26.5-2, 39-26.5-3, 39-26.5-5, 39-26.5-6, 39-26.5-7, 39-26.5-
32 8, 39-26.5-9, 39-26.5-10 and 39-26.5-11, of the General Laws in Chapter 39-26.5 entitled “Property
33 Assessed Clean Energy -- Residential Program” are hereby amended to read as follows:

34 **§ 39-26.5-1. Legislative findings.** – It is hereby found and declared:

1 (1) Investing in energy efficiency and renewable energy improvements is financially beneficial
2 over time, as well as good for the environment;

3 (2) Upfront costs are a barrier to investments in major energy improvements for both commercial
4 and residential property owners;

5 (3) There are few financing options available that combine easy qualification, an attractive
6 interest rate, and a relatively long repayment term;

7 (4) Property-assessed clean energy, hereinafter referred to as PACE, is a voluntary financing
8 mechanism which allows ~~homeowners~~ both residential and commercial property owners to access
9 affordable, long-term financing for ~~energy upgrades to~~ renewable energy and energy efficiency upgrades
10 including system reliability upgrades, alternative fuel infrastructure upgrades, and other eligible
11 environmental and health and safety upgrades on their property;

12 (5) PACE financing offers incremental special assessment payments that are low and fixed for up
13 to twenty (20) years, with no upfront costs; the PACE special assessment fees transfer to the new owner
14 when a property is sold, or the assessment obligation can be paid in full at transfer; and electricity and
15 fuel bills are lower than they would be without the improvements; and

16 (6) PACE financing will ~~allow~~ create a means for Rhode Island cities and towns to ~~contribute in~~
17 ~~order to~~ provide a mechanism to help meet increase community sustainability, greenhouse gas emissions
18 reductions, and meet other energy goals and will also provide a valuable service to the citizens of their
19 communities.

20 **§ 39-26.5-2. Definitions.** – As used in this chapter, the following definitions apply:

21 (1) “Commercial property” means a property operated for commercial purposes, or a residential
22 property which contains five (5) or more housing units.

23 (2) “Distributed generation system” means an electrical generation facility located in the electric
24 distribution company’s load zone with a nameplate capacity no greater than five megawatts (5 MW),
25 using eligible renewable energy resources as defined by § 39-26-5, including biogas created as a result of
26 anaerobic digestion, but, specifically excluding all other listed eligible biomass fuels, and connected to an
27 electrical power system owned, controlled, or operated by the electric distribution company.

28 (3) ~~(1)~~ “Dwelling” means a residential structure or mobile home which contains one to four (4)
29 family housing units, or individual units of condominiums or cooperatives,

30 (4) ~~(2)~~ “Eligible net metering system” means a facility generating electricity as defined in § 39-
31 26.4-2.

32 (5) ~~(3)~~ “Eligible renewable energy resources” means resources as defined in § 39-26-5.

33 (6) ~~(4)~~ “Energy efficient projects” means those projects that are eligible under § 39-1-27.7 or
34 projects that have been defined as eligible in the PACE rules and regulations.

1 (7) “Institution” means a private entity or quasi state agency.

2 ~~(8)-(5)~~ “Loan loss reserve fund or “LRF” means funds set aside to cover losses in the event of

3 loan defaults.

4 ~~(9) (6)~~ “Municipality and towns and cities” means any Rhode Island town or city with powers set

5 forth in title 45 of the general laws.

6 ~~(7)~~ (10) “Net metering” means using electricity as defined in section 39-26.4-2.

7 ~~(8) “Office of energy resources” or “office” means the Rhode Island office of energy resources~~

8 ~~within the department of administration.~~

9 ~~(9)~~ (11) “PACE assessment” or “assessment” means the special assessment ~~placed~~ on a PACE

10 ~~property in accordance with § 39-26.5-4~~ owner’s property tax bill to be collected by the PACE

11 municipality in which that PACE property is located and remitted to the lender that has financed that

12 PACE property owner’s PACE Loan.

13 (12) “PACE lien” means the non-accelerating lien placed on a PACE property in accordance with

14 the rules and regulations promulgated by the office subject to Section 39-26.5-11, in order to secure the

15 repayment of a PACE loan made in connection to that PACE property and to secure the payment of each

16 PACE assessment to be made by that PACE property owner as each assessment comes due.

17 (13) “PACE loan” means a loan, approved by the office, made in accordance with this chapter

18 and the rules and regulations promulgated by the office in accordance therewith.

19 ~~(10)~~ (14) “PACE municipality” means a municipality voluntarily designated by its city or town

20 council as a property-assessed clean energy municipality.

21 ~~(11) “PACE property” means any property which is the subject of a written agreement entered~~

22 ~~into pursuant to section 39-26.5-4~~

23 ~~(12)~~ (15) “PACE project” or “Pproject” means a distinct installation of an eligible energy

24 efficiency system, renewable energy net metering system, distributed generation system, alternative fuel

25 infrastructure upgrade, and/or other eligible environmental and health and safety upgrades.

26 16) “PACE property” or “property” means any dwelling or commercial property which is the

27 subject of an application filed pursuant to section § 39-26.5-4.

28 (17) “Past due balances” means the sum of the due and unpaid assessments on a PACE Property

29 as of the time the ownership of that PACE property is transferred. “Past due balances” does not mean the

30 unaccelerated balance of the PACE loan at the time that property is transferred.

31 ~~(13)~~ (18) “Property-assessed clean energy” or “PACE” is a voluntary financing mechanism

32 which allows both residential and commercial property owners to access affordable, long-term financing

33 for energy efficiency and renewable energy improvements to upgrades, and other eligible environmental

34 and health and safety upgrades on their property.

1 (19) “Rhode Island infrastructure bank” means the Rhode Island infrastructure bank (“RIIB”).
2 For the purposes of this chapter, Rhode Island infrastructure bank shall include other related state
3 agencies and/or third party administrators, as may be engaged by the Rhode Island infrastructure bank for
4 the purposes of providing the services envisioned by the rules and regulations promulgated in accordance
5 with section 39-26.5-11.

6 § 39-26.5-3. Property-Assessed Clean Energy Municipality. – A town or city council by
7 resolution may designate the municipality as a ~~property assessed clean energy municipality, also referred~~
8 ~~to~~ as a “PACE municipality.”

9 § 39-26.5-5. Rights of ~~dwelling owners~~ PACE Property Owners. – A ~~dwelling~~ PACE property
10 owner ~~who has entered into a written agreement with a municipality under section 39-26.5-4~~ may enter
11 into a contract for the installation or construction of a project relating to renewable energy as defined in
12 section 39-26-5, or relating to energy efficiency as defined in section 39-1-27.7 or as defined by the ~~office~~
13 Rhode Island infrastructure bank under subsection 39-26.5-8(a)11.

14 § 39-26.5-6 Priority of PACE assessment lien. – (a) A ~~lien for a PACE assessment lien on a~~
15 dwelling shall be: subordinate to all liens on the ~~property dwelling~~ in existence at the time the ~~lien for the~~
16 ~~assessment in filed~~ PACE lien is created; subordinate to a first mortgage on the ~~property dwelling~~
17 recorded after such ~~filing~~ PACE lien is created; and superior to any other lien on the ~~property dwelling~~
18 recorded after such ~~filing~~ PACE lien is created. This subsection shall not affect the status or priority of
19 any other municipal or statutory lien.

20 (b) At the time of a transfer of property ownership of a dwelling, including by foreclosure, the
21 past due balances of any special assessment under this chapter shall be due for payment. ~~In the event of a~~
22 ~~foreclosure action, the past due balances shall include all payments on a PACE assessment that are due~~
23 ~~and unpaid as of the date of the foreclosure.~~ Unless otherwise agreed by the PACE lender, all payments
24 on the PACE assessment that become due after the date of transfer by foreclosure or otherwise shall
25 continue to be secured by a lien on the PACE property and shall be the responsibility of the transferee.

26 (c) A PACE lien on a commercial property shall be: senior to all liens on the commercial property
27 in existence at the time the PACE lien is created; senior to all liens created or recorded after the time the
28 PACE lien is created; and on parity with a municipal tax lien.

29 (d) At the time of a transfer of property ownership of a commercial property, including by
30 foreclosure, the past due balances of any special assessment under this chapter shall be due for payment.
31 Unless otherwise agreed by the PACE lender, all payments on the PACE assessment that become due
32 after the date of transfer by foreclosure or otherwise shall remain a lien on the PACE property and shall
33 be the responsibility of the transferee.

1 **§ 39-26.5-7 Loan loss reserve fund.**— (a) the ~~office shall~~ Rhode Island infrastructure bank may
2 contract with ~~an~~ one or more approved institutions, approved financial institution to create one or more
3 Loan Loss Reserve Funds (LRF).

4 (b) In the event that there is a foreclosure of a PACE property and the proceeds resulting from
5 such a foreclosure are insufficient to pay the past due balances on the associated PACE assessment, after
6 all superior liens have been satisfied, ~~then~~ payment from the LRF shall be made from the LRF in the
7 amount of the past due balances on the PACE assessment. The LRF shall be administered by the Rhode
8 Island infrastructure bank or by the ~~financial institution~~ selected by the ~~office~~ Rhode Island infrastructure
9 bank; ~~in the latter case with the office~~ Rhode Island infrastructure bank shall providing provide oversight
10 of the LRF.

11 **§ 39-26.5-8. Assistance to municipalities.** — The ~~office~~ Rhode Island infrastructure bank shall:

12 (1) ~~(a) Commencing on/or before July 1, 2014 and thereafter publish~~ Publish on its website a list
13 of the types of PACE eligible energy efficiency, ~~and~~ renewable energy, other projects as defined in rules
14 and regulations promulgated under 39-26.5-11;

15 (2) ~~(b)~~ (b) Provide information concerning implementation of this chapter to each municipality that
16 requests such information;

17 (3) ~~(c)~~ (c) Offer administrative and technical assistance to and offer to manage the PACE program on
18 behalf of any PACE municipality that voluntarily participates in the PACE program; and

19 (4) ~~(d)~~ (d) Develop and offer informational resources to help residents make best use of the PACE
20 program.

21 **§ 39-26.5-9 Monitoring, reporting, compliance, underwriting criteria.** — The Rhode Island
22 infrastructure bank shall determine compliance with the underwriting criteria, standards, and procedures
23 established within this chapter and shall include an accounting of the PACE program in the annual report
24 due ~~on April 15th of each year to the general assembly under subsection 39-2-1.2(k)~~ under § 46-12.2-
25 24.1. The report shall describe the implementation and operation of the PACE program receipts,
26 disbursements and earnings.

27 **[MD(9)§ 39-26.5-11. Rules and regulations.** — The ~~office is authorized to~~ Rhode Island
28 infrastructure bank shall consult with the office of energy resources and other relevant state agencies and
29 shall promulgate necessary rules and regulations, including but not limited to those listed in section 39-
30 26.5-4, in order to assure that PACE programs shall be successfully instituted in Rhode Island; ~~such~~ in
31 accordance with the terms of this chapter. Such rules should ensure that the PACE program does not
32 adversely affect the implementation of any other energy program in whose coordination the ~~office~~ Rhode
33 Island infrastructure bank or the office of energy resources is involved.

1 SECTION 9. Section 39-26.5-4 of Chapter 39-26.5 in the General Laws entitled “Property
2 Assessed Clean Energy – Residential Program” is hereby repealed.

3 ~~**39-26.5-4. Written agreements, consent of dwelling owners, energy savings analysis.**~~ After January 1,
4 2014, a PACE municipality may enter into a written agreement with any dwelling owner within the
5 municipality who has:

6 (1) ~~An energy savings analysis approved by the office or an analysis performed under plans~~
7 ~~approved by the commission pursuant to section 39-1-27.7;~~

8 (2) ~~An energy efficiency and/or renewable energy project description approved by the office; and~~

9 (3) ~~A commitment from a financial institution to provide funds to complete the project.~~

10 ~~The agreement will require the dwelling owner to consent to be subject to the terms of the lien as set forth~~
11 ~~in Section 39-26.5-6.~~

12 SECTION 10. Chapter 39-26.5 of the General Laws entitled, “Property Assessed Clean Energy –
13 Residential Program” is hereby amended by adding thereto the following section:

14 **§ 39-26.5-4.1 Application, project eligibility, agreement with municipality.** – (a) The
15 office[MD(10)], in consultation with the office of energy resources, shall be responsible for promulgating
16 regulations that establish:

17 (1) The necessary application requirements and procedures for any dwelling
18 owner or commercial property owner seeking PACE financing.

19 (2) The necessary qualifications and requirements for a proposed PACE project.

20 (b) The office[MD(11)] shall be responsible for promulgating the agreements and forms, to be
21 signed by PACE property owners, PACE municipalities, and PACE lenders, necessary to effectuate the
22 PACE program.

23 SECTION 11. Section 42-64-13.2 of chapter 42-64 of the General Laws entitled “Rhode Island
24 Commerce Corporation” is hereby repealed.

25 ~~**42-64-13.2 Renewable energy investment coordination**~~ –(a) ~~Intent. To develop an integrated~~
26 ~~organizational structure to secure for Rhode Island and its people the full benefits of cost effective~~
27 ~~renewable energy development from diverse sources.~~

28 (b) ~~Definitions. For purposes of this section, the following words and terms shall have~~
29 ~~the meanings set forth in RIGL 42-64-3 unless this section provides a different meaning. Within this~~
30 ~~section, the following words and terms shall have the following meanings:~~

31 (1) ~~“Corporation” means the Rhode Island economic development corporation.~~

32 (2) ~~“Municipality” means any city or town, or other political subdivision of the state.~~

33 (3) ~~“Office” means the office of energy resources established by chapter 42-140.~~

1 ~~(c) Renewable energy development fund.—The corporation shall, in the furtherance of its~~
2 ~~responsibilities to promote and encourage economic development, establish and administer a renewable~~
3 ~~energy development fund as provided for in section 39-26-7, may exercise the powers set forth in this~~
4 ~~chapter, as necessary or convenient to accomplish this purpose, and shall provide such administrative~~
5 ~~support as may be needed for the coordinated administration of the renewable energy standard as~~
6 ~~provided for in chapter 39-26 and the renewable energy program established by section 39-2-1.2. The~~
7 ~~corporation may upon the request of any person undertaking a renewable energy facility project, grant~~
8 ~~project status to the project, and a renewable energy facility project, which is given project status by the~~
9 ~~corporation, shall be deemed an energy project of the corporation.~~

10 ~~(d) Duties.—The corporation shall, with regards to renewable energy project investment:~~

11 ~~(1) Establish by rule, in consultation with the office, standards for financing renewable energy~~
12 ~~projects from diverse sources.~~

13 ~~(2) Enter into agreements, consistent with this chapter and renewable energy investment plans~~
14 ~~adopted by the office, to provide support to renewable energy projects that meet applicable standards~~
15 ~~established by the corporation. Said agreements may include contracts with municipalities and public~~
16 ~~corporations.~~

17 ~~(e) Conduct of activities.~~

18 ~~(1) To the extent reasonable and practical, the conduct of activities under the provisions of this~~
19 ~~chapter shall be open and inclusive; the director shall seek, in addressing the purposes of this chapter, to~~
20 ~~involve the research and analytic capacities of institutions of higher education within the state, industry,~~
21 ~~advocacy groups, and regional entities, and shall seek input from stakeholders including, but not limited~~
22 ~~to, residential and commercial energy users.~~

23 ~~(2) By January 1, 2009, the director shall adopt:~~

24 ~~(A) Goals for renewable energy facility investment which is beneficial, prudent, and from diverse~~
25 ~~sources;~~

26 ~~(B) A plan for a period of five (5) years, annually upgraded as appropriate, to meet the~~
27 ~~aforementioned goals; and~~

28 ~~(C) Standards and procedures for evaluating proposals for renewable energy projects in order to~~
29 ~~determine the consistency of proposed projects with the plan.~~

30 ~~(f) Reporting.—On March 1, of each year after the effective date of this chapter, the corporation~~
31 ~~shall submit to the governor, the president of the senate, the speaker of the house of representatives, and~~
32 ~~the secretary of state, a financial and performance report. These reports shall be posted electronically on~~
33 ~~the general assembly and the secretary of state's websites as prescribed in § 42-20-8.2. The reports shall~~
34 ~~set forth:~~

1 ~~(1) The corporation's receipts and expenditures in each of the renewable energy program funds~~
2 ~~administered in accordance with this section.~~

3 ~~(2) A listing of all private consultants engaged by the corporation on a contract basis and a~~
4 ~~statement of the total amount paid to each private consultant from the two (2) renewable energy funds~~
5 ~~administered in accordance with this chapter; a listing of any staff supported by these funds, and a~~
6 ~~summary of any clerical, administrative or technical support received; and~~

7 ~~(3) A summary of performance during the prior year including accomplishments and~~
8 ~~shortcomings; project investments, the cost effectiveness of renewable energy investments by the~~
9 ~~corporation; and recommendations for improvement.~~

10 SECTION 12. Section 42-155-3 of the General Laws in Chapter 42-155 entitled "Quasi-Public
11 Corporations Accountability and Transparency Act" is hereby amended to read as follows:

12 **§ 42-155-3 Definitions. [Effective January 1, 2015].** – (a) As used in this chapter, "quasi-
13 public corporation" means any body corporate and politic created, or to be created, pursuant to the general
14 laws, including, but not limited to, the following:

- 15 (1) Capital center commission;
- 16 (2) Rhode Island convention center authority;
- 17 (3) Rhode Island industrial facilities corporation;
- 18 (4) Rhode Island industrial-recreational building authority;
- 19 (5) Rhode Island small business loan fund corporation;
- 20 (6) Quonset development corporation;
- 21 (7) Rhode Island airport corporation;
- 22 (8) I-195 redevelopment district commission;
- 23 (9) Rhode Island health and educational building corporation;
- 24 (10) Rhode Island housing and mortgage finance corporation;
- 25 (11) Rhode Island higher education assistance authority;
- 26 (12) Rhode Island student loan authority;
- 27 (13) Narragansett bay commission;
- 28 (14) ~~Rhode Island Clean Water Finance Agency~~ Rhode Island infrastructure bank;
- 29 (15) Rhode Island water resources board;
- 30 (16) Rhode Island resource recovery corporation;
- 31 (17) Rhode Island public rail corporation;
- 32 (18) Rhode Island public transit authority;
- 33 (19) Rhode Island turnpike and bridge authority;
- 34 (20) Rhode Island tobacco settlement financing corporation; and

1 (21) Any subsidiary of the Rhode Island commerce corporation.

2 (b) Cities, towns, and any corporation created that is an instrumentality and agency of a city or
3 town, and any corporation created by a state law that has been authorized to transact business and exercise
4 its powers by a city or town pursuant to ordinance or resolution, and fire and water districts are not
5 subject to the provisions of this chapter.

6 (c) The Rhode Island commerce corporation, being subject to similar transparency and
7 accountability requirements set forth in chapter 64 of title 42; the Rhode Island public rail corporation
8 established in chapter 64.2 of title 42; Block Island power authority; and the Pascoag utility district shall
9 not be subject to the provisions of this chapter.

10 SECTION 13. Section 45-12-33 of the General Laws in Chapter 45-12 entitled “Indebtedness of
11 Towns and Cities” is hereby amended to read as follows:

12 **§ 45-12-33 Borrowing for road and bridge projects financed through the "municipal road**
13 **and bridge revolving fund"**. – (a) In addition to other authority previously granted, during calendar year
14 2014 a city or town may authorize the issuance of bonds, notes, or other evidences of indebtedness to
15 evidence loans from the municipal road and bridge revolving fund administered by the ~~Rhode Island~~
16 ~~Clean Water Finance Agency~~ Rhode Island infrastructure bank in accordance with chapter 18 of title 24
17 of the general laws.

18 (b) These bonds, notes, or other evidences of indebtedness are subject to the maximum aggregate
19 indebtedness permitted to be issued by any city or town under § 45-12-2.

20 (c) The denominations, maturities, interest rates, methods of sale, and other terms, conditions,
21 and details of any bonds or notes issued under the provisions of this section may be fixed by resolution of
22 the city or town council authorizing them, or if no provision is made in the resolution, by the treasurer or
23 other officer authorized to issue the bonds, notes or evidences of indebtedness; provided, that the payment
24 of principal shall be by sufficient annual payments that will extinguish the debt at maturity, the first of
25 these annual payments to be made not later than three (3) years, and the last payment not later than twenty
26 (20) years after the date of the bonds.

27 The bonds, notes, or other evidences of indebtedness may be issued under this section by any
28 political subdivision without obtaining the approval of its electors, notwithstanding the provisions of §§
29 45-12-19 and 45-12-20 and notwithstanding any provision of its charter to the contrary.

30 SECTION 14. Sections 46-6.1-3 and 46-6.1-9 of the General Laws in Chapter 46-6.1 entitled
31 “Maintenance of Marine Waterways and Boating Facilities” are hereby amended to read as follows:

32 **§ 46-6.1-3 Purpose.** – The purposes of this chapter are:

33 (1) To establish an integrated, coherent plan for dredging and dredge material management,
34 which includes beneficial use, dewatering, in-water disposal, and upland disposal as appropriate, that sets

1 forth the state's program for these activities and provides guidance to persons planning to engage in these
2 activities and to designate the council as the lead agency for implementing the purposes of this chapter.

3 (2) To provide for coordinated, timely decision-making by state agencies on applications for
4 dredging, dewatering, and for the beneficial use and in-water and upland disposal of dredged materials,
5 with the goals of providing action, following a determination that the application is complete, on
6 applications for these activities within one hundred eighty (180) days for applications pertaining to
7 maintenance dredging projects and within five hundred forty (540) days for expansion projects.

8 (3) To establish, for the purposes of this chapter and consistent with the requirements of the
9 Marine Infrastructure Maintenance Act of 1996, the following in order of priority in planning for and
10 management of dredged material, depending on the nature and characteristics of the dredged material and
11 on reasonable cost.

12 (i) Beneficial use, including specifically beach nourishment and habitat restoration and creation,
13 in the coastal zone;

14 (ii) Beneficial use in upland areas;

15 (iii) Disposal.

16 (4) To encourage the development of the infrastructure needed to dewater dredged materials, and
17 to facilitate beneficial use of dredged materials in upland areas.

18 (5) To encourage and facilitate the beneficial use of dredged materials by private parties.

19 (6) To authorize the establishment of a means of supporting projects for dewatering dredged
20 material and for beneficial use and disposal of dredged material at sites above mean high water by the
21 ~~Rhode Island Clean Water Finance Agency~~ Rhode Island infrastructure bank.

22 **46-6.1-9 Cooperation of other agencies.** – (a) In order to accomplish the purposes of this
23 chapter to provide for beneficial use, dewatering, and disposal of dredged material:

24 (1) State agencies, departments, corporations, authorities, boards, commissions, including, but not
25 limited to, the department of administration, the department of transportation, the ~~Rhode Island Clean~~
26 ~~Water Finance Agency~~ Rhode Island infrastructure bank, the economic development corporation, the
27 Narragansett Bay commission, and the Rhode Island resource recovery corporation, and political
28 subdivisions, shall cooperate with the council in developing and implementing the comprehensive plan
29 for dredged material management;

30 (2) The council shall seek federal acceptance of the comprehensive plan for dredged material
31 management as an element of the state's coastal zone management program and shall pursue such federal
32 approvals and general permits as may facilitate expeditious action on dredging applications that are
33 consistent with the plan;

34 (3) The economic development corporation shall:

1 (i) Make available by October 31, 2004, a site to use as a dewatering site for dredged material,
2 which site shall be available for dewatering dredged material until at least September 30, 2012, and may
3 continue to be available thereafter for periods of not less than six (6) months, upon the request of the
4 council and the approval of the corporation; and

5 (ii) With advice from the council and the department, develop and implement a program to
6 market dredged material for beneficial use by private persons, including but limited to brownfield
7 reclamation projects; and

8 (4) The council, with the cooperation of the department and the ~~Clean Water Finance Agency~~
9 Rhode Island infrastructure bank, shall develop a proposal for a fund, which may be used as provided for
10 in § 46-12.2-4.1, to support projects for dewatering dredged material for beneficial use and disposal of
11 dredged material at sites above mean high water and for confined aquatic disposal of dredged materials,
12 which proposal shall be submitted to the general assembly not later than February 15, 2002.

13 (b) The fund shall not be established or go into effect unless it has been approved by the general
14 assembly.

15 SECTION 15. Section 46-12.10-1 of the General Laws in Chapter 46-12.10 entitled
16 “Commission to Study Feasibility and Funding of Homeowners Assistance Fund for Septic Systems” is
17 hereby amended to read as follows:

18 **§ 46-12.10-1 Legislative findings.** – The General Assembly hereby recognizes and declares that:

19 (a) There exists and will continue to exist within the state of Rhode Island the need to construct,
20 maintain and repair facilities and projects for the abatement of pollution caused by domestic wastewater
21 discharges, including, but not limited to, septic systems and cesspools.

22 (b) It is found that there are presently ninety thousand (90,000) cesspools within the State of
23 Rhode Island.

24 (c) Failed and poorly functioning ISDS systems contribute directly to pollution in such
25 environmentally sensitive areas as Greenwich Bay, coastal salt ponds and other water resources.

26 (d) It is further found that there is a need to establish a fund that shall provide to communities
27 financial assistance to create and adopt a community septic system management plan and provide the
28 corpus of a fund within the existing State SRF as administered by the ~~Clean Water Finance Agency~~
29 Rhode Island infrastructure bank that shall enable communities to offer to homeowners within those
30 communities the opportunity to access low-cost loans for repair or replacement of failed or poorly
31 functioning septic systems.

32 SECTION 16. Chapter 46-12.2 of the General Laws entitled “Rhode Island Clean Water
33 Financing Agency” is hereby renamed “Rhode Island Infrastructure Bank”.

1 SECTION 17. Sections 46-12.2-1, 46-12.2-2, 46-12.2-3, 46-12.2-4, 46-12.2-6, 46-12.2-8, 46-
2 12.2-9, 46-12.2-10 and 46-12.2-11 of the General Laws in Chapter 46-12.2 entitled “Rhode Island Clean
3 Water Financing Agency” are hereby amended to read as follows:

4 **§ 46-12.2-1 Legislative findings.** – (a) It is hereby found that there exists and will in the future
5 exist within the state of Rhode Island the need to construct facilities and to facilitate projects for the
6 abatement of pollution caused by wastewater ~~and~~ for the enhancement of the waters of the state, and for
7 the completion of renewable energy and energy efficiency projects in order to save property owners
8 money and to encourage job and business growth in Rhode Island. ~~And that the traditional source for~~
9 ~~funding construction of such facilities and projects under the grant program of title II of the Clean Water~~
10 ~~Act, 33 U.S.C. §§1281-1299, will terminate at the end of fiscal year 1990.~~

11 (b) It is hereby further found that to meet water quality goals under federal and state law, and to
12 secure maximum benefit of funding programs available under federal and state law pertaining to
13 wastewater pollution abatement projects, it is necessary to establish a revolving loan fund program in
14 accordance with federal and state law to provide a perpetual source of low cost financing for water
15 pollution abatement projects.

16 (c) It is hereby further found that to secure maximum benefit to the state from funding programs
17 available under federal and state law and, to the extent permissible to attract private capital, for water
18 pollution abatement projects, for safe drinking water projects, for municipal road and bridge projects, and
19 other infrastructure related projects, it is necessary to establish a finance agency to administer the
20 revolving loan funds and other financing mechanisms, and for the finance agency to work with the
21 department of environmental management, Rhode Island department of transportation, the Rhode Island
22 office of energy resources and other federal and state agencies for proper administration of ~~the~~ revolving
23 loan funds and other financing mechanisms.

24 (d) It is hereby further found that cities and towns can lower the costs of borrowing for road and
25 bridge projects through cooperation with the Rhode Island infrastructure bank and that greater
26 coordination among cities and towns will enable more efficient allocation of infrastructure resources by
27 the state of Rhode Island.

28 (e) It is hereby further found that the geographic size of and population of Rhode Island, while
29 often derided as an impediment to economic growth, are potential assets, not handicaps, to better
30 infrastructure development.

31 (f) It is hereby further found that initiatives for infrastructure finance can best be accomplished
32 through a new, streamlined entity that seeks to foster and develop a public-private sector partnership that
33 takes advantage of all of Rhode Island’s strengths.

1 (g) It is hereby further found that expanding the Rhode Island clean water finance agency and
2 renaming it the Rhode Island infrastructure bank provides the best avenue towards fostering the creation
3 of jobs and the realization of energy cost savings through the facilitation of infrastructure improvements.

4 **§ 46-12.2-2 Definitions.** – As used in this chapter, unless the context clearly indicates otherwise,
5 the following words and phrases shall have the following meanings:

6 (1) "Agency" means the ~~Rhode Island clean water finance agency~~ Rhode Island infrastructure
7 bank.

8 (2) "Approved project" means any project or portion thereof that has been issued a certificate of
9 approval by the department, or other comparable evidence of approval by any other agency or political
10 subdivision or instrumentality of the state[MD(12)], for financial assistance from the agency;

11 (3) "Board" means board of directors of the agency;

12 (4) "Bond act" means any general or special law authorizing a local governmental unit to incur
13 indebtedness for all or any part of the cost of projects coming within the scope of a water pollution
14 abatement project, or for other projects related to this chapter, including but not limited to § 45-12-2;

15 (5) "Bonds" means bonds, notes, or other evidence of indebtedness of the agency;

16 (6) "Certificate of approval" means the certificate of approval contemplated by § 46-12.2-8, or
17 other comparable evidence of approval issued by any agency or political subdivision or instrumentality of
18 the state;[MD(13)]

19 (7) "Chief executive officer" means the mayor in any city, the president of the town council in
20 any town, and the executive director of any authority or commission, unless some other officer or body is
21 designated to perform the functions of a chief executive officer under any bond act or under the
22 provisions of a local charter or other law;

23 (8) "Clean Water Act" or "act" means the Federal Water Pollution Control Act, act of June 30,
24 1948, ch. 758, as added Oct. 18, 1972, Pub. L. No. 92-500, 86 Stat. 896, as added Dec. 27, 1977, Pub. L.
25 No. 95-217, 91 Stat. 1566 (codified at 33 U.S.C. § 1251 et seq., as amended and as hereafter amended
26 from time to time);

27 (9) "Corporation" means any corporate person, including, but not limited to, bodies politic and
28 [MD(14)]corporate, corporations, societies, associations, partnerships, sole proprietorships and subordinate
29 instrumentalities of any one or more political subdivisions of the state;

30 (9)10 "Cost" as applied to any approved project, means any or all costs, whenever incurred,
31 approved by the agency in accordance with section eight of this chapter, of planning, designing,
32 acquiring, constructing, and carrying out and placing the project in operation, including, without limiting
33 the generality of the foregoing, amounts for the following: planning, design, acquisition, construction,
34 expansion, improvement and rehabilitation of facilities; acquisition of real or personal property;

1 demolitions and relocations; labor, materials, machinery and equipment; services of architects, engineers,
2 and environmental and financial experts and other consultants; feasibility studies, plans, specifications,
3 and surveys; interest prior to and during the carrying out of any project and for a reasonable period
4 thereafter; reserves for debt service or other capital or current expenses; costs of issuance of local
5 governmental obligations or non-governmental obligations issued to finance the obligations including,
6 without limitation, fees, charges, and expenses and costs of the agency relating to the loan evidenced
7 thereby, fees of trustees and other depositories, legal and auditing fees, premiums and fees for insurance,
8 letters or lines of credit or other credit facilities securing local governmental obligations or non-
9 governmental obligations and other costs, fees, and charges in connection with the foregoing; and
10 working capital, administrative expenses, legal expenses, and other expenses necessary or incidental to
11 the aforesaid, to the financing of a project and to the issuance therefor of local government obligations
12 under the provisions of this chapter;

13 ~~(1011)~~ "Department" means the department of environmental management;

14 ~~(1112)~~ "Energy efficiency savings" means the savings derived from the implementation of
15 energy efficient and renewable energy upgrades to public buildings;

16 ~~(1314)~~ "Financial assistance" means any form of financial assistance ~~other than grants~~ provided
17 by the agency to a local governmental unit or corporation in accordance with this chapter for all or any
18 part of the cost of an approved project, including, without limitation, grants, temporary and permanent
19 loans, with or without interest, guarantees, insurance, subsidies for the payment of debt service on loans,
20 lines of credit, and similar forms of financial assistance; provided, however, notwithstanding the
21 foregoing, for purposes of capitalization grant awards made available to the agency, pursuant to the
22 American Recovery and Reinvestment Act of 2009 (P.L. 111-5), or as otherwise required in connection
23 with other capitalization grant awards made available to the agency, financial assistance shall also include
24 principal forgiveness and negative interest loans;

25 ~~(1412)~~ "Fully marketable form" means a local governmental obligation in form satisfactory to the
26 agency duly executed and accompanied by an opinion of counsel of recognized standing in the field of
27 municipal law whose opinions have been and are accepted by purchasers of like obligations to the effect
28 that the obligation is a valid and binding obligation of the local governmental unit issuing the obligation,
29 enforceable in accordance with its terms;

30 ~~(1513)~~ "General revenues" , when used with reference to a local governmental unit, means
31 revenues, receipts, assessments, and other moneys of the local governmental unit received from or on
32 account of the exercise of its powers and all rights to receive the same, including without limitation:

33 (i) Taxes,

34 (ii) Wastewater system revenues,

1 (iii) Assessments upon or payments received from any other local governmental unit which is a
2 member or service recipient of the local governmental unit, whether by law, contract, or otherwise,

3 (iv) Proceeds of local governmental obligations and loans and grants received by the local
4 governmental unit in accordance with this chapter,

5 (v) Investment earnings,

6 (vi) Reserves for debt service or other capital or current expenses,

7 (vii) Receipts from any tax, excise, or fee heretofore or hereafter imposed by any general or
8 special law all or a part of the receipts of which are payable or distributable to or for the account of the
9 local governmental unit,

10 (viii) Local aid distributions, and

11 (ix) Receipts, distributions, reimbursements, and other assistance received by or for the account of the
12 local governmental unit from the United States or any agency, department, or instrumentality thereof;

13 ~~(1614)~~ "Loan" means a loan by the agency to a local governmental unit or corporation for costs of
14 an approved project, including, without limitation, temporary and permanent loans, and lines of credit;

15 ~~(1715)~~ "Loan agreement" means any agreement entered into by the agency with a local
16 governmental unit or corporation pertaining to a loan, other financial assistance, ~~or~~ local governmental
17 obligations, or non-governmental obligations, including, without limitation, a loan agreement, trust
18 agreement, security agreement, reimbursement agreement, guarantee agreement, lease agreement, or
19 similar instrument;

20 ~~(1816)~~ "Local aid distributions" means receipts, distributions, reimbursements, and other
21 assistance payable by the state to or for the account of a local governmental unit, except such receipts,
22 distributions, reimbursements, and other assistance restricted by law to specific statutorily defined
23 purposes;

24 ~~(1917)~~ "Local governmental obligations" means bonds, notes, lease obligations, and other
25 evidences of indebtedness in fully marketable form issued by a local governmental unit to evidence a loan
26 from the agency in accordance with this chapter or otherwise as provided herein;

27 ~~(2018)~~ "Local governmental unit" means any town, city, district, commission, agency, authority,
28 board, or other political subdivision or instrumentality of the state or of any political subdivision thereof
29 responsible for the ownership or operation of a water pollution abatement project, including the
30 Narragansett Bay water quality management district commission; and, for purposes of dam safety or dam
31 maintenance projects, any person seeking financial assistance as a joint applicant with any of the above
32 entities;

33 ~~(2119)~~ "Local interest subsidy trust fund" means the local interest subsidy trust fund established
34 under § 46-12.2-6;

1 (22) “Non-governmental obligations” means bonds, notes, or other evidences of indebtedness in
2 fully marketable form issued by a corporation to evidence a loan from the agency in accordance with this
3 chapter or otherwise as provided herein.

4 (2320) "Person" means any natural or corporate person, including bodies politic and corporate,
5 public departments, offices, agencies, authorities, and political subdivisions of the state, corporations,
6 societies, associations, and partnerships, and subordinate instrumentalities of any one or more political
7 subdivisions of the state;

8 (2421) "Priority determination system" means the system by which water pollution abatement
9 projects are rated on the basis of environmental benefit and other criteria for funding assistance pursuant
10 to rules and regulations promulgated by the department as they may be amended from time to time;

11 (25) “Qualified energy conservation bond” or “QECB” means those bonds designated by 26 USC
12 54D.

13 (2622) "Revenues" , when used with reference to the agency, means any receipts, fees, payments,
14 moneys, revenues, or other payments received or to be received by the agency in the exercise of its
15 corporate powers under this chapter, including, without limitation, loan repayments, payments on local
16 governmental obligations, non-governmental obligations, grants, aid, appropriations, and other assistance
17 from the state, the United States, or any agency, department, or instrumentality of either or of a political
18 subdivision thereof, bond proceeds, investment earnings, insurance proceeds, amounts in reserves, and
19 other funds and accounts established by or pursuant to this chapter or in connection with the issuance of
20 bonds, including, without limitation, the water pollution control revolving fund, the Rhode Island water
21 pollution control revolving fund, and the local interest subsidy fund, and any other fees, charges or other
22 income received or receivable by the agency;

23 (2723) "Rhode Island water pollution control revolving fund" means the Rhode Island water
24 pollution control revolving fund established pursuant to § 46-12.2-6;

25 (2824) "Trust agreement" means a trust agreement, loan agreement, security agreement,
26 reimbursement agreement, currency or interest rate exchange agreement, or other security instrument, and
27 a resolution, loan order, or other vote authorizing, securing, or otherwise providing for the issue of bonds,
28 loans, or local governmental obligations or non-governmental obligations;

29 (2925) "Wastewater system revenues" means all rates, rents, fee assessments, charges, and other
30 receipts derived or to be derived by a local governmental unit from wastewater collection and treatment
31 facilities and water pollution abatement projects under its ownership or control, or from the services
32 provided thereby, including, without limitation, proceeds of grants, gifts, appropriations, and loans,
33 including the proceeds of loans or grants awarded by the agency or the department in accordance with this
34 chapter, investment earnings, reserves for capital and current expenses, proceeds of insurance or

1 condemnation, and the sale or other disposition of property; wastewater system revenues may also include
2 rates, rents, fees, charges, and other receipts derived by the local governmental unit from any water
3 supply of distribution facilities or other revenue producing facilities under its ownership or control;
4 wastewater system revenues shall not include any ad valorem taxes levied directly by the local
5 governmental unit on any real and personal property;

6 ~~(3026)~~ "Water pollution abatement project" or "project" means any project eligible pursuant to
7 Title VI of the Clean Water Act including, but not limited to, wastewater treatment or conveyance project
8 that contributes to removal, curtailment, or mitigation of pollution of the surface water of the state, and
9 conforms with any applicable comprehensive land use plan which has been adopted or any dam safety,
10 removal or maintenance project; it also means a project to enhance the waters of the state, which the
11 agency has been authorized by statute to participate in; it also means a project related to brownfields
12 remediation and/or development subject to consultation with the Rhode Island commerce corporation and
13 department of environmental management, or any other project which the agency has been authorized to
14 participate in;

15 ~~(3127)~~ "Water pollution control revolving fund" means the water pollution control revolving fund
16 contemplated by title VI of the Water Quality Act and established under § 46-12.2-6;

17 ~~(3228)~~ "Water Quality Act" means the Water Quality Act of 1987, Pub. L. No. 100-4, 101 Stat. 7,
18 33 U.S.C. § 1251 et seq., as amended from time to time.

19 **§ 46-12.2-3 Establishment ~~Of agency~~, Composition of agency ~~---~~, Appointment of**
20 **directors of the Rhode Island infrastructure bank.** (a) ~~There is hereby created a body politic and~~
21 ~~corporate and~~ The agency known as the "Rhode Island clean water finance agency" shall now be known
22 as the "Rhode Island infrastructure bank." Whenever in any general law, public law, rule, regulation
23 and/or bylaw, reference is made to the Rhode Island clean water finance agency, by name or otherwise,
24 the reference shall be deemed to refer to and mean the "Rhode Island infrastructure bank." The agency
25 shall take all necessary actions to effectuate this name change, including, but not limited to, changing the
26 name of the agency on file with any government office. The Rhode Island infrastructure bank shall
27 remain a public instrumentality of the state having distinct legal existence from the state and not
28 constituting a department of the state government, ~~to be known as the Rhode Island clean water finance~~
29 ~~agency.~~ The exercise by ~~the~~ this agency of the powers conferred by this chapter shall be deemed to be the
30 performance of an essential public function.

31 (b) Nothing in this act shall be construed to change or modify the corporate existence of the
32 former Rhode Island clean water finance agency, which shall now be known as the "Rhode Island
33 infrastructure bank," or to change or modify any contracts or agreements of any kind by, for, between, or
34 to which the Rhode Island clean water finance agency is a party.

1 (c ~~b~~) The powers of the agency shall be exercised by or under the supervision of a board of
2 directors consisting of ~~five-seven~~ (7 ~~5~~) members, four (4) of whom shall be members of the public
3 appointed by the governor, with the advice and consent of the senate. The governor in making these
4 appointments shall give due consideration to persons skilled and experienced in law, finance, and public
5 administration and give further due consideration to a recommendation by the general treasurer for one of
6 those appointments. The newly appointed member will serve for a limited term to expire in March of
7 2006. All appointments made by the governor shall serve for a term of two (2) years. No one shall be
8 eligible for appointment unless he or she is a resident of this state. The members of the board of directors
9 as of the effective date of this act [July 15, 2005] who were appointed to the board of directors by
10 members of the general assembly shall cease to be members of the board of directors on the effective date
11 of this act. As of the effective date of this act, the general treasurer or his or her designee, who shall be a
12 subordinate within the general treasurer's department, shall serve on the board of directors as an ex-officio
13 member. The commerce secretary, or his or her designee, and the director of the department of
14 environmental management, or his or her designee, shall also serve on the board of directors as ex officio
15 members. Those members of the board of directors as of the effective date of this act who were appointed
16 to the board of directors by the governor shall continue to serve the balance of their current terms.

17 (d ~~e~~) Each member of the board of directors shall serve until his or her successor is appointed and
18 qualified. The appointed member of the board of directors shall be eligible for reappointment. Any
19 member of the board of directors appointed to fill a vacancy of a public member on the board shall be
20 appointed by the governor, with the advice and consent of the senate, for the unexpired term of the vacant
21 position in the same manner as the member's predecessor as set forth in subsection 46-12.2-3(b). The
22 public members of the board of directors shall be removable by the governor, pursuant to § 36-1-7 and for
23 cause only, and removal solely for partisan or personal reasons unrelated to capacity or fitness for the
24 office shall be unlawful. The governor shall designate one member of the board of directors to be the
25 chairperson of the agency to serve in such capacity during his or her term as a member. The board of
26 directors may elect from among its members such other officers as they deem necessary. Three (3)
27 members of the board of directors shall constitute a quorum. A majority vote of those present shall be
28 required for action. No vacancy in the membership of the board of directors shall impair the right of a
29 quorum to exercise the powers of the board of directors. The members of the board of directors shall
30 serve without compensation, but each member shall be reimbursed for all reasonable expenses incurred in
31 the performance of his or her duties.

32 (e ~~d~~) Notwithstanding any other provision of general or special law to the contrary, any member
33 of the board of directors, who is also an officer or employee of the state or of a local governmental unit or
34 other public body, shall not thereby be precluded from voting for or acting on behalf of the agency, the

1 state, or local governmental unit or other public body on any matter involving the agency, the state, or
2 that local governmental unit or other public body, and any director, officer, employee, or agent of the
3 agency shall not be precluded from acting for the agency on any particular matter solely because of any
4 interest therein which is shared generally with a substantial segment of the public.

5 **46-12.2-4 General powers and duties of agency.** – (a) The agency shall have all powers
6 necessary or convenient to carry out and effectuate the purposes and provisions of this ~~chapter and~~
7 ~~chapter~~ chapter, chapter 24-18 and chapter 39-26.5, including, without limiting the generality of the
8 foregoing, the powers and duties:

9 (1) To adopt and amend bylaws, rules, regulations, and procedures for the governance of its
10 affairs, the administration of its financial assistance programs, and the conduct of its business;

11 (2) To adopt an official seal;

12 (3) To maintain an office at such place or places as it may determine;

13 (4) To adopt a fiscal year;

14 (5) To adopt and enforce procedures and regulations in connection with the performance of its
15 functions and duties;

16 (6) To sue and be sued;

17 (7) To employ personnel as provided in § 46-12.2-5, and to engage accounting, management,
18 legal, financial, consulting and other professional services;

19 (8) Except as provided in this chapter, to receive and apply its revenues to the purposes of this
20 chapter without appropriation or allotment by the state or any political subdivision thereof;

21 (9) To borrow money, issue bonds, and apply the proceeds thereof, as provided in this chapter
22 and chapter 24-18, and to pledge or assign or create security interests in revenues, funds, and other
23 property of the agency and otherwise as provided in this chapter and chapter 24-18, to pay or secure the
24 bonds; and to invest any funds held in reserves or in the water pollution control revolving fund, the Rhode
25 Island water pollution control revolving fund, the municipal road and bridge fund established under
26 chapter 24-18, any other funds established in accordance with this chapter, or the local interest subsidy
27 trust fund, or any revenues or funds not required for immediate disbursement, in such investments as may
28 be legal investments for funds of the state;

29 (10) To obtain insurance and to enter into agreements of indemnification necessary or convenient
30 to the exercise of its powers under this chapter and chapter 24-18;

31 (11) To apply for, receive, administer, and comply with the conditions and requirements
32 respecting any grant, gift, or appropriation of property, services, or moneys;

33 (12) To enter into contracts, arrangements, and agreements with other persons, and execute and
34 deliver all instruments necessary or convenient to the exercise of its powers under this chapter and chapter

1 24-18; such contracts and agreements may include without limitation, loan agreements with a local
2 governmental unit or corporation, capitalization grant agreements, intended use plans, operating plans,
3 and other agreements and instruments contemplated by title VI of the Clean Water Act, 33 U.S.C. § 1381
4 et seq., or this chapter, agreement and instruments contemplated by chapter 24-18, grant agreements,
5 contracts for financial assistance or other forms of assistance from the state or the United States, and trust
6 agreements and other financing agreements and instruments pertaining to bonds;

7 (13) To authorize a representative to appear on its own behalf before other public bodies,
8 including, without limiting the generality of the foregoing, the congress of the United States, in all matters
9 relating to its powers and purposes;

10 (14) To provide financial assistance to a local governmental unit, or, subject to consultation with
11 the Rhode Island commerce corporation, to a corporation to finance costs of approved projects, and to
12 thereby acquire and hold local governmental obligations and non-governmental obligations at such prices
13 and in such manner as the agency shall deem advisable, and sell local governmental obligations and non-
14 governmental obligations acquired or held by it at prices without relation to cost and in such manner as
15 the agency shall deem advisable, and to secure its own bonds with such obligations all as provided in this
16 chapter and chapter 24-18;

17 (15) To be the sole Rhode Island governmental provider of financial assistance with regards to
18 those water pollution abatement projects concerning brownfields revolving funds.

19 ~~(16)~~ To establish and collect such fees and charges as the agency shall determine to be
20 reasonable;

21 ~~(17)~~ To acquire, own, lease as tenant, or hold real, personal or mixed property or any interest
22 therein for its own use; and to improve, rehabilitate, sell, assign, exchange, lease as landlord, mortgage, or
23 otherwise dispose of or encumber the same;

24 ~~(18)~~ To do all things necessary, convenient, or desirable for carrying out the purposes of this
25 chapter and chapter 24-18 or the powers expressly granted or necessarily implied by this chapter and
26 chapter 24-18;

27 ~~(19)~~ To conduct a training course for newly appointed and qualified members and new
28 designees of ex-officio members within six (6) months of their qualification or designation. The course
29 shall be developed by the executive director, approved by the board of directors, and conducted by the
30 executive director. The board of directors may approve the use of any board of directors or staff members
31 or other individuals to assist with training. The training course shall include instruction in the following
32 areas: the provisions of chapters 46-12.2, 42-46, 36-14, and 38-2; and the agency's rules and regulations.
33 The director of the department of administration shall, within ninety (90) days of the effective date of this

1 act [July 15, 2005], prepare and disseminate, training materials relating to the provisions of chapters 42-
2 46, 36-14 and 38-2; and

3 ~~(2019)~~ Upon the dissolution of the water resources board (corporate) pursuant to § 46-15.1-22, to
4 have all the powers and duties previously vested with the water resources board (corporate), as provided
5 pursuant to chapter 46-15.1.

6 (210) To meet at the call of the chair at least eight (8) times per year. All meetings shall be held
7 consistent with chapters 42-46.

8 (22) To be the sole issuer of QECCBs from the state of Rhode Island's allocation, including any
9 portions of which have been reallocated to the state by local governments, for any project authorized to be
10 financed with the proceeds thereof under the applicable provisions of 26 USC 54D.

11 (b) Notwithstanding any other provision of this chapter, the agency shall not be authorized or
12 empowered:

13 (1) To be or to constitute a bank or trust company within the jurisdiction or under the control of
14 the department of banking and insurance of the state, or the commissioner thereof, the comptroller of the
15 currency of the United States of America, or the Treasury Department thereof; or

16 (2) To be or constitute a bank, banker or dealer in securities within the meaning of, or subject to
17 the provisions of, any securities, securities exchange, or securities dealers' law of the United States or the
18 state.

19 **§ 46-12.2-6 Establishment of the water pollution control revolving fund, the Rhode Island**
20 **water pollution control revolving fund and the local interest subsidy trust fund – Sources of funds –**

21 **Permitted uses.** – (a) The agency shall be the instrumentality of the state for administration of the water
22 pollution control revolving fund, the Rhode Island water pollution control revolving fund, and the local
23 interest subsidy trust fund, and such other funds it holds or for which it is responsible, and, in conjunction
24 with the department, is empowered to and shall take all action necessary or appropriate to secure to the
25 state the benefits of title VI of the Clean Water Act, 33 U.S.C. § 1381 et seq., and other federal or state
26 legislation pertaining to the funds and to the financing of approved projects. Without limiting the
27 generality of the foregoing and other powers of the agency provided in this chapter, the agency is
28 empowered to and shall:

29 (1) Cooperate with appropriate federal agencies in all matters related to administration of the
30 water pollution control revolving fund and, pursuant to the provisions of this chapter, administer the fund
31 and receive and disburse such funds from any such agencies and from the state as may be available for the
32 purpose of the fund.

1 (2) Administer the Rhode Island water pollution control revolving fund and the local interest
2 subsidy trust fund, and receive and disburse such funds from the state as may be available for the purpose
3 of the funds subject to the provisions of this chapter.

4 (3) In cooperation with the department, prepare, and submit to appropriate federal agencies
5 applications for capitalization grants under title VI of the Clean Water Act, 33 U.S.C. § 1381 et seq., and
6 enter into capitalization grant agreements, operating agreements, and other agreements with appropriate
7 federal and state agencies, and accept and disburse, as provided herein, any capitalization grant awards
8 made under title VI of the Clean Water Act, 33 U.S.C. § 1381 et seq.

9 (4) Cooperate with the department in the preparation and submission to appropriate federal and
10 state agencies of intended use plans identifying the use of capitalization grant awards and other moneys in
11 the water pollution control revolving fund.

12 (5) In cooperation with the department, prepare and submit to appropriate federal agencies, the
13 department and the governor, annual and other reports and audits required by law.

14 (6) Subject to the provisions of this chapter both to make, and enter into binding commitments to
15 provide financial assistance to a local governmental units or corporation from amounts on deposit in the
16 water pollution control revolving fund, the Rhode Island water pollution control revolving fund and from
17 other funds of the agency; and to provide, and enter into binding commitments to provide subsidy
18 assistance for loans ~~and~~ local governmental obligations and non-governmental obligations from amounts
19 on deposit in the local interest subsidy trust fund.

20 (7) Establish and maintain fiscal controls and accounting procedures conforming to generally
21 accepted government accounting standards sufficient to ensure proper accounting for receipts in and
22 disbursements from the water pollution control revolving fund, the Rhode Island water pollution control
23 revolving fund, the local interest subsidy trust fund and other funds it holds or for which it is responsible
24 and, adopt such rules, regulations, procedures, and guidelines which it deems necessary to ~~assure~~ ensure
25 that local governmental units and corporations administer and maintain approved project accounts and
26 other funds and accounts relating to financial assistance in accordance with generally accepted
27 government accounting standards.

28 (b) The agency shall establish and set up on its books a special fund, designated the water
29 pollution control revolving fund, to be held in trust and to be administered by the agency solely as
30 provided in this chapter and in any trust agreement securing bonds of the agency. The agency shall credit
31 to the water pollution control revolving fund or one or more accounts therein:

32 (1) All federal capitalization grant awards received under title VI of the Clean Water Act, 33
33 U.S.C. § 1381 et seq., provided the agency shall transfer to the department the amount allowed by §
34 603(d)(7) of the Water Quality Act, 33 U.S.C. § 1383(d)(7), to defray administration expenses;

- 1 (2) All amounts appropriated or designated to the agency by the state for purposes of the fund;
- 2 (3) To the extent required by federal law, loan repayments and other payments received by the
3 agency on any loans, ~~and~~ local governmental obligations and non-governmental obligations;
- 4 (4) All investment earnings on amounts credited to the fund to the extent required by federal law;
- 5 (5) All proceeds of bonds of the agency to the extent required by any trust agreement for such
6 bonds;
- 7 (6) All other monies which are specifically designated for this fund, including, amounts from the
8 Rhode Island Clean Water Act environmental trust fund, gifts, bequests, administrative, civil and criminal
9 penalties, or other funds from any public or private sources; and
- 10 (7)(i) Any other amounts required by the provisions of this chapter, agreement, or any other law
11 or by any trust agreement pertaining to bonds to be credited to the fund or which the agency in its
12 discretion shall determine to credit thereto.
- 13 (ii) At the request of the governor, the agency shall take all action necessary to transfer the state's
14 allotment under title II of the Clean Water Act, 33 U.S.C. § 1281 et seq., for federal fiscal year 1989 and
15 each federal fiscal year thereafter, to the purposes of the water pollution control revolving fund, provided
16 that any portion of any allotment which, under the provisions of the Clean Water Act, 33 U.S.C. § 1251 et
17 seq., may not be transferred to or used for the purposes of the water pollution control revolving fund, shall
18 continue to be received and administered by the department as provided by law.
- 19 (c) The agency shall establish and set up on its books a special fund, designated the Rhode Island
20 water pollution control revolving fund, to be held in trust and to be administered by the agency solely as
21 provided in this chapter and in any trust agreement securing bonds of the agency. The agency shall credit
22 to the Rhode Island water pollution control revolving fund or one or more accounts therein:
- 23 (1) All amounts appropriated or designated to the agency by the state for purposes of the fund;
- 24 (2) At its discretion, and to the extent allowed by law, loan repayments and other payments
25 received by the agency on any loans, ~~and~~ local governmental obligations and non-governmental
26 obligations;
- 27 (3) At its discretion, all investment earnings and amounts credited to the fund;
- 28 (4) All proceeds of bonds of the agency to the extent required by any trust agreement for such
29 bonds;
- 30 (5) All other monies which are specifically designated for this fund, including, amounts from the
31 Rhode Island Clean Water Act environmental trust fund, gifts, bequests, administrative, civil and criminal
32 penalties, or other funds from any public or private sources; and

1 (6) Any other amounts required by provisions of this chapter or agreement, or any other law or
2 any trust agreement pertaining to bonds to be credited to the fund or which the agency in its discretion
3 shall determine to credit thereto.

4 (d) Except to the extent limited by federal law, and subject to the provisions of this chapter, to the
5 provisions of any agreement with the state authorized by § 46-12.2-7, and to any agreements with the
6 holders of any bonds of the agency or any trustee therefor, amounts held by the agency for the account of
7 either the water pollution control revolving fund or the Rhode Island water pollution control revolving
8 fund shall be applied by the agency, either by direct expenditure, disbursement, or transfer to one or more
9 other funds and accounts held by the agency or maintained under any trust agreement pertaining to bonds,
10 either alone or with other funds of the agency, to the following purposes:

11 (1) To provide financial assistance to a local governmental units or corporation to finance costs of
12 approved projects, and to refinance the costs of the projects, subject to such terms and conditions, if any,
13 as are determined by the department and/or the agency in accordance with § 46-12.2-8;

14 (2) To purchase or refinance debt obligations of the a local governmental units or corporation, or
15 to provide guarantees, insurance or similar forms of financial assistance for the obligations;

16 (3) To fund reserves for bonds of the agency and to purchase insurance and pay the premiums
17 therefor, and pay fees and expenses of letters or lines of credit and costs of reimbursement to the issuers
18 thereof for any payments made thereon or on any insurance, and to otherwise provide security for, and a
19 source of payment for, by pledge, lien, assignment, or otherwise as provided in § 46-12.2-14, bonds of the
20 agency issued in accordance with this chapter; and

21 (4)(i) To pay expenses of the agency and the department in administering the funds and the
22 financial assistance programs of the agency authorized by this chapter. As part of the annual
23 appropriations bill, the department shall set forth the gross amount of expenses received from the agency
24 and a complete, specific breakdown of the sums retained and/or expended for administrative expenses.

25 (ii) By way of illustration, not by limitation, in the personnel area, the breakdown of
26 administrative expenses should contain the number of personnel paid, the position numbers of the
27 personnel, and whether or not the position is a new position or a position which had been funded
28 previously by federal funds or a position which had been previously created but unfunded.

29 (e) The agency shall also establish and set up on its books a special fund, designated the local
30 interest subsidy trust fund, to be held in trust and to be administered by the agency solely as provided in
31 this chapter and in any trust agreement securing bonds of the agency. The agency may maintain a separate
32 account in the local interest subsidy trust fund for each local governmental unit or corporation which has
33 received a loan from the agency, in accordance with this chapter, to separately account for or otherwise
34 segregate all or any part of the amounts credited to the fund and receipts in and disbursements from the

1 fund. To the extent that the agency is required by this chapter, by any loan agreement or by any trust
2 agreement, it shall, and, to the extent that it is permitted, it may in its discretion, credit to the local interest
3 subsidy trust fund, and to one or more of the accounts or subaccounts therein:

4 (1) All amounts appropriated or designated to the agency by the state for purposes of the fund;

5 (2) Loan repayments and other payments received on loans, ~~and~~ local governmental obligations,
6 and non-governmental obligations;

7 (3) Investment earnings on amounts credited to the local interest subsidy trust fund;

8 (4) Proceeds of agency bonds;

9 (5) All other monies which are specifically designated for this fund including, amounts from the
10 Rhode Island Clean Water Act environmental trust fund, gifts, bequests, administrative, civil and criminal
11 penalties, or other funds from any public or private sources; and

12 (6) Any other amounts permitted by law.

13 (f) Subject to any agreement with the state authorized by § 46-12.2-7, to the provisions of § 46-
14 12.2-8, and to any agreement with the holders of any bonds of the agency or any trustee therefor, amounts
15 held by the agency for the account of the local interest subsidy trust fund shall be applied by the agency,
16 either by direct expenditure, disbursement, or transfer to one or more other funds and accounts held by the
17 agency or maintained under any trust agreement pertaining to bonds, either alone or with other funds of
18 the agency, to the following purposes:

19 (1) To pay or provide for all or a portion of the interest otherwise payable by a local
20 governmental units or corporation on loans, ~~and~~ local governmental obligations, and non-governmental
21 obligations, in the amounts and on terms determined by the agency in accordance with § 46-12.2-8;

22 (2) To provide a reserve for, or to otherwise secure, amounts payable by a local governmental
23 units or corporation on loans, ~~and~~ local governmental obligations and non-governmental obligations
24 outstanding in the event of default thereof; amounts in any account in the local interest subsidy trust fund
25 may be applied to defaults on loans outstanding to the local governmental unit or corporation for which
26 the account was established and, on a parity basis with all other accounts, to defaults on any loans, ~~or~~
27 local governmental obligations, or non-governmental obligations outstanding; and

28 (3) To provide a reserve for, or to otherwise secure, by pledge, lien, assignment, or otherwise as
29 provided in § 46-12.2-14, any bonds of the agency.

30 (g) Subject to any express limitation of this chapter pertaining to expenditure or disbursement of
31 funds or accounts held by the agency, funds or accounts held by the agency may be transferred to any
32 other fund or account held by the agency and expended or disbursed for purposes permitted by the fund or
33 account.

1 **§ 46-12.2-8 Procedures for application, approval, and award of financial assistance.** – (a)

2 Any local governmental unit or corporation may apply to the agency for financial assistance in
3 accordance with this chapter to finance all or any part of the cost of a water pollution abatement project.
4 The agency shall not award financial assistance to a local governmental unit or corporation until and
5 unless the department shall have issued a certificate of approval of the project or portion thereof.

6 (b) If the department shall determine, in accordance with rules and regulations promulgated
7 pursuant to this chapter, that an application for financial assistance or portion thereof shall be approved, it
8 shall deliver to the agency a certificate of approval of the project or a portion thereof which shall specify
9 the project or portion thereof eligible for financial assistance and such other terms, conditions and
10 limitations with respect to the construction and operation of the project as the department shall determine.
11 The agency shall specify, among other things, the type and amount of financial assistance to be provided,
12 the costs thereof eligible for financial assistance, the amounts, if any, of the financial assistance, to be
13 provided from the water pollution control revolving fund and/or the Rhode Island water pollution control
14 revolving fund, the amount, if any, of subsidy assistance to be granted from the local interest subsidy trust
15 fund, the amount, if any, of other financial assistance permitted by this chapter to be provided, and such
16 other terms, conditions, and limitations on the financial assistance, the expenditure of loan proceeds, and
17 the construction and operation of the project as the agency shall determine or approve.

18 (c) Any water pollution abatement project or portion thereof included on the priority list
19 established by the department for federal fiscal year 1989 or any federal fiscal year thereafter shall be
20 eligible for financial assistance in accordance with this chapter.

21 (d) In addition to the authority provided by law, the department shall be responsible for, and shall
22 have all requisite power to, review and approve reports and plans for water pollution abatement projects
23 and approved projects, or any part thereof, for which financial assistance has been applied or granted in
24 accordance with this chapter, to enter into contracts with a local governmental units or corporation
25 relative to approved projects, including, without limiting the generality of the foregoing, the costs of
26 approved projects eligible for financial assistance, grants, and other terms, conditions and limitations with
27 respect to the construction and operation of the project, and to inspect the construction and operation
28 thereof of projects in compliance with approved plans. Without limiting the generality of the foregoing, in
29 connection with the exercise of its powers and performance of its duties under this chapter, the
30 department shall have all the powers provided by law to the department and its director. The department
31 shall adopt rules, regulations, procedures, and guidelines to carry out the purposes of this chapter and for
32 the proper administration of its powers and duties under this chapter. The rules, regulations, procedures,
33 and guidelines shall include among other things, criteria for determining those water pollution abatement
34 projects to be approved for financial assistance (the criteria shall include the priority determination

1 system), specification of eligible costs of the projects, and provisions for compliance by projects
2 constructed in whole or in part with funds directly made available under this chapter by federal
3 capitalization grants with the requirements of the Clean Water Act, 33 U.S.C. § 1351 et seq., and other
4 federal laws applicable to the project. The department shall cooperate with the agency in the development
5 of capitalization grant applications, operating plans, and intended use plans for federal capitalization grant
6 awards under title VI of the Clean Water Act, 33 U.S.C. § 1381 et seq., and may enter into such
7 agreements and other undertakings with the agency and federal agencies as necessary to secure to the
8 state the benefits of title VI of the Clean Water Act, 33 U.S.C. § 1381 et seq. In order to provide for the
9 expenses of the department under this chapter, the agency shall transfer to the department for application
10 to the expenses an amount from the water pollution control revolving fund equal to the maximum amount
11 authorized by federal law, and such additional amounts as may be needed from the Rhode Island water
12 pollution control fund and from any other monies available. The agency and the department shall enter
13 into an operating agreement and amend the same, from time to time, allocating their respective rights,
14 duties, and obligations with respect to the award of financial assistance and grants to finance approved
15 projects under this chapter and establishing procedures for the application, approval, and oversight of
16 projects, financial assistance, and grants.

17 (e) Upon issuance of a certificate of approval, the agency shall award as soon as practicable the
18 financial assistance to the local governmental unit or corporation for any approved project specified in the
19 certificate; provided, however, the agency may decline to award any financial assistance which the
20 agency determines will have a substantial adverse effect on the interests of holders of bonds or other
21 indebtedness of the agency or the interests of other participants in the financial assistance program, or for
22 good and sufficient cause affecting the finances of the agency. All financial assistance shall be made
23 pursuant to a loan agreement between the agency and the local governmental unit or corporation, acting
24 by and through the officer or officers, board, committee, or other body authorized by law, or otherwise its
25 chief executive officer, according to the terms and conditions of the certificate of approval and such other
26 terms and conditions as may be established by the agency, and each loan shall be evidenced and secured
27 by the issue to the agency of local governmental obligations or non-governmental obligations in fully
28 marketable form in principal amount, bearing interest at the rate or rates specified in the applicable loan
29 agreement, and shall otherwise bear such terms and conditions as authorized by this chapter and the loan
30 agreement.

31 (f) The agency shall adopt rules, regulations, procedures, and guidelines for the proper
32 administration of its financial assistance programs and the provision of financial assistance under this
33 chapter. The rules, regulations, procedures, and guidelines shall be consistent with the requirements of
34 title VI of the Clean Water Act, 33 U.S.C. § 1381 et seq., and any rules, regulations, procedures, and

1 guidelines adopted by the department, and may include, without limitation, forms of financial assistance
2 applications, loan agreements, and other instruments, and provision for submission to the agency and the
3 department by a local governmental unit or corporation of the information regarding the proposed water
4 pollution abatement project, the wastewater system of which it is a part, and the local governmental unit
5 or corporation as the agency or the department shall deem necessary, to determine the eligibility of a
6 project for financial assistance under this chapter, the financial feasibility of a project, and the sufficiency
7 of general revenues or wastewater system revenues to secure and pay the loan and the local governmental
8 obligations or non-governmental obligations issued to evidence the project.

9 (g) Subject to the provisions of any trust agreement securing bonds of the agency, when the
10 agency shall have awarded a loan eligible for subsidy assistance from funds held by the agency for the
11 credit of the local interest subsidy trust fund, the agency shall credit to the applicable account in the fund
12 maintained in accordance with § 46-12.2-6(e), the amount, if any, as provided in the loan agreement to
13 defray all or a portion of the interest otherwise payable by the local governmental unit or corporation on
14 the loan.

15 (h) In addition to other remedies of the agency under any loan agreement or otherwise provided
16 by law, the agency may also recover from a local governmental unit or corporation, in an action in
17 superior court, any amount due the agency together with any other actual damages the agency shall have
18 sustained from the failure or refusal of the local governmental unit or corporation to make the payments.

19 **§ 46-12.2-9 Authorization to expend funds available for local grants.** – In addition to the
20 financial assistance provided by the agency to a local governmental units or corporation for approved
21 projects in accordance with this chapter, the department is hereby authorized to expend funds otherwise
22 available for grants a local governmental units or corporation to the extent permitted by federal and state
23 law.

24 **§ 46-12.2-10 Powers of local governmental units.** – Notwithstanding any provision of general
25 law, special law or municipal charter to the contrary:

26 (1) In addition to authority granted otherwise by this chapter and in any bond act or other law, a
27 local governmental unit, acting by and through the officer or officers, board, committee, or other body
28 authorized by law, if any, or otherwise the chief executive officer, shall have the power to:

29 (i) Issue local governmental obligations as provided herein: (A) if and to the amount authorized
30 by a bond act; ~~or~~ (B) without limitation as to the amount, if issued as limited obligations, pursuant to §46-
31 12.2-12 or §46-12.2-12.1; or (C) without limitation as to the amount, if issued as a financing lease or
32 other appropriation obligation;

1 (ii) Plan, design, acquire, construct, operate, maintain, and otherwise undertake any ~~water~~
2 ~~pollution abatement~~ project subject to the rules, regulations, procedures, and guidelines of the department,
3 if applicable, in effect from time to time and the requirements of any other applicable law;

4 (iii) Apply for, accept, and expend, financial assistance and grants for the purpose of financing
5 costs of ~~water pollution abatement~~ projects subject to the rules, regulations, procedures, and guidelines of
6 the agency and the department, if applicable, in effect from time to time, the provisions of the applicable
7 loan agreement, and the requirements of other applicable law;

8 (iv) Authorize, execute, deliver, and comply with loan agreements, trust agreements, grant
9 agreements, financing leases, appropriation agreements, and other agreements, and instruments with the
10 agency, the department, and other persons relating to financial assistance and grants hereunder, and the
11 issue of local governmental obligations to evidence loans, and perform the same;

12 (v) Receive, apply, pledge, assign, and grant security interests in its general revenues and
13 wastewater system revenues to secure its obligations under local governmental obligations and other
14 financial assistance; and

15 (vi) Fix, revise, charge, and collect such fees, rates, rents, assessments, and other charges of
16 general or special application for the costs and/or use of any approved project, ~~the~~ any wastewater system
17 ~~of which it is a part~~, and any other revenue producing facilities from which the local governmental unit
18 may derive ~~wastewater system~~ revenues, or for the services provided thereby, as it shall deem necessary
19 to meet its obligations under any loan agreement or local governmental obligations outstanding or
20 otherwise to provide for the costs and/or operation of the project and any wastewater ~~the~~ system.

21 (2) In order to provide for the collection and enforcement of fees, rates, rents, assessments, and
22 other charges for the operation of any approved project, any ~~the~~ wastewater system ~~of which it is a part~~,
23 and any other revenue producing facilities from which the local governmental units may derive
24 ~~wastewater system~~ revenues, in addition to any other authority provided by law or any bond act
25 applicable to a particular local governmental unit, local governmental units are hereby granted all the
26 powers and privileges granted to them by the general laws of the state with respect to any similar fee, rate,
27 rent, assessment, or other charge. All unpaid fees, rates, rents, assessments, and other charges shall be a
28 lien upon the real estate served for which the unpaid fees, rates, rents, assessments, or other charges have
29 been made. A lien shall arise and attach as of the due date of each unpaid fee, rate, rent, assessment, or
30 other charge. The lien shall be superior to any other lien other than a tax lien, encumbrance, or interest in
31 the real estate, whether by way of mortgage, attachment, or otherwise, except easements and restrictions.
32 In the case of a life estate, the interest of the tenant for life shall first be liable for the unpaid fees, rates,
33 rents, assessments, or other charges. The local governmental unit may enforce the lien by advertising and

1 selling any real estate liable for unpaid fees, rents, assessments, and other charges in the manner provided
2 for the enforcement of liens for unpaid taxes by chapter 9 of title 44, as amended from time to time.

3 (3) Any city or town and any other local governmental unit acting by and through the officer or
4 officers, board, committee, other body authorized by law, or otherwise the chief executive officer, may
5 enter into agreements with the agency or the department, if applicable, regarding the operation of a
6 pricing system adopted under any applicable law for the services provided by any approved project, the
7 wastewater system of which it is a part, and any other revenue producing facilities from which the local
8 governmental unit may derive wastewater system revenues. The agreements may include, without
9 limitation, provisions defining the costs of services, the approved project, and the wastewater system and
10 other facilities, and covenants or agreements, regarding the fixing and collection of fees, rates, rents,
11 assessments and other charges for the costs and the maintenance of the pricing system at levels sufficient
12 to pay or provide for all the costs and any payments due the agency under any loan agreement or local
13 governmental obligations.

14 (4) Any city or town and any other local governmental unit acting by and through the officer or
15 officers, board, committee, or other body authorized by law, or otherwise the chief executive officer, may
16 enter into agreements with the agency and the department, if applicable, regarding the operation of an
17 enterprise fund established for any approved project, any ~~the~~ wastewater system ~~of which it is a part~~, and
18 any other revenue producing facilities from which the local governmental unit may derive ~~wastewater~~
19 ~~system~~ revenues. The agreements may include, without limitation, fiscal and accounting controls and
20 procedures, provisions regarding the custody, safeguarding, and investment of ~~wastewater system~~
21 revenues, and other amounts credited thereto, the establishment of reserves and other accounts and funds,
22 and the application of any surplus funds.

23 (5) The provisions of any charter, other laws or ordinances, general, special, or local, or of any
24 rule or regulation of the state or any municipality, restricting or regulating in any manner the power of
25 any municipality to lease (as lessee or lessor) or sell property, real, personal, or mixed, shall not apply to
26 leases and sales made with the agency pursuant to this chapter.

27 (6) Any municipality, notwithstanding any contrary provision of any charter, other laws or
28 ordinances, general, special or local, or of any rule or regulations of the state or any municipality, is
29 authorized and empowered to lease, lend, pledge, grant, or convey to the agency, at its request, upon
30 terms and conditions that the chief executive officer, if any, or where no chief executive officer exists, the
31 city or town council of the municipality, may deem reasonable and fair and without the necessity for any
32 advertisement, order of court, or other action or formality, any real property or personal property which
33 may be necessary or convenient to effectuation of the authorized purpose of the agency, including public
34 roads and other real property already devoted to public use; and, subject to what has been stated, the

1 municipality consents to the use of all lands owned by the municipality which are deemed by the agency
2 to be necessary for the construction or operation of any project.

3 **§ 46-12.2-11 Authority of local governmental units to issue obligations – Terms.** – (a) In
4 addition to the powers of any local governmental unit provided in any bond act, whenever a local
5 governmental unit has applied for and accepted a loan from the agency and entered into a loan agreement
6 therefor, any local governmental obligations issued by the local governmental unit to evidence the loan
7 may be issued in accordance with, and subject to the limitations of this chapter, notwithstanding the
8 provisions of the bond act authorizing the obligation or any other general or special law or provision of
9 municipal charter to the contrary. The provisions of this chapter shall apply to the issuance of local
10 governmental obligations under authority of any bond act heretofore enacted and under authority of any
11 bond act hereafter enacted unless the bond act expressly provides that the provisions of this chapter shall
12 not so apply. Notwithstanding the foregoing, no local governmental obligation issued as a general
13 obligation bond shall be issued unless authorized by a vote of the body or bodies required by the charter,
14 ordinances, or laws governing the local governmental unit, or the applicable bond act for the authorization
15 of indebtedness of the local governmental unit.

16 (b) Local governmental obligations issued by any local governmental unit shall be dated, may
17 bear interest at such rate or rates, including rates variable, from time to time, subject to such minimum or
18 maximum rate, if any, as may be determined by such index or other method of determination provided in
19 the applicable loan agreement, shall mature in such amount or amounts and at such time or times, not later
20 than the maximum dates, if any, provided herein, and may be made redeemable in whole or in part before
21 maturity at the option of the local governmental unit or at the option of the agency, at such price or prices
22 and under such terms and conditions as may be fixed in the loan agreement prior to the issue of the local
23 governmental obligations. Local governmental obligations may be issued as serial bonds or term bonds or
24 any combination thereof with such provision, if any, for sinking funds for the payment of bonds as the
25 local governmental unit and the agency may agree. The local governmental obligations may be sold at
26 private sale and may be in such form, payable to the bearer thereof or the registered owner, whether
27 certificated or uncertificated, be in such denominations, payable at such place or places, within or without
28 the state, and otherwise bear such terms and conditions, not inconsistent with this chapter, as provided in
29 the applicable loan agreement or as the agency and the local governmental unit shall otherwise agree. The
30 local governmental obligations may be issued in principal amount equal to the loan evidenced thereby or
31 at such discount as the agency and the local governmental unit shall agree.

32 (c) Local governmental obligations shall be payable within a period not exceeding the greater of
33 the period, if any, specified in the applicable bond act or the useful life of the approved project financed
34 by such obligations as determined by the department, or, if incurred to finance more than one project, the

1 average useful life of the projects. Except as otherwise provided in this chapter, the local governmental
2 obligations shall be payable by such equal, increasing, or decreasing installments of principal, annual or
3 otherwise, as will extinguish the obligations at maturity, the first installment to be payable no later than
4 ~~one three years~~ after the date of issuance of the obligations ~~or one year after the date of completion of the~~
5 ~~approved project financed by the obligations, as determined by the department~~, whichever date is later,
6 and the remaining installments of principal, if any, to be in such amounts and payable on such dates as the
7 agency and the local governmental unit shall agree.

8 (d) If a local governmental unit has authorized borrowing in accordance with this chapter and the
9 issuance of local governmental obligations to evidence the borrowing under any bond act, the local
10 governmental unit may, subject to the applicable loan agreement and with the approval of the agency,
11 issue notes to the agency to evidence ~~of~~ the loan. The issuance of the notes shall be governed by the
12 provisions of this chapter relating to the issue of bonds other than notes, to the extent applicable, provided
13 the maturity date of the notes shall not exceed five (5) years from the date of issue of the notes, ~~or the~~
14 ~~expected date of completion of the approved project financed thereby as determined by the department, if~~
15 ~~later~~. Notes issued for less than the maximum maturity date may be renewed by the issue of other notes
16 maturing no later than the maximum maturity date.

17 (e) A local governmental unit may issue local governmental obligations to refund or pay at
18 maturity or earlier redemption any local governmental obligations outstanding under any loan agreement,
19 or to refund or pay any other debt of the local governmental unit issued to finance the approved project to
20 which the loan agreement pertains. The refunding local governmental obligations may be issued in
21 sufficient amounts to pay or provide for the principal of the obligations refunded, any redemption
22 premium thereon, any interest accrued and to accrue to the date of payment of the obligations, the costs of
23 issuance of the refunding obligations and any reserves required by the applicable loan agreement. The
24 issue of refunding local governmental obligations, the amount and dates of maturity or maturities and
25 other details thereof, the security therefor, and the rights, duties, and obligations of the local governmental
26 unit in respect to the same shall be governed by the provisions of this chapter relating to the issue of local
27 governmental obligations other than refunding obligations as this chapter may be applicable.

28 (f) Except as otherwise provided in § 46-12.2-12 and § 46-12.2-12.1, the applicable bond act, or
29 by agreement between the agency and a local governmental unit, all local governmental obligations
30 issued in accordance with this section shall be general obligations of the local governmental unit issuing
31 the obligations for which its full faith and credit are pledged and for the payment of which all taxable
32 property in the local governmental unit shall be subject to ad valorem taxation without limit as to rate or
33 amount except as otherwise provided by law.

1 **§ 46-12.2-13 Trust agreements pertaining to local governmental obligations.** – (a)

2 Notwithstanding any general or special law to the contrary, local governmental obligations issued in
3 accordance with this chapter may be secured by one or more trust agreements, including, or in addition to
4 the applicable loan agreement, between the local governmental unit and a corporate trustee, which may be
5 a trust company or bank having the powers of a trust company within or without the state, or directly
6 between the agency and the local governmental unit. Any trust agreement shall be in such form and shall
7 be executed as provided in the applicable loan agreement or as otherwise agreed to between the agency
8 and the local governmental unit.

9 (b) Any trust agreement directly or indirectly securing local governmental obligations may, in
10 addition to other security provided by law, pledge or assign, and create security interests in, all or any part
11 of the general revenues of the local governmental unit. Any trust agreement may contain such provisions
12 for protecting and enforcing the rights, security, and remedies of the agency, or other holders of the local
13 governmental obligations, as may be determined by the agency including, without limitation, provisions
14 defining defaults and providing for remedies in the event thereof, which may include the acceleration of
15 maturities to the extent permitted by law, and covenants setting forth the duties of, and limitations on, the
16 local governmental unit in relation to the custody, safeguarding, investment, and application of moneys,
17 including general revenues and wastewater system revenues, the issue of additional and refunding local
18 governmental obligations and other bonds, notes, or obligations on a parity or superior thereto, the
19 establishment of reserves, the establishment of sinking funds for the payment of local governmental
20 obligations, and the use of surplus proceeds of local governmental obligations. A trust agreement securing
21 local governmental obligations issued in accordance with § 46-12.2-12 may also include covenants and
22 provisions not in violation of law regarding the acquisition, construction, operation, and carrying out of
23 the approved project financed by the obligations, the wastewater system of which it is a part, and any
24 other revenue producing facilities from which the local governmental unit may derive wastewater system
25 revenues, the fixing and collection of wastewater system revenues, and the making and amending of
26 contracts relating thereto.

27 (c) In addition to other security provided herein or otherwise by law, any local governmental
28 obligations issued under authority of this chapter may be secured, in whole or in part, by insurance or by
29 letters or lines of credit or other credit facilities issued by any insurance company, bank, trust company, or
30 other financial institution, within or without the state, and a local governmental unit may pledge subject to
31 applicable voter approval requirements, ~~or~~ assign appropriate any of its general revenues or wastewater
32 system revenues, as appropriate, as security for the reimbursement to the issuers of insurance, letters, or
33 lines of credit or other credit facilities of any payments made thereunder.

1 (d) Any trust agreement may set forth the rights and remedies of the agency or other holders of
2 the local governmental obligations secured thereby and of any trustee or other fiduciary thereunder.

3 (e) In addition to any other remedies provided under the applicable loan agreement or otherwise
4 by law, the agency and any other holder of local governmental obligations issued under the provisions of
5 this chapter, and any trustee under any trust agreement securing the obligations may bring suit in the
6 superior court upon the local governmental obligations, and may, either at law or in equity, by suit, action,
7 mandamus, or other proceeding for legal or equitable relief, including, in the case of local governmental
8 obligations issued in accordance with § 46-12.2-12, proceedings for the appointment of a receiver to take
9 possession and control of the approved project financed thereby, the wastewater system of which it is a
10 part, or any other revenue producing facilities from which the local governmental unit may derive
11 wastewater system revenues, to operate and maintain the system or facility in compliance with law, to
12 make any necessary repairs, renewals, and replacements and to fix, revise, and collect wastewater system
13 revenues, protect, and enforce any and all rights under the laws of the state or granted in this chapter or
14 under any trust agreement, and may enforce and compel the performance of all duties required by this
15 chapter, the loan agreement, the applicable bond act, or the trust agreement to be performed by the local
16 governmental unit or any officer thereof.

17 (f) A pledge of general revenues or wastewater system revenues in accordance with this chapter
18 shall constitute a sufficient appropriation thereof for the purposes of any provision for appropriation for
19 so long as the pledge shall be in effect, and, notwithstanding any general or special law or municipal
20 charter to the contrary, the revenues shall be applied as required by the pledge and the trust agreement
21 evidencing the revenues without further appropriation.

22 (g) A pledge or assignment of general revenues, other than wastewater system revenues, may be
23 made only to secure general obligations of a local governmental unit.

24 SECTION 18. Chapter 46-12.2 of the General Laws entitled “Rhode Island Clean Water
25 Financing Agency” is hereby amended by adding thereto the following sections:

26 **§ 46-12.2-4.2 Establishment of the efficient buildings fund.** – (a) The Rhode Island
27 infrastructure bank shall be authorized to create a fund, to be known as the efficient buildings fund, and,
28 in consultation with the office of energy resources including with regards to the development of a project
29 priority list, to provide technical, funding and administrative assistance to public entities for energy
30 efficient and renewable energy upgrades to public buildings and infrastructure. Eligibility for receipt of
31 this support by a municipality shall be conditioned upon that municipality reallocating their remaining
32 proportional QECB allocation to the state of Rhode Island.

33 (b) The Rhode Island infrastructure bank may create one or more loan loss reserve funds to serve
34 as further security for the debt funding the efficient buildings fund.

1 (c) To the extent possible, and consistent with law, the infrastructure bank shall encourage the use
2 of project labor agreements and local hiring on appropriate projects.

3 **§ 46-12.2-12.1 Power of local governmental units to issue limited obligations payable from**
4 **energy efficiency savings.** – (a) If required by the applicable loan agreement, and notwithstanding any
5 general or special law or municipal charter to the contrary, local governmental obligations shall be issued
6 as limited obligations payable solely from energy efficiency savings pledged to their payment.
7 Notwithstanding § 45-12.2-2 or any general or special law or municipal charter to the contrary, all local
8 governmental units shall have the power to issue local governmental obligations payable solely from
9 energy efficiency savings pursuant to this section without limit as to amount, and the amount of principal
10 and premium, if any, and interest on the obligations shall not be included in the computation of any limit
11 on the indebtedness of the local governmental unit or on the total taxes which may be levied or assessed
12 by the local governmental unit in any year or on any assessment, levy, or other charge made by the local
13 governmental unit on any other political subdivision or instrumentality of the state. This chapter shall
14 constitute the bond act for the issuance of the local governmental obligations payable solely from energy
15 efficiency savings by local governmental units. Any local governmental obligations issued in accordance
16 with this section that is payable solely from energy efficiency savings shall recite on its face that it is a
17 limited obligation payable solely from energy efficiency savings pledged to its payment.

18 (b) The issue of local governmental obligations in accordance with this section, the maturity or
19 maturities and other terms thereof, the security therefor, the rights of the holders thereof, and the rights,
20 duties, and obligation of the local governmental unit in respect of the same shall be governed by the
21 provisions of this chapter relating to the issue of local governmental obligations to the extent applicable
22 and not inconsistent with this section.

23 (c) A local government unit may appropriate general revenues on an annual basis to pay any
24 financing, lease, or appropriation obligation, provided that an event of non-appropriation shall not be an
25 event of default under any financing lease or appropriation obligation.

26 **§ 46-12.2-14.1 Electric and gas demand side charge proceeds as further security for debt**
27 **funding energy efficiency improvements in public buildings.** – Upon receipt of the electric and gas
28 demand side charge proceeds identified in §§ 39-2-1.2(1-m) (collectively, the “surcharge proceeds”), the
29 Rhode Island infrastructure bank shall forward these funds back to the remitting distribution companies
30 subject to the following limitations:

31 (i) The Rhode Island infrastructure bank shall maintain a separate account to exclusively
32 hold the surcharge proceeds (the “surcharge account”);

1 (ii) At no point shall the balance of the surcharge account be less than two times the balance
2 required to make all debt service payments, on debts that are secured by the surcharge account, coming
3 due in the next one hundred eighty five (185) days;

4 (iii) The surcharge account shall only be used to secure debt incurred in connection with
5 Section 46-12.2-4.2 or to prevent a default in connection therewith;

6 (iv) Any lien arising against the surcharge account in connection with debt incurred by the
7 Rhode Island infrastructure bank shall have a first priority.

8 SECTION 19. Sections 46-12.8-1 and 46-12.8-2 of the General Laws in Chapter 46-12.10
9 entitled "Water Projects Revolving Loan Fund" are hereby amended to read as follows:

10 **§ 46-12.8-1 Legislative findings.** – (a) It is hereby found that there exists and will in the future
11 exist within the state of Rhode Island the need to construct and reconstruct facilities related to and acquire
12 watershed protection land in connection with the provision of safe drinking water throughout the state of
13 Rhode Island.

14 (b) It is hereby further found that to provide financial assistance for the acquisition, design,
15 planning, construction, enlargement, repair, protection or improvement of public drinking water supplies
16 or treatment facilities, including any of those actions required under the federal Safe Drinking Water Act
17 of 1974, 42 U.S.C., §§ 300f – 300j-9, including the Safe Drinking Water Act (SDWA) amendments of
18 1996 (Pub. L. 104-182) and any amendments thereto, it is necessary to establish a revolving loan fund
19 program to provide a perpetual source of low cost financing for safety drinking water projects.

20 (c) It is hereby further found that to secure maximum benefit to the state from a safe drinking
21 water revolving loan fund, it is necessary to place such fund within the jurisdiction and control of the
22 Rhode Island ~~clean water finance agency~~ infrastructure bank, which agency presently runs the state's
23 revolving fund with respect to the state's wastewater pollution abatement program, which agency shall
24 exclusively administer the financing portion of the safe drinking water revolving loan fund, but which
25 shall nevertheless work, as necessary, with the department of environmental management, the water
26 resources board, the Rhode Island department of health, the division of public utilities and carriers and
27 any other agency or instrumentality of the state or federal government with responsibility for the
28 development or supervision of water supply facilities within the state.

29 **§ 46-12.8-2 Definitions.** – (a) "Agency" means the Rhode Island ~~clean water finance agency~~
30 infrastructure bank.

31 (b) "Approved project" means any project or portion thereof of a governmental unit or privately
32 organized water supplier that has been issued a certificate of approval by the department for assistance
33 through the agency.

34 (c) "Department" means the department of health.

1 (d) "Local governmental obligations" means bonds, notes or other evidences of indebtedness in
2 fully marketable form issued by a governmental unit to evidence a loan from the agency in accordance
3 with this chapter or otherwise as provided herein.

4 (e) "Local governmental unit" means any town, city, district, commission, agency, authority,
5 board of other political subdivision or instrumentality of the state or of any political subdivision thereof
6 responsible for the ownership or operation of water supply facilities within the state.

7 (f) "Obligations of private water companies" means bonds, notes or other evidences of
8 indebtedness, of private water companies, in fully marketable form.

9 (g) "Privately organized water supplier" means any water company not owned or operated by a
10 local governmental unit, existing under the laws of the state, and in the business of operating a safe
11 drinking water facility.

12 (h) "Water supply facility or facilities" means water reservoirs, wells and well sites, transmission
13 or distribution system, any and all real estate or interests in real estate held in connection therewith, all
14 equipment and improvements held in connection therewith, and any property or interests therein, real,
15 personal or mixed, used or held on to be used in connection therewith.

16 (i) "Financial assistance" means any form of financial assistance other than grants provided by the
17 agency to a local governmental unit or private water company in accordance with this chapter for all or
18 any part of the cost of an approved project, including, without limitation, temporary and permanent loans,
19 with or without interest, guarantees, insurance, subsidies for the payment of debt service on loans, lines of
20 credit, and similar forms of financial assistance; provided, however, notwithstanding the foregoing, for
21 purposes of capitalization grant awards made available to the agency pursuant to the American Recovery
22 and Reinvestment Act of 2009 (P.L. 111-5), or as otherwise required in connection with other
23 capitalization grant awards made available to the agency, financial assistance shall also include principal
24 forgiveness and negative interest loans.

25 SECTION 20. Section 46-15.1-22 of the General Laws in Chapter 46-15.1 entitled "Water Supply
26 Facilities" is hereby amended to read as follows:

27 **§ 46-15.1-22 Discontinuation of borrowing authority and abolishment of water resources**
28 **board (corporate).** – (a) Notwithstanding any law to the contrary, including, but not limited to, § 46-
29 15.1-10, upon the effective date of this section, the water resources board (corporate), established as a
30 body politic and corporate and public instrumentality pursuant to this chapter, shall be prohibited from
31 borrowing money or issuing bonds for any purpose.

32 (b) The water resources board (corporate) shall continue to repay existing debt until all such debt
33 is fully repaid. Upon the repayment by the water resources board (corporate) of all such existing
34 obligations, the water resources board (corporate) shall be dissolved and all existing functions and duties

1 of the water resources board (corporate) shall be transferred to the Rhode Island ~~clean water finance~~
2 ~~agency~~ infrastructure bank, a body politic and corporate and public instrumentality of the state established
3 pursuant to chapter 46-12.2.

4 SECTION 21. Section 46-15.3-25 of the General Laws in Chapter 46-15.3 entitled “Public
5 Drinking Water Supply System Protection” is hereby amended to read as follows:

6 **§ 46-15.3-25 Transfer of charges to Rhode Island Clean Water Finance Agency Rhode**
7 **Island infrastructure bank.** – Notwithstanding any law, rule or regulation to the contrary, upon the
8 dissolution of the water resources board (corporate) pursuant to § 46-15.1-22, any charges remitted to the
9 water resources board (corporate) pursuant to this chapter shall be remitted to the Rhode Island ~~clean~~
10 ~~water finance agency~~ infrastructure bank, a body politic and corporate and public instrumentality of the
11 state established pursuant to chapter 46-12-2.

12 SECTION 22. This article shall take effect upon passage.

13 ARTICLE 25

14 RELATING TO STATE POLICE PENSIONS

15 SECTION 1. Section 42-28-22.1 of the General Laws in Chapter 42-28 entitled “State Police” is
16 hereby amended to read as follows:

17 **§ 42-28-22.1 Retirement contribution.** – (a) Legislative findings. The general assembly finds
18 that:

19 (1) A trust was created for retirement purposes for members of the state police who were hired
20 after July 1, 1987; however, as of January 1, 2015, there was an unfunded liability of approximately \$200
21 million attributable to the retirement benefits for members of the state police hired on or before July 1,
22 1987, and no trust had been created for them.

23 (2) Unless a trust is established, these members’ benefits will continue to be funded on a pay-as-
24 you-go basis and would not be recognized as a liability on the state’s financial statements under generally
25 accepted accounting purposes.

26 (3) An investigation of Google, Inc., conducted by the Rhode Island U.S. attorney’s office and the
27 Rhode Island task force of the U.S. food and drug administration’s office of criminal investigations, the
28 department of the attorney general, and state and local police netted settlement amounts of approximately
29 \$230 million to the state, of which \$45.0 million has been allocated for use by the state police.

30 (4) The allocation of Google settlement monies to the state police presents a unique opportunity
31 to reduce the amount of the unfunded liability attributable to the retirement benefits for members of the
32 state police hired on or before July 1, 1987.

1 (5) It is in the best interests of the members of the state police and the taxpayers of this state to
2 reduce the amount of the unfunded liability attributable to retirement benefits for these police officers by
3 creating a separate trust and to fund those benefits on an actuarial basis.

4 ~~(a)~~(b) Each member of the state police initially hired after July 1, 1987 shall have deducted from
5 "compensation" as defined in § 36-8-1(8) beginning July 1, 1989, an amount equal to a rate percent of
6 such compensation of eight and three quarters percent (8.75%). The receipts collected from members of
7 the state police shall be deposited in a restricted revenue account entitled "state police retirement
8 benefits". The proceeds deposited in this account shall be held in trust for the purpose of paying
9 retirement benefits under this section to participating members of the state police or their beneficiaries.
10 The retirement board shall establish rules and regulations to govern the provisions of this section.

11 ~~(b)~~(c) A member of the state police initially hired after July 1, 1987 who withdraws from service
12 or ceases to be a member for any reason other than death or retirement, will, at the member's request, be
13 paid on demand a refund consisting of the accumulated contributions standing to his or her credit in his or
14 her individual account in the state police retirement benefits account. Any member receiving a refund
15 shall thereby forfeit and relinquish all accrued rights as a member of the system together with credits for
16 total service previously granted to the member; provided, however, that if any member who has received
17 a refund shall subsequently reenter the service and again become a member of the system, he or she shall
18 have the privilege of restoring all moneys previously received or disbursed to his or her credit as refund of
19 contributions, plus regular interest for the period from the date of refund to the date of restoration.

20 ~~(c)~~(d) Upon the repayment of the refund ~~as herein~~ provided in subsection (c) above, the member
21 shall again receive credit for the amount of total service which he or she had previously forfeited by the
22 acceptance of the refund.

23 (e) The state shall deposit contributions for members of the state police initially hired on or before
24 July 1, 1987, from time to time (as provided in § 42-28-22.2) to be held in trust. The proceeds of this
25 trust shall pay retirement benefits under this section to participating members of the state police or their
26 beneficiaries. The retirement board shall establish rules and regulations to govern the provisions of this
27 section.

28 SECTION 2. Section 42-28-22.2 of the General Laws in Chapter 42-28 entitled "State Police" is
29 hereby amended to read as follows:

30 § 42-28-22.2 State contributions. – The state of Rhode Island shall make its contribution for the
31 maintaining of the system established by § 42-28-22.1 and providing the annuities, benefits, and
32 retirement allowances in accordance with the provisions of this chapter by (a) annually appropriating an
33 amount which will pay a rate percent of the compensation paid after July 1, 1989 to members of the state
34 police hired after July 1, 1987 and (b) appropriating an amount which will amortize the unfunded liability

1 associated with the benefits payable to members of the state police hired on or before July 1, 1987. This
2 ~~rate percent~~ The dollar amount specified in subsection (b) above shall be computed on an actuarial basis
3 using an eighteen (18) year amortization schedule commencing on July 1, 2015, taking into account an
4 initial supplemental contribution from the state, and certified in accordance with the procedures set forth
5 in §§ 36-8-13 and 36-10-2 under rules and regulations promulgated by the retirement board pursuant to §
6 36-8-3.

7 SECTION 3. Section 36-8-1 of the General Laws in Chapter 36-8 entitled "Retirement System –
8 Administration" is hereby amended to read as follows:

9 **§ 36-8-1 Definition of terms.** – The following words and phrases as used in chapters 8 to 10 of
10 this title unless a different meaning is plainly required by the context, shall have the following meanings:

11 (1) "Accumulated contributions" shall mean the sum of all the amounts deducted from the
12 compensation of a member and credited to his or her individual pension account.

13 (2) "Active member" shall mean any employee of the state of Rhode Island as defined in this
14 section for whom the retirement system is currently receiving regular contributions pursuant to §§ 36-10-
15 1 and 36-10-1.1.

16 (3) "Actuarial equivalent" shall mean an allowance or benefit of equal value to any other
17 allowance or benefit when computed upon the basis of the actuarial tables in use by the system.

18 (4) "Annuity reserve" shall mean the present value of all payments to be made on account of any
19 annuity, benefit, or retirement allowance granted under the provisions of chapter 10 of this title computed
20 upon the basis of such mortality tables as shall be adopted from time to time by the retirement board with
21 regular interest.

22 (5)(a) "Average compensation" for members eligible to retire as of September 30, 2009 shall
23 mean the average of the highest three (3) consecutive years of compensation, within the total service
24 when the average compensation was the highest. For members eligible to retire on or after October 1,
25 2009, "Average compensation" shall mean the average of the highest five (5) consecutive years of
26 compensation within the total service when the average compensation was the highest.

27 (b) For members who become eligible to retire on or after July 1, 2012, if more than one half
28 (1/2) of the member's total years of service consist of years of service during which the member devoted
29 less than thirty (30) business hours per week to the service of the state, but the member's average
30 compensation consists of three (3) or more years during which the member devoted more than thirty (30)
31 business hours per week to the service of the state, such member's average compensation shall mean the
32 average of the highest ten (10) consecutive years of compensation within the total service when the
33 average compensation was the highest.

1 (6) "Beneficiary" shall mean any person in receipt of a pension, an annuity, a retirement
2 allowance, or other benefit as provided by chapter 10 of this title.

3 (7) "Casual employee" shall mean those persons hired for a temporary period, a period of
4 emergency or an occasional period.

5 (8) "Compensation" as used in chapters 8 – 10 of this title, chapters 16 and 17 of title 16, and
6 chapter 21 of title 45 shall mean salary or wages earned and paid for the performance of duties for
7 covered employment, including regular longevity or incentive plans approved by the board, but shall not
8 include payments made for overtime or any other reason other than performance of duties, including but
9 not limited to the types of payments listed below:

10 (i) Payments contingent on the employee having terminated or died;

11 (ii) Payments made at termination for unused sick leave, vacation leave, or compensatory time;

12 (iii) Payments contingent on the employee terminating employment at a specified time in the
13 future to secure voluntary retirement or to secure release of an unexpired contract of employment;

14 (iv) Individual salary adjustments which are granted primarily in anticipation of the employee's
15 retirement;

16 (v) Additional payments for performing temporary or extra duties beyond the normal or regular
17 work day or work year.

18 (9) "Employee" shall mean any officer or employee of the state of Rhode Island whose business
19 time is devoted exclusively to the services of the state, but shall not include one whose duties are of a
20 casual or seasonal nature. The retirement board shall determine who are employees within the meaning of
21 this chapter. The governor of the state, the lieutenant governor, the secretary of state, the attorney general,
22 the general treasurer, and the members of the general assembly, ex officio, shall not be deemed to be
23 employees within the meaning of that term unless and until they elect to become members of the system
24 as provided in § 36-9-6, but in no case shall it deem as an employee, for the purposes of this chapter, any
25 individual who devotes less than twenty (20) business hours per week to the service of the state, and who
26 receives less than the equivalent of minimum wage compensation on an hourly basis for his or her
27 services, except as provided in § 36-9-24. Any commissioner of a municipal housing authority or any
28 member of a part-time state, municipal or local board, commission, committee or other public authority
29 shall not be deemed to be an employee within the meaning of this chapter.

30 (10) "Full actuarial costs" or "full actuarial value" shall mean the lump sum payable by a member
31 claiming service credit for certain employment for which that payment is required which is determined
32 according to the age of the member and the employee's annual rate of compensation at the time he or she
33 applies for service credit and which is expressed as a rate percent of the employee's annual rate of
34 compensation to be multiplied by the number of years for which he or she claims service credit as

1 prescribed in a schedule adopted by the retirement board from time to time on the basis of computation by
2 the actuary. Except as provided in §§ 16-16-7.1, 36-5-3, 36-9-31, 36-10-10.4, 45-21-53, 36-10-8, 45-21-
3 29, 8-3-16(b), 8-8-10.1(b), 42-28-22.1~~(b)~~(c) and 28- 30-18.1(b);

4 (i) all service credit purchases requested after June 16, 2009 and prior to July 1, 2012, shall be at
5 full actuarial value; and

6 (ii) all service credit purchases requested after June 30, 2012 shall be at full actuarial value which
7 shall be determined using the system's assumed investment rate of return minus one percent (1%).

8 The rules applicable to a service credit purchase shall be the rules of the retirement system in
9 effect at the time the purchase application is submitted to the retirement system.

10 (11) "Inactive member" shall mean a member who has withdrawn from service as an employee
11 but who has not received a refund of contributions.

12 (12) "Members" shall mean any person included in the membership of the retirement system as
13 provided in §§ 36-9-1 – 36-9-7.

14 (13) "Prior service" shall mean service as a member rendered before July 1, 1936, certified on his
15 or her prior service certificate and allowable as provided in § 36-9-28.

16 (14) "Regular interest" shall mean interest at the assumed investment rate of return, compounded
17 annually, as may be prescribed from time to time by the retirement board.

18 (15) "Retirement allowance" shall mean annual payments for life made after retirement under and
19 in accordance with chapters 8 to 10 of this title. All allowances shall be paid in equal monthly
20 installments beginning as of the effective date thereof; provided, that a smaller pro rata amount may be
21 paid for part of a month where separation from service occurs during the month in which the application
22 was filed, and when the allowance ceases before the last day of the month.

23 (16) "Retirement board" or "board" shall mean the board provided in § 36-8-3 to administer the
24 retirement system.

25 (17) "Retirement system" shall mean the employees' retirement system of the state of Rhode
26 Island as defined in § 36-8-2.

27 (18) "Service" shall mean service as an employee of the state of Rhode Island as described in
28 subdivision (9) of this section.

29 (19) "Social Security retirement age" shall mean a member's full retirement age as determined in
30 accordance with the federal Old Age, Survivors and Disability Insurance Act, not to exceed age sixty-
31 seven (67).

32 (20) "Total service" shall mean prior service as defined above, plus service rendered as a member
33 on or after July 1, 1936.

34 SECTION 4. This article shall take effect upon passage.

1 **ARTICLE 26**

2 RELATING TO DIVISION OF MOTOR VEHICLES

3 SECTION 1. Section 31-3-33 of the General Laws in Chapter 31-3 entitled "Registration of
4 Vehicles" is hereby amended to read as follows:

5 **§ 31-3-33 Renewal of registration.** – (a) Application for renewal of a vehicle registration shall
6 be made by the owner on a proper application form and by payment of the registration fee for the vehicle
7 as provided by law.

8 (b) The division of motor vehicles may receive applications for renewal of registration, and may
9 grant the renewal and issue new registration cards and plates at any time prior to expiration of
10 registration.

11 (c) Upon renewal, owners will be issued a renewal sticker for each registration plate which shall
12 be placed at the bottom right hand corner of the plate. Owners shall be issued a new fully reflective plate
13 beginning September 1, ~~2015~~ 2016 at the time of initial registration or at the renewal of an existing
14 registration and reissuance will be conducted no less than every ten (10) years.

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

16 **ARTICLE 27**

17 RELATING TO LEGAL NOTICES

18 SECTION 1. Title 42 of the General Laws entitled "State Affairs and Government" is hereby
19 amended by adding thereto the following chapter:

20 **CHAPTER 11.4**

21 **MODERNIZATION OF LEGAL NOTICES AND ADVERTISEMENTS**

22 **42-11.4-1. Legislative Findings.** -- It is hereby found and declared as follows:

23 (a) Throughout the Rhode Island General Laws, there are over two hundred and fifty (250)
24 discrete requirements for legal notices or advertisements to be published in newspapers. While the
25 responsible parties, geographies (e.g., statewide or local), and frequencies of notice vary widely among
26 these hundreds of different requirements, their common goal is to notify the public about informational
27 requirements under law and to give the public a meaningful opportunity to participate in its government.
28 However, modes of communication change over time, and along with these changes there is an obligation
29 to openness for technological innovation.

30 (b) The United States Census Bureau reports that computer possession and household internet
31 usage have consistently risen over time. For example, in 1997, there was a computer in thirty six and six-
32 tenths percent (36.6%) of U.S. households, with eighteen percent (18%) of U.S. households reporting
33 internet usage. By 2011, there was a computer in seventy five and six-tenths percent (75.6%) of U.S.
34 households, with seventy one and seven-tenths percent (71.7%) of U.S. households reporting internet

1 usage. The Bureau reported similar rates of household internet connection of Rhode Islanders in 2011
2 [seventy two and two-tenths percent (72.2%)]. These increases are inclusive, cutting across age, education
3 attainment, income, and racial and ethnic boundaries.

4 (c) Using the internet to conduct civic transactions is a common practice according to a 2010 Pew
5 Research Center’s Internet & American Life Project survey, which reported that eighty two percent (82%)
6 of U.S. internet users looked for information or completed a transaction on a government website in the
7 preceding twelve (12) months. This data is consistent with the experience in Rhode Island, where
8 executive agencies have rolled out several new initiatives over the past few years that illustrate this trend:
9 the expansion of online services at the division of motor vehicles; the introduction of a transparency
10 portal (one of the first in the country) to provide more information regarding the operation and
11 management of government; the creation of a new division of veterans’ affairs website; and the launch of
12 an e-Licensing initiative by the department of business regulation, working with the office of digital
13 excellence and the division of information technology.

14 (d) Further, Rhode Island is particularly well poised to harness the power of communicating
15 digitally because of its depth of digital infrastructure. The New York Times reported in 2011 that Rhode
16 Island had the fastest internet speed for residential customers in the country; and “broadband service,”
17 which describes high-speed internet, digital cable and digital phone services traveling through a single
18 pipeline, is available to ninety seven percent (97%) of Rhode Islanders, with eighty three percent (83%)
19 of Rhode Islanders having the choice of at least two (2) broadband providers, according to the Broadband
20 Rhode Island initiative.

21 (e) While the use of the internet has grown nationally and in Rhode Island over time, with
22 investments in expansion of online services and digital infrastructure, readership of daily newspapers has
23 shown a steady slide in paid circulation. For example, the Pew Research Center’s Project for Excellence
24 in Journalism reported in 2011 that daily newspaper circulation, which stood at sixty two million three
25 hundred thousand (62,300,000) in 1990, had fallen to forty three million four hundred thousand
26 (43,400,000) in 2010, a decline of thirty percent (30%). In 1990, evening papers, which began to decline
27 in the 1970s, made up about a third of daily circulation. In 2009, this ratio had dropped to just over ten
28 percent (10%).

29 (f) Moreover, a national survey by the Pew Research Center for the People and the Press in 2010
30 found that “more people continue to cite the internet than newspapers as their main source of news,
31 reflecting both the growth of the internet, and the gradual decline in newspaper readership [from thirty
32 four percent (34%) in 2007 to thirty one percent (31%) now].”

1 (g) Given historical and current trends, offering an electronic means of publishing notices and
2 advertisements is a common-sense, efficient way to disseminate vital information to the public for several
3 reasons:

4 i. Publication of legal notices and advertisements by electronic means is more likely to reach
5 citizens, providing them with crucial information about information required to be disclosed under law
6 and a better opportunity to participate in government;

7 ii. Expanding the amount of information available electronically will allow for new forms of
8 connection between citizens and government, through e-mail alerts and enhanced search opportunities;
9 and

10 iii. Posting legal notices and advertisements electronically may ease the regulatory burden of
11 compliance for businesses, especially small businesses, and governmental agencies by offering a cost-
12 effective alternative to newspaper publication that capitalizes on the state's existing technological assets
13 and investments.

14 **42-11.4-2. Definitions.** – As used within this chapter,

15 (a) “Department” shall mean the department of administration; and

16 (b) “Person” shall mean any individual, corporation, partnership, association, municipality, other
17 public body, legal entity, employee or agent of the person.

18 **42-11.4-3. Authorized website transitional notice.** – (a) Notwithstanding any provision of the
19 general or public laws to the contrary, any notice or other written matter required to be published by any
20 law of this state in a newspaper shall be deemed to satisfy such requirement if posted on an “authorized
21 website,” as defined in the rules and regulations promulgated in accordance with section 42-11.4-7.

22 (b) Before any person may post a notice or advertisement on an authorized website, such person
23 must announce its intention to do so in the following ways and for the following periods of time:

24 (i) by publishing an announcement at least three (3) times a week for three (3) consecutive weeks
25 in the newspaper or newspapers - where notice or advertisement is currently required to be published;

26 (ii) by publishing an announcement on the secretary of state's website for at least three (3)
27 consecutive weeks; and

28 (iii) by publishing an announcement on the Rhode Island transparency portal
29 (<http://www.transparency.ri.gov/>) for at least three (3) consecutive weeks.

30 **42-11.4-4. Required posting.** – Posting a notice or advertisement on the secretary of state's
31 website pursuant to section 42-46-6 shall not be sufficient to meet the requirements for posting on an
32 authorized website pursuant to section 42-11.4-7.

1 42-11.4-5. Costs. – Any costs associated with posting the notice or advertisement on the
2 authorized website shall be borne by the party required to post the notice or advertisement as set forth in
3 the rules and regulations promulgated in accordance with section 42-11.4-7.

4 42-11.4-6. Burden of proof. – In all actions brought under this chapter, the burden shall be on
5 the party required to provide notice or advertisement to demonstrate notice or advertisement was
6 sufficient pursuant to the rules and regulations set forth in accordance with section 42-11.4-7.

7 42-11.4-7. Rules and regulations. – (a) No later than one hundred and twenty (120) days after
8 the passage of this act, the department shall promulgate rules and regulations, after review and
9 recommendation by the office of digital excellence, to implement the provisions of this chapter.

10 (b) Such rules and regulations shall include:

11 (i) a mechanism by which the authorized website can send a subscribing person e-mail alerts (as
12 specified by such subscribing person), including a choice of how often to receive such alerts and the
13 option to terminate such alerts;

14 (ii) the ability to search the authorized website by statutory cite, keyword, or date of posting; and

15 (iii) the particular specifications, if any, required for mobile electronic devices to access the
16 authorized website and utilize its functionalities.

17 42-11.4-8. Penalties. – Any person aggrieved as a result of violations of the provisions of this
18 chapter may file a complaint with the department of attorney general. The attorney general shall
19 investigate the complaint and, if the department of attorney general determines that the allegations of the
20 complaint are meritorious, such person may file a complaint on behalf of the complainant in the superior
21 court against the entities alleged to have violated the requirements of this chapter.

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

23 **ARTICLE 28**

24 **RELATING TO HEALTH REFORM ASSESSMENT**

25 SECTION 1. Section 42-7.2-5 of the General Laws in Chapter 42-7.2 entitled “Office of Health
26 and Human Services” is hereby amended to read as follows:

27 § 42-7.2-5. Duties of the secretary. – The secretary shall be subject to the direction and
28 supervision of the governor for the oversight, coordination and cohesive direction of state administered
29 health and human services and in ensuring the laws are faithfully executed, notwithstanding any law to
30 the contrary. In this capacity, the Secretary of Health and Human Services shall be authorized to:

31 (1) Coordinate the administration and financing of health care benefits, human services and
32 programs including those authorized by the Global Consumer Choice Compact Waiver and, as applicable,
33 the Medicaid State Plan under Title XIX of the US Social Security Act. However, nothing in this section
34 shall be construed as transferring to the secretary the powers, duties or functions conferred upon the

1 departments by Rhode Island public and general laws for the administration of federal/state programs
2 financed in whole or in part with Medicaid funds or the administrative responsibility for the preparation
3 and submission of any state plans, state plan amendments, or authorized federal waiver applications, once
4 approved by the secretary.

5 (2) Serve as the governor's chief advisor and liaison to federal policymakers on Medicaid reform
6 issues as well as the principal point of contact in the state on any such related matters.

7 (3) Review and ensure the coordination of any Global Consumer Choice Compact Waiver
8 requests and renewals as well as any initiatives and proposals requiring amendments to the Medicaid state
9 plan or category two (II) or three (III) changes, as described in the special terms and conditions of the
10 Global Consumer Choice Compact Waiver with the potential to affect the scope, amount or duration of
11 publicly-funded health care services, provider payments or reimbursements, or access to or the
12 availability of benefits and services as provided by Rhode Island general and public laws. The secretary
13 shall consider whether any such changes are legally and fiscally sound and consistent with the state's
14 policy and budget priorities. The secretary shall also assess whether a proposed change is capable of
15 obtaining the necessary approvals from federal officials and achieving the expected positive consumer
16 outcomes. Department directors shall, within the timelines specified, provide any information and
17 resources the secretary deems necessary in order to perform the reviews authorized in this section;

18 (4) Beginning in 2006, prepare and submit to the governor, the chairpersons of the house and
19 senate finance committees, the caseload estimating conference, and to the joint legislative committee for
20 health care oversight, by no later than March 15 of each year, a comprehensive overview of all Medicaid
21 expenditures outcomes, and utilization rates. The overview shall include, but not be limited to, the
22 following information:

23 (i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;

24 (ii) Expenditures, outcomes and utilization rates by population and sub-population served (e.g.
25 families with children, children with disabilities, children in foster care, children receiving adoption
26 assistance, adults with disabilities, and the elderly);

27 (iii) Expenditures, outcomes and utilization rates by each state department or other municipal or
28 public entity receiving federal reimbursement under Titles XIX and XXI of the Social Security Act, as
29 amended; and

30 (iv) Expenditures, outcomes and utilization rates by type of service and/or service provider.

31 The directors of the departments, as well as local governments and school departments, shall
32 assist and cooperate with the secretary in fulfilling this responsibility by providing whatever resources,
33 information and support shall be necessary.

1 (5) Resolve administrative, jurisdictional, operational, program, or policy conflicts among
2 departments and their executive staffs and make necessary recommendations to the governor.

3 (6) Assure continued progress toward improving the quality, the economy, the accountability and
4 the efficiency of state-administered health and human services. In this capacity, the secretary shall:

5 (i) Direct implementation of reforms in the human resources practices of the departments that
6 streamline and upgrade services, achieve greater economies of scale and establish the coordinated system
7 of the staff education, cross-training, and career development services necessary to recruit and retain a
8 highly-skilled, responsive, and engaged health and human services workforce;

9 (ii) Encourage the departments to utilize consumer-centered approaches to service design and
10 delivery that expand their capacity to respond efficiently and responsibly to the diverse and changing
11 needs of the people and communities they serve;

12 (iii) Develop all opportunities to maximize resources by leveraging the state's purchasing power,
13 centralizing fiscal service functions related to budget, finance, and procurement, centralizing
14 communication, policy analysis and planning, and information systems and data management, pursuing
15 alternative funding sources through grants, awards and partnerships and securing all available federal
16 financial participation for programs and services provided through the departments;

17 (iv) Improve the coordination and efficiency of health and human services legal functions by
18 centralizing adjudicative and legal services and overseeing their timely and judicious administration;

19 (v) Facilitate the rebalancing of the long term system by creating an assessment and coordination
20 organization or unit for the expressed purpose of developing and implementing procedures across
21 departments that ensure that the appropriate publicly-funded health services are provided at the right time
22 and in the most appropriate and least restrictive setting; and

23 (vi) Strengthen health and human services program integrity, quality control and collections, and
24 recovery activities by consolidating functions within the office in a single unit that ensures all affected
25 parties pay their fair share of the cost of services and are aware of alternative financing.

26 (vii) Broaden access to publicly funded food and nutrition services by consolidating agency
27 programs and initiatives to eliminate duplication and overlap and improve the availability and quality of
28 services; and

29 (viii) Assure protective services are available to vulnerable elders and adults with developmental
30 and other disabilities by reorganizing existing services, establishing new services where gaps exist and
31 centralizing administrative responsibility for oversight of all related initiatives and programs.

32 (7) Prepare and integrate comprehensive budgets for the health and human services departments
33 and any other functions and duties assigned to the office. The budgets shall be submitted to the state

1 budget office by the secretary, for consideration by the governor, on behalf of the state's health and
2 human services in accordance with the provisions set forth in § 35-3-4 of the Rhode Island general laws.

3 (8) Impose a health reform assessment across all health insurance carriers as defined by 27-18-1.1
4 offering health plans as defined by 27-18-1.1 in the small employer health insurance market as defined in
5 chapter 50 of title 27 and the individual health insurance market as defined in chapter 18.5 of title 27.

6 (i) The assessment shall be administered as follows:

7 (A) The secretary shall determine separate rates for products offered in the small employer
8 market and products offered in the individual health insurance market.

9 (1) The total assessment imposed by the secretary shall be equal to the budget for the Rhode
10 Island health benefits exchange for the applicable fiscal year(s).

11 (2) The amount assessed upon each market shall be in proportion to the anticipated enrollment for
12 that market in the upcoming coverage year on the Rhode Island health benefits exchange.

13 (3) The assessment in each market shall be expressed as a percentage of premium.

14 (4) The percentage of premium assessed in each market shall be based upon the total premium
15 dollars expected to be collected in the upcoming coverage year by health insurance carriers in that market.

16 (5) For products with a coverage start date of January 1, 2016 the secretary shall determine the
17 rates no later than fifteen (15) days following the passage of this statute. The secretary may in
18 determining the rate of assessment for coverage year 2016 consider any anticipated operating expenses to
19 be incurred by the Rhode Island health benefits exchange prior to January 1, 2016 and may grant requests
20 by the agency to use assessment funds in advance to cover such costs.

21 (6) For products with a coverage start date of January 1, 2017 the secretary shall determine the
22 rates by January 1, 2016.

23 (B) Every health insurance carrier assessed under this section shall, on or before the last day of
24 July, October, January and April of each year, make a payment to the secretary for the quarter ending on
25 that day.

26 (C) The assessment set forth herein shall be in addition to any other fees or assessments imposed
27 upon health insurance carriers by law.

28 (ii) For all coverage years beginning January 1, 2018 or later, the assessment rate shall be
29 announced by the secretary no later than the first day of the preceding year.

30 (iii) Payments made by health insurance carriers under this section may be made by electronic
31 transfer of monies to the general treasurer. The general treasurer shall take all steps necessary to facilitate
32 the transfer of monies to the department of administration to be drawn upon solely for the purposes of
33 supporting the ongoing operations of the Rhode Island health benefits exchange. All funds shall be
34 deposited into a restricted receipt account entitled the Rhode Island health benefits exchange within the

1 department of administration. The restricted receipt account shall be exempt from the indirect cost
2 recovery assessment established pursuant to § 35-4-27.

3 (iv) The secretary shall administer the assessment in such a way as will ensure that a request by
4 the Rhode Island health benefits exchange for advance use of assessment funds to cover operating
5 expenses incurred in preceding fiscal year may be granted.

6 (v) Should any health insurance carrier fall more than thirty (30) days in arrears with respect to
7 assessment payments due to the secretary under this section the secretary may request the Rhode Island
8 health benefits exchange to set-off the amount of the delinquency against any payments due to that health
9 insurance carrier and remit such sums to the secretary. The health benefits exchange is authorized and
10 empowered to set-off amounts due under this section against any payments due to health insurance
11 carriers.

12 (vi) All health insurance carriers assessed under this section may fairly pass on the cost of the
13 assessment in the form of the premium rates it offers in the markets implicated by the health reform
14 assessment.

15 ~~(8)~~ (9) Utilize objective data to evaluate health and human services policy goals, resource use and
16 outcome evaluation and to perform short and long-term policy planning and development.

17 ~~(9)~~ (10) Establishment of an integrated approach to interdepartmental information and data
18 management that complements and furthers the goals of the CHOICES initiative and that will facilitate
19 the transition to consumer-centered system of state administered health and human services.

20 ~~(10)~~ (11) At the direction of the governor or the general assembly, conduct independent reviews
21 of state-administered health and human services programs, policies and related agency actions and
22 activities and assist the department directors in identifying strategies to address any issues or areas of
23 concern that may emerge thereof. The department directors shall provide any information and assistance
24 deemed necessary by the secretary when undertaking such independent reviews.

25 ~~(11)~~ (12) Provide regular and timely reports to the governor and make recommendations with
26 respect to the state's health and human services agenda.

27 ~~(12)~~ (13) Employ such personnel and contract for such consulting services as may be required to
28 perform the powers and duties lawfully conferred upon the secretary.

29 ~~(13)~~ (14) Implement the provisions of any general or public law or regulation related to the
30 disclosure, confidentiality and privacy of any information or records, in the possession or under the
31 control of the executive office or the departments assigned to the executive office, that may be developed
32 or acquired for purposes directly connected with the secretary's duties set forth herein.

1 plan" shall mean the comprehensive plan of any municipality within which any project is to be situated, in
2 whole or in part; and "the project plan" shall mean a general description of a proposed project situated on
3 federal land, describing in reasonable detail its location, nature, and size. A zoning ordinance adopted by
4 a municipality pursuant to chapter 24 of title 45 shall not be deemed to be a comprehensive plan nor a
5 statement of the land use goals, objectives, and standards.

6 (3) If any project plan of the corporation with respect to projects situated on federal land
7 conforms to the land use goals, objectives, and standards of the applicable comprehensive plan as of the
8 time of the corporation's adoption of the project plan, or if there is no applicable comprehensive plan, then
9 before proceeding with the project described in the project plan, the corporation shall refer the project
10 plan to the appropriate community advisory committee which may thereafter hold any public hearings as
11 it may deem to be desirable for the purpose of permitting the public to comment on the project plan. The
12 community advisory committee shall not later than forty-five (45) days after its receipt of the project plan,
13 transmit its comments on the project plan, in either written or oral form, to the corporation and thereupon,
14 or upon the community advisory committee's failure to take any action within the time specified, the
15 corporation shall be authorized to proceed with the project described in the project plan without regard to
16 the zoning or other land use ordinances, codes, plans, or regulations of a municipality within which the
17 project is to be situated in whole or in part.

18 (4) If any project plan of the corporation with respect to projects situated on federal land does
19 not conform to the land use goals, objectives, and standards of the applicable comprehensive plan as of
20 the time of the corporation's adoption of the project plan, then, before proceeding with the project
21 described in the project plan, the corporation shall refer the project plan to the local governing body of
22 any municipality within which any project is to be situated, in whole or in part. The local governing body
23 may thereafter hold any public hearings as it may deem to be desirable for the purpose of permitting the
24 public to comment on the project plan. The local governing body shall, not later than forty-five (45) days
25 after its receipt of the project plan, advise the corporation of its approval or disapproval of that plan. If it
26 shall disapprove the project plan, the corporation shall nevertheless be authorized to proceed with the
27 project described in the project plan (without regard to the zoning or other land use ordinances, codes,
28 plans, or regulations of a municipality within which the project is to be situated in whole or in part) upon
29 the subsequent affirmative vote of a majority of the members of the board of directors then holding office
30 as directors taken at a meeting open to the public. If the local governing body approves the project plan or
31 fails to take any action within the time specified, the corporation shall be authorized to proceed with the
32 project described in the project plan without regard to the zoning or other land use ordinances, codes,
33 plans, or regulations of a municipality within which the project is to be situated in whole or in part.

1 (5) The project plan's conformity with the applicable comprehensive plan shall be determined
2 by the board of directors of the corporation and its determination shall be binding and conclusive for all
3 purposes.

4 (b) With respect to projects situated on real property other than federal land, the corporation shall
5 plan, construct, reconstruct, rehabilitate, alter, improve, develop, maintain, and operate projects in
6 conformity with the applicable zoning or other land use ordinances, codes, plans, or regulations of any
7 municipality or political subdivision of the state in which those projects are situated.

8 (c) The corporation shall, in planning, constructing, reconstructing, rehabilitating, altering, or
9 improving any project, comply with all requirements of state and federal laws, codes, or regulations
10 applicable to that planning, construction, reconstruction, rehabilitation, alteration, or improvement. The
11 corporation shall adopt a comprehensive building code (which may, but need not be, the BOCA Code)
12 with which all projects shall comply. That adoption shall not preclude the corporation's later adoption of
13 a different comprehensive building code or of its alteration, amendment, or supplementation of any
14 comprehensive building code so adopted. Except as otherwise specifically provided to the contrary, no
15 municipality or other political subdivision of the state shall have the power to modify or change in whole
16 or in part the drawings, plans, or specifications for any project of the corporation; nor to require that any
17 person, firm, or corporation employed with respect to that project perform work in any other or different
18 manner than that provided by those drawings, plans, and specifications; nor to require that any such
19 person, firm, or corporation obtain any approval, permit, or certificate from the municipality or political
20 subdivision in relation to the project; and the doing of that work by any person, firm, or corporation in
21 accordance with the terms of those drawings, plans, specifications, or contracts shall not subject the
22 person, firm, or corporation to any liability or penalty, civil or criminal, other than as may be stated in the
23 contracts or may be incidental to the proper enforcement thereof; nor shall any municipality or political
24 subdivision have the power to require the corporation, or any lessee or successor in interest, to obtain any
25 approval, permit, or certificate from the municipality or political subdivision as a condition of owning,
26 using, maintaining, operating, or occupying any project acquired, constructed, reconstructed,
27 rehabilitated, altered, or improved by the corporation or pursuant to drawings, plans, and specifications
28 made or approved by the corporation; provided, however, that nothing contained in this subsection shall
29 be deemed to relieve any person, firm, or corporation from the necessity of obtaining from any
30 municipality or other political subdivision of the state any license which, but for the provisions of this
31 chapter, would be required in connection with the rendering of personal services or sale at retail of
32 tangible personal property.

33 (d) Except to the extent that the corporation shall expressly otherwise agree, a municipality or
34 political subdivision, including, but not limited to, a county, city, town, or district, in which a project of

1 the corporation is located, shall provide for the project, whether then owned by the corporation or any
2 successor in interest, police, fire, sanitation, health protection, and other municipal services of the same
3 character and to the same extent as those provided for other residents of that municipality or political
4 subdivision, but nothing contained in this section shall be deemed to require any municipality or political
5 subdivision to make capital expenditures for the sole purpose of providing any of these services for that
6 project.

7 (e) In carrying out a project, the corporation shall be empowered to enter into contractual
8 agreements with municipalities and public corporations and those municipalities and public corporations
9 are authorized and empowered, notwithstanding any other law, to enter into any contractual agreements
10 with the corporation and to do all things necessary to carry out their obligations under the agreements.

11 (f) Notwithstanding the provisions of any general, special, or local law or charter, municipalities
12 and public corporations are empowered to purchase, or to lease for a term not exceeding ninety-nine (99)
13 years, projects of the corporation, upon any terms and conditions as may be agreed upon by the
14 municipality or public corporation and the corporation.

15 SECTION 2. Chapter 42-64.19 of the General Laws in Chapter 42-64.3 entitled "Executive
16 Office of Commerce" is hereby amended by adding thereto the following section:

17 **§ 42-64.19-13 Tax incentive reporting.** -- (a) Any person or entity who has or is receiving a
18 business tax credit, modification and/or incentive under any provision of the general laws shall provide
19 information to the secretary of commerce related to the use and effect of funds pertaining to the credit,
20 modification and/or incentive. The secretary of commerce shall promulgate rules or regulations regarding
21 the type of information to be provided, the procedure for collecting the information and consequences for
22 failure to provide any such information in a timely manner. All personal, proprietary or other
23 confidential information received from such person relating to this section shall be held in confidence by
24 the executive office of commerce and shall be exempt from disclosure in accordance with chapter 2 of
25 title 38.

26 (b) In the event that a person or entity fails to provide the information requested under this
27 subsection within sixty (60) days from the date of the request, or such longer time as the secretary of
28 commerce or his or her designee shall grant, the secretary shall notify the division of taxation in writing to
29 withhold or deny any further business tax credit, modification and/or incentive credit benefits of any such
30 person or entity. Ten (10) days advance written notice of a failure to cooperate from the executive office
31 of commerce shall be sent to the person or entity prior to notifying the division of taxation. The
32 suspension of benefits hereunder shall be lifted upon the secretary of commerce or his or her designee
33 notifying in writing the division of taxation that such information was provided, does not exist or cannot
34 be compiled.

1 (c) Any dispute relating to this section shall be conducted by the secretary of commerce in
2 accordance with chapter 35 of title 42, administrative procedures.

3 SECTION 3. Title 42 of the General Laws entitled “State Affairs and Government” is hereby
4 amended by adding thereto the following chapter:

5 CHAPTER 64.20

6 REBUILD RHODE ISLAND TAX CREDIT

7
8 **§ 42-64.20-1. Short title.** This chapter shall be known and may be cited as the “Rebuild Rhode
9 Island Tax Credit Act.”

10 **§ 42-64.20-2. Findings and declarations.-** (a) It is hereby found and declared that due to long-
11 term and short-term stagnant or declining economic trends in Rhode Island, businesses in the state have
12 found it difficult to make investments that would stimulate economic activity and create new jobs for the
13 citizens of the state. Moreover, such economic trends have caused business closures or out-of-state
14 business relocations, while other out-of-state businesses are deterred from relocating to this state. This
15 situation has contributed to a high rate of unemployment in the state. Consequently, a need exists to
16 promote the retention and expansion of existing jobs, stimulate the creation of new jobs, attract new
17 business and industry to the state, and stimulate growth in real estate developments and/or businesses that
18 are prepared to make meaningful investment and foster job creation in Rhode Island.

19 (b) Through the establishment of a rebuild Rhode Island tax credit program, Rhode Island can
20 take steps to stimulate business development; retain and attract new business and industry to the state;
21 create good-paying jobs for its residents; assist with business, commercial, and industrial real estate
22 development; and generate revenues for necessary state and local governmental services.

23 **§ 42-64.20-3. Definitions.**

24 As used in this chapter:

25 (1) “Affiliate” means an entity that directly or indirectly controls, is under common control with,
26 or is controlled by the business. Control exists in all cases in which the entity is a member of a controlled
27 group of corporations as defined pursuant to section 1563 of the Internal Revenue Code of 1986 (26
28 U.S.C. § 1563) or the entity is an organization in a group of organizations under common control as
29 defined pursuant to subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C.
30 § 414). A taxpayer may establish by clear and convincing evidence, as determined by the tax
31 administrator, that control exists in situations involving lesser percentages of ownership than required by
32 those statutes. An affiliate of a business may contribute to meeting either the capital investment or full-
33 time employee requirements of a business that applies for a credit under general laws section 46-64.20-5.

34 (2) “Applicant” means a developer applying for a rebuild Rhode Island tax credit under this
35 chapter.

1 (3) “Business” means a corporation as defined in general laws section 44-1-1(4), or is a
2 partnership, an S corporation, a non-profit corporation, a sole proprietorship, or a limited liability
3 corporation. A business shall include an affiliate of the business if that business applies for a credit based
4 upon any capital investment made by an affiliate.

5 (4) “Capital investment” in a real estate project means expenses by a business or any affiliate of
6 the business incurred after application for:

7 (i) site preparation and construction, repair, renovation, improvement, equipping, or furnishing on
8 real property or of a building, structure, facility, or improvement to real property;

9 (ii) obtaining and installing furnishings and machinery, apparatus, or equipment, including but
10 not limited to material goods for the operation of a business on real property or in a building, structure,
11 facility, or improvement to real property.

12 In addition to the foregoing, if a business acquires or leases a qualified project, the capital
13 investment made or acquired by the seller or owner, as the case may be, if pertaining primarily to the
14 premises of the qualified project , shall be considered a capital investment by the business and, if
15 pertaining generally to the qualified project being acquired or leased, shall be allocated to the premises of
16 the qualified project on the basis of the gross leasable area of the premises in relation to the total gross
17 leasable area in the qualified project. The capital investment described herein shall be defined through
18 rules and regulations promulgated by the commerce corporation.

19 (5) “Commerce corporation” means the Rhode Island commerce corporation established pursuant
20 to general laws section 42-64-1 et. seq.

21 (6) “Commercial” shall mean non-residential development.

22 (7) “Hope community” means a community where family poverty levels exceed the state
23 median. Upon passage, these communities include Providence, Central Falls, West Warwick, Pawtucket
24 and Woonsocket.

25 (8) “Eligibility period” means the period in which a business may claim a tax credit under this
26 act, beginning with the tax period in which the commerce corporation accepts certification of the business
27 that it has met the requirements of the act and extending thereafter for a term of five (5) years.

28 (9) “Full-time employee” means a person who is employed by a business for consideration for at
29 least 35 hours a week, or who renders any other standard of service generally accepted by custom or
30 practice as full-time employment, or who is employed by a professional employer organization pursuant
31 to an employee leasing agreement between the business and the professional employer organization for at
32 least 35 hours a week, or who renders any other standard of service generally accepted by custom or
33 practice as full-time employment, and whose wages are subject to withholding.

1 (10) “Affordable housing” means housing affordable according to recognized standards for home
2 ownership and rental costs.

3 (11) “Mixed use” means a development comprising both commercial and residential components.

4 (12) “Partnership” means an entity classified as a partnership for federal income tax purposes.

5 (13) “Project area” means land or lands under common ownership or control in which a qualified
6 project is located.

7 (14) “Project cost” means the costs incurred in connection with the qualified project or qualified
8 residential or mixed use project by the applicant until the issuance of a permanent certificate of
9 occupancy, or until such other time specified by the commerce corporation, for a specific investment or
10 improvement, as defined through rules and regulations promulgated by the commerce corporation.

11 (15) “Financing gap” means

12 (i) the part of the total project cost that remains to be financed after all other sources of capital
13 have been accounted for, including, but not limited to, developer-contributed capital, which shall be
14 defined through rules and regulations promulgated by the commerce corporation; or

15 (ii) the amount by which total project cost exceeds the cost of an out-of-state alternative location
16 for a commercial project.

17 (16) “Qualified project” shall mean any project meeting the requirements of this chapter.

18 (17) “Residential” means a development of residential dwelling units.

19 (18) “Redevelopment project” means a specific construction project or improvement, including
20 lands, buildings, improvements, real and personal property or any interest therein, including lands under
21 water, riparian rights, space rights and air rights, acquired, owned, leased, developed or redeveloped,
22 constructed, reconstructed, rehabilitated or improved, undertaken by a developer, owner or tenant, or
23 both, within a project area as set forth in an application to be made to the commerce corporation.

24 (19) “Targeted industry” means any advanced, promising or otherwise prioritized industry
25 identified in the economic development vision and policy promulgated pursuant General Laws section 42-
26 64.17-1.

27 (20) “Transit oriented development area” means an area in proximity to transit infrastructure that
28 will be further defined by regulation of the commerce corporation in consultation with the Rhode Island
29 department of transportation.

30 § 42-64.20-4. Establishment of program. The rebuild Rhode Island tax credit program is
31 hereby established as a program under the jurisdiction and administration of the commerce corporation.
32 The program may provide tax credits to businesses meeting the requirements of this chapter for an
33 eligibility period of five (5) years. On an annual basis, the commerce corporation shall confer with the

1 executive office of commerce, the department of administration, and the division of taxation regarding the
2 availability of funds for the award of new tax credits.

3 **§ 42-64.20-5. Tax credits.**

4 (a) An applicant meeting the requirements of this chapter may be allowed a credit as set forth
5 hereinafter against taxes imposed upon such person under applicable provisions of title 44 of the general
6 laws for a qualified project.

7 (b) To be eligible as a qualified project entitled to tax credits, an applicant's chief executive
8 officer or equivalent officer shall demonstrate to the commerce corporation, at the time of application,
9 that:

10 (1) the applicant has committed capital investment or owner equity in not less than twenty
11 percent (20%) of the total project cost;

12 (2) based upon an analysis, there is a financing gap for the project, in that, after taking into
13 account all available private and public funding sources, the project is likely to be realized with the
14 provision of tax credits at the level requested, but is not likely to be accomplished by private enterprise
15 without the tax credits;

16 (3) the real estate project is a new or rehabilitated qualified development, new or rehabilitated
17 qualified residential project, new or rehabilitated mixed use project, or is a new or rehabilitated project in
18 a Hope Community; and

19 (4) the real estate project fulfills the state's policy and planning objectives and priorities in that:

20 (i) The applicant will, at the discretion of the commerce corporation, obtain a tax stabilization
21 agreement from the municipality in which the real estate project is located on such terms as the commerce
22 corporation deems acceptable;

23 (ii) It (A) is a commercial development consisting of at least 25,000 square feet and containing at
24 least 25 full-time employees or such additional full-time employees as the commerce corporation may
25 determine; (B) is a multi-family residential development in a new, adaptive reuse, or historic structure
26 consisting of at least 20,000 square feet and having at least 20 residential units in a hope community; or
27 (C) is a mixed use development in a new, adaptive reuse, or historic structure consisting of at least 25,000
28 square feet, subject to further definition through rules and regulations promulgated by the commerce
29 corporation; and

30 (iii) Involves a total project cost of not less than \$5,000,000, except for a project in a hope
31 community or redevelopment area designated under section 45-32-4 of the general laws in which event
32 the commerce corporation shall have the discretion to modify the total project cost minimum threshold.

33 (c) For qualified projects, the maximum tax credit allowed under this chapter shall be the lesser
34 of (1) thirty percent (30%) of the total project cost; or (2) the amount needed to close a demonstrable

1 financing gap (after taking into account all other private and public funding sources available to the
2 project), as determined by the commerce corporation.

3 (d) Tax credits allowed pursuant to this chapter shall be allowed for the taxable year in which a
4 certificate of occupancy issues for the project.

5 (e) The amount of a tax credit allowed under this chapter shall be allowable to the taxpayer in five
6 increments.

7 (f) If the portion of the tax credit allowed under this chapter exceeds the taxpayer's total tax
8 liability for the year in which the relevant portion of the credit is allowed, the amount that exceeds the
9 taxpayer's tax liability may be carried forward for credit against the taxes imposed for the succeeding four
10 (4) years, or until the full credit is used, whichever occurs first for the tax credits. Credits allowed to a
11 partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be
12 passed through to the persons designated as partners, members or owners respectively pro rata or pursuant
13 to an executed agreement among such persons designated as partners, members or owners documenting
14 an alternate distribution method without regard to their sharing of other tax or economic attributes of such
15 entity.

16 (g) The commerce corporation in consultation with the division of taxation shall establish, by
17 regulation, the process for the assignment, transfer or conveyance of tax credits.

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

26 (i) The tax credit allowed under this chapter may be used as a credit against corporate income
27 taxes imposed under chapters 11, 13, 14, or 17, of title 44, or may be used as a credit against personal
28 income taxes imposed under chapter 30 of title 44 against owners of pass-through entities such as a
29 partnership, a limited liability company taxed as a partnership, or multiple owners of property.

30 (j) In the case of a corporation, this credit is only allowed against the tax of a corporation
31 included in a consolidated return that qualifies for the credit and not against the tax of other corporations
32 that may join in the filing of a consolidated tax return.

1 (k) Prior to assignment or transfer of a tax credit granted under this chapter, the state shall be
2 entitled to redeem such credit in whole or in part for ninety percent (90%) of the value of the tax credit.
3 The division of taxation shall establish by regulation a redemption process for tax credits.

4 (l) Projects eligible to receive a tax credit under this chapter, may at the discretion of the
5 commerce corporation, be exempt from sales and use taxes imposed on the purchase of furniture, fixtures
6 and equipment, except automobiles, trucks or other motor vehicles, or other materials that otherwise are
7 depreciable and have a useful life of one year or more that are essential to and will be utilized in the
8 qualified project.

9 (m) The tax credit available under this chapter shall not exceed twenty percent (20%), provided,
10 however, that the applicant shall be eligible for additional tax credit of not more than ten percent (10%) if
11 the applicant meets any of the following criteria or such other additional criteria determined by the
12 commerce corporation from time to time in response to evolving economic or market conditions:

13 (1) For redevelopment projects involving adaptive re-use of historic structures;

14 (2) For qualified projects undertaken by or for targeted industries;

15 (3) For qualified projects in transit oriented development areas;

16 (4) For residential projects in which at least twenty percent (20%) of the residential units are for
17 affordable housing or workforce housing;

18 (5) For projects involving property subject to the requirements of the industrial property
19 remediation and reuse act, sections 23-19.14-1, et seq. of the general laws; and

20 (6) For projects involving qualified business facilities constructed in accordance with the
21 minimum environmental and sustainability standards, as certified by the commerce corporation pursuant
22 to LEED or other equivalent standards.

23 (n) The commerce corporation shall promulgate rules and regulations for the administration and
24 certification of additional tax credit under subsection (m) of this section, including criteria for the
25 eligibility, evaluation, prioritization, and approval of projects that qualify for such additional tax credit.

26 (o) The commerce corporation shall have no obligation to make any award or grant any benefits
27 under this chapter.

28 **§ 42-64.20-6. Implementation guidelines, directives, criteria, rules, regulations.**

29 (a) The commerce corporation may adopt implementation guidelines, directives, criteria, and
30 rules and regulations pursuant to section 42-35-3 of the general laws, as are necessary to implement this
31 chapter, including, but not limited to: examples of the enumeration of specific targeted industries; specific
32 delineation of incentive areas; the determination of additional limits; the promulgation of procedures and
33 forms necessary to apply for a tax credit, including the enumeration of the certification procedures; the
34 allocation of new tax credits in consultation with the executive office of commerce, division of taxation

1 and department of administration; and provisions for tax credit applicants to be charged an initial
2 application fee, and ongoing service fees, to cover the administrative costs related to the tax credit.

3 (b) The rules that the commerce corporation promulgates shall incorporate the following:

4 (1) Procedures for implementing this act shall include processes whereby any credit allowed
5 under this program must be approved by the commerce corporation board. Before the commerce
6 corporation board meets to consider an application for a credit under this chapter, both the director of the
7 office of management and budget and the director of the department of revenue shall provide written
8 analysis to the commerce corporation board regarding the application. The analysis from the office of
9 management and budget should include the impact that granting the application would have on the budget
10 for the state of Rhode Island both in the fiscal year in which the application is considered, and in
11 subsequent fiscal years. The director of the department of administration shall submit to the commerce
12 corporation a letter of opinion regarding the financial capacity of the state to grant the credits under this
13 chapter. The commerce corporation shall not be authorized to grant credits to new qualified project(s)
14 under this chapter if the department of administration determines that the credits would exceed the
15 existing and anticipated revenue capacity of the state. Such determination by the department of
16 administration shall be made in a timely manner.

17 (2) As the commerce corporation board determines whether to grant credits under this chapter, it
18 shall consider the purposes for which this chapter is established, which include (but are not necessarily
19 limited to) the following: (i) to create jobs with an emphasis on high-quality jobs; and (ii) to spur
20 economic growth and new development in Rhode Island.

21 (c) The division of taxation may adopt implementation guidelines, directives, criteria, and rules
22 and regulations pursuant to section 42-35-3 of the general laws, as are necessary for the implementation
23 of the division's responsibilities under this chapter.

24 **§ 42-64.20-7. Program integrity.** - Program integrity being of paramount importance, the
25 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and
26 conditions of the program established herein, including procedures to safeguard the expenditure of public
27 funds and to ensure that the funds further the objectives of the program.

28 SECTION 4. Title 42 of the General Laws entitled "State Affairs and Government" is hereby
29 amended by adding thereto the following chapter:

30 CHAPTER 64.21

31 TAX INCREMENT FINANCING

32
33 **§ 42-64.21-1. Short title.** - This act shall be known and may be cited as the "Rhode Island Tax
34 Increment Financing Act of 2015."

1 § 42-64.21-2. Legislative findings.- (a) It is hereby found and declared that due to long-term
2 and short-term stagnant or declining economic trends in Rhode Island, businesses in the state have found
3 it difficult to make investments that would stimulate economic activity and create new jobs for the
4 citizens of the state. Moreover, such economic trends have caused business closures or out-of-state
5 business relocations, while other out-of-state businesses are deterred from relocating to this state. This
6 situation has contributed to a high rate of unemployment in the state. Consequently, a need exists to
7 promote the retention and expansion of existing jobs, stimulate the creation of new jobs, attract new
8 business and industry to the state, and stimulate growth in real estate developments and/or businesses that
9 are prepared to make meaningful investment and foster job creation in Rhode Island.

10 (b) Through the establishment of a tax increment financing program, Rhode Island can take steps
11 to stimulate business development; retain and attract new business and industry to the state; create good-
12 paying jobs for its residents; assist with business, commercial, and industrial real estate development; and
13 generate revenues for necessary state and local governmental services.

14 § 42-64.21-3. Definitions. -

15 (1) “Applicant” means a developer proposing to enter into a TIF agreement.

16 (2) “Commerce corporation” means the Rhode Island commerce corporation established pursuant
17 to general laws section 42-64-1 et. seq.

18 (3) “Developer” means any person, entity, or political subdivision that enters or proposes to enter
19 into a redevelopment incentive grant agreement pursuant to the provisions of this chapter.

20 (4) “Hope Community” means a community where family poverty levels exceed the state
21 median. Upon passage, these communities include Providence, Central Falls, West Warwick, Pawtucket
22 and Woonsocket.

23 (5) “Eligible revenue” means the incremental revenues set forth in section 42-64.21-5 of this
24 chapter.

25 (6) “Incremental” means (i) net new revenue to the State of Rhode Island as defined by the
26 commerce corporation, in consultation with the department of revenue as established in Chapter 42-142
27 of the general laws, or (ii) existing revenue at substantial risk of loss to the State of Rhode Island as
28 defined by the commerce corporation in consultation with the department of revenue.

29 (7) “TIF payment” means reimbursement of all or a portion of the project financing gap of a
30 redevelopment project from the division of taxation as provided under this chapter.

31 (8) “Project area” means land or lands under common ownership or control as certified by the
32 commerce corporation.

33 (9) “Project financing gap” means (i) the part of the total project cost that remains to be financed
34 after all other sources of capital have been accounted for, including, but not limited to, developer-

1 contributed capital, which shall be defined through rules and regulations promulgated by the commerce
2 corporation and (ii) the amount by which total project cost exceeds the cost of an alternative out-of-state
3 location for a redevelopment project.

4 (10) “Qualifying TIF area” shall mean an area containing a redevelopment project identified by
5 the commerce corporation as a priority because of its potential to generate, preserve or otherwise enhance
6 jobs or its potential to produce, preserve or otherwise enhance housing units. The commerce corporation
7 shall take into account the following factors in determining whether a redevelopment project is a priority:

8 (i) generation or preservation of manufacturing jobs;

9 (ii) promotion of targeted industries;

10 (iii) location in a port or airport district;

11 (iv) location in an industrial or research park;

12 (v) location in a transit oriented development area;

13 (vi) location in a Hope Community;

14 (vii) location in an area designated by a municipality as a redevelopment area under section 45-
15 32-4 of the general laws; and

16 (viii) location in an area located within land approved for closure under any federal commission
17 on base realignment and closure action.

18 (11) “TIF agreement” means an agreement between the commerce corporation and a developer,
19 under which, in exchange for the benefits of the funding derived from qualification under this chapter, the
20 developer agrees to perform any work or undertaking necessary for a redevelopment project, including
21 the clearance, development or redevelopment, construction, or rehabilitation of any structure or
22 improvement of commercial, industrial, or residential property; public infrastructure; preexisting
23 municipally-owned stadium of 10,000 seats or greater; or utilities within a qualifying TIF area.

24 (12) “Redevelopment project” means a specific work or improvement, including lands, buildings,
25 improvements, real and personal property or any interest therein, including lands under water, riparian
26 rights, space rights and air rights, acquired, owned, developed or redeveloped, constructed, reconstructed,
27 rehabilitated or improved, or undertaken by a developer within a project area.

28 (13) “Revenue increment base” means the amounts of all eligible revenues from sources within
29 the redevelopment project area in the calendar year preceding the year in which the TIF agreement is
30 executed, as certified by the division of taxation.

31 **§ 42-64.21-4. TIF program.** - The commerce corporation shall establish a TIF program for the
32 purpose of encouraging redevelopment projects in qualifying TIF areas.

33 **§ 42-64.21-5. Financing.** -

1 (a) Up to the limits established in subsection (c) of this section and in accordance with a TIF
2 agreement, the division of taxation shall pay to the developer incremental state revenues directly realized
3 from businesses operating on the redevelopment project premises from the taxes assessed and collected
4 under chapters 11, 13, 14, 17, 18, 19, and 30 of Title 44 of the general laws or realized from such venue
5 ticket sales or parking taxes as may be established and levied under state law.

6 (b) The division of taxation shall annually, on or before December first, provide the governor
7 with the sum, if any, to be appropriated to fund the program. The governor shall submit to the general
8 assembly printed copies of a budget including the total of the sums, if any, as part of the governor's
9 budget required to be appropriated for the program created under this chapter.

10 (c) Up to 75 percent of the projected annual incremental revenues may be allocated under a TIF
11 agreement. The incremental revenue for the revenues listed in subsection (a) of this section shall be
12 calculated as the difference between the amount collected in any fiscal year from any eligible revenue
13 source included in the TIF agreement, less the revenue increment base for that eligible revenue.

14 (d) Under conditions defined by the commerce corporation and in consultation with the
15 department of revenue, those taxes eligible for inclusion in this TIF program may instead be exempted up
16 to the levels permitted by this act in cases of significant taxpayers. Such significant taxpayers may instead
17 be required to contribute payments in lieu of taxes (PILOTs) into a dedicated fund established by the
18 commerce corporation. Such payments shall be up to 75 percent of the amount that would otherwise be
19 due to the state in the form of taxation as per the provisions this statute. Such dedicated funds must be
20 used for the redevelopment project purposes described in this act. The commerce corporation may issue
21 revenue bonds secured by this dedicated fund. Such bonds shall not be a general obligation of the state.

22 (e) The commerce corporation shall promulgate an application form and procedure for the
23 program.

24 **§ 42-64.21-6. Agreements permitted. -**

25 (a) The commerce corporation is authorized to enter into a TIF agreement with a developer for
26 any redevelopment project located within a qualifying TIF area. The TIF agreement between the
27 commerce corporation and the developer shall contain a provision acknowledging that the benefits of said
28 agreement, with the exception of 42-64.21-5 (d) of this chapter, are subject to such annual appropriation.

29 (b) The decision whether or not to enter into a TIF agreement is solely within the discretion of the
30 commerce corporation.

31 (c) The TIF agreement shall specify the amount to be awarded the developer, the frequency of
32 payments, and the length of time, which shall not exceed 20 years, during which the reimbursement shall
33 be granted. In no event shall the amount of the reimbursements under a TIF agreement exceed 30 percent
34 of the total cost of the project and provided further, that the commerce corporation may exempt public

1 infrastructure, a preexisting municipally-owned stadium of 10,000 seats or greater, or utilities as defined
2 above from said 30 percent cap.

3 (d) The commerce corporation may enter into a TIF agreement only if it determines that TIF
4 payments are needed to cover a project financing gap except in cases of public infrastructure, a
5 preexisting municipally-owned stadium of 10,000 seats or greater, or utilities as defined above.

6 (e) A developer that has entered into a TIF agreement with the commerce corporation pursuant to
7 this section may, upon notice to and consent of the corporation, pledge and assign as security for any
8 loan, any or all of its right, title and interest in and to the TIF agreement and in the TIF payments due
9 thereunder, and the right to receive same, along with the rights and remedies provided to the developer
10 under such agreement. Any such assignment shall be an absolute assignment for all purposes, including
11 the federal bankruptcy code.

12 (f) Any pledge of TIF payments made by the developer shall be valid and binding from the time
13 when the pledge is made and filed in the records of the commerce corporation. The TIF agreement and
14 payments so pledged and thereafter received by the developer shall immediately be subject to the lien of
15 the pledge without any physical delivery thereof or further act, and the lien of any pledge shall be valid
16 and binding as against all parties having claims of any kind in tort, contract, or otherwise against the
17 developer irrespective of whether the parties have notice thereof. Neither the TIF agreement nor any other
18 instrument by which a pledge under this section is created need be filed or recorded except with the
19 commerce corporation.

20 (g) The commerce corporation shall be entitled to impose an application fee and impose other
21 charges upon developers associated with the review of a project and the administration of the program.

22 **§ 42-64.21-7. Program integrity.** - Program integrity being of paramount importance, the
23 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and
24 conditions of the program established herein, including procedures to safeguard the expenditure of public
25 funds and to ensure that the funds further the objectives of the program.

26 SECTION 5. Title 42 of the General Laws entitled "State Affairs and Government" is hereby
27 amended by adding thereto the following chapter:

28 CHAPTER 64.22

29 TAX STABILIZATION INCENTIVE

30 **§ 42-64.22-1. Findings and declarations.** - The General Assembly finds and declares:

31 (a) The general assembly seeks to enact several economic stimulus laws to assist Rhode Island
32 businesses and municipalities, including legislation providing incentives to encourage economic and real
33 estate development and to create jobs throughout this state.

1 (b) In order to encourage this economic growth, the general assembly seeks to enhance and
2 strengthen several of the current statutes governing economic development in this state. The general
3 assembly's goal is to create an economic stimulus program to promote development and growth and
4 address the economic challenges currently impacting the State and local municipalities.

5 **§ 42-64.22-2. Definitions. - As used in this chapter:**

6 (1) "Applicant" means a qualifying community or hope community applying for incentives under
7 this chapter.

8 (2) "Capital investment" in a qualified project means expenses by a business or any affiliate of
9 the business incurred after application for:

10 (i) site preparation and construction, repair, renovation, improvement, equipping, or furnishing
11 on real property or of a building, structure, facility, or improvement to real property; and/or

12 (ii) obtaining and installing furnishings and machinery, apparatus, or equipment, including but
13 not limited to material goods for the operation of a business on real property or in a building, structure,
14 facility, or improvement to real property.

15 In addition to the foregoing, if a business acquires or leases a qualified business facility, the
16 capital investment made or acquired by the seller or owner, as the case may be, if pertaining primarily to
17 the premises of the qualified business facility, shall be considered a capital investment by the business
18 and, if pertaining generally to the qualified business facility being acquired or leased, shall be allocated to
19 the premises of the qualified business facility on the basis of the gross leasable area of the premises in
20 relation to the total gross leasable area in the qualified business facility. The capital investment described
21 herein may include any capital investment made or acquired within twenty-four (24) months prior to the
22 date of application so long as the amount of capital investment made or acquired by the business, any
23 affiliate of the business, or any owner after the date of application equals at least fifty percent (50%) of
24 the amount of capital investment, allocated to the premises of the qualified business facility being
25 acquired or leased on the basis of the gross leasable area of such premises in relation to the total gross
26 leasable area in the qualified business facility made or acquired prior to the date of application.

27 (3) "Commerce corporation" means the Rhode Island commerce corporation established pursuant
28 to general laws §42-64-1 et. seq.

29 (4) "Developer" means any person who develops or proposes to develop a qualified
30 project, or its successors or assigns, including but not limited to a lender that completes a real estate
31 project, operates a real estate project, or completes and operates a real estate project.

32 (5) "Hope Community" means a community where family poverty levels exceed the state median.
33 Upon passage, these communities include Providence, Central Falls, West Warwick, Pawtucket and
34 Woonsocket

1 (6) “Eligibility period” means the period in which a qualified community and/or Hope
2 Community may apply for reimbursement under this chapter. The eligibility period shall be subject to the
3 term defined in the qualifying tax stabilization agreement granted by said community. The amounts
4 subject to reimbursement shall cease upon any termination or cessation of the underlying qualified tax
5 stabilization agreement.

6 (7) “Forgone tax revenue” means the amount of revenue that a municipality would have received
7 from a qualifying project had a tax stabilization agreement not been in place, less the amount of revenue
8 the municipality would be expected to receive from that qualifying project with a tax stabilization
9 agreement in place.

10 (8) “Project cost” means the costs incurred in connection with a project by an applicant until the
11 issuance of a permanent certificate of occupancy, or until such other time specified by the commerce
12 corporation.

13 (9) “Qualifying communities” are those communities not defined as a hope community.

14 (10) “Qualifying projects” include:

15 (i) rehabilitation of an existing structure where total cost of development budget exceeds fifty
16 percent (50%) of adjusted basis in such a qualifying property as of the date that the parties applied for
17 said qualifying tax stabilization agreement; or

18 (ii) construction of a new building wherein:

19 (a) the subject community has issued a tax stabilization agreement, as set
20 forth herein and pursuant to § 44-3-9 of the general laws as well as other applicable rules, regulations and,
21 procedures;

22 (b) construction commences within twelve (12) months of the subject tax stabilization agreement
23 being approved; and

24 (c) completion of the proposed development project occurs within thirty six (36) months, subject
25 to the approval of qualifying or hope communities.

26 (11) “Qualifying property” means any building or structure used or intended to be used
27 essentially for offices or commercial enterprises or residential purposes.

28 (12) “Qualifying tax stabilization agreement” are those tax stabilization agreements with a
29 minimum term of twelve (12) years, granted by a qualified and/or hope community in connection with a
30 qualifying project.

31 **§ 42-64.22-3. Establishment of program. -**

32 (a) The Tax Stabilization Incentive Program is hereby created to provide incentives to Rhode
33 Island municipalities to enter into qualifying property tax stabilization agreements in connection with
34 qualifying projects set forth herein.

1 **(b) Under the program, qualified and Hope Communities in the state of Rhode Island that grant**
2 **qualifying tax stabilization agreements, subject to the provisions of § 44-3-9 of the Rhode Island general**
3 **laws, in connection with a qualifying project, may apply to the commerce corporation for certification for**
4 **partial reimbursement of the real estate taxes and/or personal property taxes that would have otherwise**
5 **been paid had the qualified and/or hope communities not granted said tax stabilization agreement.**

6 **§ 42-64.22-4. Incentives for municipalities.** - The qualifying community or hope community
7 **grants a qualifying tax stabilization agreement in connection with a qualifying project, upon certification**
8 **by the commerce corporation and subject to availability of appropriated funds, the commerce corporation**
9 **shall provide a partial reimbursement of no more than ten percent (10%) of the qualified community**
10 **and/or hope community's forgone tax revenue. The qualification for reimbursement shall cease upon any**
11 **termination or cessation of the underlying tax stabilization agreement or upon exhaustion of funds**
12 **appropriated pursuant to this section.**

13 **§ 42-64.22-5. Eligibility requirements for qualifying communities.** - In order for a qualifying
14 **community to be eligible to receive incentives under this chapter, in addition to the provisions set forth**
15 **herein, the tax stabilization agreement must be for a qualified project resulting in the creation of at least**
16 **fifty (50) new full-time jobs, and the developer must commit a capital investment of not less than ten**
17 **million dollars (\$10,000,000.00) towards the project cost.**

18 **§ 42-64.22-6. Eligibility requirements for hope communities.** - In order for a hope community
19 **to be eligible to receive incentives under this chapter, in addition to the provisions set forth herein, the tax**
20 **stabilization agreement must be for a qualified project resulting in the creation of at least twenty-five (25)**
21 **new full-time jobs, and the developer must commit a capital investment of not less than five million**
22 **dollars (\$5,000,000.00) towards the project cost.**

23 **§42-64.22-7. Alternative eligibility requirements.** -

24 **(a) Qualified communities may receive incentives under this chapter, where the tax stabilization**
25 **agreement is for a qualified project involving an adaptive re-use of a historic structure or results in the**
26 **creation of at least twenty (20) units of residential housing; provided that at least twenty percent (20%) of**
27 **the residential units are for affordable or workforce housing.**

28 **(b) Hope communities may receive incentives under this chapter, where the tax stabilization**
29 **agreement for a qualified project results in the creation of at least twenty (20) units of residential housing.**

30 **§ 42-64.22-8. Reimbursement.** - The aggregate value of all reimbursements approved by the
31 **commerce corporation pursuant to this chapter during the eligibility period shall not exceed the lesser of**
32 **ten (10%) percent of the qualifying and/or hope communities' forgone tax revenue or annual**
33 **appropriations received by the commerce corporation for the program.**

1 would stimulate economic activity and create new jobs for the citizens of the state. Moreover, such
2 economic trends have caused business closures or out-of-state business relocations, while other out-of-
3 state businesses are deterred from relocating to this state. This situation has contributed to a high rate of
4 unemployment in the state. Consequently, a need exists to promote the retention and expansion of
5 existing jobs, stimulate the creation of new jobs, attract new business and industry to the state, and
6 stimulate growth in real estate developments and/or businesses that are prepared to make meaningful
7 investments and foster job creation in Rhode Island.

8 (b) Through the establishment of an economic development closing fund, Rhode Island can take
9 steps to stimulate business development; retain and attract new business and industry to the state; create
10 good-paying jobs for its residents; assist with business, commercial, and industrial real estate
11 development; and generate revenues for necessary state and local governmental services.

12 **§ 42-64.23-3. Definitions. -**

13 As used in this chapter:

14 (1) “Affiliate” means an entity that directly or indirectly controls, is under common control with,
15 or is controlled by the business. Control exists in all cases in which the entity is a member of a controlled
16 group of corporations as defined pursuant to section 1563 of the Internal Revenue Code of 1986 (26
17 U.S.C. § 1563) or the entity is an organization in a group of organizations under common control as
18 defined pursuant to subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C.
19 § 414). A taxpayer may establish by clear and convincing evidence, as determined by the commerce
20 corporation in its sole discretion, that control exists in situations involving lesser percentages of
21 ownership than required by those statutes. An affiliate of a business may contribute to meeting full-time
22 employee requirements of a business that applies for a credit under this chapter.

23 (2) “Applicant” means a business applying for assistance under this chapter.

24 (3) “Business” means a corporation as defined in general laws section 44-1-1(4), or is a
25 partnership, an S corporation, a non-profit corporation, a sole proprietorship or a limited liability
26 company.

27 (4) “Investment” in a development project means expenses by a business or any affiliate incurred
28 after application including, but without limitation, for:

29 (i) site preparation and construction, repair, renovation, improvement, equipping, or furnishing
30 on real property or of a building, structure, facility, or improvement to real property; and/or

31 (ii) obtaining and installing furnishings and machinery, apparatus, or equipment, including but
32 not limited to material goods for the operation of a business on real property or in a building, structure,
33 facility, or improvement to real property.

1 (5) “Commerce corporation” means the Rhode Island commerce corporation established by
2 general laws section 42-64-1 et. seq.

3 (6) “Developer” means any person, firm, or business that develops or proposes to develop a
4 development project and/or to make a substantial investment that will result in the creation and/or
5 retention of jobs for full-time employees.

6 (7) “Development project” means a real estate based development or other investment.

7 (8) “Full-time employee” means a person who is employed by a business for consideration for at
8 least 35 hours a week, or who renders any other standard of service generally accepted by custom or
9 practice as full-time employment, or who is employed by a professional employer organization pursuant
10 to an employee leasing agreement between the business and the professional employer organization for at
11 least 35 hours a week, or who renders any other standard of service generally accepted by custom or
12 practice as full-time employment, whose wages are subject to withholding.

13 (9) “Project cost” means the costs incurred in connection with a project by an applicant until the
14 issuance of a permanent certificate of occupancy, or until such other time specified by the commerce
15 corporation.

16 (10) “Project financing gap” means:

17 (i) the part of the total project cost that remains to be financed after all other sources of capital
18 have been accounted for, which shall be defined through rules and regulations promulgated by the
19 commerce corporation; or

20 (ii) the amount by which Rhode Island is required to invest in a project to gain a competitive
21 advantage over an alternative location in another state.

22 **42-64.23-4. Establishment of fund; purposes; composition. -**

23 (a) There is hereby established the first wave closing fund (the “Fund”) to be administered by the
24 commerce corporation as set forth in this chapter.

25 (b) The purpose of the fund is to provide lynchpin financing unavailable from other sources,
26 bringing to closure transactions that are of a critical or catalytic nature for Rhode Island’s economy and
27 communities.

28 (c) The fund shall consist of:

29 (1) Money appropriated in the state budget to the fund;

30 (2) Money made available to the fund through federal programs or private contributions;

31 (3) Repayments of principal and interest from loans made from the fund;

32 (4) Proceeds from the sale, disposition, lease, or rental of collateral related to financial assistance
33 provided under this chapter;

34 (5) Application or other fees paid to the fund to process requests for financial assistance;

1 (6) Recovery made by the commerce corporation, or the sale of an appreciated asset in which the
2 commerce corporation has acquired an interest under this chapter; and

3 (7) Any other money made available to the fund.

4 **§ 42-64.23-5. Powers of commerce corporation. -**

5 (a) The commerce corporation board shall promulgate regulations setting forth criteria for
6 approving awards under the fund and such criteria shall ensure that awards from the fund are
7 economically advantageous to the citizens of Rhode Island. To qualify for the benefits of this chapter, an
8 applicant shall submit an application to the commerce corporation. Upon receipt of a proper application
9 from an applicant, the commerce corporation board may approve a loan, a conditional grant or other
10 investment. In making each award, the commerce corporation shall consider, among other factors, the:

11 (1) Economic impact of the project, including costs and benefits to the state;

12 (2) The amount of the project financing gap;

13 (3) Strategic importance of the project to the state, region, or locality;

14 (4) Quality and number of jobs produced;

15 (5) Quality of industry and project; and

16 (6) Competitive offers regarding the project from another state or country.

17 (b) The proceeds of the funding approved by the commerce corporation under this chapter may be
18 used for (1) working capital, equipment, furnishings, fixtures; (2) the construction, rehabilitation,
19 purchase of real property; (3) as permanent financing; or (4) such other purposes that the commerce
20 corporation approves.

21 (c) The commerce corporation shall have no obligation to make any award or grant any benefits
22 under this chapter.

23 (d) The commerce corporation shall publish a report on the fund at the end of each fiscal year.
24 The report shall contain information on the commitment, disbursement, and use of funds allocated under
25 the Fund. The report shall also, to the extent practicable, track the economic impact of projects that have
26 been completed using the fund. The report is due no later than sixty (60) days after the end of the fiscal
27 year, and shall be provided to the speaker of the house of representatives and the president of the senate.

28 **§ 42-64.23-6. Implementation guidelines, directives, criteria, rules, regulations. -** The
29 commerce corporation may adopt implementation guidelines, directives, criteria, rules and regulations
30 pursuant to section 42-35-3 of the General Laws as are necessary for the implementation and
31 administration of the fund.

32 **§ 42-64.23-7. Program integrity. -** Program integrity being of paramount importance, the
33 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and

1 conditions of the program established herein, including procedures to safeguard the expenditure of public
2 funds and to ensure that the funds further the objectives of the program.

3 SECTION 7. Title 42 of the General Laws entitled “State Affairs and Government” is hereby
4 amended by adding thereto the following chapter:

5 CHAPTER 64.24

6 I-195 REDEVELOPMENT PROJECT FUND

7 **§ 42-64.24-1. Short title. -** This chapter shall be known as the “I-195 Redevelopment Project
8 Fund.”

9 **§ 42-64.24-2. Legislative findings. -** The general assembly finds and declares:

10 (a) That due to global economic trends, businesses in Rhode Island have found it difficult to
11 invest in development projects and other significant capital investments in and surrounding the I-195 land
12 within the City of Providence. Investment in such projects would stimulate economic activity, facilitate
13 the creation of new jobs for the citizens of the state and promote economic growth and development.

14 (b) Through the establishment of the I-195 redevelopment project fund, Rhode Island can take
15 steps to attract and grow new businesses and industries to and for the state; create good-paying jobs for its
16 residents; assist with business and real estate development; and generate revenues for necessary state and
17 local governmental services.

18 **§ 42-64.24-3. Definitions. -**

19 As used in this act:

20 (1) “Applicant” means a developer or occupant applying for a loan or conditional loan under this
21 chapter.

22 (2) “Business” means a corporation as defined in general laws section 44-1-1(4), or is a
23 partnership, an S corporation, a non-profit corporation, sole proprietorship or a limited liability
24 corporation.

25 (3) “Capital investment” in a redevelopment project means costs or expenses by a business or
26 any affiliate of the business incurred after application for:

27 (i) site preparation and construction, repair, renovation, improvement, equipping, or furnishing
28 on real property or of a building, structure, facility, or improvement to real property;

29 (ii) obtaining and installing furnishings and machinery, apparatus, or equipment, including but
30 not limited to material goods for the operation of a business on real property or in a building, structure,
31 facility, or improvement to real property.

32 (4) “Commission” shall mean the I-195 district commission.

1 (5) “Developer” means any person, firm, or business that develops or proposes to develop a
2 redevelopment project and/or to make a substantial capital investment that will result in the creation
3 and/or retention of jobs or generation of revenue.

4 (6) “I-195 land” means the surplus land within the city of Providence owned by the I-195
5 district commission and the area within a one-quarter mile radius of the outermost boundary of said
6 surplus land as further delineated by regulation of the commission.

7 (7) “Occupant” shall mean a business as a tenant, owner, or joint venture partner, occupying
8 space pursuant to a lease or other occupancy agreement on the I-195 land or a project developed on
9 such land.

10 (8) “Personal property” shall mean furniture, fixtures and equipment, except automobiles, trucks
11 or other motor vehicles, or materials that otherwise are depreciable and have a useful life of one year or
12 more, that are utilized for the redevelopment project for any given phase of the redevelopment project
13 inclusive of a period not to exceed six (6) months after receipt of a certificate of occupancy for the given
14 phase of the development.

15 (9) “Project cost” means the costs incurred in connection with a project by an applicant until the
16 issuance of a permanent certificate of occupancy, or until such other time specified by the commerce
17 corporation.

18 (10) “Project financing gap” means (i) the part of the total project cost, including return on
19 investment, that remains to be funded after all other sources of capital have been accounted for, including,
20 but not limited to, developer-contributed capital, which shall be defined by the commission; or (ii) the
21 amount by which total project cost exceeds the cost of an alternative location for an out-of-state
22 development project.

23 **§ 42-64.24-4. Establishment of the Fund; uses; composition. -**

24 (a) The I-195 Redevelopment Project Fund (the “Fund”) is hereby established under the
25 jurisdiction of and shall be administered by the commission in order to further the goals set forth in
26 Chapter 42-64.14 of the general laws and to promote, among other purposes, the development and
27 attraction of advanced industries and innovation on and near the I-195 land in order to enhance Rhode
28 Island’s economic vitality.

29 (b) The uses of the fund include but are not limited to:

30 (1) Contributing to capital investment requirements for anchor institutions or other catalytic
31 project components chosen in accordance with a vision developed, by the commission for location on the
32 I-195 land, adjacent and proximate parcels;

33 (2) Filling project financing gaps for real estate projects on the I-195 land, adjacent and proximate
34 parcels;

1 (3) Financing land acquisition in areas adjacent to and proximate to the I-195 land including
2 street rights of way and abandonment costs;

3 (4) Financing public infrastructure and public facilities to support or enhance development
4 including, but not limited to, transportation, parks, greenways, performance venues, meeting facilities,
5 community facilities, and public safety precincts.

6 (c) This statute shall not be construed as authorizing expenditure from this fund for the purpose of
7 financing a stadium or other such facility built primarily for sporting activity.

8 (d) The fund shall consist of:

9
10 (1) Money appropriated in the state budget to the fund;

11 (2) Money made available to the Fund through federal programs or private contributions;

12 (3) Repayments of principal and interest from loans made from the fund;

13 (4) Proceeds from the sale, disposition, lease, or rental of collateral related to financial assistance
14 provided under this chapter;

15 (5) Application or other fees paid to the fund to process requests for financial assistance;

16 (6) Recovery made by the commission or on the sale of an appreciated asset in which the
17 commission has acquired an interest under this chapter; and

18 (7) Any other money made available to the fund.

19 **§ 42-64.24-5. Assistance; powers of commission, reports. -**

20 (a) An applicant seeking assistance under this chapter shall submit a request to the commission
21 pursuant to an application procedure prescribed by the commission.

22 (b) Any approval for funding under this chapter may only be granted by the commission and shall
23 require the concurrence of the secretary of commerce.

24 (c) The commission may set the terms and conditions for assistance under this chapter. Except as
25 provided in subsection (b) of this section, any decision to grant or deny such assistance lies within the
26 sole discretion of the commission.

27 (d) The commission shall publish a report on the fund at the end of each fiscal year. The report
28 shall contain information on the commitment, disbursement, and use of funds allocated under the fund.
29 The report shall also, to the extent practicable, track the economic impact of projects that have been
30 completed using the fund. The report is due no later than sixty (60) days after the end of the fiscal year,
31 and shall be provided to the speaker of the house of representatives, the president of the senate and the
32 secretary of commerce.

33 **§ 42-64.24-6. Implementation guidelines, directives, criteria, rules, regulations. -** The
34 commission shall adopt implementation guidelines, directives, criteria, rules and regulations pursuant to
35 section 42-35-3 of the general laws as are necessary for the implementation of the commission's

1 responsibilities under this chapter and impose such fees and charges as are necessary to pay for the
2 administration and implementation of this program.

3 **§ 42-64.24-7. Program integrity.** - Program integrity being of paramount importance, the
4 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and
5 conditions of the program established herein, including procedures to safeguard the expenditure of public
6 funds and to ensure that the funds further the objectives of the program.

7 SECTION 8. Title 42 of the General Laws entitled “State Affairs and Government” is hereby
8 amended by adding thereto the following chapter:

9 CHAPTER 64.25

10 SMALL BUSINESS ASSISTANCE

11 **§ 42-64.25-1. Short title.** - This chapter shall be known as the “Small Business Assistance
12 Program Act.”

13 **§ 42-64.25-2. Statement of intent.** - The general assembly hereby finds and declares that small
14 businesses are the economic backbone of the state and the source of a majority of new jobs. The general
15 assembly further finds that too many such businesses often have difficulty obtaining capital from
16 traditional banking organizations to start up, improve or expand operations. Providing greater access to
17 capital would enable the formation and expansion of small businesses across the state and provide job
18 opportunities to the state’s citizens. The purpose of this act is to assist small businesses that encounter
19 difficulty in obtaining adequate credit or adequate terms for such credit. Among the small businesses
20 that this act aims to assist are minority business enterprises and women-owned business enterprises.

21 **§ 42-64.25-3. Establishment of small business capital access fund.** - The small business
22 capital access fund program is hereby created within the Rhode Island commerce corporation. The
23 commerce corporation is authorized, within available appropriations, to provide direct assistance and/or
24 partner with lending organizations to provide funding for loans to small businesses located in Rhode
25 Island. As used in this chapter, a “small business” means a business that is resident in Rhode Island and
26 employs two hundred (200) or fewer persons. The commerce corporation is authorized, from time to
27 time, to establish rules and regulations for the administration of the program.

28 **§ 42-64.25-4. Qualification of lending organizations.** - The commerce corporation may elect to
29 partner with an outside lending organization and authorize that organization to receive and administer
30 program funds. Before partnering with an outside lending organization, the commerce corporation may
31 identify eligible lending organizations through one or more competitive statewide or regional
32 solicitations.

33 **§ 42-64.25-5. Program loan structures.** - Loan programs shall be structured by the commerce
34 corporation that may include, but not be limited to, the following programs: (a) financing programs for

1 companies that require additional capital outside of conventional senior debt or equity financing channels;
2 (b) direct lending of subordinated and mezzanine debt; (c) collateral support in the form of credit
3 enhancement; (d) pledge of cash collateral accounts to lending institutions to enhance collateral coverage
4 of individual loans; and (e) technical assistance to small businesses.

5 **§ 42-64.25-6. Micro loan allocation.** - Notwithstanding anything to the contrary in this chapter,
6 ten percent (10%) of program funds will be allocated to “micro loans” with a principal amount between
7 two thousand dollars and twenty-five thousand dollars. Micro loans will be administered by lending
8 organizations, which will be selected by the commerce corporation on a competitive basis and shall have
9 experience in providing technical and financial assistance to microenterprises.

10 **§ 42-64.25-7. Lending organization reports.** - Any participating lending organizations shall
11 submit to the commerce corporation annual reports stating the following: the number of program loans
12 made; the amount of program funding used for loans; the use of loan proceeds by the borrowers; the
13 number of jobs created or retained; a description of the economic development generated; the status of
14 each outstanding loan; and such other information as the commerce corporation may require.

15 **§ 42-64.25-8. Audits.** - The commerce corporation may conduct audits of any participating
16 lending organization in order to ensure compliance with the provisions of this chapter, any regulations
17 promulgated with respect thereto and agreements between the lending organizations and the commerce
18 corporation on all aspects of the use of program funds and program loan transactions. In the event that
19 the commerce corporation finds noncompliance, the commerce corporation may terminate the lending
20 organization's participation in the program.

21 **§ 42-64.25-9. Termination.** - Upon termination of a lending organization’s participation in the
22 program, the lending organization shall return to the commerce corporation, promptly after its demand
23 therefor, an accounting of all program funds received by the lending organization, including a transfer of
24 all currently outstanding loans that were made using program funds. Notwithstanding such termination,
25 the lending organization shall remain liable to the commerce corporation with respect to any unpaid
26 amount due from the lending organization pursuant to the terms of the commerce corporation's provision
27 of funds to the lending organization.

28 **§ 42-64.25-10. Discretion.** - The commerce corporation shall have no obligation to grant any
29 loan under this chapter or provide any funding to a lending organization.

30 **§ 42-64.25-11. Program integrity.** - Program integrity being of paramount importance, the
31 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and
32 conditions of the program established herein, including procedures to safeguard the expenditure of public
33 funds and to ensure that the funds further the objectives of the program.

1 SECTION 9. Title 42 of the General Laws entitled “State Affairs and Government” is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 64.26

4 STUDENT LOAN REIMBURSEMENT FUND

5 § 42-64.26-1. Short title. - This chapter shall be known as the “Competitive Student Loan
6 Reimbursement Fund.”

7 § 42-64.26-2. Legislative findings. The general assembly finds and declares:

8 (a) Establishing a competitive student loan reimbursement fund for qualified graduates in fields
9 related to science, technology, engineering, and mathematics and in other careers aligned with the state’s
10 strategic economic plan would assist the state’s employers in attracting the most qualified candidates in
11 such fields.

12 (b) A well-educated citizenry is critical to this state’s ability to compete in the national and global
13 economies.

14 (c) Higher education both benefits individual students and is a public good benefitting the state
15 as a whole.

16 (d) Excessive student loan debt is impeding economic growth in this state. Faced with excessive
17 repayment burdens, many individuals are unable to start businesses, invest, or buy homes, and may be
18 forced to leave the state in search of higher paying jobs elsewhere.

19 (e) Relieving student loan debt would give these individuals greater control over their earnings,
20 would increase entrepreneurship and demand for goods and services, and would enable employers in this
21 state to recruit and/or retain graduates in the fields of science, technology, engineering, mathematics, and
22 other careers aligned with the state’s strategic economic plan.

23 42-64.26-3. Definitions. -

24 As used in this chapter:

25 (1) “Applicant” means an individual who meets the eligibility requirements and who applies for
26 reimbursement of education loan repayment expenses under this chapter.

27 (2) “Award” means an award by the commerce corporation to a successful applicant that has
28 been chosen to receive student loan reimbursement under this chapter.

29 (3) “Awardee” means an applicant that has been chosen to receive student loan reimbursement
30 under this chapter.

31 (4) “Commerce corporation” means the Rhode Island commerce corporation established
32 pursuant to general laws section 42-64-1 et. seq.

33 (5) “Eligible expenses” or “education loan repayment expenses” means annual higher education
34 loan repayment expenses, including, without limitation, principal, interest and fees, as may be applicable,

1 incurred by an applicant and which the applicant is obligated to repay for attendance at a post-secondary
2 institution of higher learning.

3 (6) “Eligibility period” means a term of up to four consecutive service periods beginning with the
4 date that the commerce corporation specifies in the award to an awardee and expiring at the conclusion of
5 the fourth service period after such date specified.

6 (7) “Eligibility requirements” means those qualifications or criteria, as established from time-to-
7 time by rule adopted by the commerce corporation, that are required for an applicant to be eligible for an
8 award under this chapter, which shall include without limitation:

9 (i) That the applicant shall have graduated from an accredited two-year, four-year or graduate
10 post-secondary institution of higher learning with an associates, bachelors, graduate, or post-graduate
11 degree and at which the applicant incurred education loan repayment expenses;

12 (ii) That the applicant shall be a full-time employee with an employer located in this state
13 throughout the eligibility period in one or more of the following careers or fields: life, natural or
14 environmental sciences; computer technology or other technological field; engineering; medicine; or such
15 other careers or fields as are aligned with the state’s economic strategic plan, as may be published from
16 time-to-time by the commerce corporation;

17 (iii) That the applicant shall reside in this state throughout the eligibility period; and

18 (iv) That at least two-thirds (2/3) of the awardees shall either be permanent residents of the state
19 of Rhode Island or shall have attended an institution of higher education located in Rhode Island when
20 they incurred the education loan expenses to be repaid.

21 (8) “Full-time employee” means a person who is self-employed or is employed by a business for
22 consideration for at least thirty-five (35) hours per week, or who renders any other standard of service
23 generally accepted by custom or practice as full-time employment, or who is employed by a professional
24 employer organization pursuant to an employee leasing agreement between the business and the
25 professional employer organization for at least thirty-five (35) hours per week, or who renders any other
26 standard of service generally accepted by custom or practice as full-time employment, and whose wages
27 are subject to withholding.

28 (9) “Service period” means a twelve-month period beginning on the date specified in an award
29 under this chapter.

30 (10) “Student loan” means a loan to an individual by a public authority or private lender to assist
31 the individual to pay for tuition, books, and living expenses in order to attend a post-secondary institution
32 of higher learning.

33 **§ 42-64.26-4. Establishment of fund; purposes; composition. -**

1 (a) There is hereby established a “competitive student loan reimbursement fund (the “fund”) to be
2 administered by the commerce corporation as set forth in this chapter.

3 (b) The purpose of the fund is to expand employment opportunities in the state and to retain
4 talented individuals in the state by providing reimbursement of education loan repayment expenses to
5 applicants who meet the eligibility requirements under this chapter.

6 (c) The fund shall consist of:

7 (1) money appropriated in the state budget to the fund;

8 (2) money made available to the Fund through federal programs or private contributions;

9 (3) application or other fees paid to the fund to process applications for awards under this
10 chapter; and

11 (4) any other money made available to the fund.

12 **§ 42-64.26-5. Administration. -**

13 (a) Application. -

14 (1) Form. -- An applicant for an award under this chapter shall submit to the commerce
15 corporation an application in the manner that the commerce corporation shall prescribe.

16 (2) Fees. -- The applicant shall pay a fee to the fund at the time of submission of the application
17 in such amount as the commerce corporation shall specify, not to exceed \$50.00.

18 (b) Upon receipt of a proper application from an applicant who meets all of the eligibility
19 requirements, the commerce corporation shall select applicants on a competitive basis to receive awards
20 to reimburse awardees for up to one hundred percent (100%) of the education loan repayment expenses
21 incurred by such awardee during each service period completed for up to four consecutive service
22 periods; provided, that the awardee continues to meet the eligibility requirements throughout the
23 eligibility period. The commerce corporation shall only issue awards up to the amount contained in the
24 Fund.

25 (c) The proceeds of an award approved by the commerce corporation under this chapter shall be
26 used exclusively to reimburse the awardee for up to one hundred percent (100%) of the education loan
27 repayment expenses incurred by such awardee during each service period completed for up to four
28 consecutive service periods. Annual payment under an award shall be made to the awardee upon proof
29 that the awardee has actually incurred and paid such education loan repayment expenses.

30 (d) In administering awards and carrying out the purposes of this chapter, the commerce
31 corporation shall have broad powers, including without limitation:

32 (1) To require suitable proof that an applicant meets the eligibility requirements for an award
33 under this chapter;

34 (2) To solicit input from employers regarding the administration of awards;

1 (3) To determine the contents of applications and other materials to be submitted in support of an
2 application for an award under this chapter;

3 (4) To select applicants, upon a competitive basis, at the discretion of the board of the commerce
4 corporation, who shall receive awards under this chapter;

5 (5) To collect reports and other information during the eligibility period for each award to verify
6 that an awardee continues to meet the eligibility requirements for an award; and

7 (6) To require such other information and to perform such other actions as the commerce
8 corporation in its discretion shall determine in order to carry out the policies, goals, and purposes of this
9 chapter.

10 **§ 42-64.26-6. Reporting. -**

11 (a) The commerce corporation shall require awardees to submit annual reports, in such form and
12 on such dates as the commerce corporation shall require, in order to confirm that the awardees continue to
13 meet all of the eligibility requirements of this chapter and as a prerequisite to funding any reimbursement
14 award under this chapter.

15 (b) Notwithstanding any other provision of law, no awardee shall receive an award without first
16 consenting to the public disclosure of the receipt of any award given under this act. The commerce
17 corporation shall annually publish a list of awardees on the commerce corporation website and in such
18 other locations as it deems appropriate.

19 **§ 42-64.26-7. Remedies. -**

20 (a) If an awardee of an award under this chapter violates any provision of the award or ceases to
21 meet the eligibility requirements of this chapter, the commerce corporation may, on reasonable notice to
22 the awardee:

23 (1) Withhold further award until the loan recipient complies with the eligibility or other
24 requirements of the award;

25 (2) Terminate the award; or

26 (3) Exercise any other remedy provided in the award documents.

27 **§ 42-64.26-8. Implementation guidelines, directives, criteria, rules, regulations. -**

28 (a) The commerce corporation may adopt implementation guidelines, directives, criteria, rules
29 and regulations pursuant to section 42-35-3 of the general laws as are necessary for the implementation of
30 the administration of the fund.

31 (b) The commerce corporation shall adopt guidelines to assure integrity and eliminate potential
32 conflict of interest in the evaluation and selection of awardees.

33 **§ 42-64.26-9. High school, college, and employer partnerships.** The commerce corporation
34 shall be authorized to grant funds to support partnerships among individual high schools, the community

1 college of Rhode Island, other institutions of higher education, and employers to offer courses towards a
2 high school diploma and associate's degree, as well as internships and mentorships that help lead to
3 employment after graduation.

4 Such funds may be used for purposes including but not limited to establishing partnerships, hiring
5 coordinators, compensating partnership instructors and administrators, purchasing books and other
6 educational supplies, underwriting coursework, and covering additional instructional, coordination, and
7 related expenses.

8 **§ 42-64.26-10. Program integrity.** - Program integrity being of paramount importance, the
9 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and
10 conditions of the program established herein, including procedures to safeguard the expenditure of public
11 funds and to ensure that the funds further the objectives of the program.

12 SECTION 10. Title 42 of the General Laws entitled "State Affairs and Government" is hereby
13 amended by adding thereto the following chapter:

14 CHAPTER 64.27

15 MAIN STREET RHODE ISLAND STREETSCAPE IMPROVEMENT FUND

16 **§ 42-64.27-1. Statement of intent.** - It is the intention of the general assembly to foster private-
17 public partnerships in relation to improvement of streetscapes in local business districts by creating a
18 funding program to stimulate investment in such improvements, thus enhancing the environment for
19 business and attracting further investment.

20 **§ 42-64.27-2. Fund established.** - The main street RI streetscape improvement fund is hereby
21 created within the Rhode Island commerce corporation. The commerce corporation is authorized, within
22 available appropriations, to award loans, matching grants, and other forms of financing to facilitate
23 improvement of streetscapes such as but not limited to (1) enhanced sidewalks, (2) new wayfinding
24 signage, (3) upgraded building facades, and (4) improved street and public space lighting, in support of
25 creating an attractive environment for small business development and commerce. Applications and
26 awards of grants or loans shall be on a rolling basis. There is established an account in the name of the
27 "main street RI streetscape improvement fund" under the control of the commerce corporation, and the
28 commerce corporation shall pay into such account any eligible funds available to the commerce
29 corporation from any source, including funds appropriated by the state and any grants made available by
30 the United States or any agency of the United States.

31 **§ 42-64.27-3. - Rules and regulations.** The commerce corporation is hereby authorized to
32 promulgate such rules and regulations as are necessary to fulfill the purposes of this chapter, including the
33 criteria by which grant or loan applications will be judged and awarded.

1 (iii) application or other fees paid to the Fund to process applications for awards under this
2 chapter; and

3 (iv) any other money made available to the fund.

4 (c) Voucher program –The commerce corporation is authorized, to develop and implement an
5 innovation voucher program to provide financing to small businesses to purchase research and
6 development support or other forms of technical assistance and services from Rhode Island institutions of
7 higher education and other providers.

8 (d) Innovation network program – The commerce corporation is authorized to provide innovation
9 grants to organizations, including non-profit organizations, for-profit organizations, universities, and co-
10 working space operators that offer technical assistance, space on flexible terms, and access to capital to
11 businesses in advanced or targeted industries. The commerce corporation shall only issue grants under
12 this section when those grants are matched by private sector or non-profit partners. The commerce
13 corporation shall establish guidelines for appropriate matching criteria under this section, including
14 necessary matching ratios.

15 **§ 42-64.28-4. Eligible uses. -**

16 (a) Vouchers available under this chapter shall be used exclusively by small businesses to access
17 technical assistance and other services including, but not limited to, research, technological development,
18 product development, commercialization, market development, technology exploration, and improved
19 business practices that implement strategies to grow business and create operational efficiencies.

20 (b) Matching fund awards shall be used exclusively by small businesses in industries designated
21 from time-to-time by the corporation, including without limitation, life science and healthcare; food and
22 agriculture; clean technology and energy efficiency; and cyber security to pay for and access
23 technological assistance, to procure space on flexible terms, and to access capital from organizations,
24 including non-profit organizations, for-profit organizations, universities, and co-working space
25 businesses.

26 **§ 42-64.28-5. Qualification. -** To qualify for a voucher or for a matching fund award under this
27 chapter, a business must make application to the commerce corporation, and upon selection, shall enter
28 into an agreement with the commerce corporation. The commerce corporation shall have no obligation to
29 issue any voucher, make any award or grant any benefits under this chapter.

30 **§ 42-64.28-6. Voucher Amounts and matching fund awards. -**

31 (a) Voucher award amounts to a selected applicant shall be determined by the corporation, to be
32 in the minimum amount of five thousand dollars (\$5,000) and the maximum amount of fifty thousand
33 dollars (\$50,000), subject to appropriations or other available moneys in the Fund.

1 including funds appropriated by the state and any grants made available by the United States Government
2 or any agency of the United States Government.

3 **§ 42-64.29-3. Startup and technical assistance grants.** - Startup and technical assistance grants
4 of seventy-five thousand dollars to two hundred fifty thousand dollars shall be made available to support
5 activities within the industry cluster that enable collaboration among businesses and other institutions in
6 order to advance innovation and increase sector profitability. Eligible organizations may be regional or
7 statewide in scope and may include, but not solely be composed of, relevant companies or institutions
8 outside of Rhode Island. The commerce corporation shall establish, by regulation, both (a) the criteria for
9 issuing grants under this section; and (b) a process for receiving and reviewing applications for grants
10 under this section.

11 **§ 42-64.29-4. Competitive program grants.** - (a) Competitive program grants of one hundred
12 thousand dollars to five hundred thousand dollars shall be made available to support activities to
13 overcome identified cluster gaps and documented constraints on cluster growth or to improve clusters'
14 effectiveness. The commerce corporation shall establish, by regulation, both (1) the criteria for issuing
15 competitive program grants under this section; and (2) a process for receiving and reviewing applications
16 for grants under this section. The criteria that the commerce corporation establishes to evaluate
17 applications for grants under this section shall include objective evidence of the entity's organizational
18 capacity, degree of internal acceptance of the proposed program, economic rationale for the proposed
19 activity to be funded and the entity's ability to raise future funds to sustain the activity when the grant has
20 been expended.

21 (b) The commerce corporation shall have no obligation to make any award or grant any benefits
22 under this chapter.

23 **§ 42-64.29-5. Rules and regulations.** - The commerce corporation is hereby authorized to
24 promulgate such rules and regulations as are necessary to fulfill the purposes of this chapter, including the
25 criteria by which grant applications will be judged and awarded.

26 **§ 42-64.29-6. Program integrity.** - Program integrity being of paramount importance, the
27 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and
28 conditions of the program established herein, including procedures to safeguard the expenditure of public
29 funds and to ensure that the funds further the objectives of the program.

30 **§ 42-64.29-7. Annual report.** - (a) The commerce corporation shall submit a report annually on
31 December thirty-first detailing: (1) the total amount of grants awarded; (2) the number of grants awarded;
32 (3) the amount of each grant and the private funds matching such grants; (4) the recipients of the grants;
33 (5) the specific activities undertaken by recipients of grants; and (6) such other information as the
34 commerce corporation deems necessary.

1 (7) “Taking Possession” means executing a lease, acquiring title or otherwise committing to
2 occupy as defined by the commerce corporation.

3 **§ 42-64.30-4. Establishment of anchor institution tax credit.** - The tax credit program is hereby
4 established as a program under the jurisdiction of the commerce corporation and shall be administered by
5 the commerce corporation. The purposes of the program are to encourage economic development and job
6 creation in connection with the relocation of qualified businesses to the state of Rhode Island by
7 providing an incentive to existing Rhode Island businesses to encourage a qualified business to relocate
8 Rhode Island. To implement these purposes, the program may provide tax credits to eligible businesses
9 for a period of five (5) years.

10 **§ 42-64.30-5. Allowance of tax credits.** -

11 (a) A Rhode Island business, upon application to and approval from the commerce corporation,
12 shall be allowed a credit as set forth hereinafter against taxes imposed under applicable provisions of title
13 44 of the general laws for having played a substantial role in the decision of a qualified business to
14 relocate a minimum number of jobs as provided below:

15 (1) for the years 2015 through 2018, not less than ten (10) employees to Rhode Island; and

16 (2) for the years 2019 through 2020, not less than twenty-five (25) employees to Rhode Island.

17 (b) To be eligible for the tax credit, an existing Rhode Island business must demonstrate to the
18 commerce corporation, in accordance with regulations promulgated by the commerce corporation, that it
19 played a substantial role in the decision of a qualified business to relocate.

20 (c) If the commerce corporation approves an application, then an eligible Rhode Island business
21 which has procured a qualifying relocation shall be entitled to a tax credit. The amount of the tax credit
22 shall be based upon criteria to be established by the commerce corporation. Such criteria shall include the
23 number of jobs created, types of jobs and compensation, industry sector and whether the relocation
24 benefits a hope community.

25 (d) In determination of the tax credit amount, the commerce corporation may take into account
26 such factors as area broker’s fees, the strategic importance of the businesses involved, and the economic
27 return to the state. The tax credits issued under this chapter shall not exceed the funds appropriated for
28 these credit(s).

29 (e) Tax credits allowed pursuant to this chapter shall be allowed for the taxable year in which the
30 existing Rhode Island business demonstrates, to the satisfaction of the commerce corporation, both (1)
31 that a certificate of occupancy issues for the project or as of a lease commencement date or other such
32 related commitment; and (2) that the qualified business has created the number of net new jobs required
33 by section 42-64.30-5(a)(1) and (2).

1 (f) The tax credit allowed under this chapter may be used as a credit against corporate income
2 taxes imposed under chapters 11, 12, 13, 14, or 17, of title 44.

3 (g) In the case of a corporation, this credit is only allowed against the tax of a corporation
4 included in a consolidated return that qualifies for the credit and not against the tax of other corporations
5 that may join in the filing of a consolidated tax return.

6 (h) If the existing Rhode Island business has not claimed the tax credit allowed under this chapter
7 in whole or part, the existing Rhode Island business eligible for the tax credit shall, prior to assignment or
8 transfer to a third party, file a request with the division of taxation to redeem the tax credit in whole or in
9 part to the state. Within ninety (90) days from the submission of a request to the division of taxation to
10 redeem the tax credits, the division shall be entitled to redeem the tax credits in exchange for payment by
11 the state to the existing Rhode Island business of (1) one hundred percent (100%) of the value of the
12 portion of the tax credit redeemed, or (2) for tax credits redeemed in whole, one hundred percent (100%)
13 of the total remaining value of the tax credit; provided, however, that the redemption shall be prorated
14 equally over each year of the remaining term of the eligible period of the tax credit.

15 (i) Any redemption under subsection (h) of this section shall be subject to annual appropriation by
16 the general assembly.

17 **§ 42-64.30-6. Administration. -**

18 (a) To be eligible to receive a tax credit authorized by this chapter, an existing Rhode Island
19 business shall apply to the commerce corporation prior to the qualified business commencing a relocation
20 search within the state for a certification that the existing Rhode Island business qualifies for tax credits
21 under this chapter.

22 (b) The commerce corporation and the division of taxation shall be entitled to rely on the facts
23 represented in the application and upon the certification of a certified public accountant licensed in the
24 state of Rhode Island with respect to the requirements of this chapter.

25 (c) The tax credits provided for under this chapter shall be granted at the discretion of the
26 commerce corporation.

27 (d) If information comes to the attention of the commerce corporation or the division of taxation
28 at any time up to and including the last day of the eligibility period that is materially inconsistent with
29 representations made in an application, the commerce corporation or the division of taxation may deny
30 the requested certification, or revoke a certification previously given, with any processing fees paid to be
31 forfeited.

32 **§ 42-64.30-7. Rules and regulations. -** The commerce corporation is hereby authorized to
33 promulgate such rules and regulations as are necessary to fulfill the purposes of this chapter, including the
34 criteria by which applications for tax credit will be evaluated and approved and to provide for repayment

1 of credits received if the qualified business leaves Rhode Island within a period of time to be established
2 by the commerce corporation. The division of taxation is hereby authorized to promulgate such rules and
3 regulations as are necessary to fulfill the purposes of this chapter.

4 **§ 42-64.30-8. Program integrity.** - Program integrity being of paramount importance, the
5 commerce corporation shall establish procedures to ensure ongoing compliance with the terms and
6 conditions of the program established herein, including procedures to safeguard the expenditure of public
7 funds and to ensure that the funds further the objectives of the program.

8 **§ 42-64.30-9. Reports.** - On an annual basis, the commerce corporation shall provide a report to
9 the speaker of the house of representatives and the president of the senate identifying which Rhode Island
10 businesses received tax credits under this act, the amount of those tax credits, and the resulting economic
11 impact on the state of Rhode Island.

12 SECTION 14. This article shall take effect upon passage.

13 **ARTICLE 30**

14 RELATING TO EFFECTIVE DATE

15 SECTION 1. This act shall take effect as of July 1, 2015, except as otherwise provided
16 herein.

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

18
19 **EXPLANATION OF ARTICLES**

20 **ARTICLE 1**

21 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2016

22 This article makes appropriations from general revenues and authorizes expenditure of federal
23 funds, restricted receipts, and other funds for FY 2016. This article also identifies the FTE position
24 authorizations for each agency and department for fiscal year 2016; provides multi-year appropriations
25 for Rhode Island Capital Plan Fund projects; provides for the reappropriation of unexpended and
26 unencumbered funds from the Rhode Island Capital Plan Fund project appropriations in the ensuing fiscal
27 year; provides expenditure limits for internal service funds; provides appropriations for all Temporary
28 Disability Insurance funds, Employment Security funds, University and College funds, and Lottery
29 Division funds.

30 **ARTICLE 2**

31 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS

32 This article serves as a joint resolution required pursuant to RIGL §35-18-1 for the issuance of
33 debt. The proposed project is the University of Rhode Island Fraternity Circle Improvements, Phase I.

34 **ARTICLE 3**

1 RELATING TO LICENSING OF HOSPITAL FACILITIES

2 This article authorizes the State to continue its collection of the Hospital Licensing Fee for one
3 additional year.

4 **ARTICLE 4**

5 RELATING TO HOSPITAL UNCOMPENSATED CARE

6 This article establishes the statutory authority for the State’s disbursement of Disproportionate Share
7 (DSH) payments to community hospitals in federal fiscal year (FFY) 2016 at a maximum aggregate payment
8 of \$136.8 million. This article also repeals the statutory requirement for the disbursement of outpatient
9 “Upper Payment Limit” (UPL) payments to community hospitals, effective July 1, 2015.

10 **ARTICLE 5**

11 RELATING TO MEDICAL ASSISTANCE

12 This article establishes the legal authority for the Executive Office of Health and Human Services to
13 decrease payment rates for nursing homes and hospital services in FY 2016. The article also repeals the
14 statutory authority for the graduate medical education funding pool and establishes the compliance of the
15 FY 2016 Appropriations Act with the legislative oversight provisions of the Medicaid Reform Act of
16 2008.

17 **ARTICLE 6**

18 RELATING TO EDUCATION

19 This article amends Chapter 16 of the Rhode Island General Laws relating to Education by amending
20 language relating to student transportation, textbooks, and full-day kindergarten.

21 **ARTICLE 7**

22 RELATING TO HIGHER EDUCATION ASSISTANCE AUTHORITY

23 This article eliminates the Higher Education Assistance Authority and transfers its programs to a new
24 division in the Office of the Postsecondary Commissioner called the Division of Higher Education
25 Assistance. This article also provides that a portion of the Tuition Savings Program related to program
26 administration will be transferred to the Office of the General Treasurer.

27 **ARTICLE 8**

28 RELATING TO MUNICIPALITIES

29 This article imposes a deadline of September 30 for Newport, Jamestown, or any city or town to
30 request the reimbursement of tolls paid by police, fire, and ambulance vehicles from the Division of
31 Municipal Finance for the previous fiscal year. This article also authorizes municipalities to issue debt to
32 evidence loans from the Municipal Road and Bridge Revolving Fund, the Efficient Buildings Fund, and the
33 School Building Authority Capital Fund during the period from July 1, 2015 to June 20, 2016 without
34 obtaining the approval of its electors.

1 **ARTICLE 9**

2 **RELATING TO SCHOOL BUILDING AUTHORITY CAPITAL FUND**

3 This article establishes a School Building Authority at the Department of Elementary and Secondary
4 Education and a School Building Authority Capital Fund at the Rhode Island Health and Education Building
5 Corporation to implement a program of state funding for school facilities.

6 **ARTICLE 10**

7 **RELATING TO MAKING REVISED APPROPRIATION IN SUPPORT OF FY 2015**

8 This article makes revised appropriations from general revenues and authorizes expenditure of
9 federal funds, restricted receipts, and other funds for FY 2015. This article also provides that each line in
10 Section 1 constitutes an appropriation; provides expenditures limits for internal service funds; identifies
11 revised FTE position authorizations for each agency and department for fiscal year 2015; and provides for
12 an effective date of “upon passage”.

13 **ARTICLE 11**

14 **RELATING TO REVENUES**

15 This article implements several initiatives of the Governor by amending existing tax law, including
16 but not limited to: deduction of social security benefits from adjusted gross income for certain individuals;
17 modification of the distribution of hotel taxes, and the phase-out of sales tax on electricity, gas and heating
18 fuels for business.

19 **ARTICLE 12**

20 **RELATING TO TOBACCO SETTLEMENT FINANCING TRUST**

21 This article provides that the Tobacco Settlement Financing Corporation shall transfer \$5.0 million in
22 FY 2015 and \$19.0 million in FY 2016 to the state general fund.

23 **ARTICLE 13**

24 **RELATING TO RESTRICTED RECEIPT ACCOUNTS**

25 This article adds six restricted receipt accounts to the list of accounts exempted from the 10.0
26 percent indirect cost recovery fee.

27 **ARTICLE 14**

28 **RELATING TO STATE BUDGET**

29 This article provides that there shall be no transfer of revenues in excess of estimates from FY
30 2014, as determined by the Controller’s FY 2014 final audit, to the Employees’ Retirement System of
31 Rhode Island in 2015. This article also requires one additional REC and CEC meeting within the first 10
32 days of February; changes the state budget submission date to not later than the second Thursday in
33 March during years when a new Governor is inaugurated, and to the third Thursday in February for other

1 years. This article also reforms certain Caseload Estimating Conference (CEC) procedures and excludes
2 all programs of cash assistance from the CEC.

3 **ARTICLE 15**

4 **RELATING TO THE RHODE ISLAND LOCAL AGRICULTURAL AND SEAFOOD AND**
5 **COMMERCIAL FEEDS ACT**

6 This article provides for an increase in the commercial feed registration fee and directs the
7 proceeds of the increase to the Local Agriculture and Seafood Small Grants and Technical Assistance
8 Fund.

9 **ARTICLE 16**

10 **RELATING TO BAYS, RIVERS AND WATERSHEDS**

11 This article repeals the language establishing the Bays Rivers and Watersheds Coordinating Team
12 and directs its existing funding resources to the Department of Environmental Management and the
13 Coastal Resources Management Council for a more strategic approach to water quality planning in the
14 state.

15 **ARTICLE 17**

16 **RELATING TO DEPARTMENT OF CHILDREN YOUTH AND FAMILIES**

17 This article allows the director of the Department of Children Youth and Families to reallocate line
18 item expenditures within a bottom line appropriation in fiscal years 2016 and 2017 to provide additional
19 flexibility in implementing program reforms.

20 **ARTICLE 18**

21 **RELATING TO DIVISION OF ADVOCACY**

22 This article provides that for budgetary and administrative purposes only, the Governor's
23 Commission on Disabilities, the Commission on the Deaf and Hard of Hearing, the Office of the Mental
24 Health Advocate, and the Office of the Child Advocate shall be part of a new Division of Advocacy in the
25 Executive Office of Health and Human Services.

26 **ARTICLE 19**

27 **RELATING TO CONSOLIDATION OF DIVISION OF HEALTH BOARDS**

28 This article consolidates most of the non-prescribing health professional boards in the Department of
29 Health into one board.

30 **ARTICLE 20**

31 **RELATING TO PROFESSIONAL LICENSES**

32 This article eliminates licensure requirements for thirty-two professional and occupancy licenses
33 issued by various state departments.

34 **ARTICLE 21**

1 RELATING TO TRANSPORTATION

2 This article suspends the 25 percent transfer of remaining motor vehicle fees that would otherwise
3 have been redirected from the General Fund to the Rhode Island Highway Maintenance Account in FY
4 2016 only.

5 **ARTICLE 22**

6 RELATING TO PERSONNEL REFORM

7 This article proposes several changes to Rhode Island law governing state employees to
8 modernize the State’s personnel system including but not limited to: transfer of certain employees from
9 classified to unclassified service, extension of the probationary period under the merit system, freezing of
10 longevity payments, alteration of health benefits for non-union employees, and repeal of the annual
11 process for setting salaries of cabinet directors.

12 **ARTICLE 23**

13 RELATING TO CORRECTIONS

14 This article amends the weapons qualifications statutes to require correctional officers to qualify
15 with their weapons every two years as opposed to the current practice of every year.

16 **ARTICLE 24**

17 RELATING TO INFRASTRUCTURE BANK

18 This article renames the Rhode Island Clean Water Finance Agency as the Rhode Island
19 Infrastructure Bank and adds to it several new functions, including administration of a residential and
20 commercial Property Assessed Clean Energy program, a retrofit and renewable energy for public buildings, a
21 Brownfields revolving fund, and storm water loan program for private commercial borrowers.

22 **ARTICLE 25**

23 RELATING TO STATE POLICE PENSIONS

24 This article establishes a new pension trust fund for the ‘pay-go’ troopers, financed with \$15.0
25 million in forfeiture funds from the Google Settlement awarded to the State Police.

26 **ARTICLE 26**

27 RELATING TO DIVISION OF MOTOR VEHICLES

28 This article delays the requirement that the Division of Motor Vehicles issue new fully reflective
29 licenses plates by September 1, 2015, to September 1, 2016. The article also allows for the issuance of the
30 new plates to occur at either the initial registration of a vehicle, or at the renewal of an existing vehicle
31 registration.

32 **ARTICLE 27**

33 RELATING TO LEGAL NOTICES

1 This article creates a modernized system for posting of legal notices and advertisements, in
2 addition to print newspapers around the state.

3 **ARTICLE 28**

4 RELATING TO HEALTH REFORM ASSESSMENT

5 This article establishes a health reform assessment to finance the operations of Health Source RI
6 (Health Benefits Exchange). The revenues will be raised by a premium assessment on individual and group
7 participants.

8 **ARTICLE 29**

9 RELATING TO COMMERCE CORPORATION AND ECONOMIC DEVELOPMENT

10 This article provides for new tax incentive programs and funds intended to promote
11 economic development. Each program contains program integrity requirements to ensure proper use of public
12 funds. The article contains new reporting requirements for businesses to provide information regarding the
13 use and effect of the disbursed credits/funds from incentive programs. The article also provides that capital
14 investment projects receiving incentives from the Commerce Corporation are subject only to the state
15 building code and the state fire code, and allows the state building code and fire code to apply in certain
16 municipalities at the direction of elected leadership.

17 **ARTICLE 30**

18 RELATING TO EFFECTIVE DATE

19 This article provides that the act shall take effect as of July 1, 2015, except as otherwise provided
20 herein.

21