

Department of Administration BUDGET OFFICE One Capitol Hill Providence, R.I. 02908-5886

MEMORANDUM

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To:

The Honorable Marvin L. Abney

Chairman, House Finance Committee

The Honorable William J. Conley, Jr. Chairman, Senate Finance Committee

From:

Thomas A. Mullaney

Executive Director/State Budget Officer

Date:

May 17, 2019

Subject:

New Article for the FY 2020 Appropriations Act

(19-H-5151)

The Governor requests that an additional article, entitled "Relating to Government Efficiency," be submitted alongside the other articles submitted on January 17, 2019. This article implements the following five recommendations adopted by the Commission on Government Efficiency on May 3, 2019. Descriptions of these five recommendations and six additional recommendations that did not require statutory changes are described in the memorandum from Director DiBiase.

- (1) Sections 1, 2, 3 and 11 create the State Building Office within the Department of Business Regulation's Division of Building, Design and Fire Professionals. The Office consists of the Office of the State Building Commissioner, the Board of Registration for Professional Engineers, the Board of Registration for Professional Land Surveyors, the Board of Examination and Registration of Architects, the Board of Examiners of Landscape Architects, and the Contractors' Registration and Licensing Board.
- (2) Sections 4, 8, 10, 15 and 16 transfer the responsibility for adult education to the Governor's Workforce Board within the Department of Labor and Training from the Department of Elementary and Secondary Education and establish an Adult Education and Employment Advisory Committee.
- (3) Sections 5 and 8 reform the process by which school aid is withheld from communities to compensate the Department of Children, Youth and Families for the cost of education for children in the care and custody of the state.
- (4) Sections 6 and 7 transfer the responsibility for conducting hearing screenings to local education agencies from the Rhode Island School for the Deaf and allow local education agencies to enter into fee-for-service agreements with the School for the Deaf or other providers.
- (5) Sections 12, 13, 14, 17 and 18 transfers the administration of HealthSource RI to the Executive Office of Health and Human Services from the Department of Administration.

TDD#: 277-1227

New Article – Relating to Government Efficiency May 17, 2019 Page 2

All corresponding amendments to Article 1 of the FY 2020 Appropriations Act are forthcoming during the week of May 20, 2019.

If you have any questions regarding this new article, please feel free to call me at 222-6300.

TAM: 20-Amend-29

cc: Sharon Reynolds Ferland, House Fiscal Advisor Stephen Whitney, Senate Fiscal Advisor Jonathan Womer, Director, Office of Management and Budget

1	NEW ARTICLE
2	RELATING TO GOVERNMENT EFFICIENCY
3	SECTION 1. Effective January 1, 2020, Sections 5-65-1, 5-65-10, and 5-65-15.1 of the General
4	Laws in Chapter 5-65 entitled "Contractors' Registration and Licensing Board" are hereby amended to
5	read as follows:
6	5-65-1. Definitions.
7	As used in this chapter:
8	(1) "Board" means the contractors' registration and licensing board established pursuant to the
9	provisions of § 5-65-14 or its designees.
10	(2) "Claim for retainage" means an allegation that a person seeking payment of retainage
11	breached the person's contract for the project; provided, however, that a "claim" related to a project with a
12	contract value of not less than two hundred fifty thousand dollars (\$250,000) shall be subject to the
13	applicable dispute resolution procedure, notice, and other requirements in the contract for construction.
14	(3) "Commission" means the building code commission supportive of the contractors'
15	registration and licensing board.
16	(43)(i) "Contractor" means a person who, in the pursuit of an independent business, undertakes
17	or offers to undertake or submits a bid, or for compensation and with or without the intent to sell the
18	structure arranges to construct, alter, repair, improve, move over public highways, roads, or streets or
19	demolish a structure or to perform any work in connection with the construction, alteration, repair,
20	improvement, moving over public highways, roads, or streets or demolition of a structure, and the
21	appurtenances thereto. For the purposes of this chapter, "appurtenances" includes the installation,
22	alteration, or repair of wells connected to a structure consistent with chapter 13.2 of title 46. "Contractor"
23	includes, but is not limited to, any person who purchases or owns property and constructs, or for
24	compensation arranges for the construction of, one or more structures.
25	(ii) A certificate of registration is necessary for each "business entity" regardless of the fact that
26	each entity may be owned by the same individual.

(54) "Contract for construction" means a contract for which a lien may be established under chapter 28 of title 34 or for state or municipal public works projects as defined in title 37 on a project for which the person on whose contract with the project owner has an original contract price of not less than two hundred fifty thousand dollars (\$ 250,000); provided, however, that "contract for construction" shall not include a project containing, or designed to contain, at least one, but not more than four (4), dwelling units.

(65) "Deliverable" means a project close-out document that shall be submitted by the person seeking payment of retainage under the person's contract for construction; provided, however, that a lien waiver or release, which is a deliverable, shall comply with chapter 28 of title 34; provided, further, that "deliverable" shall not include any document affirming, certifying, or confirming completion or correction of labor, materials, or other items furnished or incomplete or defective work.

(76) "Dwelling unit" means a single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.

(87) "Hearing officer" means a person designated by the executive director of the department of business regulation or the director's designee to hear contested claims or cases, contested enforcement proceedings, and contested administrative fines, in accordance with the "administrative procedures act", chapter 35 of title 42.

(98) "Incomplete or defective work" means labor, materials, or any other item required for full performance by a person seeking payment of retainage that remains to be furnished by the person under the person's contract for construction or that has been furnished by the person but requires correction, repair, further completion, revision, or replacement; provided, however, that "incomplete or defective work" shall not include deliverables or labor, materials, or any other item to be repaired or replaced after substantial or final completion pursuant to a warranty, guarantee, or other contractual obligation to correct defective work after substantial or final completion.

1	(109) "Monetary damages" means the dollar amount required in excess of the contract amount
2	necessary to provide the claimant with what was agreed to be provided under the terms of the contract
3	reduced by any amount due and unpaid to the respondent inclusive of any and all awards and restitution.
4	(10) "Office" means the state building office.
5	(11) "Person" means any natural person, joint venture, partnership, corporation, or other business
6	or legal entity who or that enters into a contract for construction.
7	(12) "Prime contractor" means a person who or that enters into a contract for construction with
8	the project owner.
9	(13) "Retainage" means a portion or percentage of a payment due pursuant to a contract for
10	construction that is withheld to ensure full performance of the contract for construction.
11	(14) "Staff" means the executive director for the contractors' registration and licensing board, and
12	any other staff necessary to carry out the powers, functions, and duties of the board including inspectors,
13	hearing officers, and other supportive staff.
14	(15) "State" means the state of Rhode Island.
15	(16) "Structure" means (i) Any commercial building; or (ii) Any building containing one or more
16	residences and their appurtenances. The board's dispute resolution process shall apply only to residential
17	structures containing dwelling units, as defined in the state building code, or residential portions of other
18	types of buildings without regard to how many units any structure may contain. The board retains
19	jurisdiction and may conduct hearings regarding violations against all contractors required to be
20	registered or licensed by the board.
21	(17) "Substantially" means any violation that affects the health, safety, and welfare of the general
22	public.
23	(18) "Substantial completion" means the stage in the progress of the project when the work
24	required by the contract for construction with the project owner is sufficiently complete in accordance
25	with the contract for construction so that the project owner may occupy or utilize the work for its intended
26	use; provided, further, that "substantial completion" may apply to the entire project or a phase of the

1 entire project if the contract for construction with the project owner expressly permits substantial completion to apply to defined phases of the project. 2 3 5-65-10. Grounds for Discipline. 4 (a) The board or commission office may revoke, suspend, or refuse to issue, reinstate, or reissue a 5 certificate of registration if the board or commission office determines after notice and opportunity for a 6 hearing: 7 (1) That the registrant or applicant has violated § 5-65-3. 8 (2) That the insurance required by § 5-65-7 is not currently in effect. 9 (3) That the registrant, licensee or applicant has engaged in conduct as a contractor that is dishonest or fraudulent that the board finds injurious to the welfare of the public. 10 11 (4) Has violated a rule or order of the board. 12 (5) That the registrant has knowingly assisted an unregistered person to act in violation of this 13 chapter. 14 (6) That a lien was filed on a structure under chapter 28 of title 34 because the registrant or applicant wrongfully failed to perform a contractual duty to pay money to the person claiming the lien. 15 (7) That the registrant has substantially violated state or local building codes. 16 17 (8) That the registrant has made false or fraudulent statements on his or her application. (9) That a registrant has engaged in repeated acts in violation of this chapter and the board's rules 18 19 and regulations inclusive of substandard workmanship and any misuse of registration. 20 (10) The board may take disciplinary action against a contractor who performed work or arranged 21 to perform, while the registration was suspended, invalidated or revoked. Deposits received by a contractor and ordered returned are not considered a monetary award when no services or supplies have 22 23 been received. 24 (11) That the registrant breached a contract. 25 (12) That the registrant performed negligent and/or improper work.

1 (13) That the registrant has advertised with a license number instead of using a registration 2 number.

- (14) That the registrant has failed to complete a project(s) for construction or a willful failure to comply with the terms of a contract or written warranty.
- (15) That the registrant has misrepresented his registration status as valid when said registration is suspended, revoked, invalidated, inactive or unregistered as required by the board.
 - (16) That the registrant has failed to pay a fine or comply with any order issued by the board.
- (17) That the registrant has failed to obtain or maintain the required continuing education/units required by the board, or failed to sign the affidavit statement required by the board for registration or renewal.
- (18) When a violation for hiring a non-registered contractor, working as a non-registered contractor, or not maintaining the insurance required is issued, the registration may become invalidated until the violation is resolved or hearing is requested on this offense.
- (19) That the registrant has violated any of the provisions of chapters 25-3, 28-3, 28-12, 28-14, 28-36, 28-50, and/or 37-13. A finding that the registrant has violated any of those chapters shall not be grounds for imposition of a monetary penalty under subsection (c) below.
- (b) In addition to all other remedies, when it appears to the board that a person has engaged in, or is engaging in, any act, practice or transaction which violates the provisions of this chapter, the board may direct the attorney general to apply to the court for an injunction restraining the person from violating the provisions of this chapter. An injunction shall not be issued for failure to maintain the list provided for in § 5-65-3(h) unless the court determines that the failure is intentional.
- (c)(1) For each first violation of a particular section of this chapter or any rule or regulation promulgated by the board, a fine not to exceed five thousand dollars (\$ 5,000) may be imposed after a hearing by the board. Provided, further, that the board at its discretion may, after a hearing, impose an additional fine up to but not to exceed the face value of the contract or the actual damages caused by the contractor, whichever shall be greater. Where the claim is for actual damages the board shall require proof

- satisfactory to the board indicating said damages. Where corrective work is completed as ordered by the board, the fine assessed may be reduced as determined by the board. Fines and decisions on claims or
- 3 violations inclusive of monetary awards can be imposed against registered as well as contractors required
- 4 to be registered by the board.

- (2) For each subsequent violation of a particular subsection of this chapter or of a rule or regulation promulgated by the board, a fine not to exceed ten thousand dollars (\$ 10,000) may be imposed after a hearing by the board. All fines collected by the board shall be deposited as general revenues until June 30, 2008 to be used to enforce the provisions of this chapter. Beginning July 1, 2008, all fines collected by the board shall be deposited into a restricted receipt account to be used to enforce the provisions of this chapter.
- (3) For the first violation of § 5-65-3, only for non-registered contractors, a fine of up to five thousand dollars (\$ 5,000) for a first offense and up to ten thousand dollars (\$ 10,000) for each subsequent offense shall be imposed.
- (d) The hearing officer, upon rendering a conclusion may require the registrant, in lieu of a fine, to attend continuing education courses as appropriate. Failure to adhere to the requirement could result in immediate revocation of registration.
- (e) The expiration of a registration by operation of law or by order or decision of the board or a court, or the voluntary surrender of registration by the registrant, does not deprive the board of jurisdiction, an action or disciplinary proceeding against the registrant or to render a decision suspending or revoking a registration.
- (f) In emergency situations, when a registrant is acting to the detriment of the health, welfare and safety of the general public, the board's executive director of the department of business regulation or the director's designee may revoke or suspend a registration without a hearing for just cause for a period of thirty (30) days.
- (g) A registrant may petition the board to partially or completely expunge his or her record provided that notice of said expungement proceedings has been provided to the claimant who was the

- subject of the violation. For purposes of this subsection "notice" shall consist of a mailing to the last
 known address of the claimant and need not be actual notice.
 - (h) Any person or contractor, registered or not, who uses another contractor's registration, contractor's registration identification card, or allows another person to use their contractor's registration fraudulently in any way, will be subject to a fine not exceeding ten thousand dollars (\$ 10,000).
 - (i) When the use of fraudulent advertising entices an individual to hire an unregistered contractor, a fine of up to ten thousand dollars (\$ 10,000) may be imposed by the board.
 - (j) It shall be unlawful to retain a social security number or copy of the driver's license from a registrant by a building official as a condition of obtaining a permit.
 - (k) The board is further authorized upon certain findings or violations to:
 - (1) Put a lien on property held by a contractor.

- (2) Take action on registrant when the continuing education requirements have failed to be attained as required in rules and regulations.
- (3) When upon investigation a complaint reveals: serious code infractions; unsatisfied mechanic's liens; abandonment of a job for a substantial period of time without apparent cause; or any other conduct detrimental to the public, the board can double the fines.
- (4) Suspend, revoke or refuse to issue, reinstate or reissue a certificate of registration to any registrant who has contracted, advertised, offered to contract or submitted a bid when the contractor's registration is suspended, revoked, invalidated or inactive or unregistered as required by the board.
- (I) No person shall register as a contractor with the contractors' registration board for the purpose of deceiving or circumventing the registration process by enabling a person whose registration has been suspended or revoked to conduct business. Provided, further, that any person who, in good faith relies on the board or the contractor's registration website for information regarding registration status of another shall be exempt from violations pursuant to this section if the information is not correct. Violators of this section shall be jointly and individually liable for damages resulting from their activities as contractors pursuant to this chapter. Violations of this subsection may result in a revocation of registration and/or

fines not to exceed ten thousand dollars (\$ 10,000) and/or up to one year in jail. Furthermore, the director of the department of business regulation or the director's designee shall require that all applicants for registration shall swear by way of affidavit sign a statement that they are aware of this provision and its implications.

(m) Upon receipt of notice of a final determination, after the exhaustion of all appeals, by the department of labor and training, consent agreement, or court order that a registered contractor violated any of the provisions of chapters 25-3, 28-3, 28-12, 28-14, 28-36, 28-50, and/or 37-13 and owes any wages, benefits or other sums arising out of such violation, the board shall immediately suspend the contractor's registration of such contractor in accordance with this subsection. The suspension shall continue until all wages, benefits, or other sums owed have been paid or the contractor has entered into a written, binding agreement to pay the same acceptable to the department of labor and training and is not in default in payment under such agreement. If the contractor fails to remain current in payment under any such agreement, the department of labor and training shall notify the contractors' registration board and the suspension shall be imposed or reinstated as the case may be. The foregoing sanction is mandatory, but shall not be grounds for imposition of a monetary penalty under subsection (c) above.

(n) When the registration of a contractor has been revoked or suspended, neither the contractor nor any successor entity or sole proprietorship that: (1) Has one or more of the same principals or officers as the partnership, limited partnership, limited liability partnership, joint venture, limited liability company, corporation, or sole proprietorship as the subject contractor; and (2) Is engaged in the same or equivalent trade or activity shall be qualified to register or retain a registration as a contractor under this chapter, unless and until the board shall determine that the basis of the revocation or suspension has been satisfied or removed and that the registrant or applicant otherwise satisfies the requirements for registration under this chapter. Notwithstanding the foregoing, a natural person may obtain relief from the application and enforcement of this subsection as to him or her, if he or she can establish that he or she was not responsible for, and did not acquiesce to the misconduct which is the basis of the revocation, suspension or denial of registration.

1	5-65-15.1.	Staff.
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2	(a) The state building code commission office shall provide the board with appropriate staff,
3	including hearing officials and investigators, who shall perform their duties under the administrative
4	supervision of the executive director of the department of business regulation or the director's designee.
5	(b) The board may delegate the powers, functions and duties to the provided staff.
6	SECTION 2. Effective January 1, 2020, Section 5-84-3 of the General Laws in Chapter 5-84
7	entitled "Division of Building, Design and Fire Professionals" is hereby amended to read as follows:
8	5-84-3. Division membership.
9	The division consists of the membership of the office of the state fire marshal, the fire safety code
10	board of review and appeal, and the office of the state building office. commissioner, the board of
11	registration for professional engineers, board of registration for professional land surveyors, board of
12	examination and registration of architects, the board of examiners of landscape architects, and the
13	contractors' registration and licensing board.
14	SECTION 3. Effective January 1, 2020, Chapter 5-84 of the General Laws entitled "Division of
15	Building, Design and Fire Professionals" is hereby amended by adding thereto the following section:
16	5-84-3.1. Establishment of the state building office.
17	(a) There shall be the state building office within the department of business regulation's division
18	of building, design and fire professionals which shall consist of the office of the state building
19	commissioner, the board of registration for professional engineers, the board of registration for
20	professional land surveyors, the board of examination and registration of architects, the board of
21	examiners of landscape architects, and the contractors' registration and licensing board.
22	(b) The department of business regulation is hereby designated as the administrative entity
23	responsible for the operation of the state building office. In the discretion of the director of business
24	regulation, the department shall provide appropriate staff support to the state building office, and any such

staff may be shared within the state building office as necessary.

SECTION 4. Effective January 1, 2020, Section 16-5-22 of the General Laws in Chapter 16-5 entitled "State Aid [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby repealed.

16-5-22. Appropriations to aid evening schools.

The general assembly shall annually appropriate any sum as it may deem necessary for the support and maintenance of public evening schools in the several cities or towns of the state, to be apportioned by the board of regents for elementary and secondary education for the support of the schools as may be approved by the board; and the state controller is authorized and directed to draw his or her orders for the payment of the sum, or so much of the sum as shall be required, on vouchers approved by the department of elementary and secondary education.

SECTION 5. Section 16-7.2-3 of the General Laws in Chapter 16-7.2 entitled "The Education Equity and Property Tax Relief Act" is hereby amended to read as follows:

16-7.2-3. Permanent foundation education aid established.

- (a) Beginning in the 2012 fiscal year, the following foundation education-aid formula shall take effect. The foundation education aid for each district shall be the sum of the core instruction amount in subdivision (a)(1) and the amount to support high-need students in subdivision (a)(2), which shall be multiplied by the district state-share ratio calculated pursuant to § 16-7.2-4 to determine the foundation aid.
- (1) The core-instruction amount shall be an amount equal to a statewide, per-pupil core-instruction amount as established by the department of elementary and secondary education, derived from the average of northeast regional expenditure data for the states of Rhode Island, Massachusetts, Connecticut, and New Hampshire from the National Center for Education Statistics (NCES) that will adequately fund the student instructional needs as described in the basic education program and multiplied by the district average daily membership as defined in § 16-7-22. Expenditure data in the following categories: instruction and support services for students, instruction, general administration, school administration, and other support services from the National Public Education Financial Survey, as

- 1 published by NCES, and enrollment data from the Common Core of Data, also published by NCES, will
- 2 be used when determining the core-instruction amount. The core-instruction amount will be updated
- 3 annually. For the purpose of calculating this formula, school districts' resident average daily membership
- 4 shall exclude charter school and state-operated school students.
- 5 (2) The amount to support high-need students beyond the core-instruction amount shall be
- 6 determined by multiplying a student success factor of forty percent (40%) by the core instruction per-
- 7 pupil amount described in subdivision (a)(1) and applying that amount for each resident child whose
- 8 family income is at or below one hundred eighty-five percent (185%) of federal poverty guidelines,
- 9 hereinafter referred to as "poverty status."
- 10 (3) Notwithstanding any law to the contrary, beginning July 1, 2019, the department of
- elementary and secondary education shall begin withholding education aid from each local education
- agency for youths residing in a residential facility, group home, or other residential facility that includes
- the delivery of educational services pursuant to § 16-64-1.1 at a per-pupil special education rate.
- 14 (4) Notwithstanding any law to the contrary, beginning July 1, 2019, the department of
- 15 elementary and secondary education shall withhold education aid from each local education agency for
- 16 youths that received education in group homes and residential treatment facilities in the amount that each
- 17 local education agency owes the state as of June 30, 2019. If a local education agency disputes the
- 18 residency of such youth, the local education agency may appeal the residency determination pursuant to §
- 19 16-64-6. If a final decision pursuant to § 16-64-6 subsequently determines that a different city, town or
- agency bears financial responsibility, the education aid amount shall be adjusted accordingly.
- 21 (b) The department of elementary and secondary education shall provide an estimate of the
- 22 foundation education aid cost as part of its budget submission pursuant to § 35-3-4. The estimate shall
- 23 include the most recent data available as well as an adjustment for average daily membership growth or
- decline based on the prior year experience.
- 25 (c) In addition, the department shall report updated figures based on the average daily
- 26 membership as of October 1 by December 1.

1	(d) Local education agencies may set aside a portion of funds received under subsection (a) to
2	expand learning opportunities such as after school and summer programs, full-day kindergarten and/or
3	multiple pathway programs, provided that the basic education program and all other approved programs
4	required in law are funded.
5	(e) The department of elementary and secondary education shall promulgate such regulations as
6	are necessary to implement fully the purposes of this chapter.
7	SECTION 6. Effective July 1, 2019, Section 16-21-14 of the General Laws in Chapter 16-21
8	entitled "Health and Safety of Pupils" is hereby amended to read as follows:
9	16-21-14. Hearing, speech, and vision screenings. – Records. – Statewide hearing screening
10	program.
11	(a) The program All schools shall provide for screenings of the hearing, speech, and vision of all
12	children in these schools, and the preservation of records of the screenings of the children and notification
13	of the parent or guardian of any child where there is an identified or suspected special health care need.
14	(b) Upon initial entry, all school children shall be given a hearing screening test by a properly
15	trained professional employed by the department of elementary and secondary education, at intervals
16	consistent with regulations promulgated by the director of health and the commissioner of elementary and
17	secondary education.
18	(c) Pupils who failed the hearing screening test in previous years, repeat a grade, have a history of
19	hearing difficulty or pathology, or are suspected by school personnel of a hearing loss shall be screened as
20	often as is necessary.
21	(d) The program shall be known as the statewide hearing screening program. It shall be operated
22	by the department of elementary and secondary education shall ensure that all schools provide adequate
23	screenings.
24	(e) The department is authorized and directed to maintain the program and provide equipment
25	that may be necessary to implement the purposes of this section.

(f) Upon request from a local education agency the commissioner of elementary and secondary education may grant the local education agency permission to conduct its own hearing screening program after he or she first determines that the agency has a capacity to adhere to the screening schedule as outlined in this section and that properly trained professionals defined in regulation will be performing the activities.

(e) The local education agency may enter into a fee-for-service agreement with Rhode Island

School for the Deaf or any other provider who meets the personnel requirements to conduct hearing

screening tests as specified by the department of health.

 $(\underline{g}\underline{f})$ Tests shall not be required of any student whose parent or guardian objects on the ground that the tests conflict with their religious beliefs.

SECTION 7. Effective July 1, 2019, Section 16-26-12 of the General Laws in Chapter 16-26 entitled "School for the Deaf [See Title 16 Chapter 97 – The Rhode Island Board of Education Act]" is hereby amended to read as follows:

16-26-12. Other sources of funding.

- (a) The 2009 general assembly, through the FY 2010 appropriation act, established a fee for a service program, also known as a tuition program, for the Rhode Island school for the deaf effective July 1, 2009 in accordance with the fee structure developed and implemented by the department of elementary and secondary education. Under this fee for service program, and the provisions of Rhode Island general law § 16-26-7.1 notwithstanding, districts shall be assessed tuition to cover the costs of educational services that are additional to the core deaf and hard-of-hearing education program that is provided to resident students at the Rhode Island school for the deaf.
- (b) Tuition assessed at the school for the deaf to cover costs of educational services that are additional to the core deaf and hard-of-hearing education program shall be based on a graduated tuition schedule correlating to the varying needs of students. Districts shall receive three (3) times each school year, invoices summarizing the basis for the tuition charged. There shall be deducted from the final aid payment to each school district at the end of the fiscal year any amounts owed to the state for these

1	additional educational services. All tuition paid by districts and any aid deducted for non-payment shall
2	be deposited in a restricted receipt account and shall be exempt from the indirect cost recovery provisions
3	of § 35-4-7.
4	(c) The school for the deaf is hereby authorized to rent or lease space in its school building. The
5	school shall deposit any revenues from such agreements into a restricted receipt account, to be known as
6	the school for the deaf rental income account, to be used for the same educational purposes that its state
7	appropriation is used. Any such rental agreements must receive prior approval from the school's board of
8	trustees and by the state properties committee.
9	(d) The school for the deaf is hereby authorized to enter into a fee-for-service agreement with
10	local education agency for providing hearing screening tests defined in § 16-21-14. Any revenues from
11	such agreements shall be deposited into a restricted receipt account, to be known as the school for the
12	deaf hearing screening test account, to be used to cover the costs of providing these hearing screening
13	tests.
14	SECTION 8. Effective January 1, 2020, Chapter 16-63 of the General Laws entitled "Adult
15	Education [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby repealed in its
16	entirety.
17	CHAPTER 16-63
18	ADULT EDUCATION [SEE TITLE 16 CHAPTER 97 - THE RHODE ISLAND BOARD OF
19	EDUCATION ACT]
20	16-63-1. Short title.
21	This chapter shall be known and may be cited as the "Adult Education Act".
22	16-63-2. Legislative findings and policy.
23	(a) The general assembly, in accordance with the constitution of the state, R.I. Const., Art. XII, §
24	1, which obligates the state "to secure to the people the advantages and opportunities of education," and
25	also pursuant to R.I. Const., Art. XII, § 4, which requires it to "make all necessary provisions by law for
26	carrying this article into effect," finds:

1	(1) That all citizens, regardless of age, have the right to education;
2	(2) That education is a lifelong pursuit;
3	(3) That basic education and general personal development are necessary to enjoy a wholesome
4	life; and
5	(4) That vocational training is useful in acquiring a marketable skill and achieving economic self
6	sufficiency.
7	(b) The general assembly declares:
8	(1) That the public laws shall address the education needs of adults and young people;
9	(2) That an integrated and coordinated adult education delivery system shall be provided and
10	maintained on a statewide basis; and
11	(3) That public funds shall be appropriated to support that delivery system and fulfill the
12	constitutional mandate.
13	(c) All adult education programs and services provided by any department or agency of the state
14	of Rhode Island or local government, or funded in whole or in part by state funds, shall be offered in the
15	least restrictive environment, be designed to enhance the quality of life for adult learners, and be
16	consistent with and inclusive of the following values that reflect the preferences and needs of adult
17	learners;
18	(1) Adult learners shall be treated with dignity and respect;
19	(2) Adult learners shall be included in policy development affecting adult education;
20	(3) Adult learners shall be offered services that are cost effective and meet the learners' needs;
21	(4) Adult learners shall have access to testing, evaluation and requisite accommodation for
22	learning and/or other disabilities;
23	(5) Adult learners shall be fully informed about the educational choices available to them;
24	(6) Adult learners shall participate in decisions about their educational process, including
25	information exchange and goal setting;

1	(7) Adult learners shall be provided with educational programming commensurate with their
2	abilities, including but not limited to basic skills, vocational education, and/or secondary education or its
3	recognized equivalent;
4	(8) Adult learners shall receive consistent, sustained quality in their education.
5	16-63-3. Definitions.
6	For the purposes of this chapter the following terms have the following meanings:
7	(1) "Adult education" means all the concerns and activities within the definition in § 16-58-2;
8	(2) "Board" means the board of regents for elementary and secondary education created pursuant
9	to § 16-60-1;
10	(3) "Bureau" means the bureau of adult and vocational education within the department;
11	(4) "Commission" means the Rhode Island adult education commission established pursuant to §
12	16 58 1;
13	(5) "Commissioner" means the commissioner of the department of elementary and secondary
14	education;
15	(6) "Coordinator" means the state coordinator of adult education;
16	(7) "Department" means the department of elementary and secondary education;
17	(8) "Office" means the office of adult education within the bureau.
18	16-63-4. Rights of adults.
19	The applicable provisions of the laws of the state or local governments, and of any regulations or
20	policies arising from these, shall be construed to include adults and young persons as the recipients and
21	beneficiaries of education; adults shall not be subject to compulsory attendance pursuant to chapter 19 of
22	this title. Provided, nothing in this chapter shall be construed as a mandate to any city or town to provide
23	any compulsory educational program nor shall requirements contained in this chapter supplant
24	requirements for the education of individuals with disabilities between the ages of eighteen (18) and
25	twenty one (21) years pursuant to §§ 16-24-1 and 16-24-2.

16-63-5. Categories of adult education programs and service.

Programs and services constituting adult education, as defined in § 16-58-2, shall be categorized and defined as follows:

(1) Category 1. Basic education, which shall consist of efforts to alleviate illiteracy and provide opportunities for academic achievement up to grade twelve (12) and which shall include instruction in reading, writing, arithmetic, literature, social studies, science, pre-vocational subjects, and other knowledge and skills necessary to cope in contemporary life; courses in Americanization and citizenship for immigrants; teaching English to persons with no or limited ability with the language; and preparation for the demonstration of competencies to qualify for the adult high school diploma or for examinations to earn the general educational development or high school equivalency diploma.

(2) Category 2. Vocational training, which shall consist of the imparting of knowledge and skills necessary to become gainfully employed, at least at entry level, in a recognized occupation, and thus attain economic self-sufficiency, and which shall be conveyed by classroom instruction, on the job training, apprenticeships, and other appropriate methods.

(3) Category 3. Higher education, consisting of opportunities for adults to enter or re-enter universities and colleges, whether matriculating or nonmatriculating, at undergraduate and graduate levels, and whether part time or full time.

(4) Category 4. Continuing education in professional and technological occupations, which shall consist of efforts to insure that minimum competencies are maintained by persons who are employed in occupations which bear on the public health, safety, or general welfare, and for which there are licensing, certification, or other credentialing provisions in the general laws, and in which those persons shall participate, individually or in groups, by periodic reviews of fundamental and up to date knowledge and skills, in-service experience, performance assessment, or other systematic and ongoing methods, and which may involve earning continuing education units.

(5) Category 5. General personal development, which shall consist of any formal or informal activity in the pursuit and development of avocational, social, cultural, artistic, enrichment, recreational, or other interests.

1	(6) Category 6. Public service education, consisting of efforts, through mass media and by other
2	methods, to inform, educate, and motivate residents of the state on vital and timely subjects, such as
3	health, safety, civic affairs, and social concerns and behavior.
4	(7) Category 7. Supportive services, which shall consist of various accommodations intended to
5	facilitate the pursuit of adult education in any of these specified categories, and which shall include
6	information, counseling, and other guidance services, financial aid, care of children and other dependent
7	persons, transportation, and other services.
8	16-63-6. Office of adult education Coordinator.
9	The board of regents, at its discretion, may assign the advocacy, coordinating, and
10	communicative functions of adult education, as defined in § 16-58-2 and in this chapter, to an office of
11	adult education within the bureau. The office may be headed by a coordinator of adult education.
12	16-63-7. Functions of office.
13	The functions of the office may include, but may not necessarily be limited to, the following:
14	(1) The development of recommendations to the commissioner and the implementation of any
15	approved recommendations, including:
16	(i) The utilization of federal and state funds for any purpose prescribed or allowed by the laws
17	and/or regulations authorizing and/or appropriating those funds;
18	(ii) The sub-granting of those federal and state funds to selected deliverers of programs and
19	services, including those contemplated in subdivisions (2) and (3);
20	(iii) The operation and networking of statewide adult level guidance services;
21	(iv) The operation of a high school equivalency or general educational development, testing, and
22	certification program;
23	(v) Administration of the provisions for the approval and regulation of private career, trade, and
24	technical schools, pursuant to chapter 40 of this title, and of any other nonpublic entities, whether non-
25	business or proprietary, which provide or purport to provide adult education programs and services to
26	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 [repealed], needs
6	assessments in conjunction with local planning and assessment processes, and the development and
7	utilization of relevant 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, 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;

1	(ii) Adult education programs and services, in any of the categories defined in this chapter,
2	conducted in libraries and other community based settings;
3	(iii) Pre-service, in service, and upgrading education and training programs, generally in category
4	2 as defined by this chapter, conducted in employment settings;
5	(iv) Activities, generally in category 2 as defined by this chapter, conducted in the state pursuant
6	to the Job Training Partnership Act, 29 U.S.C. § 1501 et seq., and any amendments to it, extensions of it,
7	or successor legislation;
8	(v) All activities in categories 4 and 6, as defined by this chapter;
9	(vi) Programs and services, generally in categories 1, 2, 3, 5, and 7, as defined by this chapter,
10	conducted in custodial, correctional, and curative institutions in the state;
11	(vii) Programs and services for adults with special needs, such as people with disabilities,
12	immigrants and refugees, women and displaced homemakers, senior citizens, persons of multilingual or
13	multicultural backgrounds, and persons being discharged from the care of institutions referenced in
14	subdivision (3)(vi);
15	(viii) Programs of family and homelife education and parent effectiveness training;
16	(ix) Educational and public service programming on radio and television, including that
17	transmitted electronically and through cable systems; and
18	(x) Automobile and motorcycle driver safety education; and
19	(4) Staff support services for the commission.
20	16-63-8. State plan for adult education.
21	The department shall develop a state plan for adult education, which shall be a document
22	containing: (1) current needs assessment data, (2) statements of the policies, procedures, regulations, and
23	program activities contemplated for carrying out the intent of this chapter, and (3) prevailing or
24	anticipated budgetary and fiscal conditions applicable to it. The state plan also shall contain all the
25	elements prescribed by the federal Adult Education Act, 20 U.S.C. § 1201 et seq., the federal Vocational
26	Education Act, 20 U.S.C. § 2301 et seq., and other applicable federal laws, and any amendments to it,

1	extensions of it, or successor legislation. The state plan shall be renewed every three (3) years, and may
2	be amended or updated annually. The plan and any renewals, amendments, or updates of it shall be
3	subject to approval by the commission, commissioner, and the board.
4	16-63-9. Delivery system.
5	(a) Adult education throughout the state shall be delivered through the appropriate utilization of a
6	combination of agencies, institutions, organizations, and other mechanisms and settings, including but not
7	necessarily limited to the following:
8	(1) The schools and other facilities maintained by local education authorities, pursuant to chapter
9	2 of this title, or area combinations of it, in accordance with chapter 3 of this title and this chapter;
10	(2) The area vocational technical schools, maintained and conducted in accordance with chapter
11	45 of this title;
12	(3) The state operated institutions of higher education, including the University of Rhode Island,
13	Rhode Island College, and the community college system, maintained in accordance with chapters 31
14	through 33.1 and chapter 44 of this title;
15	(4) Private and proprietary academies, colleges, universities, and other institutions of secondary
16	and higher education operated in accordance with chapter 40 of this title;
17	(5) Correspondence schools, home study, and related courses available to residents of the state in
18	accordance with chapter 50 of this title;
19	(6) The custodial, correctional, and curative institutions referenced in this chapter;
20	(7) The state's interrelated library system;
21	(8) Community based private, nonprofit, and proprietary agencies and facilities maintained and
22	operated fully or partially for the purpose of providing adult education programs and services;
23	(9) Employment settings in business and industry; and
24	(10) The broadcast and cable system media referenced in this chapter.
25	(b) The listing in subsection (a) of an agency, institution, organization, or other entity shall not, in
26	itself, constitute it as being under the administrative control of the board, department, or office.

16-63-10. Community education.

(a) Adult education programs and services, to the extent feasible, shall be designed and implemented in accordance with a local control model, commonly known as "community education," as set forth in the former federal Community Schools and Comprehensive Community Education Act, title VIII of the Elementary and Secondary Education Act, formerly codified at 20 U.S.C. § 3281 et seq., and any amendments to it, extensions of it, or successor legislation.

(b) There shall be citizen participation in determining needs and interests and in planning, organizing, overseeing, and evaluating adult education programs and services. This participation shall be effected through advisory councils which shall be established to serve particular cities and towns, or combinations of these, or service districts pursuant to the provisions of this chapter.

(c) Local education authorities shall be involved directly and substantially, but not necessarily solely or primarily, in the administration and operation of local or area adult education programs and services. Adult education activities shall be conducted in coordination with other human services at the state, area, and community levels. There shall be maximum utilization of all appropriate public buildings, facilities, and resources.

16-63-11. Cooperative agreements.

The office shall encourage cooperative agreements among agencies, within and outside the department, and among appropriate institutions, organizations, and other entities, in the public and private sectors, in order to foster and bring about a coordinated adult education delivery system throughout the state, as prescribed in this chapter.

16-63-12. Study of adult basic education entitlement.

The commission, as part of the comprehensive study prescribed in § 16-58-6(3), shall study the legal, financial, societal, personal, and other implications of the possible future enactment of an adult basic education entitlement.

16-63-13. Adult education financing.

The cost of providing adult education programs and services shall be met by federal, state, and local government resources, and by tuition and fees to be paid by participants according to the categories of programs and services, as further set forth in this chapter.

16-63-14. Appropriations of state funds.

- (a) The general assembly shall make certain annual appropriations of state funds, for the purposes of adult education, as part of the total appropriations to the department, as prescribed in § 16-5-22.
- (b) The state controller is authorized to draw his or her orders upon the general treasurer for the payment of the state's obligations arising from this chapter, or so much of the sum as may be required upon receipt by him or her of vouchers properly authenticated by the commission.

16-63-15. Local support.

- (a) The school committee of each district established pursuant to § 16-7-16(5), in order to insure that adults receive their adequate share of education programs and services, shall be encouraged to allocate local funds within its annual budgets to support appropriate activities within categories 1, 2, 5, and 7, as defined in this chapter.
- (b) These allocations for adult education shall not necessarily constitute funds which would not be appropriated by or for the district, and shall be fully included in the calculation and payment of foundation level school support, also known as state aid to education, in accordance with chapter 7 of this title, but shall not be subject to the provisions of §§ 45–13–7 through 45–13–10.

16-63-16. Severability.

If any provision of this chapter, or of any regulation issued under it, or the application of it to any person or circumstance, is held invalid by a court of competent jurisdiction, the remainder of this chapter or of any regulation or application to other persons or circumstances shall not be affected thereby. The invalidity of any section or sections or parts of any section or sections of this chapter shall not affect the validity of the remainder of the chapter.

16-63-17. Liberal construction of chapter required.

This chapter shall be construed liberally in aid of its declared purpose.

16-63-18	High school equive	laney testing
10-03-10.	Tingii school equiva	nency testing.

- (a) In selecting which tests shall be utilized and recognized by the state in the granting of high school equivalency diplomas, the board shall consider all available high school equivalency tests that meet and adhere to Rhode Island academic standards and shall give priority to those tests that are provided at the lowest cost for test takers. In selecting said tests, the board shall consider:
- 6 (1) The recognition of the test, or lack thereof, by other states;
 - (2) The portability of the test; and

- (3) Such other criteria that meet the needs of the test takers.
- (b) The board shall adopt, and provide funding for, a rule or regulation granting a waiver of fees associated with the high school equivalency test for individuals with limited income and who can prove a financial hardship; provided, however, that to be eligible for a fee waiver, an individual must have received at least a minimum passing score on the high school equivalency practice test, or pertinent section of the test. The waiver may be based on a sliding scale based on the individual's income.
- SECTION 9. Sections 16-64-1.1 and 16-64-1.3 of the General Laws in Chapter 16-64 entitled "Residence of Children for School Purposes" are hereby amended to read as follows:

16-64-1.1. Payment and reimbursement for educational costs of children placed in foster care, group homes, or other residential facility by a Rhode Island state agency.

- (a) Children placed in foster care by a Rhode Island-licensed child-placing agency or a Rhode Island governmental agency shall be entitled to the same free, appropriate public education provided to all other residents of the city or town where the child is placed. The city or town shall pay the cost of the education of the child during the time the child is in foster care in the city or town.
- (b) Children placed by the department of children, youth and families (DCYF) in a group home or other residential facility that does not include the delivery of educational services are to be educated by the community in which the group home or other residential facility is located, and those children shall be entitled to the same free, appropriate public education provided to all other residents of the city or town where the child is placed. For purposes of payment and reimbursement for educational costs under this

1 chapter, the term "group home or other residential facility" shall not include independent-living programs.

2 Each city and town that contains one or more group homes or other residential facilities that do not

3 include delivery of educational services will receive funds as part of state aid to education in accordance

with the following provisions:

(1) On December 31 of each year, the DCYF shall provide the department of elementary and secondary education with a precise count of how many group home or other residential facility "beds" exist in each Rhode Island city or town, counting only those "beds" in facilities that do not include the delivery of educational services. The number of "beds" in each group home or other residential facility shall be equal to the maximum number of children who may be placed in that group home or other residential facility on any given night according to the applicable licensure standards of the DCYF.

(2) For the fiscal year beginning July 1, 2007, if the number of beds certified by DCYF for a school district by December 31, 2007, is greater than the number certified March 14, 2007, upon which the education aid for FY 2008 was appropriated, the education aid for that district will be increased by the number of increased beds multiplied by fifteen thousand dollars (\$15,000). Notwithstanding the provisions of this section or any law to the contrary, the education aid for all group home or other residential facility "beds" located or associated with the Children's Residential and Family Treatment (CRAFT) program located on the East Providence campus of Bradley Hospital shall be twenty-two thousand dollars (\$22,000) per bed. The Department of Elementary and Secondary Education shall include the additional aid in equal payments in March, April, May, and June, and the Governor's budget recommendations pursuant to § 35-3-8 shall include the amounts required to provide the increased aid.

For all fiscal years beginning after June 30, 2016, education aid for each school district shall include seventeen thousand dollars (\$17,000) for each bed certified by DCYF by the preceding December 31. Notwithstanding the provisions of this section or any law to the contrary, the education aid for all group home or other residential facility "beds" located or associated with the Children's Residential and Family Treatment (CRAFT) program located on the East Providence campus of Bradley Hospital shall be twenty-six thousand dollars (\$26,000) per bed. For all fiscal years beginning after June 30, 2008,

1	whenever the number of beds certified by DCYF for a school district by December 31 is greater than the
2	number certified the prior December 31 upon which the education aid for that fiscal year was
3	appropriated, the education aid for that district as enacted by the assembly during the prior legislative
4	session for that fiscal year will be increased by the number of increased beds multiplied by the amount per
5	bed authorized for that fiscal year. The Department of Elementary and Secondary Education shall include
6	the additional aid in equal payments in March, April, May, and June, and the Governor's budget
7	recommendations pursuant to § 35-3-8 shall include the amounts required to provide the increased aid.
8	(c) Children placed by DCYF in a residential treatment program, group home, or other residential
9	facility, whether or not located in the state of Rhode Island, which includes the delivery of educational
10	services, provided by that facility (excluding facilities where students are taught on grounds for periods of
11	time by teaching staff provided by the school district in which the facility is located), shall have the cost
12	of their education paid for as provided for in subsection (d) and § 16-64-1.2. The city or town determined
13	to be <u>financially</u> responsible to <u>DYCF</u> for a the per-pupil special education cost pursuant to § 16-64-1.2
14	shall pay its share of the cost of educational services to DCYF or to the facility providing educational
15	services. shall have education aid withheld pursuant to §16-7.2-3.
16	(d) Children placed by DCYF in group homes, child caring facilities, community residences, or
17	other residential facilities shall have the entire cost of their education paid for by DCYF if:
18	(1) The facility is operated by the state of Rhode Island or the facility has a contract with DCYF
19	to fund a pre-determined number of placements or part of the facility's program;
20	(2) The facility is state-licensed; and
21	(3) The facility operates an approved on-grounds educational program, whether or not the child
22	attends the on-grounds program.
23	16-64-1.3 Educational responsibility for children in group homes and other residential
24	placements.
25	(a) The city or town in which a foster home, group home, or other residential facility that does not
26	include the delivery of educational services is located shall be responsible for the free appropriate public

- education of any child residing in those placements, including all procedural safeguards, evaluation, and instruction in accordance with regulations under chapter 24 of this title, for any period during which a child is residing in the city or town. The city or town shall coordinate its efforts with any other city or town to which a child moves when exiting the city or town responsible under this subsection.
 - (b) The city or town <u>financially</u> responsible <u>for payment</u> under § 16-64-1.1(c) for <u>payment of a</u>

 <u>the</u> city or town's per pupil special education cost to DCYF for a child placed in a residential facility,
 group home, or other residential facility that includes the delivery of educational services shall be
 responsible for the free, appropriate public education, including all procedural safeguards, evaluation and
 instruction in accordance with regulations under chapter 24 of this title.
 - SECTION 10. Effective January 1, 2020, Section 16-97-1.1 of the General Laws in Chapter 16-97 entitled "The Rhode Island Board of Education Act" is hereby amended to read as follows:

16-97-1.1. Purposes of the board of education.

The Rhode Island Board of Education shall be responsible for long-range planning and for coordinating and evaluating policies and programs for the public educational systems of the state. The general assembly finds and declares that the board of education shall have the following purposes:

- (a) To develop and adopt educational, financial, and operational goals for the education systems of the state that represent achievable benchmarks for a ten-year (10) and twenty-year (20) year time frame and that can be implemented by the council on elementary and secondary education, the council on postsecondary education, and the commissioners for elementary and secondary education and postsecondary education;
- (b) To ensure that the education systems of the state are aligned with the projected opportunities in workforce development and economic development and that the education systems are preparing students to participate in the future workforce of Rhode Island;
- (c) To coordinate programs and courses of study and promote collaboration between and among pre-kindergarten through higher education institutions and agencies, including, but not limited to:
 - (1) Improving career and college readiness;

1 (2) Reducing the need for remedial instruction;

- 2 (3) Implementing and coordinating common core and other system wide standards; and
 - (4) Ensuring Collaborating with appropriate state agencies to ensure a quality system for adult education and certification programs in secondary school and college.
 - (d) To present strategic budget and finance recommendations to the council on elementary and secondary education and council on postsecondary education that are aligned with the long-range goals adopted by the board.

8 SECTION 11. Effective January 1, 2020, Sections 23-27.3-100.1.3, 23-27.3-100.1.4, 23-27.39 100.1.5.1, 23-27.3-107.2, 23-27.3-107.8, 23-27.3-107.9, 23-27.3-108.1.3.1, 23-27.3-108.2 and 23-27.310 118.1 of the General Laws in Chapter 23-27.3 entitled "State Building Code" are hereby amended to read
11 as follows:

23-27.3-100.1.3. Creation of the state building code standards committee.

- (a) There is created as an agency of state government a state building code standards committee that shall adopt, promulgate, and administer a state building code for the purpose of regulating the design, construction, and use of buildings or structures previously erected, in accordance with a rehabilitation building and fire code for existing buildings and structures developed pursuant to chapter 29.1 of this title, and to make any amendments to them as they, from time to time, deem necessary or desirable, the building code to include any code, rule, or regulation incorporated in the code by reference.
- (b) A standing subcommittee is made part of the state building code standards committee to promulgate and administer a state housing and property maintenance code for the purpose of establishing minimum requirements and standards and to regulate the occupancy and use of existing premises, structures, buildings, equipment, and facilities, and to make amendments to them as deemed necessary.
- (c) A joint committee, with membership as set forth in § 23-29.1-2(a) from the state building code standards committee, shall develop and recommend for adoption and promulgation, a rehabilitation building and fire code for existing buildings and structures, which code shall include building code

- elements to be administered by the state building code standards committee as the authority having
 jurisdiction over the elements.
 - (d) The state building code standards committee shall be housed within the office of the state building commissioner. office.

23-27.3-100.1.4. Appointment and qualifications of the committee.

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(a) The building code standards committee shall be composed of twenty-five (25) members, residents of the state who shall be appointed by the governor with the advice and consent of the senate. Eight (8) members are to be appointed for terms of one year each, seven (7) for a term of two (2) years each, and ten (10) for terms of three (3) years each. Annually, thereafter, the governor, with the advice and consent of the senate, shall appoint members to the committee to succeed those whose terms expired; the members to serve for terms of three (3) years each and until their successors are appointed and qualified. Two (2) members shall be architects registered in the state; three (3) shall be professional engineers registered in the state, one specializing in mechanical, one specializing in structural, and one specializing in electrical engineering; one landscape architect, registered in the state; one full-time certified electrical inspector; two (2) shall be builders or superintendents of building construction; one shall be a public health official; one shall be a qualified fire code official; two (2) shall be from the Rhode Island building trades council; two (2) shall be from the Rhode Island Builders Association; one shall be a holder of Class "A" electrician's license; one shall be a master plumber; two (2) shall be from the general public; three (3) shall be building officials in office, one from a municipality with a population of sixty thousand (60,000) persons or more, one from a municipality with a population of over twenty thousand (20,000) persons but less than sixty thousand (60,000), and one from a municipality with a population of less than twenty thousand (20,000) persons; one shall be a minimum housing official in office from one of the local municipalities; and two (2) residents of the state who shall be persons with disabilities as defined in § 42-87-1.

(b) All members shall have no less than five (5) years practical experience in their profession or business. The committee shall elect its own chairperson and may elect from among its members such other officers as it deems necessary. Thirteen (13) members of the board shall constitute a quorum and the vote of a majority vote of those present shall be required for action. The committee shall adopt rules and regulations for procedure. The state building commissioner shall serve as the executive secretary to the committee. The committee shall have the power, within the limits of appropriations provided therefor, to employ such assistance as may be necessary to conduct business.

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- (c) Members of the commission committee shall be removable by the governor pursuant to § 36-1-7 and for cause only, and removal solely for partisan or personal reasons unrelated to capacity or fitness for the office shall be unlawful.
- (d) The state housing and property maintenance code subcommittee shall be composed of nine (9) members, residents of the state. Five (5) of these members are to be current members of the state building code standards committee and are to be appointed by that committee. The four (4) remaining members are to be appointed by the governor, with the advice and consent of the senate. The four (4) appointed by the governor, with the advice and consent of the senate, shall initially be appointed on a staggered term basis, one for one year, one for two (2) years, and two (2) for three (3) years. Annually thereafter, the building code standards committee, and the governor, with the advice and consent of the senate, shall appoint the subcommittee members, for which they are respectively responsible, to succeed those whose terms have expired; the members to serve for terms of three (3) years each and until their successors are appointed and qualified. Of the members appointed by the committee, one shall be a full-time certified electrical inspector; one shall be a master plumber and mechanical equipment expert; one shall be a builder or superintendent of building construction; one member shall be a qualified state fire code official; one shall be a property manager; and one shall be a current minimum housing official from a local municipality. The four (4) members to be appointed by the governor, with the advice and consent of the senate, shall all be current minimum housing officials from local municipalities. One shall be from a municipality with a population of sixty thousand (60,000) persons or more, two (2) from municipalities with a population of

over twenty thousand (20,000) persons but less than sixty thousand (60,000), and one from a municipality with a population of less than twenty thousand (20,000) persons.

23-27.3-100.1.5.1. Housing and maintenance code -- Powers and duties of the building code standards committee.

- (a) The committee shall have the authority to adopt and promulgate a housing and maintenance code which shall be reasonably consistent with recognized and accepted standards and codes promoted by national model code organizations. The code shall be submitted to the legislature for adoption and amendments as required. Once adopted by the legislature, the law shall not be amended by the cities and towns. The committee shall have the singular authority to submit further amendments to the legislature as required. These new provisions shall replace, and/or amend the existing provisions of the Minimum Housing Standards, chapter 24.2 of title 45, and the Housing, Maintenance and Occupancy Code, chapter 24.3 of title 45. Once adopted by the legislature, the laws shall not be amended by the cities and towns without prior approval of the committee and subsequently the legislature. The state housing and property maintenance code subcommittee shall carry out its responsibilities to the building code standards committee by acting as an entity of the committee in administering the code, by recommending needed code amendments, by promulgating the code, and by serving as the board of standards and appeals for the code.
- (b) The subcommittee shall also have a recording secretary who shall attend all meetings and direct the conduct of any investigation which may be necessary in the preparation of any hearing. The recording secretary shall be a member of the classified service on the staff of the state building commissioner office and shall be compensated as appropriate for the expertise required. The administration and appeals procedures pertaining to these laws shall remain in the prerogatives of the local municipalities and the legislature.
- (c)Within ninety (90) days after the end of each fiscal year, the committee shall approve and submit an annual report to the governor, the speaker of the house of representatives, the president of the senate, and the secretary of state, of its activities during that fiscal year. The report shall provide: an

operating statement summarizing meetings or hearings held, including meeting minutes, subjects addressed, decisions rendered, applications considered and their disposition, rules or regulations promulgated, studies conducted, policies and plans developed, approved, or modified, and programs administered or initiated; a consolidated financial statement of all funds received and expended including the source of the funds, a listing of any staff supported by these funds, and a summary of any clerical, administrative or technical support received; a summary of performance during the previous fiscal year including accomplishments, shortcomings and remedies; a synopsis of hearings, complaints, suspensions, or other legal matters related to the authority of the committee; a summary of any training courses held pursuant to this chapter; a briefing on anticipated activities in the upcoming fiscal year, and findings and recommendations for improvements. The report shall be posted electronically on the websites of the general assembly and the secretary of state pursuant to the provisions of § 42-20-8.2. The director of the department of administration shall be responsible for the enforcement of the provisions of this section.

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

23-27.3-107.2. Alternate local building official.

The appropriate local authority shall appoint an alternate building official to act on behalf of the building official during any period of disability caused by, but not limited to, illness, absence, or conflict of interest. The alternate building official shall meet the qualifications of § 23-27.3-107.5. The appropriate local authority shall appoint an alternate local building official within ten (10) calendar days or request the commissioner's state building office's services as allowed in § 23-27.3-107.3. When the

office of the state building commissioner's office's services are used due to the lack of a local building official, the salary and operating expenses of the commissioner or his or her designee shall be reimbursed to the commissioner's account state as allowed by § 23-27.3-108.2(c).

23-27.3-107.8. Restriction on employees' activities.

Neither the building commissioner, nor any full-time building officials, or full-time local inspectors, as defined in this code, shall be engaged in, or directly or indirectly connected with, the furnishing of labor, materials, or appliances for the construction, alteration, or maintenance of any building or structure, or the preparation of plans or specifications therefor for the state, in the case of the building commissioner, or within the municipality in which he or she is respectively employed in the case of a building official or local inspector unless the individual is the owner of the building or structure; nor shall any officer or employee associated with the <u>state</u> building <u>office department of the state</u> or municipality engage in any work which conflicts with his or her official duties or with the interests of the department of business regulation.

23-27.3-107.9. Relief from personal responsibility.

The state building commissioner, the members and staff of the building code standards committee and the board of standards and appeals, the building official, officer, or employee charged with the enforcement, administration and/or review of this code, while acting for the state or a municipality, shall not thereby render himself or herself liable personally, and he or she is hereby relieved from all personal liability for any damages that may accrue to persons or property as a result of any act required or permitted in the discharge of his or her official duties. Any suit instituted against any of these officers or employees because of an act performed by him or her in the lawful discharge of his or her duties and under the provisions of this code shall be defended by the legal representative of the state in the case of the members and staff of the building code standards committee and the board of standards and appeals, and the building commissioner or his or her agents or by the legal representative of the municipality, in the case of the building official, officer, or employee, until the final determination of the proceedings. In

no case shall members and staff of the building code standards committee and the board of standards and appeals, the state building commissioner, building official, or any of their subordinates be liable for costs or damages in any action, suit, or proceeding that may be instituted pursuant to the provisions of this code and the members and staff of the building code standards committee and the board of standards and appeals, the state building commissioner or his or her agents or an officer of the department of state building inspection office, acting in good faith and without malice and within the scope of their employment, is free from liability for acts performed under any of its provisions or by reason of any act or omission in the performance of his or her official duties in connection with this code.

23-27.3-108.1.3.1. Test results.

Copies of the results of all the tests shall be forwarded to the committee after completion of the tests within ten (10) days, and shall be kept on file in the permanent records of the <u>state</u> building <u>department</u> office.

23-27.3-108.2. State building commissioner's duties.

- (a) This code shall be enforced by the state building commissioner as to any structures or buildings or parts thereof that are owned or are temporarily or permanently under the jurisdiction of the state or any of its departments, commissions, agencies, or authorities established by an act of the general assembly, and as to any structures or buildings or parts thereof that are built upon any land owned by or under the jurisdiction of the state.
- (b) Permit fees for the projects shall be established by the committee. The fees shall be deposited as general revenues.
- (c)(1) The local cities and towns shall charge each permit applicant an additional .1 (.001) percent levy of the total construction cost for each permit issued. The levy shall be limited to a maximum of fifty dollars (\$ 50.00) for each of the permits issued for one and two (2) family dwellings. This additional levy shall be transmitted monthly to the <u>state</u> building commission <u>office</u> at the department of business regulation, and shall be used to staff and support the purchase or lease and operation of a web-accessible

- service and/or system to be utilized by the state and municipalities for uniform, statewide electronic plan review, permit management and inspection system and other programs described in this chapter. The fee levy shall be deposited as general revenues.
- (2) On or before July 1, 2013, the building commissioner shall develop a standard statewide process for electronic plan review, permit management and inspection.
- (3) On or before December 1, 2013, the building commissioner, with the assistance of the office of regulatory reform, shall implement the standard statewide process for electronic plan review, permit management and inspection. In addition, the building commissioner shall develop a technology and implementation plan for a standard web-accessible service or system to be utilized by the state and municipalities for uniform, statewide electronic plan review, permit management and inspection.
- (d) The building commissioner shall, upon request by any state contractor described in § 37-2-38.1, review, and when all conditions for certification have been met, certify to the state controller that the payment conditions contained in § 37-2-38.1 have been met.
- (e) The building commissioner shall coordinate the development and implementation of this section with the state fire marshal to assist with the implementation of § 23-28.2-6.
- (f) The building commissioner shall submit, in coordination with the state fire marshal, a report to the governor and general assembly on or before April 1, 2013, and each April 1st thereafter, providing the status of the web-accessible service and/or system implementation and any recommendations for process or system improvement.

23-27.3-118.1. Special fees.

The payment of the fee for construction, alteration, removal, or demolition, and for all work done in connection with, or concurrently with, the work contemplated by a building permit, shall not relieve the applicant or holder of the permit from the payment of other fees that may be prescribed in accordance with § 23-27.3-119.0 for water taps, sewer connections, electrical and plumbing permits, erection of signs and display structures, marquees, or other appurtenant structures, or fees for inspections, certificates of

1	use and occupancy for other privileges or requirements, both within and without the jurisdiction of the
2	state building department office.
3	SECTION 12. Effective July 1, 2019, Section 36-4-2 of the General Laws in Chapter 36-4
4	entitled "Merit System" is hereby amended to read as follows:
5	36-4-2. Positions in unclassified service.
6	(a) The classified service shall comprise all positions in the state service, now existing or
7	hereinafter established, except the following specific positions which, with other positions heretofore or
8	hereinafter specifically exempted by legislative act, shall constitute the unclassified service:
9	(1) Officers and legislators elected by popular vote and persons appointed to fill vacancies in
10	elective offices.
11	(2) Employees of both houses of the general assembly.
12	(3) Officers, secretaries, and employees of the office of the governor, office of the lieutenant
13	governor, department of state, department of the attorney general, and the treasury department.
14	(4) Members of boards and commissions appointed by the governor, members of the state board
15	of elections and the appointees of the board, members of the commission for human rights and the
16	employees of the commission, and directors of departments.
17	(5) The following specific offices:
18	(i) In the department of administration: director, chief information officer, cybersecurity officer,
19	director of office of management and budget, director of performance management, deputy director, chief
20	of staff, public information officer and legislative/policy director, and within the health benefits
21	exchange: director, deputy director, administrative assistant, senior policy analyst, and chief strategic
22	planning monitoring and evaluation;
23	(ii) In the department of business regulation: director;
24	(iii) In the department of elementary and secondary education: commissioner of elementary and
25	secondary education;
26	(iv) In the department of higher education: commissioner of postsecondary education;

1	(v) In the department of health: director, executive director, and deputy director;
2	(vi) In the department of labor and training: director, administrative assistant, administrator of the
3	labor board and legal counsel to the labor board, executive director, and communications director;
4	(vii) In the department of environmental management: director;
5	(viii) In the department of transportation: director, chief operating officer, administrator/division
6	of project management, administrator/division of planning, chief of staff, communications director,
7	legislative director, and policy director;
8	(ix) In the department of human services: director and director of veterans' affairs;
9	(x) In the state properties committee: secretary;
10	(xi) In the workers' compensation court: judges, administrator, deputy administrator, clerk,
11	assistant clerk, clerk secretary;
12	(xii) In the division of elderly affairs: director;
13	(xiii) In the department of behavioral healthcare, developmental disabilities and hospitals:
14	director;
15	(xiv) In the department of corrections: director, assistant director (institutions/operations),
16	assistant director (rehabilitative services), assistant director (administration), and wardens;
17	(xv) In the department of children, youth and families: director, one assistant director, one
18	associate director, one executive director, and a chief of staff;
19	(xvi) In the public utilities commission: public utilities administrator;
20	(xvii) In the water resources board: general manager;
21	(xviii) In the human resources investment council: executive director.
22	(xix) In the office of health and human services: secretary of health and human services, and
23	within the health benefits exchange: director, deputy director, administrative assistant, senior policy
24	analyst, and chief strategic planning monitoring and evaluation.
25	(xx) In the office of commerce: secretary, deputy secretary, chief of staff, communications
26	director, legislative director, and policy director.

1	(6) Chief of the hoisting engineers, licensing division, and his or her employees; executive
2	director of the veterans memorial building and his or her clerical employees.
3	(7) One confidential stenographic secretary for each director of a department and each board and
4	commission appointed by the governor.
5	(8) Special counsel, special prosecutors, regular and special assistants appointed by the attorney
6	general, the public defender and employees of his or her office, and members of the Rhode Island bar
7	occupying a position in the state service as legal counsel to any appointing authority.
8	(9) The academic and/or commercial teaching staffs of all state institution schools, with the
9	exception of those institutions under the jurisdiction of the council on elementary and secondary
10	education and the council on postsecondary education.
11	(10) Members of the military or naval forces, when entering or while engaged in the military or
12	naval service.
13	(11) Judges, referees, receivers, clerks, assistant clerks, and clerical assistants of the supreme,
14	superior, family, and district courts, the traffic tribunal, security officers of the traffic tribunal, jurors, and
15	any persons appointed by any court.
16	(12) Election officials and employees.
17	(13) Deputy sheriffs and other employees of the sheriffs division within the department of public
18	safety.
19	(14) Patient or inmate help in state charitable, penal, and correctional institutions and religious
20	instructors of these institutions and student nurses in training, residents in psychiatry in training, and
21	clinical clerks in temporary training at the institute of mental health within the state of Rhode Island
22	medical center.
23	(15)(i) Persons employed to make or conduct a temporary and special inquiry, investigation,
24	project, or examination on behalf of the legislature, or a committee therefor, or on behalf of any other

agency of the state if the inclusion of these persons in the unclassified service is approved by the

- personnel administrator. The personnel administrator shall notify the house fiscal advisor and the senate
 fiscal advisor whenever he or she approves the inclusion of a person in the unclassified service.
 - (ii) The duration of the appointment of a person, other than the persons enumerated in this section, shall not exceed ninety (90) days or until presented to the department of administration. The department of administration may extend the appointment another ninety (90) days. In no event shall the appointment extend beyond one hundred eighty (180) days.
- 7 (16) Members of the division of state police within the department of public safety.
- 8 (17) Executive secretary of the Blackstone Valley district commission.
- 9 (18) Artist and curator of state-owned art objects.
- 10 (19) Mental health advocate.
- 11 (20) Child advocate.

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- (21) The position of aquaculture coordinator and marine infrastructure specialist within the coastal resources management council.
- 14 (22) Employees of the office of the health insurance commissioner.
- 15 (23) In the department of revenue: the director, secretary, attorney.
- 16 (24) In the department of public safety: the director.
 - (b) Provided, however, that, if any position added to the unclassified service by legislative act after January 1, 2015, is occupied by a classified employee on June 30, 2015, such position shall remain in the classified service until such position becomes vacant.
- SECTION 13. Effective July 1, 2019, Section 42-7.2-2 of the General Laws in Chapter 42-7.2 entitled "Office of Health and Human Services" is hereby amended to read as follows:

42-7.2-2. Executive office of health and human services.

There is hereby established within the executive branch of state government an executive office of health and human services to serve as the principal agency of the executive branch of state government for managing the departments of children, youth and families, health, human services, and behavioral healthcare, developmental disabilities and hospitals. In this capacity, the office shall:

1	(a) Lead the state's four (4) health and human services departments in order to:
2	(1) Improve the economy, efficiency, coordination, and quality of health and human services
3	policy and planning, budgeting, and financing.
4	(2) Design strategies and implement best practices that foster service access, consumer safety,

and positive outcomes.

- (3) Maximize and leverage funds from all available public and private sources, including federal financial participation, grants, and awards.
- (4) Increase public confidence by conducting independent reviews of health and human services issues in order to promote accountability and coordination across departments.
- (5) Ensure that state health and human services policies and programs are responsive to changing consumer needs and to the network of community providers that deliver assistive services and supports on their behalf.
- (6) Administer Rhode Island Medicaid in the capacity of the single state agency authorized under title XIX of the U.S. Social Security Act, 42 U.S.C. § 1396a et seq., and exercise such single state agency authority for such other federal and state programs as may be designated by the governor. Except as provided for herein, nothing in this chapter shall be construed as transferring to the secretary the powers, duties, or functions conferred upon the departments by Rhode Island general laws for the management and operations of programs or services approved for federal financial participation under the authority of the Medicaid state agency.
- (7) To act in conjunction with the department of behavioral healthcare, developmental disabilities and hospitals as the state's co-designated agency (42 U.S.C. § 300x-30(a)) for administering federal aid and for the purposes of the calculation of expenditures relative to the substance-abuse block grant and federal funding maintenance of effort.
 - (8) Administer a health benefit exchange in accordance with chapter 157 of title 42.
- SECTION 14. Effective July 1, 2019, Section 42-11-2 of the General Laws in Chapter 42-11 entitled "Department of Administration" is hereby amended to read as follows:

1	42-11-2. Powers and duties of department.
2	The department of administration shall have the following powers and duties:
3	(1) To prepare a budget for the several state departments and agencies, subject to the direction
4	and supervision of the governor;
5	(2) To administer the budget for all state departments and agencies, except as specifically
6	exempted by law;
7	(3) To devise, formulate, promulgate, supervise, and control accounting systems, procedures, and
8	methods for the state departments and agencies, conforming to such accounting standards and methods as
9	are prescribed by law;
10	(4) To purchase or to contract for the supplies, materials, articles, equipment, printing, and
11	services needed by state departments and agencies, except as specifically exempted by law;
12	(5) To prescribe standard specifications for those purchases and contracts and to enforce
13	compliance with specifications;
14	(6) To supervise and control the advertising for bids and awards for state purchases;
15	(7) To regulate the requisitioning and storage of purchased items, the disposal of surplus and
16	salvage, and the transfer to or between state departments and agencies of needed supplies, equipment, and
17	materials;
18	(8) To maintain, equip, and keep in repair the state house, state office building, and other
19	premises owned or rented by the state for the use of any department or agency, excepting those buildings,
20	the control of which is vested by law in some other agency;
21	(9) To provide for the periodic inspection, appraisal or inventory of all state buildings and
22	property, real and personal;
23	(10) To require reports from state agencies on the buildings and property in their custody;
24	(11) To issue regulations to govern the protection and custody of the property of the state;
25	(12) To assign office and storage space and to rent and lease land and buildings for the use of the
26	several state departments and agencies in the manner provided by law;

- (13) To control and supervise the acquisition, operation, maintenance, repair, and replacement of state-owned motor vehicles by state agencies;
- (14) To maintain and operate central duplicating and mailing service for the several state departments and agencies;

- (15) To furnish the several departments and agencies of the state with other essential office services;
 - (16) To survey and examine the administration and operation of the state departments and agencies, submitting to the governor proposals to secure greater administrative efficiency and economy, to minimize the duplication of activities, and to effect a better organization and consolidation of functions among state agencies;
 - (17) To operate a merit system of personnel administration and personnel management as defined in § 36-3-3 in connection with the conditions of employment in all state departments and agencies within the classified service;
 - (18) To assign or reassign, with the approval of the governor, any functions, duties, or powers established by this chapter to any agency within the department;
 - (19) To establish, maintain, and operate a data processing center or centers, approve the acquisition and use of electronic data processing services by state agencies, furnish staff assistance in methods, systems and programming work to other state agencies, and arrange for and effect the centralization and consolidation of punch card and electronic data processing equipment and services in order to obtain maximum utilization and efficiency;
 - (20) To devise, formulate, promulgate, supervise, and control a comprehensive and coordinated statewide information system designed to improve the data base used in the management of public resources, to consult and advise with other state departments and agencies and municipalities to assure appropriate and full participation in this system, and to encourage the participation of the various municipalities of this state in this system by providing technical or other appropriate assistance toward

1	establishing, within those municipalities, compatible information systems in order to obtain the maximum
2	effectiveness in the management of public resources;
3	(i) The comprehensive and coordinated statewide information system may include a Rhode Island
4	geographic information system of land-related economic, physical, cultural and natural resources.
5	(ii) In order to ensure the continuity of the maintenance and functions of the geographic
6	information system, the general assembly may annually appropriate such sum as it may deem necessary to
7	the department of administration for its support.
8	(21) To administer a statewide planning program including planning assistance to the state
9	departments and agencies;
10	(22) To administer a statewide program of photography and photographic services;
11	(23) To negotiate with public or private educational institutions in the state, in cooperation with
12	the department of health, for state support of medical education;
13	(24) To promote the expansion of markets for recovered material and to maximize their return to
14	productive economic use through the purchase of materials and supplies with recycled content by the state
15	of Rhode Island to the fullest extent practically feasible;
16	(25) To approve costs as provided in § 23-19-32; and
17	(26) To provide all necessary civil service tests for child protective investigators and social
18	workers at least twice each year and to maintain an adequate hiring list for these positions at all times.
19	(27)(a) To prepare a report every three (3) months by all current property leases or rentals by any
20	state or quasi-state agency to include the following information:
21	(i) Name of lessor;
22	(ii) Description of the lease (purpose, physical characteristics, and location);
23	(iii) Cost of the lease;
24	(iv) Amount paid to date;
25	(v) Date initiated;
26	(vi) Date covered by the lease.

1	(b) To prepare a report by October 31, 2014 of all current property owned by the state or leased
2	by any state agency or quasi-state agency to include the following information:
3	(i) Total square feet for each building or leased space;
4	(ii) Total square feet for each building and space utilized as office space currently;
5	(iii) Location of each building or leased space;
6	(iv) Ratio and listing of buildings owned by the state versus leased;
7	(v) Total occupancy costs which shall include capital expenses, provided a proxy should be
8	provided to compare properties that are owned versus leased by showing capital expenses on owned
9	properties as a per square foot cost at industry depreciation rates;
10	(vi) Expiration dates of leases;
11	(vii) Number of workstations per building or leased space;
12	(viii) Total square feet divided by number of workstations;
13	(ix) Total number of vacant workstations;
14	(x) Percentage of vacant workstations versus total workstations available;
15	(xi) Date when an action is required by the state to renew or terminate a lease;
16	(xii) Strategic plan for leases commencing or expiring by June 30, 2016;
17	(xiii) Map of all state buildings which provides: cost per square foot to maintain, total number of
18	square feet, total operating cost, date each lease expires, number of persons per building and total number
19	of vacant seats per building; and
20	(xiv) Industry benchmark report which shall include total operating cost by full-time equivalent
21	employee, total operating cost by square foot and total square feet divided by full-time equivalent
22	employee.
23	(28) To provide by December 31, 1995 the availability of automatic direct deposit to any
24	recipient of a state benefit payment, provided that the agency responsible for making that payment
25	generates one thousand (1,000) or more such payments each month.

(29) To encourage municipalities, school districts, and quasi-public agencies to achieve cost savings in health insurance, purchasing, or energy usage by participating in state contracts, or by entering into collaborative agreements with other municipalities, districts, or agencies. To assist in determining whether the benefit levels including employee cost sharing and unit costs of such benefits and costs are excessive relative to other municipalities, districts, or quasi-public agencies as compared with state benefit levels and costs.

(30) To administer a health benefit exchange in accordance with chapter 157 of title 42.

SECTION 15. Effective January 1, 2020, Section 42-102-6 of the General Laws in Chapter 42-102 entitled "Governor's Workforce Board Rhode Island" is hereby amended to read as follows:

42-102-6. Powers and duties.

- (a) Strategic statewide employment-and-training plan.
- (1) The board shall meet with other entities involved with career and technical education, workforce development, and career training and shall be responsible for the development of a comprehensive and cohesive, statewide employment-and-training plan. The strategic, statewide employment-and-training plan shall include goals and objectives for serving the state's existing and emerging workforce utilizing all state and federal workforce-development programs. The board shall take into consideration the needs of all segments of the state's citizenry in establishing goals and training objectives, including the workforce needs of the state's employers.
- (2) The strategic, statewide employment-and-training plan shall be developed biennially and shall cover the subsequent two (2) fiscal years. Said biennial plans shall be submitted on November 15. The biennial plan shall outline goals and objectives of the coordinated programs system, major priorities needed for the next two-year (2) period, and policies and requirements necessary to meet those priorities. The board shall provide a funding plan necessary to achieve system priorities and serve the anticipated number of participants and shall identify the general revenue funds necessary to meet program needs, taking into account anticipated federal, private, and other sources of funds. The biennial plan shall

incorporate the annual, unified-workforce-development-system report required pursuant to subsection (f)
 in those years in which both reports are due.

- (3) The board shall develop and maintain a comprehensive inventory and analysis of workforce-development activities in the state to support the biennial, statewide employment-and-training plan. The analysis shall include, but not be limited to, an examination of the populations being served across the different employment and training and adult education programs across the state; the number of participants being served by these programs; the type of services provided; and the eligibility requirements of each of these programs. The analysis shall also identify the funding sources (all sources) used in these programs; the service providers within the state; as well as the range of services provided. The analysis shall also examine the employer role in workforce-development activities, including, but not limited to, how employer needs are assessed; benefits employers receive for partnering with workforce-development organizations; and the role employers play in developing programs and providing training.
- (4) The board shall establish and convene an advisory group to assist in the development of this comprehensive inventory and analysis that consists of stakeholders and organizations with specific knowledge and expertise in the area of workforce development.
- (5) All departments and agencies of the state shall furnish advice and information, documentary or otherwise, to the board and its agents as is deemed necessary or desirable by the board to facilitate the purposes of the board, including the development of the statewide, employment-and-training plan.
- (6) Elements of the statewide employment and training plan established pursuant to subsection (a) of this section may inform the development of the state workforce investment plan required pursuant to § 42-102-6(d)(2)(i).
 - (b) Performance management and coordination of employment-and-training programs.
- (1) The board shall establish statewide policies, definitions, objectives, goals, and guidelines for the coordination of all employment-and-training programs and related services and programs within the state, including:

1	(i) The state department of labor and training programs, sponsored under the Workforce
2	Investment Act of 1998 Workforce Investment Opportunity Act, Wagner-Peyser Act, 29 U.S.C. § 49 et
3	seq., the Trade Act of 2002, and any other employment-related educational program administered by the
4	state department of labor and training;
5	(ii) The state department of human services training programs, sponsored under the Temporary
6	Assistance to Needy Families, Title IV of the Social Security Act; the Supplemental Nutrition Assistance
7	Program (SNAP) Employment and Training Program; Vocational Rehabilitation Act of 1973,; and any
8	other employment-and-training and related services and employment-related educational programs
9	administered by the state's department of human services;
10	(iii) Employment and training programs sponsored under the Carl D. Perkins Vocational
11	Education Act, 20 U.S.C. § 2301 et seq., the Federal Adult Education Act, Title II of the Workforce
12	Investment Act of 1998 Workforce Investment Opportunity Act and any other employment-related
13	educational programs administered by the board of education;
14	(iv) The state department of corrections training programs for ex-offenders formerly incarcerated
15	individuals to help them reintegrate into the community and re-enter employment;
16	(v) Projects and services funded through the job-development fund pursuant to § 42-102-6(e)(1);
17	(vi) All other employment-and-training and related services and employment-related educational
18	programs, either presently existing or hereinafter established, that are administered by any state agencies,
19	departments, or councils; and
20	(vii) Programs included within subsections (b)(1)(i) through (b)(1)(vi) shall be referred \underline{to} herein
21	collectively as "the coordinated programs system""
22	(2) With respect to plans for employment-and-training programs sponsored under the federal Carl
23	D. Perkins Vocational Education Act, 20 U.S.C. § 2301 et seq., and any other employment-related
24	educational programs administered by the board of education, the workforce board and board of
25	education shall establish a process for the development and preparation of all these plans and the board of
26	education shall approve the plan subject to review and comment by the workforce board; provided,

however, that the responsibilities and duties of the board of education, as set forth in the general laws,
 shall not be abridged.

- (3) With respect to plans for the Temporary Assistance to Needy Families Program, SNAP Employment and Training Program, Vocational Rehabilitation Services, and any other employment-and-training and related programs administered by the state's department of human services, the authority and responsibilities of the department as the single state agency under Titles IV-A, 42 U.S.C. §§ 601 through 617, and IV-F, 42 U.S.C. §§ 681 through 687 [repealed], of the Federal Social Security Act shall not be abridged.
 - (4) With respect to plans for training ex-offenders formerly incarcerated individuals to help them reintegrate into the community and re-enter employment, and any other employment-and-training programs administered by the state's department of corrections, the responsibilities and duties of the department, as set forth in the general laws, shall not be abridged.
 - (5) The board shall review, comment on, or approve as appropriate all plans for employment and training within the coordinated-programs system. The board shall establish policies and performance goals for the coordinated-programs system. These policies and goals shall include, but not be limited to:
 - (i) Establishing and communicating uniform policies and consistent terms and definitions;
 - (ii) Gathering and distributing information from, and to, all agencies, departments, and councils within the coordinated-programs system;
- (iii) Standardizing and coordinating program planning, evaluation, budgeting, and funding
 processes;
 - (iv) Recommending structural and procedural changes;
 - (v) Establishing performance goals and measurements for monitoring the effectiveness of the programs provided through the coordinated-programs system; and
- (vi) Reconciling diverse agency, departmental, or council goals and developing priorities amongthose goals.
 - (c) Comprehensive system-improvement plan.

(1) The 2015 unified workforce-development-system report required pursuant to § 42-102-6(f)
and due on November 15, 2015, shall include an additional, comprehensive system-improvement plan to
facilitate the seamless and coordinated delivery of workforce services in this state, consistent with the
goals and objectives of the board's statewide employment-and-training plan. In developing the
comprehensive, system-improvement plan, the board shall review the roles, responsibilities, and functions
of all state employment-and-training programs. The study shall identify any gaps in the services provided
by those programs; any barriers to integration and cooperation of these programs; and any other matters
that adversely affect the seamless delivery of workforce-development systems in the state.
(2) The board shall include in the comprehensive, system-improvement plan:
(i) A list of specific barriers, whether structural, regulatory, or statutory, that adversely affect the

(ii) Recommendations for providing, at a minimum, board comment and review of all state employment-and-training programs, to ensure such programs are consistent with the board's statewide employment-and-training plan, and meet the current and projected workforce demands of this state, including programs that, pursuant to state or federal law or regulation, must remain autonomous.

as recommendations to overcome or eliminate these barriers; and

seamless and coordinated delivery of workforce-development programs and services in this state, as well

- (3) The recommendations developed by the board under subsection (c)(1) must identify the state agency or department that is responsible for implementing each recommendation and include a time frame for the implementation of each recommendation. The governor may include such recommendations in his or her proposed budget the following fiscal year.
 - (d) Workforce investment act Workforce Investment Opportunity Act (WIOA) responsibilities.
- (1) The board shall assume the duties and responsibilities of the state workforce-investment board established pursuant to Executive Order 05-18 dated September 22, 2005, as outlined in subsection (c)(2).
 - (2) The board shall assist the governor and the general assembly in:
- (i) Developing a state workforce-investment plan for the purposes of the Workforce Investment

 Act of 1998 (WIA) Workforce Investment Opportunity Act (WIOA) and the Wagner-Peyser Act;

1	(ii) Actively promoting and coordinating private-sector involvement in the workforce-investment
2	system through the development of partnerships among state agencies, the business community, and the
3	board;
4	(iii) Ensuring that the current and projected workforce needs of Rhode Island employers inform
5	and advise Rhode Island's education and workforce-development system;
6	(iv) Providing oversight of local workforce-investment boards, whose primary role in the
7	workforce-investment system is to deliver employment, training, and related education services in their
8	respective local area; and
9	(v) Developing a statewide system of activities that are funded under the WIA WIOA or carried
10	out through the one-stop delivery system, including:
11	(A) Assuring coordination and non duplication non-duplication among the programs and
12	activities carried out by one-stop partners;
13	(B) Reviewing local workforce-investment plans;
14	(C) Designating local workforce-investment areas in accordance with federal law;
15	(D) Developing allocation formulas for the distribution of funds for adult employment-and-
16	training activities, youth activities to local areas, and creating and expanding job and career opportunities
17	for individuals with intellectual, developmental, or other significant disabilities;
18	(E) Developing comprehensive, state-performance measures as prescribed by federal law,
19	including state-adjusted levels of performance, to assess the effectiveness of the workforce-investment
20	activities in the state;
21	(F) Preparing the annual report to the Secretary of Labor described in WIA WIOA;
22	(G) Developing the statewide employment-statistics system;
23	(H) Developing an application for incentive grants;
24	(I) Carrying out the responsibilities of a local board as outlined in WIA WIOA; and
25	(J) Addressing any other issue requiring input from the board under the provisions of WIA
26	WIOA.

- 1 (e) Job-development fund responsibilities.
- 2 (1) The board shall allocate monies from the job-development fund for projects to implement the
- 3 recommendations of the board consistent with the statewide employment-and-training plan established
- 4 pursuant to § 42-102-6(a).
- 5 (f) Unified workforce-development system report.
- 6 (1) The board shall produce and submit an annual, unified, workforce-development-system report
- 7 to the governor, the speaker of the house, the president of the senate, and the secretary of state. The report
 - shall be submitted annually on November 15. The report shall cover activity having taken place the
- 9 preceding fiscal year ending June 30 and shall include:
- 10 (i) A fiscal and programmatic report for the governor's workforce board covering the previous
- 11 fiscal year, including:

- 12 (A) A summary of the board's activities and accomplishments during the previous fiscal year;
- 13 (B) A summary of clerical, administrative, professional, or technical reports received by the board
- during the previous fiscal year, if applicable;
- 15 (C) A briefing on anticipated activities in the upcoming fiscal year;
- 16 (D) A consolidated financial statement of all funds received, and expended, by the board,
- including the source of funds, during the previous fiscal year;
- 18 (E) A listing of any staff supported by these funds;
- 19 (ii) A unified, expenditure-and-program report for statewide employment-and-training programs
- and related services, including:
- 21 (A) Expenditures by agencies for programs included in § 42-102-6(b)(1), including information
- regarding the number of individuals served by each program; demographic information by gender, race,
- and ethnicity; outcome and program-specific performance information as determined by the board; and
- such other information as may be determined by the board, including, but not limited to, the attainment of
- 25 credentials;

1	(2) Beginning November 15, 2015, program expenditures included in the unified, workforce-
2	development-system report shall be categorized as administrative, program delivery, or other costs; the
3	report shall further include information on the cost per individual served within each program, through a
4	manner determined by the board;
5	(3) All state and local agencies, departments, or council, or similar organizations within the
6	coordinated-programs system, shall be required to provide the board with the information necessary to
7	produce the unified, workforce-development-system report.
8	(g) Adult education program responsibilities. The board shall be responsible for administering
9	and supervising policy and funding for all adult education programs in the state as set forth in chapter
10	102.2 of title 42 provided, however, that the responsibilities and duties of the department of labor and
11	training, and the board of education as set forth in the general laws, shall not be abridged.
12	SECTION 16. Effective January 1, 2020, Title 42 of the General Laws entitled "STATE
13	AFFAIRS AND GOVERNMENT" is hereby amended by adding thereto the following chapters:
14	<u>CHAPTER 102.1</u>
15	ADULT EDUCATION AND EMPLOYMENT ADVISORY COMMITTEE
16	42-102.1-1. Establishment.
17	There is established within the governor's workforce board Rhode Island (the "board") an adult
18	education and employment advisory committee. The advisory committee shall be comprised of the
19	following individuals or their designee: the director of the department of labor and training; the
20	commissioner of elementary and secondary education; the director of the department of human services:
21	the director of the department of corrections; the commissioner of postsecondary education; the director
22	of adult education professional development at the Community College of Rhode Island; and such other
23	members as the board may decide.
24	42-102.1-2. Responsibilities.
25	The adult education and employment advisory committee shall:

1	(1) Meet at least quarterly to address all relevant cross-departmental issues and solutions relating
2	to adult education needs and services;
3	(2) Provide guidance in the preparation of the adult education state plan in accordance with § 42-
4	102.2-6 and propose recommendations necessary to increase the efficient and strategic administration of
5	adult education in the state. In developing such guidance, the committee shall seek input from adult
6	education providers and students.
7	(3) Cooperate and collaborate with cross-department entities to facilitate the needs and services of
8	adults;
9	(4) Evaluate and propose any necessary recommendations regarding reporting and data collection
10	and analysis requirements; and
11	(5) Be responsible for adult education policy development and proposing best practices and
12	funding recommendations.
13	<u>42-102.1-3. Cooperation.</u>
14	The office of adult education and literacy in the governor's workforce board shall present
15	guidance to and seek guidance from the adult education and employment advisory committee for the
16	integrated state plan pursuant to § 42-102.2-6 and shall provide any necessary support to the advisory
17	committee.
18	<u>CHAPTER 102.2</u>
19	GOVERNOR'S WORKFORCE BOARD RHODE ISLAND RHODE ISLAND ADULT
20	EDUCATION ACT
21	42-102.2-1. Short title.
22	This chapter shall be known and may be cited as the "Rhode Island Adult Education Act."
23	42-102.2-2. Legislative intent and purpose.
24	(a) The general assembly, in accordance with the constitution of the state, R.I. Const., Art. XII, §
25	1, which obligates the state "to secure to the people the advantages and opportunities of education," and

1	also pursuant to R.I. Const., Art. XII, § 4, which requires the state to "make all necessary provisions by
2	law for carrying this article into effect," finds:
3	(1) That all citizens, regardless of age, have the right to education;
4	(2) That education is a lifelong pursuit;
5	(3) That basic education and general personal development are necessary to enjoy a wholesome
6	life; and
7	(4) That vocational training is useful in acquiring a marketable skill and achieving economic self-
8	sufficiency.
9	(b) The general assembly declares that:
10	(1) The general laws shall address the education needs of adults and young people;
11	(2) An adult education delivery system shall integrate and coordinate adult education with
12	workforce, education, and social services to be provided and maintained on a statewide basis; and
13	(3) Public funds shall be appropriated to support that delivery system and fulfill the constitutional
14	mandate.
15	(c) All adult education programs and services provided by any department or agency of the state
16	of Rhode Island or local government, or funded in whole or in part by state funds, shall be efficiently and
17	strategically administered; offered in the least restrictive environment; be designed to enhance the quality
18	of life for adult learners; and be consistent with and inclusive of the following values that reflect the
19	preferences and needs of adult learners:
20	(1) Adult learners shall be treated with dignity and respect;
21	(2) Adult learners shall be included in policy development affecting adult education;
22	(3) Adult learners shall be offered services that are cost-effective and meet the learners' needs;
23	(4) Adult learners shall have access to testing, evaluation, and requisite accommodation for
24	learning and/or other disabilities;
25	(5) Adult learners shall be fully informed about the educational choices available to them;

1	(6) Adult learners shall participate in decisions about their educational process, including
2	information exchange and goal setting;
3	(7) Adult learners shall be provided with educational programming commensurate with their
4	abilities, including, but not limited to, basic skills, career and technical education, and/or secondary
5	education or its recognized equivalent; and
6	(8) Adult learners shall receive consistent, sustained quality in their education.
7	42-102.2-3. Established.
8	(a) There is an office of adult education and literacy in the Rhode Island governor's workforce
9	board.
10	(b) The office of adult education and literacy shall be staffed by employees of the department of
11	labor and training.
12	(c) The governor's workforce board, through the office of adult education and literacy, shall have
13	sole responsibility for administering and supervising policy and funding for adult education and literacy.
14	(d) The director of the office of adult education and literacy shall be appointed by the director of
15	the department of labor and training.
16	(e) For the purposes of this chapter, "board" means the Rhode Island governor's workforce board.
17	42-102.2-4. Regulations.
18	The department of labor and training, in consultation with the board and the office of adult
19	education and literacy, may adopt regulations to carry out this chapter.
20	42-102.2-5. "Adult education" qualifications.
21	(a) For the purposes of this chapter, "adult education" means academic instruction and education
22	services below the postsecondary level for individuals who:
23	(1) Are at least eighteen (18) years old;
24	(2) Are not enrolled or required to be enrolled in high school under state law; and
25	(i) Who lack basic skills;

1	(ii) Do not have a high school diploma or its recognized equivalent and have not achieved an
2	equivalent level of education; or
3	(iii) Are English language learners.
4	(b) Individuals who are sixteen (16) and seventeen (17) years of age may receive adult education
5	academic instructions and services pursuant to § 42-102.2-6(c).
6	42-102.2-6. State plan for adult education.
7	(a) The board shall be responsible for the development of the components of the state plan
8	required to be submitted under federal law to carry out adult education and literacy services.
9	The board shall develop a state plan for adult education, which shall be a document containing:
10	(1) Current needs assessment data;
11	(2) Statements of the policies, procedures, regulations, and program activities contemplated for
12	carrying out the intent of this chapter; and
13	(3) Prevailing or anticipated budgetary and fiscal conditions applicable to it.
14	(b) The state plan also shall contain all the elements prescribed by the federal Adult Education
15	Act, 20 U.S.C. § 1201 et seq., the federal Vocational Education Act, 20 U.S.C. § 2301 et seq., as amended
16	from time to time, and other applicable federal laws. The state plan shall be renewed as consistent with
17	applicable federal requirements or as directed by the board, and it may be amended or updated annually.
18	The plan and any renewals, amendments, or updates of it shall be developed in consultation with and
19	communicated to the adult education and employment advisory committee established in chapter 102.1 of
20	<u>title 42.</u>
21	(c) The state plan shall also contain a comprehensive framework developed in collaboration with
22	the department of elementary and secondary education and school districts to evaluate student needs and
23	to determine if and when individuals who are sixteen (16) or seventeen (17) years old may benefit from
24	appropriate adult education programming.
25	42-102.2-7. Categories of adult education program and services.
26	Programs and services constituting adult education shall be categorized and defined as follows:

1	(1) Category 1. Basic education, which shall consist of efforts to improve literacy and provide
2	opportunities for academic achievement up to grade twelve (12) and which shall include instruction in
3	reading, writing, arithmetic, literature, social studies, science, digital media, computer and technology,
4	pre-vocational subjects, career pathways, and other knowledge and skills necessary to thrive as
5	community members, family members, and workers; courses in American culture, civics, and citizenship
6	for immigrants; teaching English to individuals with no or limited ability with the language; preparation
7	for the demonstration of competencies to qualify for an adult high school diploma or for examinations to
8	earn the general educational development or high school equivalency diploma; and preparation for
9	enrollment and advancement in postsecondary education.
10	(2) Category 2. Career and technical education, which shall consist of the imparting of knowledge
11	and skills necessary to become gainfully employed, at least at entry level, in a recognized occupation, and
12	thus attain economic self-sufficiency, and which shall be conveyed by classroom instruction, on-the-job
13	training, apprenticeships, or other appropriate methods.
14	(3) Category 3. Higher education, consisting of opportunities for adults to enter or re-enter
15	universities and colleges, whether matriculating or nonmatriculating, at undergraduate and graduate
16	levels, and whether part-time or full-time.
17	(4) Category 4. Continuing education in professional and technological occupations, which shall
18	consist of efforts to ensure that minimum competencies are maintained by individuals who are employed
19	in occupations that bear on the public health, safety, or general welfare, and for which there are licensing,
20	certification, or other credentialing provisions in the general laws, and in which those persons shall
21	participate, individually or in groups, by periodic reviews of fundamental and up-to-date knowledge and
22	skills, in-service experience, performance assessment, or other systematic and ongoing methods, and
23	which may involve earning continuing education units.
24	(5) Category 5. General personal development, which shall consist of any formal or informal
25	activity in the pursuit and development of avocational, social, cultural, artistic, enrichment, recreational,
26	or other interests.

1	(6) Category 6. Public service education, consisting of efforts, through mass media and by other
2	methods, to inform, educate, and motivate residents of the state on vital and timely subjects, such as
3	health, safety, civic affairs, and social concerns and behavior.
4	(7) Category 7. Supportive services, which shall consist of various accommodations intended to
5	facilitate the pursuit of adult education in any of these specified categories, and which shall include
6	information, counseling, and other guidance services, financial aid, care of children and other dependent
7	persons, transportation, and other services.
8	42-102.2-8. Grants for adult education and literacy services.
9	(a) The office of adult education and literacy shall distribute competitive grants for adult
10	education and literacy services in accordance with the state plan for services required under the
11	authorizing federal law for adult education and literacy services.
12	(b) The grants distributed under this section shall be based on need and performance.
13	(c) Grants under this section may be used for adult education and literacy services, including:
14	(1) Basic skills instruction;
15	(2) Preparation and instruction for obtaining a high school diploma by examination under § 42-
16	<u>102.2-9;</u>
17	(3) Workplace literacy services and workforce preparation activities;
18	(4) English for speakers of other languages and integrated English literacy and civics education;
19	(5) Family literacy;
20	(6) Literacy instruction;
21	(7) Integrated education and training;
22	(8) Support services; and
23	(9) Professional development.
24	(d) Funding for the competitive grants under this section shall be as provided in the state budget.
25	(e) On or before August 1 of each year, the board shall:

1	(1) Compile a list by city or town of adult education and literacy services grant recipients for
2	adult education and literacy services offered to the public;
3	(2) Distribute the list to appropriate entities;
4	(3) Post the list on its public website; and
5	(4) Implement outreach strategies, including outreach to speakers of languages other than
6	English.
7	42-102.2-9. High school equivalency testing.
8	(a) In selecting which tests shall be utilized and recognized by the state in the granting of high
9	school equivalency diplomas, the board and the advisory committee shall consider all available high
10	school equivalency tests and assessments that meet and adhere to Rhode Island academic standards and
11	shall give priority to those tests that are provided at the lowest cost for test takers. In selecting said tests,
12	the board shall consider:
13	(1) The recognition of the test, or lack thereof, by other states;
14	(2) The portability of the test; and
15	(3) Such other criteria that meet the needs of the test takers.
16	(b) The board shall adopt, and provide funding for, a rule or regulation granting a waiver of fees
17	associated with the high school equivalency test for individuals with limited income and who can prove a
18	financial hardship; provided, however, that to be eligible for a fee waiver, an individual must have
19	received at least a minimum passing score on the high school equivalency practice test, or pertinent
20	section of the test. The waiver may be based on a sliding scale based on the individual's income.
21	42-102.2-10. Appropriations of state funds.
22	The general assembly shall make certain annual appropriations of state funds, for the purposes of
23	adult education, as part of the total appropriations to the board.
24	42-102.2-11. Data collection and reporting.
25	(a) By July 1, 2021, the department of labor and training and the office of adult education and
26	literacy, with approval of the adult education and employment advisory committee, shall:

1	(1) Develop a centralized data intake system to be used by all adult education providers:
2	(2) Collect and accumulate appropriate data related to adult education providers and participants;
3	(3) Analyze collected data for the purposes of assessing needs, evaluating progress, and
4	establishing policy for adult education in the state; and
5	(4) Produce a report assessing adult education in the state to be submitted to the senate president,
6	speaker of the house, governor, and the adult education and employment advisory committee on or before
7	September 30 of each year, commencing in 2021.
8	(b) In making appropriations consistent with § 42-102.2-10, the general assembly shall make
9	certain additional annual appropriations for the purposes described above.
10	SECTION 17. Effective July 1, 2019, Sections 42-157-1, 42-157-2, 42-157-4, 42-157-5.1, 42-
11	157-6 and 42-157-7 of the General Laws in Chapter 42-157 entitled "Rhode Island Health Benefit
12	Exchange" are hereby amended to read as follows:
13	42-157-1. Establishment of exchange.
14	Purpose. The department of administration executive office of health and human services is
15	hereby authorized to establish and administer the Rhode Island health benefit exchange, to be known as
16	HealthSource RI, to exercise the powers and authority of a state-based exchange which shall meet the
17	minimum requirements of the federal act.
18	42-157-2. Definitions.
19	As used in this section chapter, the following words and terms shall have the following meanings,
20	unless the context indicates another or different meaning or intent:
21	(1) "Director" means the director of the department of administration.
22	$(2\underline{1})$ "Federal act" means the Federal Patient Protection and Affordable Care Act (Public Law
23	111-148), as amended by the Federal Health Care and Education Reconciliation Act of 2010 (Public Law
24	111-152), and any amendments to, or regulations or guidance issued under, those acts.
25	(32) "Health plan" and "qualified health plan" have the same meanings as those terms are defined
26	in § 1301 of the Federal Act.

1	(43) "Insurer" means every medical service corporation, hospital service corporation, accident
2	and sickness insurer, dental service corporation, and health maintenance organization licensed under title
3	27, or as defined in § 42-62-4.
4	(4) "Office" means the executive office of health and human services.
5	(5) "Secretary" means the secretary of the Federal Department of Health and Human Services.
6	(65) "Qualified dental plan" means a dental plan as described in § 1311(d)(2)(B)(ii) of the Federal
7	Act [42 U.S.C. § 18031].
8	(76) "Qualified individuals" and "qualified employers" shall have the same meaning as defined in
9	federal law.
10	(7) "Secretary" means the secretary of health and human services.
11	<u>42-157-4. Financing.</u>
12	(a) The department office is authorized to assess insurers offering qualified health plans and
13	qualified dental plans. The revenue raised in accordance with this subsection shall not exceed the revenue
14	able to be raised through the federal government assessment and shall be established in accordance and
15	conformity with the federal government assessment upon those insurers offering products on the Federal
16	Health Benefit exchange. Revenues from the assessment shall be deposited in a restricted receipt account
17	for the sole use of the exchange and shall be exempt from the indirect cost recovery provisions of § 35-4-
18	27 of the general laws.
19	(b) The general assembly may appropriate general revenue to support the annual budget for the
20	exchange in lieu of or to supplement revenues raised from the assessment under § 42-157-4(a).
21	(c) If the director secretary determines that the level of resources obtained pursuant to § 42-157-
22	4(a) will be in excess of the budget for the exchange, the department office shall provide a report to the
23	governor, the speaker of the house and the senate president identifying the surplus and detailing how the

assessment established pursuant to § 42-157-4(a) may be offset in a future year to reconcile with impacted

insurers and how any future supplemental or annual budget submission to the general assembly may be

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revised accordingly.

42-157-5.1. Small business health options program (SHOP) innovation waiver.

- (a) As small business owners and sole proprietors are the life blood of this state's economy, a recent change in the Federal Affordable Care Act effective on January 1, 2016, has caused irreparable harm to the economic well-being of small business owners and sole proprietors by requiring them to secure health insurance coverage on the individual market as opposed to securing health insurance coverage on the small group market.
- (b) In an effort to reduce and/or eliminate the irreparable economic harm, the director of the department of administration secretary, with assistance from the commissioner of health insurance, shall seek a waiver under Section 1332 of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, for the purpose of allowing businesses classified as self-employed and sole proprietors to purchase insurance in the small group market through the health source RI for employers SHOP program and not be forced into the individual market.

42-157-6. Audit.

- (a) Annually, the exchange shall cause to have a financial and/or performance audit of its functions and operations performed in compliance with the generally accepted governmental auditing standards and conducted by the state office of internal audit or a certified public accounting firm qualified in performance audits.
- (b) If the audit is not directly performed by the state office of internal audit, the selection of the auditor and the scope of the audit shall be subject to the approval of the state office of internal audit.
- (c) The results of the audit shall be made public upon completion, posted on the department's executive office of health and human service's website and/or HealthSource RI's website and otherwise made available for public inspection.

42-157-7. Exchange advisory board.

The exchange shall maintain an advisory board which shall be appointed by the director secretary. The director secretary shall consider the expertise of the members of the board and make

- 1 appointments so that the board's composition reflects a range and diversity of skills, backgrounds and
- 2 stakeholder perspectives.
- 3 SECTION 18. Effective July 1, 2019, Section 42-157.1-2 of the General Laws in Chapter 42-
- 4 157.1 entitled "Rhode Island Market Stability and Reinsurance Act" is hereby amended to read as
- 5 follows:
- 6 **42-157.1-2. Definitions.**
- 7 As used in this chapter:
- 8 (1) "Director" means the director of the Rhode Island health benefits exchange.
- 9 (2) "Exchange" means the Rhode Island health benefits exchange, known as HealthSource RI,
- established within and administered by the department of administration executive office of health and
- 11 human services by § 42-157-1.
- 12 (3) "Health insurance carrier" or "carrier" has the same meaning as it does in § 27-18.5-2.
- 13 (4) "Health insurance coverage" has the same meaning as it does in § 27-18.5-2.
- 14 (5) "Individual market" has the same meaning as it does in § 27-18.5-2.
- 15 (6) "Office of the health insurance commissioner" means the entity established by § 42-14.5-1
- within the department of business regulation.
- 17 (7) "Program" means the Rhode Island reinsurance program established by § 42-157.1-3.
- 18 (8) "Program fund" or "fund" means the fund established by § 42-157.1-5.
- 19 (9) "State" means the state of Rhode Island.
- SECTION 19. Sections 5 and 8 of this article shall take effect upon passage. Sections 6, 7, 12,
- 21 13, 14, 17 and 18 of this article shall take effect as of July 1, 2019. Sections 1, 2, 3, 4, 8, 10, 11, 15 and 16
- of this article shall take effect as of January 1, 2020.