

1 STATE OF RHODE ISLAND
2 IN GENERAL ASSEMBLY
3 JANUARY SESSION, A.D. 2014

4 _____
5 AN ACT

6 MAKING APPROPRIATIONS FOR THE SUPPORT OF
7 THE STATE FOR THE FISCAL YEAR ENDING
8 JUNE 30, 2015

9
10 Introduced By:

11 Date Introduced:

12 Referred To:
13

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

- 16 ARTICLE 1 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2015
17 ARTICLE 2 RELATING TO MUNICIPAL AID
18 ARTICLE 3 RELATING TO RESTRICTED RECEIPTS ACCOUNTS
19 ARTICLE 4 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS
20 ARTICLE 5 RELATING TO CAPITAL DEVELOPMENT PROGRAM
21 ARTICLE 6 RELATING TO RESOURCE RECOVERY CORPORATION
22 ARTICLE 7 RELATING TO REGIONAL GREENHOUSE GAS INITIATIVE ACT
23 ARTICLE 8 RELATING TO WATER SUPPLIES
24 ARTICLE 9 RELATING TO FICA ALTERNATE RETIREMENT PLAN
25 ARTICLE 10 RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2014
26 ARTICLE 11 RELATING TO JOB DEVELOPMENT FUND ASSESSMENT
27 ARTICLE 12 RELATING TO REVENUES
28 ARTICLE 13 RELATING TO STATE LOTTERY
29 ARTICLE 14 RELATING TO MARKETPLACE FAIRNESS ACT
30 ARTICLE 15 RELATING TO HISTORIC TAX CREDITS
31 ARTICLE 16 RELATING TO UNDERGROUND ECONOMY AND EMPLOYEE
32 MISCLASSIFICATION ACT
33 ARTICLE 17 RELATING TO GOVERNMENT REFORM
34 ARTICLE 18 RELATING TO GOVERNMENT REORGANIZATION
35 ARTICLE 19 RELATING TO EXECUTIVE OFFICE OF COMMERCE

- 1 ARTICLE 20 RELATING TO BOARD OF EDUCATION
- 2 ARTICLE 21 RELATING TO TRANSPORTATION
- 3 ARTICLE 22 RELATING TO LEGAL NOTICES
- 4 ARTICLE 23 RELATING TO LICENSING OF HOSPITAL FACILITIES
- 5 ARTICLE 24 RELATING TO HOSPITAL UNCOMPENSATED CARE
- 6 ARTICLE 25 RELATING TO MEDICAL ASSISTANCE
- 7 ARTICLE 26 RELATING TO CHILDREN, YOUTH, AND FAMILIES
- 8 ARTICLE 27 RELATING TO MEDICAL ASSISTANCE RECOVERIES
- 9 ARTICLE 28 RELATING TO EDUCATION
- 10 ARTICLE 29 RELATING TO EFFECTIVE DATE
- 11

1 **ARTICLE 1**

2 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2015

3 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this
4 act, the following general revenue amounts are hereby appropriated out of any money in the treasury not
5 otherwise appropriated to be expended during the fiscal year ending June 30, 2015. The amounts
6 identified for federal funds and restricted receipts shall be made available pursuant to section 35-4-22 and
7 Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes and functions hereinafter
8 mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the
9 general treasurer for the payment of such sums or such portions thereof as may be required from time to
10 time upon receipt by him or her of properly authenticated vouchers.

11 **Administration**

12 *Central Management*

13	General Revenues	1,999,772
14	Office of Digital Excellence	908,192
15	Total – General Revenues	2,907,964
16	Total – Central Management	2,907,964

17 *Legal Services*

18	General Revenues	2,039,872
19	Total – Legal Services	2,039,872

20 *Accounts and Control*

21	General Revenues	4,033,748
22	Total – Accounts and Control	4,033,748

23 *Office of Management and Budget*

24	General Revenues	4,154,611
25	Restricted Receipts	61,374
26	Total – Office of Management and Budget	4,215,985

27 *Purchasing*

28	General Revenues	2,735,956
29	Other Funds	308,496
30	Total – Purchasing	3,044,452

31 *Auditing*

32	General Revenues	1,434,565
33	Total – Auditing	1,434,565

1	<i>Human Resources</i>	
2	General Revenues	7,830,548
3	Federal Funds	766,793
4	Restricted Receipts	461,639
5	Other Funds	1,547,079
6	Total – Human Resources	10,606,059
7	<i>Personnel Appeal Board</i>	
8	General Revenues	75,216
9	Total – Personnel Appeal Board	75,216
10	<i>Facilities Management</i>	
11	General Revenues	30,816,117
12	Federal Funds	1,155,237
13	Restricted Receipts	462,262
14	Other Funds	3,322,025
15	Total – Facilities Management	35,755,641
16	<i>Capital Projects and Property Management</i>	
17	General Revenues	1,278,254
18	Total – Capital Projects and Property Management	1,278,254
19	<i>Information Technology</i>	
20	General Revenues	19,377,273
21	Federal Funds	6,631,482
22	Restricted Receipts	4,099,027
23	Other Funds	3,701,511
24	Total – Information Technology	33,809,293
25	<i>Library and Information Services</i>	
26	General Revenues	881,464
27	Federal Funds	1,184,567
28	Restricted Receipts	653
29	Total – Library and Information Services	2,066,684
30	<i>Planning</i>	
31	General Revenues	4,442,778
32	Federal Funds	12,662,645
33	Other Funds	
34	Federal Highway – PL Systems Planning	2,984,304

1	Air Quality Modeling	22,875
2	Other Funds Total	3,007,179
3	Total – Planning	20,112,602

4 *General*

5 General Revenues

6	Rhode Island Commerce Corporation	5,395,572
7	RICC – Airport Impact Aid	1,025,000

8 Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be distributed to
9 each airport serving more than 1,000,000 passengers based upon its percentage of the total passengers
10 served by all airports serving more than 1,000,000 passengers. Forty percent (40%) of the first
11 \$1,000,000 shall be distributed based on the share of landings during the calendar year 2014 at North
12 Central Airport, Newport-Middletown Airport, Block Island Airport, Quonset Airport, T.F. Green Airport
13 and Westerly Airport, respectively. The Rhode Island Commerce Corporation shall make an impact
14 payment to the towns or cities in which the airport is located based on this calculation. Each community
15 upon which any parts of the above airports are located shall receive at least \$25,000.

16	RICC – EPScore (Research Alliance)	1,150,000
17	Innovative Matching Grants	500,000
18	Miscellaneous Grants/Payments	146,049
19	Slater Centers of Excellence	500,000
20	Torts – Courts/Awards	400,000
21	Current Care/Health Information Exchange	225,000
22	I-195 Commission	301,000
23	RI Film and Television Office	310,312
24	State Employees/Teachers Retiree Health Subsidy	2,321,057
25	Resource Sharing and State Library Aid	8,773,398
26	Library Construction Aid	2,331,589
27	General Revenue Total	23,378,977
28	Federal Funds	4,345,555
29	Restricted Receipts	421,500
30	Other Funds	
31	Rhode Island Capital Plan Fund	
32	Statehouse Renovations	3,000,000
33	DoIT Enterprise Operations Center	250,000
34	Cranston Street Armory	1,000,000

1	Cannon Building	440,000
2	Zambarano Building Rehabilitation	500,000
3	Pastore Center Rehab DOA Portion	3,150,000
4	Old State House	1,445,000
5	State Office Building	1,700,000
6	Old Colony House	100,000
7	William Powers Building	1,475,000
8	Fire Code Compliance State Buildings	500,000
9	Pastore Center Fire Code Compliance	1,300,000
10	Pastore Center Utility Systems Upgrade	2,600,000
11	Replacement of Fueling Tanks	300,000
12	Environmental Compliance	200,000
13	Big River Management Area	120,000
14	Pastore Center Building Demolition	1,500,000
15	Washington County Government Center	225,000
16	Chapin Health Laboratory	1,250,000
17	Pastore Center Parking	890,000
18	Pastore Center Water Tanks	250,000
19	Pastore Cottages Rehab	800,000
20	Ladd Center Building Demolition	2,100,000
21	I-195 Commission	250,000
22	RI Convention Center Authority	1,000,000
23	Dunkin Donuts Center	1,387,500
24	Mathias	800,000
25	Pastore Center Power Plant	194,723
26	Harrington Hall Renovations	1,400,000
27	McCoy Stadium	50,000
28	Other Funds Total	30,177,223
29	Total – General	58,323,255

30 *Debt Service Payments*

31	General Revenues	187,623,893
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32 Out of the general revenue appropriations for debt service, the General Treasurer is authorized to make
33 payments for the I-195 Redevelopment District Commission loan up to the maximum debt service due in
34 accordance with the loan agreement.

1	Federal Funds	2,667,399
2	Restricted Receipts	2,089,305
3	Other Funds	
4	Transportation Debt Service	26,828,667
5	Investment Receipts – Bond Funds	100,000
6	COPS – DLT Building – TDI	271,653
7	Other Funds Total	27,200,320
8	Total - Debt Service Payments	219,580,917
9	<i>Energy Resources</i>	
10	Federal Funds	524,775
11	Restricted Receipts	5,265,426
12	Total – Energy Resources	5,790,201
13	<i>Rhode Island Health Benefits Exchange</i>	
14	Federal Funds	23,433,222
15	Total – Rhode Island Health Benefits Exchange	23,433,222
16	<i>Construction Permitting, Approvals and Licensing</i>	
17	General Revenues	1,483,525
18	Restricted Receipts	1,339,903
19	Total – Construction Permitting, Approvals and Licensing	2,823,428
20	<i>Office of Diversity, Equity & Opportunity</i>	
21	General Revenues	1,101,170
22	Federal Funds	82,284
23	Total – Office of Diversity, Equity & Opportunity	1,183,454
24	Grand Total – General Revenue Funds	295,595,931
25	Grand Total – Administration	432,514,812
26	Business Regulation	
27	<i>Central Management</i>	
28	General Revenues	1,234,949
29	Total – Central Management	1,234,949
30	<i>Banking Regulation</i>	
31	General Revenues	1,514,260
32	Restricted Receipts	50,000
33	Total – Banking Regulation	1,564,260
34	<i>Securities Regulation</i>	

1	General Revenues	1,009,651
2	Restricted Receipts	3,500
3	Total – Securities Regulation	1,013,151
4	<i>Insurance Regulation</i>	
5	General Revenues	3,883,238
6	Restricted Receipts	1,294,012
7	Total – Insurance Regulation	5,177,250
8	<i>Office of the Health Insurance Commissioner</i>	
9	General Revenues	507,142
10	Federal Funds	2,021,830
11	Restricted Receipts	10,500
12	Total – Office of the Health Insurance Commissioner	2,539,472
13	<i>Board of Accountancy</i>	
14	General Revenues	16,654
15	Total – Board of Accountancy	16,654
16	<i>Commercial Licensing, Racing & Athletics</i>	
17	General Revenues	586,948
18	Restricted Receipts	583,111
19	Total – Commercial Licensing, Racing & Athletics	1,170,059
20	<i>Boards for Design Professionals</i>	
21	General Revenues	260,635
22	Total – Boards for Design Professionals	260,635
23	Grand Total – General Revenue Funds	9,013,477
24	Grand Total – Business Regulation	12,976,430
25	Labor and Training	
26	<i>Central Management</i>	
27	General Revenues	93,361
28	Restricted Receipts	337,854
29	Other Funds	
30	Rhode Island Capital Plan Fund	
31	Center General Building Roof	505,996
32	Center General Asset Protection	1,500,000
33	Other Funds Total	2,005,996
34	Total – Central Management	2,437,211

1	<i>Workforce Development Services</i>	
2	General Funds	1,661,269
3	Federal Funds	23,892,612
4	Restricted Receipts	8,354,795
5	Other Funds	75,000
6	Total – Workforce Development Services	33,983,676
7	<i>Workforce Regulation and Safety</i>	
8	General Revenues	2,720,916
9	Total – Workforce Regulation and Safety	2,720,916
10	<i>Income Support</i>	
11	General Revenues	4,317,409
12	Federal Funds	18,291,060
13	Restricted Receipts	
14	Restricted Receipts	2,146,562
15	Job Development Fund	20,460,000
16	Restricted Receipts Total	22,606,562
17	Other Funds	
18	Temporary Disability Insurance Fund	198,485,516
19	Employment Security Fund	218,620,120
20	Other Funds Total	417,105,636
21	Total – Income Support	462,320,667
22	<i>Injured Workers Services</i>	
23	Restricted Receipts	8,951,372
24	Total – Injured Workers Services	8,951,372
25	<i>Labor Relations Board</i>	
26	General Revenues	388,648
27	Total – Labor Relations Board	388,648
28	Grand Total – General Revenue Funds	9,181,603
29	Grand Total – Labor and Training	510,802,490
30	Department of Revenue	
31	<i>Director of Revenue</i>	
32	General Revenues	1,122,100
33	Total – Director of Revenue	1,122,100
34	<i>Office of Revenue Analysis</i>	

1	General Revenues	564,334
2	Total – Office of Revenue Analysis	564,334
3	<i>Lottery Division</i>	
4	Other Funds	
5	Lottery Funds	342,306,302
6	Total – Lottery Division	342,306,302
7	<i>Municipal Finance</i>	
8	General Revenues	1,996,992
9	Total – Municipal Finance	1,996,992
10	<i>Taxation</i>	
11	General Revenues	18,430,344
12	Federal Funds	1,294,330
13	Restricted Receipts	878,210
14	Other Funds	
15	Motor Fuel Tax Evasion	43,232
16	Temporary Disability Insurance	952,454
17	Other Funds Total	995,686
18	Total – Taxation	21,598,570
19	<i>Registry of Motor Vehicles</i>	
20	General Revenues	19,276,813
21	Federal Funds	1,654,256
22	Restricted Receipts	14,763
23	Total – Registry of Motor Vehicles	20,945,832
24	<i>State Aid</i>	
25	General Revenue	
26	Distressed Communities Relief Fund	10,384,458
27	Payment in Lieu of Tax Exempt Properties	35,080,409
28	Motor Vehicle Excise Tax Payments	10,000,000
29	Property Revaluation Program	633,209
30	Municipal Aid	5,000,000
31	Total – General Revenue Total	61,098,076
32	Restricted Receipts	922,013
33	Total – State Aid	62,020,089
34	Grand Total – General Revenue Funds	102,488,659

1	Grand Total – Revenue	450,554,219
2	Legislature	
3	General Revenues	36,429,671
4	Restricted Receipts	1,587,079
5	Grand Total – Legislature	38,016,750
6	Lieutenant Governor	
7	General Revenues	1,015,084
8	Federal Funds	74,350
9	Grand Total – Lieutenant Governor	1,089,434
10	Secretary of State	
11	<i>Administration</i>	
12	General Revenues	2,205,748
13	Total – Administration	2,205,748
14	<i>Corporations</i>	
15	General Revenues	2,278,601
16	Total – Corporations	2,278,601
17	<i>State Archives</i>	
18	General Revenues	69,266
19	Restricted Receipts	514,752
20	Total – State Archives	584,018
21	<i>Elections & Civics</i>	
22	General Revenues	1,636,292
23	Total – Elections and Civics	1,636,292
24	<i>State Library</i>	
25	General Revenues	521,178
26	Total – State Library	521,178
27	<i>Office of Public Information</i>	
28	General Revenues	626,118
29	Receipted Receipts	15,000
30	Total – Office of Public Information	641,118
31	Grand Total – General Revenue Funds	7,337,203
32	Grand Total – Secretary of State	7,866,955

1	General Treasurer	
2	<i>Treasury</i>	
3	General Revenues	2,306,467
4	Federal Funds	270,861
5	Restricted Receipts	37,651
6	Other Funds	
7	Temporary Disability Insurance Fund	220,608
8	Other Funds Total	220,608
9	Total – Treasury	2,835,587
10	<i>State Retirement System</i>	
11	Restricted Receipts	
12	Admin Expenses – State Retirement System	9,308,412
13	Retirement – Treasury Investment Operations	1,265,045
14	Defined Contribution – Administration	263,588
15	Restricted Receipts Total	10,837,045
16	Total – State Retirement System	10,837,045
17	<i>Unclaimed Property</i>	
18	Restricted Receipts	19,524,231
19	Total – Unclaimed Property	19,524,231
20	<i>Crime Victim Compensation Program</i>	
21	General Revenues	225,638
22	Federal Funds	599,477
23	Restricted Receipts	1,131,949
24	Total – Crime Victim Compensation Program	1,957,064
25	Grand Total – General Revenue Funds	2,532,105
26	Grand Total – General Treasurer	35,153,927
27	Board of Elections	
28	General Revenues	
29	General Revenues	2,145,127
30	Public Financing of General Elections	2,000,000
31	General Revenue Total	4,145,127
32	Grand Total – Board of Elections	4,145,127
33	Rhode Island Ethics Commission	
34	General Revenues	1,581,205

1	Grand Total – Rhode Island Ethics	
2	Commission	1,581,205
3	Office of Governor	
4	General Revenues	
5	General Revenues	4,402,562
6	Contingency Fund	250,000
7	General Revenue Total	4,652,562
8	Grand Total – Office of Governor	4,652,562
9	Commission for Human Rights	
10	General Revenues	1,193,083
11	Federal Funds	287,096
12	Grand Total – Commission for Human Rights	1,480,179
13	Public Utilities Commission	
14	Federal Funds	87,733
15	Restricted Receipts	8,531,738
16	Grand Total – Public Utilities Commission	8,619,471
17	Office of Health and Human Services	
18	<i>Central Management</i>	
19	General Revenues	28,998,985
20	Federal Funds	
21	Federal Funds	92,223,591
22	Federal Funds – Stimulus	312,000
23	Federal Funds Total	92,535,591
24	Restricted Receipts	5,292,880
25	Total – Central Management	126,827,456
26	<i>Medical Assistance</i>	
27	General Revenue	
28	Managed Care	278,857,024
29	Hospitals	82,077,840
30	Nursing Facilities	83,705,501
31	Home and Community Based Services	18,689,149
32	Other Services	46,020,916
33	Pharmacy	51,131,483
34	Rhody Health	258,137,601

1	General Revenue Total	818,619,514
2	Federal Funds	
3	Managed Care	303,187,165
4	Hospitals	82,380,081
5	Nursing Facilities	83,806,008
6	Home and Community Based Services	24,810,851
7	Other Services	365,663,784
8	Pharmacy	(504,783)
9	Rhody Health	260,535,199
10	Special Education	19,000,000
11	Federal Funds Total	1,138,878,305
12	Restricted Receipts	8,515,000
13	Total – Medical Assistance	1,966,012,819
14	Grand Total – General Revenue Funds	847,618,499
15	Grand Total – Office of Health and Human Services	2,092,840,275
16	Children, Youth, and Families	
17	<i>Central Management</i>	
18	General Revenues	4,625,414
19	Federal Funds	2,269,607
20	Total – Central Management	6,895,021
21	<i>Children's Behavioral Health Services</i>	
22	General Revenues	6,070,125
23	Federal Funds	6,051,239
24	Other Funds	
25	Rhode Island Capital Plan Funds	
26	NAFI Center	21,494
27	Various Repairs and Improvements to YDC	1,154,000
28	Other Funds Total	1,175,494
29	Total – Children's Behavioral Health Services	13,296,858
30	<i>Juvenile Correctional Services</i>	
31	General Revenue	23,400,611
32	Federal Funds	271,588
33	Other Funds	
34	Rhode Island Capital Plan Fund	

1	Thomas C. Slater Training School Maintenance Building	200,000
2	Other Funds Total	200,000
3	Total – Juvenile Correctional Services	23,872,199
4	<i>Child Welfare</i>	
5	General Revenues	
6	General Revenues	104,416,147
7	18 to 21 Year Olds	9,703,340
8	General Revenue Total	114,119,487
9	Federal Funds	
10	Federal Funds	45,745,611
11	18 – 21 Year Olds	1,342,963
12	Federal Funds – Stimulus	446,340
13	Federal Funds Total	47,534,914
14	Restricted Receipts	2,448,750
15	Other Funds	
16	Rhode Island Capital Plan Fund	
17	Fire Code Upgrades	850,000
18	Other Funds Total	850,000
19	Total – Child Welfare	164,953,151
20	<i>Higher Education Incentive Grants</i>	
21	General Revenues	200,000
22	Total – Higher Education Incentive Grants	200,000
23	Grand Total – General Revenue Funds	148,415,637
24	Grand Total – Children, Youth, and Families	209,217,229
25	Health	
26	<i>Central Management</i>	
27	General Revenues	541,605
28	Federal Funds	8,071,320
29	Restricted Receipts	4,226,651
30	Total – Central Management	12,839,576
31	<i>State Medical Examiner</i>	
32	General Revenues	2,431,511
33	Federal Funds	141,325
34	Total – State Medical Examiner	2,572,836

1	<i>Environmental and Health Services Regulation</i>	
2	General Revenues	9,251,095
3	Federal Funds	5,924,339
4	Restricted Receipts	3,628,936
5	Total – Environmental and Health Services	
6	Regulation	18,804,370
7	<i>Health Laboratories</i>	
8	General Revenues	6,130,022
9	Federal Funds	
10	Federal Funds	1,718,714
11	Federal Funds – Stimulus	6,500
12	Federal Funds Total	1,725,214
13	Total – Health Laboratories	7,855,236
14	<i>Public Health Information</i>	
15	General Revenues	1,559,128
16	Federal Funds	2,066,331
17	Total – Public Health Information	3,625,459
18	<i>Community and Family Health and Equity</i>	
19	General Revenues	2,171,249
20	Federal Funds	
21	Federal Funds	40,748,562
22	Federal Funds – Stimulus	1,267,231
23	Federal Funds Total	42,015,793
24	Restricted Receipts	26,137,670
25	Total – Community and Family Health and Equity	70,324,712
26	<i>Infectious Disease and Epidemiology</i>	
27	General Revenues	1,428,520
28	Federal Funds	5,150,071
29	Total – Infectious Disease and Epidemiology	6,578,591
30	Grand Total – General Revenue	23,513,130
31	Grand Total – Health	122,600,780
32	Human Services	
33	<i>Central Management</i>	
34	General Revenues	4,890,516

1	Federal Funds	3,777,064
2	Restricted Receipts	522,542
3	Total – Central Management	9,190,122
4	<i>Child Support Enforcement</i>	
5	General Revenues	2,362,840
6	Federal Funds	5,877,595
7	Total – Child Support Enforcement	8,240,435
8	<i>Individual and Family Support</i>	
9	General Revenues	25,177,187
10	Federal Funds	
11	Federal Funds	117,044,391
12	Federal Funds – Stimulus	10,571,598
13	Federal Funds Total	127,615,989
14	Restricted Receipts	4,727,996
15	Other Funds	
16	Rhode Island Capital Plan Fund	
17	Blind Vending Facilities	165,000
18	Intermodal Surface Transportation Fund	4,162,981
19	Food Stamp Bonus Funding	150,000
20	Other Funds Total	4,477,981
21	Total – Individual and Family Support	161,999,153
22	<i>Veterans' Affairs</i>	
23	General Revenues	20,274,566
24	Federal Funds	7,481,344
25	Restricted Receipts	635,000
26	Total – Veterans' Affairs	28,390,910
27	<i>Health Care Eligibility</i>	
28	General Revenues	8,226,587
29	Federal Funds	11,774,391
30	Total – Health Care Eligibility	20,000,978
31	<i>Supplemental Security Income Program</i>	
32	General Revenues	18,639,135
33	Total – Supplemental Security Income	
34	Program	18,639,135

1	<i>Rhode Island Works</i>	
2	General Revenues	
3	Child Care	9,668,635
4	General Revenue Total	9,668,635
5	Federal Funds	78,233,435
6	Total – Rhode Island Works	87,902,070
7	<i>State Funded Programs</i>	
8	General Revenues	
9	General Public Assistance	1,663,858
10	Of this appropriation, \$210,000 shall be used for hardship contingency payments.	
11	General Revenue Total	1,663,858
12	Federal Funds	300,692,138
13	Total – State Funded Programs	302,355,996
14	<i>Elderly Affairs</i>	
15	General Revenues	
16	General Revenue	6,195,226
17	RIPAE	174,484
18	Care and Safety of the Elderly	958
19	General Revenue Total	6,370,668
20	Federal Funds	12,223,967
21	Restricted Receipts	149,336
22	Total – Elderly Affairs	18,743,971
23	Grand Total General Revenue	97,273,992
24	Grand Total – Human Services	655,462,770
25	Behavioral Health, Developmental Disabilities, and Hospitals	
26	<i>Central Management</i>	
27	General Revenues	970,823
28	Federal Funds	539,262
29	Total – Central Management	1,510,085
30	<i>Hospital and Community System Support</i>	
31	General Revenues	1,594,280
32	Restricted Receipts	934,379
33	Other Funds	
34	Rhode Island Capital Plan Fund	

1	Medical Center Rehabilitation	1,000,000
2	Community Facilities Fire Code	400,000
3	Other Funds Total	1,400,000
4	Total – Hospital and Community System Support	3,928,659
5	<i>Services for the Developmentally Disabled</i>	
6	General Revenues	111,424,765
7	Federal Funds	112,972,476
8	Restricted Receipts	1,977,450
9	Other Funds	
10	Rhode Island Capital Plan Fund	
11	DD Private Waiver	507,286
12	Regional Center Repair/Rehabilitation	400,000
13	MR Community Facilities/Access to Independence	500,000
14	Other Funds Total	1,407,286
15	Total – Services for the Developmentally Disabled	227,781,977
16	<i>Behavioral Healthcare Services</i>	
17	General Revenues	37,606,243
18	Federal Funds	51,267,483
19	Restricted Receipts	125,000
20	Other Funds	
21	Rhode Island Capital Plan Fund	
22	MH Community Facilities Repair	400,000
23	MH Housing Development-Thresholds	800,000
24	Substance Abuse Asset Production	100,000
25	Other Funds Total	1,300,000
26	Total – Behavioral Healthcare Services	90,298,726
27	<i>Hospital and Community Rehabilitative Services</i>	
28	General Revenues	50,195,257
29	Federal Funds	50,415,072
30	Restricted Receipts	6,571,834
31	Other Funds	
32	Rhode Island Capital Plan Fund	
33	Zambarano Buildings and Utilities	150,000
34	Hospital Consolidation	9,950,000

1	BHDDH Administrative Buildings	2,000,000
2	MR Community Facilities	950,000
3	Hospital Equipment	275,000
4	Other Funds Total	13,325,000
5	Total - Hospital and Community Rehabilitative Services	120,507,163
6	Grand Total – General Revenue	201,791,368
7	Grand Total – Behavioral Health, Developmental	
8	Disabilities, and Hospitals	444,026,610
9	Office of the Child Advocate	
10	General Revenues	611,817
11	Federal Funds	50,000
12	Grand Total – Office of the Child Advocate	661,817
13	Commission on the Deaf and Hard of Hearing	
14	General Revenues	394,279
15	Restricted Receipts	80,000
16	Grand Total – Com on Deaf and Hard of Hearing	474,279
17	Governor's Commission on Disabilities	
18	General Revenues	358,275
19	Federal Funds	141,350
20	Restricted Receipts	9,177
21	Other Funds	
22	Rhode Island Capital Plan Fund	
23	Handicapped Accessibility	1,000,000
24	Other Funds Total	1,000,000
25	Grand Total – Governor's Commission on Disabilities	1,508,802
26	Office of the Mental Health Advocate	
27	General Revenues	495,010
28	Grand Total – Office of the Mental Health Advocate	495,010
29	Elementary and Secondary Education	
30	<i>Administration of the Comprehensive Education Strategy</i>	
31	General Revenues	19,968,574
32	Federal Funds	
33	Federal Funds	192,750,465
34	Federal Funds – Stimulus	7,727,747

1	RTTT LEA Share	6,379,521
2	Federal Funds Total	206,857,733
3	Restricted Receipts	
4	Restricted Receipts	1,269,741
5	HRIC Adult Education Grants	3,800,000
6	Restricted Receipts Total	5,069,741
7	Other Funds	
8	Rhode Island Capital Plan Fund	
9	State-Owned Cranston	400,000
10	State-Owned Warwick	950,000
11	State-Owned Woonsocket	1,844,364
12	Other Funds Total	3,194,364
13	Total – Administration of the Comprehensive	
14	Education Strategy	235,090,412
15	<i>Davies Career and Technical School</i>	
16	General Revenues	12,227,793
17	Federal Funds	
18	Federal Funds	1,319,532
19	Federal Funds – Stimulus	42,099
20	Federal Funds Total	1,361,631
21	Restricted Receipts	4,050,538
22	Other Funds	
23	Rhode Island Capital Plan Fund	
24	Davies HVAC	1,237,345
25	Davies Asset Protection	194,962
26	Other Funds Total	1,432,307
27	Total – Davies Career and Technical School	19,072,269
28	<i>RI School for the Deaf</i>	
29	General Revenues	5,929,824
30	Federal Funds	
31	Federal Funds	221,056
32	Federal Funds – Stimulus	55,514
33	Federal Funds Total	276,570
34	Restricted Receipts	558,248

1	Other Funds	59,000
2	Total – RI School for the Deaf	6,823,642
3	<i>Metropolitan Career and Technical School</i>	
4	General Revenues	10,536,607
5	Other Funds	
6	Rhode Island Capital Plan Fund	
7	MET Asset Protection	100,000
8	MET School HVAC	1,160,657
9	Other Funds Total	1,260,657
10	Total – Metropolitan Career and Technical School	11,797,264
11	<i>Education Aid</i>	
12	General Revenues	761,917,693
13	Restricted Receipts	17,575,445
14	Other Funds	
15	Permanent School Fund – Education Aid	300,000
16	Other Funds Total	300,000
17	Total – Education Aid	779,793,138
18	<i>Central Falls School District</i>	
19	General Revenues	38,845,852
20	Total – Central Falls School District	38,845,852
21	<i>Housing Aid</i>	
22	General Revenues	67,949,504
23	Total – Housing Aid	67,949,504
24	<i>Teachers' Retirement</i>	
25	General Revenues	89,829,396
26	Total – Teachers' Retirement	89,829,396
27	Grand Total – General Revenue	1,007,205,243
28	Grand Total – Elementary and Secondary Education	1,249,201,477
29	Public Higher Education	
30	<i>Office of Postsecondary Commissioner</i>	
31	General Revenues	5,054,495
32	Federal Funds	5,092,287
33	Total – Office of Postsecondary Commissioner	10,146,782

1 *University of Rhode Island*

2 General Revenue

3 General Revenues 69,542,680

4 The University of Rhode Island shall maintain tuition charges in the 2014 – 2015 academic year
5 at the same level as the 2013 – 2014 academic year. The University shall not decrease internal student
6 financial aid in the 2014 – 2015 academic year below the level of the 2013 – 2014 academic year. The
7 President of the institution shall report, prior to the commencement of the 2014-2015 academic year, to
8 the chair of the Rhode Island Board of Education that such tuition charges and student aid levels have
9 been achieved at the start of FY 2015 as prescribed above.

10 Debt Service 20,925,420

11 RI State Forensics Laboratory 1,035,888

12 General Revenue Total 91,503,988

13 Other Funds

14 University and College Funds 612,113,492

15 Debt – Dining Services 1,110,746

16 Debt – Education and General 3,180,567

17 Debt – Health Services 136,814

18 Debt – Housing Loan Funds 10,625,414

19 Debt – Memorial Union 314,538

20 Debt – Ryan Center 2,798,531

21 Debt – Alton Jones Services 103,078

22 Debt – Parking Authority 949,029

23 Debt – Sponsored Research 94,572

24 Debt – URI Energy Conservation 2,460,718

25 Rhode Island Capital Plan Fund

26 Asset Protection 7,520,000

27 Fire and Safety Protection 3,250,000

28 Nursing Education Center 700,000

29 New Chemistry Building 21,300

30 Other Funds Total 645,378,799

31 Total – University of Rhode Island 736,882,787

32 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered
33 balances as of June 30, 2015 relating to the University of Rhode Island are hereby reappropriated to fiscal
34 year 2016.

1 academic year, to the chair of the Rhode Island Board of Education that such tuition charges and student
 2 aid levels have been achieved at the start of FY 2015 as prescribed above.

3	Debt Service	2,126,760
4	General Revenue Total	48,009,255
5	Restricted Receipts	644,000
6	Other Funds	
7	University and College Funds	102,754,282
8	Debt – Bookstore	27,693
9	CCRI Debt Service – Energy Conservation	807,475
10	Rhode Island Capital Plan Fund	
11	Asset Protection	2,138,305
12	Knight Campus Renewal	2,000,000
13	Other Funds Total	107,727,755
14	Total – Community College of RI	156,381,010

15 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or unencumbered
 16 balances as of June 30, 2015 relating to the Community College of Rhode Island are hereby
 17 reappropriated to fiscal year 2016.

18	Grand Total – General Revenue	191,738,963
19	Grand Total – Public Higher Education	1,072,723,227

20 **RI State Council on the Arts**

21	General Revenues	
22	Operating Support	428,501
23	Grants	1,911,657
24	General Revenue Total	2,340,158
25	Federal Funds	799,348
26	Other Funds	
27	Art for Public Facilities	632,536
28	Other Funds Total	632,536
29	Grand Total – RI State Council on the Arts	3,772,042

30 **RI Atomic Energy Commission**

31	General Revenues	913,197
32	Other Funds	
33	URI Sponsored Research	257,977
34	Rhode Island Capital Plan Funds	

1	RINSC Asset Protection	100,000
2	Other Funds Total	357,977
3	Grand Total – RI Atomic Energy Commission	1,271,174

4 **RI Higher Education Assistance Authority**

5	General Revenues	
6	Needs Based Grants and Work Opportunities	4,134,726
7	Authority Operations and Other Grants	147,000
8	General Revenue Total	4,281,726
9	Federal Funds	
10	Federal Funds	11,180,967
11	WaytogoRI Portal	650,000
12	Guaranty Agency Reserve Fund	1,500,000
13	Federal Funds Total	13,330,967

14 The \$1.5 million expended from the Guaranty Agency Reserve Fund shall be used for RIHEAA
15 scholarships and grants to offset the reduction in Needs Based Grants and Work Opportunities in the
16 Tuition Savings Program.

17	Other Funds	
18	Tuition Savings Prgm – Needs Based Grants and Work Opp	6,500,000
19	Tuition Savings Program – Administration	334,268
20	Other Funds Total	6,834,268
21	Grand Total – RI Higher Education Assistance Authority	24,446,961

22 **RI Historical Preservation and Heritage Commission**

23	General Revenues	1,280,610
24	Federal Funds	2,183,588
25	Restricted Receipts	434,910
26	Other Funds	
27	RIDOT Project Review	70,868
28	Rhode Island Capital Fund	
29	Eisenhower House Asset Protection	1,132,851
30	Other Funds Total	1,203,719
31	Grand Total – RI Historical Preservation and Heritage Comm	5,102,827

32 **Attorney General**

33 *Criminal*

34	General Revenues	14,455,192
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1	Federal Funds	1,366,309
2	Restricted Receipts	10,332,721
3	Total – Criminal	26,154,222
4	<i>Civil</i>	
5	General Revenues	4,816,217
6	Restricted Receipts	917,187
7	Total – Civil	5,733,404
8	<i>Bureau of Criminal Identification</i>	
9	General Revenues	1,542,124
10	Total – Bureau of Criminal Identification	1,542,124
11	<i>General</i>	
12	General Revenues	2,773,613
13	Other Funds	
14	Rhode Island Capital Plan Fund	
15	Building Renovations and Repairs	300,000
16	Other Funds Total	300,000
17	Total – General	3,073,613
18	Grand Total – General Revenue	23,587,146
19	Grand Total – Attorney General	36,503,363
20	Corrections	
21	Central Management	
22	General Revenues	9,070,974
23	Federal Funds	117,996
24	Total – Central Management	9,188,970
25	<i>Parole Board</i>	
26	General Revenues	1,421,102
27	Federal Funds	38,000
28	Total – Parole Board	1,459,102
29	<i>Custody and Security</i>	
30	General Revenues	118,747,911
31	Federal Funds	810,713
32	Total – Custody and Security	119,558,624
33	<i>Institutional Support</i>	
34	General Revenues	15,726,066

1	Other Funds	
2	Rhode Island Capital Plan Fund	
3	Asset Protection	3,750,000
4	Maximum – General Renovations	715,433
5	General Renovations Women’s	850,000
6	Bernadette Guay Roof	896,556
7	ISC Exterior Envelope and HVAC	3,933,749
8	Minimum Security Kitchen Expansion	4,160,392
9	Medium Infrastructure	4,833,931
10	Other Funds Total	19,140,061
11	Total – Institutional Support	34,866,127
12	<i>Institutional Based Rehab./Population Management</i>	
13	General Revenues	8,972,305
14	Federal Funds	619,476
15	Restricted Receipts	29,164
16	Total – Institutional Based Rehab/Population Mgt.	9,620,945
17	<i>Healthcare Services</i>	
18	General Revenues	19,751,408
19	Total – Healthcare Services	19,751,408
20	<i>Community Corrections</i>	
21	General Revenues	15,035,529
22	Federal Funds	68,518
23	Restricted Receipts	25,475
24	Total – Community Corrections	15,129,522
25	Grand Total – General Revenue	188,725,295
26	Grand Total – Corrections	209,574,698
27	Judiciary	
28	<i>Supreme Court</i>	
29	General Revenues	
30	General Revenues	26,400,642
31	Defense of Indigents	3,542,240
32	General Revenue Total	29,942,882
33	Federal Funds	151,954
34	Restricted Receipts	2,285,781

1	Other Funds	
2	Rhode Island Capital Plan Fund	
3	Judicial HVAC	525,000
4	Judicial Complexes Asset Protection	825,000
5	Other Funds Total	1,350,000
6	Total - Supreme Court	33,730,617
7	<i>Judicial Tenure and Discipline</i>	
8	General Revenues	115,513
9	Total – Judicial Tenure and Discipline	115,513
10	<i>Superior Court</i>	
11	General Revenues	22,359,027
12	Federal Funds	47,552
13	Restricted Receipts	302,378
14	Total – Superior Court	22,708,957
15	<i>Family Court</i>	
16	General Revenues	19,245,592
17	Federal Funds	1,709,741
18	Total – Family Court	20,955,333
19	<i>District Court</i>	
20	General Revenues	11,998,535
21	Restricted Receipts	292,802
22	Total – District Court	12,291,337
23	<i>Traffic Tribunal</i>	
24	General Revenues	8,760,119
25	Total – Traffic Tribunal	8,760,119
26	<i>Workers' Compensation Court</i>	
27	Restricted Receipts	7,932,640
28	Total – Workers' Compensation Court	7,932,640
29	Grand Total – General Revenue	92,421,668
30	Grand Total – Judiciary	106,494,516
31	Military Staff	
32	General Revenues	1,842,096
33	Federal Funds	14,779,178
34	Restricted Receipts	442,800

1	Other Funds	
2	Rhode Island Capital Plan Fund	
3	Armory of Mounted Command Roof Replacement	300,000
4	State Armories Fire Code Compliance	10,000
5	Asset Protection	1,260,000
6	Logistics/Maintenance Facilities Fire Code Comp.	5,000
7	Benefit Street Arsenal Rehabilitation	375,000
8	Other Funds Total	1,950,000
9	Grand Total – Military Staff	19,014,074
10	Public Safety	
11	<i>Central Management</i>	
12	General Revenues	1,248,886
13	Federal Funds	4,096,105
14	Restricted Receipts	20,000
15	Total – Central Management	5,364,991
16	<i>E-911 Emergency Telephone System</i>	
17	General Revenues	5,428,479
18	Total – E-911 Emergency Telephone System	5,428,479
19	<i>State Fire Marshal</i>	
20	General Revenues	2,746,455
21	Federal Funds	94,000
22	Restricted Receipts	498,854
23	Other Funds	
24	Rhode Island Capital Plan Fund	
25	Fire Academy	1,934,500
26	Quonset Development Corporation	57,335
27	Other Funds – Total	1,991,835
28	Total – State Fire Marshal	5,331,144
29	<i>Security Services</i>	
30	General Revenues	21,801,650
31	Total – Security Services	21,801,650
32	<i>Municipal Police Training Academy</i>	
33	General Revenues	245,379
34	Federal Funds	397,400

1	Total – Municipal Police Training Academy	642,779
2	<i>State Police</i>	
3	General Revenues	64,496,985
4	Federal Funds	2,306,770
5	Restricted Receipts	12,345,000
6	Other Funds	
7	Rhode Island Capital Plan Fund	
8	Barracks and Training	4,627,659
9	Headquarters Repairs/Rehabilitation	380,768
10	Parking Area Improvements	250,000
11	HQ Expansion	200,000
12	Traffic Enforcement – Municipal Training	134,500
13	Lottery Commission Assistance	1,399,683
14	Airport Corporation	176,206
15	Road Construction Reimbursement	2,935,000
16	Other Funds Total	10,103,816
17	Total – State Police	89,252,571
18	Grand Total – General Revenue	95,967,834
19	Grand Total – Public Safety	127,821,614
20	Office of Public Defender	
21	General Revenues	11,130,816
22	Federal Funds	248,864
23	Grand Total – Office of Public Defender	11,379,680
24	Emergency Management	
25	General Revenues	1,959,858
26	Federal Funds	18,273,640
27	Restricted Receipts	221,729
28	Other Funds	
29	Rhode Island Capital Plan Fund	
30	Hurricane Sandy Cleanup	167,000
31	Other Funds Total	167,000
32	Grand Total – Emergency Management	20,622,227

1	Environmental Management	
2	<i>Office of the Director</i>	
3	General Revenues	
4	General Revenues	4,520,153
5	Permit Streamlining	33,414
6	General Revenue Total	4,553,567
7	Federal Funds	150,000
8	Restricted Receipts	2,884,372
9	Other Funds	
10	Rhode Island Capital Plan Fund	
11	DEM Telephone Repairs	175,000
12	Other Funds Total	175,000
13	Total – Office of the Director	7,762,939
14	<i>Natural Resources</i>	
15	General Revenues	19,074,615
16	Federal Funds	21,348,128
17	Restricted Receipts	4,138,036
18	Other Funds	
19	DOT Recreational Projects	1,114,278
20	Blackstone Bikepath Design	2,059,795
21	Transportation MOU	78,579
22	Rhode Island Capital Plan Fund	
23	Dam Repair	550,000
24	Fort Adams Rehabilitation	300,000
25	Fort Adams America’s Cup	2,450,000
26	Recreational Facilities Improvements	400,000
27	Galilee Piers Upgrade	500,000
28	Newport Piers	250,000
29	World War II Facility	2,600,000
30	Blackstone Valley Bike Path	350,000
31	Natural Resources Office/Visitor’s Center	2,250,100
32	Other Funds Total	12,902,752
33	Total – Natural Resources	57,463,531

1	<i>Environmental Protection</i>	
2	General Revenues	11,241,923
3	Federal Funds	10,281,483
4	Restricted Receipts	8,912,581
5	Other Funds	
6	Transportation MOU	165,000
7	Other Funds Total	165,000
8	Total – Environmental Protection	30,600,987
9	Grand Total – General Revenue	34,870,105
10	Grand Total – Environmental Management	95,827,457
11	Coastal Resources Management Council	
12	General Revenues	2,185,538
13	Federal Funds	1,802,613
14	Restricted Receipts	250,000
15	Grand Total – Coastal Resources Mgmt. Council	4,238,151
16	Transportation	
17	<i>Central Management</i>	
18	Federal Funds	9,199,986
19	Other Funds	
20	Gasoline Tax	1,770,720
21	Other Funds Total	1,770,720
22	Total – Central Management	10,970,706
23	<i>Management and Budget</i>	
24	Other Funds	
25	Gasoline Tax	2,242,961
26	Other Funds Total	2,242,961
27	Total – Management and Budget	2,242,961
28	<i>Infrastructure Engineering - GARVEE/Motor Fuel Tax Bonds</i>	
29	Federal Funds	
30	Federal Funds	325,726,490
31	Federal Funds – Stimulus	17,188,279
32	Federal Funds Total	342,914,769
33	Restricted Receipts	12,352,761
34	Other Funds	

1	Gasoline Tax	53,013,645
2	Land Sale Revenue	21,300,002
3	Rhode Island Capital Fund	
4	RIPTA Land and Buildings	223,529
5	Highway Improvement Program	21,650,000
6	Other Funds Total	96,187,176
7	Total - Infrastructure Engineering – GARVEE	451,454,706
8	<i>Infrastructure Maintenance</i>	
9	Other Funds	
10	Gasoline Tax	44,849,009
11	Non-Land Surplus Property	10,000
12	Outdoor Advertising	150,000
13	Rhode Island Capital Plan Fund	
14	Maintenance Facilities Improvements	400,000
15	Salt Storage Facilities	1,500,000
16	Portsmouth Facility	1,200,000
17	Maintenance - Capital Equipment Replacement	2,500,000
18	Train Station Maintenance and Repairs	200,000
19	Cooperative Maintenance Facility DOT/RIPTA	3,500,000
20	Mass Transit Preliminary Conceptual Design	250,000
21	Other Funds Total	54,559,009
22	Total – Infrastructure Maintenance	54,559,009
23	Grand Total – Transportation	519,227,382
24	Statewide Totals	
25	General Revenues	3,456,087,970
26	Federal Funds	2,878,350,086
27	Restricted Receipts	258,886,990
28	Other Funds	1,950,636,957
29	Statewide Grand Total	8,543,962,003

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

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

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

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

<u>Account</u>	<u>Expenditure Limit</u>
18 State Assessed Fringe Benefit Internal Service Fund	37,123,794
19 Administration Central Utilities Internal Service Fund	14,244,902
20 State Central Mail Internal Service Fund	5,617,173
21 State Telecommunications Internal Service Fund	4,080,029
22 State Automotive Fleet Internal Service Fund	13,733,063
23 Surplus Property Internal Service Fund	2,500
24 Health Insurance Internal Service Fund	250,127,757
25 Other Post-Employment Benefits Fund	63,934,483
26 Capital Police Internal Service Fund	1,060,301
27 Corrections Central Distribution Center Internal Service Fund	6,739,558
28 Correctional Industries Internal Service Fund	7,704,793
29 Secretary of State Record Center Internal Service Fund	882,436

30 SECTION 6. The General Assembly may provide a written "statement of legislative intent"
 31 signed by the chairperson of the House Finance Committee and by the chairperson of the Senate Finance
 32 Committee to show the intended purpose of the appropriations contained in Section 1 of this Article. The
 33
 34

1 statement of legislative intent shall be kept on file in the House Finance Committee and in the Senate
2 Finance Committee.

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

7 SECTION 7. *Appropriation of Temporary Disability Insurance Funds* -- There is hereby
8 appropriated pursuant to sections 28-39-5 and 28-39-8 of the Rhode Island General Laws all funds
9 required to be disbursed for the benefit payments from the Temporary Disability Insurance Fund and
10 Temporary Disability Insurance Reserve Fund for the fiscal year ending June 30, 2015.

11 SECTION 8. *Appropriation of Employment Security Funds* -- There is hereby appropriated
12 pursuant to section 28-42-19 of the Rhode Island General Laws all funds required to be disbursed for
13 benefit payments from the Employment Security Fund for the fiscal year ending June 30, 2015.

14 SECTION 9. *Appropriation of Lottery Division Funds* -- There is hereby appropriated to the
15 Lottery Division any funds required to be disbursed by the Lottery Division for the purposes of paying
16 commissions or transfers to the prize fund for the fiscal year ending June 30, 2015.

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

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

32 FY 2015 FTE POSITION AUTHORIZATION

33 <u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
34 Administration	723.7

1	Business Regulation	94.0
2	Labor and Training	410.0
3	Revenue	499.0
4	Legislature	298.5
5	Office of the Lieutenant Governor	8.0
6	Office of the Secretary of State	57.0
7	Office of the General Treasurer	83.0
8	Board of Elections	11.0
9	Rhode Island Ethics Commission	12.0
10	Office of the Governor	45.0
11	Commission for Human Rights	14.5
12	Public Utilities Commission	50.0
13	Office of Health and Human Services	184.0
14	Children, Youth, and Families	670.5
15	Health	491.3
16	Human Services	959.1
17	Behavioral Health, Developmental Disabilities, and Hospitals	1,422.4
18	Office of the Child Advocate	6.0
19	Commission on the Deaf and Hard of Hearing	3.0
20	Governor's Commission on Disabilities	4.0
21	Office of the Mental Health Advocate	3.7
22	Elementary and Secondary Education	154.9
23	School for the Deaf	60.0
24	Davies Career and Technical School	126.0
25	Office of Postsecondary Commissioner	12.8
26	Provided that 1.0 of the total authorization would be available only for positions that are supported by	
27	third-party funds.	
28	University of Rhode Island	2,456.50
29	Provided that 501.2 of the total authorization would be available only for positions that are supported by	
30	third-party funds.	
31	Rhode Island College	923.6
32	Provided that 82.0 of the total authorization would be available only for positions that are supported by	
33	third-party funds.	
34	Community College of Rhode Island	854.1

1 Provided that 58.7 of the total authorization would be available only for positions that are supported by
 2 third-party funds.

3	Rhode Island State Council on the Arts	6.0
4	RI Atomic Energy Commission	8.6
5	Higher Education Assistance Authority	25.0
6	Historical Preservation and Heritage Commission	16.6
7	Office of the Attorney General	233.1
8	Corrections	1,419.0
9	Judicial	726.3
10	Military Staff	85.0
11	Public Safety	634.2
12	Office of the Public Defender	93.0
13	Emergency Management	32.0
14	Environmental Management	399.0
15	Coastal Resources Management Council	29.0
16	Transportation	752.6
17	Total	15,097.0

18 SECTION 11. The amounts reflected in this Article include the appropriation of Rhode Island
 19 Capital Plan funds for fiscal year 2015 and supersede appropriations provided for FY 2015 within Section
 20 11 of Article 1 of Chapter 144 of the P.L. of 2013.

21 The following amounts are hereby appropriated out of any money in the State's Rhode Island
 22 Capital Plan Fund not otherwise appropriated to be expended during the fiscal years ending June 30,
 23 2016, June 30, 2017, and June 30, 2018. These amounts supersede appropriations provided within
 24 Section 11 of Article 1 of Chapter 144 of the P.L. of 2013. For the purposes and functions hereinafter
 25 mentioned, the State Controller is hereby authorized and directed to draw his or her orders upon the
 26 General Treasurer for the payment of such sums and such portions thereof as may be required by him or
 27 her upon receipt of properly authenticated vouchers.

28		Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending
29	<u>Project</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
30				
31	BHDDH-Hospital Consolidation	30,645,820	10,590,850	5,780,000
32	DOA-State House Renovations	3,000,000	4,000,000	2,400,000
33	DOA-Pastore Center Building Demotion	1,025,000	975,000	1,200,000
34	Higher Ed-Asset Protection-CCRI	2,184,100	2,232,100	2,299,063
35	Higher Ed-Asset Protection-RIC	3,080,400	3,357,700	3,458,431
36	Higher Ed-Asset Protection-URI	5,482,900	7,856,000	8,030,000

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

10 Executive Office of Health and Human Services

11 Organ Transplant Fund

12 HIV Care Grant Drug Rebates

13 Department of Human Services

14 Veterans' home – Restricted account

15 Veterans' home – Resident benefits

16 Pharmaceutical Rebates Account

17 Demand Side Management Grants

18 ~~Organ transplant fund~~

19 Veteran's Cemetery Memorial Fund

20 Donations- New Veterans' Home Construction

21 Department of Health

22 Providence Water Lead Grant

23 Pandemic medications and equipment account

24 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

25 Eleanor Slater non-Medicaid third-party payor account

26 Hospital Medicare Part D Receipts

27 RICLAS Group Home Operations

28 Commission on the Deaf and Hard of Hearing

29 Emergency and public communication access account

30 Department of Environmental Management

31 National heritage revolving fund

32 Environmental response fund II

33 Underground storage tanks registration fees

34 Rhode Island Historical Preservation and Heritage Commission

- 1 Historic preservation revolving loan fund
- 2 Historic Preservation loan fund – Interest revenue
- 3 Department of Public Safety
- 4 Forfeited property – Retained
- 5 Forfeitures – Federal
- 6 Forfeited property – Gambling
- 7 Donation – Polygraph and Law Enforcement Training
- 8 Rhode Island State Firefighter's League Training Account
- 9 Fire Academy Training Fees Account
- 10 Attorney General
- 11 Forfeiture of property
- 12 Federal forfeitures
- 13 Attorney General multi-state account
- 14 Forfeited property – Gambling
- 15 Department of Administration
- 16 Office of Management and Budget
- 17 Information Technology Investment Fund
- 18 Restore and replacement – Insurance coverage
- 19 Convention Center Authority rental payments
- 20 Investment Receipts – TANS
- 21 Car Rental Tax/Surcharge-Warwick Share
- 22 Legislature
- 23 Audit of federal assisted programs
- 24 Department of Children, Youth and Families
- 25 Children's Trust Accounts – SSI
- 26 Military Staff
- 27 RI Military Family Relief Fund
- 28 RI National Guard Counterdrug Program
- 29 Treasury
- 30 Admin. Expenses – State Retirement System
- 31 Retirement – Treasury Investment Options
- 32 Violent Crimes Compensation – Refunds
- 33 Treasury Research Fellowship
- 34 Business Regulation

- 1 Banking Division Reimbursement Account
- 2 Office of the Health Insurance Commissioner Reimbursement Account
- 3 Securities Division Reimbursement Account
- 4 Commercial Licensing and Racing and Athletics Division Reimbursement Account
- 5 Insurance Division Reimbursement Account
- 6 Historic Preservation Tax Credit Account.
- 7 Judiciary
- 8 Arbitration Fund Restricted Receipt Account
- 9 Third Party Grants
- 10 Department of Elementary and Secondary Education
- 11 Statewide Student Transportation Services Account
- 12 School for the Deaf Fee for Service Account
- 13 Davies Career and Technical School Local Education Aid Account
- 14 Department of Labor and Training
- 15 Job Development Fund – Title XII loans principal and interest
- 16 Department of Transportation
- 17 Rhode Island Highway Maintenance Account

18 SECTION 2. Section 30-24-6 of the General Laws in Chapter 30-24 entitled “Rhode Island
19 Veterans’ Home” is hereby amended to read as follows:

20 **§ 30-24-6 Acceptance of gifts – Veterans' home restricted account.** – (a) The director of
21 human services is hereby authorized and empowered to take and receive in the name of the state any
22 grant, devise, gift, or bequest of real or personal property that may be made for the use and benefit of the
23 Rhode Island veterans' home or the residents or purposes thereof. All money so received, and all money
24 received under the provisions of §§ 30-24-9 and 30-24-10, shall be paid over to the general treasurer and
25 shall be kept by him or her as a restricted account to be known as the "veterans' home restricted account".
26 Use of the "veterans' home restricted account" funds may only be made upon prior approval of the house
27 of representatives' finance committee and senate finance committee. The director may sell and dispose of
28 any real or personal property received under this section, and any property received under § 30-24-9, and
29 the proceeds of the sale shall be paid over to the general treasurer to be made a part of the restricted
30 account. The restricted account shall be used for the improvement of social, recreational, and educational
31 programs, including the purchase of educational and recreational supplies and equipment for the welfare
32 of members and for operational expenses and capital improvements at the veterans' home and veterans'
33 cemetery, as deemed necessary by the director of human services.

34 (b) [Deleted by P.L. 1999, ch. 11, section 5.]

1 SECTION 3. *Virks Building Renovation*

2 WHEREAS, the Virks Building at the John O. Pastore Government Center in Cranston is a
3 vacant, four-story structure of approximately 54,000 square feet and is in need of immediate repair,
4 including roof, envelope and interior renovations, so that the State can continue to use this capital asset;
5 and

6 WHEREAS, the Executive Office and Health and Human Services (hereafter “EOHHS”) is in
7 need of office space as program and operations now require larger facilities to successfully carry out these
8 programs; and

9 WHEREAS, the Executive Office of Health and Human Services will be able to leverage federal
10 funding available to pay for fifty (50) percent of the lease payments required once the building has been
11 fully renovated and occupied by EOHHS; and

12 WHEREAS, preliminary architectural and design costs for the renovations to the Virks Building
13 will be financed with Rhode Island Capital Plan Fund expenditures, which are estimated to be three
14 hundred thousand dollars (\$300,000) in fiscal year 2014; and

15 WHEREAS, the project costs associated with the full renovation and upgrade to the Virks
16 Building at the John O. Pastore Government Center are estimated to be \$13.0 million and would begin in
17 fiscal year 2015. Total payments on the State’s obligation over fifteen (15) years on the \$13.0 million
18 issuance are projected to be \$18.8 million, assuming an average interest rate of 5.0 percent. The
19 payments would be financed within the department of administration from general revenue appropriations
20 and through federal funds available to the Executive Office of Health and Human Services; now,
21 therefore, be it

22 RESOLVED, that this general assembly hereby approves financing in an amount not to exceed
23 \$13.0 million for the provision of renovations and upgrades to the Virks Building at the Pastore Center in
24 Cranston, which will provide additional office space for the Executive Office of Health and Human
25 Services, including \$0.2 million to pay costs of financing; and be it further

26 RESOLVED, that this joint resolution shall take effect immediately upon its passage by the
27 general assembly.

28 SECTION 4 *Garrahy Courthouse Parking Project.*

29 WHEREAS, given the prime geographic location of the Garrahy Courthouse surface parking lot
30 site and its current limitations to adequately serve the Courthouse and surrounding buildings; and

31 WHEREAS, given the results of the Garrahy Courthouse Parking Garage Conceptual Analysis
32 presented to a Special Legislative Commission for the Garrahy Parking Garage in January, 2014 which
33 identifies development of the current site into a multi-level parking garage as a way to alleviate parking
34 demand in the area and to spur economic activity; and
35

1 WHEREAS, the I-195 Redevelopment District Commission (“Commission”) has the principal
2 responsibility for developing the surplus land from the relocation of Interstate 195 (“the Link”), to
3 promote economic development through the best use of nearby-by freed-up parcels; and

4 WHEREAS, the Commission has indicated that adequate structured parking is essential to the
5 development of the Link; and

6 WHEREAS, the State is prepared, on its own, in concert with the Commission, another quasi-
7 public agency or in a public-private partnership to develop and operate the garage once constructed; and

8 WHEREAS, the State would enter into a long term financial structure that would provide initial
9 financial benefits for the State from development of the garage, and include provisions for long term
10 revenues based on the upside potential of the project; now, therefore, be it

11 RESOLVED, that the State is authorized, if in the best interests of the State and to effectuate the
12 development of the garage, to sell the surface lot adjacent to the Garrahy Courthouse to a quasi-public
13 agency, to enter into a long-term parking lease for court employees and other state employees, and to
14 enter into appropriate agreements including financing arrangements that would permit the development
15 and operation of the garage; and be it further

16 RESOLVED, that the general assembly hereby approves financing in an amount not to exceed
17 \$45.0 million for the provision of financing for construction of a parking garage at the current site of the
18 Garrahy surface parking lot providing approximately 1,250 parking spaces and 13,800 square feet of retail
19 space on the ground level; and further

20 RESOLVED, that this Joint Resolution shall take effect immediately upon its passage by this
21 General Assembly.

22 SECTION 5. *Rhode Island Airport Corporation.*

23 WHEREAS, the Rhode Island Commerce Corporation is a public instrumentality of the State of
24 Rhode Island (the "State"), created by the General Assembly pursuant to Rhode Island General Laws §§
25 42-64-1 et seq. (as enacted, reenacted and amended, the "Act"); and

26 WHEREAS, the Act declares, in part, that new industrial, manufacturing, recreational, and
27 commercial facilities are required to attract and house new industries and thereby reduce the hazards of
28 unemployment; and that unaided efforts of private enterprises have not met and cannot meet the needs of
29 providing those facilities due to problems encountered in assembling suitable building sites, lack of
30 adequate public service, unavailability of private capital for development, and the inability of private
31 enterprise alone to plan, finance, and coordinate industrial, recreational, and commercial development;
32 and

1 WHEREAS, the Act further declares it to be the public policy of the state to furnish proper and
2 adequate airport facilities within the state and to encourage the integration of these facilities so far as
3 practicable; and

4 WHEREAS, in furtherance of these goals, it is the policy of the state to retain existing industries
5 and to induce, encourage and attract new industries through the acquisition, construction, reconstruction
6 and rehabilitation of industrial, manufacturing, recreational, and commercial facilities, as well as
7 transportation, residential, environmental, utility, public service, institutional and civic and community
8 facilities, and to develop sites for such facilities; and

9 WHEREAS, the Act has empowered the Rhode Island Commerce Corporation to establish
10 subsidiary corporations to exercise its powers and functions, or any of them, and, pursuant to such power,
11 the Rhode Island Commerce Corporation has established the Rhode Island Airport Corporation to plan,
12 develop, construct, finance, manage, and operate airport facilities in the state; and

13 WHEREAS, the Act provides that the Rhode Island Airport Corporation shall have the power to
14 purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in and
15 with, real or personal property, or any interest therein, wherever situated; and

16 WHEREAS, the Act also provides that the Rhode Island Airport Corporation shall have the
17 power to sell, mortgage, lease, exchange, transfer or otherwise dispose of or encumber any project, (or in
18 the case of a sale, to accept a purchase money mortgage in connection therewith) or to grant options for
19 any such purposes with respect to any real or personal property or interest therein, all of the foregoing for
20 such consideration as the Rhode Island Airport Corporation shall determine. Any lease by the Rhode
21 Island Airport Corporation to another party may be for such part of the Rhode Island Airport
22 Corporation's property, real or personal, for such period, upon such terms or conditions, with or without
23 an option on the part of the lessee to purchase any or all of the leased property for such consideration, at
24 or after the retirement of all indebtedness incurred by the Rhode Island Airport Corporation on account
25 thereof, as the Rhode Island Airport Corporation shall determine; and

26 WHEREAS, the Act authorizes the Rhode Island Commerce Corporation to borrow money and
27 issue bonds for any of its corporate purposes; and

28 WHEREAS, pursuant to Rhode Island General Laws Sections 35-18-3 and 35-18-4, the Rhode
29 Island Commerce Corporation has requested the approval of the General Assembly of the Rhode Island
30 Commerce Corporation's issuance of airport revenue bonds (the "Bonds") for the purpose of providing
31 funds to the Rhode Island Airport Corporation for financing the various capital projects including by way
32 of example and not limitation runway and taxiway improvements and facility developments on the
33 premises, the provision of architectural, engineering, surveying, construction management and other
34 professional services necessary or appropriate therefore ,funding capitalized interest, costs of issuing the

1 Bonds and related costs, and the establishment of reserves for the project and the Bonds, including a debt
2 service reserve fund (the "Airport Project"); and

3 WHEREAS, the financing of the Airport Project will be accomplished through one or more loan
4 agreements having the Rhode Island Airport Corporation as borrower, such agreement or agreements to
5 require that the Rhode Island Airport Corporation make loan payments in an amount equal to the debt
6 service on the Bonds.

7 RESOLVED, the General Assembly hereby approves the Rhode Island Commerce Corporation's
8 issuance of the Bonds (as defined below) and notes in anticipation thereof. The Bonds will be special
9 obligations of the Rhode Island Commerce Corporation payable exclusively from loan repayments under
10 a loan agreement with the Rhode Island Airport Corporation and from Bond proceeds, funds, accounts,
11 and properties and the proceeds thereof pledged therefor, and thus the Rhode Island Commerce
12 Corporation's maximum liability will be limited to loan repayments received under the loan agreement
13 and the aggregate amount of such other funds, accounts, properties, and proceeds.

14 RESOLVED, that the total amount of debt approved to be issued in the aggregate shall be limited
15 to not more than \$60,000,000 (the "Bonds"). Total debt service on the Bonds is not expected to exceed
16 approximately \$4,600,000 annually and approximately \$135,000,000 in the aggregate based on
17 anticipated level annual payments, an estimated average interest rate of 6.25% and a maturity of 30 years.

18 RESOLVED, the General Assembly hereby approves the Rhode Island Airport Corporation's
19 entering into the loan agreements described above. Payments under the loan agreements shall be derived
20 exclusively from project revenues and such other proceeds, funds, accounts, projects and the proceeds
21 thereof as the Rhode Island Airport Corporation may pledge therefor.

22 RESOLVED, the Bonds or the amounts due under the loan agreements shall not constitute
23 indebtedness of the State or a debt for which the full faith and credit of the State is pledged or a moral
24 obligation thereof.

25 RESOLVED, that this resolution shall apply to debt issued within two (2) years of the date of
26 passage of this resolution.

27 SECTION 6. This article shall take effect upon passage.

28 **ARTICLE 5**

29 **RELATING TO CAPITAL DEVELOPMENT PROGRAM**

30 SECTION 1. **Proposition to be submitted to the people.** -- At the general election to be held on
31 the Tuesday next after the first Monday in November 2014, there shall be submitted to the people for their
32 approval or rejection the following proposition:

33 "Shall the action of the general assembly, by an act passed at the January 2014 session, authorizing the
34 issuance of bonds, refunding bonds, and temporary notes of the state for the capital projects and in the

1 amount with respect to each such project listed below be approved, and the issuance of bonds, refunding
2 bonds, and temporary notes authorized in accordance with the provisions of said act?"

3 Project

4 (1) Higher Education Facilities \$125,000,000

5 Approval of this question will allow the State of Rhode Island to issue general obligation bonds,
6 refunding bonds, and temporary notes in an amount not to exceed one hundred twenty-five million dollars
7 (\$125,000,000) to construct a new College of Engineering building and undertake supporting renovations.
8 The new building will anchor the northwest corner of the Engineering Quadrangle on the Kingston
9 Campus and provide contemporary and state-of-the-art instructional and research facilities. As part of
10 this project, outdated engineering buildings will be taken out of service and razed.

11 (2) Creative and Cultural Economy \$35,000,000

12 Approval of this question will authorize the State of Rhode Island to issue general obligation
13 bonds, refunding bonds, and temporary notes in an amount not to exceed thirty-five million dollars
14 (\$35,000,000) to fund capital preservation and renovation projects for public and nonprofit artistic,
15 performance centers, historic sites, museums and cultural art centers located throughout the State of
16 Rhode Island. Of the thirty-five million dollars (\$35,000,000) amount, thirty million dollars
17 (\$30,000,000) will be used to capitalize a new Cultural Arts and the Economy Grant program to be
18 administered by the Rhode Island Commerce Corporation in consultation with the Rhode Island State
19 Council on the Arts and five million dollars (\$5,000,000) will be used to assist cities and towns and non-
20 profit organizations to renovate and improve public and nonprofit historic sites, museums, and cultural art
21 centers located in historic structures to be administered by the Rhode Island Historical Preservation and
22 Heritage Commission.

23 (3) Mass Transit Hub Infrastructure \$40,000,000

24 Approval of this question will allow the State of Rhode Island to issue general obligation bonds,
25 refunding bonds, and temporary notes in an amount not to exceed forty million dollars (\$40,000,000) to
26 fund enhancements and renovations to mass transit hub infrastructure throughout the State of Rhode
27 Island to improve access to multiple intermodal sites, key transportation, healthcare, and other locations.

28 (4) Clean Water, Open Space, and Healthy Communities \$75,000,000

29 Approval of this question will allow the State of Rhode Island to issue general obligation bonds,
30 refunding bonds, and temporary notes in an amount not to exceed seventy-five million dollars
31 (\$75,000,000) for environmental and recreational purposes, to be allotted as follows:

32 (a) Brownfield Remediation and Economic Development \$5,000,000

33 Provides up to eighty percent (80%) matching grants to public, private, and/or non-profit entities for
34 brownfield remediation projects.

1	(b) Green Streets and Green Neighborhoods	\$4,000,000
2	Provides up to seventy percent (70%) matching grants of five hundred thousand dollars (\$500,000) or	
3	less for public, private, and/or non-profit entities to install “Green Infrastructure”.	
4	(c) Flood Prevention	\$3,000,000
5	To provide grants to public and/or non-profit entities for project design and construction grants for	
6	repairing and/or removing dams, restoring and/or improving resiliency of vulnerable coastal habitats, and	
7	restoring rivers and stream floodplains.	
8	(d) Local Land Acquisition	\$3,000,000
9	Provides fifty percent (50%) matching grants to municipalities, local land trusts and non-profit	
10	organizations to acquire fee-simple title, development rights, or conservation easements to open space in	
11	Rhode Island.	
12	(e) Local Food Sector	\$500,000
13	Provides funds through the Department of Environmental Management’s Local Agriculture and	
14	Seafood Act program to farmers and/or non-profit entities to acquire, renovate and construct agricultural	
15	structures that enhance the viability and profitability of Rhode Island’s food system.	
16	(f) Farmland Acquisition	\$3,000,000
17	Provides funds to protect the state’s working farms.	
18	(g) Aquaculture Sector	\$3,200,000
19	Provides funds to develop a facility to serve as the base of operations for shellfish management and	
20	restoration in Rhode Island.	
21	(h) Marine Infrastructure and Pier Development	\$4,300,000
22	Provides funds for marine infrastructure and pier development at sites critical to Rhode Island’s	
23	tourism and fishing economy	
24	(i) Parks and Management Area Improvement and Development	\$4,000,000
25	Provides funds to repair and improve Rhode Island’s park and management areas infrastructure.	
26	(j) Land Conservation and Acquisition	\$4,000,000
27	Provides funds to purchase land, development rights and conservation easements to fill gaps in state	
28	parks and management areas; protect iconic properties that have statewide significance; and for state	
29	parks, beaches, and water access points.	
30	(k) Lake Recreation and Restoration Fund	\$1,000,000
31	Provides funds to carry out long-term projects to improve water quality in lakes that are priority state	
32	recreational assets and to improve access to and recreational opportunities on Rhode Island’s fresh water	
33	bodies.	
34	(l) Local Recreation Grants	\$4,000,000

1 Provides up to eighty percent (80%) matching grant funds to municipalities to acquire , develop, or
2 rehabilitate local recreational facilities to meet the growing needs for active recreational facilities.

3 (m) Distressed Community Recreation Grants \$1,000,000

4 Provides ninety percent (90%) matching grants under the distressed communities program to develop
5 and acquire parks and parkland.

6 (n) Clean Water Finance Agency \$20,000,000

7 Provides funds to finance water pollution abatement infrastructure projects.

8 (o) Water Facilities Assistance \$15,000,000

9 Provides funds to be leveraged with local water supplier funds to finance state water supply
10 infrastructure projects.

11 SECTION 2. **Ballot labels and applicability of general election laws.** -- The secretary of state
12 shall prepare and deliver to the state board of elections ballot labels for each of the projects provided for
13 in section 1 hereof with the designations "approve" or "reject" provided next to the description of each
14 such project to enable voters to approve or reject each such proposition. The general election laws, so far
15 as consistent herewith, shall apply to this proposition.

16 SECTION 3. **Approval of projects by people.** -- If a majority of the people voting on the
17 proposition provided for in section 1 hereof shall vote to approve the proposition as to any project
18 provided for in section 1 hereof, said project shall be deemed to be approved by the people. The authority
19 to issue bonds, refunding bonds and temporary notes of the state shall be limited to the aggregate amount
20 for all such projects as set forth in the proposition provided for in section 1 hereof which has been
21 approved by the people.

22 SECTION 4. **Bonds for capital development program.** -- The general treasurer is hereby
23 authorized and empowered with the approval of the governor and in accordance with the provisions of
24 this act, to issue from time to time capital development bonds in serial form in the name and on behalf of
25 the state in amounts as may be specified from time to time by the governor in an aggregate principal
26 amount not to exceed the total amount for all projects approved by the people and designated as "capital
27 development loan of 2014 bonds" provided, however, that the aggregate principal amount of such capital
28 development bonds and of any temporary notes outstanding at any one time issued in anticipation thereof
29 pursuant to section 7 hereof shall not exceed the total amount for all such projects as have been approved
30 by the people. All provisions in this act relating to "bonds" shall also be deemed to apply to "refunding
31 bonds".

32 Capital development bonds issued under this act shall be in denominations of one thousand
33 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the United
34 States which at the time of payment shall be legal tender for public and private debts. These capital

1 development bonds shall bear such date or dates, mature at specified time or times, but not beyond the
2 end of the twentieth state fiscal year following the state fiscal year in which they are issued, bear interest
3 payable semi-annually at a specified rate or different or varying rates, be payable at designated time or
4 times at specified place or places, be subject to expressed terms of redemption or recall, with or without
5 premium, be in a form, with or without interest coupons attached, carry such registration, conversion,
6 reconversion, transfer, debt retirement, acceleration and other provisions as may be fixed by the general
7 treasurer, with the approval of the governor, upon each issue of such capital development bonds at the
8 time of each issue. Whenever the governor shall approve the issuance of such capital development bonds,
9 he or she shall certify approval to the secretary of state; the bonds shall be signed by the general treasurer
10 and countersigned by the manual or facsimile signature of the secretary of state and shall bear the seal of
11 the state or a facsimile thereof. The approval of the governor shall be endorsed on each bond so approved
12 with a facsimile of his or her signature.

13 SECTION 5. **Refunding bonds for 2014 capital development program.** -- The general
14 treasurer is hereby authorized and empowered, with the approval of the governor and in accordance with
15 the provisions of this act, to issue from time to time bonds to refund the 2014 capital development
16 program bonds in the name and on behalf of the state, in amounts as may be specified from time to time
17 by the governor in an aggregate principal amount not to exceed the total amount approved by the people,
18 to be designated as "capital development program loan of 2014 refunding bonds" (hereinafter "refunding
19 bonds").

20 The general treasurer with the approval of the governor shall fix the terms and form of any
21 refunding bonds issued under this act in the same manner as the capital development bonds issued under
22 this act, except that the refunding bonds may not mature more than twenty (20) years from the date of
23 original issue of the capital development bonds being refunded.

24 The proceeds of the refunding bonds, exclusive of any premium and accrual interest and net the
25 underwriters' cost, and cost of bond insurance, shall, upon their receipt, be paid by the general treasurer
26 immediately to the paying agent for the capital development bonds which are to be called and prepaid.
27 The paying agent shall hold the refunding bond proceeds in trust until they are applied to prepay the
28 capital development bonds. While such proceeds are held in trust, they may be invested for the benefit of
29 the state in obligations of the United States of America or the State of Rhode Island.

30 If the general treasurer shall deposit with the paying agent for the capital development bonds the
31 proceeds of the refunding bonds or proceeds from other sources amounts that, when invested in
32 obligations of the United States or the State of Rhode Island, are sufficient to pay all principal, interest,
33 and premium, if any, on the capital development bonds until these bonds are called for prepayment, then
34 such capital development bonds shall not be considered debts of the State of Rhode Island for any

1 purpose from the date of deposit of such moneys with the paying agent. The refunding bonds shall
2 continue to be a debt of the state until paid.

3 The term "bond" shall include "note", and the term "refunding bonds" shall include "refunding
4 notes" when used in this act.

5 SECTION 6. **Proceeds of capital development program.** -- The general treasurer is directed to
6 deposit the proceeds from the sale of capital development bonds issued under this act, exclusive of
7 premiums and accrued interest and net the underwriters' cost, and cost of bond insurance, in one or more
8 of the depositories in which the funds of the state may be lawfully kept in special accounts (hereinafter
9 cumulatively referred to as "such capital development bond fund") appropriately designated for each of
10 the projects set forth in section 1 hereof which shall have been approved by the people to be used for the
11 purpose of paying the cost of all such projects so approved.

12 All monies in the capital development bond fund shall be expended for the purposes specified in
13 the proposition provided for in section 1 hereof under the direction and supervision of the director of
14 administration (hereinafter referred to as "director"). The director or his or her designee shall be vested
15 with all power and authority necessary or incidental to the purposes of this act, including but not limited
16 to, the following authority: (a) to acquire land or other real property or any interest, estate or right therein
17 as may be necessary or advantageous to accomplish the purposes of this act; (b) to direct payment for the
18 preparation of any reports, plans and specifications, and relocation expenses and other costs such as for
19 furnishings, equipment designing, inspecting and engineering, required in connection with the
20 implementation of any projects set forth in section 1 hereof; (c) to direct payment for the costs of
21 construction, rehabilitation, enlargement, provision of service utilities, and razing of facilities, and other
22 improvements to land in connection with the implementation of any projects set forth in section 1 hereof;
23 and (d) to direct payment for the cost of equipment, supplies, devices, materials and labor for repair,
24 renovation or conversion of systems and structures as necessary for 2014 capital development program
25 bonds or notes hereunder from the proceeds thereof. No funds shall be expended in excess of the amount
26 of the capital development bond fund designated for each project authorized in section 1 hereof. With
27 respect to the bonds and temporary notes described in section 1, the proceeds shall be used for the
28 following purposes:

29 Question 1 relating to bonds in the amount of one hundred twenty-five million dollars
30 (\$125,000,000) to be provided to the University of Rhode Island to construct a state-of-the-art College of
31 Engineering building and for supporting renovations and demolition of outdated engineering buildings at
32 the University of Rhode Island Kingston Campus.

1 Question 2 relating to bonds in the amount of thirty-five million dollars (\$35,000,000) for capital
2 preservation and renovation projects for public and non-profit artistic, performance centers, historic sites,
3 museums and cultural arts centers to be allocated as follows:

4 (a) Cultural Arts and the Economy Grant Program \$30,000,000

5 Provide funds for the a new Cultural Arts and the Economy Grant program to be administered by
6 the Rhode Island Commerce Corporation in consultation with the Rhode Island State Council on the Arts
7 for capital preservation and renovation projects for public and nonprofit artistic, performance centers and
8 cultural art centers located throughout the State of Rhode Island.

9 (b) State Preservation Grants Program \$5,000,000

10 Provide funds to cities, towns and non-profit organizations to preserve, renovate and improve
11 public and nonprofit historic sites, museums, and cultural art centers located in historic structures in the
12 State of Rhode Island to be administered by the Rhode Island Historical Preservation and Heritage
13 Commission.

14 Question 3 relating to bonds in the amount of forty million dollars (\$40,000,000) to be provided
15 to the Department of Transportation to provide funding for enhancements and renovations to mass transit
16 hub infrastructure throughout the State of Rhode Island to improve access to multiple intermodal sites,
17 key transportation, healthcare, and other locations.

18 Question 4 relating to bonds in the amount of seventy five million dollars (\$75,000,000) for
19 Clean Water, Open Space, and Healthy Communities programs to be allocated as follows:

20 (a) Brownfield Remediation for Economic Development \$5,000,000

21 Provides up to eighty percent (80%) matching grants to public, private, and/or non-profit entities
22 for brownfield remediation projects. Between 10,000 and 12,000 abandoned industrial sites, referred to as
23 “brownfields,” lie idle in towns and cities across the state, much of it in prime commercial or industrial
24 locations within the state’s urban services boundaries established by Land Use 2020. Cleanup,
25 reinvestment and re-use of these sites creates and attracts jobs, protects the urban environment, removes
26 hazards, prevents sprawl, and reduces the cost of stormwater flooding.

27 (b) Green Streets and Green Neighborhoods \$4,000,000

28 Provides up to seventy percent (70%) matching grants of five hundred thousand dollars
29 (\$500,000) or less for public, private, and/or non-profit entities to install “Green Infrastructure”, such as
30 green roofs, rain gardens, vegetated swales, pocket wetlands, green parking, vegetated filter strips, and
31 riparian buffers to address major stormwater issues in Rhode Island communities. Investment in green
32 infrastructure will reduce beach closures, polluted ponds and flooding; build resiliency to extreme
33 weather events; and create green jobs.

34 (c) Flood Prevention \$3,000,000

1 Provides grants to public and/or non-profit entities for project design and construction grants for
2 repairing and/or removing dams, restoring and/or improving resiliency of vulnerable coastal habitats, and
3 restoring rivers and stream floodplains. These funds are expected to leverage significant matching funds
4 to support local programs to improve community resiliency and public safety in the face of increased
5 flooding, major storm events, and environmental degradation.

6 (d) Local Land Acquisition to Build Resiliency and Natural Buffers \$3,000,000

7 Provides fifty percent (50%) matching grants to municipalities, local land trusts and non-profit
8 organizations to acquire fee-simple title, development rights, or conservation easements to open space in
9 Rhode Island. Two million dollars (\$2,000,000) of this bond funding will be prioritized for acquisitions or
10 easements along vulnerable rivers, streams, ponds, and shoreline.

11 (e) Growing our Local Food Sector \$500,000

12 Provides funds through the Department of Environmental Management's Local Agriculture and
13 Seafood Act program to farmers and/or non-profit entities to acquire, renovate, and construct agricultural
14 structures that enhance the viability and profitability of Rhode Island's food system.

15 (f) Farmland Acquisition for Active Use \$3,000,000

16 Provides funds to protect the state's working farms. Through the State Land Acquisition Program,
17 the Department of Environmental Management will purchase farmland in danger of converting to non-
18 agricultural use, then restrict and affordably sell or lease the land to qualified farmers. Funds from sale of
19 the land to farmers will be returned to the program account for re-use in new projects.

20 (g) Supporting the Growth of our Aquaculture Sector \$3,200,000

21 Provides funds for developing a facility to serve as the base of operations for shellfish
22 management and restoration in Rhode Island. Linked to the priorities and recommendations of the
23 University of Rhode Island-led Shellfish Management Planning Initiative, the facility will house the
24 Department of Environmental Management's Fish and Wildlife staff, host marine restoration partners,
25 such as The Nature Conservancy, Save the Bay, and state universities; and serve as the base for
26 aquaculture research, restoration, and aquaculture business sector development.

27 (h) Marine Infrastructure and Pier Development \$4,300,000

28 Provides funds for marine infrastructure and pier development at sites critical to Rhode Island's
29 tourism and fishing economy. Funds used for marine development and improvements will be matched
30 with federal funds, with landside improvements to be leveraged with local, private, and federal funds.
31 These funds shall be used to: develop a fishing pier and boating access ramp at Rocky Point in Warwick;
32 develop a fishing pier and public restroom facility at India Point in Providence; and develop a fishing pier
33 at Green Lane in Portsmouth.

34 (i) Park and Management Area Improvement and Development \$4,000,000

1 Provides funds to repair and improve Rhode Island’s park and management areas infrastructure.
2 The Department of Environmental Management maintains over fifty state-owned buildings and over 163
3 miles of paved and un-paved roads in state parks and management areas. Priority projects include facility
4 upgrades at Colt State Park, Brenton Point, and Fisherman’s Memorial state park; drainage and road
5 improvements within the state’s management areas; demolition of structures at Arcadia, Black Farm, and
6 Chopmist management areas; and the initial phase of Rocky Point development.

7 (j) Land Conservation and Acquisition Program \$4,000,000

8 Provides funds to purchase land, development rights and conservation easements to fill gaps in
9 state parks and management areas; protect iconic properties that have statewide significance; and for state
10 parks, beaches, and water access points. Rhode Island’s beaches, bays, forests, farms, and rivers help to
11 sustain the state’s economy and provide residents with a high quality of life. On average, the Department
12 of Environmental Management is able to leverage a seventy-five percent (75%) match from federal and
13 local sources to match the state’s investment.

14 (k) Lake Recreation and Restoration Fund \$1,000,000

15 Provides funds to carry out long-term projects to improve water quality in lakes that are priority
16 state recreational assets and to improve access to and recreational opportunities on Rhode Island’s fresh
17 water bodies. Rhode Island's landscape includes hundreds of freshwater lakes and ponds covering 20,749
18 acres. Freshwater facilities and water bodies provide a myriad of outdoor recreational opportunities,
19 support our robust recreational fishing economy, and in many communities serve as drinking water
20 supplies.

21 (l) Local Recreation Grants \$4,000,000

22 Provides up to eighty percent (80%) matching grant funds to municipalities to acquire, develop,
23 or rehabilitate local recreational facilities to meet the growing needs for active recreational facilities. All
24 grant applications are evaluated and ranked by the State Recreation Resources Review Committee.

25 (m) Distressed Community Recreation Grants \$1,000,000

26 Provides ninety percent (90%) matching grants under the distressed communities program for
27 development of parks and parkland acquisition.

28 (n) Capital for Clean Water \$20,000,000

29 Provides funds to be administered by the Clean Water Finance Agency to finance water pollution
30 abatement infrastructure projects. The Department of Environmental Management has compiled a list of
31 more than \$1.8 billion dollars of needed clean water infrastructure improvements from municipalities and
32 the Narragansett Bay Commission. Projects range from wastewater treatment upgrades and stormwater
33 quality improvements to combined sewer overflow abatement projects.

34 (o) Protection and Enhancement of Public Drinking Water Supplies \$15,000,000

1 Provides funds to be leveraged with local water supplier funds to finance state water supply
2 infrastructure projects. Projects include the construction of an alternative water supply line for the Bristol
3 County Water Authority and to construct interconnection lines between major water systems for strategic
4 movement of water throughout the State, both for emergency and normal operations.

5 SECTION 7. **Sale of bonds and notes.** -- Any bonds or notes issued under the authority of this
6 act shall be sold from time to time at not less than the principal amount thereof, in such mode and on such
7 terms and conditions as the general treasurer, with the approval of the governor, shall deem to be for the
8 best interests of the state.

9 Any premiums and accrued interest, net of the cost of bond insurance and underwriter's discount,
10 which may be received on the sale of the capital development bonds or notes shall become part of the
11 Rhode Island Capital Plan Fund of the state, unless directed by federal law or regulation to be used for
12 some other purpose.

13 In the event that the amount received from the sale of the capital development bonds or notes
14 exceeds the amount necessary for the purposes stated in section 6 hereof, the surplus may be used to the
15 extent possible to retire the bonds as the same may become due, to redeem them in accordance with the
16 terms thereof or otherwise to purchase them as the general treasurer, with the approval of the governor,
17 shall deem to be for the best interests of the state.

18 Any bonds or notes issued under the provisions of this act and coupons on any capital
19 development bonds, if properly executed by the manual or facsimile signatures of officers of the state in
20 office on the date of execution shall be valid and binding according to their tenor, notwithstanding that
21 before the delivery thereof and payment therefor, any or all such officers shall for any reason have ceased
22 to hold office.

23 SECTION 8. **Bonds and notes to be tax exempt and general obligations of the state.** -- All
24 bonds and notes issued under the authority of this act shall be exempt from taxation in the state and shall
25 be general obligations of the state, and the full faith and credit of the state is hereby pledged for the due
26 payment of the principal and interest on each of such bonds and notes as the same shall become due.

27 SECTION 9. **Investment of moneys in fund.** -- All moneys in the capital development fund not
28 immediately required for payment pursuant to the provisions of this act may be invested by the
29 investment commission, as established by chapter 35-10, pursuant to the provisions of such chapter;
30 provided, however, that the securities in which the capital development fund is invested shall remain a
31 part of the capital development fund until exchanged for other securities; and provided further, that the
32 income from investments of the capital development fund shall become a part of the general fund of the
33 state and shall be applied to the payment of debt service charges of the state, unless directed by federal
34 law or regulation to be used for some other purpose, or to the extent necessary, to rebate to the United

1 States treasury any income from investments (including gains from the disposition of investments) of
2 proceeds of bonds or notes to the extent deemed necessary to exempt (in whole or in part) the interest
3 paid on such bonds or notes from federal income taxation.

4 SECTION 10. **Appropriation.** -- To the extent the debt service on these bonds is not otherwise
5 provided, a sum sufficient to pay the interest and principal due each year on bonds and notes hereunder is
6 hereby annually appropriated out of any money in the treasury not otherwise appropriated.

7 SECTION 11. **Advances from general fund.** -- The general treasurer is authorized from time to
8 time with the approval of the director and the governor, in anticipation of the issue of notes or bonds
9 under the authority of this act, to advance to the capital development bond fund for the purposes specified
10 in section 6 hereof, any funds of the state not specifically held for any particular purpose; provided,
11 however, that all advances made to the capital development bond fund shall be returned to the general
12 fund from the capital development bond fund forthwith upon the receipt by the capital development fund
13 of proceeds resulting from the issue of notes or bonds to the extent of such advances.

14 SECTION 12. **Federal assistance and private funds.** -- In carrying out this act, the director, or
15 his or her designee, is authorized on behalf of the state, with the approval of the governor, to apply for
16 and accept any federal assistance which may become available for the purpose of this act, whether in the
17 form of loan or grant or otherwise, to accept the provision of any federal legislation therefor, to enter into,
18 act and carry out contracts in connection therewith, to act as agent for the federal government in
19 connection therewith, or to designate a subordinate so to act. Where federal assistance is made available,
20 the project shall be carried out in accordance with applicable federal law, the rules and regulations
21 thereunder and the contract or contracts providing for federal assistance, notwithstanding any contrary
22 provisions of state law. Subject to the foregoing, any federal funds received for the purposes of this act
23 shall be deposited in the capital development bond fund and expended as a part thereof. The director or
24 his or her designee may also utilize any private funds that may be made available for the purposes of this
25 act.

26 SECTION 13. **Effective Date.** -- Sections 1, 2, 3, 11, and 12 of this article shall take effect upon
27 passage. The remaining sections of this article shall take effect when and if the state board of elections
28 shall certify to the secretary of state that a majority of the qualified electors voting on the propositions
29 contained in section 1 hereof have indicated their approval of all or any projects thereunder.

30 ARTICLE 6

31 RELATING TO RESOURCE RECOVERY CORPORATION

32 SECTION 1. Section 23-19-13.5 of the General Laws in Chapter 23-19 entitled "Rhode Island
33 Resource Recovery Corporation" is hereby amended to read as follows:

1 (4) Direct rate relief for low-income consumers;

2 (5) Reasonable compensation to an entity selected to administer the auction or sale; and

3 (6) Reasonable costs of the department of environmental management and office of energy
4 resources in administering this program, as well as other climate change, energy efficiency, and
5 renewable program efforts of the department of environmental management and office of energy
6 resources, which shall not in any year exceed three hundred thousand dollars (\$300,000) or ~~five percent~~
7 ~~(5%)~~ ten percent (10%) of the proceeds from sale or auction of the allowances, whichever is ~~less~~ greater.

8 Administrative funds not expended in any fiscal year shall remain in the administrative account to be used
9 as needed in subsequent years. The office of energy resources shall have the ability to apply
10 administrative funds not used in a fiscal year to achieve the purpose of this section. The funds deposited
11 into the administrative funds account shall be exempt from the indirect cost recovery provisions of section
12 35-4-27.

13 (b) Any interest earned on the funds so generated must be credited to the fund. Funds not spent in
14 any fiscal year shall remain in the fund to be used for future energy efficiency and carbon reduction
15 programs.

16 (c) Annually, the office, in consultation with council and board, shall prepare a draft proposal on
17 how the proceeds from the allowances shall be allocated. The draft proposal shall be designed to augment
18 and coordinate with existing energy efficiency and renewable energy programs, and shall not propose use
19 of auction proceeds for projects already funded under other programs. The proposal for allocation of
20 proceeds in subsections 23-82-6(1), (2) and (3) shall be one that best achieves the purposes of the law,
21 namely, lowering carbon emissions and minimizing costs to consumers over the long term. The office
22 shall hold a public hearing and accept public comment on the draft proposal in accordance with chapter
23 42-35 (the "Administrative Procedure Act"). Once the proposal is final, the office shall authorize the
24 disbursement of funds in accordance with the final plan.

25 (d) The office shall prepare, in consultation with council and board, a report by April 15th of each
26 year describing the implementation and operation of RGGI, the revenues collected and the expenditures,
27 including funds that were allocated to the energy efficiency and renewable energy programs, and the
28 individuals, businesses and vendors that received funding, made under this section, the statewide energy
29 efficiency and carbon reduction programs, and any recommendations for changes to law relating to the
30 state's energy conservation or carbon reduction efforts. The report shall be made public and be posted
31 electronically on the website of the office of energy resources and shall also be submitted to the general
32 assembly.

33 SECTION 2. This article shall take effect as of July 1, 2014.

34

1 (6) The alternatives connection to the Pawtucket water supply board authorized by this chapter
2 will be less expensive than the ~~East Providence connection~~ Shad Factory pipeline replacement and the
3 Child Street Treatment facility upgrade, so-called, and

4 (7) Reliance by citizens of East Providence and Bristol County on a single connection to the
5 Providence water supply board would create a hazard to the health, safety and welfare of the citizens of
6 East Providence and Bristol County, and, therefore, the construction of an ~~emergency connection~~
7 interconnection to the Pawtucket water supply board, which shall permit water to flow in either direction
8 is a public necessity.

9 (8) The state is mandated to ~~upgrade the current Bristol County water system of reservoirs, wells,~~
10 ~~treatment plant, and transmission lines, with the first priority being given to the construction of a new raw~~
11 ~~water transmission line~~ coordinate the construction of the interconnection between Pawtucket water
12 supply board, the East Providence water division, and the Bristol County water authority.

13 **§ 46-15.5-4 Rates and charges for water.** – If either the Pawtucket water supply board, city of
14 East Providence or the Bristol County water authority shall utilize the ~~emergency connection~~
15 interconnection, the party providing water shall charge the party for the water so provided an amount
16 determined by applying the rate charged to such providing party by the ~~Providence~~ originating water
17 supply board under the then current schedule applicable to such party. No such connection nor the
18 transmission of water through such connection nor the payment of the surcharge shall subject the either
19 the City of East Providence or the Pawtucket water supply board to the jurisdiction of the public utilities
20 commission pursuant to § 39-1-2(20).

21 **§ 46-15.5-5 Financing.** – (a) The ~~Bristol County water authority~~ extension of the ~~its~~ transmission
22 system to connect the Bristol County water authority to the ~~Providence~~ Pawtucket water supply system
23 ~~through the additional connection together with the emergency connection as set forth in § 46-15.5-3 and~~
24 ~~the cost of planning, design and permitting the improvements to the Bristol County water authority's~~
25 ~~existing system as set forth in § 46-15.5-6 (the "existing system" enhancement)~~ as directed by the water
26 resources board shall be deemed an approved intersystem facility as that term is defined in § 46-15.2-3
27 and up to fifty percent (50%) of the cost thereof shall be considered eligible for funding pursuant to the
28 provisions of chapter 15.2 of this title. This funding will supplement the funding available through
29 provisions of § 46-15.5-6 and 46-15.5-6.1. The remaining costs will be contributed by the Pawtucket
30 water supply board, East Providence water division, and the Bristol County water authority, in
31 proportions to be established by the state water resources board. There is hereby included in the 1994
32 capital budget an amount equal to \$14.8 million (\$14,800,000) to be used to fund such additional
33 connections, the emergency connection and the existing system enhancement. The water resources board
34 is hereby directed to take such steps as shall be necessary to transfer any funds heretofore set aside or

1 designated for purposes of providing funding ~~to the Bristol County water authority for the cross bay~~
2 ~~pipeline to the East Providence connection~~ for the design, permitting, and construction of
3 interconnections between the Pawtucket water supply board and the Bristol County water authority
4 system, as authorized and directed by this chapter.

5 (b) The Bristol County water authority, the East Providence water division, and the Pawtucket
6 water supply board is deemed to have met the provisions of § 46-15.2-5(d)(2), (3), (4), (5), (6), (8), (e)
7 and (f) with respect to the connections authorized by this chapter. The water resources board shall give
8 priority to the application filed by the Bristol County water authority in accordance with chapter 15.2 of
9 this title and this chapter and shall approve the project based upon its findings of fact as provided in §§
10 46-15.2-5(d)(1) and (7) without the necessity of meeting any other conditions precedent set forth in §§
11 46-15.2-4(e) and 46-15.2-6(a).

12 (c) All other state agencies having jurisdiction over the Bristol County water authority with
13 respect to any permit required to design and construct the additional and emergency connections
14 authorized by this chapter shall give administrative, hearing and decisional priority to any application for
15 any such permit.

16 **§ 46-15.5-6 Existing facilities of the Bristol County water authority.** – (a) The Bristol County
17 water authority will continue to maintain its reservoirs, wells and well sites, transmission lines and water
18 treatment plants in good, sound and safe condition in accordance with its past practices. The Bristol
19 County water authority shall continue to take all steps necessary to protect its legal right to withdraw
20 water from its existing reservoirs, wells and well sites, and shall protect the watershed surrounding said
21 reservoirs to the extent it has legal authority to do so and shall maintain its transmission lines from its
22 existing reservoirs, wells, well sites and water treatment facilities; provided, however, that if in order to
23 protect its legal authority to withdraw water from the existing reservoirs, the Bristol County water
24 authority shall be required to maintain all or part of its facilities in accordance with federal Safe Drinking
25 Water Act standards, 42 U.S.C. § 300f et seq., the capital cost thereof shall be paid for by the ~~state water~~
26 ~~resources board~~ ratepayers of the Bristol County water authority.

27 (b) The Bristol County water authority in co-operation with the state water resources board shall
28 prepare a plan to protect, enhance and improve its existing reservoirs, wells, well sites, transmission lines
29 and treatment plants. ~~Upon approval of such plan, the authority shall cause to be prepared definitive~~
30 ~~construction plans and drawings and shall apply for and prosecute to completion all federal, state and~~
31 ~~local permits necessary to permit such construction to be lawfully undertaken;~~ provided, however, if at
32 any time, the Bristol County water authority shall have satisfied the limitation on its financial
33 commitment as set forth in § 46-15.5-6.1, then it shall no longer be required to undertake such planning,
34 design and permitting unless the water resources board shall lawfully provide one hundred percent

1 ~~(100%) of the cost thereof. This plan will be integrated into the Bristol County water authority water~~
2 ~~supply system management plan pursuant to chapter 15.3 of this title. Such plan shall make reference to~~
3 ~~the proper use, management, and maintenance of the primary, secondary, and tertiary sources of supply.~~

4 (c) Upon completion of the construction authorized by such plan, the Bristol County water
5 authority shall utilize the existing system as so improved in the overall management of its water supply
6 and distribution system in compliance with its water supply management plan approved pursuant to
7 chapter ~~15.4~~ 15.3 of this title. If, after all permits for such improvements and enhancements have been
8 received the water resources board shall determine to purchase such existing reservoirs, wells, well sites,
9 transmission lines, and distribution of water treatment facilities, the Bristol County water authority is
10 authorized to sell or lease any one or more of such reservoirs, wells, well sites, transmission lines, or
11 treatment facilities to the board pursuant to the provision of § 46-15.1-7 and the board is authorized to the
12 extent not otherwise permitted by law to acquire such facilities and improve such facilities under the
13 provisions of chapter 15.3 of this title except as specifically provided for in this section. ~~From and after~~
14 ~~the date of the activation of the additional and emergency connection, the Bristol County water authority~~
15 ~~shall have no further obligation to expend funds for improvements to its reservoirs, pipelines connecting~~
16 ~~any one or more of such reservoirs and water treatment facilities unless and to the extent that such funds~~
17 ~~shall be provided by the water resources board pursuant to existing provisions of the general laws or such~~
18 ~~provisions as may be hereinafter enacted.~~

19 (d) The state water resources board shall provide funding ~~necessary to maintain the reservoirs,~~
20 ~~wells and well sites and pipelines connecting any one or more of such reservoirs, wells and well sites, and~~
21 ~~water treatment facilities of the Bristol County water authority system~~ from general obligation bond
22 proceeds, if available, of up to \$13.5 million (fifty percent (50%) of the total estimated project cost of
23 \$27.0 million) to construct interconnections from the Pawtucket water supply board system to the Bristol
24 County water authority system, so as to meet all federal standards related to safe drinking water.
25 Notwithstanding any other provision of law, any amounts so expended by the state water resources board
26 shall be deemed eligible expenditures within the meaning of § 46-15.3-4(4).

27 **§ 46-15.5-6.1 Limitation on expenditures.** – The Bristol County water authority, ~~the Pawtucket~~
28 ~~water supply board, and the East Providence water division~~ shall pay ~~fifty percent (50%)~~ proportional
29 shares of costs of planning, design, permitting and construction of the ~~additional and emergency~~
30 ~~connections authorized by this chapter, until the total cost thereof shall equal \$29.6 million (\$29,600,000)~~
31 ~~in proportions to be established by the state water resources board.~~ All costs in excess of ~~\$29.6 million~~
32 ~~(\$29,600,000)~~ \$13.5 million will be paid by the Bristol County water authority, the East Providence water
33 division, and the Pawtucket water supply board, in proportions to be established by the state water
34 resources board. ~~In the event that the total expenditures by the Bristol County water authority for the~~

1 ~~planning, design, permitting and construction of the additional and emergency connections authorized~~
2 ~~hereby shall be less than \$14.8 million (\$14,800,000), the Bristol County water authority shall expend the~~
3 ~~differences for the planning, design, permitting and construction of the existing systems enhancements,~~
4 ~~with the first priority being given to the completion of a new raw water transmission line to the existing~~
5 ~~Bristol County reservoirs.~~

6 **§ 46-15.5-7 Connection with Providence and Pawtucket water supply system.** – The
7 provisions of § 18 of chapter 1278 of the public laws of Rhode Island, of 1915 as amended, dealing with
8 the connection of the Bristol County water authority with the Providence water supply system are hereby
9 amended to authorize the additional connection and the emergency connections in the manner approved
10 by the water resources board in accordance with the provisions of this chapter and with chapter 15 of this
11 title. That § 18 is further amended by adding the City of East Providence to those cities wherein all
12 pipelines and other water works appurtenances of the Bristol County water authority are exempt from
13 local taxation. The City of Providence is authorized and directed to treat the additional connection as an
14 acceptable "delivery point" pursuant to those provisions of that certain agreement dated March 28, 1986
15 between the Bristol County water authority and the City of Providence, subject nevertheless to the
16 provisions of § 5 of such agreement. The connection of the Bristol County water authority system and the
17 East Providence water division with the Pawtucket water supply board system shall be authorized by the
18 water resources board in accordance with the provisions of this chapter and with chapter 15 of this title,
19 and as stated in a written agreement executed by the parties.

20 **§ 46-15.5-9 Administrative priority.** – Any state agency, board, council, or commission shall
21 give priority in terms of consideration of, and hearing on, any application made by the Bristol County
22 water authority, East Providence water division, or the Pawtucket water supply board, seeking necessary
23 approvals to carry out the provisions of this chapter.

24 SECTION 2. Section 46-15.5-3 of the General Laws in Chapter 46-15.5 entitled "Bristol County
25 Water Supply" is hereby repealed.

26 ~~**§ 46-15.5-3 Pipeline connection.** (a) The Bristol County water authority shall design, plan,~~
27 ~~permit, and construct an additional connection to the City of Providence water supply system and~~
28 ~~construct a new water transmission line to its existing reservoirs. The additional connection to Providence~~
29 ~~will be constructed north of Fields Point across the Providence River through subterranean excavation,~~
30 ~~directional drilling or micro tunneling for a pipe not to exceed thirty (30) inches in diameter and without~~
31 ~~any excavation of the river bed and to extend its transmission mains into and through the city of East~~
32 ~~Providence to connect with the distribution system of the Bristol County water authority to effect a~~
33 ~~regular and emergency connection at such places and on such terms and pursuant to such plans as the~~
34 ~~water resources board shall approve pursuant to the provisions of § 46-15-7.~~

1 (i) All departments, divisions, agencies, and instrumentalities of the state which are not juristic
2 entities, legally separate and distinct from the state;

3 (ii) Civilian employees of the Rhode Island national guard; or

4 (iii) Any instrumentality of the state such as fire districts, water districts, water authorities, sewer
5 commissions and authorities, housing authorities, or other instrumentality of the state which are a juristic
6 entity and legally separate and distinct from the state and if the employees of the instrumentality are not
7 by virtue of their relation to juristic entity employees of the state. Without limiting the generality of the
8 foregoing, examples of those agencies would be the Kent County water authority, the Providence housing
9 authority, the Blackstone Valley sewer district commission, and other like instrumentalities of the state.

10 (2) "City or town" shall mean:

11 (i) Any city or town of the state of Rhode Island, inclusive of any department, division, agency,
12 board, commission, or bureau thereof;

13 (ii) Any instrumentality of a city or town which is a juristic entity and legally separate and
14 distinct from the city or town and if its employees are not by virtue of their relation to the juristic entity
15 employees of the city or town; or

16 (iii) Any instrumentality of two or more citizens and/or towns which is a juristic entity as
17 provided in subdivision (ii) hereof.

18 (3) "IRC" shall mean the Internal Revenue Code of 1986, as amended.

19 (4) "Coverage group" shall mean:

20 (i) All employees of the state other than those engaged in performing service in connection with a
21 proprietary function;

22 (ii) All employees of a city or town other than those engaged in performing service in connection
23 with a single proprietary function;

24 (iii) All employees of the state engaged in performing service in connection with a single
25 proprietary function;

26 (iv) All employees of an agency of the state;

27 (v) All employees of a city or town of the state engaged in performing service in connection with
28 a single proprietary function. If under the preceding sentence an employee would be included in more
29 than one coverage group by reason of the fact that he or she performs service in connection with two (2)
30 or more proprietary functions or in connection with both a proprietary function and a nonproprietary
31 function, he or she shall be included in only one coverage group. The determination of the coverage group
32 in which the employee shall be included shall be made in such manner as may be specified in the
33 agreement. Members of retirement systems shall constitute separate coverage groups as provided in § 36-
34 7-10.

1 (5) "Employee" shall mean any officer or employee of any city, town, or agency of the state
2 receiving salaries or wages for employment.

3 (6) "Employment" shall mean any service performed by an employee for wages as a member of a
4 coverage group as herein defined, including service of an emergency nature, service in any class or
5 classes of elective positions and service in part-time positions, but excluding the following:

6 (i) Service in a position the compensation for which is on a fee basis;

7 (ii) Service performed by election officials or election workers for calendar year 2003 in which
8 the remuneration paid for that service is less than one thousand two hundred fifty dollars (\$1,250), and for
9 each calendar year after 2003 in which the remuneration paid is less than the adjusted amount in
10 accordance with section 218(c)(8)(B) of the Social Security Act;

11 (iii) Service which under the federal Social Security Act may not be included in an agreement
12 between the state and the secretary entered into under this chapter;

13 (iv) Service which, in the absence of an agreement entered into under §§ 36-7-1 – 36-7-31, would
14 constitute "employment" as defined in the federal Social Security Act. Service which under the federal
15 Social Security Act may be included in an agreement only upon certification by the governor in
16 accordance with § 218(d)(3) of the federal Social Security Act, 42 U.S.C. § 418(d)(3), shall be included in
17 the term "employment" if and when the governor issues, with respect to that service, a certificate to the
18 secretary, pursuant to § 36-7-19.

19 (B) Notwithstanding any of the foregoing, if pursuant to § 141 of P.L. 92-603, 42 U.S.C. § 418,
20 the state agreement with the federal government referred to in § 36-7-3 is modified appropriately at any
21 time prior to January 1, 1974, the term "employment" with respect to any coverage group specified in the
22 modification shall, effective after the effective date specified in the modification, include services in
23 designated part-time positions but not services performed in the employ of a school, college, or university
24 by a student who is enrolled and regularly attending classes at that school, college, or university.

25 (7) "FARP" shall mean the FICA Alternative Retirement Income Security Program as described
26 in § 36-7-33.1.

27 (8) "FARP-eligible employee" shall mean any part-time, seasonal, or temporary employee of the
28 state of Rhode Island who is ineligible for participation in the Employees' Retirement System of Rhode
29 Island.

30 (9) "FARP part-time employee" shall mean an employee of the state of Rhode Island who works
31 less than twenty (20) hours ~~or less~~ per week, in accordance with IRC standards.

32 (10) "Federal Insurance Contributions Act" or "FICA" shall mean subchapter A of chapter 9 of
33 the federal Internal Revenue Code of 1939, subchapters A and B of chapter 21 of the federal Internal
34 Revenue Code of 1954, and subchapters A and B of chapter 21 of the federal Internal Revenue Code of

1 1986 as those codes have been and may from time to time be amended; and the term "employee tax" shall
2 mean the tax imposed by § 1400 of the code of 1939, § 3101 of the code of 1954, and § 3101 of the code
3 of 1986.

4 (11) "Federal Social Security Act", 42 U.S.C. § 301 et seq., shall mean the act of congress
5 approved August 14, 1935, officially cited as the "Social Security Act", including any amendments
6 thereto, and any regulations, directives, or requirements interpretative or implementive thereof.

7 (12) "Part-time employment" shall mean any employment by those who work on a regularly
8 scheduled basis regardless of hours.

9 (13) "Retirement board" shall mean the retirement board as provided in chapter 8 of this title.

10 (14) "Secretary", except when used in the title "secretary of the treasury", shall mean the secretary
11 of health and human services and any individual to whom the secretary of health and human services has
12 delegated any of his or her functions under the federal Social Security Act, 42 U.S.C. § 301 et seq., with
13 respect to coverage under that act of employees of states and their political subdivisions.

14 (15) "Sick pay" shall mean the amount of any payment (including any amount paid by an
15 employer for insurance or annuities, or into a fund to provide for any sick pay) made to, or on behalf of,
16 an employee or any of his or her dependents under a plan or system established by an employer which
17 makes provision for his employees generally (or for his or her employees generally and their dependents)
18 or for a class or classes of his employees (or for a class or classes of his employees and their dependents),
19 on account of sickness or accident disability.

20 (16) "State" shall mean the state of Rhode Island.

21 (17) "Wages" or "salaries" shall mean all compensation received by an employee for employment
22 as defined herein, including the cash value of all remuneration received by an employee in any medium
23 other than cash, except that this term shall not include that part of the remuneration which, even if it were
24 for "employment" within the meaning of the Federal Insurance Contributions Act, 26 U.S.C. § 3101 et
25 seq., would not constitute "wages" within the meaning of that act.

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

27 **ARTICLE 10**

28 **RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2014**

29 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this
30 act, the following general revenue amounts are hereby appropriated out of any money in the treasury not
31 otherwise appropriated to be expended during the fiscal year ending June 30, 2014. The amounts
32 identified for federal funds and restricted receipts shall be made available pursuant to section 35-4-22 and
33 Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes and functions hereinafter
34 mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the

1 general treasurer for the payment of such sums or such portions thereof as may be required from time to
 2 time upon receipt by him or her of properly authenticated vouchers.

	FY 2014	FY 2014	FY 2014
	<u>Enacted</u>	<u>Change</u>	<u>Final</u>
Administration			
<i>Central Management</i>			
General Revenues	2,111,597	339,878	2,451,475
Office of Digital Excellence	810,441	5,099	815,540
Federal Funds	194,591	(194,591)	0
Total - Central Management	3,116,629	150,386	3,267,015
<i>Legal Services</i>			
General Revenues	1,948,683	364,033	2,312,716
Total – Legal Services	1,948,683	364,033	2,312,716
<i>Accounts and Control</i>			
General Revenues	3,966,422	(93,883)	3,872,539
Total - Accounts and Control	3,966,422	(93,883)	3,872,539
<i>Office of Management and Budget</i>			
General Revenues	4,049,888	(108,988)	3,940,900
Restricted Receipts	481,303	(215,364)	265,939
Total – Office of Management and Budget	4,531,191	(324,352)	4,206,839
<i>Purchasing</i>			
General Revenues	2,689,542	143,779	2,833,321
Federal Funds	193,710	(115,403)	78,307
Other Funds	360,814	(45,523)	315,291
Total – Purchasing	3,244,066	(17,147)	3,226,919
<i>Auditing</i>			
General Revenues	1,344,585	16,669	1,361,254
Other Funds	0	25,000	25,000
Total – Auditing	1,344,585	41,669	1,386,254
<i>Human Resources</i>			
General Revenues	8,329,216	(67,831)	8,261,385
Federal Funds	808,123	(80,589)	727,534
Restricted Receipts	469,283	(36,684)	432,599
Other Funds	1,580,772	(49,414)	1,531,358

1	Total - Human Resources	11,187,394	(234,518)	10,952,876
2	<i>Personnel Appeal Board</i>			
3	General Revenues	75,036	0	75,036
4	Total – Personnel Appeal Board	75,036	0	75,036
5	<i>Facilities Management</i>			
6	General Revenues	32,198,875	(1,774,970)	30,423,905
7	Federal Funds	925,630	206,048	1,131,678
8	Restricted Receipts	616,083	(163,194)	452,889
9	Other Funds	3,696,513	(441,380)	3,255,133
10	Total – Facilities Management	37,437,101	(2,173,496)	35,263,605
11	<i>Capital Projects and Property Management</i>			
12	General Revenues	1,240,545	23,888	1,264,433
13	Total – Capital Projects and			
14	Property Management	1,240,545	23,888	1,264,433
15	<i>Information Technology</i>			
16	General Revenues	19,293,222	(214,943)	19,078,279
17	Federal Funds	7,135,490	(613,302)	6,522,188
18	Restricted Receipts	5,370,582	(234,387)	5,136,195
19	Other Funds	2,182,024	611,114	2,793,138
20	Total – Information Technology	33,981,318	(451,518)	33,529,800
21	<i>Library and Information Services</i>			
22	General Revenues	1,007,465	(4,060)	1,003,405
23	Federal Funds	1,183,126	186,031	1,369,157
24	Restricted Receipts	1,694	(1,041)	653
25	Total - Library and Information Services	2,192,285	180,930	2,373,215
26	<i>Planning</i>			
27	General Revenues	4,701,094	(17,377)	4,683,717
28	Federal Funds	10,935,098	4,094,745	15,029,843
29	Other Funds			
30	Federal Highway – PL Systems Planning	5,039,312	(1,311,824)	3,727,488
31	Air Quality Modeling	0	22,875	22,875
32	Total - Planning	20,675,504	2,788,419	23,463,923
33	<i>General</i>			
34	General Revenues			

1	Economic Development Corporation			
2	Rhode Island Commerce Corporation	4,545,572	0	4,545,572
3	EDC <u>RICC</u> – Airport Corporation Impact Aid	1,025,000	0	1,025,000
4	Sixty percent (60%) of the first one million dollars (\$1,000,000) appropriated for airport impact			
5	aid shall be distributed to each airport serving more than one million (1,000,000) passengers based upon			
6	its percentage of the total passengers served by all airports serving more than 1,000,000 passengers. Forty			
7	percent (40%) of the first one million dollars (\$1,000,000) shall be distributed based on the share of			
8	landings during the calendar year 2013 at North Central Airport, Newport-Middletown Airport, Block			
9	Island Airport, Quonset Airport, T.F. Green Airport and Westerly Airport, respectively. The Economic			
10	Development Corporation <u>Rhode Island Commerce Corporation</u> shall make an impact payment to the			
11	towns or cities in which the airport is located based on this calculation. Each community upon which any			
12	parts of the above airports are located shall receive at least twenty-five thousand dollars (\$25,000).			
13	EDC <u>RICC</u> – EPScore (Research Alliance)	1,150,000	0	1,150,000
14	Innovative Matching Grants	500,000	0	500,000
15	Miscellaneous Grants/Payments	146,049	0	146,049
16	Slater Centers of Excellence	1,000,000	0	1,000,000
17	Torts – Courts	400,000	0	400,000
18	Current Care/Health Information Exchange	450,000	0	450,000
19	I-195 Commission	501,000	674,679	1,175,679
20	RI Film and Television Office	310,747	(1,782)	308,965
21	State Employees/Teachers Retiree Health Subsidy	2,321,057	0	2,321,057
22	Resource Sharing and State Library Aid	8,773,398	0	8,773,398
23	Library Construction Aid	2,500,666	0	2,500,666
24	Federal Funds	4,345,555	0	4,345,555
25	Restricted Receipts	421,500	0	421,500
26	Rhode Island Capital Plan Funds			
27	Statehouse Renovations	1,879,000	(454,000)	1,425,000
28	DoIT Enterprise Operations Center	250,000	106,350	356,350
29	Cranston Street Armory	1,650,000	(724,456)	925,544
30	Cannon Building	650,000	288,987	938,987
31	Zambarano Building Rehabilitation	1,530,000	63,080	1,593,080
32	Pastore Center Rehab DOA Portion	1,155,000	1,362,000	2,517,000
33	Old State House	500,000	32,000	532,000
34	State Office Building	715,000	358,936	1,073,936

1	Old Colony House	175,000	187,605	362,605
2	William Powers Building	2,700,000	(200,000)	2,500,000
3	Fire Code Compliance State Buildings	500,000	(500,000)	0
4	Pastore Center Fire Code Compliance	1,691,596	(966,596)	725,000
5	Pastore Center Utility Systems Upgrade	2,745,789	(1,645,789)	1,100,000
6	Replacement of Fueling Tanks	300,000	350,000	650,000
7	Environmental Compliance	200,000	0	200,000
8	Big River Management Area	180,000	175,811	355,811
9	Pastore Center Building Demolition	2,400,000	(1,063,123)	1,336,877
10	Washington County Government Center	612,000	(152,000)	460,000
11	Veterans Memorial Auditorium	5,298,789	246,016	5,544,805
12	Chapin Health Laboratory	1,725,000	(1,425,000)	300,000
13	Pastore Center Parking	300,000	300,884	600,884
14	Pastore Center Water Tanks	300,000	0	300,000
15	Board of Elections New Location	1,250,000	(1,250,000)	0
16	Pastore Cottages Rehab	800,000	(177,672)	622,328
17	Ladd Center Building Demolition	1,500,000	228,208	1,728,208
18	I-195 Commission	250,000	30,789	280,789
19	RI Convention Center Authority	1,000,000	58,531	1,058,531
20	Dunkin Donuts Center	925,000	0	925,000
21	Mathias	1,600,000	(350,000)	1,250,000
22	Pastore Center Power Plant	1,600,000	0	1,600,000
23	Virks	1,000,000	(700,000)	300,000
24	Harrington Hall Renovations	1,000,000	180,000	1,180,000
25	Veterans Land Purchase	4,150,000	0	4,150,000
26	Health Laboratory Feasibility Study	0	111,892	111,892
27	Zambarano Wood Chip Boiler	0	32,838	32,838
28	Ladd Rubble Pile	0	45,000	45,000
29	Provided that the cost for the land purchase shall not exceed \$70.00 per square foot.			
30	Total – General	70,922,718	(4,776,812)	66,145,906
31	<i>Debt Service Payments</i>			
32	General Revenues	157,387,801	(3,188,408)	154,199,393
33	Of the general revenue appropriation for debt service, two million five hundred thousand			

1 dollars (\$2,500,000) is appropriated for transfer to the Capital Reserve Fund of the ~~EDC~~ RICC Job
 2 Creation Guaranty program.

3	Federal Funds	2,759,328	(91,929)	2,667,399
4	Restricted Receipts	2,131,275	(46,026)	2,085,249
5	Other Funds			
6	Transportation Debt Service	30,369,820	116,868	30,486,688
7	Investment Receipts – Bond Funds	100,000	0	100,000
8	COPS - DLT Building – TDI	278,848	(7,195)	271,653
9	Total - Debt Service Payments	193,027,072	(3,216,690)	189,810,382

10 *Energy Resources*

11	Federal Funds	590,080	(18,915)	571,165
12	Federal Funds – Stimulus	5,150,000	560,235	5,710,235
13	Restricted Receipts	5,459,477	183,062	5,642,539
14	Total – Energy Resources	11,199,557	724,382	11,923,939

15 *Rhode Island Health Benefits Exchange*

16	Federal Funds	28,348,926	24,079,750	52,428,676
17	Total - Rhode Island Health Benefits			
18	Exchange	28,348,926	24,079,750	52,428,676

19 *Construction Permitting, Approvals and Licensing*

20	General Revenues	1,421,350	70,225	1,491,575
21	Restricted Receipts	1,408,159	(12,172)	1,395,987
22	Total – Construction Permitting, Approvals and			
23	Licensing	2,829,509	58,053	2,887,562

24 *Personnel Savings*

25	General Revenues	(1,398,040)	1,134,452	(263,588)
26	Federal Funds	(379,988)	316,875	(63,113)
27	Restricted Receipts	(446,548)	416,848	(29,700)
28	Other Funds	(342,628)	331,490	(11,138)
29	Total – Personnel Savings	(2,567,204)	2,199,665	(367,539)

30	Grand Total – Administration	428,701,337	19,322,759	448,024,096
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31 **Business Regulation**

32 *Central Management*

33	General Revenues	1,197,671	23,727	1,221,398
34	Total – Central Management	1,197,671	23,727	1,221,398

1	<i>Banking Division</i>			
2	General Revenues	1,715,225	(197,531)	1,517,694
3	Restricted Receipts	125,000	(75,000)	50,000
4	Total – Banking Division	1,840,225	(272,531)	1,567,694
5	<i>Securities Regulation</i>			
6	General Revenues	980,090	(44,942)	935,148
7	Restricted Receipts	15,000	(11,500)	3,500
8	Total - Securities Regulation	995,090	(56,442)	938,648
9	<i>Insurance Regulation</i>			
10	General Revenues	3,767,883	15,069	3,782,952
11	Restricted Receipts	1,345,584	(62,844)	1,282,740
12	Total - Insurance Regulation	5,113,467	(47,775)	5,065,692
13	<i>Office of the Health Commissioner</i>			
14	General Revenues	542,180	(42,005)	500,175
15	Federal Funds	1,747,589	2,210,905	3,958,494
16	Restricted Receipts	10,500	0	10,500
17	Total – Office of the Health Commissioner	2,300,269	2,168,900	4,469,169
18	<i>Board of Accountancy</i>			
19	General Revenues	81,034	(64,380)	16,654
20	Total – Board of Accountancy	81,034	(64,380)	16,654
21	<i>Commercial Licensing, Racing & Athletics</i>			
22	General Revenues	707,941	(123,246)	584,695
23	Restricted Receipts	500,329	56,287	556,616
24	Total - Commercial Licensing, Racing &			
25	Athletics	1,208,270	(66,959)	1,141,311
26	<i>Board for Design Professionals</i>			
27	General Revenues	253,854	2,360	256,214
28	Total – Board for Design Professionals	253,854	2,360	256,214
29	Grand Total - Business Regulation	12,989,880	1,686,900	14,676,780
30	Labor and Training			
31	<i>Central Management</i>			
32	General Revenues	118,760	(27,682)	91,078
33	Restricted Receipts	342,730	244,280	587,010
34	Rhode Island Capital Plan Funds			

1	Center General Building Roof	0	751,412	751,412
2	Center General Asset Protection	702,000	(86,931)	615,069
3	Total - Central Management	1,163,490	881,079	2,044,569
4	<i>Workforce Development Services</i>			
5	General Funds	1,250,000	(825)	1,249,175
6	Federal Funds	22,942,484	6,974,518	29,917,002
7	Restricted Receipts	9,134,984	3,327,267	12,462,251
8	Other Funds	0	40,250	40,250
9	Total - Workforce Development Services	33,327,468	10,341,210	43,668,678
10	<i>Workforce Regulation and Safety</i>			
11	General Revenues	3,002,408	2,325	3,004,733
12	Total – Workforce Regulation and Safety	3,002,408	2,325	3,004,733
13	<i>Income Support</i>			
14	General Revenues	4,299,157	17,344	4,316,501
15	Federal Funds	17,957,752	11,059,374	29,017,126
16	Federal Funds – Stimulus – UI	54,810,000	(14,677,519)	40,132,481
17	Restricted Receipts	2,008,358	138,480	2,146,838
18	Job Development Fund	22,500,000	8,605,360	31,105,360
19	Other Funds			
20	Temporary Disability Insurance Fund	172,549,295	8,513,122	181,062,417
21	Employment Security Fund	271,329,801	(29,212,784)	242,117,017
22	Total - Income Support	545,454,363	(15,556,623)	529,897,740
23	<i>Injured Workers Services</i>			
24	Restricted Receipts	9,139,647	(198,616)	8,941,031
25	Total – Injured Workers Services	9,139,647	(198,616)	8,941,031
26	<i>Labor Relations Board</i>			
27	General Revenues	393,736	(7,204)	386,532
28	Total - Labor Relations Board	393,736	(7,204)	386,532
29	Grand Total - Labor and Training	592,481,112	(4,537,829)	587,943,283
30	Department of Revenue			
31	<i>Director of Revenue</i>			
32	General Revenues	1,222,847	(111,184)	1,111,663
33	Total – Director of Revenue	1,222,847	(111,184)	1,111,663
34	<i>Office of Revenue Analysis</i>			

1	General Revenues	528,721	(8,284)	520,437
2	Total – Office of Revenue Analysis	528,721	(8,284)	520,437
3	<i>Lottery Division</i>			
4	Lottery Funds	245,451,858	89,310,926	334,762,784
5	Rhode Island Capital Plan Funds			
6	Lottery Building Renovations	0	306,750	306,750
7	Total – Lottery Division	245,451,858	89,617,676	335,069,534
8	<i>Municipal Finance</i>			
9	General Revenues	2,351,173	(326,580)	2,024,593
10	Total – Municipal Finance	2,351,173	(326,580)	2,024,593
11	<i>Taxation</i>			
12	General Revenues	18,027,851	(442,343)	17,585,508
13	Federal Funds	1,261,962	23,582	1,285,544
14	Restricted Receipts	849,626	22,433	872,059
15	Other Funds			
16	Motor Fuel Tax Evasion	43,232	0	43,232
17	Temporary Disability Insurance	916,617	29,364	945,981
18	Total – Taxation	21,099,288	(366,964)	20,732,324
19	<i>Registry of Motor Vehicles</i>			
20	General Revenues	18,895,421	89,185	18,984,606
21	Federal Funds	1,786,689	938,517	2,725,206
22	Restricted Receipts	14,763	2,185,833	2,200,596
23	Rhode Island Capital Plan Funds			
24	Safety & Emissions Lift Replacement	150,000	150,000	300,000
25	Total – Registry of Motor Vehicles	20,846,873	3,363,535	24,210,408
26	<i>State Aid</i>			
27	General Revenue			
28	Distressed Communities Relief Fund	10,384,458	0	10,384,458
29	Payment in Lieu of Tax Exempt Properties	35,080,409	0	35,080,409
30	Motor Vehicle Excise Tax Payments	10,000,000	0	10,000,000
31	Property Revaluation Program	516,615	(55,999)	460,616
32	Municipal Aid	5,000,000	0	5,000,000
33	Restricted Receipts	957,497	(48,514)	908,983
34	Total – State Aid	61,938,979	(104,513)	61,834,466

1	Grand Total – Revenue	353,439,739	92,063,686	445,503,425
2	Legislature			
3	General Revenues	36,186,933	2,467,284	38,654,217
4	Restricted Receipts	1,604,615	(36,615)	1,568,000
5	Grand Total – Legislature	37,791,548	2,430,669	40,222,217
6	Lieutenant Governor			
7	General Revenues	986,890	(40,389)	946,501
8	Federal Funds	1,108,488	485,836	1,594,324
9	Restricted Receipts	0	135,000	135,000
10	Grand Total - Lieutenant Governor	2,095,378	580,447	2,675,825
11	Secretary of State			
12	<i>Administration</i>			
13	General Revenues	2,078,542	130,070	2,208,612
14	Total – Administration	2,078,542	130,070	2,208,612
15	<i>Corporations</i>			
16	General Revenues	2,152,424	134,404	2,286,828
17	Total – Corporations	2,152,424	134,404	2,286,828
18	<i>State Archives</i>			
19	General Revenues	131,705	(60,564)	71,141
20	Restricted Receipts	449,931	56,482	506,413
21	Total - State Archives	581,636	(4,082)	577,554
22	<i>Elections & Civics</i>			
23	General Revenues	1,162,821	(264,015)	898,806
24	Federal Funds	0	50,163	50,163
25	Total – Elections & Civics	1,162,821	(213,852)	948,969
26	<i>State Library</i>			
27	General Revenues	611,318	(93,230)	518,088
28	Total – State Library	611,318	(93,230)	518,088
29	<i>Office of Public Information</i>			
30	General Revenues	361,023	133,071	494,094
31	Restricted Receipts	5,000	8,431	13,431
32	Total – Office of Public Information	366,023	141,502	507,525
33	Grand Total – Secretary of State	6,952,764	94,812	7,047,576

1	General Treasurer			
2	<i>Treasury</i>			
3	General Revenues	2,471,194	(52,024)	2,419,170
4	Federal Funds	293,099	(21,821)	271,278
5	Restricted Receipts	40,000	246	40,246
6	Other Funds			
7	Temporary Disability Insurance Fund	228,923	(18,646)	210,277
8	Total – Treasury	3,033,216	(92,245)	2,940,971
9	<i>State Retirement System</i>			
10	Restricted Receipts			
11	Admin Expenses - State Retirement System	10,256,532	(421,569)	9,834,963
12	Retirement - Treasury Investment Operations	1,162,562	(112,654)	1,049,908
13	Defined Contribution – Administration	246,971	8,918	255,889
14	Total - State Retirement System	11,666,065	(525,305)	11,140,760
15	<i>Unclaimed Property</i>			
16	Restricted Receipts	18,559,092	4,688,073	23,247,165
17	Total – Unclaimed Property	18,559,092	4,688,073	23,247,165
18	<i>Crime Victim Compensation Program</i>			
19	General Revenues	183,498	14,649	198,147
20	Federal Funds	837,323	(257,572)	579,751
21	Restricted Receipts	1,128,267	25,045	1,153,312
22	Total - Crime Victim Compensation Program	2,149,088	(217,878)	1,931,210
23	Grand Total – General Treasurer	35,407,461	3,852,645	39,260,106
24	Board of Elections			
25	General Revenues	1,589,361	21,044	1,610,405
26	Public Financing of General Elections	150,000	0	150,000
27	Grand Total - Board of Elections	1,739,361	21,044	1,760,405
28	Rhode Island Ethics Commission			
29	General Revenues	1,577,204	(1,264)	1,575,940
30	Grand Total - Rhode Island Ethics Commission	1,577,204	(1,264)	1,575,940
31	Office of Governor			
32	General Revenues	4,193,513	(25,867)	4,167,646
33	Contingency Fund	250,000	196,428	446,428
34	Grand Total – Office of Governor	4,443,513	170,561	4,614,074

1	Commission for Human Rights			
2	General Revenues	1,150,785	(4,719)	1,146,066
3	Federal Funds	308,638	8,729	317,367
4	Grand Total - Commission for Human Rights	1,459,423	4,010	1,463,433
5	Public Utilities Commission			
6	Federal Funds	90,574	0	90,574
7	Federal Funds – Stimulus	76,244	38,238	114,482
8	Restricted Receipts	8,253,475	60,396	8,313,871
9	Grand Total - Public Utilities Commission	8,420,293	98,634	8,518,927
10	Office of Health and Human Services			
11	<i>Central Management</i>			
12	General Revenues	27,699,190	11,206	27,710,396
13	Federal Funds	88,057,656	9,876,555	97,934,211
14	Federal Funds – Stimulus	537,780	0	537,780
15	Restricted Receipts	982,284	(15,215)	967,069
16	Total – Central Management	117,276,910	9,872,546	127,149,456
17	<i>Medical Assistance</i>			
18	General Revenues			
19	Managed Care	281,682,858	(2,118,545)	279,564,313
20	Hospitals	107,499,737	(9,822,158)	97,677,579
21	Of this amount, \$5,482,009 is for the outpatient upper payment limit reimbursement.			
22	Nursing Facilities	179,263,818	(37,507,018)	141,756,800
23	Home and Community Based Services	48,645,073	(9,857,873)	38,787,200
24	Other Services	44,013,672	(74,751)	43,938,921
25	Pharmacy	51,721,344	7,759	51,729,103
26	Rhody Health	100,701,958	59,177,987	159,879,945
27	Affordable Care Act Transition Program	2,000,000	(1,000,000)	1,000,000
28	Federal Funds			
29	Managed Care	311,563,733	(128,046)	311,435,687
30	Hospitals	111,449,104	(9,980,627)	101,468,477
31	Of this amount, \$5,570,428 is for the outpatient upper payment limit reimbursement.			
32	Nursing Facilities	182,155,169	(38,111,969)	144,043,200
33	Home and Community Based Services	49,429,970	(10,017,170)	39,412,800
34	Other Services	150,655,199	(6,310,320)	144,344,879

1	Pharmacy	243,742	(464,485)	(220,743)
2	Rhody Health	101,617,845	62,802,210	164,420,055
3	Special Education	19,000,000	0	19,000,000
4	Restricted Receipts	9,015,000	0	9,015,000
5	Total - Medical Assistance	1,750,658,222	(3,405,006)	1,747,253,216
6	Grand Total – Office of Health and Human			
7	Services	1,867,935,132	6,467,540	1,874,402,672
8	Children, Youth, and Families			
9	<i>Central Management</i>			
10	General Revenues	4,911,020	(297,451)	4,613,569
11	Federal Funds	2,155,735	107,297	2,263,032
12	Restricted Receipts	34,991	(34,991)	0
13	Total - Central Management	7,101,746	(225,145)	6,876,601
14	<i>Children's Behavioral Health Services</i>			
15	General Revenues	4,491,441	2,073,802	6,565,243
16	Federal Funds	5,572,682	1,415,666	6,988,348
17	Rhode Island Capital Plan Funds			
18	NAFI Center	280,000	114,806	394,806
19	Mt. Hope Building Facade	275,000	(275,000)	0
20	Fire Towers	0	137,500	137,500
21	Various Repairs and Improvements to YDC	0	355,000	355,000
22	Total - Children's Behavioral Health			
23	Services	10,619,123	3,821,774	14,440,897
24	<i>Juvenile Correctional Services</i>			
25	General Revenues	26,877,697	(2,372,381)	24,505,316
26	Federal Funds	330,645	(30,031)	300,614
27	Federal Funds – Stimulus	4,270	22,109	26,379
28	Rhode Island Capital Plan Funds			
29	Thomas C. Slater Training School			
30	Maintenance Building	535,000	(200,000)	335,000
31	Vocational Building – RITS	0	265,770	265,770
32	Generators – Rhode Island Training School	0	213,837	213,837
33	Total - Juvenile Correctional Services	27,747,612	(2,100,696)	25,646,916

1	<i>Child Welfare</i>			
2	General Revenues	105,380,058	255,950	105,636,008
3	18 to 21 Year Olds	11,116,775	(296,585)	10,820,190
4	Federal Funds	46,003,996	1,571,835	47,575,831
5	18 to 21 Year Olds	2,239,970	(493,973)	1,745,997
6	Federal Funds – Stimulus	385,107	61,233	446,340
7	Restricted Receipts	2,579,179	(130,429)	2,448,750
8	Rhode Island Capital Plan Funds			
9	Fire Code Upgrades	500,000	(225,000)	275,000
10	Total - Child Welfare	168,205,085	743,031	168,948,116
11	<i>Higher Education Incentive Grants</i>			
12	General Revenues	200,000	0	200,000
13	Total – Higher Education Incentive Grants	200,000	0	200,000
14	Grand Total - Children, Youth, and Families	213,873,566	2,238,964	216,112,530
15	Health			
16	<i>Central Management</i>			
17	General Revenues	544,959	(4,534)	540,425
18	Federal Funds	8,645,598	(877,478)	7,768,120
19	Restricted Receipts	4,239,580	(496,226)	3,743,354
20	Total - Central Management	13,430,137	(1,378,238)	12,051,899
21	<i>State Medical Examiner</i>			
22	General Revenues	2,365,037	(10,236)	2,354,801
23	Federal Funds	163,940	(22,604)	141,336
24	Total - State Medical Examiner	2,528,977	(32,840)	2,496,137
25	<i>Environmental and Health Services Regulation</i>			
26	General Revenues	9,491,266	(149,084)	9,342,182
27	Federal Funds	5,856,356	539,335	6,395,691
28	Restricted Receipts	4,199,254	(610,785)	3,588,469
29	Total - Environmental and Health Services			
30	Regulation	19,546,876	(220,534)	19,326,342
31	<i>Health Laboratories</i>			
32	General Revenues	6,199,240	(132,018)	6,067,222
33	Federal Funds	1,492,480	706,450	2,198,930
34	Federal Funds – Stimulus	0	6,500	6,500

1	Total - Health Laboratories	7,691,720	580,932	8,272,652
2	<i>Public Health Information</i>			
3	General Revenues	1,524,091	13,552	1,537,643
4	Federal Funds	847,574	1,857,068	2,704,642
5	Federal Funds – Stimulus	97,959	76,067	174,026
6	Total – Public Health Information	2,469,624	1,946,687	4,416,311
7	<i>Community and Family Health and Equity</i>			
8	General Revenues	2,448,286	82,911	2,531,197
9	Federal Funds	41,420,480	(4,171,236)	37,249,244
10	Federal Funds - Stimulus	382,645	(16,418)	366,227
11	Restricted Receipts	26,194,072	(1,020,877)	25,173,195
12	Other Funds			
13	Safe and Active Commuting	35,310	93,752	129,062
14	Total – Community and Family Health			
15	and Equity	70,480,793	(5,031,868)	65,448,925
16	<i>Infectious Disease and Epidemiology</i>			
17	General Revenues	1,735,122	(113,977)	1,621,145
18	Federal Funds	3,097,510	1,293,208	4,390,718
19	Restricted Receipts	0	5,995	5,995
20	Total – Infectious Disease and Epidemiology	4,832,632	1,185,226	6,017,858
21	Grand Total – Health	120,980,759	(2,950,635)	118,030,124
22	Human Services			
23	<i>Central Management</i>			
24	General Revenues	5,543,121	(54,037)	5,489,084
25	Federal Funds	5,244,172	(960,068)	4,284,104
26	Restricted Receipts	414,962	107,580	522,542
27	Total - Central Management	11,202,255	(906,525)	10,295,730
28	<i>Child Support Enforcement</i>			
29	General Revenues	2,370,212	(6,365)	2,363,847
30	Federal Funds	6,095,358	(153,076)	5,942,282
31	Total – Child Support Enforcement	8,465,570	(159,441)	8,306,129
32	<i>Individual and Family Support</i>			
33	General Revenues	20,922,405	3,723,397	24,645,802
34	Federal Funds	133,591,509	(3,691,527)	129,899,982

1	Federal Funds – Stimulus	0	11,748,163	11,748,163
2	Restricted Receipts	7,352,671	(2,624,675)	4,727,996
3	Rhode Island Capital Plan Fund			
4	Blind Vending Facilities	165,000	18,083	183,083
5	Intermodal Surface Transportation Fund	4,165,364	567,561	4,732,925
6	Food Stamp Bonus Funding	150,000	110,000	260,000
7	Total - Individual and Family Support	166,346,949	9,851,002	176,197,951
8	<i>Veterans' Affairs</i>			
9	General Revenues	20,993,993	(1,155,505)	19,838,488
10	Federal Funds	7,678,815	1,405,161	9,083,976
11	Restricted Receipts	1,467,376	266,764	1,734,140
12	Total - Veterans' Affairs	30,140,184	516,420	30,656,604
13	<i>Health Care Eligibility</i>			
14	General Revenues	8,141,377	(75,646)	8,065,731
15	Federal Funds	11,060,155	(574,912)	10,485,243
16	Total - Health Care Eligibility	19,201,532	(650,558)	18,550,974
17	<i>Supplemental Security Income Program</i>			
18	General Revenues	18,234,514	206,996	18,441,510
19	Total - Supplemental Security Income			
20	Program	18,234,514	206,996	18,441,510
21	<i>Rhode Island Works</i>			
22	General Revenues - Child Care	9,668,635	0	9,668,635
23	Federal Funds	80,298,745	(2,087,360)	78,211,385
24	Total – Rhode Island Works	89,967,380	(2,087,360)	87,880,020
25	<i>State Funded Programs</i>			
26	General Revenues			
27	General Public Assistance	1,906,800	108,800	2,015,600
28	Of this appropriation, \$210,000 shall be used for hardship contingency payments.			
29	Federal Funds	298,637,602	2,450,176	301,087,778
30	Total - State Funded Programs	300,544,402	2,558,976	303,103,378
31	<i>Elderly Affairs</i>			
32	General Revenues	5,522,367	383,690	5,906,057
33	RIPAE	174,484	0	174,484
34	Care and Safety of the Elderly	1,287	(329)	958

1	Federal Funds	11,761,746	243,182	12,004,928
2	Restricted Receipts	527,491	(378,323)	149,168
3	Total – Elderly Affairs	17,987,375	248,220	18,235,595
4	Grand Total - Human Services	662,090,161	9,577,730	671,667,891
5	Behavioral Health, Developmental Disabilities, and Hospitals			
6	<i>Central Management</i>			
7	General Revenues	816,045	159,398	975,443
8	Federal Funds	429,446	119,963	549,409
9	Total - Central Management	1,245,491	279,361	1,524,852
10	<i>Hospital and Community System Support</i>			
11	General Revenues	1,592,216	(12,399)	1,579,817
12	Restricted Receipts	734,152	182,570	916,722
13	Rhode Island Capital Plan Funds			
14	Medical Center Rehabilitation	925,000	(75,000)	850,000
15	Community Facilities Fire Code	325,000	75,000	400,000
16	Total - Hospital and Community System			
17	Support	3,576,368	170,171	3,746,539
18	<i>Services for the Developmentally Disabled</i>			
19	General Revenues	109,467,984	519,665	109,987,649
20	Federal Funds	112,094,959	815,775	112,910,734
21	Restricted Receipts	1,652,750	306,700	1,959,450
22	Rhode Island Capital Plan Funds			
23	DD Private Waiver	225,431	(40,866)	184,565
24	Regional Center Repair/Rehabilitation	400,000	(50,000)	350,000
25	MR Community Facilities/Access to Independence	500,000	118,863	618,863
26	Total - Services for the Developmentally			
27	Disabled	224,341,124	1,670,137	226,011,261
28	<i>Behavioral Healthcare Services</i>			
29	General Revenues	39,670,207	(294,255)	39,375,952
30	Federal Funds	53,105,582	4,107,101	57,212,683
31	Federal Funds – Stimulus	232,500	(232,500)	0
32	Restricted Receipts	125,000	0	125,000
33	Rhode Island Capital Plan Funds			
34	MH Community Facilities Repair	225,000	95,000	320,000

1	MH Housing Development-Thresholds	800,000	0	800,000
2	Substance Abuse Asset Production	125,000	(25,000)	100,000
3	Total – Behavioral Healthcare Services	94,283,289	3,650,346	97,933,635
4	<i>Hospital and Community Rehabilitative Services</i>			
5	General Revenues	50,544,930	(1,528,714)	49,016,216
6	Federal Funds	51,897,236	(2,687,441)	49,209,795
7	Restricted Receipts	4,884,970	1,665,298	6,550,268
8	Rhode Island Capital Plan Funds			
9	Zambarano Buildings and Utilities	150,000	0	150,000
10	Hospital Consolidation	3,000,000	(1,400,000)	1,600,000
11	BHDDH Administrative Buildings	3,000,000	140,000	3,140,000
12	MR Community Facilities	925,000	89,831	1,014,831
13	Total - Hospital and Community			
14	Rehabilitative Services	114,402,136	(3,721,026)	110,681,110
15	Grand Total – Behavioral Healthcare,			
16	Developmental Disabilities, and Hospitals	437,848,408	2,048,989	439,897,397
17	Office of the Child Advocate			
18	General Revenues	608,651	(33,174)	575,477
19	Federal Funds	39,997	10,003	50,000
20	Grand Total – Office of the Child Advocate			
21	Commission on the Deaf and Hard of Hearing			
22	General Revenues	391,609	(2,342)	389,267
23	Restricted Receipts	80,000	0	80,000
24	Grand Total – Com. on Deaf and Hard of			
25	Hearing	471,609	(2,342)	469,267
26	Governor's Commission on Disabilities			
27	General Revenues	357,711	(1,359)	356,352
28	Federal Funds	129,989	26,341	156,330
29	Restricted Receipts	10,365	5,565	15,930
30	Rhode Island Capital Plan Funds			
31	Accessibility to Disability Service Provider	247,938	(247,938)	0
32	Accessibility Fire Safety Renovations	115,833	(115,833)	0
33	Accessibility to Higher Education	593,500	(593,500)	0
34	Handicapped Accessibility	0	957,000	957,000

1	Grand Total - Governor's Commission on			
2	Disabilities	1,455,336	30,276	1,485,612
3	Office of the Mental Health Advocate			
4	General Revenues	486,144	(2,428)	483,716
5	Grand Total - Office of the Mental			
6	Health Advocate	486,144	(2,428)	483,716
7	Elementary and Secondary Education			
8	<i>Administration of the Comprehensive Education Strategy</i>			
9	General Revenues	19,826,703	(237,487)	19,589,216
10	Federal Funds	192,856,736	5,787,982	198,644,718
11	Federal Funds – Stimulus	19,956,823	(3,015,906)	16,940,917
12	RTTT LEA Share	11,022,400	210,345	11,232,745
13	Restricted Receipts	1,400,286	(216,874)	1,183,412
14	HRIC Adult Education Grants	3,800,000	0	3,800,000
15	Rhode Island Capital Plan Funds			
16	State-Owned Cranston	872,583	0	872,583
17	State-Owned East Providence	175,000	0	175,000
18	State-Owned Warwick	500,000	35,040	535,040
19	State-Owned Woonsocket	1,575,000	(1,375,000)	200,000
20	Total – Administration of the Comprehensive			
21	Education Strategy	251,985,531	1,188,100	253,173,631
22	<i>Davies Career and Technical School</i>			
23	General Revenues	12,792,048	0	12,792,048
24	Federal Funds	1,384,139	(16,880)	1,367,259
25	Federal Funds – Stimulus	123,877	42,137	166,014
26	Restricted Receipts	2,564,848	353,003	2,917,851
27	Rhode Island Capital Plan Funds			
28	Davies HVAC	830,271	192,265	1,022,536
29	Davies Asset Protection	95,000	1,131,038	1,226,038
30	Davies School Roof Repairs	0	330,000	330,000
31	Total - Davies Career and Technical School	17,790,183	2,031,563	19,821,746
32	<i>RI School for the Deaf</i>			
33	General Revenues	6,070,194	(165,622)	5,904,572
34	Federal Funds	281,867	24,488	306,355

1	Federal Funds – Stimulus	120,812	45,732	166,544
2	Restricted Receipts	300,000	233,629	533,629
3	Other Funds	0	59,000	59,000
4	Total - RI School for the Deaf	6,772,873	197,227	6,970,100
5	<i>Metropolitan Career and Technical School</i>			
6	General Revenues	11,085,049	0	11,085,049
7	Rhode Island Capital Plan Funds			
8	MET School East Bay	2,580,000	2,902,642	5,482,642
9	MET Asset Protection	100,000	0	100,000
10	MET School HVAC	833,333	506,010	1,339,343
11	Total – Metropolitan Career and Technical			
12	School	14,598,382	3,408,652	18,007,034
13	<i>Education Aid</i>			
14	General Revenues	724,892,567	(90,130)	724,802,437
15	Restricted Receipts	19,593,382	(2,034,382)	17,559,000
16	Permanent School Fund – Education Aid	300,000	(59,000)	241,000
17	Total – Education Aid	744,785,949	(2,183,512)	742,602,437
18	<i>Central Falls School District</i>			
19	General Revenues	38,399,591	0	38,399,591
20	Total – Central Falls School District	38,399,591	0	38,399,591
21	<i>Housing Aid</i>			
22	General Revenues	69,949,504	(2,286,468)	67,663,036
23	Total – Housing Aid	69,949,504	(2,286,468)	67,663,036
24	<i>Teachers' Retirement</i>			
25	General Revenues	81,691,253	(799,316)	80,891,937
26	Total – Teachers' Retirement	81,691,253	(799,316)	80,891,937
27	Grand Total - Elementary and Secondary			
28	Education	1,225,973,266	1,556,246	1,227,529,512
29	Public Higher Education			
30	<i>Board of Governors/Office of Higher Education</i>			
31	<i>Office of Postsecondary Commissioner</i>			
32	General Revenues	4,994,523	(3,951)	4,990,572
33	Federal Funds	6,190,306	(1,158,112)	5,032,194
34	Total - Board of Governors/Office of			

1 ~~Higher Education Office of~~

2 Postsecondary Commissioner 11,184,829 (1,162,063) 10,022,766

3 *University of Rhode Island*

4 General Revenues

5 General Revenues 64,086,076 (122,375) 63,963,701

6 The University of Rhode Island shall maintain tuition charges in the 2013 – 2014 academic year
 7 at the same level as the 2012 – 2013 academic year. The University shall not decrease internal student
 8 financial aid in the 2013 – 2014 academic year below the level of the 2012 – 2013 academic year. The
 9 President of the institution shall report, prior to the commencement of the 2013 – 2014 academic year, to
 10 the chair of the Rhode Island Board of Education that such tuition charges and student aid levels have
 11 been achieved at the start of FY 2014 as prescribed above.

12 Debt Service 20,585,263 (233,333) 20,351,930

13 State Crime Lab 1,027,327 (3,781) 1,023,546

14 University and College Funds

15 University and College Funds 600,530,024 5,674,407 606,204,431

16 Debt – Dining Services 1,160,911 (45,246) 1,115,665

17 Debt – Education and General 3,304,053 (122,041) 3,182,012

18 Debt – Health Services 152,595 (16,413) 136,182

19 Debt – Housing Loan Funds 11,049,281 (362,824) 10,686,457

20 Debt – Memorial Union 301,628 3,980 305,608

21 Debt – Ryan Center 2,798,704 5,367 2,804,071

22 Debt – Alton Jones Services 115,305 157 115,462

23 Debt - Parking Authority 1,040,836 (95,810) 945,026

24 Debt – Sponsored Research (Ind. Cost) 100,238 (16,201) 84,037

25 Debt – Energy Conservation 2,905,496 (501,296) 2,404,200

26 Rhode Island Capital Plan Funds

27 Asset Protection 7,357,500 0 7,357,500

28 Fire and Safety Protection 10,100,000 0 10,100,000

29 Nursing Education Center 2,500,000 (700,000) 1,800,000

30 New Chemistry Building 0 682,510 682,510

31 Fire Arts Center Advanced Planning 0 55,231 55,231

32 Total – University of Rhode Island 729,115,237 4,202,332 733,317,569

1 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
 2 unencumbered balances as of June 30, 2014 relating to the University of Rhode Island are hereby
 3 reappropriated to fiscal year 2015.

4 *Rhode Island College*

5 General Revenues

6	General Revenues	39,004,298	(114,389)	38,889,909
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7 Rhode Island College shall maintain tuition charges in the 2013 – 2014 academic year at the
 8 same level as the 2012 – 2013 academic year. The College shall not decrease internal student financial aid
 9 in the 2013 – 2014 academic year below the level of the 2012 – 2013 academic year. The President of the
 10 institution shall report, prior to the commencement of the 2013 – 2014 academic year, to the chair of the
 11 Rhode Island Board of Education that such tuition charges and student aid levels have been achieved at
 12 the start of FY 2014 as prescribed above.

13	Debt Service	3,887,576	(245,333)	3,642,243
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14 University and College Funds

15	University and College Funds	110,482,163	(279,282)	110,202,881
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16	Debt – Education and General	886,640	0	886,640
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17	Debt – Housing	2,050,004	0	2,050,004
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18	Debt – Student Center and Dining	172,078	0	172,078
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19	Debt – Student Union	234,113	0	234,113
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20	Debt – G.O. Debt Service	1,638,017	0	1,638,017
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21 Rhode Island Capital Plan Funds

22	Asset Protection	2,843,250	407,491	3,250,741
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23	Infrastructure Modernization	5,000,000	871,317	5,871,317
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24	New Art Center Advance Planning	0	103,162	103,162
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25	Total – Rhode Island College	166,198,139	742,966	166,941,105
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26 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
 27 unencumbered balances as of June 30, 2014 relating to Rhode Island College are hereby reappropriated to
 28 fiscal year 2015.

29 *Community College of Rhode Island*

30 General Revenues

31	General Revenues	44,589,076	(155,790)	44,433,286
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32 The Community College of Rhode Island College shall maintain tuition charges in the 2013 – 2014
 33 academic year at the same level as the 2012 – 2013 academic year. The Community College shall not
 34 decrease internal student financial aid in the 2013 – 2014 academic year below the level of the 2012 –

1 2013 academic year. The President of the institution shall report, prior to the commencement of the 2013
 2 – 2014 academic year, to the chair of the Rhode Island Board of Education that such tuition charges and
 3 student aid levels have been achieved at the start of FY 2014 as prescribed above.

4	Debt Service	1,839,656	0	1,839,656
5	Restricted Receipts	702,583	0	702,583
6	University and College Funds			
7	University and College Funds	100,333,007	2,102,805	102,435,812
8	Debt – Bookstore	28,443	0	28,443
9	CCRI Debt Service – Energy Conservation	1,289,480	(483,555)	805,925
10	Rhode Island Capital Plan Funds			
11	Asset Protection	2,093,500	0	2,093,500
12	Knight Campus Renewal	125,000	0	125,000
13	Total – Community College of RI	151,000,745	1,463,460	152,464,205

14 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
 15 unencumbered balances as of June 30, 2014 relating to the Community College of Rhode Island are
 16 hereby reappropriated to fiscal year 2015.

17	Grand Total – Public Higher Education	1,057,498,950	5,246,695	1,062,745,645
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18 **RI State Council on the Arts**

19	General Revenues			
20	Operating Support	423,973	(18,039)	405,934
21	Grants	911,657	0	911,657
22	Federal Funds	797,329	(649)	796,680
23	Other Funds			
24	Arts for Public Facilities	632,536	0	632,536
25	Grand Total - RI State Council on the Arts	2,765,495	(18,688)	2,746,807

26 **RI Atomic Energy Commission**

27	General Revenues	861,710	(4,940)	856,770
28	Federal Funds	267,044	(206,320)	60,724
29	Other Funds			
30	URI Sponsored Research	257,977	0	257,977
31	Rhode Island Capital Plan Funds			
32	RINSC Asset Protection	50,000	0	50,000
33	Grand Total - RI Atomic Energy Commission	1,436,731	(211,260)	1,225,471

1	RI Higher Education Assistance Authority			
2	General Revenues			
3	Needs Based Grants and Work Opportunities	4,134,726	51,597	4,186,323
4	Authority Operations and Other Grants	147,000	0	147,000
5	Federal Funds	13,274,020	(957,506)	12,316,514
6	Other Funds			
7	Tuition Savings Program – Needs Based Grants &			
8	Work Opportunities	8,800,000	(800,000)	8,000,000
9	Tuition Savings Program – Administration	407,989	(77,907)	330,082
10	Grand Total – RI Higher Education Assistance			
11	Authority	26,763,735	(1,783,816)	24,979,919
12	RI Historical Preservation and Heritage Commission			
13	General Revenues	1,357,510	(16,714)	1,340,796
14	Federal Funds	609,949	1,565,473	2,175,422
15	Restricted Receipts	454,491	(34,171)	420,320
16	Other Funds			
17	RIDOT – Project Review	84,999	(16,310)	68,689
18	Rhode Island Capital Plan Funds			
19	Eisenhower House Asset Protection	1,000,000	(500,000)	500,000
20	Grand Total – RI Historical Preservation			
21	and Heritage Commission	3,506,949	998,278	4,505,227
22	Attorney General			
23	<i>Criminal</i>			
24	General Revenues	14,446,868	(140,216)	14,306,652
25	Federal Funds	1,619,532	1,202,380	2,821,912
26	Restricted Receipts	4,440,620	10,880,185	15,320,805
27	Total – Criminal	20,507,020	11,942,349	32,449,369
28	<i>Civil</i>			
29	General Revenues	4,985,425	466,534	5,451,959
30	Restricted Receipts	632,970	2,900	635,870
31	Total – Civil	5,618,395	469,434	6,087,829
32	<i>Bureau of Criminal Identification</i>			
33	General Revenues	1,503,119	21,106	1,524,225
34	Federal Funds	0	7,178	7,178

1	Total – Bureau of Criminal Identification	1,503,119	28,284	1,531,403
2	<i>General</i>			
3	General Revenues	2,721,567	9,391	2,730,958
4	Rhode Island Capital Plan Funds			
5	Building Renovations and Repairs	50,000	191,805	241,805
6	Total – General	2,771,567	201,196	2,972,763
7	Grand Total - Attorney General	30,400,101	12,641,263	43,041,364
8	Corrections			
9	<i>Central Management</i>			
10	General Revenues	9,077,039	(877,921)	8,199,118
11	Federal Funds	45,094	566,605	611,699
12	Federal Funds – Stimulus	10,770	(10,770)	0
13	Total – Central Management	9,132,903	(322,086)	8,810,817
14	<i>Parole Board</i>			
15	General Revenues	1,354,433	(76,812)	1,277,621
16	Federal Funds	38,000	0	38,000
17	Total – Parole Board	1,392,433	(76,812)	1,315,621
18	<i>Custody and Security</i>			
19	General Revenues	115,418,407	1,561,770	116,980,177
20	Federal Funds	761,526	210,013	971,539
21	Total – Custody and Security	116,179,933	1,771,783	117,951,716
22	<i>Institutional Support</i>			
23	General Revenues	15,728,306	198,384	15,926,690
24	Rhode Island Capital Plan Funds			
25	Asset Protection	3,000,000	4,042,068	7,042,068
26	Maximum – General Renovations	1,100,000	178,624	1,278,624
27	General Renovations – Women’s	1,000,000	196,857	1,196,857
28	Bernadette Guay Roof	1,165,000	(568,444)	596,556
29	ISC Exterior Envelope and HVAC	4,000,000	(1,643,673)	2,356,327
30	Minimum Security Kitchen Expansion	2,485,392	(1,985,400)	499,992
31	Medium Infrastructure	4,719,359	(3,457,938)	1,261,421
32	Women’s Bath Renovations	0	364,673	364,673
33	D-Building State Match – Reintegration C	0	220,022	220,022
34	Total - Institutional Support	33,198,057	(2,454,827)	30,743,230

1	<i>Institutional Based Rehab./Population Management</i>			
2	General Revenues	9,129,775	75,133	9,204,908
3	Federal Funds	794,918	(12,853)	782,065
4	Federal Funds – Stimulus	64,394	(64,311)	83
5	Restricted Receipts	29,758	(894)	28,864
6	Total – Institutional Based Rehab/Pop/Mgt.	10,018,845	(2,925)	10,015,920
7	<i>Healthcare Services</i>			
8	General Revenue	19,639,269	(55,609)	19,583,660
9	Total – Healthcare Services	19,639,269	(55,609)	19,583,660
10	<i>Community Corrections</i>			
11	General Revenues	15,031,969	(162,101)	14,869,868
12	Federal Funds	73,986	43,267	117,253
13	Restricted Receipts	35,132	2,157	37,289
14	Total – Community Corrections	15,141,087	(116,67)	15,024,410
15	Grand Total – Corrections	204,702,527	(1,257,153)	203,445,374
16	Judiciary			
17	<i>Supreme Court</i>			
18	General Revenues	26,221,542	(99,073)	26,122,469
19	Defense of Indigents	3,562,240	(20,000)	3,542,240
20	Federal Funds	272,163	(81,512)	190,651
21	Restricted Receipts	3,356,909	51,563	3,408,472
22	Rhode Island Capital Plan Funds			
23	Judicial HVAC	425,000	197,271	622,771
24	Judicial Complexes Asset Protection	650,000	182,719	832,719
25	Murray Judicial Complex Cell Block	440,000	290,293	730,293
26	Total - Supreme Court	34,927,854	521,261	35,449,115
27	<i>Judicial Tenure and Discipline</i>			
28	General Revenues	115,627	(573)	115,054
29	Total – Judicial Tenure and Discipline	115,627	(573)	115,054
30	<i>Superior Court</i>			
31	General Revenues	22,294,581	(364,700)	21,929,881
32	Federal Funds	94,205	44,956	139,161
33	Restricted Receipts	306,723	(4,345)	302,378
34	Total - Superior Court	22,695,509	(324,089)	22,371,420

1	<i>Family Court</i>			
2	General Revenues	18,851,385	141,452	18,992,837
3	Federal Funds	2,257,880	(523,932)	1,733,948
4	Total - Family Court	21,109,265	(382,480)	20,726,785
5	<i>District Court</i>			
6	General Revenues	12,545,634	(423,287)	12,122,347
7	Restricted Receipts	297,822	(5,020)	292,802
8	Total - District Court	12,843,456	(428,307)	12,415,149
9	<i>Traffic Tribunal</i>			
10	General Revenues	8,090,350	490,228	8,580,578
11	Total – Traffic Tribunal	8,090,350	490,228	8,580,578
12	<i>Workers' Compensation Court</i>			
13	Restricted Receipts	7,842,060	(7,530)	7,834,530
14	Total – Workers’ Compensation Court	7,842,060	(7,530)	7,834,530
15	Grand Total – Judiciary	107,624,121	(131,490)	107,492,631
16	Military Staff			
17	<i>National Guard</i>			
18	General Revenues	1,361,037	315,776	1,676,813
19	Federal Funds	14,816,306	(322,293)	14,494,013
20	Restricted Receipts	300,000	263,000	563,000
21	Rhode Island Capital Plan Funds			
22	Armory of Mounted Command Roof			
23	Replacement	280,000	(140,000)	140,000
24	State Armories Fire Code Compliance	20,250	14,750	35,000
25	Federal Armories Fire Code Compliance	20,250	(16,150)	4,100
26	Asset Protection	775,000	(132,102)	642,898
27	Logistics/Maintenance Facilities Fire Code Comp.	12,500	(2,500)	10,000
28	Benefit Street Arsenal Rehabilitation	800,000	(375,000)	425,000
29	Hurricane Sandy Cleanup	1,500,000	88,702	1,588,702
30	Command Center Readiness Addition	0	168,458	168,458
31	Emergency Management Building	0	29,643	29,643
32	Burrillville Regional Training Institute	0	30,290	30,290
33	Camp Fogarty Amory Roof	0	406,367	406,367
34	Total - National Guard	19,885,343	328,941	20,214,284

1	<i>Emergency Management</i>			
2	General Revenues	2,508,946	(545,722)	1,963,224
3	Federal Funds	20,062,446	6,773,663	26,836,109
4	Restricted Receipts	700,779	(492,721)	208,058
5	Total - Emergency Management	23,272,171	5,735,220	29,007,391
6	Grand Total - Military Staff	43,157,514	6,064,161	49,221,675
7	Public Safety			
8	<i>Central Management</i>			
9	General Revenues	1,240,692	(37,439)	1,203,253
10	Federal Funds	4,032,164	682,295	4,714,459
11	Federal Funds – Stimulus	73,809	0	73,809
12	Restricted Receipts	850	19,150	20,000
13	Total – Central Management	5,347,515	664,006	6,011,521
14	<i>E-911 Emergency Telephone System</i>			
15	General Revenues	5,488,731	(44,435)	5,444,296
16	Total - E-911 Emergency Telephone System	5,488,731	(44,435)	5,444,296
17	<i>State Fire Marshal</i>			
18	General Revenues	2,894,425	(168,764)	2,725,661
19	Federal Funds	0	316,668	316,668
20	Restricted Receipts	277,338	131,417	408,755
21	Rhode Island Capital Plan Funds			
22	Fire Academy	800,000	(583,500)	216,500
23	Quonset Development Corp	55,303	64	55,367
24	Total - State Fire Marshal	4,027,066	(304,115)	3,722,951
25	<i>Security Services</i>			
26	General Revenues	21,814,553	(688,213)	21,126,340
27	Total – Security Services	21,814,553	(688,213)	21,126,340
28	<i>Municipal Police Training Academy</i>			
29	General Revenues	293,022	(56,618)	236,404
30	Federal Funds	269,151	21,249	290,400
31	Restricted Receipts	0	60,000	60,000
32	Total - Municipal Police Training Academy	562,173	24,631	586,804
33	<i>State Police</i>			
34	General Revenues	64,630,376	(721,641)	63,908,735

1	Federal Funds	1,780,411	3,117,696	4,898,107
2	Federal Funds – Stimulus	0	155,000	155,000
3	Restricted Receipts	12,475,000	(110,000)	12,365,000
4	Rhode Island Capital Plan Funds			
5	Barracks and Training	1,409,743	(1,152,426)	257,317
6	Headquarters Repairs/Rehabilitation	500,000	65,032	565,032
7	Parking Area Improvements	225,000	137,967	362,967
8	HQ Expansion	210,000	27,044	237,044
9	State Police Headquarters Facility	0	150,000	150,000
10	Statewide Microwave Tower Installations	0	50,000	50,000
11	Traffic Enforcement - Municipal Training	130,150	4,350	134,500
12	Lottery Commission Assistance	1,558,727	(249,498)	1,309,229
13	Airport Corporation	240,304	(51,155)	189,149
14	Road Construction Reimbursement	3,078,000	(143,000)	2,935,000
15	Total - State Police	86,237,711	1,279,369	87,517,080
16	Grand Total – Public Safety	123,477,749	931,243	124,408,992
17	Office of Public Defender			
18	General Revenues	11,034,686	(149,275)	10,885,411
19	Federal Funds	291,996	(34,910)	257,086
20	Grand Total - Office of Public Defender	11,326,682	(184,185)	11,142,497
21	Environmental Management			
22	<i>Office of the Director</i>			
23	General Revenues	4,575,920	(95,543)	4,480,377
24	Permit Streamlining	33,414	0	33,414
25	Federal Funds	150,000	0	150,000
26	Federal Funds – Stimulus	0	355,000	355,000
27	Restricted Receipts	2,929,180	394,800	3,323,980
28	Total – Office of the Director	7,688,514	654,257	8,342,771
29	<i>Natural Resources</i>			
30	General Revenues	18,718,638	(292,930)	18,425,708
31	Federal Funds	27,119,465	(1,359,271)	25,760,194
32	Restricted Receipts	6,594,688	72,630	6,667,318
33	Other Funds			
34	DOT Recreational Projects	370,428	723,850	1,094,278

1	Blackstone Bikepath Design	2,060,087	0	2,060,087
2	Transportation MOU	78,579	0	78,579
3	Rhode Island Capital Plan Funds			
4	Dam Repair	1,300,000	0	1,300,000
5	Fort Adams Rehabilitation	500,000	0	500,000
6	Fort Adams America's Cup	3,883,558	0	3,883,558
7	Recreational Facilities Improvements	3,390,000	(600,000)	2,790,000
8	Galilee Piers Upgrade	2,696,307	(44,997)	2,651,310
9	Newport Piers	250,000	(104,958)	145,042
10	World War II Facility	2,600,000	(2,600,000)	0
11	Blackstone Valley Bike Path	596,000	(196,000)	400,000
12	Natural Resources Office/Visitor's Center	1,800,000	(1,352,547)	447,453
13	Rocky Point Acquisition/Renovations	2,500,000	0	2,500,000
14	Total - Natural Resources	74,457,750	(5,754,223)	68,703,527
15	<i>Environmental Protection</i>			
16	General Revenues	11,428,346	(164,643)	11,263,703
17	Federal Funds	11,122,266	(1,274,824)	9,847,442
18	Restricted Receipts	8,557,647	352,505	8,910,152
19	Other Funds			
20	Transportation MOU	165,000	0	165,000
21	Retrofit Heavy-Duty Diesel Vehicles	2,760,000	(2,500,000)	260,000
22	Total - Environmental Protection	34,033,259	(3,586,962)	30,446,297
23	Grand Total - Environmental Management	116,179,523	(8,686,928)	107,492,595
24	Coastal Resources Management Council			
25	General Revenues	2,174,331	(15,595)	2,158,736
26	Federal Funds	1,754,919	(119,656)	1,635,263
27	Federal Funds – Stimulus	405,674	294,095	699,769
28	Restricted Receipts	374,982	(124,982)	250,000
29	Rhode Island Capital Plan Funds			
30	Security Facility Area	0	50,000	50,000
31	Grand Total - Coastal Resources Mgmt.			
32	Council	4,709,906	83,862	4,793,768
33	Transportation			
34	<i>Central Management</i>			

1	Federal Funds	11,307,723	(3,307,736)	7,999,987
2	Other Funds			
3	Gasoline Tax	1,455,983	237,729	1,693,712
4	Total – Central Management	12,763,706	(3,070,007)	9,693,699
5	<i>Management and Budget</i>			
6	Other Funds			
7	Gasoline Tax	1,549,669	616,312	2,165,981
8	Total – Central Management	1,549,669	616,312	2,165,981
9	<i>Infrastructure Engineering – GARVEE/Motor Fuel Tax Bonds</i>			
10	Federal Funds	293,587,942	34,817,619	328,405,561
11	Of these federal funds, \$1,790,000 is appropriated to the Public Rail Corporation from CMAQ			
12	federal funds for the payment of liability insurance.			
13	Federal Funds – Stimulus	6,865,921	5,856,068	12,721,989
14	Restricted Receipts	8,010,496	(1,141,546)	6,868,950
15	Other Funds			
16	Gasoline Tax	53,061,714	(248,450)	52,813,264
17	Land Sale Revenue	14,809,264	(5,709,183)	9,100,081
18	Rhode Island Capital Plan Funds			
19	RIPTA Land and Buildings	104,000	115,261	219,261
20	Highway Projects Match Plan	21,135,000	(13,398,640)	7,736,360
21	Total – Infrastructure Engineering			
22	GARVEE/Motor Fuel Tax Bonds	397,574,337	20,291,129	417,865,466
23	<i>Infrastructure Maintenance</i>			
24	Other Funds			
25	Gasoline Tax	42,251,075	(566,694)	41,684,381
26	Non-Land Surplus Property	125,000	(75,000)	50,000
27	Outdoor Advertising	175,000	150,000	325,000
28	Rhode Island Capital Plan Funds			
29	Maintenance Facilities Improvements	776,210	14,044	790,254
30	Salt Storage Facilities	1,500,000	171,435	1,671,435
31	Portsmouth Facility	1,835,000	(935,000)	900,000
32	Maintenance Equipment Replacement	1,000,000	1,000,000	2,000,000
33	Train Station Maintenance and Repairs	100,000	(2,126)	97,874
34	Cooperative Maintenance Facility DOT/RIPTA	600,000	(300,000)	300,000

1	Cherry Hill/Lincoln Facility	0	481,007	481,007
2	East Providence Facility	0	150,000	150,000
3	DOT Maintenance Facilities – Fire Alarms	0	17,187	17,187
4	Total – Infrastructure Maintenance	48,362,285	104,853	48,467,138
5	Grand Total – Transportation	460,249,997	17,942,287	478,192,284
6	Statewide Totals			
7	General Revenues	3,359,755,123	(8,102,315)	3,351,742,808
8	Federal Funds	2,717,673,430	105,084,530	2,822,757,960
9	Restricted Receipts	255,035,912	24,359,686	279,395,598
10	Other Funds	1,880,597,557	44,930,611	1,925,528,168
11	Statewide Grand Total	8,213,062,022	166,362,512	8,379,424,534

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

13 SECTION 3. The general assembly authorizes the state controller to establish the internal service
14 accounts shown below, and no other, to finance and account for the operations of state agencies that
15 provide services to other agencies, institutions and other governmental units on a cost reimbursed basis.
16 The purpose of these accounts is to ensure that certain activities are managed in a businesslike manner,
17 promote efficient use of services by making agencies pay the full costs associated with providing the
18 services, and allocate the costs of central administrative services across all fund types, so that federal and
19 other non-general fund programs share in the costs of general government support. The controller is
20 authorized to reimburse these accounts for the cost of work or services performed for any other
21 department or agency subject to the following expenditure limitations:

22	<u>Account</u>			
23		<u>FY 2014</u>	<u>FY 2014</u>	<u>FY2014</u>
24		<u>Enacted</u>	<u>Change</u>	<u>Final</u>
25				
26	State Assessed Fringe Benefit Internal Service Fund	33,644,675	2,053,134	35,697,809
27	Administration Central Utilities Internal Service Fund	20,253,728	(6,015,271)	14,238,457
28	State Central Mail Internal Service Fund	5,336,633	183,170	5,519,803
29	State Telecommunications Internal Service Fund	4,084,660	(31,222)	4,053,438
30	State Automotive Fleet Internal Service Fund	13,668,556	(263,198)	13,405,358
31	Surplus Property Internal Service Fund	2,500	0	2,500
32	Health Insurance Internal Service Fund	250,127,757	0	250,127,757
33	Other Post-Employment Benefits Fund			
34	Retired State Employees	49,727,160	(518,377)	49,208,783
35	Retired Higher Education Employees	2,536,462	0	2,536,462
36	Retired Teachers	7,531,279	0	7,531,279

1	Retired State Police	3,073,102	0	3,073,102
2	Retired Legislators	772,532	0	772,532
3	Retired Judges	931,493	0	931,493
4	Capital Police Internal Service Fund	872,233	147,688	1,019,921
5	Corrections Central Distribution Center Internal			
6	Service Fund	6,701,947	569,518	7,271,465
7	Correctional Industries Internal Service Fund	8,341,086	(750,581)	7,590,505
8	Secretary of State Record Center Internal Service Fund	869,457	(3,166)	866,291

9 SECTION 4. Departments and agencies listed below may not exceed the number of full-time
10 equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do not include
11 seasonal or intermittent positions whose scheduled period of employment does not exceed twenty-six
12 consecutive weeks or whose scheduled hours do not exceed nine hundred and twenty-five (925) hours,
13 excluding overtime, in a one-year period. Nor do they include individuals engaged in training, the
14 completion of which is a prerequisite of employment. Provided, however, that the Governor or designee,
15 Speaker of the House of Representatives or designee, and the President of the Senate or designee may
16 authorize an adjustment to any limitation. Prior to the authorization, the State Budget Officer shall make a
17 detailed written recommendation to the Governor, the Speaker of the House, and the President of the
18 Senate. A copy of the recommendation and authorization to adjust shall be transmitted to the chairman of
19 the House Finance Committee, Senate Finance Committee, the House Fiscal Advisor and the Senate
20 Fiscal Advisor.

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

24 FY 2014 FTE POSITION AUTHORIZATION

25	<u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
26	Administration	720.7
27	Business Regulation	94.0
28	Labor and Training	392.0 <u>410.0</u>
29	Revenue	492.0
30	Legislature	298.5
31	Office of the Lieutenant Governor	8.0
32	Office of the Secretary of State	57.0
33	Office of the General Treasurer	83.0
34	Board of Elections	11.0

1	Rhode Island Ethics Commission	12.0
2	Office of the Governor	45.0
3	Commission for Human Rights	14.5
4	Public Utilities Commission	49.0
5	Office of Health and Human Services	184.0
6	Children, Youth, and Families	670.5
7	Health	494.1 <u>491.1</u>
8	Human Services	959.1
9	Behavioral Health, Developmental Disabilities, and Hospitals	1,423.4 <u>1,422.4</u>
10	Office of the Child Advocate	6.0
11	Commission on the Deaf and Hard of Hearing	3.0
12	Governor's Commission on Disabilities	4.0
13	Office of the Mental Health Advocate	3.7
14	Elementary and Secondary Education	171.4
15	School for the Deaf	60.0
16	Davies Career and Technical School	126.0
17	Office of Higher Education <u>Office of Postsecondary Commissioner</u>	13.8 <u>12.8</u>
18	Provided that 1.0 of the total authorization would be available only for positions that are	
19	supported by third-party funds.	
20	University of Rhode Island	2,456.5
21	Provided that 593.2 <u>518.6</u> of the total authorization would be available only for positions that are	
22	supported by third-party funds.	
23	Rhode Island College	923.6
24	Provided that 82.0 of the total authorization would be available only for positions that are	
25	supported by third-party funds.	
26	Community College of Rhode Island	854.1
27	Provided that 400.0 <u>59.7</u> of the total authorization would be available only for positions that are	
28	supported by third-party funds.	
29	Rhode Island State Council on the Arts	6.0
30	RI Atomic Energy Commission	8.6
31	Higher Education Assistance Authority	23.0
32	Historical Preservation and Heritage Commission	16.6
33	Office of the Attorney General	233.1
34	Corrections	1,419.0

1	Judicial	726.3
2	Military Staff	117.0
3	Public Safety	645.2 <u>634.2</u>
4	Office of the Public Defender	93.0
5	Environmental Management	399.0
6	Coastal Resources Management Council	29.0
7	Transportation	772.6 <u>752.6</u>
8	Total	15,118.3 <u>15,100.3</u>

9 SECTION 5. Notwithstanding any public laws to the contrary, three million, three hundred
10 twenty thousand, nine hundred seventy nine dollars (\$3,320,979) of bond premium deposited into the
11 Rhode Island Capital Plan Fund in FY 2014 shall be transferred to the general fund on or before June 30,
12 2014.

13 SECTION 6. This Article shall take effect upon passage.

14 ARTICLE 11

15 JOB DEVELOPMENT FUND ASSESSMENT

16 SECTION 1. Section 28-42-84 of the General Laws in Chapter 28-42 entitled "Employment
17 Security – General Provisions" is hereby amended to read as follows:

18 **§ 28-42-84. Job development fund – Disbursements – Unexpended balance.** - (a) The moneys
19 in the job development fund shall be used for the following purposes:

20 (1) To reimburse the department of labor and training for the loss of any federal funds resulting
21 from the collection and maintenance of the fund by the department;

22 (2) To make refunds of contributions erroneously collected and deposited in the fund;

23 (3) To pay any administrative expenses incurred by the department of labor and training
24 associated with the collection of the contributions for employers paid pursuant to § 28-43-8.5, and any
25 other administrative expenses associated with the maintenance of the fund, including the payment of all
26 premiums upon bonds required pursuant to § 28-42-85;

27 (4) To provide for job training, counseling and assessment services, and other related activities
28 and services. Services will include, but are not limited to, research, development, coordination, and
29 training activities to promote workforce development and business development as established by the
30 human resource investment council;

31 (5) To support the state's job training for economic development;

32 (6)(i) Beginning January 1, 2001, two hundredths of one percent (0.02%) out of the ~~twenty-one~~
33 ~~hundredths of one percent (0.21%)~~ job development assessment paid pursuant to § 28-43-8.5 shall be

1 used to support necessary core services in the unemployment insurance and employment services
2 programs operated by the department of labor and training; and

3 ~~(ii) Beginning January 1, 2011 and ending in tax year 2015, two hundredths of one percent~~
4 ~~(0.02%) out of the fifty one hundredths of one percent (0.51%) job development assessment paid~~
5 ~~pursuant to § 28-43-8.5 shall be used to support necessary core services in the unemployment insurance~~
6 ~~and employment services programs operated by the department of labor and training; and~~

7 (7) (i) Beginning January 1, 2011 and ending in tax year 2015, three tenths of one percent (0.3%)
8 out of the fifty-one hundredths of one percent (0.51%) job development assessment paid pursuant to § 28-
9 43.8.5 shall be deposited into a restricted receipt account to be used solely to pay the principal and/or
10 interest due on Title XII advances received from the federal government in accordance with the
11 provisions of Section 1201 of the Social Security Act; provided, however, that if the federal Title XII
12 loans are repaid through a state revenue bond or other financing mechanism, then these funds may also be
13 used to pay the principal and/or interest that accrues on that debt. Any remaining funds in the restricted
14 receipt account, after the outstanding principal and interest due has been paid, shall be transferred to the
15 employment security fund for the payment of benefits.

16 (ii) Notwithstanding the provisions of this section, for FY 2015 and ensuing fiscal years, the
17 general assembly may annually allocate in the budget out of available funds in the restricted receipt
18 account such funds as may be necessary to support the costs associated with the department's
19 unemployment insurance modernization project.

20 (b) The general treasurer shall pay all vouchers duly drawn by the council upon the fund, in any
21 amounts and in any manner that the council may prescribe. Vouchers so drawn upon the fund shall be
22 referred to the controller within the department of administration. Upon receipt of those vouchers, the
23 controller shall immediately record and sign them and shall promptly transfer those signed vouchers to
24 the general treasurer. Those expenditures shall be used solely for the purposes specified in this section
25 and its balance shall not lapse at any time but shall remain continuously available for expenditures
26 consistent with this section. The general assembly shall annually appropriate the funds contained in the
27 fund for the use of the human resource investment council and, in addition, for the use of the department
28 of labor and training effective July 1, 2000, and for the payment of the principal and interest due on
29 federal Title XII loans beginning July 1, 2011; provided, however, that if the federal Title XII loans are
30 repaid through a state revenue bond or other financing mechanism, then the funds may also be used to pay
31 the principal and/or interest that accrues on that debt.

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

33 **ARTICLE 12**

34 **RELATING TO REVENUES**

1 SECTION 1. Chapter 31-3-6.1 of the General Laws entitled "Registration of Vehicles" is hereby
2 amended by adding thereto the following section:

3 **§ 31-3-6.1.1 Denial of registration- Denial of transfer of registration –Failure to file tax**
4 **returns and/or pay taxes. -**

5 (a) On or before October 31 in each year and at least quarterly thereafter, the tax administrator
6 shall furnish the division of motor vehicles, with a list the names, addresses and social security numbers
7 of persons who have neglected or refused to file a tax return(s) and/or to pay any tax administered by the
8 tax administrator and that there is no administrative or appellate review pending regarding such tax
9 matter.

10 (b) Thereafter, the tax administrator, at the times and in the manner mutually agreed to by the tax
11 administrator and the administrator of the division of motor vehicles, shall furnish to the division of motor
12 vehicles the names, addresses and social security numbers of those persons whose names appear on that
13 list but who have subsequently filed all required returns and paid all required taxes, interest and attendant
14 penalties in full or entered into a time payment agreement satisfactory to the tax administrator. Upon
15 receipt of said information, said names, addresses and social security numbers of said persons shall be
16 removed from the list.

17 (c) The administrator of the division of motor vehicles shall not register any motor vehicle or
18 transfer the registration of any motor vehicle for any person whose name appears on a list provided by the
19 tax administrator pursuant to subsection (a) above until all state taxes, interest and attendant penalties
20 have been paid in full and the payment has been certified to the division of motor vehicles by the tax
21 administrator.

22 (d) If the person thereafter files an overdue return and/or remits past taxes due or enters into a
23 satisfactory time payment agreement with respect to any and all returns due and taxes payable, the tax
24 administrator shall, within five (5) business days of the person's request, provide the division of motor
25 vehicles with a certificate of good standing specified in § 5-76-5. Within five (5) business days of
26 receiving such a certificate, the division of motor vehicles shall register or transfer the person's
27 registration.

28 (e) If a person files an overdue return and/or remits past due taxes in order to register a motor
29 vehicle or transfer the registration of a motor vehicle, said late filing and/or payment shall not be an
30 admission of a violation of any criminal tax statute regarding late filing and/or late payment. The tax
31 administrator shall not refer such person to the Attorney General for prosecution based solely upon said
32 late filing and/or payment of past due taxes.

33 SECTION 2. Chapter 44-1 of the General Laws entitled "State Tax Officials" is hereby amended
34 by adding thereto the following section:

1 **§ 44-1-31.2 Charges of Electronic Filing of Tax Returns.** - (a) For the purpose of this chapter,
2 the following terms have the specified meanings:

3 (1)“Authorized tax document” means a document which the tax administrator has authorized to
4 be filed electronically.

5 (2)“Software Company” means a developer of tax software.

6 (3)“Tax Return Preparer” means any person who prepares for compensation, or who employs or
7 engages one or more persons to prepare for compensation, any authorized tax document. For the purpose
8 of this section, the term “tax return preparer” also includes a payroll service.

9 (4)“Tax Software” means any computer software program intended for tax return
10 preparation purposes. For purposes of this section, the term “tax software” includes, but is not limited to,
11 an off-the-shelf software program loaded onto a tax return preparer’s or taxpayer’s computer, or an online
12 tax preparation application.

13 (b) It shall be unlawful for a tax return preparer or a software company to charge a separate fee
14 for the electronic filing of authorized tax documents. It shall also be unlawful for a software company to
15 offer a version of its tax software that charges a separate fee for the electronic filing of authorized tax
16 documents and a version of the same tax software that does not.

17 (c) Any tax return preparer or software company violating this section shall be liable for a civil
18 penalty of five hundred dollars (\$500.00) for the first violation and on thousand dollars (\$1,000.00) for
19 each succeeding violation. The civil penalties imposed by this section shall be paid to the tax
20 administrator upon notice and demand, and will be assessed, collected and paid in the same manner as
21 taxes under this title.

22 SECTION 3. Sections 44-18-7, 44-18-7.3, 44-18-12.1, and 44-18-36.1 of the General Laws in
23 Chapter 44-18 entitled "Sales and Use Tax – Liability and Computation" are hereby amended to read as
24 follows:

25 **§ 44-18-7 Sales defined.** – "Sales" means and includes:

26 (1) Any transfer of title or possession, exchange, barter, lease, or rental, conditional or otherwise,
27 in any manner or by any means of tangible personal property for a consideration. "Transfer of
28 possession", "lease", or "rental" includes transactions found by the tax administrator to be in lieu of a
29 transfer of title, exchange, or barter.

30 (2) The producing, fabricating, processing, printing, or imprinting of tangible personal property
31 for a consideration for consumers who furnish either directly or indirectly the materials used in the
32 producing, fabricating, processing, printing, or imprinting.

33 (3) The furnishing and distributing of tangible personal property for a consideration by social,
34 athletic, and similar clubs and fraternal organizations to their members or others.

1 (4) The furnishing, preparing, or serving for consideration of food, meals, or drinks, including
2 any cover, minimum, entertainment, or other charge in connection therewith.

3 (5) A transaction whereby the possession of tangible personal property is transferred, but the
4 seller retains the title as security for the payment of the price.

5 (6) Any withdrawal, except a withdrawal pursuant to a transaction in foreign or interstate
6 commerce, of tangible personal property from the place where it is located for delivery to a point in this
7 state for the purpose of the transfer of title or possession, exchange, barter, lease, or rental, conditional or
8 otherwise, in any manner or by any means whatsoever, of the property for a consideration.

9 (7) A transfer for a consideration of the title or possession of tangible personal property, which
10 has been produced, fabricated, or printed to the special order of the customer, or any publication.

11 (8) The furnishing and distributing of electricity, natural gas, artificial gas, steam, refrigeration,
12 and water.

13 (9) The furnishing for consideration of intrastate, interstate and international telecommunications
14 service sourced in this state in accordance with subsections 44-18.1(15) and (16) and all ancillary
15 services, any maintenance services of telecommunication equipment other than as provided for in
16 subdivision 44-18-12(b)(ii). For the purposes of chapters 18 and 19 of this title only, telecommunication
17 service does not include service rendered using a prepaid telephone calling arrangement.

18 (ii) Notwithstanding the provisions of paragraph (i) of this subdivision, in accordance with the
19 Mobile Telecommunications Sourcing Act (4 U.S.C. §§ 116 – 126), subject to the specific exemptions
20 described in 4 U.S.C. § 116(c), and the exemptions provided in §§ 44-18-8 and 44-18-12, mobile
21 telecommunications services that are deemed to be provided by the customer's home service provider are
22 subject to tax under this chapter if the customer's place of primary use is in this state regardless of where
23 the mobile telecommunications services originate, terminate or pass through. Mobile telecommunications
24 services provided to a customer, the charges for which are billed by or for the customer's home service
25 provider, shall be deemed to be provided by the customer's home service provider.

26 (10) The furnishing of service for transmission of messages by telegraph, cable, or radio and the
27 furnishing of community antenna television, subscription television, and cable television services.

28 (11) The rental of living quarters in any hotel, as defined in § 42-63.1-2, rooming house, or tourist
29 camp.

30 (12) The transfer for consideration of prepaid telephone calling arrangements and the recharge of
31 prepaid telephone calling arrangements sourced to this state in accordance with §§ 44-18.1-11 and 44-
32 18.1-15. "Prepaid telephone calling arrangement" means and includes prepaid calling service and prepaid
33 wireless calling service.

1 (13) The sale, storage, use or other consumption of over-the-counter drugs as defined in
2 paragraph 44-18-7.1(h)(ii).

3 (14) The sale, storage, use or other consumption of prewritten computer software delivered
4 electronically or by load and leave as defined in paragraph 44-18-7.1(v).

5 (15) The sale, storage, use or other consumption of medical marijuana as defined in § 21-28.6-3.

6 (16) The furnishing of services in this state as defined in § 44-18-7.3

7 **§ 44-18-7.3 Services defined.** – (a) "Services" means all activities engaged in for other persons
8 for a fee, retainer, commission, or other monetary charge, which activities involve the performance of a
9 service in this state as distinguished from selling property.

10 (b) The following businesses and services performed in this state, along with the applicable 2007 North
11 American Industrial Classification System (NAICS) codes, are included in the definition of services:

12 (1) Taxicab and limousine services including but not limited to:

13 (i) Taxicab services including taxi dispatchers (485310); and

14 (ii) Limousine services (485320).

15 (2) Other road transportation service including but not limited to:

16 (i) Charter bus service (485510); and

17 (ii) All other transit and ground passenger transportation (485999).

18 (3) Pet care services (812910) except veterinary and testing laboratories services.

19 (c)(1) "Room reseller" or "Reseller." Room reseller or reseller shall mean any person having any
20 right, permission, license, or other authority from or through a hotel, as defined in § 42-63.1-2, to reserve,
21 or arrange the transfer of occupancy of, accommodations, the reservation or transfer of which is subject to
22 this chapter, such that the occupant pays all or a portion of the rental and other fees to the reseller. Room
23 reseller or reseller shall include, but not be limited to, sellers of travel packages as defined in this section.
24 Notwithstanding the provisions of any other law, where said reservation or transfer of occupancy is made
25 using a room reseller, the application of the sales and use under §§ 44-18-18 and 44-18-20, and the hotel
26 tax under §44-18- 36.1 shall be as follows: The room reseller is required to register with and shall collect
27 and pay to the tax administrator the sales and use and hotel taxes with said taxes being calculated upon
28 the amount of rental and other fees paid by the occupant to the room reseller, less the amount of any
29 rental and other fees paid by the reseller to the hotel. The hotel shall collect and pay to the tax
30 administrator said taxes upon the amount of rental and other fees paid to the hotel by the reseller and/or
31 the occupant. No assessment shall be made by the tax administrator against a hotel because of an
32 incorrect remittance of the taxes under this chapter by a room reseller. No assessment shall be made by
33 the tax administrator against a room reseller because of an incorrect remittance of the taxes under this
34 chapter by a hotel. If the hotel has paid the taxes imposed under this chapter, the occupant and/or room

1 reseller shall reimburse the hotel for said taxes. If the reseller has paid said taxes, the occupant shall
2 reimburse the reseller for said taxes. Each hotel and room reseller shall add and collect from the occupant
3 or the room reseller the full amount of the taxes imposed on the rental and other fees. When added to the
4 rental and other fees, the taxes shall be a debt owed by the occupant to the hotel or room reseller, as
5 applicable, and shall be recoverable at law in the same manner as other debts. The amount of the taxes
6 collected by the hotel and/or room reseller from the occupant under this chapter shall be stated and
7 charged separately from the rental and other fees, and shall be shown separately on all records thereof,
8 whether made at the time the transfer of occupancy occurs and made on valid evidence of the transfer,
9 issued or used by the hotel or the room reseller. A room reseller shall not be required to disclose to the
10 occupant the amount of tax charged by the hotel; provided, however, the reseller shall represent to the
11 occupant that the separately stated taxes charged by the reseller include taxes charged by the hotel. No
12 person shall operate a hotel in this state, or act as a room reseller for any hotel in the state, unless the tax
13 administrator has issued a permit pursuant to R.I. Gen. Laws § 44-19-1.

14 (2) "Travel package" means a room or rooms bundled with one or more other, separate
15 components of travel such as air transportation, car rental or similar items, which travel package is
16 charged to the customer or occupant for a single retail price. When the room occupancy is bundled for a
17 single consideration, with other property, services, amusement charges, or any other items, the separate
18 sale of which would not otherwise be subject to tax under this chapter, the entire single consideration
19 shall be treated as rent, subject to tax under this chapter; provided, however, that where the amount of the
20 rental or other fees for room occupancy is stated separately from the price of such other property,
21 services, amusement charges, or other items, on any sales slip, invoice, receipt, or other statement given
22 the occupant, and such rental and other fees are determined by the tax administrator to be reasonable in
23 relation to the value of such other property, services, amusement charges or other items, only such
24 separately stated rental and other fees will be subject to tax under this chapter. The value of the transfer
25 of any room or rooms bundled as part of a travel package may be determined by the tax administrator
26 from the room reseller's and/or hotel's books and records kept in the regular and ordinary course of
27 business.

28 (e)(d) The tax administrator is authorized to promulgate rules and regulations in accordance with
29 the provisions of chapter 42-35 to carry out the provisions, policies, and purposes of this chapter.

30 **§ 44-18-12.1 "Additional measure subject to tax".** – Also included in the measure subject to
31 tax under this chapter is the total amount charged for the furnishing or distributing of electricity, natural
32 gas, artificial gas, steam, refrigeration, water, telecommunications, telegraph, cable, and radio message
33 service, community antenna television, subscription television, and cable television service; provided, that
34 the measure of tax in regard to telecommunications service is the total consideration received for the

1 service as defined in § 44-18-7(9); provided, that in order to prevent multistate taxation of all
2 telecommunications service, any taxpayer is allowed a credit or refund of sales tax upon presenting proof
3 that a tax has been paid to another state to which the tax is properly due for the identical service taxed
4 under this chapter. Furthermore, included in the measure of tax is the total amount charged for the rental
5 of living quarters in any hotel as defined in § 42-63.1-2, rooming house, or tourist camp.

6 **§ 44-18-36.1 Hotel tax.** – (a) There is imposed a hotel tax of five percent (5%) upon the total
7 consideration charged for occupancy of any space furnished by any hotel, as defined in § 42-63.1-2, or
8 room reseller, as defined in § 44-18-7.3(c), in this state. The hotel tax is in addition to any sales tax
9 imposed. This hotel tax is administered and collected by the division of taxation and unless provided to
10 the contrary in this chapter, all the administration, collection, and other provisions of chapters 18 and 19
11 of this title apply. Nothing in this chapter shall be construed to limit the powers of the convention
12 authority of the city of Providence established pursuant to the provisions of chapter 84 of the public laws
13 of 1980, except that distribution of hotel tax receipts shall be made pursuant to chapter 63.1 of title 42
14 rather than chapter 84 of the public laws of 1980.

15 (b) There is hereby levied and imposed, upon the total consideration charged for occupancy of
16 any space furnished by any hotel, as defined in § 42-63.1-2, or room reseller as defined in § 44-18-7.3(c),
17 in this state, in addition to all other taxes and fees now imposed by law, a local hotel tax at a rate of one
18 percent (1%). The local hotel tax shall be administered and collected in accordance with subsection (a).

19 (c) All sums received by the division of taxation from the local hotel tax, penalties or forfeitures,
20 interest, costs of suit and fines shall be distributed at least quarterly, credited and paid by the state
21 treasurer to the city or town where the space for occupancy that is furnished by the hotel is located.
22 Unless provided to the contrary in this chapter, all of the administration, collection, and other provisions
23 of chapters 18 and 19 of this title shall apply.

24 (d) Notwithstanding the provisions of subsection (a) of this section, the city of Newport shall
25 have the authority to collect from hotels, as defined in § 42-63.1-2, or room reseller as defined in § 44-18-
26 7.3(c), located in the city of Newport the tax imposed by subsection (a) of this section.

27 (1) Within ten (10) days of collection of the tax, the city of Newport shall distribute the tax as
28 provided in § 42-63.1-3. No later than the first day of March and the first day of September in each year
29 in which the tax is collected, the city of Newport shall submit to the division of taxation a report of the tax
30 collected and distributed during the six (6) month period ending thirty (30) days prior to the reporting
31 date.

32 (2) The city of Newport shall have the same authority as the division of taxation to recover
33 delinquent hotel taxes pursuant to chapter 44-19, and the amount of any hotel tax, penalty and interest
34 imposed by the city of Newport until collected constitutes a lien on the real property of the taxpayer.

1 In recognition of the work being performed by the Streamlined Sales and Use Tax Governing
2 Board, upon passage of any federal law which authorizes states to requires remote sellers to collect and
3 remit taxes, ~~effective the first (1st) day of the first (1st) state fiscal quarter following the change,~~ the rate
4 imposed under § 44-18-36.1(b) shall be one and one-half percent (1.5%) ~~effective on the same date this~~
5 state requires remote sellers to collect and remit sales and use taxes.

6 SECTION 4. Section 42-63.1-2 of the General Laws in Chapter 42-63.1 entitled "Tourism and
7 Development" is hereby amended to read as follows:

8 **§ 42-63.1-2 Definitions.** – For the purposes of this chapter:

9 (1) "Consideration" means the monetary charge for the use of space devoted to transient lodging
10 accommodations.

11 (2) "Corporation" means the ~~Rhode Island economic development corporation~~ Rhode Island
12 Commerce Corporation.

13 (3) "District" means the regional tourism districts set forth in § 42-63.1-5.

14 (4) "Hotel" means any facility offering a minimum of ~~three (3)~~ one (1) rooms for which the
15 public may, for a consideration, obtain transient lodging accommodations. The term "hotel" shall include
16 hotels, motels, bed and breakfasts (B&B's), time shares as defined in §34-41-1.02(13), tourist homes,
17 tourist camps, lodging houses, and inns and shall exclude schools, hospitals, sanitariums, nursing homes,
18 and chronic care centers.

19 (5) "Occupancy" means a person, firm or corporation's use of space ordinarily used for transient
20 lodging accommodations not to exceed thirty (30) days. Excluded from "occupancy" is the use of space
21 for which the occupant has a written lease for the space, which lease covers a rental period of twelve (12)
22 months or more.

23 (6) "Tax" means the hotel tax imposed by subsection 44-18-36.1(a).

24 SECTION 5. Chapter 44-30 entitled "Personal Income Tax" is hereby amended by adding
25 thereto the following section:

26 **§ 44-30-100. Lookup Table to Report Use Tax on Personal Income Tax Return.** (a) When
27 reporting the amount of use tax obligation on the Rhode Island personal income return, the taxpayer shall
28 list either the actual amount (from books, records, and other sources), or an amount using a lookup table
29 established by the tax administrator.

30 (b) Establishment of lookup table. (1) The tax administrator shall create the lookup table with
31 reference to a taxpayer's federal adjusted gross income (AGI) as listed on the Rhode Island personal
32 income tax return before modifications, adjustments, or other changes. To determine the amount of use
33 tax from the lookup table, the taxpayer shall multiply 0.0008 by the amount of the taxpayer's federal AGI

1 as listed on the Rhode Island personal income tax return before modifications, adjustments, or other
2 changes.

3 (2) The AGI income ranges within the lookup table shall be adjusted by the tax administrator by
4 December 31 of each calendar year by the percentage, if any, by which the Consumer Price Index for All
5 Urban Consumers (CPI-U) as of the close of the 12-month period ending on August 31 of that year,
6 exceeds the CPI-U as of the close of the 12-month period ending on August 31 of the immediately
7 preceding year. For purposes of the annual calculation, the tax administrator shall be free to substitute an
8 inflation index which is substantially similar to the CPI-U.

9 (3) If a taxpayer uses the lookup table, the taxpayer shall list on the return not only the result from
10 the lookup table, but also the actual amount of each single purchase whose purchase price equals or
11 exceeds \$1,000.

12 (4) Instructions for the personal income tax form shall indicate that the use of the lookup table as
13 described in this section is, for the taxpayer, a “safe harbor” alternative to listing the actual amount of the
14 taxpayer’s use tax obligation.

15 (c) When completing and filing a Rhode Island personal income tax return, the taxpayer shall
16 check a box attesting to the amount of use tax listed on the return. The tax administrator shall direct
17 computer software providers to require the taxpayer or the taxpayer’s preparer to proactively check the
18 box; software providers shall not program an automatically checked attestation box.

19 (d) The tax administrator shall make clear on personal income tax forms and instructions that use
20 tax is typically due on internet, mail-order, and catalog out-of-state purchases.

21 SECTION 6. Sections 44-20-1 and 44-20-13.2 of the General Laws in Chapter 44-20 entitled
22 "Cigarette Tax" are hereby amended to read as follows:

23 **§ 44-20-1 Definitions.** – Whenever used in this chapter, unless the context requires otherwise:

24 (1) "Administrator" means the tax administrator;

25 (2) "Cigarettes" means and includes any cigarettes suitable for smoking in cigarette form, and
26 each sheet of cigarette rolling paper;

27 (3) "Dealer" means any person whether located within or outside of this state, who sells or
28 distributes cigarettes to a consumer in this state;

29 (4) "Distributor" means any person:

30 (A) Whether located within or outside of this state, other than a dealer, who sells or distributes
31 cigarettes within or into this state. Such term shall not include any cigarette manufacturer, export
32 warehouse proprietor, or importer with a valid permit under 26 U.S.C. § 5712, if such person sells or
33 distributes cigarettes in this state only to licensed distributors, or to an export warehouse proprietor or
34 another manufacturer with a valid permit under 26 U.S.C. § 5712;

1 (B) Selling cigarettes directly to consumers in this state by means of at least twenty-five (25)
2 cigarette vending machines;

3 (C) Engaged in this state in the business of manufacturing cigarettes or any person engaged in the
4 business of selling cigarettes to dealers, or to other persons, for the purpose of resale only; provided, that
5 seventy-five percent (75%) of all cigarettes sold by that person in this state are sold to dealers or other
6 persons for resale and selling cigarettes directly to at least forty (40) dealers or other persons for resale; or

7 (D) Maintaining one or more regular places of business in this state for that purpose; provided,
8 that seventy-five percent (75%) of the sold cigarettes are purchased directly from the manufacturer and
9 selling cigarettes directly to at least forty (40) dealers or other persons for resale;

10 (5) "Electronic cigarette", commonly known as "E-Cigarette", means a personal vaporizer,
11 electronic nicotine delivery system or an electronic inhaler, which generally utilizes a heating element
12 that vaporizes a liquid solution containing nicotine or nicotine derivative.

13 ~~(5)~~ (6) "Importer" means any person who imports into the United States, either directly or
14 indirectly, a finished cigarette for sale or distribution;

15 ~~(6)~~ (7) "Licensed", when used with reference to a manufacturer, importer, distributor or dealer,
16 means only those persons who hold a valid and current license issued under § 44-20-2 for the type of
17 business being engaged in. When the term "licensed" is used before a list of entities, such as "licensed
18 manufacturer, importer, wholesale dealer, or retailer dealer," such term shall be deemed to apply to each
19 entity in such list;

20 ~~(7)~~ (8) "Manufacturer" means any person who manufactures, fabricates, assembles, processes, or
21 labels a finished cigarette;

22 ~~(8)~~ (9) "Person" means any individual, including an employee or agent, firm, fiduciary,
23 partnership, corporation, trust, or association, however formed;

24 ~~(9)~~ (10) "Place of business" means and includes any place where cigarettes are sold or where
25 cigarettes are stored or kept for the purpose of sale or consumption, including any vessel, vehicle,
26 airplane, train, or vending machine;

27 ~~(10)~~ (11) "Sale" or "sell" includes and applies to gifts, exchanges, and barter;

28 ~~(11)~~ (12) "Stamp" means the impression, device, stamp, label, or print manufactured, printed, or
29 made as prescribed by the administrator to be affixed to packages of cigarettes, as evidence of the
30 payment of the tax provided by this chapter or to indicate that the cigarettes are intended for a sale or
31 distribution in this state that is exempt from state tax under the provisions of state law; and also includes
32 impressions made by metering machines authorized to be used under the provisions of this chapter.

33 **§ 44-20-13.2 Tax imposed on smokeless tobacco, cigars, and pipe tobacco products.** – (a) A
34 tax is imposed on all smokeless tobacco, electronic cigarettes, cigars, and pipe tobacco products sold or

1 held for sale in the state by any person, the payment of the tax to be accomplished according to a
2 mechanism established by the administrator, division of taxation, department of administration. Any
3 tobacco product on which the proper amount of tax provided for in this chapter has been paid, payment
4 being evidenced by a stamp, is not subject to a further tax under this chapter. The tax imposed by this
5 section shall be as follows:

6 (1) At the rate of eighty percent (80%) of the wholesale cost of cigars, pipe tobacco products and
7 smokeless tobacco other than snuff.

8 (2) Notwithstanding the eighty percent (80%) rate in subsection (a) above, in the case of cigars,
9 the tax shall not exceed fifty cents (\$.50) for each cigar.

10 (3) At the rate of one dollar (\$1.00) per ounce of snuff, and a proportionate tax at the like rate on
11 all fractional parts of an ounce thereof. Such tax shall be computed based on the net weight as listed by
12 the manufacturer, provided, however, that any product listed by the manufacturer as having a net weight
13 of less than 1.2 ounces shall be taxed as if the product has a net weight of 1.2 ounces.

14 (b) Any dealer having in his or her possession any tobacco, cigars, and pipe tobacco products
15 with respect to the storage or use of which a tax is imposed by this section shall, within five (5) days after
16 coming into possession of the tobacco, cigars, and pipe tobacco in this state, file a return with the tax
17 administrator in a form prescribed by the tax administrator. The return shall be accompanied by a
18 payment of the amount of the tax shown on the form to be due. Records required under this section shall
19 be preserved on the premises described in the relevant license in such a manner as to ensure permanency
20 and accessibility for inspection at reasonable hours by authorized personnel of the administrator.

21 (c) The proceeds collected are paid into the general fund.

22 SECTION 7. Title 44 of the General Laws entitled "Taxation" is hereby amended by adding
23 thereto the following chapter:

24 CHAPTER 69

25 COMPLIANCE OF STATE EMPLOYEES WITH STATE INCOME TAX ACT

26 § 44-69-1 Short title. – This chapter shall be known as the "State Employee Tax Compliance
27 Act".

28 § 44-69-2. Definitions.

29 (a) "Appointing Authority" means the person or group of persons having the power by virtue of
30 the constitution, a state statute, or lawfully delegated authority to make appointments.

31 (b) "Employee" or "State Employee" means an appointed officer or employee of a state agency;
32 provided, the term employee or state employee shall not include an elected official or an employee of a
33 local governmental entity.

1 (c) “State Agency” means any office, department, board, commission or institution of the
2 executive, legislative, higher education or judicial branch of state government.

3 **§ 44-68-3. Administration.**

4 (a) The department of administration shall, not later than August 1, 2014, and August 1 of each
5 year thereafter, provide to the tax administrator a list of all state employees as of the preceding July 1 and
6 such identifying information as may be required by the Tax Administrator. Such list and information shall
7 be used by the Tax Administrator exclusively for the purpose of collection of income taxes due to the
8 State of Rhode Island.

9 (b) The Tax Administrator shall, not later than December 1, 2014, and December 1 of each year
10 thereafter, notify any state employee who is not in compliance with the income tax laws of this state. Such
11 notification shall include:

12 (1) A statement that the employee will be subject to mandatory garnishment of wages by the state
13 controller, unless the taxpayer is deemed by the Tax Administrator to be in compliance with the income
14 tax laws of this state;

15 (2) The reasons that the taxpayer is considered to be out of compliance with the income tax laws
16 of this state, including a statement of the amount of any tax, penalties and interest due, or a list of the tax
17 years for which income tax returns have not been filed, as required by law;

18 (3) An explanation of the rights of the taxpayer and the procedures which must be followed by
19 the taxpayer in order to come into compliance with the income tax laws of this state; and

20 (4) Such other information as may be deemed necessary by the Tax Administrator.

21 (c) A state employee who has entered into and is abiding by a payment agreement, or who has
22 requested relief as an innocent spouse, which request is pending or has been granted, shall be deemed to
23 be in compliance with the state income tax laws for purposes of this section.

24 (d) If the Tax Administrator notifies a state employee who is not in compliance with the income
25 tax laws of this state as required in this section and such state employee does not respond to such
26 notification or fails to come into compliance with the income tax laws of this state after an assessment has
27 been made final or after the Tax Administrator determines that every reasonable effort has been made to
28 assist the state employee to come into compliance with the income tax laws of this state, the Tax
29 Administrator shall so notify the state controller, who shall commence mandatory garnishment of the state
30 employee’s wages and shall notify the state employee of the reason for such action. If a state employee,
31 who has been previously reported by the Tax Administrator to a state agency as being out of compliance,
32 comes into compliance, the Tax Administrator shall immediately notify the state controller. Neither a
33 state agency nor an appointing authority shall be held liable for any action with respect to a state
34 employee pursuant to the provisions of this section.

1 SECTION 8. Chapter 44-19 entitled "Sales and Use Taxes – Enforcement and Collection" is
2 hereby amended by adding thereto the following section:

3 **§ 44-19-42. Sales Suppression Devices – Definitions and Applicability.** (a) As used in this
4 section:

5 (1) "Automated sales suppression device," also known as a "zapper," means a software program,
6 carried on a memory stick or removable compact disc, accessed through an Internet link, or accessed
7 through any other means, that falsifies transaction data, transaction reports, or any other electronic records
8 of electronic cash registers and other point-of-sale systems.

9 (2) "Electronic cash register" means a device that keeps a register or supporting documents
10 through the means of an electronic device or computer system designed to record transaction data for the
11 purpose of computing, compiling, or processing retail sales transaction data in any manner.

12 (3) "Phantom-ware" means a hidden programming option, whether preinstalled or installed at a
13 later time, embedded in the operating system of an electronic cash register or hardwired into the
14 electronic cash register that:

15 (A) can be used to create a virtual second till; or

16 (B) may eliminate or manipulate transaction records.

17 (4) "Transaction data" includes items purchased by a customer, the price for each item, a
18 taxability determination for each item, a segregated tax amount for each of the taxed items, the amount of
19 cash or credit tendered, the net amount returned to the customer in change, the date and time of the
20 purchase, the name, address, and identification number of the vendor, and the receipt or invoice number
21 of the transaction.

22 (5) "Transaction reports" means a report documenting, but not limited to, the sales, taxes
23 collected, media totals, and discount voids at an electronic cash register that is printed on cash register
24 tape at the end of a day or shift, or a report documenting every action at an electronic cash register that is
25 stored electronically.

26 (b) A person shall not knowingly sell, purchase, install, transfer or possess an automated sales
27 suppression device or phantom-ware.

28 (c) Any person who violates subdivision (b) of this section shall be guilty of a felony and, upon
29 conviction, shall be subject to a fine not exceeding fifty-thousand dollars (\$50,000) or imprisonment not
30 exceeding five (5) years, or both.

31 (d) In addition , a person who violates subdivision (b) of this section shall be liable to the State
32 for:

33 (1) all taxes, interest, and penalties due as the result of the person's use of an automated sales
34 suppression device or phantom-ware; and

1 five percent (45%) nor more than seventy-two percent (72%) of the total revenue accruing from the sale
2 of Keno tickets.

3 (2) Payment of expenses incurred by the division in the operation of the state lotteries including,
4 but not limited to, costs arising from contracts entered into by the director for promotional, consulting, or
5 operational services, salaries of professional, technical, and clerical assistants, and purchases or lease of
6 facilities, lottery equipment, and materials; provided however, solely for the purpose of determining
7 revenues remaining and available for transfer to the state's general fund, beginning in fiscal year 2015,
8 expenses incurred by the division in the operation of state lotteries shall reflect the actuarially determined
9 employer contribution to the Employees' Retirement System consistent with the state's adopted funding
10 policy. For financial reporting purposes, the state lottery fund financial statements shall be prepared in a
11 accordance with generally accepted accounting principles as promulgated by the Governmental
12 Accounting Standards Board; and

13 ~~(3) Repayment into the general revenue fund of the amount appropriated for the implementation~~
14 ~~of the state lottery; and~~

15 ~~(4)(3) Payment into the general revenue fund of all revenues remaining in the state lottery fund~~
16 ~~after the payments specified in subdivisions (a)(1) – (a)(3) (a)(2) of this section; provided, that the amount~~
17 ~~to be transferred into the general revenue fund shall equal no less than twenty five percent (25%) of the~~
18 ~~total revenue received and accrued from the sale of lottery tickets plus any other income earned from the~~
19 ~~lottery; provided further, that the revenue returned to the general fund from the game commonly known~~
20 ~~as Keno, shall not be calculated as part of the twenty five percent (25%) mandate required by this section,~~
21 ~~but the amount transferred into the general revenue fund shall equal no less than fifteen percent (15%) of~~
22 ~~the total Keno revenue received.~~

23 (b) The auditor general shall conduct an annual post audit of the financial records and operations
24 of the lottery for the preceding year in accordance with generally accepted auditing standards and
25 government auditing standards. In connection with the audit, the auditor general may examine all records,
26 files, and other documents of the division, and any records of lottery sales agents that pertain to their
27 activities as agents, for purposes of conducting the audit. The auditor general, in addition to the annual
28 post audit, may require or conduct any other audits or studies he or she deems appropriate, the costs of
29 which shall be borne by the division.

30 (c) Payments into the state's general fund specified in subsection (a)~~(4)~~ (3) of this section shall be
31 made on an estimated quarterly basis. Payment shall be made on the tenth business day following the
32 close of the quarter except for the fourth quarter when payment shall be on the last business day.

33 SECTION 2. Section 42-61.2-7 of the General Laws in Chapter 42-61.7 entitled “Video Lottery
34 Terminal” is hereby amended to read as follows:

1 **§ 42-61.2-7 Division of revenue.** – (a) Notwithstanding the provisions of § 42-61-15, the
2 allocation of net terminal income derived from video lottery games is as follows:

3 (1) For deposit in the general fund and to the state lottery division fund for administrative
4 purposes: Net terminal income not otherwise disbursed in accordance with subdivisions (a)(2) – (a)(6)
5 herein;

6 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one percent
7 (0.19%) up to a maximum of twenty million dollars (\$20,000,000) shall be equally allocated to the
8 distressed communities as defined in § 45-13-12 provided that no eligible community shall receive more
9 than twenty-five percent (25%) of that community's currently enacted municipal budget as its share under
10 this specific subsection. Distributions made under this specific subsection are supplemental to all other
11 distributions made under any portion of general laws § 45-13-12. For the fiscal year ending June 30, 2008
12 distributions by community shall be identical to the distributions made in the fiscal year ending June 30,
13 2007 and shall be made from general appropriations. For the fiscal year ending June 30, 2009, the total
14 state distribution shall be the same total amount distributed in the fiscal year ending June 30, 2008 and
15 shall be made from general appropriations. For the fiscal year ending June 30, 2010, the total state
16 distribution shall be the same total amount distributed in the fiscal year ending June 30, 2009 and shall be
17 made from general appropriations, provided however that \$784,458 of the total appropriation shall be
18 distributed equally to each qualifying distressed community. For each of the fiscal years ending June 30,
19 2011, June 30, 2012, and June 30, 2013 seven hundred eighty-four thousand four hundred fifty-eight
20 dollars (\$784,458) of the total appropriation shall be distributed equally to each qualifying distressed
21 community.

22 (ii) Five one hundredths of one percent (0.05%) up to a maximum of five million dollars
23 (\$5,000,000) shall be appropriated to property tax relief to fully fund the provisions of § 44-33-2.1. The
24 maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum amount to the nearest
25 five dollar (\$5.00) increment within the allocation until a maximum credit of five hundred dollars (\$500)
26 is obtained. In no event shall the exemption in any fiscal year be less than the prior fiscal year.

27 (iii) One and twenty-two one hundredths of one percent (1.22%) to fund § 44-34.1-1, entitled
28 "Motor Vehicle and Trailer Excise Tax Elimination Act of 1998", to the maximum amount to the nearest
29 two hundred fifty dollar (\$250) increment within the allocation. In no event shall the exemption in any
30 fiscal year be less than the prior fiscal year.

31 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent (0.10%) to
32 a maximum of ten million dollars (\$10,000,000) for supplemental distribution to communities not
33 included in paragraph (a)(1)(i) above distributed proportionately on the basis of general revenue sharing
34 distributed for that fiscal year. For the fiscal year ending June 30, 2008 distributions by community shall

1 be identical to the distributions made in the fiscal year ending June 30, 2007 and shall be made from
2 general appropriations. For the fiscal year ending June 30, 2009, no funding shall be disbursed. For the
3 fiscal year ending June 30, 2010 and thereafter, funding shall be determined by appropriation.

4 (2) To the licensed video lottery retailer:

5 (a) Prior to the effective date of the NGJA Master Contract, Newport Jai Ali twenty-six percent
6 (26%) minus three hundred eighty four thousand nine hundred ninety-six dollars (\$384,996);

7 (ii) On and after the effective date of the NGJA Master Contract, to the licensed video lottery
8 retailer who is a party to the NGJA Master Contract, all sums due and payable under said Master Contract
9 minus three hundred eighty four thousand nine hundred ninety-six dollars (\$384,996).

10 (iii) Effective July 1, 2013 the rate of net terminal income payable to Newport Grand, LLC under
11 the Newport Grand Master Contract shall increase by two and one quarter percent (2.25%) points. The
12 increase herein shall sunset and expire on June 30, 2015 and the rate in effect as of June 30, 2013 shall be
13 reinstated.

14 (b) Prior to the effective date of the UTGR Master Contract, to the present licensed video lottery
15 retailer at Lincoln Park which is not a party to the UTGR Master Contract, twenty-eight and eighty-five
16 one hundredths percent (28.85%) minus seven hundred sixty-seven thousand six hundred eighty-seven
17 dollars (\$767,687);

18 (ii) On and after the effective date of the UTGR Master Contract, to the licensed video lottery
19 retailer who is a party to the UTGR Master Contract, all sums due and payable under said Master
20 Contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars (\$767,687).

21 (3) To the technology providers who are not a party to the GTECH Master Contract as set forth
22 and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net terminal income of the
23 provider's terminals; in addition thereto, technology providers who provide premium or licensed
24 proprietary content or those games that have unique characteristics such as 3D graphics, unique
25 math/game play features or merchandising elements to video lottery terminals may receive incremental
26 compensation, either in the form of a daily fee or as an increased percentage, if all of the following
27 criteria are met:

28 (A) A licensed video lottery retailer has requested the placement of premium or licensed
29 proprietary content at its licensed video lottery facility;

30 (B) The division of lottery has determined in its sole discretion that the request is likely to
31 increase net terminal income or is otherwise important to preserve or enhance the competitiveness of the
32 licensed video lottery retailer;

1 (C) After approval of the request by the division of lottery, the total number of premium or
2 licensed propriety content video lottery terminals does not exceed ten percent (10%) of the total number
3 of video lottery terminals authorized at the respective licensed video lottery retailer; and

4 (D) All incremental costs are shared between the division and the respective licensed video
5 lottery retailer based upon their proportionate allocation of net terminal income. The division of lottery is
6 hereby authorized to amend agreements with the licensed video lottery retailers, or the technology
7 providers, as applicable, to effect the intent herein.

8 (ii) To contractors who are a party to the Master Contract as set forth and referenced in Public
9 Law 2003, Chapter 32, all sums due and payable under said Master Contract;

10 (iii) Notwithstanding paragraphs (i) and (ii) above, there shall be subtracted proportionately from
11 the payments to technology providers the sum of six hundred twenty-eight thousand seven hundred thirty-
12 seven dollars (\$628,737);

13 (4) To the city of Newport one and one hundredth percent (1.01%) of net terminal income of
14 authorized machines at Newport Grand, except that:

15 (i) Effective November 9, 2009 until June 30, 2013, the allocation shall be one and two tenths
16 percent (1.2%) of net terminal income of authorized machines at Newport Grand for each week the
17 facility operates video lottery games on a twenty-four (24) hour basis for all eligible hours authorized, and

18 (ii) Effective July 1, 2013, provided that the referendum measure authorized by Section 1 of
19 Chapters 24 and 25 of the Public Laws of 2012 is approved statewide and in the City of Newport, the
20 allocation shall be one and forty-five hundredths percent (1.45%) of net terminal income of authorized
21 video lottery terminals at Newport Grand; and

22 (B) To the town of Lincoln one and twenty-six hundredths percent (1.26%) of net terminal
23 income of authorized machines at Twin River except that,

24 (i) Effective November 9, 2009 until June 30, 2013, the allocation shall be one and forty-five
25 hundredths percent (1.45%) of net terminal income of authorized machines at Twin River for each week
26 video lottery games are offered on a twenty-four (24) hour basis for all eligible hours authorized, and

27 (ii) Effective July 1, 2013, provided that the referendum measure authorized by Article 25,
28 Chapter 151, Section 4 of the Public Laws of 2011 is approved statewide and in the Town of Lincoln, the
29 allocation shall be one and forty-five hundredths percent (1.45%) of net terminal income of authorized
30 video lottery terminals at Twin River; and

31 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net
32 terminal income of authorized machines at Lincoln Park up to a maximum of ten million dollars
33 (\$10,000,000) per year, which shall be paid to the Narragansett Indian Tribe for the account of a Tribal
34 Development Fund to be used for the purpose of encouraging and promoting: home ownership and

1 improvement, elderly housing, adult vocational training; health and social services; childcare; natural
2 resource protection; and economic development consistent with state law. Provided, however, such
3 distribution shall terminate upon the opening of any gaming facility in which the Narragansett Indians are
4 entitled to any payments or other incentives; and provided further, any monies distributed hereunder shall
5 not be used for, or spent on previously contracted debts; and

6 (6) Unclaimed prizes and credits shall remit to the general fund of the state; and

7 (7) Payments into the state's general fund specified in subdivisions (a)(1) and (a)(6) shall be made
8 on an estimated monthly basis. Payment shall be made on the tenth day following the close of the month
9 except for the last month when payment shall be on the last business day.

10 (b) Notwithstanding the above, the amounts payable by the Division to UTGR related to the
11 Marketing Program shall be paid on a frequency agreed by the Division, but no less frequently than
12 annually.

13 (c) Notwithstanding anything in this chapter 61.2 of this title 42 to the contrary, the Director is
14 authorized to fund the Marketing Program as described above in regard to the First Amendment to the
15 UTGR Master Contract.

16 (d) Notwithstanding the above, the amounts payable by the Division to Newport Grand related to
17 the Marketing Program shall be paid on a frequency agreed by the Division, but no less frequently than
18 annually.

19 (e) Notwithstanding anything in this chapter 61.2 of this title 42 to the contrary, the Director is
20 authorized to fund the Marketing Program as described above in regard to the First Amendment to the
21 Newport Grand Master Contract.

22 (f) Notwithstanding the provisions of § 42-61-15, the allocation of Net Table Game Revenue
23 derived from Table Games at Twin River is as follows:

24 (1) For deposit into the state lottery fund for administrative purposes and then the balance
25 remaining into the general fund:

26 (i) ~~Sixteen percent (16%)~~ Eighteen percent (18%) of Net Table Game Revenue, except as
27 provided in subsection (f)(1)(ii):

28 ~~(ii) An additional two percent (2%) of Net Table Game Revenue generated at Twin River shall be~~
29 ~~allocated starting from the commencement of Table Game activities by such Table Game Retailer, and~~
30 ~~ending, with respect to such Table Game Retailer, on the first date that such Table Game Retailer's net~~
31 ~~terminal income for a full State fiscal year is less than such Table Game Retailer's net terminal income~~
32 ~~for the prior State fiscal year, at which point this additional allocation to the State shall no longer apply to~~
33 ~~such Table Game Retailer.~~

1 (ii) After casino gaming has commenced in the Commonwealth of Massachusetts, for the first
2 consecutive twelve (12) month period thereafter that the Table Game Retailer's net terminal income is
3 less than its net terminal income for the same twelve (12) month period in the prior year, then for one (1)
4 period of four (4) consecutive State fiscal years immediately thereafter, the State's share of Net Table
5 Game Revenue shall be decreased from eighteen percent (18%) to sixteen percent (16%) with an
6 additional one percent (1%) of Net Table Game Revenue generated by the Table Game Retailer allocated
7 to said Table Game Retailer and one percent (1%) of Net Table Game Revenue generated by the Table
8 Game Retailer allocated to the town of Lincoln.

9 (2) To UTGR, Net Table Game Revenue not otherwise disbursed pursuant to above subsection
10 ~~(f)(1); provided, however, on the first date that such Table Game Retailer's net terminal income for a full~~
11 ~~State fiscal year is less than such Table Game Retailer's net terminal income for the prior State fiscal year,~~
12 ~~as set forth in subsection (f)(1)(ii) above, one percent (1%) of this Net Table Game Revenue shall be~~
13 ~~allocated to the town of Lincoln for four (4) consecutive State fiscal years.~~

14 (g) Notwithstanding the provisions of § 42-61-15, the allocation of Net Table Game Revenue
15 derived from Table Games at Newport Grand is as follows:

16 (1) For deposit into the state lottery fund for administrative purposes and then the balance
17 remaining into the general fund: eighteen percent (18%) of Net Table Game Revenue.

18 (2) To Newport Grand LLC, Net Table Game Revenue not otherwise disbursed pursuant to above
19 subsection (g)(1) provided, however, on the first date that such Table Game Retailer's net terminal income
20 for a full State fiscal year is less than such Table Game Retailer's net terminal income for the prior State
21 fiscal year, one percent (1%) of this Net Table Game Revenue shall be allocated to the city of Newport
22 for four (4) consecutive State fiscal years.

23 SECTION 3. This article will take effect July 1, 2014.

24 ARTICLE 14

25 RELATING TO MARKETPLACE FAIRNESS ACT

26 SECTION 1. Section 44-11-2 of the General Laws in Chapter 44-11 entitled "Business
27 Corporation Tax" is hereby amended to read as follows:

28 **§ 44-11-2 Imposition of tax.** – (a) Each corporation shall annually pay to the state a tax equal to
29 nine percent (9.0%) of net income, as defined in § 44-11-11, qualified in § 44-11-12, and apportioned to
30 this state as provided in §§ 44-11-13 – 44-11-15, for the taxable year. In recognition of the work being
31 performed by the Streamlined Sales and Use Tax Governing Board, upon passage of any federal law
32 which authorizes states to require remote sellers defined in section 44-18-15.2, to collect and remit sales
33 and use taxes under chapters 18 and 19 of this title, the rate imposed under section 44-11-2 shall be
34 reduced from nine percent (9.0%) to six percent (6.0%). The six percent (6.0%) rate shall take effect for

1 tax years beginning on or after the date the state requires remote sellers to collect and remit sales and use
2 tax.

3 (b) A corporation shall pay the amount of any tax as computed in accordance with subsection (a)
4 of this section after deducting from "net income," as used in this section, fifty percent (50%) of the excess
5 of capital gains over capital losses realized during the taxable year, if for the taxable year:

6 (1) The corporation is engaged in buying, selling, dealing in, or holding securities on its own
7 behalf and not as a broker, underwriter, or distributor;

8 (2) Its gross receipts derived from these activities during the taxable year amounted to at least
9 ninety percent (90%) of its total gross receipts derived from all of its activities during the year. "Gross
10 receipts" means all receipts, whether in the form of money, credits, or other valuable consideration,
11 received during the taxable year in connection with the conduct of the taxpayer's activities.

12 (c) A corporation shall not pay the amount of the tax computed on the basis of its net income
13 under subsection (a) of this section, but shall annually pay to the state a tax equal to ten cents (\$.10) for
14 each one hundred dollars (\$100) of gross income for the taxable year or a tax of one hundred dollars
15 (\$100), whichever tax shall be the greater, if for the taxable year the corporation is either a "personal
16 holding company" registered under the federal Investment Company Act of 1940, 15 U.S.C. § 80a-1 et
17 seq., "regulated investment company", or a "real estate investment trust" as defined in the federal income
18 tax law applicable to the taxable year. "Gross income" means gross income as defined in the federal
19 income tax law applicable to the taxable year, plus:

20 (1) Any interest not included in the federal gross income; minus

21 (2) Interest on obligations of the United States or its possessions, and other interest exempt from
22 taxation by this state; and minus

23 (3) Fifty percent (50%) of the excess of capital gains over capital losses realized during the
24 taxable year.

25 (d) A small business corporation having an election in effect under subchapter S, 26 U.S.C. §
26 1361 et seq., shall not be subject to the Rhode Island income tax on corporations, except that the
27 corporation shall be subject to the provisions of subsection (a), to the extent of the income that is
28 subjected to federal tax under subchapter S.

29 (2) The shareholders of the corporation who are residents of Rhode Island shall include in their
30 income their proportionate share of the corporation's federal taxable income.

31 (3) [Deleted by P.L. 2004, ch. 595, art. 29, § 1.]

32 (4) [Deleted by P.L. 2004, ch. 595, art. 29, § 1.]

33 (e) *Minimum tax.* The tax imposed upon any corporation under this section shall not be less than
34 five hundred dollars (\$500).

1 SECTION 2. Sections 44-18-18, 44-18-18.1, 44-18-20 and 44-18-30 of the General Laws in
2 Chapter 44-18 entitled "Sales and Use Tax – Liability and Computation" are hereby amended to read as
3 follows:

4 **§ 44-18-18 Sales tax imposed.** – A tax is imposed upon sales at retail in this state including
5 charges for rentals of living quarters in hotels as defined in § 42-63.1-2, rooming houses, or tourist camps,
6 at the rate of six percent (6%) of the gross receipts of the retailer from the sales or rental charges;
7 provided, that the tax imposed on charges for the rentals applies only to the first period of not exceeding
8 thirty (30) consecutive calendar days of each rental; provided, further, that for the period commencing
9 July 1, 1990, the tax rate is seven percent (7%). The tax is paid to the tax administrator by the retailer at
10 the time and in the manner provided. Excluded from this tax are those living quarters in hotels, rooming
11 houses, or tourist camps for which the occupant has a written lease for the living quarters which lease
12 covers a rental period of twelve (12) months or more. ~~In recognition of the work being performed by the~~
13 ~~Streamlined Sales and Use Tax Governing Board, upon passage any federal law which authorizes states to~~
14 ~~require remote sellers to collect and remit sales and use taxes, the rate imposed under § 44-18-18 shall be~~
15 ~~reduced from seven percent (7%) to six and one-half percent (6.5%). The six and one-half percent (6.5%)~~
16 ~~rate shall take effect on the date that the state requires remote sellers to collect and remit sale and use~~
17 ~~taxes.~~

18 **§ 44-18-18.1 Local meals and beverage tax.** – (a) There is hereby levied and imposed, upon
19 every purchaser of a meal and/or beverage, in addition to all other taxes and fees now imposed by law, a
20 local meals and beverage tax upon each and every meal and/or beverage sold within the state of Rhode
21 Island in or from an eating and/or drinking establishment, whether prepared in the eating and/or drinking
22 establishment or not and whether consumed at the premises or not, at a rate of one percent of the gross
23 receipts. The tax shall be paid to the tax administrator by the retailer at the time and in the manner
24 provided.

25 (b) All sums received by the division of taxation under this section as taxes, penalties or
26 forfeitures, interest, costs of suit and fines shall be distributed at least quarterly, credited and paid by the
27 state treasurer to the city or town where the meals and beverages are delivered.

28 (c) When used in this section, the following words have the following meanings:

29 (1) "Beverage" means all nonalcoholic beverages, as well as alcoholic beverages, beer, lager beer,
30 ale, porter, wine, similar fermented malt or vinous liquor.

31 (2) "Eating and/or drinking establishments" mean and include restaurants, bars, taverns, lounges,
32 cafeterias, lunch counters, drive-ins, roadside ice cream and refreshment stands, fish and chip places, fried
33 chicken places, pizzerias, food and drink concessions, or similar facilities in amusement parks, bowling
34 alleys, clubs, caterers, drive-in theatres, industrial plants, race tracks, shore resorts or other locations,

1 lunch carts, mobile canteens and other similar vehicles, and other like places of business which furnish or
2 provide facilities for immediate consumption of food at tables, chairs or counters or from trays, plates,
3 cups or other tableware or in parking facilities provided primarily for the use of patrons in consuming
4 products purchased at the location. Ordinarily, eating establishments do not mean and include food stores
5 and supermarkets. Eating establishments do not mean "vending machines," a self-contained automatic
6 device that dispenses for sale foods, beverages, or confection products. Retailers selling prepared foods in
7 bulk either in customer-furnished containers or in the seller's containers, for example "Soup and Sauce"
8 establishments, are deemed to be selling prepared foods ordinarily for immediate consumption and, as
9 such, are considered eating establishments.

10 (3) "Meal" means any prepared food or beverage offered or held out for sale by an eating and/or
11 drinking establishment for the purpose of being consumed by any person to satisfy the appetite and which
12 is ready for immediate consumption. All such food and beverage, unless otherwise specifically exempted
13 or excluded herein shall be included, whether intended to be consumed on the seller's premises or
14 elsewhere, whether designated as breakfast, lunch, snack, dinner, supper or by some other name, and
15 without regard to the manner, time or place of service.

16 (d) This local meals and beverage tax shall be administered and collected by the division of
17 taxation and unless provided to the contrary in this chapter, all of the administration, collection, and other
18 provisions of chapters 18 and 19 of this article apply.

19 ~~In recognition of the work being performed by the Streamlined Sales and Use Tax Governing~~
20 ~~Board, upon passage of any federal law which authorizes states to require remote sellers to collect and~~
21 ~~remit sales and use taxes, the rate imposed under § 44-18-18.1 shall be increased from one percent (1%)~~
22 ~~to one and one half percent (1.5%). The one and one half percent (1.5%) rate shall take effect on the date~~
23 ~~that the state requires remote sellers to collect and remit sales and use taxes.~~

24 **§ 44-18-20 Use tax imposed.** – (a) An excise tax is imposed on the storage, use, or other
25 consumption in this state of tangible personal property, prewritten computer software delivered
26 electronically or by load and leave or services as defined in § 44-18-7.3; including a motor vehicle, a
27 boat, an airplane, or a trailer, purchased from any retailer at the rate of six percent (6%) of the sale price
28 of the property.

29 (b) An excise tax is imposed on the storage, use, or other consumption in this state of a motor
30 vehicle, a boat, an airplane, or a trailer purchased from other than a licensed motor vehicle dealer or other
31 than a retailer of boats, airplanes, or trailers respectively, at the rate of six percent (6%) of the sale price
32 of the motor vehicle, boat, airplane, or trailer.

33 (c) The word "trailer" as used in this section and in § 44-18-21 means and includes those defined
34 in § 31-1-5(a) – (e) and also includes boat trailers, camping trailers, house trailers, and mobile homes.

1 (d) Notwithstanding the provisions contained in this section and in § 44-18-21 relating to the
2 imposition of a use tax and liability for this tax on certain casual sales, no tax is payable in any casual
3 sale:

4 (1) When the transferee or purchaser is the spouse, mother, father, brother, sister, or child of the
5 transferor or seller;

6 (2) When the transfer or sale is made in connection with the organization, reorganization,
7 dissolution, or partial liquidation of a business entity; provided:

8 (i) The last taxable sale, transfer, or use of the article being transferred or sold was subjected to a
9 tax imposed by this chapter;

10 (ii) The transferee is the business entity referred to or is a stockholder, owner, member, or
11 partner; and

12 (iii) Any gain or loss to the transferor is not recognized for income tax purposes under the
13 provisions of the federal income tax law and treasury regulations and rulings issued thereunder;

14 (3) When the sale or transfer is of a trailer, other than a camping trailer, of the type ordinarily
15 used for residential purposes and commonly known as a house trailer or as a mobile home; or

16 (4) When the transferee or purchaser is exempt under the provisions of § 44-18-30 or other
17 general law of this state or special act of the general assembly of this state.

18 (e) The term "casual" means a sale made by a person other than a retailer; provided, that in the
19 case of a sale of a motor vehicle, the term means a sale made by a person other than a licensed motor
20 vehicle dealer or an auctioneer at an auction sale. In no case is the tax imposed under the provisions of
21 subsections (a) and (b) of this section on the storage, use, or other consumption in this state of a used
22 motor vehicle less than the product obtained by multiplying the amount of the retail dollar value at the
23 time of purchase of the motor vehicle by the applicable tax rate; provided, that where the amount of the
24 sale price exceeds the amount of the retail dollar value, the tax is based on the sale price. The tax
25 administrator shall use as his or her guide the retail dollar value as shown in the current issue of any
26 nationally recognized used vehicle guide for appraisal purposes in this state. On request within thirty (30)
27 days by the taxpayer after payment of the tax, if the tax administrator determines that the retail dollar
28 value as stated in this subsection is inequitable or unreasonable, he or she shall, after affording the
29 taxpayer reasonable opportunity to be heard, re-determine the tax.

30 (f) Every person making more than five (5) retail sales of tangible personal property or prewritten
31 computer software delivered electronically or by load and leave, or services as defined in § 44-18-7.3
32 during any twelve (12) month period, including sales made in the capacity of assignee for the benefit of
33 creditors or receiver or trustee in bankruptcy, is considered a retailer within the provisions of this chapter.

1 (g) "Casual sale" includes a sale of tangible personal property not held or used by a seller in the
2 course of activities for which the seller is required to hold a seller's permit or permits or would be
3 required to hold a seller's permit or permits if the activities were conducted in this state; provided, that the
4 sale is not one of a series of sales sufficient in number, scope, and character (more than five (5) in any
5 twelve (12) month period) to constitute an activity for which the seller is required to hold a seller's permit
6 or would be required to hold a seller's permit if the activity were conducted in this state.

7 (2) Casual sales also include sales made at bazaars, fairs, picnics, or similar events by nonprofit
8 organizations, which are organized for charitable, educational, civic, religious, social, recreational,
9 fraternal, or literary purposes during two (2) events not to exceed a total of six (6) days duration each
10 calendar year. Each event requires the issuance of a permit by the division of taxation. Where sales are
11 made at events by a vendor, which holds a sales tax permit and is not a nonprofit organization, the sales
12 are in the regular course of business and are not exempt as casual sales.

13 (h) The use tax imposed under this section for the period commencing July 1, 1990 is at the rate
14 of seven percent (7%). ~~In recognition of the work being performed by the Streamlined Sales and Use Tax
15 Governing Board, upon passage of any federal law which authorizes states to require remote sellers to
16 collect and remit sales and use taxes, effective the first (1st) day of the first (1st) state fiscal quarter
17 following the change, the rate imposed under § 44-18-18 shall be reduced from seven percent (7.0%) to
18 six and one-half percent (6.5%). The six and one-half percent (6.5%) rate shall take effect on the date that
19 the state requires remote sellers to collect and remit sales and use taxes.~~

20 **§ 44-18-30 Gross receipts exempt from sales and use taxes.** – There are exempted from the
21 taxes imposed by this chapter the following gross receipts:

22 (1) *Sales and uses beyond constitutional power of state.* From the sale and from the storage, use,
23 or other consumption in this state of tangible personal property the gross receipts from the sale of which,
24 or the storage, use, or other consumption of which, this state is prohibited from taxing under the
25 Constitution of the United States or under the constitution of this state.

26 (2) *Newspapers.*

27 (i) From the sale and from the storage, use, or other consumption in this state of any newspaper.

28 (ii) "Newspaper" means an unbound publication printed on newsprint, which contains news,
29 editorial comment, opinions, features, advertising matter, and other matters of public interest.

30 (iii) "Newspaper" does not include a magazine, handbill, circular, flyer, sales catalog, or similar
31 item unless the item is printed for and distributed as a part of a newspaper.

32 (3) *School meals.* From the sale and from the storage, use, or other consumption in this state of
33 meals served by public, private, or parochial schools, school districts, colleges, universities, student
34 organizations, and parent teacher associations to the students or teachers of a school, college, or university

1 whether the meals are served by the educational institutions or by a food service or management entity
2 under contract to the educational institutions.

3 (4) *Containers.*

4 (i) From the sale and from the storage, use, or other consumption in this state of:

5 (A) Non-returnable containers, including boxes, paper bags, and wrapping materials which are
6 biodegradable and all bags and wrapping materials utilized in the medical and healing arts, when sold
7 without the contents to persons who place the contents in the container and sell the contents with the
8 container.

9 (B) Containers when sold with the contents if the sale price of the contents is not required to be
10 included in the measure of the taxes imposed by this chapter.

11 (C) Returnable containers when sold with the contents in connection with a retail sale of the
12 contents or when resold for refilling.

13 (ii) As used in this subdivision, the term "returnable containers" means containers of a kind
14 customarily returned by the buyer of the contents for reuse. All other containers are "non-returnable
15 containers."

16 (5) *Charitable, educational, and religious organizations.* From the sale to as in defined in this
17 section, and from the storage, use, and other consumption in this state or any other state of the United
18 States of America of tangible personal property by hospitals not operated for a profit, "educational
19 institutions" as defined in subdivision (18) not operated for a profit, churches, orphanages, and other
20 institutions or organizations operated exclusively for religious or charitable purposes, interest free loan
21 associations not operated for profit, nonprofit organized sporting leagues and associations and bands for
22 boys and girls under the age of nineteen (19) years, the following vocational student organizations that are
23 state chapters of national vocational students organizations: Distributive Education Clubs of America,
24 (DECA); Future Business Leaders of America, phi beta lambda (FBLA/PBL); Future Farmers of America
25 (FFA); Future Homemakers of America/Home Economics Related Occupations (FHA/HERD); and
26 Vocational Industrial Clubs of America (VICA), organized nonprofit golden age and senior citizens clubs
27 for men and women, and parent teacher associations.

28 (ii) In the case of contracts entered into with the federal government, its agencies or
29 instrumentalities, this state or any other state of the United States of America, its agencies, any city, town,
30 district, or other political subdivision of the states, hospitals not operated for profit, educational
31 institutions not operated for profit, churches, orphanages, and other institutions or organizations operated
32 exclusively for religious or charitable purposes, the contractor may purchase such materials and supplies
33 (materials and/or supplies are defined as those which are essential to the project) that are to be utilized in
34 the construction of the projects being performed under the contracts without payment of the tax.

1 (iii) The contractor shall not charge any sales or use tax to any exempt agency, institution, or
2 organization but shall in that instance provide his or her suppliers with certificates in the form as
3 determined by the division of taxation showing the reason for exemption; and the contractor's records
4 must substantiate the claim for exemption by showing the disposition of all property so purchased. If any
5 property is then used for a nonexempt purpose, the contractor must pay the tax on the property used.

6 (6) *Gasoline.* From the sale and from the storage, use, or other consumption in this state of: (i)
7 gasoline and other products taxed under chapter 36 of title 31, and (ii) fuels used for the propulsion of
8 airplanes.

9 (7) *Purchase for manufacturing purposes.*

10 (i) From the sale and from the storage, use, or other consumption in this state of computer
11 software, tangible personal property, electricity, natural gas, artificial gas, steam, refrigeration, and water,
12 when the property or service is purchased for the purpose of being manufactured into a finished product
13 for resale, and becomes an ingredient, component, or integral part of the manufactured, compounded,
14 processed, assembled, or prepared product, or if the property or service is consumed in the process of
15 manufacturing for resale computer software, tangible personal property, electricity, natural gas, artificial
16 gas, steam, refrigeration, or water.

17 (ii) "Consumed" means destroyed, used up, or worn out to the degree or extent that the property
18 cannot be repaired, reconditioned, or rendered fit for further manufacturing use.

19 (iii) "Consumed" includes mere obsolescence.

20 (iv) "Manufacturing" means and includes manufacturing, compounding, processing, assembling,
21 preparing, or producing.

22 (v) "Process of manufacturing" means and includes all production operations performed in the
23 producing or processing room, shop, or plant, insofar as the operations are a part of and connected with
24 the manufacturing for resale of tangible personal property, electricity, natural gas, artificial gas, steam,
25 refrigeration, or water and all production operations performed insofar as the operations are a part of and
26 connected with the manufacturing for resale of computer software.

27 (vi) "Process of manufacturing" does not mean or include administration operations such as
28 general office operations, accounting, collection, sales promotion, nor does it mean or include distribution
29 operations which occur subsequent to production operations, such as handling, storing, selling, and
30 transporting the manufactured products, even though the administration and distribution operations are
31 performed by or in connection with a manufacturing business.

32 (8) *State and political subdivisions.* From the sale to, and from the storage, use, or other
33 consumption by, this state, any city, town, district, or other political subdivision of this state. Every

1 redevelopment agency created pursuant to chapter 31 of title 45 is deemed to be a subdivision of the
2 municipality where it is located.

3 (9) *Food and food ingredients.* From the sale and storage, use, or other consumption in this state
4 of food and food ingredients as defined in § 44-18-7.1(1).

5 For the purposes of this exemption "food and food ingredients" shall not include candy, soft
6 drinks, dietary supplements, alcoholic beverages, tobacco, food sold through vending machines or
7 prepared food (as those terms are defined in § 44-18-7.1, unless the prepared food is:

8 (i) Sold by a seller whose primary NAICS classification is manufacturing in sector 311, except
9 sub-sector 3118 (bakeries);

10 (ii) Sold in an unheated state by weight or volume as a single item;

11 (iii) Bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts,
12 danish, cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas; and

13 is not sold with utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups,
14 napkins, or straws.

15 (10) *Medicines, drugs and durable medical equipment.* From the sale and from the storage, use,
16 or other consumption in this state, of;

17 (i) "Drugs" as defined in § 44-18-7.1(h)(i), sold on prescriptions, medical oxygen, and insulin
18 whether or not sold on prescription. For purposes of this exemption drugs shall not include over-the-
19 counter drugs and grooming and hygiene products as defined in § 44-18-7.1(h)(iii).

20 (ii) Durable medical equipment as defined in section 44-18-7.1(k) for home use only, including,
21 but not limited to, syringe infusers, ambulatory drug delivery pumps, hospital beds, convalescent chairs,
22 and chair lifts. Supplies used in connection with syringe infusers and ambulatory drug delivery pumps
23 which are sold on prescription to individuals to be used by them to dispense or administer prescription
24 drugs, and related ancillary dressings and supplies used to dispense or administer prescription drugs shall
25 also be exempt from tax.

26 (11) *Prosthetic devices and mobility enhancing equipment.* From the sale and from the storage,
27 use, or other consumption in this state, of prosthetic devices as defined in § 44-18-7.1(t), sold on
28 prescription, including but not limited to, artificial limbs, dentures, spectacles and eyeglasses, and
29 artificial eyes; artificial hearing devices and hearing aids, whether or not sold on prescription and mobility
30 enhancing equipment as defined in § 44-18-7.1(p) including wheelchairs, crutches and canes.

31 (12) *Coffins, caskets, and burial garments.* From the sale and from the storage, use, or other
32 consumption in this state of coffins or caskets, and shrouds or other burial garments which are ordinarily
33 sold by a funeral director as part of the business of funeral directing.

34 (13) *Motor vehicles sold to nonresidents.*

1 (i) From the sale, subsequent to June 30, 1958, of a motor vehicle to a bona fide nonresident of
2 this state who does not register the motor vehicle in this state, whether the sale or delivery of the motor
3 vehicle is made in this state or at the place of residence of the nonresident. A motor vehicle sold to a bona
4 fide nonresident whose state of residence does not allow a like exemption to its nonresidents is not
5 exempt from the tax imposed under § 44-18-20. In that event the bona fide nonresident pays a tax to
6 Rhode Island on the sale at a rate equal to the rate that would be imposed in his or her state of residence
7 not to exceed the rate that would have been imposed under § 44-18-20. Notwithstanding any other
8 provisions of law, a licensed motor vehicle dealer shall add and collect the tax required under this
9 subdivision and remit the tax to the tax administrator under the provisions of chapters 18 and 19 of this
10 title. When a Rhode Island licensed motor vehicle dealer is required to add and collect the sales and use
11 tax on the sale of a motor vehicle to a bona fide nonresident as provided in this section, the dealer in
12 computing the tax takes into consideration the law of the state of the nonresident as it relates to the trade-
13 in of motor vehicles.

14 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may require
15 any licensed motor vehicle dealer to keep records of sales to bona fide nonresidents as the tax
16 administrator deems reasonably necessary to substantiate the exemption provided in this subdivision,
17 including the affidavit of a licensed motor vehicle dealer that the purchaser of the motor vehicle was the
18 holder of, and had in his or her possession a valid out of state motor vehicle registration or a valid out of
19 state driver's license.

20 (iii) Any nonresident who registers a motor vehicle in this state within ninety (90) days of the
21 date of its sale to him or her is deemed to have purchased the motor vehicle for use, storage, or other
22 consumption in this state, and is subject to, and liable for the use tax imposed under the provisions of §
23 44-18-20.

24 (14) *Sales in public buildings by blind people.* From the sale and from the storage, use, or other
25 consumption in all public buildings in this state of all products or wares by any person licensed under §
26 40-9-11.1.

27 (15) *Air and water pollution control facilities.* From the sale, storage, use, or other consumption
28 in this state of tangible personal property or supplies acquired for incorporation into or used and
29 consumed in the operation of a facility, the primary purpose of which is to aid in the control of the
30 pollution or contamination of the waters or air of the state, as defined in chapter 12 of title 46 and chapter
31 25 of title 23, respectively, and which has been certified as approved for that purpose by the director of
32 environmental management. The director of environmental management may certify to a portion of the
33 tangible personal property or supplies acquired for incorporation into those facilities or used and
34 consumed in the operation of those facilities to the extent that that portion has as its primary purpose the

1 control of the pollution or contamination of the waters or air of this state. As used in this subdivision,
2 "facility" means any land, facility, device, building, machinery, or equipment.

3 (16) *Camps.* From the rental charged for living quarters, or sleeping or housekeeping
4 accommodations at camps or retreat houses operated by religious, charitable, educational, or other
5 organizations and associations mentioned in subdivision (5), or by privately owned and operated summer
6 camps for children.

7 (17) *Certain institutions.* From the rental charged for living or sleeping quarters in an institution
8 licensed by the state for the hospitalization, custodial, or nursing care of human beings.

9 (18) *Educational institutions.* From the rental charged by any educational institution for living
10 quarters, or sleeping or housekeeping accommodations or other rooms or accommodations to any student
11 or teacher necessitated by attendance at an educational institution. "Educational institution" as used in this
12 section means an institution of learning not operated for profit which is empowered to confer diplomas,
13 educational, literary, or academic degrees, which has a regular faculty, curriculum, and organized body of
14 pupils or students in attendance throughout the usual school year, which keeps and furnishes to students
15 and others records required and accepted for entrance to schools of secondary, collegiate, or graduate
16 rank, no part of the net earnings of which inures to the benefit of any individual.

17 (19) *Motor vehicle and adaptive equipment for persons with disabilities.*

18 (i) From the sale of: (A) special adaptations, (B) the component parts of the special adaptations,
19 or (C) a specially adapted motor vehicle; provided, that the owner furnishes to the tax administrator an
20 affidavit of a licensed physician to the effect that the specially adapted motor vehicle is necessary to
21 transport a family member with a disability or where the vehicle has been specially adapted to meet the
22 specific needs of the person with a disability. This exemption applies to not more than one motor vehicle
23 owned and registered for personal, noncommercial use.

24 (ii) For the purpose of this subsection the term "special adaptations" includes, but is not limited
25 to: wheelchair lifts; wheelchair carriers; wheelchair ramps; wheelchair securements; hand controls;
26 steering devices; extensions, relocations, and crossovers of operator controls; power-assisted controls;
27 raised tops or dropped floors; raised entry doors; or alternative signaling devices to auditory signals.

28 (iii) From the sale of: (a) special adaptations, (b) the component parts of the special adaptations,
29 for a "wheelchair accessible taxicab" as defined in § 39-14-1 and/or a "wheelchair accessible public motor
30 vehicle" as defined in § 39-14.1-1.

31 (iv) For the purpose of this subdivision the exemption for a "specially adapted motor vehicle"
32 means a use tax credit not to exceed the amount of use tax that would otherwise be due on the motor
33 vehicle, exclusive of any adaptations. The use tax credit is equal to the cost of the special adaptations,
34 including installation.

1 (20) *Heating fuels.* From the sale and from the storage, use, or other consumption in this state of
2 every type of fuel used in the heating of homes and residential premises.

3 (21) *Electricity and gas.* From the sale and from the storage, use, or other consumption in this
4 state of electricity and gas furnished for domestic use by occupants of residential premises.

5 (22) *Manufacturing machinery and equipment.*

6 (i) From the sale and from the storage, use, or other consumption in this state of tools, dies, and
7 molds, and machinery and equipment (including replacement parts), and related items to the extent used
8 in an industrial plant in connection with the actual manufacture, conversion, or processing of tangible
9 personal property, or to the extent used in connection with the actual manufacture, conversion or
10 processing of computer software as that term is utilized in industry numbers 7371, 7372, and 7373 in the
11 standard industrial classification manual prepared by the technical committee on industrial classification,
12 office of statistical standards, executive office of the president, United States bureau of the budget, as
13 revised from time to time, to be sold, or that machinery and equipment used in the furnishing of power to
14 an industrial manufacturing plant. For the purposes of this subdivision, "industrial plant" means a factory
15 at a fixed location primarily engaged in the manufacture, conversion, or processing of tangible personal
16 property to be sold in the regular course of business;

17 (ii) Machinery and equipment and related items are not deemed to be used in connection with the
18 actual manufacture, conversion, or processing of tangible personal property, or in connection with the
19 actual manufacture, conversion or processing of computer software as that term is utilized in industry
20 numbers 7371, 7372, and 7373 in the standard industrial classification manual prepared by the technical
21 committee on industrial classification, office of statistical standards, executive office of the president,
22 United States bureau of the budget, as revised from time to time, to be sold to the extent the property is
23 used in administration or distribution operations;

24 (iii) Machinery and equipment and related items used in connection with the actual manufacture,
25 conversion, or processing of any computer software or any tangible personal property which is not to be
26 sold and which would be exempt under subdivision (7) or this subdivision if purchased from a vendor or
27 machinery and equipment and related items used during any manufacturing, converting or processing
28 function is exempt under this subdivision even if that operation, function, or purpose is not an integral or
29 essential part of a continuous production flow or manufacturing process;

30 (iv) Where a portion of a group of portable or mobile machinery is used in connection with the
31 actual manufacture, conversion, or processing of computer software or tangible personal property to be
32 sold, as previously defined, that portion, if otherwise qualifying, is exempt under this subdivision even
33 though the machinery in that group is used interchangeably and not otherwise identifiable as to use.

1 (23) *Trade-in value of motor vehicles.* From the sale and from the storage, use, or other
2 consumption in this state of so much of the purchase price paid for a new or used automobile as is
3 allocated for a trade-in allowance on the automobile of the buyer given in trade to the seller, or of the
4 proceeds applicable only to the automobile as are received from the manufacturer of automobiles for the
5 repurchase of the automobile whether the repurchase was voluntary or not towards the purchase of a new
6 or used automobile by the buyer. For the purpose of this subdivision, the word "automobile" means a
7 private passenger automobile not used for hire and does not refer to any other type of motor vehicle.

8 (24) *Precious metal bullion.*

9 (i) From the sale and from the storage, use, or other consumption in this state of precious metal
10 bullion, substantially equivalent to a transaction in securities or commodities.

11 (ii) For purposes of this subdivision, "precious metal bullion" means any elementary precious
12 metal which has been put through a process of smelting or refining, including, but not limited to, gold,
13 silver, platinum, rhodium, and chromium, and which is in a state or condition that its value depends upon
14 its content and not upon its form.

15 (iii) The term does not include fabricated precious metal which has been processed or
16 manufactured for some one or more specific and customary industrial, professional, or artistic uses.

17 (25) *Commercial vessels.* From sales made to a commercial ship, barge, or other vessel of fifty
18 (50) tons burden or over, primarily engaged in interstate or foreign commerce, and from the repair,
19 alteration, or conversion of the vessels, and from the sale of property purchased for the use of the vessels
20 including provisions, supplies, and material for the maintenance and/or repair of the vessels.

21 (26) *Commercial fishing vessels.* From the sale and from the storage, use, or other consumption in
22 this state of vessels and other water craft which are in excess of five (5) net tons and which are used
23 exclusively for "commercial fishing", as defined in this subdivision, and from the repair, alteration, or
24 conversion of those vessels and other watercraft, and from the sale of property purchased for the use of
25 those vessels and other watercraft including provisions, supplies, and material for the maintenance and/or
26 repair of the vessels and other watercraft and the boats nets, cables, tackle, and other fishing equipment
27 appurtenant to or used in connection with the commercial fishing of the vessels and other watercraft.
28 "Commercial fishing" means the taking or the attempting to take any fish, shellfish, crustacea, or bait
29 species with the intent of disposing of them for profit or by sale, barter, trade, or in commercial channels.
30 The term does not include subsistence fishing, i.e., the taking for personal use and not for sale or barter;
31 or sport fishing; but shall include vessels and other watercraft with a Rhode Island party and charter boat
32 license issued by the department of environmental management pursuant to § 20-2-27.1 which meet the
33 following criteria: (i) the operator must have a current U.S.C.G. license to carry passengers for hire; (ii)
34 U.S.C.G. vessel documentation in the coast wide fishery trade; (iii) U.S.C.G. vessel documentation as to

1 proof of Rhode Island home port status or a Rhode Island boat registration to prove Rhode Island home
2 port status; (iv) the vessel must be used as a commercial passenger carrying fishing vessel to carry
3 passengers for fishing. The vessel must be able to demonstrate that at least fifty percent (50%) of its
4 annual gross income derives from charters or provides documentation of a minimum of one hundred
5 (100) charter trips annually; (v) the vessel must have a valid Rhode Island party and charter boat license.
6 The tax administrator shall implement the provisions of this subdivision by promulgating rules and
7 regulations relating thereto.

8 (27) *Clothing and footwear.* From the sales of articles of clothing, including footwear, intended to
9 be worn or carried on or about the human body for sales prior to October 1, 2012. Effective October 1,
10 2012, the exemption will apply to the sales of articles of clothing, including footwear, intended to be worn
11 or carried on or about the human body up to two hundred and fifty dollars (\$250) of the sales price per
12 item. For the purposes of this section, "clothing or footwear" does not include clothing accessories or
13 equipment or special clothing or footwear primarily designed for athletic activity or protective use as
14 these terms are defined in section 44-18-7.1(f). ~~In recognition of the work being performed by the~~
15 ~~Streamlined Sales and Use Tax Governing Board, upon passage of any federal law which authorizes~~
16 ~~states to require remote sellers to collect and remit sales and use taxes, this unlimited exemption will~~
17 ~~apply as it did prior to October 1, 2012. The unlimited exemption on sales of clothing and footwear shall~~
18 ~~take effect on the date that the state requires remote sellers to collect and remit sales and use taxes.~~

19 (28) *Water for residential use.* From the sale and from the storage, use, or other consumption in
20 this state of water furnished for domestic use by occupants of residential premises.

21 (29) *Bibles.* [Unconstitutional; see *Ahlburn v. Clark*, 728 A.2d 449 (R.I. 1999); see Notes to
22 Decisions.] From the sale and from the storage, use, or other consumption in the state of any canonized
23 scriptures of any tax-exempt nonprofit religious organization including, but not limited to, the Old
24 Testament and the New Testament versions.

25 (30) *Boats.*

26 (i) From the sale of a boat or vessel to a bona fide nonresident of this state who does not register
27 the boat or vessel in this state, or document the boat or vessel with the United States government at a
28 home port within the state, whether the sale or delivery of the boat or vessel is made in this state or
29 elsewhere; provided, that the nonresident transports the boat within thirty (30) days after delivery by the
30 seller outside the state for use thereafter solely outside the state.

31 (ii) The tax administrator, in addition to the provisions of §§ 44-19-17 and 44-19-28, may require
32 the seller of the boat or vessel to keep records of the sales to bona fide nonresidents as the tax
33 administrator deems reasonably necessary to substantiate the exemption provided in this subdivision,

1 including the affidavit of the seller that the buyer represented himself or herself to be a bona fide
2 nonresident of this state and of the buyer that he or she is a nonresident of this state.

3 (31) *Youth activities equipment.* From the sale, storage, use, or other consumption in this state of
4 items for not more than twenty dollars (\$20.00) each by nonprofit Rhode Island eleemosynary
5 organizations, for the purposes of youth activities which the organization is formed to sponsor and
6 support; and by accredited elementary and secondary schools for the purposes of the schools or of
7 organized activities of the enrolled students.

8 (32) *Farm equipment.* From the sale and from the storage or use of machinery and equipment
9 used directly for commercial farming and agricultural production; including, but not limited to, tractors,
10 ploughs, harrows, spreaders, seeders, milking machines, silage conveyors, balers, bulk milk storage tanks,
11 trucks with farm plates, mowers, combines, irrigation equipment, greenhouses and greenhouse coverings,
12 graders and packaging machines, tools and supplies and other farming equipment, including replacement
13 parts, appurtenant to or used in connection with commercial farming and tools and supplies used in the
14 repair and maintenance of farming equipment. "Commercial farming" means the keeping or boarding of
15 five (5) or more horses or the production within this state of agricultural products, including, but not
16 limited to, field or orchard crops, livestock, dairy, and poultry, or their products, where the keeping,
17 boarding, or production provides at least two thousand five hundred dollars (\$2,500) in annual gross sales
18 to the operator, whether an individual, a group, a partnership, or a corporation for exemptions issued prior
19 to July 1, 2002; for exemptions issued or renewed after July 1, 2002, there shall be two (2) levels. Level I
20 shall be based on proof of annual gross sales from commercial farming of at least twenty-five hundred
21 dollars (\$2,500) and shall be valid for purchases subject to the exemption provided in this subdivision
22 except for motor vehicles with an excise tax value of five thousand dollars (\$5,000) or greater; Level II
23 shall be based on proof of annual gross sales from commercial farming of at least ten thousand dollars
24 (\$10,000) or greater and shall be valid for purchases subject to the exemption provided in this subdivision
25 including motor vehicles with an excise tax value of five thousand dollars (\$5,000) or greater. For the
26 initial issuance of the exemptions, proof of the requisite amount of annual gross sales from commercial
27 farming shall be required for the prior year; for any renewal of an exemption granted in accordance with
28 this subdivision at either Level I or Level II, proof of gross annual sales from commercial farming at the
29 requisite amount shall be required for each of the prior two (2) years. Certificates of exemption issued or
30 renewed after July 1, 2002, shall clearly indicate the level of the exemption and be valid for four (4) years
31 after the date of issue. This exemption applies even if the same equipment is used for ancillary uses, or is
32 temporarily used for a non-farming or a non-agricultural purpose, but shall not apply to motor vehicles
33 acquired after July 1, 2002, unless the vehicle is a farm vehicle as defined pursuant to § 31-1-8 and is
34 eligible for registration displaying farm plates as provided for in § 31-3-31.

1 (33) *Compressed air*. From the sale and from the storage, use, or other consumption in the state of
2 compressed air.

3 (34) *Flags*. From the sale and from the storage, consumption, or other use in this state of United
4 States, Rhode Island or POW-MIA flags.

5 (35) *Motor vehicle and adaptive equipment to certain veterans*. From the sale of a motor vehicle
6 and adaptive equipment to and for the use of a veteran with a service-connected loss of or the loss of use
7 of a leg, foot, hand, or arm, or any veteran who is a double amputee, whether service connected or not.
8 The motor vehicle must be purchased by and especially equipped for use by the qualifying veteran.
9 Certificate of exemption or refunds of taxes paid is granted under rules or regulations that the tax
10 administrator may prescribe.

11 (36) *Textbooks*. From the sale and from the storage, use, or other consumption in this state of
12 textbooks by an "educational institution" as defined in subdivision (18) of this section and as well as any
13 educational institution within the purview of § 16-63-9(4) and used textbooks by any purveyor.

14 (37) *Tangible personal property and supplies used in on-site hazardous waste recycling, reuse, or*
15 *treatment*. From the sale, storage, use, or other consumption in this state of tangible personal property or
16 supplies used or consumed in the operation of equipment, the exclusive function of which is the recycling,
17 reuse, or recovery of materials (other than precious metals, as defined in subdivision (24)(ii) of this
18 section) from the treatment of "hazardous wastes", as defined in § 23-19.1-4, where the "hazardous
19 wastes" are generated in Rhode Island solely by the same taxpayer and where the personal property is
20 located at, in, or adjacent to a generating facility of the taxpayer in Rhode Island. The taxpayer shall
21 procure an order from the director of the department of environmental management certifying that the
22 equipment and/or supplies as used, or consumed, qualify for the exemption under this subdivision. If any
23 information relating to secret processes or methods of manufacture, production, or treatment is disclosed
24 to the department of environmental management only to procure an order, and is a "trade secret" as
25 defined in § 28-21-10(b), it is not open to public inspection or publicly disclosed unless disclosure is
26 required under chapter 21 of title 28 or chapter 24.4 of title 23.

27 (38) *Promotional and product literature of boat manufacturers*. From the sale and from the
28 storage, use, or other consumption of promotional and product literature of boat manufacturers shipped to
29 points outside of Rhode Island which either: (i) accompany the product which is sold, (ii) are shipped in
30 bulk to out of state dealers for use in the sale of the product, or (iii) are mailed to customers at no charge.

31 (39) *Food items paid for by food stamps*. From the sale and from the storage, use, or other
32 consumption in this state of eligible food items payment for which is properly made to the retailer in the
33 form of U.S. government food stamps issued in accordance with the Food Stamp Act of 1977, 7 U.S.C. §
34 2011 et seq.

1 (40) *Transportation charges.* From the sale or hiring of motor carriers as defined in § 39-12-2(1)
2 to haul goods, when the contract or hiring cost is charged by a motor freight tariff filed with the Rhode
3 Island public utilities commission on the number of miles driven or by the number of hours spent on the
4 job.

5 (41) *Trade-in value of boats.* From the sale and from the storage, use, or other consumption in
6 this state of so much of the purchase price paid for a new or used boat as is allocated for a trade-in
7 allowance on the boat of the buyer given in trade to the seller or of the proceeds applicable only to the
8 boat as are received from an insurance claim as a result of a stolen or damaged boat, towards the purchase
9 of a new or used boat by the buyer.

10 (42) *Equipment used for research and development.* From the sale and from the storage, use, or
11 other consumption of equipment to the extent used for research and development purposes by a qualifying
12 firm. For the purposes of this subdivision, "qualifying firm" means a business for which the use of
13 research and development equipment is an integral part of its operation, and "equipment" means scientific
14 equipment, computers, software, and related items.

15 (43) *Coins.* From the sale and from the other consumption in this state of coins having
16 numismatic or investment value.

17 (44) *Farm structure construction materials.* Lumber, hardware and other materials used in the
18 new construction of farm structures, including production facilities such as, but not limited to, farrowing
19 sheds, free stall and stanchion barns, milking parlors, silos, poultry barns, laying houses, fruit and
20 vegetable storages, rooting cellars, propagation rooms, greenhouses, packing rooms, machinery storage,
21 seasonal farm worker housing, certified farm markets, bunker and trench silos, feed storage sheds, and
22 any other structures used in connection with commercial farming.

23 (45) *Telecommunications carrier access service.* Carrier access service or telecommunications
24 service when purchased by a telecommunications company from another telecommunications company to
25 facilitate the provision of telecommunications service.

26 (46) *Boats or vessels brought into the state exclusively for winter storage, maintenance, repair or*
27 *sale.* Notwithstanding the provisions of §§ 44-18-10, 44-18-11, 44-18-20, the tax imposed by § 44-18-20
28 is not applicable for the period commencing on the first day of October in any year to and including the
29 30th day of April next succeeding with respect to the use of any boat or vessel within this state
30 exclusively for purposes of: (i) delivery of the vessel to a facility in this state for storage, including dry
31 storage and storage in water by means of apparatus preventing ice damage to the hull, maintenance, or
32 repair; (ii) the actual process of storage, maintenance, or repair of the boat or vessel; or (iii) storage for
33 the purpose of selling the boat or vessel.

1 (47) *Jewelry display product.* From the sale and from the storage, use, or other consumption in
2 this state of tangible personal property used to display any jewelry product; provided, that title to the
3 jewelry display product is transferred by the jewelry manufacturer or seller and that the jewelry display
4 product is shipped out of state for use solely outside the state and is not returned to the jewelry
5 manufacturer or seller.

6 (48) *Boats or vessels generally.* Notwithstanding the provisions of this chapter, the tax imposed
7 by §§ 44-18-20 and 44-18-18 shall not apply with respect to the sale and to the storage, use, or other
8 consumption in this state of any new or used boat. The exemption provided for in this subdivision does
9 not apply after October 1, 1993, unless prior to October 1, 1993, the federal ten percent (10%) surcharge
10 on luxury boats is repealed.

11 (49) *Banks and Regulated investment companies interstate toll-free calls.* Notwithstanding the
12 provisions of this chapter, the tax imposed by this chapter does not apply to the furnishing of interstate
13 and international, toll-free terminating telecommunication service that is used directly and exclusively by
14 or for the benefit of an eligible company as defined in this subdivision; provided, that an eligible company
15 employs on average during the calendar year no less than five hundred (500) "full-time equivalent
16 employees", as that term is defined in § 42-64.5-2. For purposes of this section, an "eligible company"
17 means a "regulated investment company" as that term is defined in the Internal Revenue Code of 1986, 26
18 U.S.C. § 1 et seq., or a corporation to the extent the service is provided, directly or indirectly, to or on
19 behalf of a regulated investment company, an employee benefit plan, a retirement plan or a pension plan
20 or a state chartered bank.

21 (50) *Mobile and manufactured homes generally.* From the sale and from the storage, use, or other
22 consumption in this state of mobile and/or manufactured homes as defined and subject to taxation
23 pursuant to the provisions of chapter 44 of title 31.

24 (51) *Manufacturing business reconstruction materials.*

25 (i) From the sale and from the storage, use or other consumption in this state of lumber, hardware,
26 and other building materials used in the reconstruction of a manufacturing business facility which suffers
27 a disaster, as defined in this subdivision, in this state. "Disaster" means any occurrence, natural or
28 otherwise, which results in the destruction of sixty percent (60%) or more of an operating manufacturing
29 business facility within this state. "Disaster" does not include any damage resulting from the willful act of
30 the owner of the manufacturing business facility.

31 (ii) Manufacturing business facility includes, but is not limited to, the structures housing the
32 production and administrative facilities.

33 (iii) In the event a manufacturer has more than one manufacturing site in this state, the sixty
34 percent (60%) provision applies to the damages suffered at that one site.

1 (iv) To the extent that the costs of the reconstruction materials are reimbursed by insurance, this
2 exemption does not apply.

3 (52) *Tangible personal property and supplies used in the processing or preparation of floral*
4 *products and floral arrangements.* From the sale, storage, use, or other consumption in this state of
5 tangible personal property or supplies purchased by florists, garden centers, or other like producers or
6 vendors of flowers, plants, floral products, and natural and artificial floral arrangements which are
7 ultimately sold with flowers, plants, floral products, and natural and artificial floral arrangements or are
8 otherwise used in the decoration, fabrication, creation, processing, or preparation of flowers, plants, floral
9 products, or natural and artificial floral arrangements, including descriptive labels, stickers, and cards
10 affixed to the flower, plant, floral product or arrangement, artificial flowers, spray materials, floral paint
11 and tint, plant shine, flower food, insecticide and fertilizers.

12 (53) *Horse food products.* From the sale and from the storage, use, or other consumption in this
13 state of horse food products purchased by a person engaged in the business of the boarding of horses.

14 (54) *Non-motorized recreational vehicles sold to nonresidents.*

15 (i) From the sale, subsequent to June 30, 2003, of a non-motorized recreational vehicle to a bona
16 fide nonresident of this state who does not register the non-motorized recreational vehicle in this state,
17 whether the sale or delivery of the non-motorized recreational vehicle is made in this state or at the place
18 of residence of the nonresident; provided, that a non-motorized recreational vehicle sold to a bona fide
19 nonresident whose state of residence does not allow a like exemption to its nonresidents is not exempt
20 from the tax imposed under § 44-18-20; provided, further, that in that event the bona fide nonresident
21 pays a tax to Rhode Island on the sale at a rate equal to the rate that would be imposed in his or her state
22 of residence not to exceed the rate that would have been imposed under § 44-18-20. Notwithstanding any
23 other provisions of law, a licensed non-motorized recreational vehicle dealer shall add and collect the tax
24 required under this subdivision and remit the tax to the tax administrator under the provisions of chapters
25 18 and 19 of this title. Provided, that when a Rhode Island licensed non-motorized recreational vehicle
26 dealer is required to add and collect the sales and use tax on the sale of a non-motorized recreational
27 vehicle to a bona fide nonresident as provided in this section, the dealer in computing the tax takes into
28 consideration the law of the state of the nonresident as it relates to the trade-in of motor vehicles.

29 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may require
30 any licensed non-motorized recreational vehicle dealer to keep records of sales to bona fide nonresidents
31 as the tax administrator deems reasonably necessary to substantiate the exemption provided in this
32 subdivision, including the affidavit of a licensed non-motorized recreational vehicle dealer that the
33 purchaser of the non-motorized recreational vehicle was the holder of, and had in his or her possession a
34 valid out-of-state non-motorized recreational vehicle registration or a valid out-of-state driver's license.

1 (iii) Any nonresident who registers a non-motorized recreational vehicle in this state within
2 ninety (90) days of the date of its sale to him or her is deemed to have purchased the non-motorized
3 recreational vehicle for use, storage, or other consumption in this state, and is subject to, and liable for the
4 use tax imposed under the provisions of § 44-18-20.

5 (iv) "Non-motorized recreational vehicle" means any portable dwelling designed and constructed
6 to be used as a temporary dwelling for travel, camping, recreational, and vacation use which is eligible to
7 be registered for highway use, including, but not limited to, "pick-up coaches" or "pick-up campers,"
8 "travel trailers," and "tent trailers" as those terms are defined in chapter 1 of title 31.

9 (55) *Sprinkler and fire alarm systems in existing buildings.* From the sale in this state of sprinkler
10 and fire alarm systems, emergency lighting and alarm systems, and from the sale of the materials
11 necessary and attendant to the installation of those systems, that are required in buildings and occupancies
12 existing therein in July 2003, in order to comply with any additional requirements for such buildings
13 arising directly from the enactment of the Comprehensive Fire Safety Act of 2003, and that are not
14 required by any other provision of law or ordinance or regulation adopted pursuant to that Act. The
15 exemption provided in this subdivision shall expire on December 31, 2008.

16 (56) *Aircraft.* Notwithstanding the provisions of this chapter, the tax imposed by §§ 44-18-18 and
17 44-18-20 shall not apply with respect to the sale and to the storage, use, or other consumption in this state
18 of any new or used aircraft or aircraft parts.

19 (57) *Renewable energy products.* Notwithstanding any other provisions of Rhode Island general
20 laws the following products shall also be exempt from sales tax: solar photovoltaic modules or panels, or
21 any module or panel that generates electricity from light; solar thermal collectors, including, but not
22 limited to, those manufactured with flat glass plates, extruded plastic, sheet metal, and/or evacuated tubes;
23 geothermal heat pumps, including both water-to-water and water-to-air type pumps; wind turbines; towers
24 used to mount wind turbines if specified by or sold by a wind turbine manufacturer; DC to AC inverters
25 that interconnect with utility power lines; manufactured mounting racks and ballast pans for solar
26 collector, module or panel installation. Not to include materials that could be fabricated into such racks;
27 monitoring and control equipment, if specified or supplied by a manufacturer of solar thermal, solar
28 photovoltaic, geothermal, or wind energy systems or if required by law or regulation for such systems but
29 not to include pumps, fans or plumbing or electrical fixtures unless shipped from the manufacturer affixed
30 to, or an integral part of, another item specified on this list; and solar storage tanks that are part of a solar
31 domestic hot water system or a solar space heating system. If the tank comes with an external heat
32 exchanger it shall also be tax exempt, but a standard hot water tank is not exempt from state sales tax.

33 (58) *Returned property.* The amount charged for property returned by customers upon rescission
34 of the contract of sale when the entire amount exclusive of handling charges paid for the property is

1 refunded in either cash or credit, and where the property is returned within one hundred twenty (120) days
2 from the date of delivery.

3 (59) *Dietary Supplements.* From the sale and from the storage, use or other consumption of
4 dietary supplements as defined in § 44-18-7.1(l)(v), sold on prescriptions.

5 (60) *Blood.* From the sale and from the storage, use or other consumption of human blood.

6 (61) *Agricultural products for human consumption.* From the sale and from the storage, use or
7 other consumption of livestock and poultry of the kinds of products of which ordinarily constitute food
8 for human consumption and of livestock of the kind the products of which ordinarily constitute fibers for
9 human use.

10 (62) *Diesel emission control technology.* From the sale and use of diesel retrofit technology that is
11 required by § 31-47.3-4 of the general laws.

12 (63) *Feed for certain animals used in commercial farming.* From the sale of feed for animals as
13 described in subsection 44-18-30(61).

14 (64) *Alcoholic beverages.* From the sale and storage, use, or other consumption in this state by a
15 Class A licensee of alcoholic beverages, as defined in § 44-18-7.1, excluding beer and malt beverages
16 from December 1, 2013 through March 31, 2015; provided, further, notwithstanding § 6-13-1 or any other
17 general or public law to the contrary, alcoholic beverages, as defined in § 44-18-7.1, shall not be subject
18 to minimum markup from December 1, 2013 through March 31, 2015.

19 (65) *Electricity and gas.* In recognition of the work being performed by the Streamlined Sales and
20 Use Tax Governing Board, upon passage of any federal law which authorizes states to require remote
21 sellers defined in section 44-18-15.2, to collect and remit sales and use taxes under chapters 18 and 19 of
22 this title, the sale and storage, use, or other consumption in this state of electricity and gas furnished to
23 any business shall be exempted from the taxes imposed by this chapter. This exemption shall take effect
24 on the date that the state requires remote sellers to collect and remit sales and use tax.

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

26 **ARTICLE 15**

27 **RELATING TO HISTORIC TAX CREDITS**

28 SECTION 1. Section 1 of Article 22 of Chapter 144 of the 2013 Public Laws entitled “Relating
29 to Making Appropriations for the Support of the State for the Fiscal Year ending June 30, 2014” is hereby
30 amended to read as follows:

31 WHEREAS, the General Assembly finds that the State of Rhode Island tax credits earned
32 pursuant to Rhode Island General Laws chapters 44-33.2 and 44-33.6 (the "Historic Tax Credits") have
33 had and continue to have the desired effect of stimulating, promoting and encouraging the redevelopment
34 and reuse of historic structures by modern commercial, residential and manufacturing enterprises in order

1 to foster civic beauty, promote public education, pleasure and welfare and otherwise generally improve
2 and enhance the long-term economic well-being of the citizens and municipalities of the State of Rhode
3 Island; and

4 WHEREAS, the 2008 General Assembly authorized Rhode Island Economic Development
5 Corporation (the "RIEDC") to issue not more than three hundred fifty-six million two hundred thousand
6 dollars (\$356.2 million) of Revenue Bonds – Historic Structures Tax Credit Financing Taxable Series to
7 assist in the future cost of the Historic Structures Tax Credit Program; and

8 WHEREAS, this three hundred fifty-six million two hundred thousand dollars (\$356.2 million)
9 authorization included two hundred ninety-nine million nine hundred thousand dollars (\$299.9 million) to
10 be deposited into the project fund, and the balance was authorized for a debt service reserve fund and cost
11 of issuance; and

12 WHEREAS, allowing tax credits formerly issued to projects declared abandoned by the Division
13 of Taxation on May 15, 2013 to be reissued would stimulate and encourage the redevelopment and reuse
14 of historic structures by modern commercial, residential and manufacturing enterprises, ~~in order to foster~~
15 ~~civic beauty, promote public education, pleasure and welfare and otherwise generally improve and further~~
16 ~~enhance the long-term economic well-being of the citizens and municipalities of the State of Rhode Island~~
17 however the total amount of credits requested far exceeded the total amount of credits available; now,
18 therefore, be it

19 RESOLVED, that the RIEDC is authorized to continue with the financing as detailed in the 2008
20 Joint Resolution and the General Assembly hereby reaffirms the RIEDC's issuance of not more than
21 \$356.2 million in Bonds; and be it further

22 RESOLVED, that the original amount of bonds authorized to be issued for deposit in the
23 project fund of \$299.9 million plus the approximately \$52.1 million originally planned for a reserve fund
24 (totaling \$352.0 million) shall be the maximum amount that can be issued to pay processing fee
25 reimbursements on abandoned projects and to reimburse the State of Rhode Island for tax credits issued
26 on original projects or those approved after July 1, 2013, recognizing that savings from currently
27 abandoned projects have primarily offset the lower interest earnings on bond proceeds and the processing
28 fees originally anticipated in 2008; and be it further

29 RESOLVED, that the RIEDC is authorized to use the Bond proceeds to pay processing fee
30 reimbursements and to reimburse the State of Rhode Island for Historic Tax Credits approved in
31 accordance with Rhode Island General Laws chapter 44-33.2 or 44-33.6 as well as any project approved
32 on or after July 1, 2013; and be it further

1 RESOLVED, that the RIEDC shall continue to request the Governor to include in each of the
2 fiscal years following the issuance of the Bonds by the RIEDC an amount equal to the debt service of the
3 Bonds pursuant to the terms set forth in this Resolution; and be it further

4 RESOLVED, that neither the Bonds nor the Payment Agreement shall constitute indebtedness of
5 the State or any of its subdivisions or a debt for which the full faith and credit of the State or any of its
6 subdivisions is pledged, except to the extent that the State appropriates funds for the Bonds or the
7 Payment Agreement subject to annual budget appropriations.

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

9 ARTICLE 16

10 RELATING TO UNDERGROUND ECONOMY AND EMPLOYEE

11 MISCLASSIFICATION ACT

12 SECTION 1. Title 42 of the General Laws entitled “State Affairs and Government” is hereby
13 amended by adding thereto the following chapter:

14 CHAPTER 155

15 UNDERGROUND ECONOMY AND EMPLOYEE MISCLASSIFICATION ACT

16 § 42-155-1 Short Title. – This chapter shall be known as the “Underground Economy and
17 Employee Misclassification Act”.

18 § 42-155-2. Declaration of purpose. The general assembly finds and declares that this state’s
19 economy, its workers and its businesses is harmed by the existence of an illegal underground economy in
20 which individuals and businesses conceal their activities from government licensing, regulatory and
21 taxing authorities. The underground economy and, in particular, the practice of employee
22 misclassification:

23 (a) exploits vulnerable workers and deprives them of legal benefits and protections;

24 (b) gives unlawful businesses an unfair competitive advantage over lawful businesses by illegally
25 driving down violators' taxes, wages, and other overhead costs;

26 (c) defrauds the government of substantial tax revenues; and

27 (d) harms consumers who suffer at the hands of unlicensed businesses that fail to maintain
28 minimum levels of skills and knowledge.

29 The creation of a task force has proven to be an effective mechanism for enhancing interagency
30 cooperation, information sharing, and the prosecution of violators.

31 § 42-155-3. Task Force. There is hereby established a Task Force on the Underground Economy
32 and Employee Misclassification. The Task Force shall consist of the following members or their
33 designees:

34 (a) the director of labor and training or designee;

1 (b) the tax administrator or designee;

2 (c) the director of business regulations or designee;

3 (d) the head of the workforce regulation and safety division or designee;

4 (e) the attorney general or designee; and

5 (f) the commissioner of the department of public safety or designee,

6 The director of labor and training shall chair the Task Force.

7 **§ 42-155-4. Duties and Responsibilities.** The Task Force shall coordinate joint efforts to
8 combat the underground economy and employee misclassification, The Task Force shall:

9 (a) foster voluntary compliance with the law by educating business owners and employees about
10 applicable requirements;

11 (b) conduct joint, targeted investigations and enforcement actions against violators;

12 (c) protect the health, safety and benefit rights of workers; and

13 (d) restore competitive equality for law-abiding businesses.

14 **§ 42-155-5. Sharing of Information.** Notwithstanding any other law or regulation to the
15 contrary, the Task Force shall facilitate timely information sharing between and among Task Force
16 members, including the establishment of protocols by which participating agencies will advise or refer to
17 other agencies matters of potential investigative interest.

18 **§ 44-155-6. Annual Report.** No later than March 15, 2015 and every March 15th thereafter, the
19 Task Force shall submit a report to the governor and the chairpersons of the house finance committee and
20 senate finance committee summarizing the Task Force's activities during the preceding year. The report
21 shall, without limitation:

22 (a) describe the Task Force's efforts and accomplishments during the year;

23 (b) identify any administrative or legal barriers impeding the more effective operation of the Task
24 Force, including any barriers to information sharing or joint action; and

25 (b) propose appropriate administrative, legislative, or regulatory changes to strengthen the Task
26 Force's operations and enforcement efforts and reduce or eliminate any barriers to those efforts.

27 SECTION 2. The article shall take effect upon passage.

28 **ARTICLE 17**

29 **RELATING TO GOVERNMENT REFORM**

30 SECTION 1. Section 35-6-1 of the General Laws in Chapter 35-6 entitled "Accounts and
31 Control" is hereby amended to read as follows:

32 **§ 35-6-1 Controller – Duties in general.** – (a) Within the department of administration there
33 shall be a controller who shall be appointed by the director of administration pursuant to chapter 4 of title
34 36. The controller shall be responsible for accounting and expenditure control and shall be required to:

1 (1) Administer a comprehensive accounting and recording system which will classify the
2 transactions of the state departments and agencies in accordance with the budget plan;

3 (2) Maintain control accounts for all supplies, materials, and equipment for all departments and
4 agencies except as otherwise provided by law;

5 (3) Prescribe a financial, accounting, and cost accounting system for state departments and
6 agencies;

7 (4) Preaudit all state receipts and expenditures;

8 (5) Prepare financial statements required by the several departments and agencies, by the
9 governor, or by the general assembly;

10 (6) Approve the orders drawn on the general treasurer; provided, that the preaudit of all
11 expenditures under authority of the legislative department and the judicial department by the state
12 controller shall be purely ministerial, concerned only with the legality of the expenditure and availability
13 of the funds, and in no event shall the state controller interpose his or her judgment regarding the wisdom
14 or expediency of any item or items of expenditure;

15 (7) Prepare and timely file, on behalf of the state, any and all reports required by the United
16 States, including, but not limited to, the internal revenue service, or required by any department or agency
17 of the state, with respect to the state payroll; and

18 (8) Prepare a preliminary closing statement for each fiscal year. The controller shall forward the
19 statement to the chairpersons of the house finance committee and the senate finance committee, with
20 copies to the house fiscal advisor and the senate fiscal and policy advisor, by September 1 following the
21 fiscal year ending the prior June 30 or thirty (30) days after enactment of the appropriations act,
22 whichever is later. The report shall include but is not limited to:

23 (i) A report of all revenues received by the state in the completed fiscal year, together with the
24 estimates adopted for that year as contained in the final enacted budget, and together with all deviations
25 between estimated revenues and actual collections. The report shall also include cash collections and
26 accrual adjustments;

27 (ii) A comparison of actual expenditures with each of the actual appropriations, including
28 supplemental appropriations and other adjustments provided for in the Rhode Island General Laws;

29 (iii) A statement of the opening and closing surplus in the general revenue account; and

30 (iv) A statement of the opening surplus, activity, and closing surplus in the state budget reserve
31 and cash stabilization account and the state bond capital fund.

32 (b) The controller shall provide supporting information on revenues, expenditures, capital
33 projects, and debt service upon request of the house finance committee chairperson, senate finance
34 committee chairperson, house fiscal advisor, or senate fiscal and policy advisor.

1 (c) Upon issuance of the audited annual financial statement, the controller shall provide a report
2 of the differences between the preliminary financial report and the final report as contained in the audited
3 annual financial statement.

4 ~~(d) Upon issuance of the audited financial statement, the controller shall transfer all general
5 revenues received in the completed fiscal year net of transfer to the state budget reserve and cash
6 stabilization account as required by § 35-3-20 in excess of those estimates adopted for that year as
7 contained in the final enacted budget to the employees' retirement system of the state of Rhode Island as
8 defined in § 36-8-2.~~

9 ~~(e)~~(d) The controller shall create a special fund not part of the general fund and shall deposit
10 amounts equivalent to all deferred contributions under this act into that fund. Any amounts remaining in
11 the fund on June 15, 2010, shall be transferred to the general treasurer who shall transfer such amounts
12 into the retirement system as appropriate.

13 (e) The controller shall implement a direct deposit payroll system for state employees.

14 (i) There shall be no service charge of any type paid by the state employee at any time which
15 shall decrease the net amount of the employee's salary deposited to the financial institution of the
16 personal choice of the employee as a result of the use of direct deposit.

17 (ii) Employees hired after September 30, 2014, shall participate in the direct deposit system. At
18 the time the employee is hired, the employee shall identify a financial institution that will serve as a
19 personal depository agent for the employee.

20 (iii) No later than June 30, 2016, each employee hired before September 30, 2014, who is not a
21 participant in the direct deposit system, shall identify a financial institution that will serve as a personal
22 depository agent for the employee.

23 (iv) The controller shall promulgate rules and regulations as necessary for implementation and
24 administration of the direct deposit system, which shall include limited exceptions to required
25 participation.

26 SECTION 2. Section 36-4-16.4 of the General Laws in Chapter 36-4 entitled "Merit System" is
27 hereby repealed.

28 ~~**§ 36-4-16.4 Salaries of directors.** (a) In the month of March of each year, the department of
29 administration shall conduct a public hearing to determine salaries to be paid to directors of all state
30 executive departments for the following year, at which hearing all persons shall have the opportunity to
31 provide testimony, orally and in writing. In determining these salaries, the department of administration
32 will take into consideration the duties and responsibilities of the aforementioned officers, as well as such
33 related factors as salaries paid executive positions in other states and levels of government, and in
34 comparable positions anywhere which require similar skills, experience, or training. Consideration shall~~

1 ~~also be given to the amounts of salary adjustments made for other state employees during the period that~~
2 ~~pay for directors was set last.~~

3 ~~(b) Each salary determined by the department of administration will be in a flat amount, exclusive~~
4 ~~of such other monetary provisions as longevity, educational incentive awards, or other fringe additives~~
5 ~~accorded other state employees under provisions of law, and for which directors are eligible and entitled.~~

6 ~~(c) In no event will the department of administration lower the salaries of existing directors~~
7 ~~during their term of office.~~

8 ~~(d) Upon determination by the department of administration, the proposed salaries of directors~~
9 ~~will be referred to the general assembly by the last day in April of that year to go into effect thirty (30)~~
10 ~~days hence, unless rejected by formal action of the house and the senate acting concurrently within that~~
11 ~~time.~~

12 SECTION 3. Section 36-4-16.5 of the General Laws in Chapter 36-4 entitled "Merit System" is
13 hereby amended to read as follows:

14 **§ 36-4-16.5 Certain unclassified positions excluded.** – Sections 36-4-16.2 and ~~36-4-16.4~~ of this
15 chapter shall have no application to those positions enumerated in subdivisions 36-4-2(1), 36-4-2(2), 36-
16 4-2(3), and the department of administration shall have no jurisdiction over the status, tenure or salaries of
17 those said enumerated positions.

18 SECTION 4. Sections 37-2.3-3 and 37-2.3-4 of the General Laws in Chapter 37-2.3 entitled
19 "Government Oversight and Fiscal Accountability Review Act" are hereby amended to read as follows:

20 **§ 37-2.3-3 Definitions.** – As used in this chapter, the following terms shall have the following
21 meanings:

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

24 (2) "Person" includes an individual, institution, federal, state, or local governmental entity, or
25 any other public or private entity.

26 (3) "Private contractor employee" includes a worker directly employed by a private contractor,
27 as defined in this section, as well as an employee of a subcontractor or an independent contractor that
28 provides supplies or services to a private contractor.

29 (4) "Privatization or privatization contract" means an agreement or combination or series of
30 agreements by which a non-governmental person or entity agrees with an agency to provide services
31 expected to result in a fiscal year expenditure of at least one hundred fifty thousand dollars (\$150,000) ~~(as~~
32 ~~of July 1 each year, the amount shall increase to reflect increases in the consumer price index calculated~~
33 ~~by the United States Bureau of Labor Statistics for all urban consumers nationally during the most recent~~
34 ~~twelve (12) month period for which data are available or more), which would contract services which are~~

1 substantially similar to and in replacement of work normally performed by an employee of an agency as
2 of June 30, 2007.

3 "Privatization" or "privatization contract" excludes:

4 (i) Contracts resulting from an emergency procurement;

5 (ii) Contracts with a term of one hundred eighty (180) days or less on a non-recurring basis;

6 (iii) Contracts to provide highly specialized or technical services not normally provided by state
7 employees;

8 (iv) Any subsequent contract which: ~~(a) renews or rebids a prior privatization contract which~~
9 ~~existed before June 30, 2007; or (b) renews or rebids a privatization contract that was subject to the~~
10 provisions of this statute after its enactment; and

11 (v) An agreement to provide legal services or management consulting services.

12 (5) "Privatization contractor" is any contractor, consultant, ~~subcontractor~~, independent
13 contractor or private business owner that contracts with a state agency to perform services in accordance
14 with the definition of a "privatization contract."

15 (6) "Services" includes, with respect to a private contractor, all aspects of the provision of
16 services provided by a private contractor pursuant to a privatization contract, ~~or any services provided by~~
17 ~~a subcontractor of a private contractor.~~

18 **§ 37-2.3-4 Fiscal monitoring of privatization contracts.** – ~~Each private contractor shall file a A~~
19 ~~copy of each executed subcontract or amendment to the subcontract with the agency, which shall maintain~~
20 ~~the subcontract or amendment~~ be made available by the Division of Purchases as a public record, as
21 defined in the access to public records act.

22 (1) *Audits.* Privatization contracts shall be subject to audit or review, as defined by the American
23 Institute of Certified Public Accountants, by the office of the auditor general at the discretion of the
24 auditor general. Any audit or review shall be conducted in compliance with generally accepted auditing
25 standards.

26 (2) *Access.* All privatization contracts shall include a contract provision specifying language that
27 provides public access to the complete contract.

28 (3) *Fiscal accountability.* As part of the budgetary process, each state agency shall ~~provide an~~
29 ~~addendum to~~ include in their submitted budget request a listing of all privatization contracts; ~~the name of~~
30 ~~each contractor, subcontractor, duration of the contract provided and services provided; the total cost of~~
31 ~~each contract(s) for the prior year; and the projected number of privatization service contracts for the~~
32 ~~current and upcoming year, the total cost of each contract(s) for the prior year; the estimated costs of each~~
33 ~~contract(s) for the current and upcoming year. The addendum for each agency shall also contain a~~
34 ~~summary of contracted private contractor employees for each contract, reflected as full time equivalent~~

1 ~~positions, their hourly wage rate, and the number of private contractor employees and consultants for the~~
2 ~~current and previous fiscal year.~~ For the prior fiscal year, the listing shall include the name of each
3 contractor; a description of the services provided; the amount expended for the fiscal year; the positions
4 employed by title, if applicable; and the hourly wage paid by position, if applicable. For the current and
5 upcoming fiscal years, the listing shall include the name of each contractor, if known at the time the
6 listing is prepared; a description of the services to be provided; the amount budgeted for the contract in
7 each fiscal year; the positions to be employed by title, if known and applicable; and the hourly wage to be
8 paid by position, if known and applicable. ~~The addendums listings shall be open records published~~
9 annually online at the State's transparency portal or an equivalent website, available for public inspection,
10 no later than December 1 of each year.

11 SECTION 5. Section 37-6-2 of the General Laws in Chapter 37-6 entitled "Acquisition of Land"
12 is hereby amended to read as follows:

13 **§ 37-6-2 Rules, regulations, and procedures of committee.** – (a) The state properties committee
14 is hereby authorized and empowered to adopt and prescribe rules of procedure and regulations, and from
15 time to time amend, change, and eliminate rules and regulations, and make such orders and perform such
16 actions as it may deem necessary to the proper administration of this chapter and §§ 37-7-1 – 37-7-9. In
17 the performance of the commission's duties hereunder, the commission may in any particular case
18 prescribe a variation in procedure or regulation when it shall deem it necessary in view of the exigencies
19 of the case and the importance of speedy action in order to carry out the intent and purpose of this chapter
20 and §§ 37-7-1 – 37-7-9. The commission shall file written notice thereof in the office of the secretary of
21 state. All filings shall be available for public inspection.

22 (b) The following siting criteria shall be utilized whenever current existing leases expire or
23 additional office space is needed:

24 (1) A preference shall be given to sites designated as enterprise zone census tracts pursuant to
25 chapter 64.3 of title 42, or in blighted and/or substandard areas pursuant to § 45-31-8, or in downtown
26 commercial areas where it can be shown the facilities would make a significant impact on the economic
27 vitality of the community's central business district;

28 (2) Consideration should be given to adequate access via public transportation for both employees
29 as well as the public being served, and, where appropriate, adequate parking;

30 (3) A site must be consistent with the respective community's local comprehensive plan; and

31 (4) The division of planning within the department of administration shall be included in the
32 evaluation of all future lease proposals.

33 (c) The state properties committee shall explain, in writing, how each site selected by the
34 committee for a state facility meets the criteria described in subsection (b) of this section.

1 ~~(d) For any lease, rental agreement or extension of an existing rental agreement for leased office~~
2 ~~and operating space which carries a term of five (5) years or longer, including any options or extensions~~
3 ~~that bring the total term to five (5) years or longer, where the state is the tenant and the aggregate rent of~~
4 ~~the terms exceeds five hundred thousand dollars (\$500,000) the state properties committee shall request~~
5 ~~approval of the general assembly prior to entering into any new agreements or signing any extensions~~
6 ~~with existing landlords. The state properties committee, in the form of a resolution, shall provide~~
7 ~~information relating to the purpose of the lease or rental agreement, the agency's current lease or rental~~
8 ~~costs, the expiration date of any present lease or rental agreement, the range of costs of a new lease or~~
9 ~~rental agreement, the proposed term of a new agreement, and the location and owner of the desired~~
10 ~~property.~~

11 SECTION 6. Section 42-90-1 of the General Laws in Chapter 42-90 entitled "Disclosure of
12 Names of State Government Consultants" is hereby amended to read as follows:

13 **§ 42-90-1 Public disclosure required.** – (a) All departments, commissions, boards, councils,
14 other agencies in the government of the state and public corporations shall annually prepare and submit to
15 the ~~secretary of state quarterly~~ budget office by October 1 a list containing:

16 (1) The name of any person or vendor who performed legal, medical, accounting, engineering, or
17 any other professional, technical or consultant service to the department, commission, board, council,
18 agency or public corporation on a contractual basis during the previous ~~quarter~~ fiscal year; and

19 (2) The amount of compensation received by each consultant during the previous ~~quarter~~ fiscal
20 year.

21 (b) All departments, commissions, boards, councils, other agencies in the government of the state
22 and public corporations shall prepare and submit to the ~~secretary of state~~ budget office on an annual basis
23 by October 1 a contracting report containing:

24 (1) Digital/Electronic copies A list of all contracts or agreements by which a nongovernmental
25 person or entity agrees with the department, commission, board, council, agency or public corporation to
26 provide services, valued at one hundred fifty thousand dollars (~~\$100,000~~ \$150,000) or more, which are
27 substantially similar to and in lieu of services heretofore provided, in whole or in part, by regular
28 ~~employees~~ replacement of work normally performed by an employee of the department, commission,
29 board, council, agency or public corporation; ~~and~~.

30 (2) ~~A budget analysis of each contract reported pursuant to this subsection containing the cost of~~
31 ~~each contract for the prior, current and next year; and the number of private contractor employees~~
32 ~~reflected as full-time equivalent positions with their hourly wage rate, and costs of benefits for each job~~
33 ~~classification for the current and previous year.~~

1 (c) ~~The secretary of state budget office shall compile, publish, and make available for public inspection all~~
2 ~~lists and contracting reports prepared in accordance with this chapter~~ post electronic/digital copies of all
3 ~~contracts the lists and reports online using the state's transparency portal or an equivalent website~~
4 annually no later than December 1 of each year.

5 SECTION 7. Chapter 42-149 of the General Laws entitled "State Expenditures for Non-State
6 Employee Services" is hereby repealed in its entirety.

7 ~~§ 42-149-1 Short title.~~ This chapter may be cited as the "State Expenditure for Non State
8 Employee Services."

9 ~~§ 42-149-2 Legislative intent.~~ The legislature is committed to increasing fiscal efficiency and
10 accountability for all state expenditures.

11 ~~§ 42-149-3 State expenditures for non-state employee services.~~ All state departments shall
12 submit quarterly reports of all non-state employee expenditures for legal services, financial services,
13 temporary workers, and other non-state employee personnel costs. The reports shall be submitted to the
14 state budget office and the chairpersons of the house and senate finance committees with the first report
15 due on January 1, 2008. The reports shall contain the following information:

16 (1) ~~Efforts made to identify qualified individuals or services within state government;~~

17 (2) ~~Factors used in choosing a non-state employee or firm;~~

18 (3) ~~Results of requests for proposals for services or bids for services; and~~

19 (4) ~~The actual cost and the budgeted cost for the expenditure.~~

20 ~~§ 42-149-3.1 Assessment on state expenditures for non-state employee services.~~ Whenever
21 a department, commission, board, council, agency or public corporation incurs expenditures through
22 contracts or agreements by which a nongovernmental person or entity agrees to provide services which
23 are substantially similar to and in lieu of services hereto fore provided, in whole or in part, by regular
24 employees of the department, commission, board, council, agency or public corporation covered by
25 chapter 36-8, those expenditures shall be subject to an assessment equal to five and one half percent
26 (5.5%) of the cost of the service. That assessment shall be paid to the retirement system on a quarterly
27 basis in accordance with subsection 36-10-2(e).

28 SECTION 8. Section 2 shall be effective January 1, 2015. All other sections shall be effective
29 upon passage.

30 ARTICLE 18

31 RELATING TO GOVERNMENT REORGANIZATION

32 SECTION 1. Sections 30-15-5 and 30-15-6 of the General Laws in Chapter 30-15 entitled
33 "Emergency Management" are hereby amended to read as follows:

1 **§ 30-15-5 Emergency management preparedness agency created – Personnel – Facilities. –**

2 (a) There is hereby created within the executive department, the Rhode Island emergency management
3 agency (hereinafter in this chapter called the "agency"), to be headed by ~~the adjutant general of the Rhode~~
4 ~~Island national guard~~ an executive director, who shall be appointed by and serve at the pleasure of, the
5 governor and who shall be in the unclassified service.

6 (b) The ~~adjutant general~~ executive director may employ such technical, clerical, stenographic, and
7 other personnel, all of whom shall be in the classified service, and may make such expenditures within the
8 appropriation therefor, or from other funds made available for the purposes of this chapter, as may be
9 necessary to carry out the purposes of this chapter, consistent with other applicable provisions of law.

10 (c) The agency may provide itself with appropriate office space, furniture, equipment, supplies,
11 stationery, and printing.

12 (d) The ~~adjutant general~~, executive director, subject to the direction and control of the governor,
13 shall be the executive head of the agency, and shall be responsible to the governor for carrying out the
14 program for disaster preparedness of this state. The ~~adjutant general~~ executive director shall coordinate
15 the activities of all organizations for disasters within the state, and shall maintain liaison with and
16 cooperate with disaster agencies and organizations of other states and of the federal government. The
17 ~~adjutant general~~ executive director shall have such additional authority, duties, and responsibilities
18 authorized by this chapter as may be prescribed by the governor.

19 **§ 30-15-6 Advisory council.** – (a) There is hereby created the Rhode Island emergency

20 management advisory council (hereinafter in this chapter called the "council"). The council will consist of
21 forty (40) members as follows:

22 (1) Twenty-two (22) ex officio members as follows:

23 (i) The lieutenant governor;

24 (ii) The adjutant general;

25 (iii) The director of administration/statewide planning;

26 (iv) The director of health;

27 (v) The director of transportation;

28 (vi) The director of human services;

29 (vii) The superintendent of state police;

30 (viii) The public utilities administrator;

31 (ix) The director of the department of environmental management;

32 (x) The director of ~~mental health, retardation, and hospitals~~ department of behavioral healthcare,
33 developmental disabilities and hospitals;

34 (xi) The director of elderly affairs;

- 1 (xii) The chairperson of the state water resources board;
- 2 (xiii) The chairperson of the governor's commission on disabilities;
- 3 (xiv) The chairperson of the Rhode Island public transit authority;
- 4 (xv) The executive director of the coastal resources management council or his or her designee;
- 5 (xvi) The executive director of the American Red Cross, Rhode Island chapter;
- 6 (xvii) The executive director of the Rhode Island emergency management agency;
- 7 (xviii) The state court administrator;
- 8 (xix) The executive director of the commission on the deaf and hard of hearing;
- 9 (xx) The director of the Providence emergency management agency;
- 10 (xxi) The executive director of E-911 emergency telephone system division;
- 11 (xxii) The federal security director of the transportation security administration for Rhode Island;

12 and

13 (2) Eighteen (18) members appointed by and serving at the pleasure of the governor, as follows:

14 (i) Two (2) members of the senate, recommended by the president of the senate, not more than
15 one of whom shall be from the same political party;

16 (ii) Two (2) members of the house of representatives, recommended by the speaker of the house,
17 not more than one of whom shall be from the same political party;

18 (iii) One representative of the electric industry;

19 (iv) One representative of the gas industry;

20 (v) One representative of the telephone industry;

21 (vi) The executive director of the Rhode Island petroleum association or other similarly situated
22 person;

23 (vii) Two (2) representatives of the general public, one who shall have expertise in disaster
24 preparedness;

25 (viii) One representative of the Rhode Island league of cities and towns;

26 (ix) One representative of the media;

27 (x) One representative of the water supply industry;

28 (xi) One representative of the health care industry;

29 (xii) One representative of the Rhode Island firefighters association;

30 (xiii) One representative of the Rhode Island association of fire chiefs;

31 (xiv) One representative of a private ambulance company; and

32 (xv) One representative of a level I trauma hospital who shall have direct expertise in disaster
33 preparedness.

1 (b) It shall be the duty of the council to advise the governor and the ~~adjutant general~~ executive
2 director on all matters pertaining to disaster preparedness. The lieutenant governor shall serve as
3 chairperson of the council and the ~~adjutant general~~ executive director shall serve as vice-chairperson. In
4 providing advice to the governor and the ~~adjutant general,~~ executive director, the council shall, among
5 other matters reasonably related to their authority, do the following:

6 (1) Establish a regular meeting schedule and form subcommittees as may be appropriate;

7 (2) Review emergency management plans and other matters as may be acted upon or otherwise
8 provided for in this chapter;

9 (3) Establish priorities and goals on emergency management matters on an annual basis;

10 (4) Study emergency management plans in conjunction with the adjutant general, and otherwise
11 conduct such other studies as may be deemed appropriate;

12 (5) Review the coordination of the state's emergency management programs with appropriate
13 authorized agencies and conduct studies on the programs as may be necessary;

14 (6) Review the plans and operations of the various cities and towns in disaster preparedness in
15 conjunction with the director and his or her office as required or necessary; and

16 (7) [Deleted by P.L. 2000, ch. 170, § 2];

17 (8) Provide an annual report on its activities in conjunction with the ~~adjutant general~~ executive
18 director.

19 SECTION 2. Section 39-1-27.12 of the General Laws in Chapter 39-1 entitled "Public Utilities
20 Commission" is hereby amended to read as follows:

21 **§ 39-1-27.12 Low Income Home Energy Assistance Program Enhancement Plan.** – (a) The
22 Low Income Home Energy Assistance Program Enhancement Plan (hereinafter "LIHEAP Enhancement
23 Plan") is hereby created to supplement the federal Low Income Household Assistance Program
24 ("LIHEAP") funding being received by customers of Rhode Island electric and gas distribution
25 companies.

26 (b) Within a period of time sufficient to accomplish the purposes of this section, but not longer
27 than ninety (90) days after the effective date of this chapter, the ~~Office of Energy Resources~~
28 department of human services shall develop a recommended monthly "LIHEAP Enhancement Charge"
29 rate for the following year and make a filing with the commission pursuant to this chapter recommending
30 rates. Thereafter annually but no later than October 15 of each year, the ~~office~~ department shall make
31 filings with the commission to recommend the LIHEAP Enhancement Charge rates for each class of
32 electric and natural gas distribution company customer for the following year.

33 (c) A LIHEAP Enhancement Charge approved by the Commission shall have the following
34 limitations:

1 (1) For electric distribution company customers, the charge shall not be more than ten dollars
2 (\$10.00) per year.

3 (2) For natural gas distribution company customers, the charge shall not be more than ten dollars
4 (\$10.00) per year.

5 (3) The total projected annual revenue for the LIHEAP Enhancement Plan through charges to all
6 electric and natural gas distribution company customers shall not exceed seven million five hundred
7 thousand dollars (\$7,500,000) and shall not be below six million five hundred thousand dollars
8 (\$6,500,000).

9 (d) The commission shall open a docket to consider for approval LIHEAP Enhancement Charge
10 rates proposed by the ~~office~~ department. In reviewing the recommended rates the commission shall give
11 due consideration to the recommendations of the ~~office~~ department and the standards set forth in
12 subsection (c) of this section. The commission shall issue a decision within sixty (60) days after said
13 recommendations and report are filed with the commission establishing the Enhancement Plan Charge
14 rates.(e) The electric or gas distribution company shall use the funds collected through this Enhancement
15 Plan Charge to provide a credit to customers accounts that are receiving federal LIHEAP assistance
16 payments. The ~~office of energy resources~~ department of human services shall designate to the gas or
17 electric distribution company the qualifying customer accounts and the amounts to be credited to those
18 customer accounts, provided that the total amount to be credited to those accounts shall be fully funded by
19 and not exceed the total amount collected through the Enhancement Plan Charge. The electric or gas
20 distribution company's added administrative expenses to process the credit assignments provided to it by
21 the ~~office of energy resources~~ department of human services will be recoverable either from the LIHEAP
22 Enhancement Charge or through a separate charge approved by the Public Utilities Commission.

23 (f) As used in this section, "electric and natural gas distribution company" means a company as
24 defined in subsection 39-1-2(12), but not including the Block Island Power Company or the Pascoag
25 Utility District.

26 SECTION 3. Section 42-17.1-2 of the General Laws in Chapter 42-17.1 entitled "Department of
27 Environmental Management" is hereby amended to read as follows:

28 **§ 42-17.1-2 Powers and duties.** – The director of environmental management shall have the
29 following powers and duties:

30 (1) To supervise and control the protection, development, planning, and utilization of the natural
31 resources of the state, such resources, including but not limited to, water, plants, trees, soil, clay, sand,
32 gravel, rocks and other minerals, air, mammals, birds, reptiles, amphibians, fish, shellfish, and other
33 forms of aquatic, insect, and animal life;

1 (2) To exercise all functions, powers, and duties heretofore vested in the department of
2 agriculture and conservation, and in each of the divisions of the department, such as the promotion of
3 agriculture and animal husbandry in their several branches, including the inspection and suppression of
4 contagious diseases among animals, the regulation of the marketing of farm products, the inspection of
5 orchards and nurseries, the protection of trees and shrubs from injurious insects and diseases, protection
6 from forest fires, the inspection of apiaries and the suppression of contagious diseases among bees,
7 prevention of the sale of adulterated or misbranded agricultural seeds, promotion and encouragement of
8 the work of farm bureaus in cooperation with the University of Rhode Island, farmers' institutes and the
9 various organizations established for the purpose of developing an interest in agriculture, together with
10 such other agencies and activities as the governor and the general assembly may from time to time place
11 under the control of the department, and as heretofore vested by such of the following chapters and
12 sections of the general laws as are presently applicable to the department of environmental management
13 and which were previously applicable to the department of natural resources and the department of
14 agriculture and conservation or to any of its divisions: chapters 1 through 22, inclusive, as amended, in
15 title 2 entitled "Agriculture and Forestry;" chapters 1 through 17, inclusive, as amended, in title 4 entitled
16 "Animals and Animal Husbandry;" chapters 1 through 19, inclusive, as amended, in title 20 entitled "Fish
17 and Wildlife;" chapters 1 through 32, inclusive, as amended, in title 21 entitled "Food and Drugs;" chapter
18 7 of title 23 as amended, entitled "Mosquito Abatement;" and by any other general or public law relating
19 to the department of agriculture and conservation or to any of its divisions or bureaus;

20 (3) To exercise all the functions, powers, and duties heretofore vested in the division of parks and
21 recreation of the department of public works by chapters 1, 2, and 5 in title 32 entitled "Parks and
22 Recreational Areas;" by chapter 22.5 of title 23, as amended, entitled "Drowning Prevention and
23 Lifesaving;" and by any other general or public law relating to the division of parks and recreation;

24 (4) To exercise all the functions, powers, and duties heretofore vested in the division of harbors
25 and rivers of the department of public works, or in the department itself by such as were previously
26 applicable to the division or the department, of chapters 1 through 22 and sections thereof, as amended, in
27 title 46 entitled "Waters and Navigation"; and by any other general or public law relating to the division
28 of harbors and rivers;

29 (5) To exercise all the functions, powers and duties heretofore vested in the department of health
30 by chapters 25, 18.9, and 19.5 of title 23, as amended, entitled "Health and Safety;" and by chapters 12
31 and 16 of title 46, as amended, entitled "Waters and Navigation"; by chapters 3, 4, 5, 6, 7, 9, 11, 13, 18,
32 and 19 of title 4, as amended, entitled "Animals and Animal Husbandry;" and those functions, powers,
33 and duties specifically vested in the director of environmental management by the provisions of § 21-2-
34 22, as amended, entitled "Inspection of Animals and Milk;" together with other powers and duties of the

1 director of the department of health as are incidental to or necessary for the performance of the functions
2 transferred by this section;

3 (6) To cooperate with the Rhode Island economic development corporation in its planning and
4 promotional functions, particularly in regard to those resources relating to agriculture, fisheries, and
5 recreation;

6 (7) To cooperate with, advise, and guide conservation commissions of cities and towns created
7 under chapter 35 of title 45 entitled "Conservation Commissions", as enacted by chapter 203 of the Public
8 Laws, 1960;

9 (8) To assign or reassign, with the approval of the governor, any functions, duties, or powers
10 established by this chapter to any agency within the department, except as hereinafter limited;

11 (9) To cooperate with the water resources board and to provide to the board facilities,
12 administrative support, staff services, and such other services as the board shall reasonably require for its
13 operation and, in cooperation with the board and the statewide planning program to formulate and
14 maintain a long range guide plan and implementing program for development of major water sources
15 transmissions systems needed to furnish water to regional and local distribution systems;

16 (10) To cooperate with the solid waste management corporation and to provide to the corporation
17 such facilities, administrative support, staff services and such other services within the department as the
18 corporation shall reasonably require for its operation;

19 (11) To provide for the maintenance of waterways and boating facilities, consistent with chapter
20 6.1 of title 46, by: (i) establishing minimum standards for upland beneficial use and disposal of dredged
21 material; (ii) promulgating and enforcing rules for water quality, ground water protection, and fish and
22 wildlife protection pursuant to § 42-17.1-24; (iii) planning for the upland beneficial use and/or disposal of
23 dredged material in areas not under the jurisdiction of the council pursuant to § 46-23-6(2); and (iv)
24 cooperating with the coastal resources management council in the development and implementation of
25 comprehensive programs for dredging as provided for in §§ 46-23-6(1)(ii)(H) and 46-23-18.3; and (v)
26 monitoring dredge material management and disposal sites in accordance with the protocols established
27 pursuant to § 46-6.1-5(3) and the comprehensive program provided for in § 46-23-6(1)(ii)(H); no powers
28 or duties granted herein shall be construed to abrogate the powers or duties granted to the coastal
29 resources management council under chapter 23 of title 46, as amended;

30 (12) To establish minimum standards, subject to the approval of the environmental standards
31 board, relating to the location, design, construction and maintenance of all sewage disposal systems;

32 (13) To enforce, by such means as provided by law, the standards for the quality of air, and water,
33 and the design, construction and operation of all sewage disposal systems; any order or notice issued by
34 the director relating to the location, design, construction or maintenance of a sewage disposal system shall

1 be eligible for recordation under chapter 13 of title 34. The director shall forward the order or notice to
2 the city or town wherein the subject property is located and the order or notice shall be recorded in the
3 general index by the appropriate municipal official in the land evidence records in the city or town
4 wherein the subject property is located. Any subsequent transferee of that property shall be responsible
5 for complying with the requirements of the order or notice. Upon satisfactory completion of the
6 requirements of the order or notice, the director shall provide written notice of the same, which notice
7 shall be similarly eligible for recordation. The original written notice shall be forwarded to the city or
8 town wherein the subject property is located and the notice of satisfactory completion shall be recorded in
9 the general index by the appropriate municipal official in the land evidence records in the city or town
10 wherein the subject property is located. A copy of the written notice shall be forwarded to the owner of
11 the subject property within five (5) days of a request for it, and, in any event, shall be forwarded to the
12 owner of the subject property within thirty (30) days after correction;

13 (14) To establish minimum standards for the establishment and maintenance of salutary
14 environmental conditions, including standards and methods for the assessment and the consideration of
15 the cumulative effects on the environment of regulatory actions and decisions, which standards for
16 consideration of cumulative effects shall provide for: (i) evaluation of potential cumulative effects that
17 could adversely effect public health and/or impair ecological functioning; (ii) analysis of such other
18 matters relative to cumulative effects as the department may deem appropriate in fulfilling its duties,
19 functions and powers; which standards and methods shall only be applicable to ISDS systems in the town
20 of Jamestown in areas that are dependent for water supply on private and public wells, unless broader use
21 is approved by the general assembly. The department shall report to the general assembly not later than
22 March 15, 2008 with regard to the development and application of such standards and methods in
23 Jamestown.

24 (15) To establish and enforce minimum standards for permissible types of septage, industrial
25 waste disposal sites and waste oil disposal sites;

26 (16) To establish minimum standards subject to the approval of the environmental standards
27 board for permissible types of refuse disposal facilities, the design, construction, operation, and
28 maintenance of disposal facilities; and the location of various types of facilities;

29 (17) To exercise all functions, powers, and duties necessary for the administration of chapter 19.1
30 of title 23 entitled "Rhode Island Hazardous Waste Management Act";

31 (18) To designate in writing any person in any department of the state government or any official
32 of a district, county, city, town, or other governmental unit, with that official's consent, to enforce any
33 rule, regulation, or order promulgated and adopted by the director under any provision of law; provided,
34 however, that enforcement of powers of the coastal resources management council shall be assigned only

1 to employees of the department of environmental management, except by mutual agreement or as
2 otherwise provided in chapter 23 of title 46;

3 (19) To issue and enforce such rules, regulations, and orders as may be necessary to carry out the
4 duties assigned to the director and the department by any provision of law; and to conduct such
5 investigations and hearings and to issue, suspend, and revoke such licenses as may be necessary to
6 enforce those rules, regulations, and orders.

7 Notwithstanding the provisions of § 42-35-9 to the contrary, no informal disposition of a contested
8 licensing matter shall occur where resolution substantially deviates from the original application unless all
9 interested parties shall be notified of said proposed resolution and provided with opportunity to comment
10 upon said resolution pursuant to applicable law and any rules and regulations established by the director.

11 (20) To enter, examine or survey at any reasonable time such places as the director deems
12 necessary to carry out his or her responsibilities under any provision of law subject to the following
13 provisions:

14 (i) For criminal investigations, the director shall, pursuant to chapter 5 of title 12, seek a search
15 warrant from an official of a court authorized to issue warrants, unless a search without a warrant is
16 otherwise allowed or provided by law;

17 (ii) All administrative inspections shall be conducted pursuant to administrative guidelines
18 promulgated by the department in accordance with chapter 35 of title 42.

19 (B) A warrant shall not be required for administrative inspections if conducted under the
20 following circumstances, in accordance with the applicable constitutional standards:

21 (I) For closely regulated industries;

22 (II) In situations involving open fields or conditions that are in plain view;

23 (III) In emergency situations;

24 (IV) In situations presenting an imminent threat to the environment or public health, safety or
25 welfare;

26 (V) If the owner, operator, or agent in charge of the facility, property, site or location consents; or

27 (VI) In other situations in which a warrant is not constitutionally required.

28 (C) Whenever it shall be constitutionally or otherwise required by law, or whenever the director
29 in his or her discretion deems it advisable, an administrative search warrant, or its functional equivalent,
30 may be obtained by the director from a neutral magistrate for the purpose of conducting an administrative
31 inspection. The warrant shall be issued in accordance with the applicable constitutional standards for the
32 issuance of administrative search warrants. The administrative standard of probable cause, not the
33 criminal standard of probable cause, shall apply to applications for administrative search warrants.

1 (I) The need for, or reliance upon, an administrative warrant shall not be construed as requiring
2 the department to forfeit the element of surprise in its inspection efforts.

3 (II) An administrative warrant issued pursuant to this subsection must be executed and returned
4 within ten (10) days of its issuance date unless, upon a showing of need for additional time, the court
5 orders otherwise.

6 (III) An administrative warrant may authorize the review and copying of documents that are
7 relevant to the purpose of the inspection. If documents must be seized for the purpose of copying, and the
8 warrant authorizes such seizure, the person executing the warrant shall prepare an inventory of the
9 documents taken. The time, place and manner regarding the making of the inventory shall be set forth in
10 the terms of the warrant itself, as dictated by the court. A copy of the inventory shall be delivered to the
11 person from whose possession or facility the documents were taken. The seized documents shall be
12 copied as soon as feasible under circumstances preserving their authenticity, then returned to the person
13 from whose possession or facility the documents were taken.

14 (IV) An administrative warrant may authorize the taking of samples of air, water or soil or of
15 materials generated, stored or treated at the facility, property, site or location. Upon request, the
16 department shall make split samples available to the person whose facility, property, site or location is
17 being inspected.

18 (V) Service of an administrative warrant may be required only to the extent provided for in the
19 terms of the warrant itself, by the issuing court.

20 (D) *Penalties.* Any willful and unjustified refusal of right of entry and inspection to department
21 personnel pursuant to an administrative warrant shall constitute a contempt of court and shall subject the
22 refusing party to sanctions, which in the court's discretion may result in up to six (6) months
23 imprisonment and/or a monetary fine of up to ten thousand dollars (\$10,000) per refusal.

24 (21) To give notice of an alleged violation of law to the person responsible therefor whenever the
25 director determines that there are reasonable grounds to believe that there is a violation of any provision
26 of law within his or her jurisdiction or of any rule or regulation adopted pursuant to authority granted to
27 him or her, unless other notice and hearing procedure is specifically provided by that law. Nothing in this
28 chapter shall limit the authority of the attorney general to prosecute offenders as required by law.

29 (i) The notice shall provide for a time within which the alleged violation shall be remedied, and
30 shall inform the person to whom it is directed that a written request for a hearing on the alleged violation
31 may be filed with the director within ten (10) days after service of the notice. The notice will be deemed
32 properly served upon a person if a copy thereof is served him or her personally, or sent by registered or
33 certified mail to his or her last known address, or if he or she is served with notice by any other method of
34 service now or hereafter authorized in a civil action under the laws of this state. If no written request for a

1 hearing is made to the director within ten (10) days of the service of notice, the notice shall automatically
2 become a compliance order.

3 (ii) Whenever the director determines that there exists a violation of any law, rule, or regulation
4 within his or her jurisdiction which requires immediate action to protect the environment, he or she may,
5 without prior notice of violation or hearing, issue an immediate compliance order stating the existence of
6 the violation and the action he or she deems necessary. The compliance order shall become effective
7 immediately upon service or within such time as is specified by the director in such order. No request for
8 a hearing on an immediate compliance order may be made.

9 (B) Any immediate compliance order issued under this section without notice and prior hearing
10 shall be effective for no longer than forty-five (45) days; provided, however, that for good cause shown
11 the order may be extended one additional period not exceeding forty-five (45) days.

12 (iii) The director may, at his or her discretion and for the purposes of timely and effective
13 resolution and return to compliance, cite a person for alleged noncompliance through the issuance of an
14 expedited citation in accordance with subsection 42-17.6-3(c).

15 (iv) If a person upon whom a notice of violation has been served under the provisions of this
16 section or if a person aggrieved by any such notice of violation requests a hearing before the director
17 within ten (10) days of the service of notice of violation, the director shall set a time and place for the
18 hearing, and shall give the person requesting that hearing at least five (5) days written notice thereof.
19 After the hearing, the director may make findings of fact and shall sustain, modify, or withdraw the notice
20 of violation. If the director sustains or modifies the notice, that decision shall be deemed a compliance
21 order and shall be served upon the person responsible in any manner provided for the service of the notice
22 in this section.

23 (v) The compliance order shall state a time within which the violation shall be remedied, and the
24 original time specified in the notice of violation shall be extended to the time set in the order.

25 (vi) Whenever a compliance order has become effective, whether automatically where no hearing
26 has been requested, where an immediate compliance order has been issued, or upon decision following a
27 hearing, the director may institute injunction proceedings in the superior court of the state for enforcement
28 of the compliance order and for appropriate temporary relief, and in that proceeding the correctness of a
29 compliance order shall be presumed and the person attacking the order shall bear the burden of proving
30 error in the compliance order, except that the director shall bear the burden of proving in the proceeding
31 the correctness of an immediate compliance order. The remedy provided for in this section shall be
32 cumulative and not exclusive and shall be in addition to remedies relating to the removal or abatement of
33 nuisances or any other remedies provided by law.

1 (vii) Any party aggrieved by a final judgment of the superior court may, within thirty (30) days
2 from the date of entry of such judgment, petition the supreme court for a writ of certiorari to review any
3 questions of law. The petition shall set forth the errors claimed. Upon the filing of the petition with the
4 clerk of the supreme court, the supreme court may, if it sees fit, issue its writ of certiorari;

5 (22) To impose administrative penalties in accordance with the provisions of chapter 17.6 of this
6 title and to direct that such penalties be paid into the account established by subdivision (26); and

7 (23) The following definitions shall apply in the interpretation of the provisions of this chapter:

8 (i) *Director*: The term "director" shall mean the director of environmental management of the
9 state of Rhode Island or his or her duly authorized agent.

10 (ii) *Person*: The term "person" shall include any individual, group of individuals, firm,
11 corporation, association, partnership or private or public entity, including a district, county, city, town, or
12 other governmental unit or agent thereof, and in the case of a corporation, any individual having active
13 and general supervision of the properties of such corporation.

14 (iii) *Service*: (A) Service upon a corporation under this section shall be deemed to include service
15 upon both the corporation and upon the person having active and general supervision of the properties of
16 such corporation.

17 (B) For purposes of calculating the time within which a claim for a hearing is made pursuant to
18 subdivision (21)(i) of this section heretofore, service shall be deemed to be the date of receipt of such
19 notice or three (3) days from the date of mailing of said notice, whichever shall first occur.

20 (24) To conduct surveys of the present private and public camping and other recreational areas
21 available and to determine the need for and location of such other camping and recreational areas as may
22 be deemed necessary and in the public interest of the state of Rhode Island and to report back its findings
23 on an annual basis to the general assembly on or before March 1 of every year;

24 (ii) Additionally, the director of the department of environmental management shall take such
25 additional steps, including but not limited to, matters related to funding as may be necessary to establish
26 such other additional recreational facilities and areas as are deemed to be in the public interest.

27 (25) To apply for and accept grants and bequests of funds with the approval of the director of
28 administration from other states, interstate agencies and independent authorities, and private firms,
29 individuals and foundations, for the purpose of carrying out his or her lawful responsibilities. The funds
30 shall be deposited with the general treasurer in a restricted receipt account created in the Natural
31 Resources Program for funds made available for that program's purposes or in a restricted receipt account
32 created in the Environmental Protection Program for funds made available for that program's purposes.
33 All expenditures from the accounts shall be subject to appropriation by the general assembly, and shall be
34 expended in accordance with the provisions of the grant or bequest. In the event that a donation or

1 bequest is unspecified or in the event that the trust account balance shows a surplus after the project as
2 provided for in the grant or bequest has been completed, the director may utilize said appropriated
3 unspecified or appropriated surplus funds for enhanced management of the department's forest and
4 outdoor public recreation areas, or other projects or programs that promote the accessibility of
5 recreational opportunities for Rhode Island residents and visitors.

6 (ii) The director shall submit to the house fiscal advisor and the senate fiscal advisor, by October
7 1 of each year, a detailed report on the amount of funds received and the uses made of such funds.

8 (26) To establish fee schedules by regulation with the approval of the governor for the processing
9 of applications and the performing of related activities in connection with the department's responsibilities
10 pursuant to subdivision (12) of this section, chapter 19.1 of title 23 as it relates to inspections performed
11 by the department to determine compliance with chapter 19.1 and rules and regulations promulgated in
12 accordance therewith, chapter 18.9 of title 23 as it relates to inspections performed by the department to
13 determine compliance with chapter 18.9 and the rules and regulations promulgated in accordance
14 therewith, chapters 19.5 and 23 of title 23; chapter 12 of title 46 insofar as it relates to water quality
15 certifications and related reviews performed pursuant to provisions of the federal Clean Water Act, the
16 regulation and administration of underground storage tanks and all other programs administered under
17 chapter 12 of title 46 and § 2-1-18 et seq., and chapter 13.1 of title 46 and chapter 13.2 of title 46 insofar
18 as they relate to any reviews and related activities performed under the provisions of the Groundwater
19 Protection Act, chapter 23-24.9 as it relates to the regulation and administration of mercury-added
20 products, and chapter 17.7 of this title insofar as it relates to administrative appeals of all enforcement,
21 permitting and licensing matters to the administrative adjudication division for environmental matters.
22 Two (2) fee ranges shall be required: for "Appeal of enforcement actions", a range of fifty dollars (\$50) to
23 one hundred dollars (\$100), and for "Appeal of application decisions", a range of five hundred dollars
24 (\$500) to ten thousand dollars (\$10,000). The monies from the administrative adjudication fees will be
25 deposited as general revenues and the amounts appropriated shall be used for the costs associated with
26 operating the administrative adjudication division.

27 There is hereby established an account within the general fund to be called the water and air
28 protection program. The account shall consist of sums appropriated for water and air pollution control and
29 waste monitoring programs and the state controller is hereby authorized and directed to draw his or her
30 orders upon the general treasurer for the payment of such sums or such portions thereof as may be
31 required from time to time upon receipt by him or her of properly authenticated vouchers. All amounts
32 collected under the authority of this subdivision for the sewage disposal system program and fresh waters
33 wetlands program will be deposited as general revenues and the amounts appropriated shall be used for
34 the purposes of administering and operating the programs. The director shall submit to the house fiscal

1 advisor and the senate fiscal advisor by January 15 of each year a detailed report on the amount of funds
2 obtained from fines and fees and the uses made of such funds.

3 (27) To establish and maintain a list or inventory of areas within the state worthy of special
4 designation as "scenic" to include, but not be limited to, certain state roads or highways, scenic vistas and
5 scenic areas, and to make the list available to the public.

6 (28) To establish and maintain an inventory of all interests in land held by public and private land
7 trust and to exercise all powers vested herein to insure the preservation of all identified lands.

8 (i) The director may promulgate and enforce rules and regulations to provide for the orderly and
9 consistent protection, management, continuity of ownership and purpose, and centralized records-keeping
10 for lands, water, and open spaces owned in fee or controlled in full or in part through other interests,
11 rights, or devices such as conservation easements or restrictions, by private and public land trusts in
12 Rhode Island. The director may charge a reasonable fee for filing of each document submitted by a land
13 trust.

14 (ii) The term "public land trust" means any public instrumentality created by a Rhode Island
15 municipality for the purposes stated herein and financed by means of public funds collected and
16 appropriated by the municipality. The term "private land trust" means any group of five (5) or more
17 private citizens of Rhode Island who shall incorporate under the laws of Rhode Island as a nonbusiness
18 corporation for the purposes stated herein, or a national organization such as the nature conservancy. The
19 main purpose of either a public or a private land trust shall be the protection, acquisition, or control of
20 land, water, wildlife, wildlife habitat, plants, and/or other natural features, areas, or open space for the
21 purpose of managing or maintaining, or causing to be managed or maintained by others, the land, water,
22 and other natural amenities in any undeveloped and relatively natural state in perpetuity. A private land
23 trust must be granted exemption from federal income tax under Internal Revenue Code 501c(3) [26
24 U.S.C. § 501(c)(3)] within two (2) years of its incorporation in Rhode Island or it may not continue to
25 function as a land trust in Rhode Island. A private land trust may not be incorporated for the exclusive
26 purpose of acquiring or accepting property or rights in property from a single individual, family,
27 corporation, business, partnership, or other entity. Membership in any private land trust must be open to
28 any individual subscribing to the purposes of the land trust and agreeing to abide by its rules and
29 regulations including payment of reasonable dues.

30 (iii) Private land trusts will, in their articles of association or their bylaws, as appropriate, provide
31 for the transfer to an organization created for the same or similar purposes the assets, lands and land rights
32 and interests held by the land trust in the event of termination or dissolution of the land trust.

33 (B) All land trusts, public and private, will record in the public records of the appropriate towns
34 and cities in Rhode Island all deeds, conservation easements or restrictions or other interests and rights

1 acquired in land and will also file copies of all such documents and current copies of their articles of
2 association, their bylaws, and annual reports with the secretary of state, and with the director of the Rhode
3 Island department of environmental management. The director is hereby directed to establish and
4 maintain permanently a system for keeping records of all private and public land trust land holdings in
5 Rhode Island.

6 (29) The director will contact in writing, not less often than once every two (2) years, each public
7 or private land trust to ascertain: that all lands held by the land trust are recorded with the director; the
8 current status and condition of each land holding; that any funds or other assets of the land trust held as
9 endowment for specific lands have been properly audited at least once within the two (2) year period; the
10 name of the successor organization named in the public or private land trust's bylaws or articles of
11 association; and any other information the director deems essential to the proper and continuous
12 protection and management of land and interests or rights in land held by the land trust. In the event that
13 the director determines that a public or private land trust holding land or interest in land appears to have
14 become inactive, he or she shall initiate proceedings to effect the termination of the land trust and the
15 transfer of its lands, assets, land rights, and land interests to the successor organization named in the
16 defaulting trust's bylaws or articles of association or to another organization created for the same or
17 similar purposes. Should such a transfer not be possible, then the land trust, assets, and interest and rights
18 in land will be held in trust by the state of Rhode Island and managed by the director for the purposes
19 stated at the time of original acquisition by the trust. Any trust assets or interests other than land or rights
20 in land accruing to the state under such circumstances will be held and managed as a separate fund for the
21 benefit of the designated trust lands.

22 (30) Consistent with federal standards, issue and enforce such rules, regulations and orders as
23 may be necessary to establish requirements for maintaining evidence of financial responsibility for taking
24 corrective action and compensating third parties for bodily injury and property damage caused by sudden
25 and non-sudden accidental releases arising from operating underground storage tanks.

26 (31) To enforce, by such means as provided by law, the standards for the quality of air, and water,
27 and the location, design, construction and operation of all underground storage facilities used for storing
28 petroleum products or hazardous materials; any order or notice issued by the director relating to the
29 location, design construction, operation or maintenance of an underground storage facility used for
30 storing petroleum products or hazardous materials shall be eligible for recordation under chapter 13 of
31 title 34. The director shall forward the order or notice to the city or town wherein the subject facility is
32 located, and the order or notice shall be recorded in the general index by the appropriate municipal officer
33 in the land evidence records in the city or town wherein the subject facility is located. Any subsequent
34 transferee of that facility shall be responsible for complying with the requirements of the order or notice.

1 Upon satisfactory completion of the requirements of the order or notice, the director shall provide written
2 notice of the same, which notice shall be eligible for recordation. The original written notice shall be
3 forwarded to the city or town wherein the subject facility is located, and the notice of satisfactory
4 completion shall be recorded in the general index by the appropriate municipal official in the land
5 evidence records in the city or town wherein the subject facility is located. A copy of the written notice
6 shall be forwarded to the owner of the subject facility within five (5) days of a request for it, and, in any
7 event, shall be forwarded to the owner of the subject facility within thirty (30) days after correction.

8 (32) To manage and disburse any and all funds collected pursuant to § 46-12.9-4, in accordance
9 with § 46-12.9-5, and other provisions of the Rhode Island Underground Storage Tank Financial
10 Responsibility Act, as amended.

11 (33) To support, facilitate and assist the Rhode Island Natural History Survey, as appropriate
12 and/or as necessary, in order to accomplish the important public purposes of the survey in gathering and
13 maintaining data on Rhode Island natural history, making public presentations and reports on natural
14 history topics, ranking species and natural communities, monitoring rare species and communities,
15 consulting on open space acquisitions and management plans, reviewing proposed federal and state
16 actions and regulations with regard to their potential impact on natural communities, and seeking outside
17 funding for wildlife management, land management and research.

18 (34) To promote the effective stewardship of lakes and ponds including collaboration with
19 associations of lakefront property owners on planning and management actions that will prevent and
20 mitigate water quality degradation, the loss of native habitat due to infestation of non-native species and
21 nuisance conditions that result from excessive growth of algal or non- native plant species. By January 31,
22 2012, the director shall prepare and submit a report to the governor and general assembly that based upon
23 available information provides: (a) an assessment of lake conditions including a description of the
24 presence and extent of aquatic invasive species in lakes and ponds; (b) recommendations for improving
25 the control and management of aquatic invasives species in lakes and ponds; and (c) an assessment of the
26 feasibility of instituting a boat sticker program for the purpose of generating funds to support
27 implementation actions to control aquatic invasive species in the freshwaters of the state.

28 (35) In implementing the programs established pursuant to this chapter, to identify critical areas
29 for improving service to customers doing business with the department, and to develop and implement
30 strategies to improve performance and effectiveness in those areas. Key aspects of a customer service
31 program shall include, but not necessarily be limited to, the following components:

32 (a) Maintenance of an organizational unit within the department with the express purpose of
33 providing technical assistance to customers and helping customers comply with environmental
34 regulations and requirements;

1 (b) Maintenance of an employee training program to promote customer service across the
2 department;

3 (c) Implementation of a continuous business process evaluation and improvement effort,
4 including process reviews to encourage development of quality proposals, ensure timely and predictable
5 reviews, and result in effective decisions and consistent follow up and implementation throughout the
6 department, and publish an annual report on such efforts;

7 (d) Creation of a centralized location for the acceptance of permit applications and other
8 submissions to the department;

9 (e) Maintenance of a process to promote, organize, and facilitate meetings prior to the submission
10 of applications or other proposals in order to inform the applicant on options and opportunities to
11 minimize environmental impact, improve the potential for sustainable environmental compliance, and
12 support an effective and efficient review and decision-making process on permit applications related to
13 the proposed project;

14 (f) Development of single permits under multiple authorities otherwise provided in state law to
15 support comprehensive and coordinated reviews of proposed projects. The director may address and
16 resolve conflicting or redundant process requirements in order to achieve an effective and efficient review
17 process that meets environmental objectives; and

18 (g) Exploration of the use of performance-based regulations coupled with adequate inspection and
19 oversight, as an alternative to requiring applications or submissions for approval prior to initiation of
20 projects. The department shall work with the office of regulatory reform to evaluate the potential for
21 adopting alternative compliance approaches and provide a report to the governor and the general
22 assembly by May 1, 2015.

23 SECTION 4. This article shall take effect as of July 1, 2014.

24 **ARTICLE 19**

25 **RELATING TO EXECUTIVE OFFICE OF COMMERCE**

26 SECTION 1. Section 42-35.1-5 of the General Laws in Chapter 42-35.1 entitled "Small Business
27 Regulatory Fairness in Administrative Procedures" is hereby amended to read as follows:

28 **§ 42-35.1-5 Small business enforcement ombudsman.** – (a) The director of the ~~economic~~
29 ~~development corporation~~ office of regulatory reform shall designate an existing staff member as a "small
30 business regulatory enforcement ombudsman", who shall report directly to the director.

31 (b) The ombudsman shall:

32 (1) Work with each agency with regulatory authority over small businesses to ensure that small
33 business concerns that receive or are subject to an audit, on-site inspection, compliance assistance effort,

1 or other enforcement related communication or contact by agency personnel are provided with a means to
2 comment on the enforcement activity conducted by such personnel;

3 (2) Establish means to receive comments from small business concerns regarding actions by
4 agency employees conducting compliance or enforcement activities;

5 (3) Within six (6) months of appointment, work with each regulating entity to develop and
6 publish reporting policies;

7 (4) Based on substantiated comments received from small business concerns the ombudsman
8 shall annually report to the general assembly and affected agencies evaluating the enforcement activities
9 of agency personnel including a rating of the responsiveness of the regulatory agencies policies;

10 (5) Coordinate and report annually on the activities, findings and recommendations to the general
11 assembly and the directors of affected agencies; and

12 (6) Provide the affected agency with an opportunity to comment on reports prepared pursuant to
13 this chapter, and include a section of the final report in which the affected agency may make such
14 comments as are not addressed by the ombudsman.

15 SECTION 2. Sections 42-64.13-3, 42-64.13-5, and 42-64.13-6 of the General Laws in Chapter
16 42-64.13 entitled “Rhode Island Regulatory Reform Act” are hereby amended to read as follows:

17 **§ 42-64.13-3 Purposes of chapter. [Effective February 1, 2015].** – The purposes of this
18 chapter are to create within the ~~Rhode Island executive office of commerce,~~ office of management and
19 budget the office of regulatory reform that will facilitate the regular review of Rhode Island's regulatory
20 processes and permitting procedures, report thereon in an effort to improve them and assist and facilitate
21 economic development opportunities within the regulatory and permitting processes and procedures that
22 exist within Rhode Island state and municipal government.

23 **§ 42-64.13-5 Creation of the office of regulatory reform. [Effective February 1, 2015].** –
24 The ~~Rhode Island executive office of commerce~~ office of management and budget shall create an office
25 of regulatory reform that shall be adequately staffed and supervised in order to fulfill its functions as set
26 forth in this chapter.

27 **§ 42-64.13-6 Director of office of regulatory reform. [Effective February 1, 2015].** – The
28 office of regulatory reform shall be managed by a director of office of regulatory reform who shall report
29 to the ~~secretary of commerce within the Rhode Island executive office of commerce~~ director of the office
30 of management and budget.

31 SECTION 3. Sections 42-64.19-2, 42-64.19-3, 42-64.19-4, 42-64.19-5, 42-64.19-6, 42-64.19-7,
32 42-64.19-8, 42-64.19-9, 42-64.19-10, 42-64.19-11, and 42-64.19-12 of the General Laws in Chapter 42-
33 64.19 entitled “Executive Office of Commerce” are hereby amended to read as follows:

1 **§ 42-64.19-2 Purposes. [Effective February 1, 2015 July 1, 2015].** – The Rhode Island
2 executive office of commerce is authorized, created, and established as the state's lead agency for
3 economic development throughout Rhode Island for the following purposes: To promote and encourage
4 the preservation, expansion, and sound development of new and existing industry, business, commerce,
5 agriculture, tourism, and recreational facilities in the state, which will promote the economic development
6 of the state and the creation of opportunities for economic stability and employment through a business
7 climate that fosters opportunity for all Rhode Islanders.

8 **§ 42-64.19-3 Executive office of commerce. [Effective February 1, 2015 July 1, 2015].** – (a)
9 There is hereby established within the executive branch of state government an executive office of
10 commerce effective ~~February 1, 2015~~ July 1, 2015, to serve as the principal agency of the executive
11 branch of state government for managing the promotion of commerce and the economy within the state
12 and shall have the following powers and duties in accordance with the following schedule:

13 (1) On or about ~~February 1, 2015~~ July 1, 2015, to operate functions from the department of
14 business regulation;

15 (2) On or about ~~April 1, 2015~~ September 1, 2015, to operate various divisions and functions from
16 the department of administration;

17 (3) On or before ~~September 1, 2015~~ January 1, 2016, to provide to the Senate and the House of
18 Representatives a comprehensive study and review of the roles, functions, and programs of the
19 Department of Administration and the Department of Labor and Training to devise recommendations and
20 a business plan for the integration of these entities with the office of the secretary of commerce. The
21 governor may include such recommendations in the Fiscal Year 2017 budget proposal.

22 (b) In this capacity, the office shall:

23 (1) Lead or assist state departments and coordinate business permitting processes in order to:

24 (i) Improve the economy, efficiency, coordination, and quality of the business climate in the state;

25 (ii) Design strategies and implement best practices that foster economic development and growth
26 of the state's economy;

27 (iii) Maximize and leverage funds from all available public and private sources, including federal
28 financial participation, grants and awards;

29 (iv) Increase public confidence by conducting customer centric operations whereby commercial
30 enterprise are supported and provided programs and services that will grow and nurture the Rhode Island
31 economy; and

32 (v) Be the state's lead agency for economic development.

1 ~~(c) The office shall include the office of regulatory reform and other administration functions~~
2 ~~which promote, enhance or regulate various service and functions in order to promote the reform and~~
3 ~~improvement of the regulatory function of the state.~~

4 **§ 42-64.19-4 Secretary of commerce – Appointment. [Effective February 1, 2015 July 1,**
5 **2015.]** – The executive office of commerce shall be administered by a secretary of commerce, hereafter
6 referred to as "secretary." The position of secretary is hereby created in the unclassified service. The
7 secretary shall be appointed by the governor with the advice and consent of the senate. The secretary shall
8 hold office at the pleasure of the governor and until a successor is appointed and qualified. Before
9 entering upon the discharge of duties, the secretary shall take an oath to faithfully execute the duties of
10 the office. The secretary shall be appointed by ~~February 1, 2015~~ July 1, 2015.

11 **§ 42-64.19-5 Responsibilities of the secretary. [Effective February 1, 2015 July 1, 2015.]** . –
12 (a) The secretary shall be responsible to the governor for supervising the executive office of commerce,
13 improving the functions and operations of Rhode Island state government to be clear, reliable,
14 predictable, and as responsive and user-friendly to the state's business community as is practicable, for
15 managing and providing strategic leadership and direction to the other divisions and departments under
16 the jurisdiction of this chapter, for serving as the chief executive officer of the Rhode Island commerce
17 corporation, for convening the economic development planning council to develop the economic
18 development policy and strategic plan in accordance with section 42-64.16, for serving as chair of the
19 council of economic advisors in accordance with section 42-64.17; for serving as vice-chair of the Human
20 Resources Investment Council; and for chairing the Governor's Commerce and Workforce Cabinet
21 established pursuant to section 42-6.1.

22 (b) Notwithstanding any provision of law to the contrary, the secretary shall appoint the
23 chiefs/directors of the divisions/departments within the executive office of commerce with the consent of
24 the governor.

25 **§ 42-64.19-6 Duties of the secretary. [Effective February 1, 2015 July 1, 2015.]** . – The
26 secretary shall be subject to the direction and supervision of the governor for the oversight, coordination
27 and cohesive direction of state economic development activities of the state and in ensuring the laws are
28 faithfully executed, notwithstanding any law to the contrary. In this capacity, the secretary of commerce
29 shall be authorized to:

30 (1) Coordinate the administration and financing of various departments or divisions within the
31 office and to supervise the work of the Rhode Island commerce corporation.

32 (2) Serve as the governor's chief advisor and liaison to federal policymakers on economic
33 development as well as the principal point of contact in the state on any such related matters.

1 (3) Review and ensure the coordination of the development of an overarching economic
2 development plan as produced by the office.

3 (4) Receive from department directors, within the timelines specified, any information and
4 resources the secretary deems necessary in order to perform the reviews authorized in this section;

5 ~~(5) Engage in regulatory reform across all state agencies to protect the health and wellbeing of
6 Rhode Islanders while meeting business needs for a clear, predictable, and reliable regulatory structure in
7 the state; including the implementation of systems to enhance customer service by simplifying and
8 expediting state permitting processes.~~

9 ~~(6)~~(5) Prepare and submit to the governor, the chairpersons of the house and senate finance
10 committees, and the caseload estimating conference, by no later than April 15 of each year, a
11 comprehensive overview of the Rhode Island economy. The secretary shall determine the contents of the
12 overview and shall determine the important economic data and information that will inform the governor,
13 and the revenue estimating committee on the economic conditions of the state and future issues and
14 forward looking projects of the Rhode Island economy.

15 ~~(7)~~(6) The directors of the departments, as well as local governments and school departments,
16 shall assist and cooperate with the secretary in fulfilling this responsibility by providing whatever
17 information and support shall be necessary.

18 ~~(8)~~(7) Resolve administrative, jurisdictional, operational, program, or policy conflicts among
19 departments and their executive staffs and make necessary recommendations to the governor.

20 ~~(9)~~(8) Assure continued progress toward improving the quality, the accountability, and the
21 efficiency of state-administered programs to support the Rhode Island economy. In this capacity, the
22 secretary shall:

23 (i) Direct implementation of reforms in the economic development practices of the departments
24 that streamline and upgrade services, achieve greater economies of scale and establish the coordinated
25 system of the staff education, cross- training, and career development services necessary to recruit and
26 retain a highly-skilled, responsive, and engaged workforce;

27 (ii) Encourage departments to utilize consumer-centered approaches to service design and
28 delivery that expand their capacity to respond efficiently and responsibly to the diverse and changing
29 needs of the people and communities they serve;

30 (iii) Develop all opportunities to maximize resources by leveraging the state's purchasing power,
31 centralizing fiscal service functions related to budget, finance, and procurement, centralizing
32 communication, policy analysis and planning, and information systems and data management, pursuing
33 alternative funding sources through grants, awards and partnerships and securing all available federal
34 financial participation for programs and services provided through the departments; and

1 (iv) Strengthen the financial support system for business and enterprises program integrity,
2 quality control and collections, and recovery activities by consolidating functions within the office in a
3 single unit that ensures all affected parties pay their fair share of the cost of services and are aware of
4 alternative financing.

5 ~~(10)~~(9) Prepare and integrate comprehensive budgets for the commerce services departments and
6 functions and duties assigned to the office. The budgets shall be submitted to the state budget office by
7 the secretary, for consideration by the governor, on behalf of the state's commerce agencies in accordance
8 with the provisions set forth in § 35-3-4 of the Rhode Island general laws.

9 ~~(11)~~(10) Utilize objective data to evaluate economic development policy goals, resource use and
10 outcome evaluation and to perform short and long-term policy planning and development.

11 ~~(12)~~(11) Establishment of an integrated approach to interdepartmental information and data
12 management that complements and furthers the goals of the council of economic advisors and that will
13 facilitate the transition to consumer-centered system of state administered economic development
14 programs and services.

15 ~~(13)~~(12) At the direction of the governor or the general assembly, conduct independent reviews of
16 state-administered economic development programs, policies and related agency actions and activities
17 and assist the department directors in identifying strategies to address any issues or areas of concern that
18 may emerge thereof. The department directors shall provide any information and assistance deemed
19 necessary by the secretary when undertaking such independent reviews.

20 ~~(14)~~(13) Provide regular and timely reports to the governor and make recommendations with
21 respect to the state's economic development agenda.

22 ~~(15)~~(14) Employ such personnel and contract for such consulting services as may be required to
23 perform the powers and duties lawfully conferred upon the secretary.

24 ~~(16)~~(15) Implement the provisions of any general or public law or regulation related to the
25 disclosure, confidentiality and privacy of any information or records, in the possession or under the
26 control of the executive office or the departments assigned to the executive office, that may be developed
27 or acquired for purposes directly connected with the secretary's duties set forth herein.

28 **§ 42-64.19-7 Departments/divisions assigned to the executive office – Powers and duties.**

29 **[Effective February 1, 2015 July 1, 2015.]** – (a) The departments and/or divisions assigned to the
30 secretary shall:

31 (1) Exercise their respective powers and duties in accordance with their statutory authority and
32 the general policy established by the governor or by the secretary acting on behalf of the governor or in
33 accordance with the powers and authorities conferred upon the secretary by this chapter;

1 (2) Provide such assistance or resources as may be requested or required by the governor and/or
2 the secretary; and

3 (3) Provide such records and information as may be requested or required by the governor and/or
4 the secretary to the extent allowed under the provisions of any applicable general or public law,
5 regulation, or agreement relating to the confidentiality, privacy or disclosure of such records or
6 information.

7 (4) Forward to the secretary copies of all reports to the governor.

8 (b) Except as provided herein, no provision of this chapter or application thereof shall be
9 construed to limit or otherwise restrict the departments, offices, or divisions assigned to the secretary
10 from fulfilling any statutory requirement or complying with any valid rule or regulation.

11 (c) The secretary shall determine in collaboration with the department directors whether the
12 officers, employees, agencies, advisory councils, committees, commissions, and task forces of the
13 departments who were performing such functions shall be transferred to the office.

14 (d) In the transference of such functions, the secretary shall be responsible for ensuring:

15 (1) Minimal disruption of services to consumers;

16 (2) Elimination of duplication of functions and operations;

17 (3) Services are coordinated and functions are consolidated where appropriate;

18 (4) Clear lines of authority are delineated and followed;

19 (5) Cost savings are achieved whenever feasible;

20 (6) Program application and eligibility determination processes are coordinated and, where
21 feasible, integrated; and

22 (7) State and federal funds available to the office and the entities therein are allocated and utilized
23 for service delivery to the fullest extent possible.

24 (e) Except as provided herein, no provision of this chapter or application thereof shall be
25 construed to limit or otherwise restrict the departments under this section from fulfilling any statutory
26 requirement or complying with any regulation deemed otherwise valid.

27 (f) To ensure an orderly transfer of functions to the office of commerce the following transition
28 shall occur at the direction of the governor, secretary of commerce and the respective directors of the
29 department affected.

30 (g) On or about ~~February 1, 2015~~ July 1, 2015, the office shall commence to operate all functions
31 currently assigned to the department of business regulation (DBR)

32 (h) On or about ~~April 1, 2015~~ September 1, 2015, the office shall commence to operate the
33 ~~regulatory reform and~~ housing/community development functions currently assigned to the department of
34 administration.

1 (i) In addition to the requirements of RIGL § 35-3-7, budgets submitted by the impacted state
2 departments for state fiscal years 2015, ~~and 2016,~~ and 2017 shall include provisions to implement this
3 section.

4 **§ 42-64.19-8 Appointment of employees. [Effective February 1, 2015 July 1, 2015].** – The
5 secretary, subject to the provisions of applicable state law, shall be the appointing authority for all
6 employees of the executive office of commerce. The secretary may assign this function to such
7 subordinate officers and employees of the executive office as may to him or her seem feasible or
8 desirable. The appointing authority of the secretary provided for herein shall not affect, interfere with,
9 limit, or otherwise restrict the appointing authority vested in the directors for the employees of the
10 departments under applicable general and public laws.

11 **§ 42-64.19-9 Appropriations and disbursements. [Effective February 1, 2015 July 1, 2015].**
12 – The general assembly shall annually appropriate such sums as it may deem necessary for the purpose of
13 carrying out the provisions of this chapter. The state controller is hereby authorized and directed to draw
14 his or her orders upon the general treasurer for the payment of such sum or sums, or so much thereof as
15 may from time to time be required, upon receipt by him or her of proper authenticated vouchers approved
16 by the secretary of the executive office of commerce, or his or her designee.

17 **§ 42-64.19-10 Rules and regulations. [Effective February 1, 2015 July 1, 2015].** – The
18 executive office of commerce shall be deemed an agency for purposes of § 42-35-1, et seq. of the Rhode
19 Island general laws. The secretary shall make and promulgate such rules and regulations, fee schedules
20 not inconsistent with state law and fiscal policies and procedures as he or she deems necessary for the
21 proper administration of this chapter and to carry out the policy and purposes thereof.

22 **§ 42-64.19-11 Severability. [Effective February 1, 2015 July 1, 2015].** – If any provision of
23 this chapter or the application thereof to any person or circumstance is held invalid, such invalidity shall
24 not affect other provisions or applications of the chapter, which can be given effect without the invalid
25 provision or application, and to this end the provisions of this chapter are declared to be severable.

26 **§ 42-64.19-12 Cooperation of other state executive branch agencies. [Effective February 1,**
27 **2015 July 1, 2015].** – As may be appropriate from time to time, the departments and other agencies of
28 the state of the executive branch that have not been assigned to the executive office of commerce under
29 this chapter shall assist and cooperate with the executive office as may be required by the governor
30 requested by the secretary.

31 SECTION 4. Sections 42-102-2, 42-102-3 and 42-102-6 of the General Laws in Chapter entitled
32 “Rhode Island Human Resource Investment Council” are hereby amended to read as follows:

1 **§ 42-102-2 Composition of council. [Effective until February 1, 2015 July 1, 2015].** — (a)

2 Effective until January 1, 2005, the council shall be composed of twenty-seven (27) members of whom no
3 less than one-third (1/3) shall be women as follows:

4 (1) One shall be appointed by the governor from the nongovernmental sector to serve as
5 chairperson of the council;

6 (2) Eight (8) shall be appointed by the governor from the employer community, two (2) of whom
7 shall be from the nonprofit sector, and at least two (2) of whom must be women from the following
8 employer groups:

9 (i) Two (2) from companies with fewer than twenty-five (25) employees;

10 (ii) Two (2) from companies with twenty-five (25) to two hundred fifty (250) employees;

11 (iii) Two (2) from companies with more than two hundred fifty (250) employees; and

12 (iv) Two (2) from minority-owned companies;

13 (3) Three (3) members from organized labor shall be appointed by the governor;

14 (4) One member from a community-based organization representing minorities shall be appointed
15 by the governor;

16 (5) One individual who serves as the chairperson of the governor's commission on disabilities;

17 (6) Six (6) individuals shall serve on the council by virtue of their respective positions as
18 chairpersons of the following organizations:

19 (i) Three (3) individuals, who serve as chairpersons of their respective private industry councils;

20 (ii) One individual who serves as chairperson of the Rhode Island state apprenticeship council;

21 and

22 (iii) One individual who serves as chairperson of the pathways to independence advisory council;

23 (7) The president of the senate and the speaker of the house shall appoint one individual each
24 from their respective chambers to become members of the council;

25 (8) The directors or commissioners of the following four (4) departments and corporation shall
26 serve on the council: employment and training, Rhode Island economic development corporation, human
27 services, elementary and secondary education, and higher education;

28 (9) The executive director of the Rhode Island economic policy council shall serve on the
29 council; and

30 (10) Any individual serving on the council as of June 1, 2004 shall remain on the council until the
31 new members are appointed and confirmed by the senate.

32 (b) Effective January 1, 2005, the council shall be composed of fifteen (15) members, thirteen
33 (13) members appointed by the governor, with the advice and consent of the senate, at least four (4) of

1 whom shall be women, at least three (3) of whom shall be from minority communities, and at least one of
2 whom shall be a person with disabilities, as follows:

3 (1) One shall be appointed by the governor to serve as chairperson of the council;

4 (2) Six (6) shall be appointed by the governor from the employer community, in a manner that is
5 representative of employers of different sizes and sectors, including the nonprofit sector; provided,
6 however, that in the event that there is established a state workforce investment board that is separate and
7 distinct from the council, then one of the six (6) representatives of the employer community shall be the
8 chairperson of the state work force investment board, and if all employer community appointments have
9 been duly made and are filled, then the appointed chairperson of the state workforce investment board
10 shall be made with the next available appointment of a representative of the employer community;

11 (3) Four (4) members from organized labor shall be appointed by the governor;

12 (4) Two (2) members from community-based organizations shall be appointed by the governor;

13 (5) The president of the senate and the speaker of the house shall appoint one individual each
14 from their respective chambers to be members of the council.

15 (c) *Transitional Provisions.* The council as provided for in subsection (b) shall assume the
16 powers, duties and responsibilities set forth in this chapter, and the council as provided for in subsection
17 (a) shall be terminated, and shall cease to exist and all the powers, duties, and responsibilities of the
18 council as provided for in subsection (a) shall be transferred to the council as provided in subsection (b);
19 the governor may appoint persons serving on the council as provided for in subsection (a) to the council
20 as provided for in subsection (b), as provided for in § 42-102-4(a), and may appoint an interim executive
21 director who shall serve until such time as an executive director is appointed in accordance with § 42-
22 102-3(b). All rules, regulations, decisions, actions, and approvals taken by the council as provided in
23 subsection (a) shall remain in full force and effect until superseded, amended, revised, or rescinded by the
24 council as provided for in subsection (b). The present council will continue its duties and responsibilities
25 until the new members of the council are appointed and a number sufficient to satisfy a quorum are
26 confirmed by the senate.

27 **§ 42-102-2 Composition of council. [Effective February 1, 2015 July 1, 2015].** – The council
28 shall be composed of fifteen (15) members, the secretary of commerce, who shall be vice-chair, twelve
29 (12) members appointed by the governor, with the advice and consent of the senate, at least four (4) of
30 whom shall be women, at least three (3) of whom shall be from minority communities, and at least one of
31 whom shall be a person with disabilities, as follows:

32 (1) One shall be appointed by the governor to serve as chairperson of the council;

33 (2) Five (5) shall be appointed by the governor from the employer community, in a manner that is
34 representative of employers of different sizes and sectors, including the nonprofit sector; provided,

1 however, that in the event that there is established a state workforce investment board that is separate and
2 distinct from the council, then one of the five (5) representatives of the employer community shall be the
3 chairperson of the state work force investment board, and if all employer community appointments have
4 been duly made and are filled, then the appointed chairperson of the state workforce investment board
5 shall be made with the next available appointment of a representative of the employer community;

6 (3) Four (4) members from organized labor shall be appointed by the governor;

7 (4) Two (2) members from community-based organizations shall be appointed by the governor;

8 (5) The president of the senate and the speaker of the house shall appoint one individual each
9 from their respective chambers to be members of the council.

10 **§ 42-102-3 Officers. [Effective until February 1, 2015 July 1, 2015].** – (a) The position of
11 chairperson shall be unpaid and the individual that is appointed chairperson shall serve a three (3) year
12 term. The governor may reappoint the individual appointed chairperson to serve another three (3) year
13 term. The council shall elect from its own members a vice-chairperson, who is authorized to preside over
14 meetings in the absence of the chairperson.

15 (b) *Executive director.* The council, in consultation with the governor, shall appoint an executive
16 director who shall serve at the pleasure of the council, provided that the executive director's initial
17 engagement by the council shall be for a period of not more than three (3) years. The position of
18 executive director shall be in the unclassified service of the state and he or she shall serve as the chief
19 executive officer of the council.

20 **§ 42-102-3 Officers. [Effective February 1, 2015 July 1, 2015].** – (a) The position of
21 chairperson shall be unpaid and the individual that is appointed chairperson shall serve a three (3) year
22 term. The governor may reappoint the individual appointed chairperson to serve another three (3) year
23 term.

24 (b) The secretary of commerce shall be vice-chair, and is authorized to preside over meetings in
25 the absence of the chairperson.

26 (c) *Executive director.* The council, in consultation with the governor, shall appoint an executive
27 director who shall serve at the pleasure of the council, provided that the executive director's initial
28 engagement by the council shall be for a period of not more than three (3) years. The position of
29 executive director shall be in the unclassified service of the state and he or she shall serve as the chief
30 executive officer of the council.

31 **§ 42-102-6 Duties. [Effective until February 1, 2015 July 1, 2015].** – (a) The council shall
32 meet with other entities involved with vocational education, labor, and training and shall be responsible
33 for the planning of labor and training activities to ensure that a comprehensive and cohesive plan is

1 developed. The council shall take into consideration the needs of all segments of the state's citizenry in
2 establishing goals and training objectives.

3 (b) The council shall establish policy to ensure the effectiveness and efficiency of programs and
4 activities as they pertain to labor and training.

5 (c) The council shall provide funding for special projects that will increase and improve the skill
6 base of Rhode Island's workforce. The council shall take into account labor market information from the
7 Rhode Island economic development corporation to help establish training needs. In addition, the council
8 shall have the following responsibilities:

9 (1) Prepare and submit by September 1, 1992 and thereafter annually, a proposed budget for the
10 ensuing year for the governor's approval;

11 (2) The auditor general shall conduct annual audits of all financial accounts and any other audits
12 that he or she shall deem necessary.

13 (3) Ensure that, for those contracts or grants characterized as training or upgrading, the
14 administrative expenses of the private or public entity awarded the contract or grant shall not exceed
15 fifteen percent (15%) of the total contract or grant.

16 (4) Receive any gifts, grants, or donations made and to disburse and administer them in
17 accordance with the terms thereof; and

18 (5) Allocate moneys from the job development fund for projects to implement the
19 recommendations of the council, including, but not limited to, technology transfers or technical assistance
20 to manufacturers to improve their operations through the use of appropriate technologies; provided, that
21 for fiscal year 2005, a minimum of three million four hundred thousand dollars (\$3,400,000) from the job
22 development fund shall be allocated for adult literacy programs.

23 (6) Within ninety (90) days after the end of each fiscal year, the council shall approve and submit
24 an annual report to the governor, the speaker of the house, the president of the senate, and the secretary of
25 state, of its activities during the fiscal year. The report shall provide: an operating statement summarizing
26 meetings or hearings held, meeting minutes if requested, subjects addressed, decisions rendered, rules and
27 regulations promulgated, studies conducted, policies and plans developed, approved or modified, and
28 programs administered or initiated; a consolidated financial statement of all funds received and expended
29 including the source of funds, a listing of any staff supported by these funds, and a summary of clerical,
30 administrative, professional or technical reports received; a summary of performance during the previous
31 fiscal year including accomplishments, shortcomings and remedies; a synopsis of hearings, complaints,
32 suspensions or other legal matters related to the authority of the council; a summary of any training
33 courses held pursuant to subsection 42-102-2(c); a briefing on anticipated activities in the upcoming fiscal
34 year; and findings and recommendations for improvement. The report, within thirty (30) days of its

1 completion, shall be posted electronically on the general assembly and secretary of state's websites. The
2 director of the department of administration shall be responsible for the enforcement of this provision.

3 **§ 42-102-6 Duties. [Effective February 1, 2015 July 1, 2015].** – (a) The council shall meet
4 with other entities involved with vocational education, labor, and training and shall be responsible for the
5 planning of labor and training activities to ensure that a comprehensive and cohesive plan is developed.
6 The council shall take into consideration the needs of all segments of the state's citizenry in establishing
7 goals and training objectives.

8 (b) The council shall establish policy to ensure the effectiveness and efficiency of programs and
9 activities as they pertain to labor and training, including the workforce needs of state employers.

10 (c) The council shall provide funding for special projects that will increase and improve the skill
11 base of Rhode Island's workforce. The council shall take into account labor market information from the
12 Rhode Island economic development corporation to help establish training needs. In addition, the council
13 shall have the following responsibilities:

14 (1) Prepare and submit by September 1, 1992 and thereafter annually, a proposed budget for the
15 ensuing year for the governor's approval;

16 (2) The auditor general shall conduct annual audits of all financial accounts and any other audits
17 that he or she shall deem necessary.

18 (3) Ensure that, for those contracts or grants characterized as training or upgrading, the
19 administrative expenses of the private or public entity awarded the contract or grant shall not exceed
20 fifteen percent (15%) of the total contract or grant.

21 (4) Receive any gifts, grants, or donations made and to disburse and administer them in
22 accordance with the terms thereof; and

23 (5) Allocate moneys from the job development fund for projects to implement the
24 recommendations of the council, including, but not limited to, technology transfers or technical assistance
25 to manufacturers to improve their operations through the use of appropriate technologies; provided, that
26 for fiscal year 2005, a minimum of three million four hundred thousand dollars (\$3,400,000) from the job
27 development fund shall be allocated for adult literacy programs.

28 (6) Within ninety (90) days after the end of each fiscal year, the council shall approve and submit
29 an annual report to the governor, the speaker of the house, the president of the senate, and the secretary of
30 state, of its activities during the fiscal year. The report shall provide: an operating statement summarizing
31 meetings or hearings held, meeting minutes if requested, subjects addressed, decisions rendered, rules and
32 regulations promulgated, studies conducted, policies and plans developed, approved or modified, and
33 programs administered or initiated; a consolidated financial statement of all funds received and expended
34 including the source of funds, a listing of any staff supported by these funds, and a summary of clerical,

1 administrative, professional or technical reports received; a summary of performance during the previous
2 fiscal year including accomplishments, shortcomings and remedies; a synopsis of hearings, complaints,
3 suspensions or other legal matters related to the authority of the council; a summary of any training
4 courses held pursuant to subsection 42-102-2(c); a briefing on anticipated activities in the upcoming fiscal
5 year; and findings and recommendations for improvement. The report, within thirty (30) days of its
6 completion, shall be posted electronically on the general assembly and secretary of state's websites. The
7 director of the department of administration shall be responsible for the enforcement of this provision.

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

9 ARTICLE 20

10 RELATING TO BOARD OF EDUCATION

11 SECTION 1. *Board of Education Organizational Structure.*

12 WHEREAS, Pursuant to Rhode Island Public Law 2012, Chapter 241, Article 4, Section 3
13 enacted by the General Assembly, the Rhode Island Board of Education was established, "...to modernize
14 the manner in which education shall be governed for future generations"; and

15 WHEREAS, The Rhode Island Board of Education was charged by the General Assembly to
16 "...establish a plan for distributing the assets, responsibilities, powers, authorities, and duties of the office
17 of higher education to the three (3) higher education institutions and appropriate state agencies"; and,

18 WHEREAS, The Board was responsible for submitting a permanent governance structure to the
19 General Assembly for consideration that at a minimum would: "...(1) Provide clear guidance on
20 statutory, legal, financial and contractual obligations; (2) Establish a policy framework that furthers the
21 goals of this chapter; and (3) Establish appropriate administrative structures, support, policies and
22 procedures."; now, therefore, be it

23 RESOLVED, That the Rhode Island Board of Education recommends the General Assembly
24 enact a new governance structure to effectuate the permanent establishment of the Board of Education in
25 order to achieve the goals articulated by the preamble of Rhode Island Public Law 2012, Chapter 241,
26 Article 4, Section 3.

27 SECTION 2. Chapter 16-32 of the General Laws entitled "University of Rhode Island" is hereby
28 amended by adding thereto the following section:

29 § 16-32-2.1 Additional powers of the President of the University.- In addition to any powers
30 granted to the president of the University of Rhode Island by law or regulation, the president shall have
31 the following additional powers and duties:

32 (a) To create, and consolidate departments, divisions, programs, and courses of study within the
33 university with the assistance of the commissioner of postsecondary education within the approved role
34 and scope adopted by the council on postsecondary education pursuant to § 16-59-4. Any new or

1 proposed eliminations of departments, divisions, programs or courses of study that are outside the role
2 and scope approved by the council shall require the review and approval of the council on postsecondary
3 education.

4 (b) To adopt a budget for the university and submit it to the council on postsecondary education
5 for approval.

6 (c) To be responsible for the general management of property of the university.

7 (d) To recommend to the council on postsecondary education, after consultation with the
8 commissioner of postsecondary education, tables of organization for the university.

9 (e) To submit to the office of postsecondary commissioner and to compile and analyze the
10 following information for presentation to the council on postsecondary education and the board of
11 education annually by May 1st the following:

12 (1) A detailed departmental breakdown of all faculty members employed at the university by rank
13 (including all professors, associate professors, assistant professors, lecturers, and instructors) and tenure
14 (tenured and non-tenured, and other) and by race (African American, Hispanic, Native American, and
15 Asian) and gender.

16 (2) A detailed report on current student enrollments for each class at the university by race and
17 gender, by academic department, and by outreach program (e.g. talent development), guaranteed
18 admissions program, and the current levels of funding and staff support for each of these programs.

19 (3) A report on the current status of the African and Afro-American studies programs at the
20 university and a five (5) year budgetary history of the programs along with projections for budgetary
21 support for the next two (2) years.

22 (4) A plan for recruitment of African American and Hispanic faculty into tenure track positions at
23 each the university with specific reference to and planned involvement with the New England higher
24 education's minority faculty recruitment and development plan.

25 (5) Certified copies of the report shall be furnished to the council of postsecondary education and
26 the board of education.

27 SECTION 3. Chapter 16-33 of the General Laws entitled "Rhode Island College" is hereby
28 amended by adding thereto the following section:

29 **§ 16-33-2.1 Additional powers of the President of the College.** - In addition to any powers
30 granted to the president of Rhode Island College by law or regulation, the president shall have the
31 following additional powers and duties:

32 (a) To create and consolidate departments, divisions, programs, and courses of study within the
33 college with the assistance of the commissioner of postsecondary education within the approved role and
34 scope adopted by the council on postsecondary education pursuant to § 16-59-4. Any new or proposed

1 eliminations of departments, divisions, programs or courses of study that are outside the role and scope
2 approved by the council shall require the review and approval of the council on postsecondary education.

3 (b) To adopt a budget for the college and submit it to the council for postsecondary education for
4 approval.

5 (c) To be responsible for the general management of property of the college.

6 (d) To recommend to the council on postsecondary education, after consultation with the
7 commissioner of postsecondary, education tables of organization for the College.

8 (e) To submit to the office of postsecondary commissioner and to compile and analyze the
9 following information for presentation to the council for postsecondary education and the board of
10 education annually by May 1st the following:

11 (1) A detailed departmental breakdown of all faculty members employed at the college by rank
12 (including all professors, associate professors, assistant professors, lecturers, and instructors) and tenure
13 (tenured and non-tenured, and other) and by race (African American, Hispanic, Native American, and
14 Asian) and gender.

15 (2) A detailed report on current student enrollments for each class at the college by race and
16 gender, by academic department, and by outreach program (e.g. talent development), guaranteed
17 admissions program, and the current levels of funding and staff support for each of these programs.

18 (3) A report on the current status of the African and Afro-American studies programs at the
19 college and a five (5) year budgetary history of the programs along with projections for budgetary support
20 for the next two (2) years.

21 (4) A plan for recruitment of African American and Hispanic faculty into tenure track positions at
22 each the college with specific reference to and planned involvement with the New England higher
23 education's minority faculty recruitment and development plan.

24 (5) Certified copies of the report shall be furnished to the council of postsecondary education and
25 the board of education.

26 SECTION 4. Chapter 16-33.1 of the General Laws entitled "Community College of Rhode
27 Island" is hereby amended by adding thereto the following section:

28 **§ 16-33.1-2.1 Additional powers of the President of the College.-** In addition to any powers
29 granted to the president of the Community College of Rhode Island by law or regulation, the president
30 shall have the following additional powers and duties:

31 (a) To create and consolidate departments, divisions, programs, and courses of study within the
32 college with the assistance of the commissioner of postsecondary education within the approved role and
33 scope adopted by the council on postsecondary education pursuant to § 16-59-4. Any new or proposed

1 eliminations of departments, divisions, programs or courses of study that are outside the role and scope
2 approved by the council shall require the review and approval of the council on postsecondary education.

3 (b) To adopt a budget for the college and submit it to the council on postsecondary education for
4 approval.

5 (c) To be responsible for the general management of property of the college.

6 (d) To recommend to the council on postsecondary education, after consultation with the
7 commissioner of postsecondary education, tables of organization for the college.

8 (e) To submit to the office of postsecondary commissioner and to compile and analyze the
9 following information for presentation to the council on postsecondary education and the board of
10 education annually by May 1st the following:

11 (1) A detailed departmental breakdown of all faculty members employed at the college by rank
12 (including all professors, associate professors, assistant professors, lecturers, and instructors) and tenure
13 (tenured and non-tenured, and other) and by race (African American, Hispanic, Native American, and
14 Asian) and gender.

15 (2) A detailed report on current student enrollments for each class at the college by race and
16 gender, by academic department, and by outreach program (e.g. talent development), guaranteed
17 admissions program, and the current levels of funding and staff support for each of these programs.

18 (3) A report on the current status of the African and Afro-American studies programs at the
19 college and a five (5) year budgetary history of the programs along with projections for budgetary support
20 for the next two (2) years.

21 (4) A plan for recruitment of African American and Hispanic faculty into tenure track positions at
22 each the college with specific reference to and planned involvement with the New England higher
23 education's minority faculty recruitment and development plan.

24 (5) Certified copies of the report shall be furnished to the council on postsecondary education and
25 the board of education.

26 SECTION 5. Sections 16-59-1, 16-59-2, 16-59-4, 16-59-6, 16-59-7.1, 16-59-9 and 16-59-22
27 of the General Laws in Chapter 16-59 entitled "Board of Governors for Higher Education" are hereby
28 amended to read as follows:

29 **§ 16-59-1 Board of governors for higher education established Council on Postsecondary**
30 **Education established.** – (a) There is created a ~~board of governors for higher~~ council on postsecondary
31 education, sometimes referred to as the "board" or the "board of governors" "council", which shall be and
32 is constituted a public corporation, empowered to sue and be sued in its own name, ~~to have a corporate~~
33 seal, and to exercise all the powers, in addition to those specifically enumerated in this chapter, usually
34 appertaining to public corporations entrusted with control of postsecondary educational institutions and

1 functions. ~~The board shall be protected from sudden changes in membership and reversal of policy by~~
2 ~~having staggered terms for its public members.~~ Upon its organization the board of governors council shall
3 be invested with the legal title (in trust for the state) to all property, real and personal, now owned by
4 and/or under the control or in custody of the board of regents for education for the use of the University of
5 Rhode Island, Rhode Island College, Community College of Rhode Island and the system of community
6 colleges of Rhode Island including all departments, divisions, and branches of these.

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

12 (c) ~~The board of governors shall consist of thirteen (13) members as follows: twelve (12) public~~
13 ~~members, appointed pursuant to the terms of § 16-59-2, one of whom shall be a full-time student in good~~
14 ~~standing at the University of Rhode Island, Rhode Island College or the Community College of Rhode~~
15 ~~Island, and a member of the board of regents for elementary and secondary education designated by the~~
16 ~~governor.~~

17 (d) ~~The public members of the board of governors shall not be compensated for their service in~~
18 ~~attending meetings or duly organized subcommittee meetings of the board.~~

19 (e) ~~The governor shall designate one of the public members as chairperson of the board of~~
20 ~~governors. The board may elect from among its members such other officers as it deems necessary. Seven~~
21 ~~(7) voting members of the board shall constitute a quorum and a majority vote of those present and voting~~
22 ~~shall be required for action.~~

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

26 **§ 16-59-2 Appointment of members of the board of governors for higher education council**
27 **on postsecondary education.** – (a) The governor shall, ~~with the advice and consent of the senate~~
28 ~~establish the board~~ establish the council for postsecondary education by appointing eleven (11) seven (7)
29 members of the board of education established pursuant to chapter 16-97 to serve in staggered terms. as
30 members of the council, until the expiration of their term as a member of the board of education and their
31 successor is appointed. In addition the governor shall appoint one (1) student member who shall be a full
32 time student in good standing at the University of Rhode Island, Rhode Island College or the Community
33 College of Rhode Island and who shall serve in a non-voting, ex-officio capacity for a single two (2) year
34 term and shall rotate among the three (3) public institutions. The governor shall appoint the chair of the

1 ~~council on an annual basis from among the seven (7) voting council members. The appointments shall be~~
2 ~~made for terms of three (3) years commencing on February 1 in the year of the appointment and ending~~
3 ~~on January 31 in the third (3rd) year thereafter, except in the case of the student member whose~~
4 ~~appointment shall be for a period of two (2) years.~~

5 ~~(b) At the expiration of their terms members shall remain and continue in their official capacity~~
6 ~~until a new member is appointed and confirmed. Any vacancy among the public members of the board~~
7 ~~shall be filled by appointment of the governor for the remainder of the unexpired term. In the selection~~
8 ~~and appointment of members of the board, the governor shall seek persons who best serve the entire needs~~
9 ~~of the state. Public members shall not be appointed for more than three (3) successive three (3) year terms~~
10 ~~each; provided, however, that this limitation shall not apply to that person designated as chairperson by~~
11 ~~the governor who may be a member so long as he or she shall serve as chairperson. Student members~~
12 ~~shall be appointed by the governor for a single two (2) year term and shall rotate among the three (3)~~
13 ~~public institutions.~~

14 ~~(c) No person shall be eligible for appointment to the board after the effective date of this act~~
15 ~~[March 24, 2006] unless he or she is a resident of this state.~~

16 ~~(d) Members of the board shall be removable by the governor pursuant to the provisions of § 36-~~
17 ~~1-7 of the general laws and for cause only, and removal solely for partisan or personal reasons unrelated~~
18 ~~to capacity or fitness for the office shall be unlawful.~~

19 **§ 16-59-4 Powers and duties of board the council on postsecondary education.** – (a) The

20 ~~board of governors for higher~~ council on postsecondary education shall have, in addition to those
21 enumerated in § 16-59-1, the following powers and duties:

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

26 (2) To develop and approve a master strategic plan defining implementing broad goals and
27 objectives for higher education in the state as established by the board of education, including a
28 comprehensive capital development program. ~~These goals and objectives shall be expressed in terms of~~
29 ~~what men and women should know and be able to do as a result of their educational experience. The~~
30 ~~board of governors shall continuously evaluate the efforts and results of education in the light of these~~
31 ~~objectives.~~

32 (3) To formulate broad policy to implement the goals and objectives established and adopted by
33 the board of ~~governors~~ education, to adopt standards and require enforcement and to exercise general
34 supervision over all higher public education in the state and over independent higher education in the state

1 as provided in subdivision (8) of this section. The board of ~~governors~~ education and the council shall not
2 engage in the operation or administration of any subordinate committee, university, junior college, or
3 community college, except its own office of ~~higher~~ postsecondary education and except as specifically
4 authorized by an act of the general assembly; provided, the presidents of each institution of higher
5 learning shall be the chief administrative and executive officers of that institution; and provided that
6 nothing contained in this section shall prohibit their direct access to or interfere with the relationship
7 between the presidents and the board of ~~governors~~ education and the council. ~~The adoption and submittal~~
8 ~~of the budget, the approval of tables of organization, the creation, abolishment, and consolidation of~~
9 ~~departments, divisions, programs, and courses of study, and the acquisition, holding, disposition, and~~
10 ~~general management of property shall not be construed to come within the purview of the preceding~~
11 ~~prohibition. The board shall communicate with and seek the advice of the commissioner of higher~~
12 ~~education and all those concerned with and affected by its determinations as a regular procedure in~~
13 ~~arriving at its conclusions and in setting its policy.~~

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

17 ~~(4)(5)~~ To prepare and maintain a five (5) year funding plan for higher education that implements
18 the strategic financing recommendations of the board of education; to prepare with the assistance of the
19 commissioner of ~~higher~~ postsecondary education and to present annually to the state budget officer in
20 accordance with § 35-3-4 a state higher educational budget, which shall include, but not be limited to, the
21 budget of the office of ~~higher~~ postsecondary education and the budget of the state colleges. In the
22 preparation of the budget, the ~~board~~ council shall ~~determine~~ implement the priorities established by the
23 board of education of expenditures for public higher education purposes of state revenues and other
24 public resources made available for the support of higher public education. Prior to submitting the budget
25 to the state budget officer as required by the budget office instructions and this subsection, the council
26 shall present the budget to the board of education for its review and consent. Nothing contained in this
27 subdivision shall authorize the ~~board~~ council to alter the allocation of grants or aid otherwise provided by
28 law.

29 ~~(5)(6)~~ To maintain an office of ~~higher education~~ postsecondary commissioner; to provide for its
30 staffing and organization; and to ~~appoint~~ manage and oversee a commissioner of ~~higher~~ postsecondary
31 education pursuant to duties and responsibilities defined in § 16-59-6 and § 16-59-7, ~~who shall serve at its~~
32 pleasure. The commissioner of ~~higher~~ postsecondary education and the office of ~~higher education~~
33 postsecondary commissioner shall have the duties and responsibilities as defined in §§ 16-59-6 and 16-
34 59-7.

1 ~~(6)~~(7) To appoint and dismiss presidents of the public institutions of higher learning with the
2 assistance of the commissioner of ~~higher~~ postsecondary education, and to establish procedures for this,
3 and with the assistance of the commissioner to approve or disapprove vice presidents of the public
4 institutions of higher learning appointed by the respective presidents of the public institutions of higher
5 learning.

6 ~~(7)~~(8) To establish other educational agencies or subcommittees necessary or desirable for the
7 conduct of any or all aspects of higher education and to determine all powers, functions, and composition
8 of any agencies or subcommittees and to dissolve them when their purpose shall have been fulfilled.

9 ~~(8)~~(9) To exercise the authority vested in the board of regents for education with relation to
10 independent higher educational institutions within the state under the terms of chapter 40 of this title, and
11 other laws affecting independent higher education in the state.

12 ~~(9)~~(10) To enforce the provisions of all laws relating to higher education, public and independent.

13 ~~(10)~~(11) To be responsible for all the functions, powers, and duties which were vested in the
14 board of regents for education relating to higher education, including but not limited to the following
15 specific functions:

16 (i) To approve the ~~tables of organization~~ role and scope of programs at public institutions of
17 higher learning with the assistance of the commissioner of ~~higher education~~ postsecondary education
18 which shall include but not be limited to populations to be served, the type and level of programs and
19 academic fields offered.

20 (ii) To adopt and require standard accounting procedures for the office of ~~higher education~~
21 postsecondary commissioner and all public colleges and universities.

22 ~~(iii) To create, abolish, and consolidate departments, divisions, programs, and courses of study~~
23 ~~within the public colleges and universities with the assistance of the commissioner of higher education~~
24 ~~after consultation with the presidents.~~

25 ~~(iv)~~(iii) To ~~establish~~ approve a clear and definitive mission for each public institution of higher
26 learning with the assistance of the commissioner of ~~higher education~~ postsecondary education that is
27 consistent with the role and scope of programs at the public institutions.

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

30 ~~(11)~~(12) To incorporate into its own affirmative action reporting process periodic reports
31 monitoring specific faculty and staff searches by the chairperson of the search committee to include the
32 rationale for granting those interviews and the final hiring results. The institutions must empower its
33 affirmative action officer to monitor searches in this manner, to intervene during the search, and, when
34 necessary, to cause a search to cease if affirmative action goals are not being adequately served.

1 ~~(12)~~(13) To incorporate a specific category for accountability on affirmative action goals and
2 implementation as part of the board's annual evaluations and three (3) year reviews for the presidents of
3 each of the public institutions of higher education.

4 ~~(13)~~(14) To make a formal request of the governor that whenever an opportunity arises to make
5 new appointments to the board, that the governor make every effort to increase the number of African
6 Americans, Native Americans, Asians, and Hispanics on the board.

7 ~~(14)~~ Within ninety (90) days after the end of each fiscal year, the board shall submit an annual
8 report to the governor, the speaker of the house of representatives, and the president of the senate of its
9 activities during that fiscal year. The report shall provide: an operating statement summarizing meetings
10 or hearings held, subjects addressed, decisions rendered, rules or regulations promulgated, studies
11 conducted, policies and plans developed, approved, or modified, and programs administered or initiated; a
12 consolidated financial statement of all funds received and expended including the source of the funds, a
13 listing of any staff supported by these funds, and a summary of any clerical, administrative or technical
14 support received; a summary of performance during the previous fiscal year including accomplishments,
15 shortcomings and remedies; a synopsis of hearings, complaints, suspensions, or other legal matters related
16 to the authority of the board; a briefing on anticipated activities in the upcoming fiscal year; and findings
17 and recommendations for improvements. The director of the department of administration shall be
18 responsible for the enforcement of the provisions of this subsection.

19 ~~(15)~~ The board shall conduct a training course for newly appointed and qualified members within
20 six (6) months of their qualification. The course shall be developed by the chairperson of the board,
21 approved by the board, and conducted by the chairperson of the board. The board may approve the use of
22 any board or staff members or other individuals to assist with training. The training course shall include
23 instruction in the following areas: the provisions of chapters 42-46, 36-14, and 38-2; and the board's own
24 rules. The director of the department of administration shall, within ninety (90) days of the effective date
25 of this act [March 24, 2006], prepare and disseminate training materials relating to the provisions of
26 chapters 42-46, 36-14, and 38-2.

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

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

1 **§ 16-59-6 Commissioner of higher postsecondary education.** – The ~~board~~ council on
2 postsecondary education shall appoint a commissioner of ~~higher postsecondary education~~ with the advice
3 and consent of the board of education, who shall serve at the pleasure of the ~~board~~ council, provided that
4 his or her initial engagement by the ~~board~~ council shall be for a period of not more than three (3) years.
5 For the purpose of appointing, retaining, or dismissing a commissioner of ~~higher postsecondary~~
6 education, the governor shall serve as an additional voting member of the ~~board~~ council, and provided
7 that in the case of a tie, the president of the senate shall cast the deciding vote. The position of
8 commissioner shall be in the unclassified service of the state and he or she shall serve as the chief
9 executive officer of the ~~board of governors council on postsecondary education~~ and as the chief
10 administrative officer of the office of ~~higher education postsecondary commissioner~~. The commissioner
11 of ~~higher postsecondary~~ education shall have any duties that are defined in this section and in this title and
12 other additional duties as may be determined by the ~~board~~ council, and shall perform any other duties as
13 may be vested in him or her by law. In addition to these duties and general supervision of the office of
14 ~~higher education postsecondary commissioner~~ and the appointment of the several officers and employees
15 of the office, it shall be the duty of the commissioner of ~~higher postsecondary~~ education:

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

19 (2) To prepare a ~~master~~ strategic plan for higher education in the state aligned with the goals of
20 the board of education's strategic plan; to coordinate the goals and objectives of the higher public
21 education sector with the goals of the council on elementary and secondary education, and activities of
22 the independent higher education sector where feasible.

23 (3) To communicate with and seek the advice of those concerned with and affected by the board
24 of ~~governors' education's and council's~~ determinations.

25 (4) To implement broad policy as it pertains to the goals and objectives established by the board
26 of education and council on postsecondary education; to ~~enforce standards and to exercise general~~
27 ~~supervision~~ promote better coordination between ~~over~~ higher public education in the state, ~~and over~~
28 independent higher education in the state as provided in subdivision (11) of this section and pre k -12
29 education; to assist in the preparation of the budget for public higher education and to be responsible upon
30 direction of the ~~board~~ council for the allocation of appropriations, the acquisition, holding, and
31 disposition, ~~and general management~~ of property.

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

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

4 (7) To recommend to the ~~board of governors,~~ council on postsecondary education after
5 consultation with the presidents, a clear and definitive mission for each public institution of higher
6 learning.

7 ~~(8) To recommend to the board of governors, after consultation with the presidents, tables of~~
8 ~~organization for the public institutions of higher learning.~~

9 (9) To annually recommend to the ~~board of governors,~~ council on postsecondary education after
10 consultation with the presidents, the creation, abolition, retention, or consolidation of departments,
11 divisions, programs, and courses of study within the public colleges and universities to eliminate
12 unnecessary duplication in public higher education ~~and,~~ to address the future needs of public higher
13 education in the state, and to advance proposals recommended by the presidents of the public colleges and
14 universities pursuant to sections 16-32-2.1, 16-33-2.1 and 16-33.1-2.1 of the general laws.

15 (10) To supervise the operations of the office of ~~higher education~~ postsecondary commissioner
16 and any other additional duties and responsibilities that may be assigned by the ~~board~~ council.

17 (11) To perform the duties vested in the ~~board of governors~~ council with relation to independent
18 higher educational institutions within the state under the terms of chapter 40 of this title and any other
19 laws that affect independent higher education in the state.

20 (12) To be responsible for the administration of policies, rules, and regulations of the ~~board of~~
21 ~~governors~~ the council on postsecondary education with relation to the entire field of higher education
22 within the state, not specifically granted to any other department, board, or agency and not incompatible
23 with law.

24 (13) To prepare standard accounting procedures for public higher education and all public
25 colleges and universities.

26 (14) To carry out the policies and directives of the board of ~~governors~~ education and the council
27 on postsecondary education through the office of ~~higher education~~ postsecondary commissioner and
28 through utilization of the resources of the public institutions of higher learning.

29 ~~(15) To direct the office of higher education to compile and analyze the following information for~~
30 ~~presentation to the speaker of the house and the governor by May 1st annually:~~

31 ~~(A) A detailed departmental breakdown of all faculty members employed at each state run college~~
32 ~~and university by rank (including all professors, associate professors, assistant professors, lecturers,~~
33 ~~instructors) and tenure (tenured and non-tenured, other) and by race (African American, Hispanic, Native~~
34 ~~American, and Asian) and gender.~~

1 ~~(B) A detailed report on current student enrollments for each class at each state run college and~~
2 ~~university by race and gender, by academic department, and by outreach program (e.g. talent~~
3 ~~development), guaranteed admissions program, and the current levels of funding and staff support for~~
4 ~~each of these programs.~~

5 ~~(C) A report on the current status of the African and Afro American studies programs at each~~
6 ~~institution and a five (5) year budgetary history of the programs along with projections for budgetary~~
7 ~~support for the next two (2) years.~~

8 ~~(D) A plan for recruitment of African American and Hispanic faculty into tenure track positions~~
9 ~~at each institution with specific reference to and planned involvement with the New England higher~~
10 ~~education's minority faculty recruitment and development plan.~~

11 ~~(ii) Certified copies of the report shall be furnished to the board of governors and the presidents~~
12 ~~of the state colleges and universities.~~

13 **§ 16-59-7.1 Permanent status for non-classified employees.** – All non-classified employees of
14 ~~the board of governors~~ council on postsecondary education who shall have twenty (20) years, not
15 necessarily consecutive, of service credit, these credits having been earned in either the classified, non-
16 classified, or unclassified service or any combination of these, shall be deemed to have acquired full
17 status in their positions as the status is defined by § 36-4-59; provided that this provision shall not apply
18 to those employees whose base entry date is after August 7, 1996; and provided that this provision shall
19 not apply to faculty employed by the ~~board of governors~~ council on postsecondary education nor shall it
20 apply to non-classified employees who have acquired tenure as faculty.

21 **§ 16-59-9 Educational budget and appropriations.** – (a) The general assembly shall annually
22 appropriate any sums it deems necessary for support and maintenance of higher education in the state and
23 the state controller is authorized and directed to draw his or her orders upon the general treasurer for the
24 payment of the appropriations or so much of the sums that are necessary for the purposes appropriated,
25 upon the receipt by him or her of proper vouchers as the ~~board of governors for higher education~~ council
26 on postsecondary education may by rule provide. The ~~board~~ council shall receive, review, and adjust the
27 budgets of its several subordinate committees and agencies and for the office of ~~higher education~~
28 postsecondary commissioner and present the budget as part of the budget for higher education under the
29 requirements of § 35-3-4.

30 (b) The office of ~~higher education~~ postsecondary commissioner and the institutions of public
31 higher education shall establish working capital accounts.

32 (c) Any tuition or fee increase schedules in effect for the institutions of public higher education
33 shall be received by the ~~board of governors~~ council on postsecondary education for allocation for the
34 fiscal year for which state appropriations are made to the ~~board of governors~~ council by the general

1 assembly; provided that no further increases may be made by the board of ~~governors~~ education or the
2 council on postsecondary education for the year for which appropriations are made. Except that these
3 provisions shall not apply to the revenues of housing, dining, and other auxiliary facilities at the
4 University of Rhode Island, Rhode Island College, and the Community Colleges including student fees as
5 described in P.L. 1962, ch. 257 pledged to secure indebtedness issued at any time pursuant to P.L. 1962,
6 ch. 257 as amended.

7 (d) All housing, dining, and other auxiliary facilities at all public institutions of higher learning
8 shall be self-supporting and no funds shall be appropriated by the general assembly to pay operating
9 expenses, including principal and interest on debt services, and overhead expenses for the facilities. Any
10 debt service costs on general obligation bonds presented to the voters in November 2000 and November
11 2004 or appropriated funds from the Rhode Island capital plan for the housing auxiliaries at the
12 University of Rhode Island and Rhode Island College shall not be subject to this self-supporting
13 requirement in order to provide funds for the building construction and rehabilitation program. The
14 institutions of public higher education will establish policies and procedures which enhance the
15 opportunity for auxiliary facilities to be self-supporting, including that all faculty provide timely and
16 accurate copies of booklist for required textbooks to the public higher educational institution's bookstore.

17 (e) The additional costs to achieve self-supporting status shall be by the implementation of a fee
18 schedule of all housing, dining, and other auxiliary facilities, including but not limited to, operating
19 expenses, principal, and interest on debt services, and overhead expenses.

20 **§ 16-59-22 Applicability of merit system – Teacher certification – List of positions**
21 **transferable to classified service.** – (a) The appointment, promotion, salaries, tenure, and dismissal of
22 administrative, instructional, and research employees, and secretarial employees not exceeding ten (10) in
23 number, of the state colleges shall not be subject in any manner or degree to control by the personnel
24 administrator or by any officer or board other than the ~~board of governors for higher education~~ council on
25 postsecondary education. The certification of teachers at the University of Rhode Island is abolished,
26 except for teachers that elect to come or remain under it.

27 (b) All positions that are exempt from the Merit System Law, chapter 4 of title 36, which become
28 vacant or that are to be established, must be forwarded to the personnel administrator, who in consultation
29 with the deputy assistant commissioner of education in charge of personnel and labor relations shall
30 determine whether the position(s) in question shall remain in the ~~board of governors for higher education~~
31 council on postsecondary education non-classified service or be established in the classified service of the
32 state.

1 (c) No position presently in the classified service of the state subject to the Merit System Law,
2 chapter 4 of title 36, shall be changed or modified so as to establish the position in the ~~board of governors~~
3 ~~for higher education~~ council on postsecondary education non-classified service.

4 (d) Faculty positions, presidents, vice presidents, deans, assistant deans, and student employees of
5 the higher education institutions shall not be covered by the preceding provisions and shall remain in the
6 ~~board of governors for higher education~~ council on postsecondary education non-classified service.

7 SECTION 6. Sections 16-59-4.1 and 16-59-8 of the General Laws in Chapter 16-59 entitled
8 “Board of Governors for Higher Education” are hereby repealed.

9 ~~§ 16-59-4.1 Administration of higher education.~~ — ~~The director of the department of~~
10 ~~administration is hereby directed to conduct research and analysis to recommend a revised plan for the~~
11 ~~organizational structure for higher education governance, staff support and resource allocation in Rhode~~
12 ~~Island. This plan shall address the goal of improving affordability and accessibility to public higher~~
13 ~~education; and maximizing efficiencies while providing sufficient support to the governance structure of~~
14 ~~public higher education. The director of the department of administration is directed to report findings,~~
15 ~~recommendations and alternative designs to the general assembly no later than November 1, 2011 with~~
16 ~~copies to the speaker of the house, senate president, chairs of the house and senate finance committees~~
17 ~~and their respective fiscal advisors.~~

18 ~~The report shall include a strategic plan that outlines the mission, goals, and the estimated cost and~~
19 ~~timelines to implement said recommendations. The report shall provide a clear definition of roles and~~
20 ~~responsibilities, including those responsible for implementing the proposed recommendations. The~~
21 ~~analysis shall develop measures of success, and an appropriate timeline to measure implementation~~
22 ~~progress. It shall also include:~~

23 ~~(1) An examination of the various organizational structures in other states, evaluating their~~
24 ~~strengths and weaknesses, and how they may or may not be applicable in Rhode Island. This should~~
25 ~~include an evaluation of the best practices regarding organizational structures for higher education.~~

26 ~~(2) An analysis of what functions could be allocated to other institutions, and which might be~~
27 ~~centralized to translate into efficiencies and more effective higher education policy. This should include,~~
28 ~~but not be limited to, strategies to reorganize and or centralize finance, purchasing, human resources,~~
29 ~~information technology, and facilities management within an office of higher education, with specific~~
30 ~~direction on the allocation of resources, staff and responsibilities.~~

31 ~~The report should explore the feasibility of permanently allocating all operational activities and other~~
32 ~~responsibilities currently held within the office of higher education to the three (3) higher education~~
33 ~~institutions or other viable alternatives while maintaining the board of governors.~~

1 ~~All departments and agencies of the state shall furnish such advice and information, documentary or~~
2 ~~otherwise to the director of the department of administration and its agents as is deemed necessary or~~
3 ~~desirable to facilitate the purposes of the study.~~

4 ~~**16-59-8 Operating executive committee.**~~ (a) ~~There is established an operating executive~~
5 ~~committee which shall be composed of the president of the University of Rhode Island, the president of~~
6 ~~Rhode Island College, the president of Community College of Rhode Island and the commissioner of~~
7 ~~higher education. The commissioner of higher education shall serve as the chairperson of the committee.~~

8 (b) ~~The committee shall meet on a regular basis, provided, that they shall meet not less than~~
9 ~~twelve (12) times per year, and the purpose of the committee shall include but not be limited to~~
10 ~~developing coherent plans for the elimination of unnecessary duplication in public higher education and~~
11 ~~addressing the future needs of public higher education within the state in the most efficient and~~
12 ~~economical manner possible. All recommendations and information gathered at the meetings of the~~
13 ~~committee shall be forwarded to the board of governors by the commissioner of higher education in~~
14 ~~conjunction with the presidents for approval and disapproval.~~

15 (c) ~~Prior to the presentation of any proposal to the board of governors, the committee shall fully~~
16 ~~examine its impact on higher education, including but not limited to its impact on educational budgetary~~
17 ~~requirements, quality of higher education and elimination of unnecessary duplication. The chairperson of~~
18 ~~the committee may invite additional participation by faculty and other employees when he or she deems it~~
19 ~~necessary.~~

20 SECTION 7. Sections 16-60-1, 16-60-2, 16-60-4 and 16-60-6 of the General Laws in Chapter
21 16-60 entitled "Board of Regents for Elementary and Secondary Education" are hereby amended to read
22 as follows:

23 ~~**§ 16-60-1 Board Council on Elementary and Secondary Education established.**~~ – (a) There is
24 ~~created a board of regents for elementary and secondary education sometimes referred to as the "regents"~~
25 ~~or the "board of regents,"~~ council on elementary and secondary education which shall be and is
26 constituted a public corporation, empowered to sue and be sued in its own name, to have a corporate seal,
27 and to exercise all the powers, in addition to those specifically enumerated in this chapter, usually
28 appertaining to public corporations entrusted with control of elementary and secondary education
29 institutions and functions. The ~~regents~~ council on elementary and secondary education shall be protected
30 from sudden changes in membership and reversal of policy by having staggered terms for its public
31 members.

32 (b) Upon its organization the ~~board of regents~~ council on elementary and secondary education
33 shall be invested with the legal title (in trust for the state) to all property, real and personal, now owned by
34 and/or under the control or in the custody of the board of regents for education for the use of the

1 department of elementary and secondary education. The ~~board of regents~~ council on elementary and
2 secondary education is made successor to all powers, rights, duties, and privileges pertaining to
3 elementary and secondary education.

4 (c) The ~~board of regents for elementary and secondary education shall consist of ten (10)~~
5 ~~members as follows: Eight (8) public members appointed pursuant to the terms of subsection 16-60-2(a),~~
6 ~~one student member who shall be ex officio and nonvoting elected pursuant to the provisions of~~
7 ~~subsection 16-60-2(d), and a member of the board of governors for higher education designated by the~~
8 ~~governor~~ council on elementary and secondary education shall consist of seven (7) members appointed by
9 the governor from the membership of the board of education established pursuant to section 16-97-1 of
10 the general laws. Five (5) voting members of the board shall constitute a quorum and the vote of a
11 majority vote of those present and voting shall be required for action.

12 The public members of the ~~board of regents~~ council on elementary and secondary education shall not be
13 compensated for service in attending meetings or duly organized subcommittee meetings of the board of
14 education or the council at which business is transacted.

15 (d) The governor shall designate one of the public members as chairperson of the ~~board of regents~~
16 council on elementary and secondary education. The ~~board~~ council may elect from among its members
17 such other officers as it deems necessary.

18 (e) The council on elementary and secondary education is made successor to all powers, rights,
19 duties, and privileges formerly belonging to the board of regents for elementary and secondary education,
20 unless otherwise specified in law.

21 **§ 16-60-2. Appointment of board members.** – (a) The governor shall ~~with the advice and~~
22 ~~consent of the senate establish the board by appointing eight (8) members to serve staggered terms. The~~
23 ~~appointments shall be made for terms of three (3) years commencing on February 1 in the year of~~
24 ~~appointment and ending on January 31 in the third (3rd) year after this, except, at the expiration of their~~
25 ~~terms members shall remain and continue in their official capacity until a new member is appointed and~~
26 ~~confirmed. Any vacancy among the public members of the board shall be filled by appointment of the~~
27 ~~governor for the remainder of the unexpired term. In the selection and appointment of members of the~~
28 ~~board the governor shall seek persons who best serve the entire needs of the state. Public members shall~~
29 ~~not be appointed for more than three (3) successive three (3) year terms each; provided, that this~~
30 ~~limitation shall not apply to that person designated as chairperson by the governor who may be a member~~
31 ~~so long as he or she shall serve as chairperson.~~ establish the council on elementary and secondary
32 education by appointing seven (7) members of the board of education established pursuant to chapter 16-
33 97 to serve as members of the council until the expiration of their term and appointment of their successor

1 as a member of the board of education. The governor shall appoint the chair of the council on an annual
2 basis from among the seven (7) council members.

3 (b) No person shall be eligible for appointment to the board after the effective date of this act
4 [March 24, 2006] unless he or she is a resident of this state.

5 (c) Members of the ~~board~~ council on elementary and secondary education shall be removable by
6 the governor pursuant to the provisions of § 36-1-7 of the general laws and for cause only, and removal
7 solely for partisan or personal reasons unrelated to capacity or fitness for the office shall be unlawful.

8 (d) There is hereby established a student advisory council to the ~~board of regents~~ council on
9 elementary and secondary education, consisting of one elected high school student representative from
10 each public secondary school in the state of Rhode Island.

11 (1) Each public secondary school shall hold elections for its representative to the student advisory
12 council no earlier than the first (1st) day of March and no later than the end of the second (2nd) full week
13 of April. Each school shall elect only one representative. Elected members shall be notified of their
14 election on or before the Friday of the third (3rd) week of April of the year of their election. No person
15 shall be eligible to be elected to the student advisory council unless at the time of his or her election he or
16 she is enrolled as a student in a secondary school between the grades of nine (9) and eleven (11) within
17 the state of Rhode Island. No person shall be allowed to vote if they are not currently enrolled in a Rhode
18 Island public secondary school between the grades of nine (9) and eleven (11). If at any time during his or
19 her term of office a member of the student advisory council ceases to be so enrolled, his or her
20 membership shall be terminated and his or her position shall be deemed vacant. This vacancy shall be
21 filled by the public secondary school within thirty (30) school days of the opening of the vacancy.

22 (2) The student advisory council will serve from the first (1st) day of May of the year it is elected
23 until the last day of April of the following year. A student may serve no more than three (3) terms.

24 (3) Said student advisory council shall meet from time to time and shall consider such matters as
25 it deems appropriate.

26 (4) Prior to the first (1st) day of June of each annual session the student advisory council shall
27 adopt a set of bylaws.

28 (5) Members of the council shall not be compensated for service in attending meetings except that
29 they shall be reimbursed for necessary expenses incurred in travelling to and from meetings.

30 (6) The members of said student advisory council shall, by majority vote prior to the first (1st)
31 day of June in each year, elect from their members a chairperson who shall serve for a term of one year
32 beginning on the first (1st) day of June. Said chairperson shall serve as an ex officio and nonvoting
33 member of the ~~board of regents~~ council for a term of one year, unless the student advisory council

1 removes said chairperson from his or her position in a manner described within the bylaws of that council
2 and/or if he or she is otherwise removed by the governor.

3 **§ 16-60-4 Board of regents for elementary and secondary education Council on Elementary**
4 **and Secondary Education– Powers and duties.** – The ~~board of regents for elementary and secondary~~
5 ~~education~~ Council on Elementary and Secondary Education shall have in addition to those enumerated in
6 § 16-60-1, the following powers and duties:

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

11 (2) To approve a master plan ~~defining~~ implementing the broad goals and objectives for
12 elementary and secondary education in the state that have been established by the board of education.
13 These goals and objectives shall be expressed in terms of what men and women should know and be able
14 to do as a result of their educational experience. The ~~regents~~ council on elementary and secondary
15 education shall continually evaluate the efforts and results of education in the light of these objectives.

16 (3) To ~~formulate broad policy to implement the goals and objectives established and adopted by~~
17 ~~the board of regents;~~ to adopt standards and require enforcement and to exercise general supervision over
18 all elementary and secondary public and nonpublic education in the state as provided in subdivision (8) of
19 this section. The ~~board of regents~~ council on elementary and secondary education shall not engage in the
20 operation or administration of any subordinate committee, local school district, school, school service, or
21 school program, except its own department of elementary and secondary education, and except as
22 specifically authorized by an act of the general assembly. The adoption and submittal of the budget and
23 the allocation of appropriations, the acquisition, holding, disposition, and general management of property
24 shall not be construed to come within the purview of the preceding prohibition. The ~~regents~~ council on
25 elementary and secondary education shall communicate with and seek the advice of the commissioner of
26 elementary and secondary education and all those concerned with and affected by its determinations as a
27 regular procedure in arriving at its conclusions and in setting its policy.

28 (4) To allocate and coordinate the various educational functions among the educational agencies
29 of the state and local school districts and to promote cooperation among them so that maximum efficiency
30 and economy shall be achieved.

31 (5) To prepare with the assistance of the commissioner of elementary and secondary education
32 and to present annually to the state budget officer, in accordance with § 35-3-4, a total educational budget
33 for the elementary and secondary sector which shall include, but not be limited to, the budgets of the
34 department of elementary and secondary education, subordinate boards and agencies, and state aid to

1 local school districts. Prior to submitting the budget as required by the budget office instructions and this
2 subsection the council shall present the budget to the board of education for review and consent.

3 (ii) In the preparation of the budget, the ~~regents~~ council on elementary and secondary education
4 shall ~~determine~~ implement the priorities established by the board of education of expenditures for
5 elementary and secondary education purposes of state revenues and other public resources made available
6 for the support of public elementary and secondary education among the various education agencies of
7 the state. Nothing contained in this section shall authorize any individual or group of individuals to
8 reallocate resources in a manner other than that prescribed in the budget as appropriations by the general
9 assembly.

10 (6) To maintain a department of elementary and secondary education, to provide for its staffing
11 and organization and to appoint a commissioner of elementary and secondary education pursuant to § 16-
12 60-6 who shall serve at its pleasure. The commissioner of elementary and secondary education and the
13 department of elementary and secondary education shall have any duties and responsibilities as defined in
14 §§ 16-60-6 and 16-60-7.

15 (7) To establish other educational agencies or subcommittees necessary or desirable for the
16 conduct of any or all aspects of elementary and secondary education and to determine all powers,
17 functions, and composition of any agencies or subcommittees and to dissolve them when their purpose
18 shall have been fulfilled; provided that nothing contained in this subdivision shall be construed to grant
19 the regents the power to establish subcommittees or agencies performing the duties and functions of local
20 school committees except as provided in § 16-1-10.

21 (8) To exercise the authority previously vested in the board of regents for education with relation
22 to secondary nonpublic educational institutions within the state under the terms of chapter 40 of this title
23 and other laws affecting nonpublic education in the state, and to cause the department of elementary and
24 secondary education to administer the provisions of that section.

25 (9) To exercise all the functions, powers and duties which previously were vested in the board of
26 regents for education, under the provisions of former § 16-49-4(9), including but not limited to the
27 following specific functions:

28 (i) To approve the basic subjects and courses of study to be taught and instructional standards
29 required to be maintained in the public elementary and secondary schools of the state.

30 (ii) To adopt standards and qualifications for the certification of teachers and to provide for the
31 issuance of certificates, and to establish fees for the certification of teachers. The fees collected for the
32 certification of teachers along with various education licensing and testing fees shall be deposited by the
33 ~~board of regents~~ council on elementary and secondary education as general revenues. The funds
34 appropriated by the general assembly shall be utilized by the department of elementary and secondary

1 education to establish and support programs which enhance the quality and diversity of the teaching
2 profession. The commissioner of elementary and secondary education shall regularly make
3 recommendations to the board about specific programs and projects to be supported by those funds. The
4 commissioner shall oversee the funds, assess the effectiveness of its programs and projects, and make
5 recommendations about the general use and operation of the funds to the board.

6 (iii) To be responsible for the distribution of state school funds.

7 (iv) To determine the necessity of school construction and to approve standards for design and
8 construction of school buildings throughout the state.

9 (v) To set standards for school libraries and school library services.

10 (vi) To make recommendations relative to transportation of pupils to school, school bus routes,
11 time schedules, and other matters relating to pupil transportation.

12 (vii) To enforce the provisions of all laws relating to elementary and secondary education.

13 (viii) To decide and determine appeals from decisions of the commissioner.

14 (ix) To prescribe forms for the use of local school committees and local officers when reporting
15 to the department of elementary and secondary education.

16 (x) To adopt and require standard accounting procedures for local school districts, except as
17 provided for in subdivision (3) of § 16-24-2.

18 (xi) To adopt and require standard uniform operating and capital budgeting procedures for local
19 school districts.

20 (10) To establish rules for the approval and accrediting of elementary and secondary schools.

21 (11) To recommend to the general assembly changes in the size and number of the school districts
22 within the state; and to make any further and other recommendations to the general assembly as the board
23 of regents may determine to be necessary or desirable, including, but not limited to, proposals for
24 incentives for the coordination of services and facilities of certain school districts and the feasibility of
25 granting taxing authority to local school committees upon their request, and the impact upon the quality
26 of education within that particular community by granting the request. In carrying out this duty, the ~~board~~
27 ~~of regents~~ council on elementary and secondary education shall periodically issue reports in school
28 district organizations for selected regions and school districts.

29 (12) To exercise all other powers with relation to the field of elementary and secondary education
30 within this state not specifically granted to any other department, board, or agency, and not incompatible
31 with law, which the ~~board of regents for elementary and secondary education~~ council on elementary and
32 secondary education may deem advisable.

33 (13) To exercise the authority previously vested in the board of regents for education with
34 relation to adult education as defined in § 16-58-2 and to establish definitive goals for and operate a

1 comprehensive delivery system for adult education programs and services, including the counseling and
2 testing of persons interested in obtaining high school equivalency diplomas, the issuance of diplomas, and
3 the maintenance of a permanent record of applications, tests, and equivalency diplomas.

4 (14) To promote maximum efficiency and economy in the delivery of elementary and secondary
5 educational services in the state.

6 (15) To approve a training program for school committee members to enhance their individual
7 skills and their effectiveness as a corporate body. The training program should include, but not be limited
8 to, the following roles and responsibilities of school committees: strategic planning, human and
9 community relations, and school finance and budgeting.

10 (16) Within ninety (90) days after the end of each fiscal year, the board shall submit an annual
11 report to the governor, the speaker of the house of representatives, and the president of the senate of its
12 activities during that fiscal year. The report shall provide: an operating statement summarizing meetings
13 or hearings held, subjects addressed, decisions rendered, rules or regulations promulgated, studies
14 conducted, policies and plans developed, approved, or modified, and programs administered or initiated; a
15 consolidated financial statement of all funds received and expended including the source of the funds, a
16 listing of any staff supported by these funds, and a summary of any clerical, administrative or technical
17 support received; a summary of performance during the previous fiscal year including accomplishments,
18 shortcomings and remedies; a synopsis of hearings, complaints, suspensions, or other legal matters related
19 to the authority of the ~~board~~ council; a briefing on anticipated activities in the upcoming fiscal year; and
20 findings and recommendations for improvements. The director of the department of administration shall
21 be responsible for the enforcement of the provisions of this subsection.

22 (17) To prepare with the assistance of the commissioner a multi-year plan of priority educational
23 goals and objectives. This plan should recommend policy objectives, implementation strategies, and a
24 timetable for major policy initiatives.

25 (18) Each year the governor shall by writing notify the ~~board of regents for elementary and~~
26 ~~secondary education~~ council on elementary and secondary education concerning broad economic,
27 cultural, and social needs that the education system needs to consider which the board shall address in
28 developing educational plans and programs.

29 (19) Appoint a standing committee that will develop a schedule to systematically review all ~~board~~
30 council policies over a three (3) year period.

31 (20) To prepare with the assistance of the commissioner a statement of regulatory policy. This
32 policy should set forth the goals and objectives of state regulations which are expressed in terms of what
33 educational inputs and outputs the board expects regulations to address.

1 (21) To prepare with the assistance of the commissioner of elementary and secondary education
2 and to present annually to the general assembly by January 1 a report on school discipline in Rhode Island
3 schools. This report shall include:

4 (A) Expulsions by district, including duration and the reason for each action.

5 (B) Suspensions by district, including duration and the reason for each action.

6 (C) Placements to alternative programs for disciplinary reasons.

7 (D) Assaults of teachers, students, and school staff by students.

8 (E) Incidents involving possession of weapons on school property. For the purpose of this section,
9 a weapon shall be considered any of those weapons described in §§ 11-47-2 and 11-47-42.

10 (F) Incidents of the sale of controlled substances by students.

11 (G) Incidents of the possession with the intent to sell controlled substances by students.

12 (H) Additional demographic information including, but not limited to, the ethnic and racial
13 classifications, age, and gender, as prescribed by the commissioner, of each of the students involved in the
14 incidents, events or actions described in subparagraphs (A) through (G) of this subdivision.

15 (I) A description of the education program provided to each student suspended for over ten (10)
16 consecutive school days in a school year.

17 (ii) All school superintendents shall supply the necessary information on forms established by the
18 commissioner of elementary and secondary education to the ~~board of regents~~ council on elementary and
19 secondary education to assist in the preparation of the ~~board of regents'~~ council's report on school
20 discipline.

21 (22) To prepare and promulgate a uniform statewide school reporting system which would
22 provide information including, but not limited to, the following:

23 (i) Student and teacher attendance rates;

24 (ii) Standardized test scores;

25 (iii) Demographic profiles;

26 (iv) Results of polls of students, parents, and teachers;

27 (v) Descriptions of goals, initiatives, and achievements;

28 (vi) Best teaching practices;

29 (vii) Alternative student assessments;

30 (viii) Special programs;

31 (ix) Number of student suspensions and teacher grievances and the amount of parental
32 involvement.

33 ~~(23) The board shall conduct a training course for newly appointed and qualified members within~~
34 ~~six (6) months of their qualification. The course shall be developed by the chairperson of the board,~~

1 approved by the board, and conducted by the chairperson of the board. The board may approve the use of
2 any board or staff members or other individuals to assist with training. The training course shall include
3 instruction in the following areas: the provisions of chapters 42-46, 36-14, and 38-2; and the board's own
4 rules. The director of the department of administration shall, within ninety (90) days of the effective date
5 of this act, prepare and disseminate training materials relating to the provisions of chapters 42-46, 36-14,
6 and 38-2.

7 **§ 16-60-6 Commissioner of elementary and secondary education.** – The ~~regents~~ council on
8 elementary and secondary education, with the advice and consent of the board of education, shall appoint
9 a commissioner of elementary and secondary education who shall serve at the pleasure of the ~~regents~~
10 council on elementary and secondary education, provided that the commissioner's initial engagement by
11 the ~~regents~~ council shall be for a period of not more than three (3) years. For the purpose of appointing,
12 retaining, or dismissing a commissioner, the governor shall serve as an additional voting member of the
13 ~~board of regents~~ council on elementary and secondary education, and provided that in the case of a tie, the
14 president of the senate shall cast the deciding vote. The position of commissioner shall be in the
15 unclassified service of the state and he or she shall serve as the chief executive officer of the ~~board of~~
16 ~~regents~~ council on elementary and secondary education and as the chief administrative officer of the
17 department of elementary and secondary education. The commissioner of elementary and secondary
18 education shall have the duties that are defined in this section and in this title and any other additional
19 duties that may be determined by the ~~regents~~ the council on elementary and secondary education, and
20 shall perform any other duties that may be vested in the commissioner by law. In addition to the general
21 supervision of the department of elementary and secondary education and the appointment of the several
22 officers and employees of the department, it shall be the duty of the commissioner of elementary and
23 secondary education:

24 (1) To develop and implement a systematic program of information gathering, processing, and
25 analysis addressed to every aspect of elementary and secondary education in the state, especially as that
26 information relates to current and future educational needs.

27 (2) To prepare a master plan for elementary and secondary education in the state; to coordinate
28 the goals and objectives of the public elementary and secondary education sector with the activities of the
29 nonpublic elementary and secondary education sector where feasible.

30 (3) To communicate with and seek the advice of those concerned with and affected by the board
31 of ~~regents'~~ education's and the council's determinations.

32 (4) To implement broad policy as it pertains to the goals and objectives established by the ~~regents~~
33 board of education; to enforce standards and to exercise general supervision over public elementary and
34 secondary education in the state and over all elementary and secondary nonpublic education in the state as

1 provided in subdivision (8) of this section; to assist in the preparation of the budget for elementary and
2 secondary education and to be responsible upon direction of the ~~regents~~ council on elementary and
3 secondary education for the allocation of appropriations, the acquisition, holding, disposition, and general
4 management of property.

5 (5) To be responsible for the coordination of the various elementary and secondary educational
6 functions among the educational agencies of the state including local school districts and to encourage
7 and to assist in the cooperation among them so that maximum efficiency and economy may be achieved.

8 (6) To assist the ~~regents~~ council on elementary and secondary education in the preparation and
9 presentation annually to the state budget officer, in accordance with § 35-3-4, of a total state elementary
10 and secondary educational budget which shall include, but not be limited to, the budget of the department
11 of elementary and secondary education, subcommittees and agencies, and state aid to local school
12 districts.

13 (7) To supervise the operation of the department of elementary and secondary education, to have
14 the duties as defined in § 16-1-5 and in this title or in law wherever outlined, and other additional duties
15 and responsibilities that may be assigned by the ~~regents~~ council on elementary and secondary education.

16 (8) To perform the duties vested in the board of ~~regents~~ education and council on elementary and
17 secondary education with relation to nonpublic elementary and secondary educational institutions within
18 the state under the terms of chapter 40 of this title, and other laws that affect nonpublic elementary and
19 secondary education in the state.

20 (9) To supervise the following specific functions:

21 (i) To recommend the basic subjects and courses of study to be taught and instructional standards
22 to be maintained in the public elementary and secondary schools in the state.

23 (ii) To recommend standards and qualifications of teachers and to issue certificates upon approval
24 of standards and qualifications by the ~~regents~~ council on elementary and secondary education.

25 (iii) To distribute state school funds in accordance with law and regulations of the ~~board of~~
26 ~~regents~~ council on elementary and secondary education.

27 (iv) To certify as to the necessity of school construction and that standards and design are in
28 accordance with law and regulations of the ~~regents~~ council on elementary and secondary education and to
29 approve a design for school construction throughout the state.

30 (v) To certify that school library standards and services are in accordance with law and
31 regulations of the ~~board of regents~~ council on elementary and secondary education.

32 (vi) To recommend to the ~~board of regents matters~~ council on elementary and secondary
33 education relating to the transportation of pupils to school.

1 (vii) To require the observance of all laws relating to elementary and secondary schools and
2 education.

3 (viii) To interpret school law and to decide any controversies that may be appealed to him or her
4 from decisions of local school committees.

5 (ix) To prepare and recommend standard forms for the use of local schools when reporting to the
6 department of elementary and secondary education.

7 (x) To prepare standard accounting and auditing procedures for local school districts, except for
8 the purposes of subdivision (3) of § 16-24-2 which shall be done in conjunction with the auditor general.

9 (xi) To prepare uniform budgeting procedures for local school districts.

10 (xii) To determine when special purpose grants made to local school districts shall be eligible for
11 reimbursement through the school operations aid formula in accordance with chapter 7 of this title, and to
12 designate the purpose(s) for which the local school district may use the school operations aid
13 reimbursement, including reimbursement on local matching funds used to support the special purpose
14 grant. The commissioner shall promulgate and adopt rules and regulations to carry out the intent of this
15 subsection.

16 (10) To approve and accredit elementary and secondary schools in accordance with the policy and
17 regulations of the ~~board of regents~~ council on elementary and secondary education.

18 (11) To be responsible for the administration of policies, rules, and regulations of the board of
19 ~~regents~~ education and the council on elementary and secondary education with relation to the entire field
20 of elementary and secondary education within the state not specifically granted to any other department,
21 board, or agency and not incompatible with law.

22 (12) To receive from law enforcement agencies a list periodically of the names of Rhode Island
23 missing children and to disseminate these lists to local school districts.

24 SECTION 8. Sections 16-97-1 and 16-97-6 of the General Laws in Chapter 16-97 entitled “The
25 Rhode Island Board of Education Act” are hereby amended to read as follows:

26 **§ 16-97-1 Rhode Island board of education established.** – (a) Effective January 1, 2013, there
27 is created a board of education which shall ~~be and is constituted a public corporation, empowered to sue~~
28 ~~and be sued in its own name, to have a corporate seal, and to be vested with all the powers and duties~~
29 ~~currently vested in the board of governors for higher education established in chapter 16-59 and the board~~
30 ~~of regents for elementary and secondary education established in chapter 16-60.~~ be responsible for and
31 shall exercise the purposes, powers and duties as defined in this chapter and chapters 16-59 and 16-60 of
32 the general laws. The Board is responsible for the coordination of education from pre-k through higher
33 education and shall set goals and policies for the effective coordination of these public education systems.

1 ~~(b) Upon its organization, the board of education shall be vested with the legal title (in trust for~~
2 ~~the state) to all property, real and personal, now owned by and/or under the control or in the custody of~~
3 ~~the board of governors for higher education and the board of regents for elementary and secondary~~
4 ~~education, for the use of the board of education. The board of education is hereby designated successor to~~
5 ~~all powers, rights, duties, and privileges pertaining to the board of regents for elementary and secondary~~
6 ~~education and the board of governors for higher education.~~

7 ~~(e)(b)~~ The board of education shall consist of ~~eleven (11)~~ fifteen (15) public members appointed
8 by the governor with the advice and consent of the senate. ~~Four (4)~~ Six (6) of the members initially
9 appointed pursuant to this section shall serve terms of three (3) years; ~~four (4)~~ six (6) members initially
10 appointed pursuant to this section shall serve terms of two (2) years; and, three (3) members initially
11 appointed pursuant to this section shall serve terms of one year. Thereafter, all members appointed
12 pursuant to this section shall serve terms of three (3) years. No board member shall be appointed to serve
13 more than two (2) ~~three (3)~~ year terms. The public members of the board shall not be compensated for
14 their service in attending meetings or duly organized meetings of the council on elementary and
15 secondary education, or the council for postsecondary education, or any subcommittees of the board.

16 ~~(d)(c)~~ The governor shall select from the appointed members a chairperson and vice chairperson.
17 A quorum shall consist of ~~six (6)~~ nine (9) members of the board. A majority vote of those present shall be
18 required for action.

19 ~~(e)(d)~~ The statutory responsibilities of the department of elementary and secondary education, the
20 commissioner of elementary and secondary education, and the commissioner of higher postsecondary
21 education shall remain unchanged. ~~No later than July 1, 2013, the board of education shall submit to the~~
22 ~~governor and the general assembly its final plan for the permanent administrative structure for higher~~
23 ~~education. As a requisite element of the administrative structure for higher education, the board of~~
24 ~~education shall establish a plan for distributing the assets, responsibilities, powers, authorities, and duties~~
25 ~~of the office of higher education to the three (3) higher education institutions and appropriate state~~
26 ~~agencies. Said distribution shall be done in a manner designed to maximize efficiency, provide greater~~
27 ~~articulation of the respective responsibilities of elementary and secondary and higher education, and~~
28 ~~ensure that students are prepared to succeed in school, college, careers, and life. The permanent~~
29 ~~governance structure for higher education shall, at a minimum: (1) Provide clear guidance on statutory,~~
30 ~~legal, financial and contractual obligations; (2) Establish a policy framework that furthers the goals of this~~
31 ~~chapter; and (3) Establish appropriate administrative structures, support, policies and procedures.~~
32 ~~Effective July 1, 2014, the office of higher education shall be abolished.~~

33 (e) At the expiration of their terms members shall remain and continue in their official capacity
34 until their successor is appointed and confirmed. Any vacancy among the public members of the board

1 shall be filled by appointment of the governor for the remainder of the unexpired term. In the selection
2 and appointment of members of the board, the governor shall seek persons who best serve the needs of
3 the entire state. Public members shall not be appointed for more than three (3) successive three (3) year
4 terms each; provided, however, that this limitation shall not apply to that person designated as chairperson
5 by the governor, who may remain a member so long as he or she shall serve as chairperson.

6 (f) No person shall be eligible for appointment to the board after the effective date of this act,
7 unless a resident of this state.

8 (g) Members of the board shall be removable by the governor pursuant to the provisions of § 36-
9 1-7 of the general laws and for cause only. Removal solely for partisan or personal reasons unrelated to
10 capacity or fitness for the office shall be prohibited.

11 (h) The chair of the board of education shall consult with the chairs of the council on elementary
12 and secondary education, the council on postsecondary education, the commissioner of elementary and
13 secondary education, and the commissioner of postsecondary education in developing agendas, goals,
14 policies and strategic plans for the board.

15 **§ 16-97-6. Reporting requirements.** – The board shall submit ~~periodic reports~~ an annual report
16 to the governor, speaker of the house, senate president, chairs of the house and senate finance committees
17 and their respective fiscal advisors, the chair of the house health, education and welfare committee, and
18 chair of the senate education committee no later than March 1, 2015 and every March 1 thereafter on its
19 progress towards implementation of this chapter. ~~The first report shall be submitted no later than April 1,~~
20 2013 and quarterly thereafter until January 1, 2014. It shall submit a report annually thereafter through
21 2018.

22 SECTION 9. Chapter 16-97 of the General Laws entitled “The Rhode Island Board of Education
23 Act” is hereby amended by adding thereto the following sections:

24 **§ 16-97-1.1. Purposes of the Board of Education.-** The Rhode Island Board of Education shall
25 be responsible for long-range planning and for coordinating and evaluating policies and programs for the
26 public educational systems of the state. The general assembly finds and declares that the board of
27 education shall have the following purposes:

28 (a) To develop and adopt educational, financial and operational goals for the education systems of
29 the state that represent achievable benchmarks for a ten (10) year and (20) twenty (20) year time scale and
30 that can be implemented by the council on elementary and secondary education, the council on
31 postsecondary education, and the commissioners for elementary and secondary education and
32 postsecondary education;

1 (b) To ensure that the education systems of the state are aligned with the projected opportunities
2 in workforce development and economic development and that the education systems are preparing
3 students to participate in the future workforce of Rhode Island;

4 (c) To coordinate programs and courses of study and promote collaboration between and among
5 pre-kindergarten through higher education institutions and agencies, including, but not limited to:

6 (1) improving career and college readiness;

7 (2) reducing the need for remedial instruction;

8 (3) implementing and coordinating common core and other system wide standards;

9 (4) ensuring there is a quality system for adult education and certification programs in secondary
10 school and community college.

11 (d) To present strategic budget and finance recommendations to the council on elementary and
12 secondary education and council on postsecondary education that are aligned with the long-range goals
13 adopted by the board.

14 **§ 16-97-1.2. Powers and duties of the Board of Education.** – The board of education shall have
15 the following powers and duties:

16 (a) To develop and adopt a strategic plan defining broad goals and objectives for education in the
17 state. These goals and objectives shall be expressed in terms of the future educational attainment of the
18 population, quality of life and economy of Rhode Island, including but not limited to what children, men
19 and women should know and be able to do as a result of their educational experience and the
20 contributions of education to meeting the workforce and economic development needs of Rhode Island.
21 The board shall approve the strategic plans for elementary and secondary education and postsecondary
22 education in terms of the alignment of these strategic plans with the overall strategic plan of the board of
23 education. The board shall continuously evaluate the efforts of the council on elementary and secondary
24 education and the council on postsecondary education to implement the strategic plans and shall review
25 the results of education in the light of these objectives;

26 (b) To prepare and maintain a five (5) year strategic funding plan for all levels of education in
27 Rhode Island. The board shall determine priorities of expenditures for public education purposes of state
28 revenues and other public resources made available for the support of public education and direct the
29 council on elementary and secondary education and the council on postsecondary education to implement
30 those priorities when developing the annual budget for elementary and secondary education and higher
31 education. The councils shall present their annual budgets to the board for its review and consent.
32 Nothing contained in this subdivision shall authorize the board to alter the allocation of grants or aid
33 otherwise provided by law;

1 (c) To develop and submit to the general assembly for approval a performance funding formula
2 for public higher education that furthers the purposes of the board and ensures that all students may
3 achieve educational excellence;

4 (d) To develop policies that maximize the potential of collaboration from elementary and
5 secondary education through higher education systems and that improve efficiencies at all levels of the
6 education system through improved coordination of activities;

7 (e) To embrace the legislative findings regarding virtual education established by section 16-22.1-
8 2 of the general laws and adopt goals and policies that address these findings and to encourage the council
9 on elementary and secondary education and the council for postsecondary education to develop and or
10 improve virtual learning experiences for Rhode Island students;

11 (f) To provide advice and consent to the council on elementary and secondary education
12 regarding the appointment of a commissioner of elementary and secondary education.

13 (g) To provide advice and consent to the council for postsecondary education regarding the
14 appointment of a commissioner of postsecondary education.

15 (h) To conduct a training course for newly appointed and qualified board members within six (6)
16 months of their qualification. The course shall be developed by the chairperson of the board, approved by
17 the board, and conducted by the chairperson of the board. The board may approve the use of any board or
18 staff members or other individuals to assist with training. The training course shall include instruction in
19 the following areas: the provisions of chapters 42-46, 36-14, and 38-2; and the board's own rules. The
20 director of the department of administration shall, within ninety (90) days of the effective date of this act,
21 prepare and disseminate training materials relating to the provisions of chapters 42-46, 36-14, and 38-2.

22 SECTION 10. Sections 16-97-2 and 16-97-3 of the General Laws in Chapter 16-97 entitled “The
23 Rhode Island Board of Education Act” are hereby repealed.

24 ~~**§ 16-97-2 Executive agents of the state board of education.** The state board of education~~
25 ~~shall appoint a Commissioner of Elementary and Secondary Education who shall be the board's executive~~
26 ~~agent in matters pertaining to elementary and secondary education and who shall have the duties~~
27 ~~established in R.I.G.L. 16-60-6. The state board of education shall also appoint a Commissioner of Higher~~
28 ~~Education who shall be the board's executive agent in matters pertaining to higher education and who~~
29 ~~shall have the duties established in R.I.G.L. 16-59-6. The Commissioners shall be employees of the board~~
30 ~~in the unclassified service and shall not be members of the board and shall serve at the pleasure of the~~
31 ~~board.~~

32 ~~**§ 16-97-3 Executive committee of education.** (a) There is established an executive committee~~
33 ~~of education that shall be composed of the president of the University of Rhode Island, the president of~~
34 ~~Rhode Island College, the president of Community College of Rhode Island, the commissioner of higher~~

1 ~~education, and the commissioner of elementary and secondary education. The commissioner of higher~~
2 ~~education shall serve as the chairperson of the committee.~~

3 ~~(b) The committee shall meet on a regular basis, provided, that they shall meet not less than~~
4 ~~twelve (12) times per year, and the purpose of the committee shall include, but not be limited to,~~
5 ~~developing coherent plans for the elimination of unnecessary duplication in public education and~~
6 ~~addressing the future needs of public education within the state in the most efficient and economical~~
7 ~~manner possible. All recommendations and information gathered at the meetings of the committee shall~~
8 ~~be forwarded to the board of education for final action of the board of education.~~

9 ~~(c) Prior to the presentation of any proposal to the board of governors, the committee shall fully~~
10 ~~examine its impact on public education, including, but not limited to, its impact on educational budgetary~~
11 ~~requirements, quality of education and elimination of unnecessary duplication. The chairperson of the~~
12 ~~committee may invite additional participation by faculty and other employees when he or she deems it~~
13 ~~necessary.~~

14 SECTION 11. This article shall take effect upon passage.

15 ARTICLE 21

16 RELATING TO TRANSPORTATION

17 SECTION 1. Section 31-36-20 of the General Laws in Chapter 31-36 entitled "Motor
18 Fuel Tax" is hereby amended to read as follows:

19 **§ 31-36-20 Disposition of proceeds.** – (a) Notwithstanding any other provision of law to the
20 contrary, all moneys paid into the general treasury under the provisions of this chapter or chapter 37 of
21 this title, and title 46 shall be applied to and held in a separate fund and be deposited in any depositories
22 that may be selected by the general treasurer to the credit of the fund, which fund shall be known as the
23 Intermodal Surface Transportation Fund; provided, that in fiscal year 2004 for the months of July through
24 April six and eighty-five hundredth cents (\$0.0685) per gallon of the tax imposed and accruing for the
25 liability under the provisions of § 31-36-7, less refunds and credits, shall be transferred to the Rhode
26 Island public transit authority as provided under § 39-18-21. For the months of May and June in fiscal
27 year 2004, the allocation shall be five and five hundredth cents (\$0.0505). Thereafter, until fiscal year
28 2006, the allocation shall be six and twenty-five hundredth cents (\$0.0625). For fiscal years 2006 through
29 FY 2008, the allocation shall be seven and twenty-five hundredth cents (\$0.0725); provided, that
30 expenditures shall include the costs of a market survey of non-transit users and a management study of
31 the agency to include the feasibility of moving the Authority into the Department of Transportation, both
32 to be conducted under the auspices of the state budget officer. The state budget officer shall hire
33 necessary consultants to perform the studies, and shall direct payment by the Authority. Both studies shall
34 be transmitted by the Budget Officer to the 2006 session of the General Assembly, with comments from

1 the Authority. For fiscal year 2009, the allocation shall be seven and seventy-five hundredth cents
2 (\$0.0775), of which one-half cent (\$0.005) shall be derived from the one cent (\$0.01) per gallon
3 environmental protection fee pursuant to § 46-12.9-11. For fiscal years 2010 and thereafter, the allocation
4 shall be nine and seventy-five hundredth cents (\$0.0975), of which of one-half cent (\$0.005) shall be
5 derived from the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-11. One
6 cent (\$0.01) per gallon shall be transferred to the Elderly/Disabled Transportation Program of the
7 department of human services, and the remaining cents per gallon shall be available for general revenue
8 as determined by the following schedule:

9 (i) For the fiscal year 2000, three and one fourth cents (\$0.0325) shall be available for general
10 revenue.

11 (ii) For the fiscal year 2001, one and three-fourth cents (\$0.0175) shall be available for general
12 revenue.

13 (iii) For the fiscal year 2002, one-fourth cent (\$0.0025) shall be available for general revenue.

14 (iv) For the fiscal year 2003, two and one-fourth cent (\$0.0225) shall be available for general
15 revenue.

16 (v) For the months of July through April in fiscal year 2004, one and four-tenths cents (\$0.014)
17 shall be available for general revenue. For the months of May through June in fiscal year 2004, three and
18 two-tenths cents (\$0.032) shall be available for general revenue, and thereafter, until fiscal year 2006, two
19 cents (\$0.02) shall be available for general revenue. For fiscal year 2006 through fiscal year 2009 one
20 cent (\$0.01) shall be available for general revenue.

21 (2) All deposits and transfers of funds made by the tax administrator under this section, including
22 those to the Rhode Island public transit authority, the department of human services and the general fund,
23 shall be made within twenty-four (24) hours of receipt or previous deposit of the funds in question.

24 (3) Commencing in fiscal year 2004, the Director of the Rhode Island Department of
25 Transportation is authorized to remit, on a monthly or less frequent basis as shall be determined by the
26 Director of the Rhode Island Department of Transportation, or his or her designee, or at the election of the
27 Director of the Rhode Island Department of Transportation, with the approval of the Director of the
28 Department of Administration, to an indenture trustee, administrator, or other third party fiduciary, in an
29 amount not to exceed two cents (\$0.02) per gallon of the gas tax imposed, in order to satisfy debt service
30 payments on aggregate bonds issued pursuant to a Joint Resolution and Enactment Approving the
31 Financing of Various Department of Transportation Projects adopted during the 2003 session of the
32 General Assembly, and approved by the Governor.

33 (b) Notwithstanding any other provision of law to the contrary, all other funds in the fund shall be
34 dedicated to the department of transportation, subject to annual appropriation by the general assembly.

1 The director of transportation shall submit to the general assembly, budget office and office of the
2 governor annually an accounting of all amounts deposited in and credited to the fund together with a
3 budget for proposed expenditures for the succeeding fiscal year in compliance with §§ 35-3-1 and 35-3-4.
4 On order of the director of transportation, the state controller is authorized and directed to draw his or her
5 orders upon the general treasurer for the payments of any sum or portion of the sum that may be required
6 from time to time upon receipt of properly authenticated vouchers.

7 (c) At any time the amount of the fund is insufficient to fund the expenditures of the department
8 of transportation, not to exceed the amount authorized by the general assembly, the general treasurer is
9 authorized, with the approval of the governor and the director of administration, in anticipation of the
10 receipts of monies enumerated in § 31-36-20 to advance sums to the fund, for the purposes specified in §
11 31-36-20, any funds of the state not specifically held for any particular purpose. However, all the
12 advances made to the fund shall be returned to the general fund immediately upon the receipt by the fund
13 of proceeds resulting from the receipt of monies to the extent of the advances.

14 (d) Beginning with the fiscal year 2014 and annually thereafter, the department of transportation
15 will allocate gas tax revenue made available from the shift of debt service expenses on general obligation
16 bonds to general revenue to programs that are designed to eliminate structural deficiencies of the state's
17 bridge, road and maintenance systems and infrastructure.

18 (i) Beginning in the fiscal year 2014 and annually thereafter, the department of transportation
19 will appropriately fund and invest in highway maintenance operations;

20 (ii) Beginning in the fiscal year 2014 and annually thereafter, the department of transportation
21 will set aside not less than one million dollars (\$1,000,000) for heavy vehicle replacement program that
22 will align maintenance fleet needs with best practices for vehicle and equipment procurement;

23 (iii) Beginning in the fiscal year 2015 and annually thereafter, the department of transportation
24 will set aside not less than five hundred thousand dollars (\$500,000) for a drainage system preservation
25 program to implement routine cleaning and preservation of catch basins on a system-wide basis;

26 (iv) In the fiscal year 2016, the department of transportation will set aside not less than five
27 million dollars (\$5,000,000) for a preventative maintenance, preservation, and replacement program to
28 address the condition of all state-maintained bridges;

29 (A) provided that this amount shall increase to fifteen million dollars (\$15,000,000) in the fiscal
30 year 2017 and further provided that this amount shall increase to twenty million dollars (\$20,000,000) in
31 the fiscal year 2018 and shall not be reduced in any year thereafter and;

32 (B) provided that the department of transportation utilizes ten million dollars (\$10,000,000) in the
33 fiscal year 2015 and ten million dollars (\$10,000,000) in the fiscal year 2016 from funds available in the

1 Intermodal Surface Transportation Fund for a preventative maintenance, preservation and replacement
2 program to address the condition of all state-maintained bridges.

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

4 **ARTICLE 22**

5 RELATING TO LEGAL NOTICES

6 SECTION 1. Title 42 of the General Laws entitled “State Affairs and Government” is hereby
7 amended by adding thereto the following chapter:

8 CHAPTER 11.4

9 MODERNIZATION OF LEGAL NOTICES AND ADVERTISEMENTS

10 **§ 42-11.4-1. Legislative Findings.** -- It is hereby found and declared as follows:

11 (a) Throughout the Rhode Island General Laws, there are over two hundred and fifty (250)
12 discrete requirements for legal notices or advertisements to be published in newspapers. While the
13 responsible parties, geographies (e.g., statewide or local), and frequencies of notice vary widely among
14 these hundreds of different requirements, their common goal is to notify the public about informational
15 requirements under law and to give the public a meaningful opportunity to participate in its government.
16 However, modes of communication change over time, and along with these changes there is an obligation
17 to openness for technological innovation.

18 (b) The United States Census Bureau reports that computer possession and household internet
19 usage have consistently risen over time. For example, in 1997, there was a computer in thirty six and six-
20 tenths percent (36.6%) of U.S. households, with eighteen percent (18%) of U.S. households reporting
21 internet usage. By 2011, there was a computer in seventy five and six-tenths percent (75.6%) of U.S.
22 households, with seventy one and seven-tenths percent (71.7%) of U.S. households reporting internet
23 usage. The Bureau reported similar rates of household internet connection of Rhode Islanders in 2011
24 [seventy two and two-tenths percent (72.2%)]. These increases are inclusive, cutting across age, education
25 attainment, income, and racial and ethnic boundaries.

26 (c) Using the internet to conduct civic transactions is a common practice according to a 2010 Pew
27 Research Center’s Internet & American Life Project survey, which reported that eighty two percent (82%)
28 of U.S. internet users looked for information or completed a transaction on a government website in the
29 preceding twelve (12) months. This data is consistent with the experience in Rhode Island, where
30 executive agencies have rolled out several new initiatives over the past few years that illustrate this trend:
31 the expansion of online services at the division of motor vehicles; the introduction of a transparency
32 portal (one of the first in the country) to provide more information regarding the operation and
33 management of government; the creation of a new division of veterans’ affairs website; and the launch of

1 an e-Licensing initiative by the department of business regulation, working with the office of digital
2 excellence and the division of information technology.

3 (d) Further, Rhode Island is particularly well poised to harness the power of communicating
4 digitally because of its depth of digital infrastructure. The New York Times reported in 2011 that Rhode
5 Island had the fastest internet speed for residential customers in the country; and “broadband service,”
6 which describes high-speed internet, digital cable and digital phone services traveling through a single
7 pipeline, is available to ninety seven percent (97%) of Rhode Islanders, with eighty three percent (83%)
8 of Rhode Islanders having the choice of at least two (2) broadband providers, according to the Broadband
9 Rhode Island initiative.

10 (e) While the use of the internet has grown nationally and in Rhode Island over time, with
11 investments in expansion of online services and digital infrastructure, readership of daily newspapers has
12 shown a steady slide in paid circulation. For example, the Pew Research Center’s Project for Excellence
13 in Journalism reported in 2011 that daily newspaper circulation, which stood at sixty two million three
14 hundred thousand (62,300,000) in 1990, had fallen to forty three million four hundred thousand
15 (43,400,000) in 2010, a decline of thirty percent (30%). In 1990, evening papers, which began to decline
16 in the 1970s, made up about a third of daily circulation. In 2009, this ratio had dropped to just over ten
17 percent (10%).

18 (f) Moreover, a national survey by the Pew Research Center for the People and the Press in 2010
19 found that “more people continue to cite the internet than newspapers as their main source of news,
20 reflecting both the growth of the internet, and the gradual decline in newspaper readership [from thirty
21 four percent (34%) in 2007 to thirty one percent (31%) now].”

22 (g) Given historical and current trends, offering an electronic means of publishing notices and
23 advertisements is a common-sense, efficient way to disseminate vital information to the public for several
24 reasons:

25 i. Publication of legal notices and advertisements by electronic means is more likely to reach
26 citizens, providing them with crucial information about information required to be disclosed under law
27 and a better opportunity to participate in government;

28 ii. Expanding the amount of information available electronically will allow for new forms of
29 connection between citizens and government, through e-mail alerts and enhanced search opportunities;
30 and

31 iii. Posting legal notices and advertisements electronically may ease the regulatory burden of
32 compliance for businesses, especially small businesses, and governmental agencies by offering a cost-
33 effective alternative to newspaper publication that capitalizes on the state’s existing technological assets
34 and investments.

1 § 42-11.4-2. Definitions. – As used within this chapter,

2 (a) “Department” shall mean the department of administration; and

3 (b) “Person” shall mean any individual, corporation, partnership, association, municipality, other
4 public body, legal entity, employee or agent of the person.

5 § 42-11.4-3. Authorized website transitional notice. – (a) Notwithstanding any provision of the
6 general or public laws to the contrary, any notice or other written matter required to be published by any
7 law of this state in a newspaper shall be deemed to satisfy such requirement if posted on an “authorized
8 website,” as defined in the rules and regulations promulgated in accordance with section 42-11.4-7.

9 (b) Before any person may post a notice or advertisement on an authorized website, such person
10 must announce its intention to do so in the following ways and for the following periods of time:

11 (i) by publishing an announcement at least three (3) times a week for three (3) consecutive weeks
12 in the newspaper or newspapers - where notice or advertisement is currently required to be published;

13 (ii) by publishing an announcement on the secretary of state’s website for at least three (3)
14 consecutive weeks; and

15 (iii) by publishing an announcement on the Rhode Island transparency portal
16 (<http://www.transparency.ri.gov/>) for at least three (3) consecutive weeks.

17 § 42-11.4-4. Required posting. – Posting a notice or advertisement on the secretary of state’s
18 website pursuant to section 42-46-6 shall not be sufficient to meet the requirements for posting on an
19 authorized website pursuant to section 42-11.4-7.

20 § 42-11.4-5. Costs. – Any costs associated with posting the notice or advertisement on the
21 authorized website shall be borne by the party required to post the notice or advertisement as set forth in
22 the rules and regulations promulgated in accordance with section 42-11.4-7.

23 § 42-11.4-6. Burden of proof. – In all actions brought under this chapter, the burden shall be on
24 the party required to provide notice or advertisement to demonstrate notice or advertisement was
25 sufficient pursuant to the rules and regulations set forth in accordance with section 42-11.4-7.

26 § 42-11.4-7. Rules and regulations. – (a) No later than one hundred and twenty (120) days after
27 the passage of this act, the department shall promulgate rules and regulations, after review and
28 recommendation by the office of digital excellence, to implement the provisions of this chapter.

29 (b) Such rules and regulations shall include:

30 (i) a mechanism by which the authorized website can send a subscribing person e-mail alerts (as
31 specified by such subscribing person), including a choice of how often to receive such alerts and the
32 option to terminate such alerts;

33 (ii) the ability to search the authorized website by statutory cite, keyword, or date of posting; and

1 This licensing fee shall be administered and collected by the tax administrator, division of taxation within
2 the department of revenue, and all the administration, collection and other provisions of 51 of title 44
3 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before July 14, 2014
4 and payments shall be made by electronic transfer of monies to the general treasurer and deposited to the
5 general fund. Every hospital shall, on or before June 16, 2014, make a return to the tax administrator
6 containing the correct computation of net patient services revenue for the hospital fiscal year ending
7 September 30, 2012, and the licensing fee due upon that amount. All returns shall be signed by the
8 hospital's authorized representative, subject to the pains and penalties of perjury.

9 (b) There is also imposed a hospital licensing fee at the rate of five and two hundred forty-six
10 thousandths percent (5.246%) upon the net patient services revenue of every hospital for the hospital's
11 first fiscal year ending on or after January 1, 2012, except that the license fee for all hospitals located in
12 Washington County, Rhode Island shall be discounted by thirty-seven percent (37%). The discount for
13 Washington County hospitals is subject to approval by the Secretary of the US Department of Health and
14 Human Services of a state plan amendment submitted by the Executive Office of Health and Human
15 Services for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee.
16 This licensing fee shall be administered and collected by the tax administrator, division of taxation within
17 the department of revenue, and all the administration, collection and other provisions of 51 of title 44
18 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before July 13, 2015
19 and payments shall be made by electronic transfer of monies to the general treasurer and deposited to the
20 general fund. Every hospital shall, on or before June 15, 2015, make a return to the tax administrator
21 containing the correct computation of net patient services revenue for the hospital fiscal year ending
22 September 30, 2012, and the licensing fee due upon that amount. All returns shall be signed by the
23 hospital's authorized representative, subject to the pains and penalties of perjury.

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

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

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

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

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

1 (e) The licensing fee imposed by this section shall apply to hospitals as defined herein which are
2 duly licensed on July 1, ~~2013~~ 2014, and shall be in addition to the inspection fee imposed by § 23-17-38
3 and to any licensing fees previously imposed in accordance with § 23-17-38.1.

4 SECTION 2. This article shall take effect as of July 1, 2014.

5 **ARTICLE 24**

6 **RELATING TO HOSPITAL UNCOMPENSATED CARE**

7 SECTION 1. Sections 40-8.3-2 and 40-8.3-3 of the General Laws in Chapter 40-8.3 entitled
8 “Uncompensated Care” are hereby amended to read as follows:

9 **§ 40-8.3-2 Definitions.** – As used in this chapter:

10 (1) "Base year" means for the purpose of calculating a disproportionate share payment for any
11 fiscal year ending after September 30, ~~2012~~ 2013, the period from October 1, ~~2010~~ 2011 through
12 September 30, ~~2011~~ 2012, and for any fiscal year ending after September 30, ~~2013~~ 2014, the period from
13 October 1, 2011 through September 30, 2012.

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

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

22 (4) "Uncompensated care costs" means, as to any hospital, the sum of: (i) the cost incurred by
23 such hospital during the base year for inpatient or outpatient services attributable to charity care (free care
24 and bad debts) for which the patient has no health insurance or other third-party coverage less payments,
25 if any, received directly from such patients; and (ii) the cost incurred by such hospital during the base
26 year for inpatient or out-patient services attributable to Medicaid beneficiaries less any Medicaid
27 reimbursement received therefor; multiplied by the uncompensated care index.

28 (5) "Uncompensated care index" means the annual percentage increase for hospitals established
29 pursuant to § 27-19-14 for each year after the base year, up to and including the payment year, provided,
30 however, that the uncompensated care index for the payment year ending September 30, 2007 shall be
31 deemed to be five and thirty-eight hundredths percent (5.38%), and that the uncompensated care index for
32 the payment year ending September 30, 2008 shall be deemed to be five and forty-seven hundredths
33 percent (5.47%), and that the uncompensated care index for the payment year ending September 30, 2009
34 shall be deemed to be five and thirty-eight hundredths percent (5.38%), and that the uncompensated care

1 index for the payment years ending September 30, 2010, September 30, 2011, September 30, 2012,
2 September 30, 2013 ~~and~~, September 30, 2014 and September 30, 2015 shall be deemed to be five and
3 thirty hundredths percent (5.30%).

4 **§ 40-8.3-3 Implementation.** – ~~(a) For the fiscal year commencing on October 1, 2011 and~~
5 ~~ending September 30, 2012, the executive office of health and human services shall submit to the~~
6 ~~Secretary of the U.S. Department of Health and Human Services a state plan amendment to the Rhode~~
7 ~~Island Medicaid state plan for disproportionate share hospital payments (DSH Plan) to provide:~~

8 ~~(1) That the disproportionate share hospital payments to all participating hospitals, not to exceed~~
9 ~~an aggregate limit of \$126.2 million, shall be allocated by the executive office of health and human~~
10 ~~services to the Pool A, Pool C and Pool D components of the DSH Plan; and,~~

11 ~~(2) That the Pool D allotment shall be distributed among the participating hospitals in direct~~
12 ~~proportion to the individual participating hospital's uncompensated care costs for the base year, inflated~~
13 ~~by the uncompensated care index to the total uncompensated care costs for the base year inflated by~~
14 ~~uncompensated care index for all participating hospitals. The disproportionate share payments shall be~~
15 ~~made on or before July 16, 2012 and are expressly conditioned upon approval on or before July 9, 2012~~
16 ~~by the Secretary of the U.S. Department of Health and Human Services, or his or her authorized~~
17 ~~representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of~~
18 ~~federal financial participation in federal fiscal year 2012 for the disproportionate share payments.~~

19 ~~(b)(a)~~ For federal fiscal year 2013, commencing on October 1, 2012 and ending September 30,
20 2013, the executive office of health and human services shall submit to the Secretary of the U.S.
21 Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid state
22 plan for disproportionate share hospital payments (DSH Plan) to provide:

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

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

1 (⇌) (b) For federal fiscal year 2014, commencing on October 1, 2013 and ending September 30,
2 2014, the executive office of health and human services shall submit to the Secretary of the U.S.
3 Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid state
4 plan for disproportionate share hospital payments (DSH Plan) to provide:

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

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

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

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

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

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

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

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

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

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

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

11 (3) Multiply the sum of all Medicaid payments as determined in subdivision (2) by seventy four
12 and ninety seven hundredths percent (74.97%) and then multiply that result by each hospital's percentage
13 of the state's total Medicaid outpatient and emergency department services as determined in subdivision
14 (1) to obtain the total outpatient adjustment for each hospital to be paid each year;

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

17 (b) The amounts determined in subsection (a) are in addition to Medicaid outpatient payments
18 and emergency services payments (exclusive of physician services) paid to hospitals in accordance with
19 current state regulation and the Rhode Island Plan for Medicaid Assistance pursuant to Title XIX of the
20 Social Security Act and are not subject to recoupment or settlement.

21 SECTION 3. This article shall take effect as of July 1, 2014.

22 ARTICLE 25

23 RELATING TO MEDICAL ASSISTANCE

24 SECTION 1. Section 40-5.2-21 of the General Laws in Chapter 40-5.2 entitled "The Rhode
25 Island Works Program" is hereby amended to read as follows:

26 **§ 40-5.2-21 Eligibility for medical benefits.** – (a) Every member of any family/assistance unit
27 eligible for cash assistance under this chapter shall be eligible for medical assistance Medicaid-funded
28 health coverage through the RIte Care managed care or a RIte Share programs, as determined by the
29 department, -approved plan subject to the provisions of subsection 40-8-1(d) (c) and provided, further,
30 requiring that eligibility for such medical assistance, coverage must qualify for federal financial
31 participation pursuant to the provisions of Title XIX of the federal social security act, 42 U.S.C. § 1396 et
32 seq. and, as may be appropriate, the State's approved Section 1115 demonstration waiver.

33 (b) If a family becomes ineligible for cash assistance payments under this chapter as a result of
34 excess earnings from employment, the family/assistance unit shall continue to be eligible for medical

1 ~~assistance~~ Medicaid-funded transitional health coverage under Section 1925 of title XIX of the federal
2 social security act, 42 U.S.C. § 1396 et seq. through the RIte Care or RIte Share, program for subject to
3 the provisions of subsection 40-8-1(c) requiring that such coverage must qualify for federal financial
4 participation pursuant to the provisions of title XIX of the federal social security act, 42 U.S.C. § 1396 et
5 seq. and, in no case, shall extend beyond a period of twelve (12) months or until employer paid family
6 health care coverage begins, ~~subject to the provisions of subsection 40-8-1(d), whichever occurs first; and~~
7 ~~provided, further, that eligibility for such medical assistance, must qualify for federal financial~~
8 ~~participation pursuant to the provisions of title XIX of the federal social security Act, 42 U.S.C. § 1396 et~~
9 ~~seq.~~

10 SECTION 2. Sections 40-8-13.4 and 40-8-19 of the General Laws in Chapter 40-8 entitled
11 “Medical Assistance” are hereby amended to read as follows:

12 **§ 40-8-13.4 Rate methodology for payment for in state and out of state hospital services. –**

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

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

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

27 (B) With respect to inpatient services, (i) it is required as of January 1, 2011 until December 31,
28 2011, that the Medicaid managed care payment rates between each hospital and health plan shall not
29 exceed ninety and one tenth percent (90.1%) of the rate in effect as of June 30, 2010. Negotiated increases
30 in inpatient hospital payments for each annual twelve (12) month period beginning January 1, 2012 may
31 not exceed the Centers for Medicare and Medicaid Services national CMS Prospective Payment System
32 (IPPS) Hospital Input Price index for the applicable period; (ii) provided, however, for the ~~twelve (12)~~
33 twenty-four (24) month period beginning July 1, 2013 the Medicaid managed care payment rates between
34 each hospital and health plan shall not exceed the payment rates in effect as of January 1, 2013; (iii)

1 negotiated increases in inpatient hospital payments for each annual twelve (12) month period beginning
2 July 1, ~~2014~~ 2015 may not exceed the Centers for Medicare and Medicaid Services national CMS
3 Prospective Payment System (IPPS) Hospital Input Price Index, less Productivity Adjustment, for the
4 applicable period; (iv) The Rhode Island executive office of health and human services will develop an
5 audit methodology and process to assure that savings associated with the payment reductions will accrue
6 directly to the Rhode Island Medicaid program through reduced managed care plan payments and shall
7 not be retained by the managed care plans; (v) All hospitals licensed in Rhode Island shall accept such
8 payment rates as payment in full; and (vi) for all such hospitals, compliance with the provisions of this
9 section shall be a condition of participation in the Rhode Island Medicaid program.

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

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

32 (d) The secretary of the executive office of health and human services is hereby authorized to
33 promulgate such rules and regulations consistent with this chapter, and to establish fiscal procedures he or
34 she deems necessary for the proper implementation and administration of this chapter in order to provide

1 payment to hospitals using the Diagnosis Related Group payment methodology. Furthermore, amendment
2 of the Rhode Island state plan for medical assistance (Medicaid) pursuant to Title XIX of the federal
3 Social Security Act is hereby authorized to provide for payment to hospitals for services provided to
4 eligible recipients in accordance with this chapter.

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

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

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

21 **§ 40-8-19 Rates of payment to nursing facilities.** – (a) Rate reform. (1) The rates to be paid by
22 the state to nursing facilities licensed pursuant to chapter 17 of title 23, and certified to participate in the
23 Title XIX Medicaid program for services rendered to Medicaid-eligible residents, shall be reasonable and
24 adequate to meet the costs which must be incurred by efficiently and economically operated facilities in
25 accordance with 42 U.S.C. § 1396a(a)(13). The executive office of health and human services shall
26 promulgate or modify the principles of reimbursement for nursing facilities in effect as of July 1, 2011 to
27 be consistent with the provisions of this section and Title XIX, 42 U.S.C. § 1396 et seq., of the Social
28 Security Act.

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

1 (i) A direct care rate adjusted for resident acuity;
2 (ii) An indirect care rate comprised of a base per diem for all facilities;
3 (iii) A rerearray of costs for all facilities every three (3) years beginning October, 2015, which may
4 or may not result in automatic per diem revisions;
5 (iv) Application of a fair rental value system;
6 (v) Application of a pass-through system; and
7 (vi) Adjustment of rates by the change in a recognized national nursing home inflation index to be
8 applied on October 1st of each year, beginning October 1, 2012. This adjustment will not occur on
9 October 1, 2013 or on October 1, 2014, but will resume on October 1, ~~2014~~ 2015. Said inflation index
10 shall be applied without regard for the transition factor in subsection (b)(2) below.

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

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

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

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

24 SECTION 3. *The Rhode Island Medicaid Reform Act of 2008.*

25 WHEREAS, the General Assembly enacted Chapter 12.4 of Title 42 entitled “The Rhode Island
26 Medicaid Reform Act of 2008”; and

27 WHEREAS, a Joint Resolution is required pursuant to Rhode Island General Laws § 42-12.4-1,
28 et seq.; and

29 WHEREAS, Rhode Island General Law § 42-12.4-7 provides that any change that requires the
30 implementation of a rule or regulation or modification of a rule or regulation in existence prior to the
31 implementation of the global consumer choice section 1115 demonstration (“the demonstration”) shall
32 require prior approval of the general assembly; and further provides that any category II change or
33 category III change as defined in the demonstration shall also require prior approval by the general
34 assembly; and

1 WHEREAS, Rhode Island General Law § 42-7.2-5 provides that the Secretary of the Office of
2 Health and Human Services is responsible for the “review and coordination of any Global Consumer
3 Choice Compact Waiver requests and renewals as well as any initiatives and proposals requiring
4 amendments to the Medicaid state plan or category II or III changes as described in the demonstration,
5 with “the potential to affect the scope, amount, or duration of publicly-funded health care services,
6 provider payments or reimbursements, or access to or the availability of benefits and services provided by
7 Rhode Island general and public laws”; and

8 WHEREAS, in pursuit of a more cost-effective consumer choice system of care that is fiscally
9 sound and sustainable, the Secretary requests general assembly approval of the following proposals to
10 amend the demonstration:

11 (a) *Nursing Facility Payment Rates – Eliminate Rate Increase.* The Medicaid single state agency
12 proposes to eliminate the projected nursing facility rate increase that would otherwise take effect during
13 the state fiscal year 2015. A category II change is required to implement this proposal under the terms and
14 conditions of the demonstration. Further, this change may also require the adoption of new or amended
15 rules, regulations and procedures.

16 (b) *Medicaid Hospital Payments – Eliminate Rate Increases for Hospital Inpatient and*
17 *Outpatient Payments.* The Medicaid single state agency proposes to reduce inpatient and outpatient
18 hospital payments by eliminating the projected rate increase for both managed care and fee-for-service for
19 state fiscal year 2015. Also, the Medicaid single state agency proposes to eliminate the upper payment
20 limit payment for outpatient services for this same period. A category II change is required to implement
21 both aspects of this proposal under the terms and conditions of the Section 1115 waiver demonstration.

22 (c) *Medicaid Manage Care Payments- Reduction.* The Medicaid agency seeks to reduce the
23 projected growth in capitation payments to managed care organizations for SFY 2015. Implementation of
24 this reduction requires a Category II change under the terms and conditions of the Medicaid
25 demonstration to assure payment rates remain actuarially sound as is required by federal laws and
26 regulation.

27 (d) *High Cost Care Review and Interventions – Lower Utilization and Cost.* By implementing an
28 array of interventions providing intensive services and case management for Medicaid beneficiaries with
29 chronic and disabling conditions and special health care needs, the Medicaid Agency proposes to reduce
30 utilization of high cost services by certain children enrolled in RIte Care, children with special health care
31 needs, and elders and adults with disabilities. Implementation of these interventions may require category
32 II changes to the demonstration as well as adoption or amendment of rules, regulations and procedures.

33 (e) *Community First Choice (1915k) Option – Increase Federal Reimbursement for Home and*
34 *Community-Based Alternatives.* The Medicaid Agency proposed to pursue the Community First Choice

1 (CFC) Medicaid State Plan option as part of ongoing reforms to promote home and community-based
2 alternatives to institutionally-based long-term services and supports. Implementation of the CFC option
3 requires approval of a Medicaid State Plan Amendments and may require changes to the demonstration.
4 New and amended rules, regulations and procedures may also be necessary related to these program
5 changes.

6 (f) *Qualified Health Plan (QHP) Coverage for Medicaid-eligible Pregnant and Post-Partum*
7 *Women – Promote QHP Coverage.* With the implementation of health care reform in Rhode Island, many
8 pregnant women with income from 133 to 250 percent of the federal poverty level (FPL) will have access
9 to coverage through a commercial plan. This initiative proposes to support enrollment/retention of
10 coverage in these commercial plans by providing: 1) a RItE Share-like premium subsidy to assist in
11 paying for the out-of-pocket costs in a commercial plan; and 2) wraparound coverage for services
12 available if covered through Medicaid. Such an arrangement would result in a net savings to the
13 Medicaid program. Implementation of this initiative requires Section 1115 waiver authority and may
14 necessitate changes to EOHHS' rules, regulations and procedures.

15 (g) *Extended Family Planning Services – Enhanced federal funds.* The Medicaid agency sought
16 Section 1115 demonstration waiver authority for any services and supports that are administered under
17 current Rhode Island general laws to maximize Medicaid federal matching funds. This authority would
18 provide enhanced Medicaid matching funds for family planning for uninsured and underinsured people
19 with income up to 250 percent of the federal poverty level. The adoption of new or amended rules and
20 regulations may also be required.

21 (h) *Katie Beckett Eligibility Coverage – Cost Contribution.* Under current Medicaid rules and
22 regulations, Medicaid beneficiaries receiving long-term services and supports are required to contribute to
23 the cost of care based on income to the extent feasible. The Katie Beckett State Plan Option allows
24 children who need an institutional level of care to obtain Medicaid coverage for the care they receive at
25 home. Children eligible under this option typically have family income and resources that exceed
26 Medicaid eligibility limits; though the Katie Beckett option enables these children to obtain Medicaid
27 coverage by excluding their parents' family income and resources when determining Medicaid eligibility.
28 At present, the families of Katie Beckett children are not required to contribute to the cost of Medicaid-
29 funded care, irrespective of income. The Medicaid agency proposes to implement an income-based, cost-
30 sharing requirement for families with a Katie Beckett eligible child. Implementation of this requirement
31 requires a Category II change to the Section 1115 waiver and new and amended rules, regulations and
32 procedures.

33 (i) *Approved Authorities: Section 1115 Waiver Demonstration Extension.* The Medicaid agency
34 proposes to implement authorities approved under the Section 1115 waiver demonstration extension

1 request – formerly known as the Global Consumer Choice Waiver – that (1) continue efforts to re-
2 balance the system of long term services and supports by assisting people in obtaining care in the most
3 appropriate and least restrictive setting; (2) pursue utilization of care management models that offer a
4 “health home”, promote access to preventive care, and provide an integrated system of services; (3) use
5 payments and purchasing to finance and support Medicaid initiatives that fill gaps in the integrated
6 system of care; and (4) recognize and assure access to the non-medical services and supports, such as
7 peer navigation and employment and housing stabilization services, that are essential for optimizing a
8 person’s health, wellness and safety and reduce or delay the need for long term services and supports.

9 (j) *Medicaid Requirements and Opportunities under the U.S. Patient Protection and Affordable*
10 *Care Act of 2010 (PPACA)*. The Medicaid agency proposes to pursue any requirements and/or
11 opportunities established under the PPACA that may warrant a Medicaid State Plan Amendment,
12 category II or III change under the terms and conditions of Rhode Island’s Section 1115 Waiver, its
13 successor, or any extension thereof. Any such actions the Medicaid agency takes shall not have an
14 adverse impact on beneficiaries or cause there to be an increase in expenditures beyond the amount
15 appropriated for state fiscal year 2014; now, therefore, be it

16 RESOLVED, that the general assembly hereby approves proposals (a) through (j) listed above to
17 amend the Section 1115 demonstration waiver; and be it further

18 RESOLVED, that the secretary of the office of health and human services is authorized to pursue
19 and implement any waiver amendments, category II or category III changes, state plan amendments
20 and/or changes to the applicable department’s rules, regulations and procedures approved herein and as
21 authorized by § 42-12.4-7.

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

23 **ARTICLE 26**

24 RELATING TO CHILDREN, YOUTH, AND FAMILIES

25 SECTION 1. Section 42-72-5 of the General Laws in Chapter 42-72 entitled “Department of
26 Children, Youth, and Families” is hereby amended to read as follows:

27 **§ 42-72-5 Powers and scope of activities.** – (a) The department is the principal agency of the
28 state to mobilize the human, physical and financial resources available to plan, develop, and evaluate a
29 comprehensive and integrated statewide program of services designed to ensure the opportunity for
30 children to reach their full potential. The services include prevention, early intervention, out-reach,
31 placement, care and treatment, and after-care programs; provided, however, that the department notifies
32 the state police and cooperates with local police departments when it receives and/or investigates a
33 complaint of sexual assault on a minor and concludes that probable cause exists to support the
34 allegations(s). The department also serves as an advocate for the needs of children.

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

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

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

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

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

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

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

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

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

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

23 (10) To establish a minimum mandatory level of twenty (20) hours of training per year and
24 provide ongoing staff development for all staff; provided, however, all social workers hired after June 15,
25 1991, within the department shall have a minimum of a bachelor's degree in social work or a closely
26 related field, and must be appointed from a valid civil service list;

27 (11) To establish procedures for reporting suspected child abuse and neglect pursuant to chapter
28 11 of title 40;

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

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

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

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

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

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

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

12 (19) To adopt rules and regulations which:

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

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

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

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

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

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

32 (24) To be responsible for the delivery of appropriate mental health services to seriously
33 emotionally disturbed children and children with functional developmental disabilities. Appropriate
34 mental health services may include hospitalization, placement in a residential treatment facility, or

1 treatment in a community based setting. The department is charged with the responsibility for developing
2 the public policy and programs related to the needs of seriously emotionally disturbed children and
3 children with functional developmental disabilities.

4 In fulfilling its responsibilities the department shall:

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

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

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

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

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

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

18 Each community, as defined in chapter 7 of title 16, shall contribute to the department, at least in
19 accordance with rules and regulations to be adopted by the department, at least its average per pupil cost
20 for special education for the year in which placement commences, as its share of the cost of educational
21 services furnished to a seriously emotionally disturbed child pursuant to this section in a residential
22 treatment program which includes the delivery of educational services.

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

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

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

3 (a) Is attributable to a mental or physical impairment or combination of mental physical
4 impairments;

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

6 (c) Is likely to continue indefinitely;

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

9 (i) Self-care;

10 (ii) Receptive and expressive language;

11 (iii) Learning;

12 (iv) Mobility;

13 (v) Self-direction;

14 (vi) Capacity for Independent Living; and

15 (vii) Economic self-sufficiency; and

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

19 Funding for these clients shall include funds that are transferred to the Department of Human
20 Services as part of the Managed Health Care program transfer. However, the expenditures relating to
21 these clients shall not be part of the Department of Human Services' Caseload estimated for the semi-
22 annual Caseload Estimating Conference. The expenditures shall be accounted for separately.

23 (25) To provide access to services to any person under the age of eighteen (18) years or any
24 person under the age of twenty-one (21) years who began to receive child welfare services from the
25 department prior to attaining eighteen (18) years of age, has continuously received those services and
26 elects to continue to receive such services after attaining the age of eighteen (18) years. The assembly has
27 included funding in the FY 2008 Department of Children, Youth and Families budget in the amount of
28 \$10.5 million from all sources of funds and \$6.0 million from general revenues to provide a managed
29 system to care for children serviced between 18 to 21 years of age. The department shall manage this
30 caseload to this level of funding.

31 (26) To develop and maintain, in collaboration with other state and private agencies, a
32 comprehensive continuum of care in this state for children in the care and custody of the department or at
33 risk of being in state care. This continuum of care should be family-centered and community-based with
34 the focus of maintaining children safely within their families or, when a child cannot live at home, within

1 as close proximity to home as possible based on the needs of the child and resource availability. The
2 continuum should include community-based prevention, family support and crisis intervention services as
3 well as a full array of foster care and residential services, including residential services designed to meet
4 the needs of children who are seriously emotionally disturbed, children who have a functional
5 developmental disability and youth who have juvenile justice issues. The director shall make reasonable
6 efforts to provide a comprehensive continuum of care for children in the care and custody of the DCYF,
7 taking into account the availability of public and private resources and financial appropriations and the
8 director shall submit an annual report to the general assembly as to the status of his or her efforts in
9 accordance with the provisions of subsection 42-72-4(b)(13).

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

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

16 (d) [Deleted by P.L. 2008, ch. 9, art. 16, § 2.]

17 (e) [Deleted by P.L. 2008, ch. 9, art. 16, § 2.]

18 (f) Notwithstanding the provisions of subsections 42-72-5 (b)(24) and 42-72-5(b)(25), a person
19 aged 19 years or older with a “functional developmental disability”, as defined in subsection 42-72-5
20 (b)(24), who is receiving services under this section may, at the discretion of the director, be transferred to
21 the developmental disabilities program of the department of behavioral healthcare, developmental
22 disabilities and hospitals, provided that he or she qualifies as eligible for services under § 40.1-1-8.1
23 through the department of behavioral healthcare, developmental disabilities and hospitals.

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

25 **ARTICLE 27**

26 **RELATING TO MEDICAL ASSISTANCE RECOVERIES**

27 SECTION 1. Chapter 34-4 of the General Laws entitled “Estates in Real Property” is hereby
28 amended by adding thereto the following section:

29 **§ 34-4-2.1 Reservation of Life Estate with enhanced powers.** – A grantor may convey title to
30 real estate and reserve a life estate therein, coupled with the reserved power and authority, during his or
31 her lifetime, to sell, convey, mortgage, or otherwise dispose of the real property without the consent or
32 joinder by the holders of the remainder interest. A duly-executed conveyance by the life tenant
33 exercising such reserved powers shall, upon recording, vest good title to the interest conveyed in the

1 grantee thereof, free and clear of any right, title and interest of the holders of the remainder interest
2 without the necessity of any additional conveyance by any such remaindermen.

3 SECTION 2. Section 40-6-9 of the General Laws in Chapter 40-6 entitled "Public Assistance
4 Act" is hereby amended to read as follows:

5 **§ 40-6-9 Assignment and subrogation for recovery of child, spousal and medical support**

6 **rights.** – (a) An applicant for or recipient of public assistance under this chapter or under title XIX of the
7 federal Social Security Act, 42 U.S.C. § 1396 et seq., for and on behalf of himself or herself and for and
8 on behalf of a child or children, shall be deemed, without the necessity of signing any document for
9 purposes of recovery, to have made an assignment and given a right of subrogation to the executive office
10 of health and human services and/or the department of human services, as applicable, of any and all rights
11 and interests in any cause of action, past, present, or future, that the applicant or recipient may have
12 against any person failing to or obligated to provide for the support, maintenance, and medical care of the
13 applicant, recipient, and/or minor child or children, for the period of time that assistance is being paid by
14 the executive office of health and human services and/or the department. The executive office of health
15 and human services and/or the department shall be subrogated to any and all rights, title, and interest the
16 applicant or recipient may have against any and all property belonging to the obligated or non-supporting
17 person in the enforcement of any claim for child, spousal, and medical support, whether liquidated
18 through court order or not. The applicant or recipient shall also be deemed, without the necessity of
19 signing any document, to have appointed the executive office of health and human services and/or the
20 department of human services as his or her true and lawful attorney in fact to act in his or her name, place,
21 and stead to perform the specific act of instituting suit to establish paternity or secure support and medical
22 care, collecting any and all amounts due and owing for child, spousal, and medical support, endorsing any
23 and all drafts, checks, money orders, or other negotiable instruments representing support payments
24 which are received by executive office of health and human services and/or the department, and retaining
25 any portion thereof permitted under federal and state statutes as reimbursement for financial, ~~and~~ medical
26 and any other assistance previously paid to or for the recipient, child, or children.

27 (b) An applicant for or a recipient of medical assistance provided by executive office of health
28 and human services and/or the department pursuant to this chapter or chapter 8 of this title or title XIX of
29 the federal Social Security Act, 42 U.S.C. § 1396 et seq., for and on behalf of himself or herself, and for
30 and on behalf of any other person for whom he or she may legally assign rights to any medical support or
31 any other medical care, shall be deemed, without the necessity of signing any document for purposes of
32 reimbursement, to have made an assignment and given a right of subrogation to executive office of health
33 and human services and/or the department of human services of any and all rights and interests that he,
34 she, or such other person may have: (1) to payment for any medical support; and (2) to any payment ~~for~~

1 ~~any medical care~~ from any third party that has a legal liability to pay for care and services available and
2 provided to the applicant or recipient. The executive office of health and human services and/or the
3 department of human services shall, in accordance with this section and all applicable state and federal
4 laws, be entitled to any payments by a third party to recover costs from the full amount of an applicant's
5 or recipient's liability settlement(s). For this purpose, the executive office of health and human services
6 may place a lien against an applicant's or recipient's liability settlement(s).

7 (c) In addition to the assignments and subrogation rights provided in subsections (a) and (b) of
8 this section, an applicant for or a recipient of financial assistance provided by the executive office of
9 health and human services and/or department pursuant to this chapter, whenever the assistance is
10 necessary by reason of accident, injury, or illness for which a third party may be liable, for and on behalf
11 of himself or herself, and for and on behalf of any other person for whom he or she may legally act, shall
12 be deemed, without the necessity of signing any document, to have assigned and subrogated to the
13 executive office of health and human services and/or the department of human services, from amounts
14 recovered or recoverable from any third party, an amount of money equal to the amount of financial
15 assistance provided as a result of the accident, illness, or injury.

16 (d) With respect to an assignment and subrogation rights established pursuant to this section, an
17 applicant or recipient shall provide to the executive office of health and human services and/or the
18 department of human services all relevant information regarding the assigned and subrogated rights, and
19 shall execute any documents relating thereto, in accordance with rules and regulations to be adopted by
20 the executive office of health and human services and/or the department.

21 (e) With respect to any assignment and subrogation rights for medical or financial support or
22 other recoveries under this section, the executive office of health and human services and/or the
23 department of human services shall be considered to have acquired the rights of such individual to
24 payment by any third party for such medical care and support, ~~and~~ financial support and other recoveries.

25 (f) An applicant for or a recipient of medical assistance provided by the executive office of health
26 and human services in accordance with chapter 40-8 shall also be subject to the provisions of chapter 27-
27 57.1. Funds available to be paid for the payment of child support shall supersede any payment made
28 pursuant to this chapter and chapter 27-57.1.

29 (g) The executive office of health and human services and/or the department of human services
30 shall, in accordance with this section and all applicable state and federal laws, be entitled to any payments
31 by a third party to recover costs from the full amount of an applicant's or recipient's liability
32 settlement(s). For this purpose, the executive office of health and human services may place a lien
33 against an applicant's or recipient's liability settlement(s). Nothing in these sections shall limit the

1 executive office of health and human services and/or the department of human services from recovery, to
2 the extent of the distribution, in accordance with all state and federal laws.

3 SECTION 3. Chapter 40-8 of the General Laws entitled “Medical Assistance” is hereby amended
4 by adding thereto the following section:

5 **§ 40-8-3.1 Life Estate in Property- Retained Powers.** – (a) Every applicant or recipient of
6 medical assistance who owns a life estate in property that is his or her primary residence, with a retained
7 right to revoke, amend or redesignate the remainderman, will not be eligible for medical assistance, unless
8 the applicant or recipient conveys all outstanding remainder interest to him or herself, in accordance with
9 rules and regulations promulgated by the executive office of health and human services.

10 (b) An applicant or recipient who has reserved a life estate with retained rights to revoke, amend
11 or redesignate the remainderman by a deed created, executed and recorded prior to the effective date of
12 this section, shall not be ineligible for medical assistance on the basis of such deed, regardless of whether
13 the remainderman is a person or persons, a trust or entity.

14 SECTION 4. Section 2 of this article shall take effect as of October 1, 2014. The remainder of
15 this article shall take effect upon passage.

16 ARTICLE 28

17 RELATING TO EDUCATION

18 SECTION 1. Section 16-8-10.1 of the General Laws in Chapter 16-8 entitled “Federal Aid” is
19 hereby amended to read as follows:

20 **§ 16-8-10.1 Mandatory school breakfast programs.** - (a) All public schools shall make a
21 breakfast program available to students attending the school. The breakfast meal shall meet any rules and
22 regulations that are adopted by the commissioner.

23 (b) The state of Rhode Island ~~shall~~ may provide school districts a per breakfast subsidy for each
24 breakfast served to students. The general assembly ~~shall~~ may choose to annually appropriate some sum
25 and distribute it based on each district's proportion of the number of breakfasts served in the prior school
26 year relative to the statewide total in the same year. This subsidy, if appropriated, shall augment the
27 nonprofit school food service account and be used for expenses incurred in providing nutritious breakfast
28 meals to students.

29 SECTION 2. Section 16-23-3.1 of the General Laws in Chapter 16-23 entitled “Textbooks” is
30 hereby repealed.

31 **§ 16-23-3.1 Reimbursements to municipalities for costs of English/language arts and**
32 **history/social studies textbooks for students in grades K-12.** – ~~There is hereby established a textbook~~
33 ~~reimbursement fund for which the general assembly shall make a specific appropriation. The department~~
34 ~~of elementary and secondary education shall administer the appropriation. School districts shall submit to~~

1 ~~the department of elementary and secondary education evidence of the cost of English/language arts~~
2 ~~and/or history/social studies textbooks that the district has provided to students in grades K-12 pursuant to~~
3 ~~§ 16-23-2. The costs shall be reimbursed from the textbook reimbursement fund by the department of~~
4 ~~elementary and secondary education upon presentation by a school district of the evidence of cost.~~

5 SECTION 3. This article shall take effect as of July 1, 2014.

6 **ARTICLE 29**

7 RELATING TO EFFECTIVE DATE

8 This article provides that the act shall take effect as of July 1, 2014, except as otherwise provided
9 herein.

10

1 **EXPLANATION OF ARTICLES**

2 **ARTICLE 1**

3 **RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2015**

4 This article makes appropriations from general revenues and authorizes expenditure of federal
5 funds, restricted receipts, and other funds for FY 2015. This article also identifies the FTE position
6 authorizations for each agency and department for fiscal year 2015; provides multi-year appropriations
7 for Rhode Island Capital Plan Fund projects; provides for the reappropriation of unexpended and
8 unencumbered funds from the Rhode Island Capital Plan Fund project appropriations in the ensuing fiscal
9 year; provides expenditure limits for internal service funds; provides appropriations for all Temporary
10 Disability Insurance funds, Employment Security funds, University and College funds, and Lottery
11 Division funds.

12 **ARTICLE 2**

13 **RELATING TO MUNICIPAL INCENTIVE AID**

14 The article amends RIGL §45-13.2-4, which currently requires the annual appropriation for the
15 Municipal Incentive Aid program in fiscal years 2015 and 2016 to be \$10.0 million. The amendment
16 changes the required appropriation to \$5.0 million in each fiscal year.

17 **ARTICLE 3**

18 **RELATING TO RESTRICTED RECEIPT ACCOUNTS**

19 This article adds several restricted receipt accounts to the list of accounts exempted from the 10.0
20 percent indirect cost recovery fee and establishes a restricted receipt account for donations to the new
21 Veterans' Home construction project.

22 **ARTICLE 4**

23 **RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS**

24 This article serves as joint resolutions required pursuant to RIGL §35-18-1 for the issuance of
25 debt. Proposed projects include: statewide information technology system and application upgrades;
26 renovations to the Virks Building at the Pastore Government Center; a Garrahy Courthouse Parking
27 Garage project, and; authorization for the Rhode Island Commerce Corporation to issue debt on behalf of
28 the Airport Corporation for various improvements at Rhode Island airports.

29 **ARTICLE 5**

30 **RELATING TO CAPITAL DEVELOPMENT PROGRAM**

31 This article submits to the voters of Rhode Island in November 2014, for their approval or rejection,
32 general obligation bond referenda totaling \$275.0 million. The article includes a URI College of Engineering
33 referendum of \$125.0 million; a Creative and Cultural Economy referendum of \$35.0 million; a Mass Transit
34 Hub Infrastructure referendum of \$40.0 million; and a Clean Water, Open Space, and Healthy Communities

1 referendum of \$75.0 million.

2 **ARTICLE 6**

3 RELATING TO RESOURCE RECOVERY CORPORATION

4 This article amends RIGL § 29-19 to continue the current municipal tipping fees charged by the
5 Rhode Island Resource Recovery Corporation in FY 2015 by extending the date of these fees from June
6 30, 2014 to June 30, 2015.

7 **ARTICLE 7**

8 RELATING TO REGIONAL GREENHOUSE GAS INITIATIVE ACT

9 This article amends RIGL §23-82-6 to amend the percentage of administrative funds received by
10 both the Department of Environmental Management and the Office of Energy Resources from 5.0 percent to
11 10.0 percent for the Regional Greenhouse Gas Initiative (RGGI) program for strategic implementation of
12 RGGI, climate change, energy efficiency and renewable energy initiatives.

13 **ARTICLE 8**

14 RELATING TO WATER SUPPLIES

15 This act amends RIGL §46-15.5 of the General Laws entitled ‘Bristol County Water Supply’ to
16 assure a secure and reliable secondary source of potable water for the residents of Pawtucket, East
17 Providence, and Bristol County.

18 **ARTICLE 9**

19 RELATING TO FICA ALTERNATE RETIREMENT PLAN

20 This article corrects an error in RIGL §36-7-2 which established the FICA Alternate Retirement Plan
21 program, enacted as part of the FY 2014 Appropriations Act. The correction clarifies that an employee who
22 works less than twenty (20) hours per week is eligible for this program. Those employees who work twenty
23 (20) hours or more per week are eligible for the Employees’ Retirement System of Rhode Island.

24 **ARTICLE 10**

25 RELATING TO MAKING REVISED APPROPRIATION IN SUPPORT OF FY 2014

26 This article makes revised appropriations from general revenues and authorizes expenditure of
27 federal funds, restricted receipts, and other funds for FY 2014. This article also provides that each line in
28 Section 1 constitutes an appropriation; provides expenditures limits for internal service funds; identifies
29 revised FTE position authorizations for each agency and department for fiscal year 2014; and provides for
30 an effective date of “upon passage”.

31 **ARTICLE 11**

32 RELATING TO JOB DEVELOPMENT FUND ASSESSMENT

1 This article authorizes the General Assembly to annually allocate funds from the restricted receipt
2 account in the Job Development Fund such amounts as may be necessary to support the costs associated
3 with the Department of Labor and Training's Unemployment Insurance modernization project.

4 **ARTICLE 12**

5 **RELATING TO REVENUES**

6 This article implements several initiatives and clarifications to existing tax law including:
7 implementation of a vehicle registration block on "new" registrations where the owners are delinquent in tax
8 remittances; expansion of the 7.0 percent sales and use tax, 5.0 percent hotel tax and 1.0 percent local tax
9 to bed and breakfast and timeshares and to hotel resellers; creation of penalties for retailers who use
10 automated sales suppression devices (e.g. 'zapper software'); expansion of other tobacco tax to e-
11 cigarettes; creation of a safe harbor for use tax on personal income tax returns; and, creation of a state
12 employee compliance program for income tax collection.

13 **ARTICLE 13**

14 **RELATING TO LOTTERY**

15 This article removes the requirement that the Division of Lottery transfer to the state general fund at
16 least 25.0 percent of the total revenues generated from the sale of lottery tickets and at least 15 percent of total
17 Keno revenue. This article also increases the Division of Lottery's default share of Twin River's net table
18 game revenue from 16.0 percent to 18.0 percent and allocates an additional one (1.0) percentage point of
19 Twin River's net table game revenue to Twin River only if, after the onset of casino gaming in
20 Massachusetts, Twin River's net terminal income in a twelve month period is less than in the prior twelve
21 months.

22 **ARTICLE 14**

23 **RELATING TO MARKETPLACE FAIRNESS ACT**

24 This article provides, upon passage and implementation of federal legislation requiring remote sellers
25 to collect and remit sales tax to Rhode Island, that: the corporate income tax rate would be reduced from 9.0
26 percent to 6.0 percent; the existing provision under RIGL §44-18 that would lower the sales and use tax rate
27 from 7.0 percent to 6.5 percent would be eliminated; the local meals and beverage tax would be increased
28 from 1.0 percent to 1.5 percent; and electricity and gas furnished to any business would be exempted from
29 sales and use tax.

30 **ARTICLE 15**

31 **RELATING TO HISTORIC TAX CREDITS**

32 This article increases the amount of resources to be made available for the Historic Structures Tax
33 Credit Program by providing \$52.0 million in tax credits through exiting bond authority. The Rhode

1 Island Division of Taxation will administer the additional credits through the existing abandoned historic
2 tax credit program.

3 **ARTICLE 16**

4 RELATING TO UNDERGROUND ECONOMY AND EMPLOYEE

5 MISCLASSIFICATION ACT

6 This article establishes in Rhode Island General Law, the “Underground Economy and Employee
7 Misclassification Act”. The purpose of the Act is to combat the existence of an illegal underground
8 economy in which individuals and businesses conceal their activities from government licensing,
9 regulatory and taxing authorities. The article establishes a task force to educate business owners and
10 employees about applicable requirements and conduct joint, targeted investigations and enforcement
11 actions against violators, and requires the task force to submit an annual report on their activities to the
12 Governor and the chairpersons of the House and Senate finance committees.

13 **ARTICLE 17**

14 RELATING TO GOVERNMENT REFORM

15 This article proposes several changes to Rhode Island General Laws including: repeal of the
16 requirement that revenues in excess of estimates be transferred to the retirement system; repeal of the
17 section of law that requires public hearings for changes to salaries of department directors; clarification of
18 reporting requirements for contractor use of state departments to promote transparency, timeliness and
19 consistency in reporting contractor use; and elimination of General Assembly approval of certain lease
20 and rental agreements entered into by the State for state agencies and programs.

21 **ARTICLE 18**

22 RELATING TO GOVERNMENT REORGANIZATION

23 This article establishes, in law, an office of technical and customer assistance in the Department
24 of Environmental Management; transfers administrative responsibilities associated with the Low Income
25 Home Energy Assistance Program Enhancement Plan from the Office of Energy Resources in the
26 Department of Administration to the Department of Human Services; and, separates executive functions
27 of the Rhode Island Emergency Management Agency from the Military Staff to a new, separate agency.

28 **ARTICLE 19**

29 RELATING TO EXECUTIVE OFFICE OF COMMERCE

30 This article delays implementation of the Executive Office of Commerce (EOC) from February 1,
31 2015 to July 1, 2015. This five-month delay will allow time for the next Governor to review and execute this
32 law. The article will also maintain the Office of Regulatory Reform (ORR) within the Office of Management
33 and Budget (OMB) within the Department of Administration and assigns the authority to designate a small
34 business enforcement ombudsman to the ORR director within the OMB.

1 **ARTICLE 20**

2 **RELATING TO BOARD OF EDUCATION**

3 This article strengthens the coordinating role of the Board of Education and establishes a Council
4 on Elementary and Secondary Education and a Council on Postsecondary Education, as well as an Office
5 of the Postsecondary Commissioner. Each of the councils will focus on regulatory and governance issues
6 that pertain to their respective area.

7 **ARTICLE 21**

8 **RELATING TO TRANSPORTATION**

9 This article amends RIGL §31-36 entitled “Motor Fuel Tax” to specifically provide language that
10 explains how the Department of Transportation will allocate gas tax revenue made available from the
11 shift of debt service expenses on general obligation bonds to general revenue, to programs that are
12 designed to eliminate structural deficiencies of the state’s bridge, road and maintenance systems and
13 infrastructure.

14 **ARTICLE 22**

15 **RELATING TO LEGAL NOTICES**

16 This article assigns authority to the Department of Administration to develop rules and
17 regulations to allow legal notices and advertisements to be posted online in lieu of in print newspapers.
18 The article also establishes a complaint process to report violations.

19 **ARTICLE 23**

20 **RELATING TO LICENSING OF HOSPITAL FACILITIES**

21 This article authorizes the State to continue its collection of the Hospital Licensing Fee for one
22 additional year.

23 **ARTICLE 24**

24 **RELATING TO HOSPITAL UNCOMPENSATED CARE**

25 This article establishes the statutory authority for the State’s disbursement of Disproportionate Share
26 (DSH) payments to community hospitals in federal fiscal year (FFY) 2015 at a maximum aggregate payment
27 of \$128.3 million. This article also repeals the statutory requirement for the disbursement of outpatient
28 “Upper Payment Limit” (UPL) payments to community hospitals, effective July 1, 2014.

29 **ARTICLE 25**

30 **RELATING TO MEDICAL ASSISTANCE**

31 This article suspends scheduled cost-of-living adjustments in FY 2015 for both nursing facilities and
32 hospital services under the Medical Assistance program and conditions the state’s provision of Transitional
33 Medical Assistance on the availability of federal funding. The article also establishes the legal authority for

1 the Executive Office of Health and Human Services to undertake a series of programmatic reforms within the
2 Medicaid program in FY 2015.

3 **ARTICLE 26**

4 RELATING TO CHILDREN, YOUTH AND FAMILIES

5 This article would permit, at the discretion of the director, the Department of Children, Youth, and
6 Families (DCYF) to transfer youth with functional developmental disabilities who have attained the age of
7 nineteen (19) and are eligible for services under RIGL §40.1-1-8 to the Department of Behavioral Healthcare
8 Developmental Disabilities and Hospitals.

9 **ARTICLE 27**

10 RELATING TO MEDICAL ASSISTANCE RECOVERIES

11 This article amends RIGL §34-4-2.1, 40-6-9, and 40-8-3.1 and adds a new section §40-8-3.1 to
12 RIGL, which will allow the Executive Office of Health and Human Services to increase medical assistance
13 recovery collections and promote fairness in program access.

14 **ARTICLE 28**

15 RELATING TO EDUCATION

16 This article amends RIGL §16-8-10.1 entitled “Mandatory school breakfast programs” whereby the
17 General Assembly “may provide school districts a per breakfast subsidy for each breakfast served to
18 students.” Current law requires that the General Assembly “shall provide school districts a per breakfast
19 subsidy for each breakfast served to students”. This article also repeals language that creates the non-public
20 textbook reimbursement fund. This article has no impact on students who attend non-public schools as the
21 law which requires districts to provide these textbooks will remain unchanged.

22 **ARTICLE 29**

23 RELATING TO EFFECTIVE DATE

24 This article provides that the act shall take effect as of July 1, 2014, except as otherwise provided
25 herein.