

2011 -- H 5894 SUBSTITUTE A AS AMENDED

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LC02105/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

A N A C T

RELATING TO MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR
THE FISCAL YEAR ENDING JUNE 30, 2012

Introduced By: Representative Helio Melo

Date Introduced: March 09, 2011

Referred To: House Finance

It is enacted by the General Assembly as follows:

- 1 ARTICLE 1 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2012
- 2 ARTICLE 2 RELATING TO MAKING SUPPLEMENTAL APPROPRIATIONS IN
- 3 SUPPORT OF FY 2011
- 4 ARTICLE 3 RELATING TO HEALTH AND SAFETY-- RHODE ISLAND RESOURCE
- 5 RECOVERY CORPORATION
- 6 ARTICLE 4 RELATING TO SECURITY-- UNEMPLOYMENT INSURANCE
- 7 ARTICLE 5 RELATING TO EDUCATION AID
- 8 ARTICLE 6 RELATING TO DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
- 9 ARTICLE 7 RELATING TO BORROWING IN ANTICIPATION OF RECEIPTS FROM
- 10 TAXES
- 11 ARTICLE 8 RELATING TO LONGEVITY PAYMENTS
- 12 ARTICLE 9 RELATING TO GOVERNMENTAL ORGANIZATION
- 13 ARTICLE 10 RELATING TO THE DEPARTMENT OF EDUCATION
- 14 ARTICLE 11 RELATING TO THE CHILDREN'S HEALTH ACCOUNT
- 15 ARTICLE 12 RELATING TO MUNICIPAL ACCOUNTABILITY
- 16 ARTICLE 13 RELATING TO REGISTRATION OF MOTOR VEHICLES
- 17 ARTICLE 14 RELATING TO MEDICAL ASSISTANCE NURSING FACILITIES RATE
- 18 REFORM

- 1 ARTICLE 15 RELATING TO HOSPITAL PAYMENT RATES
- 2 ARTICLE 16 RELATING TO THE MEDICAID REFORM ACT
- 3 ARTICLE 17 RELATING TO DEPARTMENT OF CHILDREN, YOUTH AND FAMILIES
- 4 ARTICLE 18 RELATING TO HOSPITAL UNCOMPENSATED CARE
- 5 ARTICLE 19 RELATING TO TAXES AND REVENUES
- 6 ARTICLE 20 RELATING TO CORRECTIONS
- 7 ARTICLE 21 RELATING TO RETIREE HEALTH CARE TRUST FUND
- 8 ARTICLE 22 RELATING TO REGISTRATION FEES
- 9 ARTICLE 23 RELATING TO HUMAN SERVICES
- 10 ARTICLE 24 RELATING TO JOB TRAINING FUNDS
- 11 ARTICLE 25 RELATING TO AUTHORIZING STATE-OPERATED CASINO GAMING AT
- 12 TWIN RIVER
- 13 ARTICLE 26 RELATING TO PUBLIC PROPERTY AND WORKS
- 14 ARTICLE 27 RELATING TO PUBLIC PROPERTY AND WORKS
- 15 ARTICLE 28 RELATING TO THE EFFECTIVE DATE

ARTICLE 1 AS AMENDED

RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2012

SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this act, the following general revenue amounts are hereby appropriated out of any money in the treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2012. The amounts identified for federal funds and restricted receipts shall be made available pursuant to section 35-4-22 and Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes and functions hereinafter mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the general treasurer for the payment of such sums or such portions thereof as may be required from time to time upon receipt by him or her of properly authenticated vouchers.

Administration

Central Management General Revenues 1,326,065

Legal Services General Revenues 1,825,486

Accounts and Control General Revenues 3,751,998

Budgeting General Revenues 2,015,159

Purchasing

General Revenues 2,445,901

Federal Funds 68,956

Other Funds 265,489

Total - Purchasing 2,780,346

Auditing General Revenues 1,376,922

Human Resources

General Revenues 8,952,981

Federal Funds 770,374

Restricted Receipts 426,866

Other Funds 1,360,618

Total - Human Resources 11,510,839

Personnel Appeal Board General Revenues 73,560

Facilities Management

1	General Revenues	31,519,155
2	Federal Funds	1,041,891
3	Restricted Receipts	594,907
4	Other Funds	3,301,000
5	Total – Facilities Management	36,456,953
6	<i>Capital Projects and Property Management</i>	
7	General Revenues	2,429,894
8	Federal Funds - Stimulus	58,363
9	Restricted Receipts	1,433,822
10	Total – Capital Projects and Property Management	3,922,079
11	<i>Information Technology</i>	
12	General Revenues	19,949,105
13	Federal Funds	6,775,106
14	Restricted Receipts	863,153
15	IT Revolving Fund	1,000,000
16	Other Funds	1,792,590
17	Total – Information Technology	30,379,954
18	<i>Library and Information Services</i>	
19	General Revenues	932,971
20	Federal Funds	1,288,445
21	Restricted Receipts	1,895
22	Total – Library and Information Services	2,223,311
23	<i>Planning</i>	
24	General Revenues	4,075,067
25	Federal Funds	11,414,909
26	Federal Funds – Stimulus	1,053,053
27	Federal Highway - PL Systems Planning	5,126,163
28	Air Quality Modeling	10,000
29	Total - Planning	21,679,192
30	<i>General</i>	
31	General Revenues	
32	Economic Development Corporation	4,811,811
33	EDC - Airport Impact Aid	1,025,000
34	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be	

1 distributed to each airport serving more than 1,000,000 passengers based upon its percentage of
 2 the total passengers served by all airports serving more than 1,000,000 passengers. Forty percent
 3 (40%) of the first \$1,000,000 shall be distributed based on the share of landings during the
 4 calendar year 2011 at North Central Airport, Newport-Middletown Airport, Block Island Airport,
 5 Quonset Airport, TF Green Airport, and Westerly Airport, respectively. The Economic
 6 Development Corporation shall make an impact payment to the towns or cities in which the
 7 airport is located based on this calculation.

8 Each community upon which any parts of the above airports are located shall receive at
 9 least \$25,000.

10	EDC EPScore (Research Alliance)	1,500,000
11	Miscellaneous Grants	376,560
12	Slater Centers of Excellence	2,000,000
13	Torts – Court	400,000
14	State Employees/Teachers Retiree Health Subsidy	2,321,057
15	Resource Sharing and State Library Aid	8,773,398
16	Library Construction Aid	2,821,772
17	Restricted Receipts	421,500
18	Rhode Island Capital Plan Funds	
19	Statehouse Renovations	1,500,000
20	Cranston Street Armory	200,000
21	Cannon Building	1,225,000
22	Zambarano Building Rehabilitation	848,000
23	Pastore Medical Center Rehab DOA	1,000,000
24	Old State House	500,000
25	State Office Building	1,150,000
26	Old Colony House	200,000
27	William Powers Building	500,000
28	Fire Code Compliance State Buildings	650,000
29	Pastore Center Fire Code Compliance	800,000
30	Pastore Center Utility Systems	500,000
31	Replacement of Fueling Tanks	300,000
32	Environmental Compliance	300,000
33	Pastore Utilities Upgrade	1,000,000
34	Big River Management Area	200,000

1	Pastore Center Building Demolition	2,500,000
2	McCoy Stadium	500,000
3	Washington County Government Center	1,200,000
4	DoIT Operations Center	288,000
5	Pastore Center Power Plant	670,000
6	Veterans Auditorium Repairs	1,400,000
7	Chapin Health Laboratory	500,000
8	Pastore Center Parking	225,000
9	Board of Elections New Location	100,000
10	Building 79 Stabilization	300,000
11	Interdepartmental Weapons Range	150,000
12	Total - General	43,157,098
13	<i>Debt Service Payments</i>	
14	General Revenues	144,742,359
15	Federal Funds	743,348
16	Restricted Receipts	7,634,798
17	RIPTA Debt Service	1,198,372
18	Transportation Debt Service	46,206,772
19	Investment Receipts Bond Funds	100,000
20	COPS - DLT Building – TDI	278,848
21	Total - Debt Service Payments	200,904,497
22	<i>Energy Resources</i>	
23	Federal Funds	34,004,073
24	Federal Funds – Stimulus	11,865,689
25	Restricted Receipts	7,682,130
26	Total – Energy Resources	53,551,892
27	<i>Undistributed Statewide Savings</i> General Revenues	(3,000,000)
28	Grand Total - Administration	413,935,351
29	Business Regulation	
30	<i>Central Management</i> General Revenues	1,162,041
31	<i>Banking Regulation</i>	
32	General Revenues	1,472,238
33	Restricted Receipts	125,000
34	Total - Banking Regulation	1,597,238

1	<i>Securities Regulation</i>	
2	General Revenues	1,051,512
3	Restricted Receipts	15,000
4	Total - Securities Regulation	1,066,512
5	<i>Insurance Regulation</i>	
6	General Revenues	4,031,865
7	Federal Funds	148,312
8	Restricted Receipts	1,140,825
9	Total - Insurance Regulation	5,321,002
10	<i>Office of the Health Commissioner</i>	
11	General Revenues	547,168
12	Federal Funds	6,654,961
13	Restricted Receipts	10,500
14	Total – Office of the Health Commissioner	7,212,629
15	<i>Board of Accountancy</i> General Revenues	170,668
16	<i>Commercial Licensing, Racing and Athletics</i>	
17	General Revenues	753,526
18	Restricted Receipts	476,122
19	Total - Commercial Licensing, Racing and Athletics	1,229,648
20	<i>Boards for Design Professionals</i> General Revenues	247,360
21	Grand Total - Business Regulation	18,007,098
22	Labor and Training	
23	<i>Central Management</i>	
24	General Revenues	113,640
25	Restricted Receipts	534,274
26	Rhode Island Capital Plan Funds	
27	Center General Asset Protection	208,500
28	Center General Roof	770,000
29	Total - Central Management	1,626,414
30	<i>Workforce Development Services</i>	
31	Federal Funds	29,292,898
32	Restricted Receipts	6,694,730
33	Shared Youth Vision	45,900
34	Total - Workforce Development Services	36,033,528

1	<i>Workforce Regulation and Safety</i> General Revenues	2,901,435
2	<i>Income Support</i>	
3	General Revenues	4,163,873
4	Federal Funds	19,194,869
5	Federal Funds – Stimulus - UI	51,275,635
6	Restricted Receipts	1,320,268
7	Temporary Disability Insurance Fund	172,306,860
8	Employment Security Fund	273,892,146
9	Total - Income Support	522,153,651
10	<i>Injured Workers Services</i> Restricted Receipts	8,555,089
11	<i>Labor Relations Board</i> General Revenues	396,538
12	Grand Total - Labor and Training	571,666,655
13	Department of Revenue	
14	<i>Director of Revenue Office</i> General Revenues	784,261
15	<i>Office of Revenue Analysis</i> General Revenues	435,910
16	<i>Lottery Division</i> Other Funds	218,537,728
17	<i>Municipal Finance</i>	
18	General Revenues	1,204,490
19	Central Falls Receivership	698,450
20	Total – Municipal Finance	1,902,940
21	<i>Taxation</i>	
22	General Revenues	17,323,623
23	Federal Funds	1,348,756
24	Restricted Receipts	888,899
25	Other Funds	
26	Motor Fuel Evasion Program	43,178
27	Temporary Disability Insurance	987,032
28	Total - Taxation	20,591,488
29	<i>Registry of Motor Vehicles</i>	
30	General Revenues	17,574,304
31	Federal Funds	1,287,303
32	Restricted Receipts	15,100
33	Total – Registry of Motor Vehicles	18,876,707
34	<i>State Aid</i>	

1	General Revenues	
2	Distressed Communities Relief Fund	10,384,458
3	Payment in Lieu of Tax Exempt Properties	33,080,409
4	Motor Vehicle Excise Tax Payments	10,000,000
5	Property Revaluation Program	1,125,000
6	Restricted Receipts	
7	Car Rental Tax/Surcharge – Warwick Share	957,497
8	Total – State Aid	55,547,364
9	Grand Total – Revenue	316,676,398
10	Legislature	
11	General Revenues	36,548,053
12	Restricted Receipts	1,649,199
13	Grand Total - Legislature	38,197,252
14	Lieutenant Governor	
15	General Revenues	965,940
16	Federal Funds	124,232
17	Grand Total – Lieutenant Governor	1,090,172
18	Secretary of State	
19	<i>Administration</i> General Revenues	2,056,734
20	<i>Corporations</i> General Revenues	1,891,380
21	<i>State Archives</i>	
22	General Revenues	79,385
23	Restricted Receipts	496,548
24	Total - State Archives	575,933
25	<i>Elections and Civics</i>	
26	General Revenues	1,432,530
27	<i>State Library</i>	
28	General Revenues	581,844
29	<i>Office of Public Information</i>	
30	General Revenues	334,439
31	Grand Total - Secretary of State	6,872,860
32	General Treasurer	
33	<i>Treasury</i>	
34	General Revenues	2,190,137

1	Federal Funds	279,741
2	Temporary Disability Insurance Fund	227,589
3	Total – Treasury	2,697,467
4	<i>State Retirement System</i>	
5	Restricted Receipts	
6	Administrative Expenses - State Retirement System	11,062,057
7	Retirement - Treasury Investment Operations	1,060,744
8	Total - State Retirement System	12,122,801
9	<i>Unclaimed Property</i> Restricted Receipts	15,940,148
10	<i>Crime Victim Compensation Program</i>	
11	General Revenues	110,715
12	Federal Funds	848,310
13	Restricted Receipts	1,481,135
14	Total - Crime Victim Compensation Program	2,440,160
15	Grand Total - General Treasurer	33,200,576
16	Board of Elections	
17	General Revenues	1,825,905
18	Federal Funds	50,000
19	Grand Total - Board of Elections	1,875,905
20	Rhode Island Ethics Commission General Revenues	1,560,008
21	Office of Governor	
22	General Revenues	4,088,521
23	Contingency Fund	250,000
24	Federal Funds	139,898
25	Restricted Receipts - OERR	777,676
26	Grand Total - Office of Governor	5,256,095
27	Commission for Human Rights	
28	General Revenues	1,154,038
29	Federal Funds	301,532
30	Grand Total – Commission for Human Rights	1,455,570
31	Public Utilities Commission	
32	Federal Funds	109,394
33	Federal Funds - Stimulus	199,979
34	Restricted Receipts	7,795,633

1	Grand Total - Public Utilities Commission	8,105,006
2	Office of Health and Human Services	
3	General Revenues	9,773,834
4	Federal Funds	6,250,134
5	Restricted Receipts	904,712
6	Total – Health and Human Services	16,928,680
7	Children, Youth, and Families	
8	<i>Central Management</i>	
9	General Revenues	
10	Information Systems	1,033,309
11	Office of Budget	341,958
12	Office of the Director	889,249
13	Support Services	2,430,044
14	Federal Funds	
15	Information Systems	390,275
16	Office of Budget	427,922
17	Support Services	881,243
18	Restricted Receipts	301,122
19	Total - Central Management	6,695,122
20	<i>Children's Behavioral Health Services</i>	
21	General Revenues	
22	Children’s Mental Health	10,088,177
23	Local Coordinating Council	730,119
24	Federal Funds	
25	Educational Services	1,733,352
26	Children’s Mental Health	8,489,226
27	Rhode Island Capital Plan Funds	
28	NAFI Center	530,000
29	Mt. Hope – Building Façade	275,000
30	Various Repairs and Improvements	900,000
31	Total - Children's Behavioral Health Services	22,745,874
32	<i>Juvenile Correctional Services</i>	
33	General Revenues	
34	Institutional Services	16,605,460

1	Juvenile Probation and Parole	10,132,890
2	RITS Education Program	3,746,798
3	Federal Funds	
4	Institutional Services	64,000
5	Juvenile Probation and Parole	1,709,531
6	RITS Education Program	156,977
7	Federal Funds – Stimulus	386,667
8	Total - Juvenile Correctional Services	32,802,323
9	<i>Child Welfare</i>	
10	General Revenues	
11	18 to 21 Year Olds	12,358,817
12	Board and Care	45,396,579
13	Community Services	3,177,072
14	Family Services	16,904,520
15	Foster Care	11,092,453
16	Prevention Services	2,324
17	Protective Services	10,069,214
18	Federal Funds	
19	18 to 21 Year Olds	2,501,548
20	Board and Care	23,612,189
21	Community Services	3,730,450
22	Foster Care	5,099,091
23	Prevention Services	1,404,420
24	Protective Services	9,039,102
25	Restricted Receipts	3,088,174
26	Rhode Island Capital Plan Funds	
27	Camp E-Hun-Tee	85,000
28	Fire Code Upgrades	1,000,000
29	Total - Child Welfare	148,560,953
30	Higher Education Incentive Grants General Revenues	200,000
31	Grand Total - Children, Youth, and Families	211,004,272
32	Health	
33	<i>Central Management</i>	
34	General Revenues	1,352,631

1	Federal Funds	10,192,986
2	Restricted Receipts	3,511,068
3	Total - Central Management	15,056,685
4	<i>State Medical Examiner</i>	
5	General Revenues	2,012,467
6	Federal Funds	237,653
7	Total - State Medical Examiner	2,250,120
8	<i>Environmental and Health Services Regulation</i>	
9	General Revenues	8,511,059
10	Federal Funds	5,379,236
11	Restricted Receipts	4,375,400
12	Total - Environmental and Health Services Regulation	18,265,695
13	<i>Health Laboratories</i>	
14	General Revenues	6,016,806
15	Federal Funds	1,526,065
16	Federal Funds – Stimulus	257,946
17	Total - Health Laboratories	7,800,817
18	<i>Public Health Information</i>	
19	General Revenues	1,599,404
20	Federal Funds	1,370,411
21	Federal Funds – Stimulus	541,916
22	Total – Public Health Information	3,511,731
23	<i>Community and Family Health and Equity</i>	
24	General Revenues	2,623,954
25	Federal Funds	33,750,847
26	Federal Funds – Stimulus	2,878,814
27	Restricted Receipts	18,871,386
28	Safe And Active Commuting	63,400
29	Total – Community and Family Health and Equity	58,188,401
30	<i>Infectious Disease and Epidemiology</i>	
31	General Revenues	2,131,704
32	Federal Funds	2,868,679
33	Federal Funds – Stimulus	119,986
34	Total – Infectious Disease and Epidemiology	5,120,369

1	Grand Total - Health	110,193,818
2	Human Services	
3	<i>Central Management</i>	
4	General Revenues	5,683,745
5	Federal Funds	5,364,162
6	Restricted Receipts	499,999
7	Total - Central Management	11,547,906
8	<i>Child Support Enforcement</i>	
9	General Revenues	2,214,781
10	Federal Funds	6,140,841
11	Total – Child Support Enforcement	8,355,622
12	<i>Individual and Family Support</i>	
13	General Revenues	22,498,106
14	Federal Funds	100,790,474
15	Restricted Receipts	180,000
16	Rhode Island Capital Plan Funds	
17	Blind Vending Facilities	165,000
18	Intermodal Surface Transportation Fund	4,252,279
19	Total - Individual and Family Support	127,885,859
20	<i>Veterans' Affairs</i>	
21	General Revenues	18,568,043
22	Federal Funds	8,005,072
23	Restricted Receipts	1,643,512
24	Total - Veterans' Affairs	28,216,627
25	<i>Health Care Quality, Financing and Purchasing</i>	
26	General Revenues	18,551,887
27	Federal Fund	40,761,367
28	Restricted Receipts	60,000
29	Total - Health Care Quality, Financing & Purchasing	59,373,254
30	<i>Medical Benefits</i>	
31	General Revenues	
32	Managed Care	290,019,801
33	Hospitals	114,309,330
34	Nursing Facilities	162,645,787

1	Home and Community Based Services	32,834,071
2	Other	43,965,644
3	Pharmacy	51,048,438
4	Rhody Health	91,145,473
5	Federal Funds	
6	Managed Care	330,298,050
7	Hospitals	126,062,520
8	Nursing Facilities	178,545,292
9	Home and Community Based Services	41,294,467
10	Other	62,922,375
11	Pharmacy	5,076,010
12	Rhody Health	100,055,369
13	Special Education	20,837,655
14	Restricted Receipts	11,133,995
15	Total - Medical Benefits	1,662,194,277
16	<i>Supplemental Security Income Program</i> General Revenues	18,000,600
17	<i>Rhode Island Works</i>	
18	General Revenues	
19	Child Care	9,668,635
20	Federal Funds	76,471,915
21	Total – Rhode Island Works	86,140,550
22	<i>State Funded Programs</i>	
23	General Revenues	
24	General Public Assistance	2,491,925
25	Of this appropriation, \$210,000 shall be used towards hardship contingency payments.	
26	Federal Funds	299,218,512
27	Total - State Funded Programs	301,710,437
28	<i>Elderly Affairs</i>	
29	General Revenues	
30	General Revenues	9,109,749
31	RIPAE	374,000
32	Care and Safety of the Elderly	1,287
33	Federal Funds	17,769,466
34	Restricted Receipts	572,091

1	Total – Elderly Affairs	27,826,593
2	Grand Total - Human Services	2,331,251,725
3	Behavioral Healthcare, Developmental Disabilities, and Hospitals	
4	<i>Central Management</i>	
5	General Revenues	829,195
6	Federal Funds	320,449
7	Total - Central Management	1,149,644
8	<i>Hospital and Community System Support</i>	
9	General Revenues	2,435,629
10	Restricted Receipts	435,237
11	Rhode Island Capital Plan Funds	
12	Medical Center Rehabilitation	750,000
13	Community Facilities Fire Code	750,000
14	Total – Behavioral Healthcare, Developmental Disabilities and Hospitals	4,370,866
15	<i>Services for the Developmentally Disabled</i>	
16	General Revenues	97,336,360
17	Federal Funds	110,679,602
18	Restricted Receipts	2,006,522
19	Rhode Island Capital Plan Funds	
20	DD Private Waiver	909,832
21	Regional Center Repair/Rehabilitation	750,000
22	MR Community Facilities/Access to Independence	1,000,000
23	Total - Services for the Developmentally Disabled	212,682,316
24	<i>Behavioral Healthcare Services</i>	
25	General Revenues	36,009,986
26	Federal Funds	71,517,483
27	Restricted Receipts	90,000
28	Rhode Island Capital Plan Funds	
29	MH Community Facilities Repairs	300,000
30	MH Housing Development-Thresholds	500,000
31	MH Residences Furniture	25,000
32	Substance Abuse Asset Protection	300,000
33	Total – Behavioral Healthcare Services	108,742,469
34	<i>Hospital and Community Rehabilitation Services</i>	

1	General Revenues	47,638,399
2	Federal Funds	42,972,413
3	Restricted Receipts	5,466,220
4	Rhode Island Capital Plan Funds	
5	Zambarano Buildings and Utilities	500,000
6	Hospital Consolidation	16,000,000
7	MR Community Facilities	1,100,000
8	BHDDH Administrative Building	500,000
9	Total - Hospital and Community Rehabilitation Services	114,177,032
10	Grand Total – Behavioral, Healthcare, Developmental Disabilities	
11	and Hospitals	441,122,327
12	Office of the Child Advocate	
13	General Revenues	603,384
14	Federal Funds	49,048
15	Grand Total – Office of the Child Advocate	652,432
16	Commission on the Deaf and Hard of Hearing General Revenues	387,985
17	Governor's Commission on Disabilities	
18	General Revenues	388,786
19	Federal Funds	181,842
20	Restricted Receipts	9,264
21	Rhode Island Capital Plan Funds	
22	Facility Renovation – Handicapped Accessibility	250,000
23	Grand Total - Governor's Commission on Disabilities	829,892
24	Office of the Mental Health Advocate General Revenues	468,718
25	Elementary and Secondary Education	
26	<i>Administration of the Comprehensive Education Strategy</i>	
27	General Revenues	17,184,938
28	Federal Funds	191,187,703
29	Federal Funds – Stimulus	21,536,413
30	Education Jobs Fund	5,248,761
31	RITT LEA Share	12,850,155
32	Restricted Receipts	1,111,416
33	HRIC Adult Education Grants	5,795,000
34	Rhode Island Capital Plan Funds	

1	Chariho Career and Technical	400,000
2	Cranston Career and Technical	890,000
3	Newport Career and Technical	800,000
4	Warwick Career and Technical	200,000
5	Woonsocket Career and Technical	475,788
6	East Providence Career and Technical	150,000
7	Total – Administration of the Comprehensive Education Strategy	257,830,174
8	<i>Davies Career and Technical School</i>	
9	General Revenues	13,416,256
10	Federal Funds	1,439,216
11	Federal Funds – Stimulus	1,003,933
12	Restricted Receipts	685,495
13	Rhode Island Capital Plan Funds	
14	Davies Roof Repair	387,275
15	Davies HVAC	414,628
16	Davies Asset Protection	425,000
17	Total - Davies Career and Technical School	17,771,803
18	<i>RI School for the Deaf</i>	
19	General Revenues	5,889,334
20	Federal Funds	275,393
21	Restricted Receipt	651,482
22	Total - RI School for the Deaf	6,816,209
23	<i>Metropolitan Career and Technical School</i>	
24	General Revenues	11,642,563
25	Rhode Island Capital Plan Funds	
26	MET School East Bay	2,000,000
27	Total - Metropolitan Career and Technical School	13,642,563
28	<i>Education Aid</i>	
29	General Revenues	621,639,790
30	Federal Funds - Stimulus	3,515,045
31	Restricted Receipt	18,091,028
32	Total – Education Aid	643,245,863
33	<i>Central Falls School District</i>	
34	General Revenues	39,161,820

1	Federal Funds – Stimulus	1,089,396
2	Permanent School Fund – Central Falls	183,624
3	Total - Central Falls School District	40,434,840
4	<i>Housing Aid</i> General Revenues	72,507,180
5	<i>Teachers' Retirement</i> General Revenues	81,635,719
6	Grand Total - Elementary and Secondary Education	1,133,884,351
7	Public Higher Education	
8	<i>Board of Governors/Office of Higher Education</i>	
9	General Revenues	6,141,012
10	Federal Funds	4,588,294
11	Total – Board of Governors/Office of Higher Education	10,729,306
12	<i>University of Rhode Island</i>	
13	General Revenues	57,773,316
14	State Crime Lab	775,000
15	Debt Service	15,164,218
16	Stimulus – Byrne Grant Crime Lab	6,462
17	University and College Funds	586,841,049
18	Debt - Dining Services	1,144,008
19	Debt - Educational and General	3,292,622
20	Debt - Health Services	150,299
21	Debt - Housing Loan Funds	8,462,539
22	Debt - Memorial Union	121,827
23	Debt - Ryan Center	2,800,626
24	Debt - Alton Jones Services	115,886
25	Debt - Parking Authority	1,018,369
26	Debt – Sponsored Research (Ind. Cost)	102,388
27	Debt - URI Energy Conservation	1,932,338
28	Rhode Island Capital Plan Funds	
29	Asset Protection	7,042,364
30	New Chemistry Building	1,000,000
31	URI Biotechnology Center	4,500,000
32	Fine Arts Center Renovation	400,000
33	Total – University of Rhode Island	692,643,311
34	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpected or	

1 unencumbered balances as of June 30, 2012 relating to the University of Rhode Island are hereby
2 reappropriated to fiscal year 2013.

3 *Rhode Island College*

4	General Revenues	38,359,719
5	Debt Service	1,978,374
6	University and College Funds	107,550,237
7	Debt - Education and General	890,878
8	Debt - Housing	413,346
9	Debt - Student Center and Dining	172,960
10	Debt - Student Union	231,531
11	Debt - G.O. Debt Service	1,623,984
12	Rhode Island Capital Plan Funds	
13	Asset Protection	3,011,160
14	Art Center Renovation/Addition	1,300,000
15	Total – Rhode Island College	155,532,189

16 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpected or
17 unencumbered balances as of June 30, 2012 relating to the Rhode Island College are hereby
18 reappropriated to fiscal year 2013.

19 *Community College of Rhode Island*

20	General Revenues	44,619,462
21	Debt Service	1,676,118
22	Restricted Receipts	941,338
23	University and College Funds	88,671,187
24	Debt – Bookstore	24,830
25	Rhode Island Capital Plan Funds	
26	Asset Protection	2,007,101
27	Total – Community College of Rhode Island	137,940,036

28 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpected or
29 unencumbered balances as of June 30, 2012 relating to the Community College of Rhode Island
30 are hereby reappropriated to fiscal year 2013.

31	Grand Total – Public Higher Education	996,844,842
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32 **RI State Council on the Arts**

33	General Revenues	
34	Operating Support	716,635

1	Grants	962,227
2	Federal Funds	973,064
3	Art for Public Facilities	435,000
4	Grand Total - RI State Council on the Arts	3,086,926
5	RI Atomic Energy Commission	
6	General Revenues	879,592
7	Federal Funds	324,104
8	URI Sponsored Research	257,830
9	Rhode Island Capital Plan Funds	
10	RINSC Asset Protection	50,000
11	Grand Total - RI Atomic Energy Commission	1,511,526
12	RI Higher Education Assistance Authority	
13	General Revenues	
14	Needs Based Grants and Work Opportunities	5,014,003
15	Authority Operations and Other Grants	899,101
16	Federal Funds	13,508,323
17	Other Funds	
18	Tuition Savings Program – Needs Based Grants & Work Op.	7,250,000
19	Tuition Savings Program – Administration	740,720
20	Grand Total – RI Higher Education Assistance Authority	27,412,147
21	RI Historical Preservation and Heritage Commission	
22	General Revenues	1,469,797
23	Federal Funds	846,195
24	Restricted Receipts	478,181
25	Rhode Island Capital Plan Funds	
26	Eisenhower House Asset Protection	75,000
27	Grand Total - RI Historical Pres. and Heritage Comm.	2,869,173
28	RI Public Telecommunications Authority	
29	General Revenues	947,960
30	Corporation for Public Broadcasting	683,212
31	Grand Total – RI Public Telecommunications Authority	1,631,172
32	Attorney General	
33	<i>Criminal</i>	
34	General Revenues	13,739,364

1	Federal Funds	2,870,904
2	Restricted Receipts	398,888
3	Total - Criminal	17,009,156
4	<i>Civil</i>	
5	General Revenues	4,692,836
6	Restricted Receipts	723,347
7	Total - Civil	5,416,183
8	<i>Bureau of Criminal Identification</i>	
9	General Revenues	1,101,532
10	Federal Funds	25,040
11	Total – Bureau of Criminal Identification	1,126,572
12	<i>General</i>	
13	General Revenues	2,909,135
14	Rhode Island Capital Plan Funds	
15	Building Renovations and Repairs	250,000
16	Total - General	3,159,135
17	Grand Total - Attorney General	26,711,046
18	Corrections	
19	<i>Central Management</i> General Revenues	8,596,603
20	<i>Parole Board</i>	
21	General Revenues	1,365,771
22	Federal Funds	36,850
23	Total - Parole Board	1,402,621
24	<i>Institutional Corrections</i>	
25	General Revenues	157,573,034
26	Federal Funds	1,911,173
27	Federal Funds – Stimulus	408,000
28	Rhode Island Capital Plan Funds	
29	Women's Bathroom Renovations	410,800
30	Asset Protection	4,250,000
31	Maximum – General Renovations	625,000
32	General Renovations – Women’s	1,774,517
33	ISC Exterior Envelope and HVAC	1,400,000
34	Minimum Security Kitchen Ex	325,000

1	Medium Infrastructure	1,500,000
2	Total - Institutional Corrections	170,177,524
3	<i>Community Corrections</i>	
4	General Revenues	14,605,957
5	Federal Funds	558,522
6	Restricted Receipts	34,371
7	Total – Community Corrections	15,198,850
8	Grand Total - Corrections	195,375,598
9	Judiciary	
10	<i>Supreme Court</i>	
11	General Revenues	26,325,441
12	Defense of Indigents	3,562,240
13	Federal Funds	341,723
14	Restricted Receipts	1,359,947
15	Rhode Island Capital Plan Funds	
16	Judicial HVAC	500,000
17	Judicial Complexes Asset Protection	600,000
18	Total - Supreme Court	32,689,351
19	<i>Judicial Tenure and Discipline</i> General Revenues	111,282
20	<i>Superior Court</i>	
21	General Revenues	20,865,210
22	Federal Funds	72,985
23	Restricted Receipts	498,996
24	Total - Superior Court	21,437,191
25	<i>Family Court</i>	
26	General Revenues	17,533,090
27	Federal Funds	2,974,141
28	Federal Funds Stimulus	57,611
29	Restricted Receipts	252,350
30	Total - Family Court	20,817,192
31	<i>District Court</i>	
32	General Revenues	10,924,545
33	Federal Funds	130,128
34	Restricted Receipts	332,092

1	Total - District Court	11,386,765
2	<i>Traffic Tribunal</i> General Revenues	7,752,175
3	<i>Workers' Compensation Court</i> Restricted Receipts	7,754,978
4	Grand Total - Judiciary	101,948,934
5	Military Staff	
6	<i>National Guard</i>	
7	General Revenues	1,446,301
8	Federal Funds	11,675,448
9	Restricted Funds	235,000
10	Rhode Island Capital Plan Funds	
11	Armory of Mounted Command	750,000
12	State Armories Fire Code Compliance	170,000
13	Federal Armories Fire Code Compliance	53,750
14	Asset Protection	400,000
15	Logistics/Maintenance Facilities Fire Code Compliance	71,813
16	Command Readiness Center Addition	50,000
17	Emergency Management Build	125,000
18	Total - National Guard	14,977,312
19	<i>Emergency Management</i>	
20	General Revenues	2,024,627
21	Federal Funds	17,742,990
22	Restricted Receipts	374,311
23	Total - Emergency Management	20,141,928
24	Grand Total - Military Staff	35,119,240
25	Public Safety	
26	<i>Central Management</i>	
27	General Revenues	780,113
28	Federal Funds	4,122,042
29	Federal Funds – Stimulus	266,476
30	Restricted Receipts	850
31	Total – Central Management	5,169,481
32	<i>E-911 Emergency Telephone System</i> General Revenues	4,772,358
33	<i>State Fire Marshal</i>	
34	General Revenues	2,568,574

1	Federal Funds	450,050
2	Restricted Funds	280,899
3	Rhode Island Capital Plan Funds	
4	Fire Academy	1,325,000
5	Quonset Development Corporation	64,261
6	Total - State Fire Marshal	4,688,784
7	<i>Security Services</i> General Revenues	19,963,594
8	<i>Municipal Police Training Academy</i>	
9	General Revenues	352,118
10	Federal Funds	221,319
11	Federal Funds - Stimulus	86,061
12	Total - Municipal Police Training Academy	659,498
13	<i>State Police</i>	
14	General Revenues	60,970,954
15	Federal Funds	2,356,399
16	Federal Funds – Stimulus	145,641
17	Restricted Receipts	54,000
18	Rhode Island Capital Plan Funds	
19	Barracks and Training	1,025,000
20	Headquarters Repairs/Rehabilitation	200,000
21	State Microwave Upgrade	1,000,000
22	HQ Expansion	300,000
23	Traffic Enforcement - Municipal Training	133,842
24	Lottery Commission Assistance	232,363
25	Airport Corporation	232,363
26	Road Construction Reimbursement	2,546,100
27	Total - State Police	69,196,662
28	Grand Total – Public Safety	104,450,377
29	Office of Public Defender	
30	General Revenues	10,300,580
31	Federal Funds	575,478
32	Federal Funds – Stimulus	883
33	Grand Total - Office of Public Defender	10,876,941
34	Environmental Management	

1	<i>Office of the Director</i>	
2	General Revenues	4,775,428
3	Federal Funds	476,300
4	Restricted Receipts	2,833,219
5	Total – Office of the Director	8,084,947
6	<i>Natural Resources</i>	
7	General Revenues	18,508,312
8	Federal Funds	24,455,444
9	Restricted Receipts	3,779,269
10	DOT Recreational Projects	80,672
11	Blackstone Bike Path Design	36,270
12	Transportation MOU	82,172
13	Rhode Island Capital Plan Funds	
14	Dam Repair	850,000
15	Recreational Facilities Improvements	1,750,000
16	Fort Adams Rehabilitation	1,500,000
17	Galilee Piers Upgrade	950,000
18	Newport Piers	250,000
19	Blackstone Valley Bike Path	500,000
20	Total - Natural Resources	52,742,139
21	<i>Environmental Protection</i>	
22	General Revenues	12,099,861
23	Federal Funds	12,576,798
24	Federal Funds – Stimulus	848,000
25	Restricted Receipts	7,518,547
26	Transportation - MOU	90,107
27	Retrofit Heavy-Duty Diesel Vehicles	3,560,000
28	Total - Environmental Protection	36,693,313
29	Grand Total - Environmental Management	97,520,399
30	Coastal Resources Management Council	
31	General Revenues	2,236,814
32	Federal Funds	1,837,361
33	Federal Funds – Stimulus	201,100
34	Restricted Receipts	250,000

1	Rhode Island Capital Plan Funds	
2	South Coast Restoration Project	729,100
3	Grand Total – Coastal Resources Management Council	5,254,375
4	Transportation	
5	<i>Central Management</i>	
6	Federal Funds	11,394,390
7	Other Funds	
8	Gasoline Tax	1,108,923
9	Total - Central Management	12,503,313
10	<i>Management and Budget</i>	
11	Other Funds	
12	Gasoline Tax	1,176,686
13	Total - Management and Budget	1,176,686
14	<i>Infrastructure – Engineering – Garvee/Motor Fuel Tax Bonds</i>	
15	Federal Funds	291,594,814
16	Federal Funds – Stimulus	7,006,375
17	Restricted Receipts	1,000,000
18	Other Funds	
19	Gasoline Tax	52,273,807
20	Land Sale Revenue	16,603,398
21	Rhode Island Capital Plan Funds	
22	RIPTA Land and Buildings	70,000
23	Total - Infrastructure – Engineering – Garvee/Motor Fuel Tax Bonds	368,548,394
24	<i>Infrastructure Maintenance</i>	
25	Gasoline Tax	41,451,540
26	Non-land Surplus Property	10,000
27	Outdoor Advertising	100,000
28	Rhode Island Capital Plan Funds	
29	Cherry Hill/Lincoln Facility	337,000
30	Maintenance Facility Improvements	300,000
31	Maintenance Facilities – Fire Alarms	125,000
32	Portsmouth Facility	1,435,000
33	Salt Storage Facilities	1,000,000
34	Total - Infrastructure Maintenance	44,758,540

1	Grand Total - Transportation	426,986,933
2	Statewide Totals	
3	General Revenues	3,142,501,188
4	Federal Funds	2,606,487,980
5	Restricted Receipts	189,639,221
6	Other Funds	1,763,594,386
7	Statewide Grand Total	7,702,222,775

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

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

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

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

32	Account	Expenditure Limit
33	State Assessed Fringe Benefit Internal Service Fund	31,054,962
34	Administration Central Utilities Internal Service Fund	20,244,491

1	State Central Mail Internal Service Fund	5,585,439
2	State Telecommunications Internal Service Fund	2,882,141
3	State Automotive Fleet Internal Service Fund	13,926,504
4	Capital Police Internal Service Fund	739,072
5	Surplus Property Internal Service Fund	2,500
6	Health Insurance Internal Service Fund	306,399,745
7	Corrections General Services & Warehouse Internal Service Fund	6,804,849
8	Correctional Industries Internal Service Fund	7,285,903
9	Secretary of State Record Center Internal Service Fund	866,270

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

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

20 SECTION 7. *Appropriation of Temporary Disability Insurance Funds* -- There is hereby
21 appropriated pursuant to sections 28-39-5 and 28-39-8 of the Rhode Island General Laws all
22 funds required to be disbursed for the benefit payments from the Temporary Disability Insurance
23 Fund and Temporary Disability Insurance Reserve Fund for the fiscal year ending June 30, 2012.

24 SECTION 8. *Appropriation of Employment Security Funds* -- There is hereby
25 appropriated pursuant to section 28-42-19 of the Rhode Island General Laws all funds required to
26 be disbursed for benefit payments from the Employment Security Fund for the fiscal year ending
27 June 30, 2012.

28 SECTION 9. For the Fiscal Year ending June 30, 2012, the Rhode Island Housing and
29 Mortgage Finance Corporation shall provide from its resources a minimum of one million five
30 hundred thousand dollars (\$1,500,000) in support of the Neighborhood Opportunities Program.
31 The Corporation shall provide a report detailing the amount of funding provided to this program,
32 as well as information on the number of units of housing provided as a result to the Director of
33 Administration, the Chair of the Housing Resources Commission, the Chair of the House Finance
34 Committee, the Chair of the Senate Finance Committee and the State Budget Officer.

1 SECTION 10. *Appropriation of Lottery Division Funds* – There is hereby appropriated
2 to the Lottery Division any funds required to be disbursed by the Lottery Division for the
3 purposes of paying commissions or transfers to the prize fund for the fiscal year ending June 30,
4 2012.

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

18 No agency or department may employ contracted employees or employee services where
19 the contracted employees would work under state employee supervisors without determination of
20 need by the Director of Administration acting upon positive recommendations of the Budget
21 Officer and the Personnel Administrator and 15 days after a public hearing.

22 Nor may any agency or department contract for services replacing work done by state
23 employees at that time without determination of need by the Director of Administration acting
24 upon the positive recommendations of the Budget Officer and the Personnel Administrator and 30
25 days after a public hearing.

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

29 **FY 2012 FTE POSITION AUTHORIZATION**

30 Departments and Agencies	Full-Time Equivalent
31 Administration	694.6
32 Business Regulation	96.0
33 Labor and Training	470.2
34 Revenue	434.5

1	Legislature	298.5
2	Office of the Lieutenant Governor	8.0
3	Office of the Secretary of State	57.0
4	Office of the General Treasurer	82.0
5	Board of Elections	12.0
6	Rhode Island Ethics Commission	12.0
7	Office of the Governor	45.0
8	Commission for Human Rights	14.5
9	Public Utilities Commission	46.0
10	Office of Health and Human Services	149.0
11	Children, Youth, and Families	662.5
12	Health	426.3
13	Human Services	984.2
14	Behavioral Healthcare, Developmental Disabilities and Hospitals	1,378.2
15	Office of the Child Advocate	5.8
16	Commission on Deaf and Hard of Hearing	3.0
17	Governor's Commission on Disabilities	4.0
18	Office of the Mental Health Advocate	3.7
19	Elementary and Secondary Education	156.4
20	School for the Deaf	60.0
21	Davies Career and Technical School	132.0
22	Office of Higher Education	14.4
23	Provided that 1.0 of the total authorization would be available only for positions that are	
24	supported by third-party funds.	
25	University of Rhode Island	2,436.5
26	Provided that 593.2 of the total authorization would be available only for positions that	
27	are supported by third-party funds.	
28	Rhode Island College	909.6
29	Provided that 82.0 of the total authorization would be available only for positions that are	
30	supported by third-party funds.	
31	Community College of Rhode Island	854.1
32	Provided that 100.0 of the total authorization would be available only for positions that	
33	are supported by third-party funds.	
34	Rhode Island State Council on the Arts	8.6

1	RI Atomic Energy Commission	8.6
2	Higher Education Assistance Authority	41.6
3	Historical Preservation and Heritage Commission	16.6
4	Public Telecommunications Authority	15.0
5	Office of the Attorney General	231.1
6	Corrections	1,419.0
7	Judiciary	723.3
8	Military Staff	117.0
9	Public Safety	605.8
10	Office of the Public Defender	93.0
11	Environmental Management	410.0
12	Coastal Resources Management Council	30.0
13	Transportation	772.6
14	Total	14,942.2

15 SECTION 12. The amounts reflected in this Article include the appropriation of Rhode
16 Island Capital Plan funds for fiscal year 2011 and supersede appropriations provided for FY 2011
17 within Section 12 of Article 1 of Chapter 68 of the P.L. of 2009.

18 The following amounts are hereby appropriated out of any money in the State's Rhode
19 Island Capital Plan Fund not otherwise appropriated to be expended during the fiscal years ending
20 June 30, 2013, June 30, 2014, June 30, 2015, and June 30, 2016. These amounts supersede
21 appropriations provided within Section 12 of Article 1 of Chapter 23 of the P.L. of 2010. For the
22 purposes and functions hereinafter mentioned, the State Controller is hereby authorized and
23 directed to draw his or her orders upon the General Treasurer for the payment of such sums and
24 such portions thereof as may be required by him or her upon receipt of properly authenticated
25 vouchers.

	Fiscal Yr	Fiscal Yr	Fiscal Yr	Fiscal Yr
<u>Project</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>
<u>DOA-Pastore Utilities</u>				
<u>Upgrade</u>	<u>\$2,000,000</u>	<u>\$2,000,000</u>	<u>\$0</u>	<u>\$0</u>
<u>DOA-State House</u>				
<u>Renovations</u>	<u>3,000,000</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>0</u>
<u>DCYF-Fire Code Upgrades-</u>				
<u>Group Homes</u>	<u>1,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>ELSEC-Met. Career and Tech –</u>				

1	<u>East Bay</u>	<u>3,600,000</u>	<u>2,580,000</u>	<u>0</u>	<u>0</u>
2	<u>Higher Ed-Asset Protection-</u>				
3	<u>CCRI</u>	<u>2,050,000</u>	<u>2,093,500</u>	<u>2,138,305</u>	<u>2,184,100</u>
4	<u>Higher Ed-Asset Protection-</u>				
5	<u>RIC</u>	<u>3,075,000</u>	<u>3,143,250</u>	<u>3,213,548</u>	<u>3,285,400</u>
6	<u>Higher Ed-Asset Protection-</u>				
7	<u>URI</u>	<u>7,200,000</u>	<u>7,357,500</u>	<u>7,520,000</u>	<u>7,686,900</u>
8	<u>HPHC-Eisenhower House Asset</u>				
9	<u>Protection</u>	<u>32,500</u>	<u>70,000</u>	<u>45,300</u>	<u>50,000</u>
10	<u>DOC Asset Protection</u>	<u>4,250,000</u>	<u>3,500,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
11	<u>Judicial-Asset Protection</u>	<u>625,000</u>	<u>650,000</u>	<u>675,000</u>	<u>700,000</u>
12	<u>Mil Staff-Asset Protection</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
13	<u>DEM-Dam Repairs</u>	<u>1,000,000</u>	<u>550,000</u>	<u>550,000</u>	<u>500,000</u>
14	<u>DEM-Recreation Facility</u>				
15	<u>Improvements</u>	<u>1,590,000</u>	<u>1,390,000</u>	<u>1,500,000</u>	<u>600,000</u>
16	<u>DOT-Highway Projects</u>				
17	<u>Match Plan</u>	<u>0</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>20,000,000</u>

18 SECTION 13. Reappropriation of Funding for Rhode Island Capital Plan Fund Projects.-

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

24 SECTION 14. Extension of previous authorizations.- The general assembly, pursuant to
25 the provisions of section 35-8-25 of the general laws, hereby extends to the termination date
26 contained herein the authority to issue the following general obligation bond authorization in the
27 amount stated. The original authorization enacted by public law and approved by the people that
28 remain unissued as of January 1, 2011 is as follows:

29		Unissued		
30			Amount to be	
31	<u>Purpose</u>	<u>Statutory Reference</u>	<u>Extended</u>	<u>Termination Date</u>
32	Preservation, Recreation & Heritage	Ch. 65-PL of 2002	\$1,200,000	June 30, 2014
33	Emergency Water Interconnect	Ch. 595-P.L. of 2004	\$5,020,000	Nov. 2, 2014
34	Open Space Recreation, Bay			

1 & Watershed Protection Ch. 595 P.L. of 2004 as\$21,885,000 Nov. 2, 2014

2 SECTION 15. Notwithstanding any provisions of Chapter 19 in Title 23 of the Rhode
3 Island General Laws, the Resource Recovery Corporation shall transfer to the State Controller the
4 sum of three million five hundred thousand dollars (\$3,500,000) by June 30, 2012.

5 SECTION 16. This Article shall take effect as of July 1, 2011.

ARTICLE 2

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RELATING TO MAKING SUPPLEMENTAL APPROPRIATIONS IN SUPPORT OF FY 2011

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SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this article, the following general revenue amounts are hereby appropriated out of any money in the treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2011. The amounts identified for federal funds and restricted receipts shall be made available pursuant to Section 35-4-22 and Chapter 42-41 of the Rhode Island General Laws. For the purposes and functions hereinafter mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the general treasurer for the payment of such sums or such portions thereof as may be required from time to time upon receipt by him or her of properly authenticated vouchers.

	FY 2011	FY 2011	FY 2011
	Enacted	Change	Final
Administration			
<i>Central Management</i> General Revenues	1,475,743	(26,450)	1,449,293
<i>Legal Services</i>			
General Revenues	1,653,248	125,129	1,778,377
Legal Support/DOT	40,034	(40,034)	0
Total - Legal Services	1,693,282	85,095	1,778,377
<i>Accounts and Control</i> General Revenues	3,806,968	(266,855)	3,540,113
<i>Budgeting</i> General Revenues	2,007,066	(89,143)	1,917,923
<i>Purchasing</i>			
General Revenues	2,281,261	(244,716)	2,036,545
Federal Funds	83,458	(20,616)	62,842
Restricted Receipts	189,996	8,722	198,718
Total – Purchasing	2,554,715	(256,610)	2,298,105
<i>Auditing</i>			
General Revenues	1,287,300	(38,547)	1,248,753
Restricted Receipts - OERR	149,215	(149,215)	0

1	Total – Auditing	1,436,515	(187,762)	1,248,753
2	<i>Human Resources</i>			
3	General Revenues	8,751,900	(466,067)	8,285,833
4	Federal Funds	619,186	64,057	683,243
5	Restricted Receipts	373,650	14,827	388,477
6	Other Funds	1,402,085	(37,302)	1,364,783
7	Total - Human Resources	11,146,821	(424,485)	10,722,336
8	<i>Personnel Appeal Board</i> General Revenues	80,803	(656)	80,147
9	<i>Facilities Management</i>			
10	General Revenues	31,912,385	(333,694)	31,578,691
11	Federal Funds	813,073	8,083	821,156
12	Restricted Receipts	356,921	4,388	361,309
13	Other Funds	3,769,381	40,754	3,810,135
14	Total – Facilities Management	36,851,760	(280,469)	36,571,291
15	<i>Capital Projects & Property Management</i>			
16	General Revenues	2,582,383	(24,410)	2,557,973
17	Federal Funds - Stimulus	125,625	(67,262)	58,363
18	Restricted Receipts	1,068,084	18,116	1,086,200
19	Total – Capital Projects & Property Mgmt	3,776,092	(73,556)	3,702,536
20	<i>Information Technology</i>			
21	General Revenues	19,226,491	(631,087)	18,595,404
22	Federal Funds	5,367,473	882,003	6,249,476
23	Federal Stimulus	316,490	(316,490)	0
24	Restricted Receipts	913,984	(131,547)	782,437
25	Other Funds	1,765,587	(140,527)	1,625,060
26	Total – Information Technology	27,590,025	(337,648)	27,252,377
27	<i>Library and Information Services</i>			
28	General Revenues	886,847	(1,893)	884,954
29	Federal Funds	1,383,354	260,959	1,644,313
30	Restricted Receipts	3,000	(1,105)	1,895
31	Total - Library and Information Services	2,273,201	257,961	2,531,162
32	<i>Planning</i>			
33	General Revenues	3,331,033	(178,626)	3,152,407
34	Federal Funds	7,589,208	3,262,103	10,851,311

1	Federal Funds - Stimulus	2,011,598	401,550	2,413,148
2	Other Funds			
3	Federal Highway - PL Systems Planning	4,979,556	(179,428)	4,800,128
4	Air Quality Modeling	10,000	0	10,000
5	Total - Planning	17,921,395	3,305,599	21,226,994
6	<i>General</i>			
7	General Revenues			
8	Economic Development Corporation	5,500,807	0	5,500,807
9	EDC – RI Airport Corporation Impact Aid	1,025,000	0	1,025,000
10	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be			
11	distributed to each airport serving more than 1,000,000 passengers based upon its percentage of			
12	the total passengers served by all airports serving more than 1,000,000 passengers. Forty percent			
13	(40%) of the first \$1,000,000 shall be distributed based on the share of landings during the			
14	calendar year 2010 at North Central Airport, and Westerly Airport, respectively. The Economic			
15	Development Corporation shall make an impact payment to the towns of cities in which the			
16	airport is located based on this calculation.			
17	Each community upon which any parts of the above airports are located shall receive at			
18	least \$25,000.			
19	EDC – EPScore (Research Alliance)	1,500,000	0	1,500,000
20	Miscellaneous Grants	395,956	0	395,956
21	Transition Costs for Elected Officials	100,000	(100,000)	0
22	Slater Centers of Excellence	2,000,000	0	2,000,000
23	Torts – Courts	400,000	66,441	466,441
24	Teachers Retiree Health Subsidy	2,344,502	0	2,344,502
25	Property Revaluation Program	1,000,000	(210,000)	790,000
26	Payment in Lieu of Tax Exempt Properties	27,580,409	0	27,580,409
27	Distressed Communities Relief Program	10,384,458	0	10,384,458
28	Resource Sharing and State Library Aid	8,773,398	0	8,773,398
29	Library Construction Aid	2,492,974	0	2,492,974
30	Motor Vehicle Excise Tax	10,000,000	0	10,000,000
31	Transfer to RICAP	22,000,000	0	22,000,000
32	Restricted Receipts	1,378,997	0	1,378,997
33	Rhode Island Capital Plan Funds			
34	Statehouse Renovations	1,825,000	175,000	2,000,000

1	Cranston Street Armory	500,000	(500,000)	0
2	Cannon Building	0	550,023	550,023
3	Pastore Medical Center Rehabilitation	1,000,000	0	1,000,000
4	Zambarano Building Rehabilitation	450,000	875,000	1,325,000
5	Old State House	275,000	(175,000)	100,000
6	State Office Building	1,000,000	(400,000)	600,000
7	Old Colony House	300,000	200,000	500,000
8	William Powers Building	300,000	98,491	398,491
9	Fire Code Compliance State Buildings	450,000	(50,000)	400,000
10	Pastore Center Fire Code Compliance	500,000	450,000	950,000
11	Pastore Center Utility Systems	620,000	(178,410)	441,590
12	Ladd Center Water System	0	56,490	56,490
13	Replacement of Fueling Tanks	170,073	629,927	800,000
14	Environmental Compliance	600,000	(343,023)	256,977
15	Pastore Utilities Upgrade	1,000,000	(200,000)	800,000
16	Station Park	200,000	(200,000)	0
17	Pastore Center Building Demolition	1,500,000	(1,000,000)	500,000
18	Health Laboratory Feasibility Study	175,000	(175,000)	0
19	McCoy Stadium	372,500	527,500	900,000
20	Washington County Government Center	875,000	(775,000)	100,000
21	Hazard Building Renovations	0	311,085	311,085
22	DoIT Operations Center	3,900,000	430,946	4,330,946
23	Pastore Center Power Plant	900,000	(563,398)	336,602
24	Veterans Memorial Auditorium	2,500,000	956,990	3,456,990
25	Neighborhood Opportunities Program	1,500,000	0	1,500,000
26	Chapin Health Laboratory	0	66,763	66,763
27	Pastore Center Parking	225,000	(225,000)	0
28	Total – General	118,014,074	299,825	118,313,899
29	<i>Debt Service Payments</i>			
30	General Revenues	138,595,566	7,491,242	146,086,808
31	Federal Funds	744,172	1,688,417	2,432,589
32	Restricted Receipts	5,961,330	1,611,522	7,572,852
33	Other Funds			
34	RIPTA Debt Service	1,110,876	(129,185)	981,691

1	Transportation Debt Service	44,477,387	(10,014,137)	34,463,250
2	Investment Receipts – Bond Funds	100,000	0	100,000
3	COPS - DLT Building – TDI	279,166	(11)	279,155
4	Total - Debt Service Payments	191,268,497	647,848	191,916,345
5	<i>Energy Resources</i>			
6	General Revenues	0	104,856	104,856
7	Federal Funds	34,017,221	9,624,591	43,641,812
8	Federal Funds – Stimulus	27,799,664	10,988,003	38,787,667
9	Restricted Receipts	7,423,118	6,694,370	14,117,488
10	Total – Energy Resources	69,240,003	27,411,820	96,651,823
11	<i>Personnel Reform</i>			
12	General Revenues			
13	Pension Reform 2010	(5,654,329)	5,654,329	0
14	Federal Funds			
15	Pension Reform 2010	(1,297,977)	1,297,977	0
16	Restricted Receipts			
17	Pension Reform 2010	(487,960)	487,960	0
18	Other Funds			
19	Pension Reform	(738,091)	738,091	0
20	Total – Personnel Reform	(8,178,357)	8,178,357	0
21	<i>Sheriffs</i> General Revenues	16,341,206	(456,218)	15,884,988
22	Grand Total – Administration	499,299,809	37,786,653	537,086,462
23	Business Regulation			
24	<i>Central Management</i> General Revenues	1,024,858	35,337	1,060,195
25	<i>Banking Regulation</i>			
26	General Revenues	1,696,156	(183,111)	1,513,045
27	Restricted Receipts	125,000	0	125,000
28	Total - Banking Regulation	1,821,156	(183,111)	1,638,045
29	<i>Securities Regulation</i>			
30	General Revenues	839,862	27,317	867,179
31	Restricted Receipts	15,000	0	15,000
32	Total - Securities Regulation	854,862	27,317	882,179
33	<i>Insurance Regulation</i>			
34	General Revenues	4,439,718	(347,217)	4,092,501

1	Federal Funds	0	758,454	758,454
2	Restricted Receipts	1,143,213	23,656	1,166,869
3	Total - Insurance Regulation	5,582,931	434,893	6,017,824
4	<i>Board of Accountancy</i> General Revenues	164,031	(1,186)	162,845
5	<i>Commercial Licensing, Racing & Athletics</i>			
6	General Revenues	735,531	(3,233)	732,298
7	Restricted Receipts	460,170	(3,060)	457,110
8	Total - Commercial Licensing, Racing & Athletics	1,195,701	(6,293)	1,189,408
9	<i>Board for Design Professionals</i> General Revenues	255,891	60,401	316,292
10	Grand Total - Business Regulation	10,899,430	367,358	11,266,788
11	Labor and Training			
12	<i>Central Management</i>			
13	General Revenues	127,131	(4,362)	122,769
14	Restricted Receipts	621,097	120,719	741,816
15	Rhode Island Capital Plan Funds			
16	Center General Asset Protection	745,056	(726,472)	18,584
17	Total - Central Management	1,493,284	(610,115)	883,169
18	<i>Workforce Development Services</i>			
19	General Revenues	65,119	(65,119)	0
20	Federal Funds	29,742,240	3,210,810	32,953,050
21	Federal Funds – Stimulus	5,477,236	3,542,318	9,019,554
22	Restricted Receipts	6,298,170	986,974	7,285,144
23	Other Funds	0	45,450	45,450
24	Total - Workforce Development Services	41,582,765	7,720,433	49,303,198
25	<i>Workforce Regulation and Safety</i> General Revenues	2,404,353	88,910	2,493,263
26	<i>Income Support</i>			
27	General Revenues	4,117,831	(175,033)	3,942,798
28	Federal Funds	18,693,187	(2,319,449)	16,373,738
29	Federal Funds – Stimulus	0	600,300	600,300
30	Federal Funds - Stimulus - UI	128,045,000	34,162,000	162,207,000
31	Restricted Receipts	1,529,556	(228,479)	1,301,077
32	Other Funds			
33	Temporary Disability Insurance Fund	173,002,366	(3,778,109)	169,224,257
34	Employment Security Fund	448,928,000	48,524,146	497,452,146

1	Reed Act/UC Modernization	4,279,178	1,944,128	6,223,306
2	The entire amount is appropriated from the Unemployment Compensation Modernization			
3	Incentive Payments solely for the administration of this state's unemployment compensation law			
4	(Section 903(f), SSA).			
5	Total - Income Support	778,595,118	78,729,504	857,324,622
6	<i>Injured Workers Services</i> Restricted Receipts	9,080,322	(403,514)	8,676,808
7	<i>Labor Relations Board</i> General Revenues	402,597	(30,638)	371,959
8	Grand Total - Labor and Training	833,558,439	85,494,580	919,053,019
9	Department of Revenue			
10	<i>Director of Revenue</i> General Revenues	500,231	92,649	592,880
11	<i>Office of Revenue Analysis</i> General Revenues	555,607	(139,534)	416,073
12	<i>Lottery Division</i> Lottery Funds	192,140,596	22,865,910	215,006,506
13	<i>Municipal Finance</i>			
14	General Revenues	1,159,585	(33,357)	1,126,228
15	Central Falls Receivership	0	995,462	995,462
16	Total – Municipal Finance	1,159,585	962,105	2,121,690
17	<i>Taxation</i>			
18	General Revenues	16,726,289	(437,429)	16,288,860
19	Federal Funds	1,234,831	(1,508)	1,233,323
20	Federal Funds Stimulus	16,408	3,214	19,622
21	Restricted Receipts	809,091	(997)	808,094
22	Other Funds			
23	Motor Fuel Tax Evasion	83,735	(38,258)	45,477
24	Temporary Disability Insurance	908,539	(1,110)	907,429
25	Tax Data Warehouse	500,000	0	500,000
26	Total – Taxation	20,278,893	(476,088)	19,802,805
27	<i>Registry of Motor Vehicles</i>			
28	General Revenues	16,537,373	(15,347)	16,522,026
29	Federal Funds	1,038,531	323,524	1,362,055
30	Restricted Receipts	15,100	1,143,265	1,158,365
31	Rhode Island Capital Plan Funds			
32	Registry of Motor Vehicles	4,104,501	(767,743)	3,336,758
33	Total – Registry of Motor Vehicles	21,695,505	683,699	22,379,204
34	Grand Total – Revenue	236,330,417	23,988,741	260,319,158

1	Legislature			
2	General Revenues	37,474,136	(504,045)	36,970,091
3	Restricted Receipts	1,575,008	306	1,575,314
4	Grand Total – Legislature	39,049,144	(503,739)	38,545,405
5	Lieutenant Governor General Revenues	924,479	(26,379)	898,100
6	Secretary of State			
7	<i>Administration</i> General Revenues	1,943,053	1,713	1,944,766
8	<i>Corporations</i>			
9	General Revenues	1,820,271	40,135	1,860,406
10	Quick Start	250,000	0	250,000
11	Any unspent funds are to be automatically reappropriated to FY 2012 to be used for the			
12	same purpose.			
13	Total – Corporations	2,070,271	40,135	2,110,406
14	<i>State Archives</i>			
15	General Revenues	80,084	30,658	110,742
16	Restricted Receipts	494,567	(35,131)	459,436
17	Total - State Archives	574,651	(4,473)	570,178
18	<i>Elections & Civics</i>			
19	General Revenues	1,913,831	(230,165)	1,683,666
20	Federal Funds	100,000	27,092	127,092
21	Total – Elections and Civics	2,013,831	(203,073)	1,810,758
22	<i>State Library</i> General Revenues	571,887	1,656	573,543
23	<i>Office of Public Information</i> General Revenues	329,581	1,513	331,094
24	Grand Total – Secretary of State	7,503,274	(162,529)	7,340,745
25	General Treasurer			
26	<i>Treasury</i>			
27	General Revenues	2,183,087	56,970	2,240,057
28	Federal Funds	261,617	23,510	285,127
29	Other Funds			
30	Temporary Disability Insurance Fund	218,915	23,654	242,569
31	Total – Treasury	2,663,619	104,134	2,767,753
32	<i>State Retirement System</i>			
33	Restricted Receipts			
34	Admin Expenses - State Retirement System	10,978,332	(4,644,701)	6,333,631

1	Retirement - Treasury Investment Operations	1,143,087	(168,494)	974,593
2	Total - State Retirement System	12,121,419	(4,813,195)	7,308,224
3	<i>Unclaimed Property</i> Restricted Receipts	15,789,173	1,050,197	16,839,370
4	<i>Crime Victim Compensation Program</i>			
5	General Revenues	87,562	14,582	102,144
6	Federal Funds	846,563	(666)	845,897
7	Restricted Receipts	1,510,022	(4,117)	1,505,905
8	Total - Crime Victim Compensation Program	2,444,147	9,799	2,453,946
9	Grand Total – General Treasurer	33,018,358	(3,649,065)	29,369,293
10	Board of Elections			
11	General Revenues	1,847,971	(288,849)	1,559,122
12	Public Financing of General Elections	2,110,000	(449,290)	1,660,710
13	Federal Funds	0	109,694	109,694
14	Grand Total - Board of Elections	3,957,971	(628,445)	3,329,526
15	Rhode Island Ethics Commission General Revenues	1,482,659	(27,790)	1,454,869
16	Office of Governor			
17	General Revenues	4,502,606	(408,908)	4,093,698
18	Contingency Fund	250,000	0	250,000
19	Federal Stimulus – OERR	0	132,605	132,605
20	Restricted Receipts – OERR	1,498,546	(778,862)	719,684
21	Grand Total – Office of Governor	6,251,152	(1,055,165)	5,195,987
22	Commission for Human Rights			
23	General Revenues	1,014,978	199,468	1,214,446
24	Federal Funds	356,689	(194,920)	161,769
25	Grand Total - Commission for Human Rights	1,371,667	4,548	1,376,215
26	Public Utilities Commission			
27	Federal Funds	102,225	0	102,225
28	Federal Funds – Stimulus	194,105	0	194,105
29	Restricted Receipts	7,430,326	(11,636)	7,418,690
30	Grand Total - Public Utilities Commission	7,726,656	(11,636)	7,715,020
31	Office of Health and Human Services			
32	General Revenues	3,420,163	106,654	3,526,817
33	Federal Funds	2,873,533	435,483	3,309,016
34	Restricted Receipts	874,013	17,844	891,857

1	Grand Total – Health and Human Services	7,167,709	559,981	7,727,690
2	Children, Youth, and Families			
3	<i>Central Management</i>			
4	General Revenues	4,451,118	(387,195)	4,063,923
5	Federal Funds	1,960,809	(125,205)	1,835,604
6	Restricted Receipts	301,122	0	301,122
7	Total - Central Management	6,713,049	(512,400)	6,200,649
8	<i>Children's Behavioral Health Services</i>			
9	General Revenues	11,706,718	(1,255,160)	10,451,558
10	Federal Funds	10,893,490	(660,039)	10,233,451
11	Federal Funds – Stimulus	1,121,026	(190,530)	930,496
12	Rhode Island Capital Plan Funds			
13	Groden Center Mt. Hope	275,000	(258,545)	16,455
14	NAFI Center	550,000	(500,000)	50,000
15	Mt. Hope Fire Towers	0	275,000	275,000
16	Various Repairs and Improvements	0	75,500	75,500
17	Old Training School Close	0	75,000	75,000
18	Total - Children's Behavioral Health Services	24,546,234	(2,438,774)	22,107,460
19	<i>Juvenile Correctional Services</i>			
20	General Revenues	31,886,768	201,052	32,087,820
21	Federal Funds	2,224,548	(227,215)	1,997,333
22	Federal Funds – Stimulus	714,156	(56,318)	657,838
23	Adolp Meyer renovations Girls Training School	2,500,000	(2,500,000)	0
24	Total - Juvenile Correctional Services	37,325,472	(2,582,481)	34,742,991
25	<i>Child Welfare</i>			
26	General Revenues	95,697,218	262,757	95,959,975
27	18 to 21 Year Olds	9,104,273	1,025,900	10,130,173
28	Federal Funds	50,991,522	(701,480)	50,290,042
29	18 to 21 Year Olds	4,187,196	(1,685,648)	2,501,548
30	Federal Funds – Stimulus	5,762,416	(1,329,256)	4,433,160
31	Restricted Receipts	2,005,793	178,222	2,184,015
32	Rhode Island Capital Plan Funds			
33	Camp E-Hun-Tee	65,000	0	65,000
34	Fire Code Upgrades	1,000,000	(100,000)	900,000

1	Total - Child Welfare	168,813,418	(2,349,505)	166,463,913
2	<i>Higher Education Incentive Grants</i> General Revenues	200,000	0	200,000
3	Grand Total - Children, Youth, and Families	237,598,173	(7,883,160)	229,715,013
4	Elderly Affairs			
5	General Revenues	8,758,124	(92,442)	8,665,682
6	RIPAE	1,341,175	(308,139)	1,033,036
7	Care and Safety of the Elderly	1,300	(6)	1,294
8	Federal Funds	15,053,664	5,672,327	20,725,991
9	Federal Funds – Stimulus	882,402	134,625	1,017,027
10	Restricted Receipts	675,931	469,160	1,145,091
11	Grand Total - Elderly Affairs	26,712,596	5,875,525	32,588,121
12	Health			
13	<i>Central Management</i>			
14	General Revenues	1,604,353	(81,896)	1,522,457
15	Federal Funds	9,194,894	3,758,314	12,953,208
16	Restricted Receipts	2,635,336	326,778	2,962,114
17	Total - Central Management	13,434,583	4,003,196	17,437,779
18	<i>State Medical Examiner</i>			
19	General Revenues	2,056,373	11,701	2,068,074
20	Federal Funds	212,509	32,421	244,930
21	Total - State Medical Examiner	2,268,882	44,122	2,313,004
22	<i>Environmental and Health Services Regulation</i>			
23	General Revenues	8,411,277	309,732	8,721,009
24	Federal Funds	4,426,864	788,036	5,214,900
25	Restricted Receipts	3,669,775	474,773	4,144,548
26	Total - Environmental and Health Services			
27	Regulation	16,507,916	1,572,541	18,080,457
28	<i>Health Laboratories</i>			
29	General Revenues	7,050,149	(272,185)	6,777,964
30	Federal Funds	1,186,887	329,765	1,516,652
31	Laboratory Capacity for Infectious Disease	0	111,030	111,030
32	Total - Health Laboratories	8,237,036	168,610	8,405,646
33	<i>Public Health Information</i>			
34	General Revenues	1,909,149	(180,856)	1,728,293

1	Federal Funds	1,571,266	510,797	2,082,063
2	Electronic Health Records & Immunization	0	395,165	395,165
3	Total – Public Health Information	3,480,415	725,106	4,205,521
4	<i>Community and Family Health and Equity</i>			
5	General Revenues	4,324,134	927,227	5,251,361
6	Federal Funds	40,295,603	12,037,624	52,333,227
7	Federal Stimulus – Medicaid	4,219,716	1,494,401	5,714,117
8	Restricted Receipts	18,777,842	(14,820)	18,763,022
9	Other Funds			
10	Walkable Communities Initiative	13,091	(13,091)	0
11	Safe and Active Commuting	83,958	32,242	116,200
12	RI Airport Corporation Funds	82,792	(82,792)	0
13	Total – Community & Family Health & Equity	67,797,136	14,380,791	82,177,927
14	<i>Infectious Disease and Epidemiology</i>			
15	General Revenues	2,269,468	(349,943)	1,919,525
16	Federal Funds	2,151,372	415,499	2,566,871
17	Federal Funds – Stimulus	0	155,709	155,709
18	Total – Infectious Disease and Epidemiology	4,420,840	221,265	4,642,105
19	Grand Total – Health	116,146,808	21,115,631	137,262,439
20	Human Services			
21	<i>Central Management</i>			
22	General Revenues	5,144,596	1,026,888	6,171,484
23	Federal Funds	5,155,633	68,083	5,223,716
24	Federal Funds – Stimulus	3,784,249	0	3,784,249
25	Restricted Receipts	800,001	(1)	800,000
26	Total - Central Management	14,884,479	1,094,970	15,979,449
27	<i>Child Support Enforcement</i>			
28	General Revenues	2,358,873	(88,475)	2,270,398
29	Federal Funds	6,072,456	269,483	6,341,939
30	Federal Funds – Stimulus	813,300	28,348	841,648
31	Total – Child Support Enforcement	9,244,629	209,356	9,453,985
32	<i>Individual and Family Support</i>			
33	General Revenues	22,152,712	(1,590,700)	20,562,012
34	Federal Funds	80,216,754	767,885	80,984,639

1	Federal Funds – Stimulus	36,328,397	(29,032,193)	7,296,204
2	In addition to the activities that are part of the approved federal plan for the state’s use of			
3	Temporary Assistance to Needy Families Emergency Contingency funding provided by the			
4	American Recovery and Reinvestment Act of 2009, the Department may, with the remaining			
5	federal funds, give priority to employment support activities for families reaching the Rhode			
6	Island Works program’s time limits and to housing assistance programs administered through the			
7	Department of Administration’s Housing Resources Commission to address homelessness issues,			
8	including mortgage and rental assistance.			
9	Restricted Receipts	180,000	0	180,000
10	Other Funds			
11	Food Stamp Bonus Funding	0	559,871	559,871
12	Blind Vending Facilities	75,000	129,064	204,064
13	Intermodal Surface Transportation Fund	4,210,000	15,924	4,225,924
14	Total - Individual and Family Support	143,162,863	(29,150,149)	114,012,714
15	<i>Veterans' Affairs</i>			
16	General Revenues	19,437,637	599,689	20,037,326
17	Federal Funds	6,682,784	1,400,292	8,083,076
18	Restricted Receipts	1,491,200	1,141,000	2,632,200
19	Total - Veterans' Affairs	27,611,621	3,140,981	30,752,602
20	<i>Health Care Quality, Financing and Purchasing</i>			
21	General Revenues	21,047,376	301,371	21,348,747
22	Federal Funds	45,026,382	2,549,669	47,576,051
23	Federal Funds - Stimulus	0	2,039,672	2,039,672
24	Restricted Receipts	60,000	0	60,000
25	Total - Health Care Quality,			
26	Financing & Purchasing	66,133,758	4,890,712	71,024,470
27	<i>Medical Benefits</i>			
28	General Revenues			
29	Managed Care	224,653,257	(1,612,431)	223,040,826
30	Hospitals	108,579,127	3,978,149	112,557,276
31	Long Term Care			
32	Nursing Facilities	115,209,692	14,267,808	129,477,500
33	Home and Community Based Services	25,070,500	2,061,800	27,132,300
34	Other	37,096,383	3,125,515	40,221,898

1	Pharmacy	39,167,569	(1,248,243)	37,919,326
2	Rhody Health	64,665,364	3,228,896	67,894,260
3	Federal Funds			
4	Managed Care	335,553,819	(15,644,569)	319,909,250
5	Hospitals	127,120,272	578,554	127,698,826
6	Nursing Facilities	170,120,468	7,128,032	177,248,500
7	Home and Community Based Services	37,019,500	123,320	37,142,820
8	Other	64,798,735	(566,684)	64,232,051
9	Pharmacy	5,923,120	(3,912,540)	2,010,580
10	Rhody Health	95,485,908	(336,798)	95,149,110
11	Special Education	20,837,655	0	20,837,655
12	Federal Funds – Stimulus	159,192,031	(31,971,300)	127,220,731
13	Restricted Receipts	6,915,000	0	6,915,000
14	Total - Medical Benefits	1,637,408,400	(20,800,491)	1,616,607,909
15	<i>Supplemental Security Income Prgrm</i> General Revenues	19,310,887	1,502,284	20,813,171
16	<i>Rhode Island Works</i>			
17	General Revenues			
18	Child Care	8,780,999	511,841	9,292,840
19	Federal Funds	78,138,767	(314,051)	77,824,716
20	Federal Funds – Stimulus	596,350	314,051	910,401
21	Total – Rhode Island Works	87,516,116	511,841	88,027,957
22	<i>State Funded Programs</i>			
23	General Revenues General Public Assistance	2,653,682	(97,782)	2,555,900
24	Federal Funds	234,379,115	30,268,600	264,647,715
25	Federal Funds – Stimulus	43,000,000	(35,455,891)	7,544,109
26	Total - State Funded Programs	280,032,797	(5,285,073)	274,747,724
27	Grand Total - Human Services	2,285,305,550	(43,885,569)	2,241,419,981
28	Behavioral Health, Developmental Disabilities, and Hospitals			
29	<i>Central Management</i>			
30	General Revenues	795,281	(14,182)	781,099
31	Federal Funds	131,287	80,135	211,422
32	Restricted Receipts	632,882	(632,882)	0
33	Total - Central Management	1,559,450	(566,929)	992,521
34	<i>Hospital and Community System Support</i>			

1	General Revenues	1,829,075	(33,255)	1,795,820
2	Restricted Receipts	0	437,679	437,679
3	Rhode Island Capital Plan Funds			
4	Medical Center Rehabilitation	1,420,000	498,793	1,918,793
5	Community Facilities Fire Code	1,000,000	(250,000)	750,000
6	DD Private Waiver Com Facilities-Fire Code	602,691	(602,691)	0
7	Total - Hospital and Community System Support	4,851,766	50,526	4,902,292
8	<i>Services for the Developmentally Disabled</i>			
9	General Revenues	81,508,130	6,685,787	88,193,917
10	Federal Funds	121,373,476	4,307,673	125,681,149
11	Federal Funds – Stimulus	24,661,865	(5,020,292)	19,641,573
12	Restricted Receipts	2,007,500	(977)	2,006,523
13	Rhode Island Capital Plan Funds			
14	Regional Center Repair/Rehabilitation	500,000	(50,000)	450,000
15	MR Community Facilities	1,100,000	(100,000)	1,000,000
16	Developmental Disability Group Homes	1,000,000	(1,000,000)	0
17	DD Private Waiver Comm.	0	101,676	101,676
18	Total - Svcs for the Developmentally Disabled	232,150,971	4,923,867	237,074,838
19	<i>Behavioral Healthcare Services</i>			
20	General Revenues	41,614,835	(87,279)	41,527,556
21	Federal Funds	55,902,313	1,818,882	57,721,195
22	Federal Funds – Stimulus	8,044,623	(1,398,679)	6,645,944
23	Restricted Receipts	90,000	37,633	127,633
24	Rhode Island Capital Plan Funds			
25	MH Community Facilities Repair	300,000	(10,625)	289,375
26	MH Housing Development-Thresholds	500,000	0	500,000
27	MH Residence Furniture	56,000	(36,000)	20,000
28	Substance Abuse Asset Production	200,000	0	200,000
29	Total – Behavioral Healthcare Services	106,707,771	323,932	107,031,703
30	<i>Hospital and Community Rehabilitative Services</i>			
31	General Revenues	37,936,923	193,725	38,130,648
32	Federal Funds	41,236,882	4,245,619	45,482,501
33	Federal Funds – Stimulus	8,568,312	(1,209,924)	7,358,388
34	Restricted Receipts	7,958,252	(2,480,609)	5,477,643

1	Rhode Island Capital Plan Funds			
2	Zambarano Buildings and Utilities	780,000	(295,915)	484,085
3	Eleanor Slater HVAC	2,000,000	(2,000,000)	0
4	Hospital Consolidation	3,000,000	(1,900,000)	1,100,000
5	MR Community Facilities	0	900,000	900,000
6	Total - Hospital & Community Rehab Svcs	101,480,369	(2,547,104)	98,933,265
7	Grand Total – Behavioral Health,			
8	Developmental Disabilities, & Hospitals	446,750,327	2,184,292	448,934,619
9	Office of the Child Advocate			
10	General Revenues	543,822	12,225	556,047
11	Federal Funds	45,805	897	46,702
12	Grand Total – Office of the Child Advocate	589,627	13,122	602,749
13	Commission on the Deaf and Hard of Hearing			
14	General Revenues	362,824	1,978	364,802
15	Governor's Commission on Disabilities			
16	General Revenues	367,229	(3,921)	363,308
17	Federal Funds	193,598	4,897	198,495
18	Restricted Receipts	13,626	(4,518)	9,108
19	Rhode Island Capital Plan Funds			
20	Facility Renovation – Handicapped	250,000	0	250,000
21	Grand Total - Governor's Commission on			
22	Disabilities	824,453	(3,542)	820,911
23	Mental Health Advocate General Revenues	440,950	(31,217)	409,733
24	Elementary and Secondary Education			
25	<i>Administration of the Comprehensive Education Strategy</i>			
26	General Revenues	20,063,593	(959,625)	19,103,968
27	Federal Funds	190,900,733	(133,109)	190,767,624
28	Federal Funds – Stimulus	28,557,969	22,613,408	51,171,377
29	RTTT LEA Share	0	5,570,633	5,570,633
30	Education Jobs Fund	0	26,716,766	26,716,766
31	Restricted Receipts	951,487	47,590	999,077
32	HRIC Adult Education Grants	4,640,000	(1,140,000)	3,500,000
33	Statewide Transportation - RIPTA Grant	200,000	(95,000)	105,000
34	Rhode Island Capital Plan Funds			

1	Shepard Building Air Quality	0	13,221	13,221
2	Chariho Career and Technical	700,000	500,000	1,200,000
3	East Providence Career and Technical	107,872	842,128	950,000
4	Cranston Career and Technical	560,000	(390,949)	169,051
5	Newport Career and Technical	343,362	56,638	400,000
6	Warwick Career and Technical	258,036	0	258,036
7	Woonsocket Career and Technical	450,788	(450,788)	0
8	Total – Administration of the Comprehensive			
9	Education Strategy	247,733,840	53,190,913	300,924,753
10	<i>Davies Career and Technical School</i>			
11	General Revenues	14,320,912	6,965	14,327,877
12	Federal Funds	1,377,959	464,954	1,842,913
13	Federal Funds – Stimulus	690,087	389,766	1,079,853
14	Rhode Island Capital Plan Funds			
15	Davies Roof Repair	800,000	436,725	1,236,725
16	Davies HVAC	999,000	0	999,000
17	Davies Asset Protection	150,000	(37,059)	112,941
18	Total - Davies Career and Technical School	18,337,958	1,261,351	19,599,309
19	<i>RI School for the Deaf</i>			
20	General Revenues	6,032,357	(114,223)	5,918,134
21	Federal Funds	325,509	13,822	339,331
22	Federal Funds – Stimulus	249,940	373,951	623,891
23	Restricted Receipts	720,941	(103,289)	617,652
24	Total - RI School for the Deaf	7,328,747	170,261	7,499,008
25	<i>Metropolitan Career and Technical School</i>			
26	General Revenues	12,616,028	7,197	12,623,225
27	Federal Funds – Stimulus	467,191	(467,191)	0
28	Rhode Island Capital Plan Funds			
29	MET School East Bay	4,000,000	(3,485,122)	514,878
30	Total – Metropolitan Career & Technical School	17,083,219	(3,945,116)	13,138,103
31	<i>Education Aid</i>			
32	General Revenues	614,888,594	1,662,965	616,551,559
33	Federal Funds	0	42,766	42,766
34	Federal Funds – Stimulus	16,322,112	3,163,888	19,486,000

1	Restricted Receipts	17,618,322	(3,715,168)	13,903,154
2	Total – Education Aid	648,829,028	1,154,451	649,983,479
3	<i>Central Falls School District</i>			
4	General Revenues	41,774,118	(1,958,623)	39,815,495
5	Federal Funds – Stimulus	1,089,396	(41,377)	1,048,019
6	Permanent School Fund – Central Falls	183,624	0	183,624
7	Total - Central Falls School District	43,047,138	(2,000,000)	41,047,138
8	<i>Housing Aid</i> General Revenues	70,774,727	(2,798,213)	67,976,514
9	<i>Teachers' Retirement</i> General Revenues	75,598,212	(5,944,919)	69,653,293
10	Grand Total - Elementary and Secondary			
11	Education	1,128,732,869	41,088,728	1,169,821,597
12	Public Higher Education			
13	<i>Board of Governors/Office of Higher Education</i>			
14	General Revenues	6,973,398	(240,000)	6,733,398
15	Federal Funds	3,733,780	849,999	4,583,779
16	Total - Board of Governors/Office of Higher			
17	Education	10,707,178	609,999	11,317,177
18	<i>University of Rhode Island</i>			
19	General Revenues	56,618,919	0	56,618,919
20	Debt Service	15,967,304	(960,577)	15,006,727
21	Stabilization Funds – Fire Safety	5,002,975	7,495,381	12,498,356
22	Federal Stimulus Funds	33,769	(33,769)	0
23	Other Funds			
24	University and College Funds	528,635,501	37,582,036	566,217,537
25	Debt – Dining Services	1,138,100	2,970	1,141,070
26	Debt – Education and General	4,436,435	(1,405,233)	3,031,202
27	Debt – Health Services	156,415	(6,718)	149,697
28	Debt – Housing Loan Funds	8,529,091	(56,575)	8,472,516
29	Debt – Memorial Union	127,290	(6,243)	121,047
30	Debt – Ryan Center	2,798,555	(8,275)	2,790,280
31	Debt – Alton Jones Services	115,211	(249)	114,962
32	Debt - Parking Authority	1,187,081	(280,752)	906,329
33	Debt – Sponsored Research (Ind. Cost)	102,388	(791)	101,597
34	Debt – Energy Conservation	1,896,738	0	1,896,738

1	Rhode Island Capital Plan Funds			
2	Asset Protection	5,327,980	13,346	5,341,326
3	New Chemistry Building	4,500,000	(1,932,690)	2,567,310
4	Joint Nursing Building Feasibility	150,000	18,500	168,500
5	Provided that the feasibility study include enrollment projections, operating costs, space			
6	sharing plans, governance plans and a comparison to alternate plans for separate facilities.			
7	URI Biotechnology Center	2,334,910	(1,734,910)	600,000
8	Total – University of Rhode Island	639,058,662	38,685,451	677,744,113
9	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or			
10	unencumbered balances as of June 30, 2011 relating to the University of Rhode Island are hereby			
11	reappropriated to fiscal year 2012.			
12	<i>Rhode Island College</i>			
13	General Revenues	37,567,515	0	37,567,515
14	Debt Service	1,972,215	(35,527)	1,936,688
15	Federal Funds – Stimulus	3,973,232	5,953,452	9,926,684
16	Other Funds			
17	University and College Funds	105,117,720	434,351	105,552,071
18	Debt – Education and General	295,196	0	295,196
19	Debt – Housing	412,704	0	412,704
20	Debt – Student Center and Dining	172,692	215,094	387,786
21	Debt – Student Union	235,031	0	235,031
22	Debt – G.O. Debt Service	1,615,685	0	1,615,685
23	Rhode Island Capital Plan Funds			
24	Asset Protection	2,337,800	0	2,337,800
25	New Art Center Advanced	1,700,000	(1,200,000)	500,000
26	Total – Rhode Island College	155,399,790	5,367,370	160,767,160
27	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or			
28	unencumbered balances as of June 30, 2011 relating to Rhode Island College are hereby			
29	reappropriated to fiscal year 2012.			
30	<i>Community College of Rhode Island</i>			
31	General Revenues	42,884,078	0	42,884,078
32	Debt Service	1,623,414	(37,545)	1,585,869
33	Federal Funds – Stimulus	2,260,911	3,387,727	5,648,638
34	Restricted Receipts	930,000	0	930,000

1	University and College Funds	81,597,956	784,583	82,382,539
2	Debt – Bookstore	25,430	0	25,430
3	Rhode Island Capital Plan Funds			
4	Asset Protection	1,514,970	6,503	1,521,473
5	Fire Code and HVAC	1,800,000	1,434,075	3,234,075
6	Total – Community College of RI	132,636,759	5,575,343	138,212,102
7	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or			
8	unencumbered balances as of June 30, 2011 relating to the Community College of Rhode Island			
9	are hereby reappropriated to fiscal year 2012.			
10	Grand Total – Public Higher Education	937,802,389	50,238,163	988,040,552
11	RI State Council on the Arts			
12	General Revenues			
13	Operating Support	665,871	(7,963)	657,908
14	Grants	1,002,475	0	1,002,475
15	Federal Funds	950,990	(421)	950,569
16	Other Funds Arts for Public Facilities	435,000	500,000	935,000
17	Grand Total - RI State Council on the Arts	3,054,336	491,616	3,545,952
18	RI Atomic Energy Commission			
19	General Revenues	875,781	(14,750)	861,031
20	Federal Funds	300,159	13,945	314,104
21	Other Funds			
22	URI Sponsored Research	266,410	(19,363)	247,047
23	Rhode Island Capital Plan Funds			
24	RINSC Asset Protection	50,000	0	50,000
25	Grand Total - RI Atomic Energy Commission	1,492,350	(20,168)	1,472,182
26	RI Higher Education Assistance Authority			
27	General Revenues			
28	Needs Based Grants and Work Opportunities	5,882,700	580,000	6,462,700
29	Authority Operations and Other Grants	840,647	16,839	857,486
30	Federal Funds	12,044,337	1,137,976	13,182,313
31	Other Funds			
32	Tuition Savings Program– Needs Based Grants	6,300,000	0	6,300,000
33	Tuition Savings Program – Administration	721,425	(766)	720,659
34	Grand Total – RI Higher Education Assistance			

1	Authority	25,789,109	1,734,049	27,523,158
2	RI Historical Preservation and Heritage Commission			
3	General Revenues	1,348,717	27,802	1,376,519
4	Federal Funds	835,804	5,704	841,508
5	Restricted Receipts	479,450	(3,898)	475,552
6	Grand Total – RI Historical Preservation			
7	and Heritage Commission	2,663,971	29,608	2,693,579
8	RI Public Telecommunications Authority			
9	General Revenues	1,035,967	(106,642)	929,325
10	Corporation for Public Broadcasting	636,750	9,984	646,734
11	Grand Total – RI Public Telecommunications			
12	Authority	1,672,717	(96,658)	1,576,059
13	Attorney General			
14	<i>Criminal</i>			
15	General Revenues	13,048,850	(344,939)	12,703,911
16	Federal Funds	1,151,910	115,989	1,267,899
17	Federal Funds – Stimulus	40,370	591,932	632,302
18	Restricted Receipts	413,472	34,642	448,114
19	Total – Criminal	14,654,602	397,624	15,052,226
20	<i>Civil</i>			
21	General Revenues	4,297,585	418,837	4,716,422
22	Restricted Receipts	789,187	80,356	869,543
23	Total – Civil	5,086,772	499,193	5,585,965
24	<i>Bureau of Criminal Identification</i>			
25	General Revenues	1,075,046	(33,328)	1,041,718
26	Federal Funds	56,550	43,392	99,942
27	Total - Bureau of Criminal Identification	1,131,596	10,064	1,141,660
28	<i>General</i>			
29	General Revenues	2,788,249	13,066	2,801,315
30	Rhode Island Capital Plan Funds			
31	Building Renovations and Repairs	200,000	237,270	437,270
32	Total – General	2,988,249	250,336	3,238,585
33	Grand Total - Attorney General	23,861,219	1,157,217	25,018,436
34	Corrections			

1	<i>Central Management</i>			
2	General Revenues	8,071,545	(175,275)	7,896,270
3	Federal Funds – Stimulus	200,000	0	200,000
4	Total Central Management	8,271,545	(175,275)	8,096,270
5	<i>Parole Board</i>			
6	General Revenues	1,336,212	(67,786)	1,268,426
7	Federal Funds	38,000	8,090	46,090
8	Total - Parole Board	1,374,212	(59,696)	1,314,516
9	<i>Institutional Corrections</i>			
10	General Revenues	155,261,526	(627,056)	154,634,470
11	Federal Funds	1,723,983	496,022	2,220,005
12	Federal Funds – Stimulus	479,433	77,907	557,340
13	Rhode Island Capital Plan Funds			
14	Maximum General Renovations	0	744,480	744,480
15	Women's Bathroom Renovations	655,400	(602,220)	53,180
16	Bernadette Guay Bldg Roof	0	351,381	351,381
17	Asset Protection	2,500,000	201,639	2,701,639
18	Reintegration Unit	0	1,409,968	1,409,968
19	Women's Roof, Masonry & General Renovations	2,389,724	(1,172,243)	1,217,481
20	ISC Exterior Envelope and HVAC	100,000	0	100,000
21	Minimum Security Kitchen Ex	325,000	(325,000)	0
22	Total - Institutional Corrections	163,435,066	554,878	163,989,944
23	<i>Community Corrections</i>			
24	General Revenues	13,660,118	202,281	13,862,399
25	Federal Funds	353,444	298,549	651,993
26	Federal Funds - Stimulus	0	31,280	31,280
27	Restricted Receipts	87,134	37,640	124,774
28	Total – Community Corrections	14,100,696	569,750	14,670,446
29	Grand Total – Corrections	187,181,519	889,657	188,071,176
30	Judiciary			
31	<i>Supreme Court</i>			
32	General Revenues	25,316,693	138,350	25,455,043
33	Defense of Indigents	3,365,689	60,428	3,426,117
34	Federal Funds	121,120	213,871	334,991

1	Federal Funds – Stimulus	0	43,428	43,428
2	Restricted Receipts	1,308,353	140,116	1,448,469
3	Rhode Island Capital Plan Funds			
4	Judicial HVAC	300,000	0	300,000
5	Judicial Complexes Asset Protection	550,000	787	550,787
6	Total - Supreme Court	30,961,855	596,980	31,558,835
7	<i>Judicial Tenure and Discipline</i> General Revenues	109,620	(3,544)	106,076
8	<i>Superior Court</i>			
9	General Revenues	20,407,009	(103,167)	20,303,842
10	Federal Funds	0	33,265	33,265
11	Federal Funds – Stimulus	0	54,530	54,530
12	Restricted Receipts	312,000	177,987	489,987
13	Total - Superior Court	20,719,009	162,615	20,881,624
14	<i>Family Court</i>			
15	General Revenues	17,506,835	(628,588)	16,878,247
16	Federal Funds	2,205,407	748,097	2,953,504
17	Federal Funds – Stimulus	0	86,543	86,543
18	Restricted Receipts	0	245,000	245,000
19	Total - Family Court	19,712,242	451,052	20,163,294
20	<i>District Court</i>			
21	General Revenues	10,248,515	401,832	10,650,347
22	Federal Funds	0	35,972	35,972
23	Restricted Receipts	424,421	(97,738)	326,683
24	Total - District Court	10,672,936	340,066	11,013,002
25	<i>Traffic Tribunal</i> General Revenues	7,620,894	(48,138)	7,572,756
26	<i>Workers' Compensation Court</i> Restricted Receipts	7,583,440	(74,789)	7,508,651
27	Grand Total – Judiciary	97,379,996	1,424,242	98,804,238
28	Military Staff			
29	<i>National Guard</i>			
30	General Revenues	1,446,704	154,353	1,601,057
31	Federal Funds	10,984,193	76,563	11,060,756
32	Federal Funds – Stimulus	0	174,496	174,496
33	Restricted Receipts	190,000	45,000	235,000
34	Rhode Island Capital Plan Funds			

1	Armory of Mounted Commands	550,000	(250,000)	300,000
2	State Armories Fire Code Compliance	25,000	64,496	89,496
3	Federal Armories Fire Code Compliance	6,250	20,869	27,119
4	Asset Protection	260,000	140,000	400,000
5	Logistics/ Maintenance Facilities Fire Code			
6	Compliance	6,250	(6,250)	0
7	FMS #3 Roof	15,000	0	15,000
8	Total - National Guard	13,483,397	419,527	13,902,924
9	<i>Emergency Management</i>			
10	General Revenues	1,335,731	1,029,357	2,365,088
11	Federal Funds	11,166,561	33,000,400	44,166,961
12	Restricted Receipts	652,475	(439,007)	213,468
13	Total - Emergency Management	13,154,767	33,590,750	46,745,517
14	Grand Total - Military Staff	26,638,164	34,010,277	60,648,441
15	Public Safety			
16	<i>Central Management</i>			
17	General Revenues	712,968	(10,265)	702,703
18	Federal Funds	4,149,982	(46,202)	4,103,780
19	Federal Funds – Stimulus	784,747	2,046,726	2,831,473
20	Restricted Receipts	508,345	(492,979)	15,366
21	Total – Central Management	6,156,042	1,497,280	7,653,322
22	<i>E-911 Emergency Telephone System</i>			
23	General Revenues	4,655,752	195,254	4,851,006
24	Federal Funds	0	240,937	240,937
25	Total – E-911 Emergency Telephone System	4,655,752	436,191	5,091,943
26	<i>State Fire Marshal</i>			
27	General Revenues	2,461,060	42,974	2,504,034
28	Federal Funds	261,250	645,042	906,292
29	Restricted Receipts	50,000	97,950	147,950
30	Quonset Development Corp	0	21,640	21,640
31	Total - State Fire Marshal	2,772,310	807,606	3,579,916
32	<i>Security Services</i> General Revenues	3,308,669	(145,634)	3,163,035
33	<i>Municipal Police Training Academy</i>			
34	General Revenues	334,567	684	335,251

1	Federal Funds	189,704	107,649	297,353
2	Federal Funds – Stimulus	101,638	17,052	118,690
3	Total - Municipal Police Training Academy	625,909	125,385	751,294
4	<i>State Police</i>			
5	General Revenues	55,551,474	1,432,769	56,984,243
6	Federal Funds	1,498,517	1,635,816	3,134,333
7	Federal Funds – Stimulus	145,716	636,164	781,880
8	Restricted Receipts	244,761	94,506	339,267
9	Rhode Island Capital Plan Funds			
10	DOIT Enterprise Operations Center	0	175,000	175,000
11	Barracks & Training	1,500,000	379,859	1,879,859
12	State Police New Headquarters	4,750,000	(772,095)	3,977,905
13	Parking Area Improvements	200,000	(150,000)	50,000
14	Headquarters Repairs/Rehabilitation	100,000	84,979	184,979
15	State Microwave Upgrade	2,512,140	(1,234,568)	1,277,572
16	HQ Expansion (NG Facilities)	50,000	(50,000)	0
17	Traffic Enforcement - Municipal Training	116,617	19,125	135,742
18	Lottery Commission Assistance	180,044	26,231	206,275
19	Airport Corporation	207,764	(1,489)	206,275
20	Road Construction Reimbursement	2,173,855	372,245	2,546,100
21	Total - State Police	69,230,888	2,648,542	71,879,430
22	Grand Total – Public Safety	86,749,570	5,369,370	92,118,940
23	Office of Public Defender			
24	General Revenues	9,590,261	(48,813)	9,541,448
25	Federal Funds	333,574	217,197	550,771
26	Federal Funds – Stimulus	96,566	(28,567)	67,999
27	Grand Total - Office of Public Defender	10,020,401	139,817	10,160,218
28	Environmental Management			
29	<i>Office of the Director</i>			
30	General Revenues	4,635,985	(88,394)	4,547,591
31	Federal Funds	566,300	0	566,300
32	Federal Funds – Stimulus	0	108,000	108,000
33	Restricted Receipts	2,437,098	322,113	2,759,211
34	Total – Office of the Director	7,639,383	341,719	7,981,102

1	<i>Natural Resources</i>			
2	General Revenues	17,797,447	(34,309)	17,763,138
3	Federal Funds	21,379,160	4,933,336	26,312,496
4	Restricted Receipts	3,930,478	89,203	4,019,681
5	Other Funds			
6	DOT Recreational Projects	67,608	261,804	329,412
7	Blackstone Bike Path Design	1,013,705	1,831	1,015,536
8	Transportation MOU	81,243	556	81,799
9	Rhode Island Capital Plan Funds			
10	Dam Repair	750,000	(640,000)	110,000
11	Recreational Facilities Improvement	1,200,000	200,000	1,400,000
12	Fort Adams Rehabilitation	500,000	67,666	567,666
13	Galilee Piers Upgrade	1,080,000	(750,000)	330,000
14	Blackstone Valley Bike Path/State Park	500,000	(250,000)	250,000
15	Newport Piers	250,000	(150,000)	100,000
16	Fish and Wildlife Maintenance	75,000	(75,000)	0
17	Total - Natural Resources	48,624,641	3,655,087	52,279,728
18	<i>Environmental Protection</i>			
19	General Revenues	11,969,897	(12,432)	11,957,465
20	Federal Funds	12,849,946	124,446	12,974,392
21	Federal Funds – Stimulus	590,769	2,476,231	3,067,000
22	Restricted Receipts	7,769,340	312,195	8,081,535
23	Transportation MOU	116,735	1,050	117,785
24	Retrofit Heavy-Duty Diesel Vehicles	3,560,000	0	3,560,000
25	Total - Environmental Protection	36,856,687	2,901,490	39,758,177
26	Grand Total - Environmental Management	93,120,711	6,898,296	100,019,007
27	Coastal Resources Management Council			
28	General Revenues	2,038,515	24,688	2,063,203
29	Federal Funds	2,095,196	1,590,400	3,685,596
30	Federal Funds – Stimulus	0	3,266,300	3,266,300
31	Restricted Receipts	250,000	0	250,000
32	Grand Total - Coastal Resources Mgmt. Council	4,383,711	4,881,388	9,265,099
33	State Water Resources Board			
34	General Revenues	1,316,540	(38,105)	1,278,435

1	Rhode Island Capital Plan Funds			
2	Big River Management Area	120,000	75,163	195,163
3	Big River Well Development	0	336,015	336,015
4	Grand Total - State Water Resources Board	1,436,540	373,073	1,809,613
5	Transportation			
6	<i>Central Management</i>			
7	Federal Funds	14,118,217	(1,681,600)	12,436,617
8	Other Funds			
9	Gasoline Tax	1,304,716	(609,615)	695,101
10	Total - Central Management	15,422,933	(2,291,215)	13,131,718
11	<i>Management and Budget</i>			
12	Other Funds			
13	Gasoline Tax	1,652,721	(947,264)	705,457
14	Total – Management and Budget	1,652,721	(947,264)	705,457
15	<i>Infrastructure Engineering- GARVEE/Motor Fuel Tax Bonds</i>			
16	Federal Funds	257,415,591	13,396,839	270,812,430
17	Federal Funds – Stimulus	47,274,319	17,251,169	64,525,488
18	Restricted Receipts	1,000,000	0	1,000,000
19	Other Funds			
20	Gasoline Tax	51,869,001	(11,573)	51,857,428
21	State Infrastructure Bank	1,445,000	(1,445,000)	0
22	Land Sale Revenue	18,205,826	(16,205,826)	2,000,000
23	Highway Logo Program	100,000	(100,000)	0
24	Rhode Island Capital Plan Funds			
25	RIPTA - Land and Buildings	70,000	(70,000)	0
26	RIPTA Paratransit	190,400	(190,400)	0
27	Pawtucket/Central Falls Train Station	0	40,267	40,267
28	Total - Infrastructure Engineering – GARVEE/			
29	Motor Fuel Tax Bonds	377,570,137	12,665,476	390,235,613
30	<i>Infrastructure Maintenance</i>			
31	Other Funds			
32	Gasoline Tax	30,560,165	14,684,178	45,244,343
33	Non-Land Surplus Property	30,000	45,000	75,000
34	Outdoor Advertising	300,000	225,000	525,000

1	Rhode Island Capital Plan Funds			
2	Maintenance Facilities Improvements	650,000	159,008	809,008
3	East Providence Facility	1,582,810	(343,805)	1,239,005
4	Salt Storage Facilities	1,000,000	0	1,000,000
5	Maintenance Facility Fire Alarms	125,000	25,000	150,000
6	Elmwood Expansion Project	0	685,880	685,880
7	Total - Infrastructure Maintenance	34,247,975	15,480,261	49,728,236
8	Grand Total – Transportation	428,893,766	24,907,258	453,801,024

9 **Statewide Totals**

10	General Revenues	2,942,118,704	32,085,348	2,974,204,052
11	Federal Funds	2,903,497,922	181,462,561	3,084,960,483
12	Restricted Receipts	180,035,096	1,202,153	181,237,249
13	Other Funds	1,838,494,088	78,290,044	1,916,784,132
14	Statewide Grand Total	7,864,145,810	293,040,106	8,157,185,916

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

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

27		FY 2011	FY 2011	FY 2011
28	<u>Account</u>	<u>Enacted</u>	<u>Change</u>	<u>Final</u>
29	State Assessed Fringe Benefit Internal Service Acct	34,617,701	(3,562,739)	31,054,962
30	Administration Central Utilities Internal Service Acct	25,814,372	(7,588,885)	18,225,487
31	State Central Mail Internal Service Fund	5,453,349	(95,604)	5,357,745
32	State Telecommunications Internal Service Fund	3,470,957	(668,650)	2,802,307
33	State Automotive Fleet Internal Service Fund	13,830,806	(136,180)	13,694,626
34	State Fleet Replacement Revolving Loan Fund	2,500,000	(2,500,000)	0

1	Capital Police Internal Service Fund	665,713	31,962	697,675
2	Health Insurance Internal Service Fund	306,132,044	269,228	306,401,272
3	Corrections General Services & Warehouse Internal			
4	Service Acct	6,769,398	117,879	6,887,277
5	Correctional Industries Internal Service Acct	7,371,579	(328,937)	7,042,642
6	Secretary of State Record Center Internal Service Acct	825,368	(2,427)	822,941
7	Surplus Property Internal Service Fund	0	2,500	2,500

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

21 No agency or department may employ contracted employees or employee services where
22 the contracted employees would work under state employee supervisors without determination of
23 need by the Director of Administration acting upon positive recommendations of the Budget
24 Officer and the Personnel Administrator and 15 days after a public hearing.

25 Nor may any agency or department contract for services replacing work done by state
26 employees at that time without determination of need by the Director of Administration acting
27 upon the positive recommendations of the Budget Officer and the Personnel Administrator and 30
28 days after a public hearing.

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

32 **FY 2011 FTE POSITION AUTHORIZATION**

33	<u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
34	Administration	<u>871.6</u>

1	Business Regulation	90.0	<u>93.0</u>
2	Labor and Training	519.4	<u>512.2</u>
3	Revenue	426.0	<u>426.5</u>
4	Legislature	295.9	<u>298.5</u>
5	Office of the Lieutenant Governor	8.0	<u>8.0</u>
6	Secretary of State		57.0
7	General Treasurer		82.0
8	Board of Elections	12.0	<u>11.0</u>
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		46.0
13	Office of Health and Human Services	75.6	<u>77.6</u>
14	Children, Youth, and Families		691.0
15	Elderly Affairs		31.0
16	Health	410.7	<u>424.7</u>
17	Human Services	963.6	<u>1,000.2</u>
18	Behavioral Health, Developmental Disabilities, and Hospitals		1,372.2
19	Office of the Child Advocate		5.8
20	Commission on the Deaf and Hard of Hearing		3.0
21	Governor's Commission on Disabilities		4.0
22	Office of the Mental Health Advocate		3.7
23	Elementary and Secondary Education	133.4	<u>156.4</u>
24	School for the Deaf		60.0
25	Davies Career and Technical School		132.0
26	Office of Higher Education		19.4
27	Provided that 1.0 of the total authorization would be available only for a position that is		
28	supported by third-party funds.		
29	University of Rhode Island		2,436.5
30	Provided that 602.0 of the total authorization would be available only for positions that		
31	are supported by third-party funds.		
32	Rhode Island College		892.1
33	Provided that 82.0 of the total authorization would be available only for positions that are		
34	supported by third-party funds.		

1	Community College of Rhode Island	804.1	<u>854.1</u>
2	Provided that 100.0 of the total authorization would be available only for positions that		
3	are supported by third-party funds.		
4	Rhode Island State Council on the Arts		8.6
5	RI Atomic Energy Commission		8.6
6	Higher Education Assistance Authority		41.6
7	Historical Preservation and Heritage Commission		16.6
8	Public Telecommunications Authority		16.0
9	Office of the Attorney General		231.1
10	Corrections		1,419.0
11	Judicial		723.3
12	Military Staff	111.0	<u>117.0</u>
13	Public Safety	423.1	<u>423.2</u>
14	Office of the Public Defender		93.0
15	Environmental Management		410.0
16	Coastal Resources Management Council		30.0
17	Water Resources Board		6.0
18	Transportation	772.2	<u>772.6</u>
19	Total	14,827.6	<u>14,957.6</u>

20 SECTION 5. This Article shall take effect upon passage.

1 **ARTICLE 3**

2 RELATING TO HEALTH AND SAFETY - RHODE ISLAND RESOURCE RECOVERY
3 CORPORATION

4 SECTION 1. Section 23-19-13 of the General Laws in Chapter 23-19 entitled "Rhode
5 Island Resource Recovery Corporation" is hereby amended to read as follows:

6 **23-19-13. Municipal participation in state program.** -- (a) (1) Any person or
7 municipality which intends to transfer, treat, or dispose of solid waste originating or collected
8 within the state, or which intends to make arrangements to do so, shall utilize, exclusively, a
9 system or facility designated by the corporation as provided under this chapter. All transfer
10 stations in existence as of December 1, 1986 are empowered so long as they maintain the
11 appropriate license to continue their operations, and the corporation shall not exercise its powers
12 under this chapter to compete with their operation and activity. No municipality shall have power
13 to engage in, grant any license, or permit for or enter into any contract for the collection,
14 treatment, transportation, storage, or disposal of solid waste, and no municipality or any person
15 shall engage in any activities within the state, including disposal of solid waste, which would
16 impair the ability of the corporation to meet its contractual obligations to its bondholders and
17 others, or which would be in competition with the purposes of the corporation as provided in this
18 chapter. The corporation shall not be empowered to engage in the transportation, transfer, or
19 storage of solid waste, except in temporary situations where a municipality has defaulted in its
20 obligation under this section, or in conjunction with its activities at its disposal sites. Provided,
21 however, that municipal contracts which were in existence on March 1, 1985, are excepted from
22 this requirement until expiration of the original term of the contract or the expiration of any
23 extension approved by the corporation, or sooner termination of the contracts, and provided,
24 further, that municipalities operating their own landfills on December 1, 1986 shall be free to
25 continue to use the landfills until closure of the landfills. Without limiting the generality of the
26 preceding, municipalities and persons are expressly empowered to contract with the corporation
27 and/or, subject to the approval of the corporation, with a duly licensed private disposal facility for
28 the disposal of solid wastes. The approval shall be conditioned upon a finding by the board of
29 commissioners of the corporation that any proposed contract with a Rhode Island municipality or
30 person is in conformity with the statewide resource recovery system development plan and this

1 chapter, and that the proposed contract will not impair the ability of the corporation to meet its
2 contractual obligations to its bondholders and others. The contracts may have a maximum total
3 term, including all renewals, of up to fifty (50) years.

4 (2) The corporation shall charge fees for its solid waste management services that,
5 together with other revenues available to the corporation, will, at a minimum, be sufficient to
6 provide for the support of the corporation and its operations on a self-sustaining basis, including
7 debt service on its bonds and other obligations.

8 (b) Insofar as the provisions of this chapter are inconsistent with the provisions of any
9 other laws of this state, general, special, or local, restricting the power of any municipality to
10 enter into long term contracts with the corporation, the provisions of this chapter shall be
11 controlling. The corporation shall provide suitable and appropriate assistance to communities
12 under these circumstances. Notwithstanding the preceding, if the corporation deems it desirable,
13 it may from time to time permit municipalities to contract among themselves for the disposal of
14 their wastes.

15 (c) Municipalities, along with private producers of waste which contract with the
16 corporation for disposal of their wastes, shall continue to be free to make their own arrangements
17 for collection of wastes at the source and/or the hauling of wastes to the designated processing
18 and/or transfer stations, so long as those arrangements are in compliance with the provisions of
19 chapter 18.9 of this title and with this chapter, and any municipal license relating thereto.

20 (d) All municipalities and state agencies which are participants in the state waste
21 disposal program shall initiate a separation and recycling program within one year after the date
22 on which the resource recovery facility utilized by that municipality or agency is operational and
23 accepting waste for incineration.

24 (e) (1) The corporation and any municipality may enter into a contract or contracts
25 providing for or relating to the disposal of solid waste originating in the municipality and the cost
26 and expense of the disposal.

27 (2) The contract may be made with or without consideration and for a specified or
28 unspecified time not to exceed fifty (50) years, and on any terms and conditions which may be
29 approved by the municipality and which may be agreed to by the corporation in conformity with
30 its contracts with the holders of any bonds or other obligations. Subject to the contracts with the
31 holders of bonds, the municipality is authorized and directed to do and perform any and all acts or
32 things necessary, convenient, or desirable to carry out and perform the contract and to provide for
33 the payment or discharge of any obligation under the contract in the same manner as other
34 obligations of the municipality.

1 (3) All municipalities that contract with the corporation for the disposal of solid waste
2 shall prepare as an addendum to its fiscal year 2010 contract with the corporation and any
3 contracts with the corporation for the subsequent years a plan that includes a description of the
4 process by which thirty-five percent (35%) of its solid waste will be recycled and fifty percent
5 (50%) of its solid waste will be diverted beginning July 1, 2012. This addendum shall include a
6 residential and municipal waste stream evaluation, a plan for the reduction of solid waste and
7 recyclables generated and the process by which recyclable materials are to be segregated. The
8 corporation shall have the right to execute or deny execution of the municipal solid waste and
9 recycling services contract pending approval of the addendum. Once the corporation approves
10 this addendum, the municipality must implement the plan and report on the results annually to the
11 corporation. The corporation shall enforce the provisions of this section pursuant to subdivision
12 23-19-13(g)(3).

13 (4) The corporation shall notify every city or town that it contracts with ~~no later than~~
14 ~~August 1, 2008~~ as to the addendum requirements that must be included in ~~the fiscal year 2010~~
15 contracts to recycle thirty-five percent (35%) and divert fifty percent (50%) of solid waste
16 beginning July 1, 2012.

17 (f) The municipalities and the state have shared responsibility for the payment of the cost
18 of municipal solid waste disposal. The state will pay its share of the cost of the solid waste
19 disposal services to be provided by the corporation to the municipalities at its solid waste
20 management facilities and its central landfill in the town of Johnston, and at any back-up facility
21 which the corporation is required to provide, by providing solid waste disposal operating
22 subsidies as provided in subsections (i) and (j).

23 (g) (1) The corporation shall charge each municipality with which it has a long-term
24 contract for solid waste disposal services a tipping fee per ton of source separated solid waste
25 excluding separated recyclable materials, sludge, and demolition debris delivered to any
26 corporation facility computed in accordance with this subsection. For purposes of this chapter,
27 "fiscal year" shall mean the twelve-month period, July 1 to June 30. The municipal tipping fee
28 shall be equal to one hundred seven and one-half percent (107.5%) of the prior fiscal year's
29 municipal tipping fee through the end of the 2009 fiscal year. One dollar and ten cents (\$1.10) per
30 ton on all garbage, including recycled garbage, collected by the corporation as tipping fee shall be
31 paid to the town of Johnston. In addition to any other fees the corporation shall also charge a
32 three dollar (\$3.00) tipping fee per vehicle. Any vehicle carrying municipal solid waste shall be
33 exempt from this three dollar (\$3.00) tipping fee. All fees collected shall be paid to the town of
34 Johnston on a biannual basis. No tipping fee shall be charged for recyclable materials delivered to

1 a recycling facility provided by or through the corporation.

2 (2) Notwithstanding the provisions of subdivision (g)(1), the municipal tipping fee may
3 be increased, if, due to the commencement of operation of a new resource recovery facility during
4 the previous fiscal year, the state subsidy as calculated pursuant to subsection (i), not considering
5 landfill revenues and losses, is projected to be greater than the state subsidy projected by the
6 corporation and the department of administration when the projections were officially accepted
7 by the corporation on the basis of contracts entered into for the initial resource recovery facility.
8 The amount by which the projected state subsidy exceeds the original projections will be
9 apportioned between the state and the municipalities in the same ratio as the state subsidy for the
10 previous year divided by the number of tons of municipal solid waste processed by the
11 corporation bears to the municipal tipping fee for that year. The increased municipal tipping fee
12 herein provided shall be subject to the same escalation factor as the municipal tipping fee set forth
13 above.

14 (3) The corporation shall establish in the contract, the maximum amount of municipal
15 solid waste that each municipality will be entitled to deliver to the corporation at the municipal
16 tipping fee. Solid waste in excess of the contract amount will be charged to the municipality at the
17 non-municipal rate. In determining the maximum amount of municipal solid waste which will
18 qualify for the municipal tipping fee, the corporation shall consider the municipality's solid waste
19 per capita average, the statewide solid waste per capita average, and any other factors that it shall
20 deem appropriate.

21 (4) Seaweed collected and removed by a municipality shall be deemed "yard waste" for
22 purposes of this chapter and any rules, regulations and/or plans promulgated by the corporation
23 pursuant to this chapter, and shall be accepted by the corporation at the same rate and cost as all
24 other municipal yard waste.

25 (h) The corporation, after the initial resource recovery facility becomes operational, shall
26 charge each non-municipal user of its facilities a fee per ton equal to the projected annual
27 resource recovery system cost less energy revenues and interest earnings on bond reserve funds,
28 if any, divided by the projected tons to be processed by the corporation at its resource facilities
29 for the year. Landfill costs shall not be considered in the calculation unless landfill costs exceed
30 revenues generated at the landfills; in those cases, excess landfill costs will be added to the
31 system costs.

32 (i) The annual state subsidy for the cost of disposal of municipal solid waste shall be
33 calculated for each fiscal year or portion of each fiscal year according to the following formula:
34 The annual state subsidy shall equal the total projected annual resource recovery system costs

1 (minus costs associated with the central landfill) for the next fiscal year less the sum of the
2 following: (1) projected resource recovery system revenues for the year; and (2) projected landfill
3 revenues; provided, however, that in the event that the landfill is projected to operate at a loss, the
4 amount of the loss shall be added to the subsidy.

5 (j) (1) On or before October 1 of each year, the corporation shall submit a budget to the
6 director of administration for the succeeding fiscal year using actual resource recovery system
7 revenues and costs, and the audit of the preceding fiscal year prepared by the corporation's
8 independent auditors and accepted by the auditor general. On or before December 1 of each year,
9 the director of administration, in consultation with the corporation, shall review the budget of the
10 corporation and shall determine and certify the annual state subsidy for the succeeding fiscal year
11 to the governor who shall submit to the general assembly printed copies of a budget which shall
12 include the state subsidy as previously determined in this subsection. The state subsidy
13 appropriation shall be on a system basis but shall contain specific appropriations for each
14 resource recovery facility. If the amount appropriated exceeds the amount needed for a specific
15 facility, the corporation, with the approval of the director of administration, may reallocate the
16 appropriated but unadvanced funds to other corporation facilities or costs. If the audit prepared by
17 the corporation's independent auditors indicates that the amounts appropriated and disbursed to
18 the corporation as a subsidy were in excess of the amounts which would have been required for
19 the year if actual resource recovery system revenues and costs had been used in the calculation of
20 the subsidy, the excess shall be credited against the current fiscal year's subsidy.

21 (2) At any time, if the corporation determines that the state subsidy will be insufficient to
22 discharge the corporation's obligations for the current fiscal year, it shall request, in writing, to
23 the director of administration for a supplemental appropriation. After review, the director of
24 administration will recommend to the governor additional funding for the corporation, and the
25 governor after further review, shall submit a supplemental appropriation bill request for the funds
26 to the general assembly.

27 (3) From the appropriations made by the general assembly, the state controller is
28 authorized and directed to draw his or her orders upon the general treasurer every month for the
29 payment of those sums that may be required upon receipt by him or her of properly authenticated
30 vouchers.

31 (k) If, in any fiscal year, the appropriation for the state subsidy is not made and if the
32 corporation has insufficient other funds to discharge its obligations to holders of its bonds and
33 notes as certified by the state auditor general, the corporation shall be empowered to charge both
34 municipal and non-municipal users whatever fees are necessary to discharge its obligations to

1 holders of its bonds and notes, and the municipal tipping fee set forth in subsection (g) shall not
2 be applicable for the fiscal year.

3 (l) On or after the date established for separation of recyclable solid waste in the
4 statewide plan for separation of recyclables by the department of environmental management,
5 only segregated solid waste shall be accepted at the corporation's facilities.

6 (m) Costs associated with participation in the state program shall not constitute state
7 mandated costs under section 45-13-7.

8 SECTION 2. Section 23-19-13.5 of the General Laws in Chapter 23-19 entitled "Rhode
9 Island Resource Recovery Corporation" is hereby amended to read as follows:

10 **23-19-13.5. Interim rates.** -- The municipal tipping fee charged by the resource recovery
11 corporation shall be as follows:

12 (1) Thirty-two dollars (\$32.00) per ton from July 1, ~~2010~~ 2011 to June 30, ~~2011~~ 2014,
13 for any municipality that recycles between zero percent (0%) and ~~twenty-three~~ twenty-four and
14 ninety-nine hundredths percent (~~23.99%~~) (24.99%) of its solid waste at the Corporation's material
15 recycling facility ("MRF") in Johnston.

16 (2) Thirty-one dollars (\$31.00) per ton from July 1, ~~2010~~ 2011 to June 30, ~~2011~~ 2014,
17 for any municipality that recycles between ~~twenty-four~~ twenty-five percent (~~24%~~) (25%) and
18 twenty-nine and ninety-nine hundredths percent (29.99%) of its solid waste at the Corporation's
19 ("MRF") in Johnston.

20 (3) Thirty dollars (\$30.00) per ton from July 1, ~~2010~~ 2011 to June 30, 2014, for any
21 municipality that recycles between thirty percent (30%) and thirty-four and ninety-nine
22 hundredths percent (34.99%) of its solid waste at the Corporation's ("MRF") in Johnston.

23 (4) Twenty-nine dollars (\$29.00) per ton from July 1, ~~2010~~ 2011 to June 30, ~~2011~~ 2014,
24 for any municipality that recycles thirty-five percent (35%) or more of its solid waste at the
25 Corporation's ("MRF") in Johnston.

26 (5) The Corporation shall issue a rebate not later than ~~September 1, 2011~~ September 1 of
27 each year to those municipalities qualifying for a year-end tipping fee adjustment according to the
28 municipality's actual recorded tonnage delivered to the MRF in Johnston, and in accordance with
29 the provisions of the municipality's current-year signed solid waste and recycling services
30 agreement with the corporation.

31 SECTION 3. This article shall take effect July 1, 2011.

ARTICLE 4

RELATING TO SECURITY--UNEMPLOYMENT INSURANCE

SECTION 1. Section 28-43-7 of the General Laws in Chapter 28-43 entitled “Employment Security – Contributions” is hereby amended to read as follows:

28-43-7. Taxable wage base. -- (a)The taxable wage base under this chapter for the tax year beginning January 1, 1999, and ~~all subsequent tax years~~ ending with the tax year 2011 shall be:

(1) Twelve thousand dollars (\$12,000) if the amount of the employment security fund, not including any federal disbursements made to the states pursuant to 42 U.S.C. § 1103, is more than two hundred twenty-five million dollars (\$225,000,000);

(2) Fourteen thousand dollars (\$14,000) if the amount of the employment security fund is more than one hundred seventy-five million dollars (\$175,000,000) but less than or equal to two hundred twenty-five million dollars (\$225,000,000);

(3) Sixteen thousand dollars (\$16,000) if the amount of the employment security fund is more than one hundred twenty-five million dollars (\$125,000,000) but less than or equal to one hundred seventy-five million dollars (\$175,000,000);

(4) Eighteen thousand dollars (\$18,000) if the amount of the employment security fund is less or equal to than one hundred twenty-five million dollars (\$125,000,000) but more than seventy-five million dollars (\$75,000,000); or

(5) Nineteen thousand dollars (\$19,000) if the amount of the employment security is less than or equal to seventy-five million (\$75,000,000).

(b) ~~The taxable wage base shall be determined by the amount of the employment security fund on September 30th of each calendar year and that taxable wage base shall be effective for the tax year immediately following the determination date.~~ The taxable wage base under this chapter for the tax year beginning January 1, 2012, and all subsequent tax years, shall be equal to forty-six and one-half percent (46.5%) of the average annual wage in covered employment during the calendar year immediately preceding the computation date for the effective tax year; the computed figure shall be rounded upward to the next higher even multiple of two hundred dollars (\$200). That taxable wage base shall be computed as follows: On September 30, 2011, and each September 30 thereafter, the total annual wages paid to individuals in covered employment for

1 the preceding calendar year by all employers who are required to pay contributions under the
2 provisions of chapters 42 – 44 of this title, shall be divided by the monthly average number of
3 individuals in covered employment during the preceding calendar year, and the quotient shall be
4 multiplied by four hundred sixty-five thousandths (.465). If the result thus obtained is not an even
5 multiple of two hundred dollars (\$200), it shall be rounded upward to the next higher even
6 multiple of two hundred dollars (\$200). That taxable wage base shall be effective for the tax year
7 immediately following the computation date.

8 (c) Notwithstanding the above, the taxable wage base for employers with reserve account
9 percentages of negative twenty-four (-24.00) or less for the tax years beginning January 1, 2012,
10 and thereafter, shall be one thousand five hundred dollars (\$1,500) above the taxable wage base
11 computed for all other employers under subsection (b) of this section.

12 SECTION 2. Sections 28-44-6, 28-44-9, 28-44-17, 28-44-18, 28-44-20 and 28-44-59 of
13 the General Laws in Chapter 28-44 entitled “Employment Security – Benefits” are hereby
14 amended to read as follows:

15 **28-44-6. Weekly benefits for total unemployment -- Year established -- Dependents'**
16 **allowance. [Effective January 1, 2011.] --** (a) (1) The benefit rate payable under this chapter to
17 any eligible individual with respect to any week of his or her total unemployment, when that
18 week occurs within a benefit year, shall be, for benefit years beginning on or after October 1,
19 1989 and prior to July 1, 2012, four and sixty-two hundredths percent (4.62%) of the wages paid
20 to the individual in that calendar quarter of the base period in which the individual's wages were
21 highest;

22 (2) The benefit rate payable under this chapter to any eligible individual with respect to
23 any week of his or her total unemployment, when that week occurs within a benefit year, shall be,
24 for benefit years beginning on or after July 1, 2012 and prior to July 1, 2013, four and thirty-eight
25 hundredths percent (4.38%) of the average quarterly wage paid to the individual in the two (2)
26 calendar quarters of the base period in which the individual's wages were highest;

27 (3) The benefit rate payable under this chapter to any eligible individual with respect to
28 any week of his or her total unemployment, when that week occurs within a benefit year, shall be,
29 for benefit years beginning on or after July 1, 2013 and prior to July 1, 2014, four and fifteen
30 hundredths percent (4.15%) of the average quarterly wage paid to the individual in the two
31 calendar quarters of the base period in which the individual's wages were highest;

32 (4) The benefit rate payable under this chapter to any eligible individual with respect to
33 any week of his or her total unemployment, when that week occurs within a benefit year, shall be,
34 for benefit years beginning on or after July 1, 2014, three and eighty-five hundredths percent

1 (3.85%) of the average quarterly wage paid to the individual in the two calendar quarters of the
2 base period in which the individual's wages were highest;

3 ~~(5)~~ Provided, that the benefit rate prior to July 1, 2012 shall not be more than sixty-
4 seven percent (67%) of the average weekly wage paid to individuals in employment covered by
5 the Employment Security Act for the preceding calendar year ending December 31. Provided,
6 further that the benefit rate on or after July 1, 2012 shall not be more than fifty-seven and one-
7 half percent (57.5%) of the average weekly wage paid to individuals in employment covered by
8 the Employment Security Act for the preceding calendar year ending December 31 or the
9 maximum weekly benefit rate that was in effect as of July 1, 2011, whichever is the highest. If the
10 maximum weekly benefit rate is not an exact multiple of one dollar (\$1.00), then the rate shall be
11 rounded to the next lower multiple of one dollar (\$1.00).

12 ~~(6)~~ The average weekly wage of individuals in covered employment shall be
13 computed as follows: On or before May 31 of each year, the total annual wages paid to
14 individuals in covered employment for the preceding calendar year by all employers shall be
15 divided by the monthly average number of individuals in covered employment during that
16 preceding calendar year, and the quotient shall be divided by fifty-two (52). That weekly benefit
17 rates shall be effective throughout benefit years beginning on or after July 1 of that year and prior
18 to July 1, of the succeeding calendar year.

19 ~~(7)~~ The benefit rate of any individual, if not an exact multiple of one dollar (\$1.00),
20 shall be rounded to the next lower multiple of one dollar (\$1.00).

21 (b) (1) An individual to whom benefits for total or partial unemployment are payable
22 under this chapter with respect to any week shall, in addition to those benefits, be paid with
23 respect to each week a dependents' allowance of fifteen dollars (\$15.00) or five percent (5%) of
24 the individual's benefit rate whichever is greater for each of that individual's children, including
25 adopted and stepchildren, or that individual's court appointed wards who, at the beginning of the
26 individual's benefit year, is under eighteen (18) years of age, and who is at that time in fact
27 dependent on that individual, including individuals who have been appointed the legal guardian
28 of such child by the appropriate court. The total dependents' allowance paid to any individual
29 shall not exceed the greater of fifty dollars (\$50) or twenty-five percent (25%) of the individual's
30 benefit rate. Notwithstanding the above, the total amount of the dependents' allowance paid to
31 individuals receiving partial unemployment benefits for any week shall be based on the
32 percentage that their partial weekly benefit rate is compared to their full weekly benefit rate.

33 (2) The dependent's allowance shall also be paid to the individual for any child,
34 including an adopted child or a stepchild, eighteen (18) years of age or over, incapable of earning

1 any wages because of mental or physical incapacity, and who is dependent on that individual in
2 fact at the beginning of the individual's benefit year.

3 (3) In no instance shall the number of dependents for which an individual may receive
4 dependents' allowances exceed five (5) in total.

5 (4) The weekly total of dependents' allowances payable to any individual, if not an exact
6 multiple of one dollar (\$1.00), shall be rounded to the next lower multiple of one dollar (\$1.00).

7 (5) The number of an individual's dependents, and the fact of their dependency, shall be
8 determined as of the beginning of that individual's benefit year. Only one individual shall be
9 entitled to a dependent's allowance for the same dependent with respect to any week. As to two
10 (2) or more parties making claim for an allowance for the same dependent for the same week, the
11 benefit shall be provided to the party who has actual custody of the dependent or in the case of
12 joint custody, to the party who has physical possession of the dependent.

13 (6) Each individual who claims a dependent's allowance shall establish his or her claim
14 to it to the satisfaction of the director under procedures established by the director.

15 (7) This subsection shall be effective for all benefit years beginning on or after January
16 1, 2011.

17 **28-44-9. Duration of benefits.** -- (a) ~~The maximum total amount of benefits payable~~
18 ~~during a benefit year to any eligible individual whose benefit year begins on or after November~~
19 ~~16, 1958, and prior to October 1, 1989, shall be determined in the following manner:~~

20 (i) ~~The total number of weeks of employment in his or her base period shall be multiplied~~
21 ~~by three-fifths (3/5), and the result, if not a whole number of weeks, shall be adjusted to the next~~
22 ~~higher whole number of weeks, and~~

23 (ii) ~~The number of weeks so obtained shall be multiplied by the individual's weekly~~
24 ~~benefit rate for total unemployment; and the result shall be the total amount of benefit credits to~~
25 ~~which that individual is entitled during his or her benefit year. However, no individual shall be~~
26 ~~paid total benefits in any benefit year which exceed twenty six (26) times his or her weekly~~
27 ~~benefit rate. Dependents' allowances to which he or she might be entitled under § 28-44-6 shall be~~
28 ~~in addition to those total benefits.~~

29 (2) ~~Each week of employment within an individual's base period shall be counted as one~~
30 ~~week for the purpose of this section, regardless of the number of employers for whom an~~
31 ~~individual performed services in employment during that week. For the purpose of this section, a~~
32 ~~week of employment shall be any calendar week within which an individual has performed~~
33 ~~services in employment for one or more employers subject to chapters 42—44 of this title.~~

34 (b) The total amount of benefits payable during a benefit year to any eligible individual

1 whose benefit year begins on or after October 1, 1989, but prior to July 1, 2012, shall be an
2 amount equal to thirty-six percent (36%) of the individual's total wages for employment by
3 employers subject to chapters 42 – 44 of this title during his or her base period; provided, that the
4 total amount of benefits payable during a benefit year to any eligible individual whose benefit
5 year begins on or after July 1, 2012 shall be an amount equal to thirty-three percent (33%) of the
6 individual's total wages for employment by employers subject to chapters 42 – 44 of this title
7 during his or her base period; provided, that no individual shall be paid total benefits in any
8 benefit year which exceed twenty-six (26) times his or her weekly benefit rate. Dependents'
9 allowances to which he or she might be entitled under § 28-44-6 shall be in addition to the total
10 benefits. If the total amount of benefits is not an exact multiple of one dollar (\$1.00), then it shall
11 be rounded to the next lower multiple of one dollar (\$1.00).

12 **28-44-17. Voluntary leaving without good cause. [Effective January 1, 2011].** -- (a)
13 For benefit years beginning prior to July 1, 2012, an individual who leaves work voluntarily
14 without good cause shall be ineligible for waiting period credit or benefits for the week in which
15 the voluntary quit occurred and until he or she establishes to the satisfaction of the director that he
16 or she has subsequent to that leaving had at least eight (8) weeks of work, and in each of those
17 eight (8) weeks has had earnings of at least twenty (20) times the minimum hourly wage as
18 defined in chapter 12 of this title for performing services in employment for one or more
19 employers subject to chapters 42 – 44 of this title. For benefit years beginning on or after July 1,
20 2012, an individual who leaves work voluntarily without good cause shall be ineligible for
21 waiting period credit or benefits for the week in which the voluntary quit occurred and until he or
22 she establishes to the satisfaction of the director that he or she has subsequent to that leaving had
23 at least eight (8) weeks of work, and in each of those eight (8) weeks has had earnings greater
24 than or equal to his or her weekly benefit rate for performing services in employment for one or
25 more employers subject to chapters 42 – 44 of this title. For the purposes of this section,
26 "voluntarily leaving work with good cause" shall include:

- 27 (1) sexual harassment against members of either sex;
- 28 (2) voluntarily leaving work with an employer to accompany, join or follow his or her
29 spouse to a place, due to a change in location of the spouse's employment, from which it is
30 impractical for such individual to commute; and
- 31 (3) the need to take care for a member of the individual's immediate family due to illness
32 or disability as defined by the Secretary of Labor; provided that the individual shall not be
33 eligible for waiting period credit or benefits until he or she is able to work and is available for
34 work. For the purposes of this provision, the following terms apply:

1 (i) "immediate family member" means a spouse, parents, mother-in-law, father-in-law
2 and children under the age of eighteen (18);

3 (ii) "illness" means a verified illness which necessitates the care of the ill person for a
4 period of time longer than the employer is willing to grant leave, paid or otherwise; and

5 (iii) "disability" means all types of verified disabilities, including mental and physical
6 disabilities, permanent and temporary disabilities, and partial and total disabilities.

7 (b) For the purposes of this section, "voluntarily leaving work without good cause" shall
8 include voluntarily leaving work with an employer to accompany, join or follow his or her spouse
9 in a new locality in connection with the retirement of his or her spouse, or failure by a temporary
10 employee to contact the temporary help agency upon completion of the most recent work
11 assignment to seek additional work unless good cause is shown for that failure; provided, that the
12 temporary help agency gave written notice to the individual that the individual is required to
13 contact the temporary help agency at the completion of the most recent work assignment to seek
14 additional work.

15 **28-44-18. Discharge for misconduct.** – For benefit years beginning prior to July 1,
16 2012, an individual who has been discharged for proved misconduct connected with his or her
17 work shall become ineligible for waiting period credit or benefits for the week in which that
18 discharge occurred and until he or she establishes to the satisfaction of the director that he or she
19 has, subsequent to that discharge, had at least eight (8) weeks of work, and in each of that eight
20 (8) weeks has had earnings of at least twenty (20) times the minimum hourly wage as defined in
21 chapter 12 of this title for performing services in employment for one or more employers subject
22 to chapters 42 – 44 of this title. For benefit years beginning on or after July 1, 2012, an individual
23 who has been discharged for proved misconduct connected with his or her work shall become
24 ineligible for waiting period credit or benefits for the week in which that discharge occurred and
25 until he or she establishes to the satisfaction of the director that he or she has, subsequent to that
26 discharge, had at least eight (8) weeks of work, and in each of that eight (8) weeks has had
27 earnings greater than or equal to his or her weekly benefit rate for performing services in
28 employment for one or more employers subject to chapters 42 – 44 of this title. Any individual
29 who is required to leave his or her work pursuant to a plan, system, or program, public or private,
30 providing for retirement, and who is otherwise eligible, shall under no circumstances be deemed
31 to have been discharged for misconduct. If an individual is discharged and a complaint is issued
32 by the regional office of the National Labor Relations board or the state labor relations board that
33 an unfair labor practice has occurred in relation to the discharge, the individual shall be entitled to
34 benefits if otherwise eligible. For the purposes of this section, "misconduct" is defined as

1 deliberate conduct in willful disregard of the employer's interest, or a knowing violation of a
2 reasonable and uniformly enforced rule or policy of the employer, provided that such violation is
3 not shown to be as a result of the employee's incompetence. Notwithstanding any other provisions
4 of chapters 42 – 44 of this title, this section shall be construed in a manner that is fair and
5 reasonable to both the employer and the employed worker.

6 **28-44-20. Refusal of suitable work.** -- (a) [For benefit years beginning prior to July 1,](#)
7 [2012,](#) if an otherwise eligible individual fails, without good cause, either to apply for suitable
8 work when notified by the employment office, or to accept suitable work when offered to him or
9 her, he or she shall become ineligible for waiting period credit or benefits for the week in which
10 that failure occurred and until he or she establishes to the satisfaction of the director that he or she
11 has, subsequent to that failure, had at least eight (8) weeks of work and in each of those eight (8)
12 weeks has had earnings of at least twenty (20) times the minimum hourly wage, as defined in
13 chapter 12 for performing services in employment for one or more employers subject to chapters
14 42 – 44 of this title. [For benefit years beginning on or after July 1, 2012, if an otherwise eligible](#)
15 [individual fails, without good cause, either to apply for suitable work when notified by the](#)
16 [employment office, or to accept suitable work when offered to him or her, he or she shall become](#)
17 [ineligible for waiting period credit or benefits for the week in which that failure occurred and](#)
18 [until he or she establishes to the satisfaction of the director that he or she has, subsequent to that](#)
19 [failure, had at least eight \(8\) weeks of work and in each of those eight \(8\) weeks has had earnings](#)
20 [greater than or equal to his or her weekly benefit rate for performing services in employment for](#)
21 [one or more employers subject to chapters 42 – 44 of this title.](#)

22 (b) "Suitable work" means any work for which the individual in question is reasonably
23 fitted, which is located within a reasonable distance of his or her residence or last place of work
24 and which is not detrimental to his or her health, safety, or morals. No work shall be deemed
25 suitable, and benefits shall not be denied under chapters 42 – 44 of this title to any otherwise
26 eligible individual for refusing to accept new work, under any of the following conditions:

- 27 (1) If the position offered is vacant due directly to a strike, lockout, or other labor dispute;
28 (2) If the wages, hours, or other conditions of the work are substantially less favorable to
29 the employee than those prevailing for similar work in the locality;
30 (3) If, as a condition of being employed, the individual would be required to join a
31 company union or to resign from or refrain from joining any bona fide labor organization.

32 **28-44-59. Severance or dismissal pay allocation.** – [For benefit years beginning prior](#)
33 [July 1, 2012, for](#) the purpose of determining an individual's benefit eligibility for any week of
34 unemployment, any remuneration received by an employee from his or her employer in the nature

1 of severance or dismissal pay, whether or not the employer is legally required to pay that
2 remuneration, shall be deemed to be wages paid on the last day of employment for services
3 performed prior to that date. For benefit years beginning on or after July 1, 2012, for the purpose
4 of determining an individual's benefit eligibility for any week of unemployment, any
5 remuneration received by an employee from his or her employer in the nature of severance or
6 dismissal pay, whether or not the employer is legally required to pay that remuneration, shall be
7 allocated on a weekly basis from the individual's last day of work for a period not to exceed
8 twenty-six (26) weeks, and the individual will not be entitled to receive benefits for any such
9 week for which it has been determined that the individual received severance or dismissal pay.
10 Such severance or dismissal pay, if the employer does not specify a set number of weeks, such be
11 allocated using the individual's weekly benefit rate.

12 SECTION 3. This Article shall take effect upon passage.

1 **ARTICLE 5 AS AMENDED**

2 RELATING TO EDUCATION AID

3 SECTION 1. Section 16-7.1-15 of the General Laws in Chapter 16-7.1 entitled “The Paul
4 W. Crowley Rhode Island Student Investment Initiative” is hereby amended to read as follows:

5 **16-7.1-15. The Paul W. Crowley Rhode Island student investment initiative.** – (a)

6 Each locally or regionally operated school district shall receive as a base the same amount of
7 school aid as each district received in fiscal year 1997-1998, adjusted to reflect the increases or
8 decreases in aid enacted to meet the minimum and maximum funding levels established for FY
9 2000 through FY 2008. Each school district shall also receive school aid through each investment
10 fund for which that district qualifies pursuant to §§ 16-7.1-8, 16-7.1-9, 16-7.1-10, 16-7.1-11, 16-
11 7.1-12, 16-7.1-16 and 16-7.1-19. These sums shall be in addition to the base amount described in
12 this section. For FY 2009 and FY 2010, the reference year for the data used in the calculation of
13 aid pursuant to § 16-7.1-8, § 16-7.1-9, § 16-7.1-10, § 16-7.1-11, § 16-7.1-11.1, § 16-7.1-12, § 16-
14 7.1-16, § 16-7.1-19 and 16-77.1-2(b) shall be FY 2004. Calculation and distribution of education
15 aid under §§ 16-5-31, 16-5-32, 16-7-20, 16-7-20.5, 16-7-34.2, 16-7-34.3, 16-24-6, 16-54-4, and
16 16-67-4 is hereby suspended. Provided, however, calculation and distribution of education aid
17 under § 16-7.1-10 is suspended for FY 2009 and FY 2010. School districts may continue to
18 maintain professional development programs and may reduce other education programs to
19 achieve savings during FY 2009 and FY 2010. The funding of the purposes and activities of
20 chapter 67 of this title, the Rhode Island Literacy and Dropout Prevention Act of 1967, shall be
21 the same amount of the base amount of each district funded for that purpose in fiscal year 1997-
22 1998. In addition each district shall expend three percent (3%) of its student equity and early
23 childhood funds under the provisions of chapter 67 of this title.

24 (b) Funding for full day kindergarten programs in accordance with § 16-7.1-11.1 shall be
25 in addition to funding received under this section.

26 (c) Funding distributed under §§ 16-77.1-2(b) and 16-64-1.1 shall be in addition to
27 funding distributed under this section.

28 (d) For FY 2009, aid to school districts shall be reduced by the equivalent savings that are
29 realized due to a reduction of payments to the teachers' retirement system. The reduction for the
30 Charho regional school district shall be prorated among the member communities. In addition,

1 for FY 2009 aid to school districts shall be reduced by any amount of previously appropriated
 2 school housing aid determined to be ineligible for reimbursement in accordance with § 16-7-44.2.
 3 For FY 2009 aid shall also be reduced by the amount of projected revenue for the period
 4 December 1, 2008 through June 30, 2009 from the permanent school fund. The projected revenue
 5 shall be determined by annualizing actual earnings from the period May 12, 2008 through
 6 November 30, 2008. The department of elementary and secondary education shall reduce aid in
 7 two equal installments, payable in May and June; provided however, that East Providence shall
 8 receive one payment of reduced aid in May.

9 For FY 2009, aid to school districts shall include thirty eight million, three hundred
 10 twenty-four thousand, eight hundred twenty-two dollars (\$38,324,822) from federal fiscal
 11 stabilization funds offset by a like reduction from general revenues. The distribution shall be in
 12 the same proportion as general operating aid.

13 (e) Districts shall comply with the assurances and reporting requirements provided in the
 14 federal guidance for the (ARRA) allocation and by the commissioner of elementary and
 15 secondary education.

16 (f) There shall be an appropriation to ensure that total aid distributed to communities in
 17 FY 2010 under this section and §§ 16-7.1-11.1, 16-64-1.1 and 16-77.1-2(b) and excluding any FY
 18 2009 Stabilization reappropriations shall be as follows:

	FY 2010
	Stimulus Fiscal
	Stabilization
	Allocation
General Revenues	
23 Barrington	170,513
24 Burrillville	948,730
25 Charlestown	134,864
26 Coventry	1,364,674
27 Cranston	2,410,080
28 Cumberland	900,586
29 East Greenwich	129,312
30 East Providence	1,833,360
31 Foster	96,527
32 Gloucester	219,128
33 Hopkinton	425,441
34 Jamestown	35,124

1	Johnston	8,971,463	730,358
2	Lincoln	5,884,774	499,702
3	Little Compton	267,222	24,622
4	Middletown	8,937,990	715,319
5	Narragansett	1,314,267	125,872
6	Newport	10,104,222	808,465
7	New Shoreham	50,323	6,826
8	North Kingstown	9,922,498	813,392
9	North Providence	11,311,934	911,004
10	North Smithfield	4,055,880	328,814
11	Pawtucket	58,731,451	4,584,707
12	Portsmouth	5,571,674	454,416
13	Providence	168,378,347	13,241,031
14	Richmond	5,300,144	422,147
15	Scituate	2,712,604	229,942
16	Smithfield	4,635,136	388,414
17	South Kingstown	8,575,177	714,097
18	Tiverton	4,923,363	402,699
19	Warwick	31,261,607	2,554,650
20	Westerly	5,319,551	460,458
21	West Warwick	17,635,159	1,395,236
22	Woonsocket	41,636,569	3,244,945
23	Bristol-Warren	17,675,687	1,395,455
24	Exeter-West Greenwich	6,378,147	515,945
25	Chariho	359,704	27,370
26	Foster-Glocester	4,878,574	390,339
27	Central Falls	40,233,714	3,021,611

28 In addition to the amounts listed above, the department of elementary and secondary
29 education shall allocate monthly to each school district all funds received into the permanent
30 school fund pursuant to § 42-61.2-7, as amended by chapter 13 of the 2008 Public Laws entitled
31 "An Act Relating to State Affairs and Government", up to \$14.1 million, in the same proportion
32 as the aid distribution in the FY 2009 enacted appropriations act. This special provision shall not
33 limit entitlements as determined by application of other formula provisions in this section.

34 (g) For FY 2009 payments to charter public schools shall be reduced by the equivalent

1 savings that are realized due to a reduction of payments to the teachers' retirement system. The
2 reduction for district sponsored charter schools shall be incorporated in the sponsoring school
3 district's aid as noted in subsection (f). Aid to charter public schools shall be reduced in the April
4 quarterly payment. For FY 2009, charter public school funding is as follows:

5	Beacon Charter School	1,512,785
6	Blackstone Academy	1,469,349
7	Compass	614,485
8	Paul Cuffee	4,449,006
9	CVS Highlander	2,596,782
10	International	2,863,818
11	Kingston Hill Academy	736,784
12	Learning Community	3,669,529
13	NE Laborer's	1,508,866
14	Textron	2,361,370
15	Times 2 Academy	6,870,410

16 (h) For FY 2010, payments to charter public schools shall be reduced by the equivalent
17 savings that are realized due to a reduction of payments to the teachers' retirement system. The
18 reduction for district sponsored charter schools shall be incorporated in the sponsoring schools
19 district's aid as noted in subsection (f). For FY 2010, payments to charter public schools shall be
20 reduced by one million four hundred sixty-three thousand three hundred sixty-seven dollars
21 (\$1,463,367) based on the charter schools' share of total FY 2009 enacted education aid,
22 including school districts and state schools. For FY 2010, a distribution of stabilization funds per
23 the American Recovery and Reinvestment Act (ARRA) totaling one million four hundred
24 seventy-one thousand eighty-seven dollars (\$1,471,087) shall be allocated to charter public
25 schools proportionately based on their share of total FY 2009 enacted education aid, including
26 school districts and state schools.

27 (2) For FY 2010, payments to charter public schools shall be further reduced by one
28 million one hundred fifty-eight thousand one dollars (\$1,158,001) based on the charter schools'
29 share of total FY 2010 originally enacted education aid. For FY 2010, an additional distribution
30 of stabilization funds per the American Recovery and Reinvestment Act (ARRA) totaling one
31 hundred ninety-seven thousand seven hundred fifty-two dollars (\$197,752) shall be allocated to
32 charter public schools proportionately based on their share of total FY 2010 originally enacted
33 education aid.

34 (3) Public charter schools shall comply with the assurances and reporting requirements

1 provided in the federal guidance for the (ARRA) allocation and by the commissioner of
2 elementary and secondary education.

3 (i) There shall be deducted from the final aid payment to each school district any amounts
4 owed to the state at the end of the fiscal year for transportation of the district's students under the
5 statewide transportation system established pursuant to R.I.G.L. 16-21.1-7 and 16-21.1-8.
6 Districts shall receive monthly invoices summarizing the basis of the transportation fees charged.
7 Any such deductions in aid shall be transferred to the statewide student transportation services
8 restricted receipt account.

9 (j) The provisions of R.I.G.L. 16-26-7.1 notwithstanding, districts shall be assessed
10 tuition to cover the costs of educational services that are additional to the core deaf and hard of
11 hearing education program that is provided to resident students at the Rhode Island School for the
12 Deaf. This tuition shall be based on a graduated tuition schedule that is based on the varying
13 needs of students. The department of elementary and secondary education shall develop and
14 implement the schedule. Districts shall receive monthly invoices summarizing the basis for the
15 tuition charged. There shall be deducted from the final aid payment to each school district at the
16 end of the fiscal year any amounts owed to the state for these additional educational services.

17 (k) Children with disabilities. (1) Based on its review of special education within the
18 context of Rhode Island school reform, the general assembly recommends addressing the needs of
19 all children and preventing disability through scientific research based, as described in the No
20 Child Left Behind Act of 2001, Title 1, Part B, Section 1208 [20 U.S.C. § 6368], reading
21 instruction and the development of Personal Literacy Programs for students in the early grades
22 performing below grade level in reading and implement a system of student accountability that
23 will enable the state to track individual students over time. Additionally, the department of
24 elementary and secondary education must provide districts with rigorous criteria and procedures
25 for identifying students with learning disabilities and speech/language impairments. Additional
26 study is required of factors that influence programming for students with low incidence
27 disabilities; those with disabilities that severely compromise life functions; and programming for
28 students with disabilities through urban special education. Alternatives for funding special
29 education require examination.

30 (2) All departments and agencies of the state shall furnish any advice and information,
31 documentary and otherwise, to the general assembly and its agents that is deemed necessary or
32 desirable by the study to facilitate the purposes of this section.

33 (l) For FY 2011, aid to school districts shall be reduced by the equivalent savings that are
34 realized due to a reduction of payments to the teachers' retirement system. The reduction for the

1 Chariho regional school district shall be prorated among the member communities. For FY 2011,
 2 aid to school districts shall be further reduced by twenty million four hundred ninety thousand
 3 one hundred thirty-seven dollars (\$20,490,137) from the FY 2010 originally enacted level based
 4 on the school district's share of total FY 2010 originally enacted education aid, including aid to
 5 state schools and charter schools. For FY 2011, a distribution of federal stabilization funds made
 6 available through the American Recovery and Reinvestment Act (ARRA), in the amount of
 7 seventeen million four hundred thirty-one thousand nine hundred four dollars (\$17,431,904), shall
 8 be allocated to school districts proportionately based on their share of total FY 2010 originally
 9 enacted education aid, including aid to state schools and charter schools.

10 (m) There shall be an appropriation to ensure that total aid distributed to communities in
 11 FY 2011 under this section and §§ 16-7.1-11.1, 16-64-1.1 and 16-77.1-2(b), excluding any FY
 12 2009 and FY 2010 Stabilization reappropriations, shall be as follows:

	<u>FY 2011</u>		FY 2011	
	<u>General</u>		Stimulus Fiscal	
	<u>Revenue</u>		Stabilization	
17 Barrington	1,709,541	<u>1,712,863</u>	68,151	<u>64,829</u>
18 Burrillville	12,723,172	<u>12,736,916</u>	326,139	<u>312,396</u>
19 Charlestown	1,658,980	<u>1,661,061</u>	49,284	<u>47,203</u>
20 Coventry	17,625,624	<u>17,646,066</u>	480,946	<u>460,504</u>
21 Cranston	30,876,770	<u>30,913,084</u>	852,976	<u>816,662</u>
22 Cumberland	11,534,855	<u>11,548,713</u>	318,784	<u>304,926</u>
23 East Greenwich	1,277,951	<u>1,280,422</u>	49,760	<u>47,289</u>
24 East Providence	23,891,690	<u>23,918,627</u>	640,267	<u>613,330</u>
25 Foster	1,259,241	<u>1,260,670</u>	33,780	<u>32,351</u>
26 Glocester	2,869,462	<u>2,872,692</u>	76,538	<u>73,308</u>
27 Hopkinton	5,547,160	<u>5,553,441</u>	148,729	<u>142,447</u>
28 Jamestown	373,118	<u>373,817</u>	13,728	<u>13,029</u>
29 Johnston	9,351,204	<u>9,362,199</u>	258,452	<u>247,456</u>
30 Lincoln	6,139,669	<u>6,147,563</u>	181,008	<u>173,114</u>
31 Little Compton	279,301	<u>279,764</u>	9,269	<u>8,806</u>
32 Middletown	9,312,401	<u>9,323,001</u>	250,345	<u>239,745</u>
33 Narragansett	1,375,277	<u>1,377,507</u>	48,407	<u>46,177</u>
34 Newport	10,528,468	<u>10,540,392</u>	283,585	<u>271,661</u>

1	New Shoreham	53,154	<u>53,292</u>	2,926	<u>2,789</u>
2	North Kingstown	10,344,125	<u>10,356,579</u>	289,005	<u>276,550</u>
3	North Providence	11,787,482	<u>11,800,998</u>	320,061	<u>306,546</u>
4	North Smithfield	4,226,827	<u>4,231,887</u>	115,855	<u>110,796</u>
5	Pawtucket	61,160,994	<u>61,226,793</u>	1,582,330	<u>1,516,531</u>
6	Portsmouth	5,806,300	<u>5,828,378</u>	161,798	<u>154,719</u>
7	Providence	175,216,822	<u>175,422,098</u>	4,596,217	<u>4,405,942</u>
8	Richmond	5,522,206	<u>5,528,422</u>	147,191	<u>140,975</u>
9	Scituate	2,830,181	<u>2,833,854</u>	83,341	<u>79,668</u>
10	Smithfield	4,759,547	<u>4,765,663</u>	139,730	<u>133,614</u>
11	South Kingstown	8,942,714	<u>8,953,748</u>	255,978	<u>244,944</u>
12	Tiverton	5,132,318	<u>5,138,483</u>	142,905	<u>136,740</u>
13	Warwick	32,587,668	<u>32,626,231</u>	906,046	<u>867,483</u>
14	Westerly	5,552,661	<u>5,560,097</u>	168,643	<u>161,207</u>
15	West Warwick	18,369,914	<u>18,390,194</u>	485,338	<u>465,058</u>
16	Woonsocket	43,237,525	<u>43,284,016</u>	1,118,508	<u>1,072,017</u>
17	Bristol-Warren	18,411,506	<u>18,431,734</u>	484,936	<u>464,709</u>
18	Exeter-West Greenwich	6,527,123	<u>6,534,833</u>	181,826	<u>174,116</u>
19	Chariho	374,376	<u>374,768</u>	9,291	<u>8,899</u>
20	Foster-Glocester	5,083,179	<u>5,089,030</u>	136,766	<u>130,915</u>
21	Central Falls	41,852,580	<u>39,893,956</u>	1,013,065	<u>971,688</u>

22 In addition to the amounts listed above, the department of elementary and secondary
23 education shall allocate monthly to each school district all funds received into the permanent
24 school fund pursuant to § 42-61.2-7, as amended by chapter 13 of the 2008 Public Laws entitled
25 "An Act Relating to State Affairs and Government", up to \$14.1 million, in the same proportion
26 as the aid distribution in the FY 2009 enacted appropriations act.

27 This special provision shall not limit entitlements as determined by application of other
28 formula provisions in this section.

29 (n) For FY 2009 payments to charter public schools shall be reduced by the equivalent
30 savings that are realized due to a reduction of payments to the teachers' retirement system. The
31 reduction for district sponsored charter schools shall be incorporated in the sponsoring school
32 district's aid as noted in subsection (g). Aid to charter public schools shall be reduced in the April
33 quarterly payment. For FY 2009, charter public school funding is as follows:

34 Beacon Charter School 1,512,785

1	Blackstone Academy	1,469,349
2	Compass	614,485
3	Paul Cuffee	4,449,006
4	CVS Highlander	2,596,782
5	International	2,863,818
6	Kingston Hill Academy	736,784
7	Learning Community	3,669,529
8	NE Laborer's	1,508,866
9	Textron	2,361,370
10	Times 2 Academy	6,870,410

11 (o) For FY 2011, payments to charter public schools shall be reduced by the equivalent
12 savings that are realized due to a reduction of payments to the teachers' retirement system. The
13 reduction for district sponsored charter schools shall be incorporated in the sponsoring schools
14 district's aid as noted in subsection (g). For FY 2011, payments to charter public schools shall be
15 further reduced by one million seventy-six thousand nine hundred forty-one dollars (\$1,076,941)
16 from the FY 2010 originally enacted education aid based on the charter schools' share of total FY
17 2010 enacted education aid, including aid to school districts and state schools. For FY 2011, a
18 distribution of federal stabilization funds made available through the American Recovery and
19 Reinvestment Act (ARRA), in the amount of one million forty-eight thousand six hundred dollars
20 (\$1,048,600), shall be allocated to charter public schools proportionately based on their share of
21 total FY 2010 originally enacted education aid, including aid to school districts and state schools.

22 SECTION 2. Chapter 16-8 of the General Laws entitled "Federal Aid" is hereby amended
23 by adding thereto the following section:

24 **16-8-15. Education Jobs Fund. -- For FY 2012 only, state general revenue**
25 **appropriations to all local education agencies – including school districts, charter schools, and**
26 **state schools – shall be reduced by the amount allocated to each local education agency under the**
27 **terms of the federal Education Jobs Fund program.**

28 SECTION 3. Section 16-7-41.1 of the General Laws in Chapter 16-7 entitled
29 "Foundation Level School Support" is hereby amended to read as follows:

30 **16-7-41.1. Eligibility for reimbursement.** -- School districts, not municipalities, may
31 apply for and obtain approval for a project under the necessity of school construction process set
32 forth in the regulations of the board of regents for elementary and secondary education. Such
33 approval will remain valid until June 30 of the third fiscal year following the fiscal year in which
34 the board of regents for elementary and secondary education's approval is granted. Only those

1 projects undertaken at school facilities under the care and control of the school committee and
2 located on school property may qualify for reimbursement under sections 16-7-35 -- 16-7-47.
3 Facilities with combined school and municipal uses or facilities that are operated jointly with any
4 other profit or non-profit agency do not qualify for reimbursement under sections 16-7-35 -- 16-7-
5 47. Projects completed by June 30 of a fiscal year are eligible for reimbursement in the following
6 fiscal year. A project for new school housing or additional housing shall be deemed to be
7 completed when the work has been officially accepted by the school committee or when the
8 housing is occupied for its intended use by the school committee, whichever is earlier.

9 Notwithstanding the provisions of this section, the board of regents shall not grant final
10 approval for any project between June 30, 2011 and June 30, 2014 except for projects that are
11 necessitated by immediate health and safety reasons. In the event that a project is requested
12 during the moratorium because of immediate health and safety reasons, those proposals shall be
13 reported to the chairs of the house and senate finance committees.

14 Any project approval granted prior to the adoption of the school construction regulations
15 in 2007, and which are currently inactive; and any project approval granted prior to the adoption
16 of the school construction regulations in 2007 which did not receive voter approval or which has
17 not been previously financed, are no longer eligible for reimbursement under this chapter. The
18 department of elementary and secondary education shall develop recommendations for further
19 cost containment strategies in the school housing aid program.

20 SECTION 4. This Article shall take effect upon passage.

1 **ARTICLE 6**

2 RELATING TO DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

3 SECTION 1. Section 42-17.1-9.1 of the General Laws in Chapter 42-17.1 entitled
4 “Department of Environmental Management” is hereby amended as follows:

5 **42-17.1-9.1. User fees at state beaches, parks, and recreation areas.** -- (a) The
6 department of environmental management in pursuance of its administrative duties and
7 responsibilities may charge a user fee for any state beach, or recreational area under its
8 jurisdiction, and fees for the use of its services or facilities.

9 (b) The fee may be on a daily or annual basis, or both, and may be based on vehicle
10 parking or other appropriate means. The fees may recognize the contribution of Rhode Island
11 taxpayers to support the facilities in relation to other users of the state's facilities. The fee
12 structure may acknowledge the need to provide for all people, regardless of circumstances.

13 (c) An additional fee for camping and other special uses may be charged where
14 appropriate. Rates so charged should be comparable to equivalent commercial facilities.

15 (d) All such fees shall be established after a public hearing.

16 (e) All daily fees from beach parking, which shall also include fees charged and
17 collected at Ninigret conservation area and Charlestown breachway, shall be shared with the
18 municipality in which the facility is located on the basis of ~~seventy-three percent (73%)~~ eighty-
19 four percent (84%) retained by the state and ~~twenty-seven percent (27%)~~ sixteen percent (16%)
20 remitted to the municipality.

21 (f) Fifty percent (50%) of all user and concession fees received by the state shall be
22 deposited as general revenues. For the year beginning July 1, 1979, the proportion of user and
23 concession fees to be received by the state shall be ~~sixty-five percent (65%)~~; for the year
24 beginning July 1, 1980, ~~eighty-five percent (85%)~~; and for the year beginning July 1, 1981, and
25 all years thereafter, one hundred percent (100%). The general revenue monies appropriated are
26 hereby specifically dedicated to meeting the costs of development, renovation of, and acquisition
27 of state-owned recreation areas and for regular maintenance, repair and operation of state owned
28 recreation areas. Purchases of vehicles and equipment and repairs to facilities shall not exceed
29 four hundred thousand dollars (\$400,000) annually. Notwithstanding the provisions of section 37-
30 1-1 or any other provision of the general laws, the director of the department of environmental

1 management is hereby authorized to accept any grant, devise, bequest, donation, gift, or
2 assignment of money, bonds, or other valuable securities for deposit in the same manner as
3 provided above for user and concession fees retained by the state.

4 (g) No fee shall be charged to any school or other nonprofit organization provided that a
5 representative of the school or other organization gives written notice of the date and time of their
6 arrival to the facility.

7 SECTION 2. This article shall take effect July 1, 2011.

ARTICLE 7

RELATING TO BORROWING IN ANTICIPATION OF RECEIPTS FROM TAXES

SECTION 1. (a) The State of Rhode Island is hereby authorized to borrow during its fiscal year ending June 30, 2012, in anticipation of receipts from taxes such sum or sums, at such time or times and upon such terms and conditions not inconsistent with the provisions and limitations of Section 17 of Article VI of the constitution of Rhode Island, as the general treasurer, with the advise of the Governor, shall deem for the best interests of the state, provided that the amounts so borrowed shall not exceed three hundred and fifty million dollars (\$350,000,000), at any time outstanding. The state is hereby further authorized to give its promissory note or notes signed by the general treasurer and counter-signed by the secretary of state for the payment of any sum so borrowed. Any such proceeds shall be invested by the general treasurer until such time as they are needed. The interest income earned from such investments shall be used to pay the interest on the promissory note or notes, or other forms of obligations, and any expense of issuing the promissory note or notes, or other forms of obligations, with the balance remaining at the end of said fiscal year, if any, shall be used toward the payment of long-term debt service of the state, unless prohibited by federal law or regulation.

(b) Notwithstanding any other authority to the contrary, duly authorized bonds or notes of the state issued during the fiscal year ending June 30, 2012 may be issued in the form of commercial paper, so-called. In connection herewith, the state, acting through the general treasurer, may enter into agreements with banks, trust companies or other financial institutions within or outside the state, whether in the form of letters or lines of credit, liquidity facilities, insurance or other support arrangements. Any notes issued as commercial paper shall be in such amounts and bear such terms as the general treasurer, with the advice of the governor, shall determine, which may include provisions for prepayment at any time with or without premium at the option of the state. Such notes may be sold at a premium or discount, and may bear interest or not and, if interest bearing, may bear interest at such rate or rates variable from time to time as determined by the Federal Reserve Bank Composite Index of Commercial Paper, or the Municipal Market Data General Market Index or other similar commercial paper offerings, or other method specified in any agreement with brokers for the placement or marketing of any such notes issued as commercial paper, or other like agreements. Any such agreement may also

1 include such other covenants and provisions for protecting the rights, security and remedies of the
2 lenders as may, in the discretion of the general treasurer, be reasonable, legal and proper. The
3 general treasurer may also enter into agreements with brokers for the placement or marketing of
4 any such notes of the state issued as commercial paper. Any notes to the state issued as
5 commercial paper in anticipation of receipts from taxes in any fiscal year must also be issued in
6 accordance with the provisions of Section 17 of Article VI of the constitution of Rhode Island and
7 within the limitations set forth in Subsection (a) of Section 1 of this Article.

8 (c) Notwithstanding any other authority to the contrary, other forms of obligations of the
9 state not to exceed twenty million dollars (\$20,000,000) of the three hundred fifty million dollar
10 (\$350,000,000) amount authorized in Section 1 may be issued during the fiscal year ending June
11 30, 2011 in the form of a commercial or business credit account, at any time outstanding, with
12 banks, trust companies or other financial institutions within or outside the state in order to finance
13 a payables incentive program for the state with its vendors. Any such forms of obligations entered
14 into pursuant to this subsection shall be in such amounts and bear such terms as the general
15 treasurer, with the advice of the governor, shall determine, which may include provisions for
16 prepayment at any time with or without premium at the option of the state. Any such forms of
17 obligations entered into pursuant to this subsection may also include such other covenants and
18 provisions for protecting the rights, security and remedies of the lenders as may, in the discretion
19 of the general treasurer, be reasonable, legal and proper. Any such forms of obligations entered
20 into pursuant to this subsection must also be issued in accordance with the provisions of Section
21 17 of Article VI of the Constitution of Rhode Island and within the limitations set forth in
22 Subsection (a) of Section 1 of this Article.

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

ARTICLE 8 AS AMENDED

RELATING TO LONGEVITY PAYMENTS

SECTION 1. Section 36-4-17.1 of the General Laws in Chapter 36-4 entitled "Merit System" is hereby amended to read as follows:

36-4-17.1. Longevity payments. -- A state employee in the classified or unclassified service who terminates employment and is subsequently reemployed by the state, notwithstanding any rule, regulation, or provision of the general laws to the contrary, shall be eligible to receive an aggregate longevity increase for the period of initial employment ~~and subsequent employment.~~

The provisions of this section shall be applied retroactively to those persons reemployed prior to June 1, 1980, and thereafter.

36-4-17.2. Future longevity payments. -- Beginning on July 1, 2011, notwithstanding any rule, regulation, or provision of the public laws or general laws to the contrary, there shall be no further longevity increases for state employees; provided, however, for employees with longevity provisions pursuant to a collective bargaining agreement in effect on June 1, 2011, longevity increases shall cease beginning on July 1, 2011 or beginning upon the expiration of the applicable collective bargaining agreement, whichever occurs later. To the extent an employee has previously accrued longevity payments, the employee shall continue to receive the same longevity percentage in effect on June 30, 2011, or in the case of an employee with longevity provisions pursuant to a collective bargaining agreement in effect on June 1, 2011, the same longevity percentage in effect on June 30, 2011 or upon the expiration of the applicable collective bargaining agreement, whichever occurs later.

SECTION 2. Section 16-59-7.2 of the General Laws in Chapter 16-59 entitled "Board of Governors for Higher Education" is hereby amended to read as follows:

16-59-7.2. Longevity payments -- Nonclassified employees. -- (a) The non-classified employees of the board of governors for higher education, except for faculty employees and except for non-classified employees already receiving longevity increases, shall be entitled to a longevity payment in the amount of five percent (5%) of base salary after ten (10) years of service and increasing to a total of ten percent (10%) of base salary after twenty (20) years of service. The provisions of this section will apply only to employees under the grade of nineteen (19). The longevity payments shall not be included in base salary.

1 (b) The board of governors is authorized to promulgate regulations implementing the
2 provisions of this section.

3 (c) Beginning on July 1, 2011, notwithstanding any rule, regulation, or provision of the
4 public laws or general laws to the contrary, there shall be no further longevity increases for
5 employees of the board of governors; provided, however, for employees with longevity
6 provisions pursuant to a collective bargaining agreement in effect on June 1, 2011, longevity
7 increases shall cease beginning on July 1, 2011 or beginning upon the expiration of the applicable
8 collective bargaining agreement, whichever occurs later. To the extent an employee has
9 previously accrued longevity payments, the amount of the longevity payment earned by the
10 employee for the last pay period in June, 2011 shall be added to the employee's base salary as of
11 June 30, 2011, or in the case of an employee with longevity provisions pursuant to a collective
12 bargaining agreement in effect on June 1, 2011, the amount of the longevity payment earned by
13 the employee for the latter of the last pay period in June or the last pay period prior to the
14 expiration of the applicable collective bargaining agreement shall be added to the employee's
15 base salary as of June 30, 2011 or upon the expiration of the applicable collective bargaining
16 agreement, whichever occurs later.

17 SECTION 3. Section 16-60-7.2 of the General Laws in Chapter 16-60 entitled "Board of
18 Regents for Elementary and Secondary Education" is hereby amended to read as follows:

19 **16-60-7.2. Longevity payments -- Nonclassified employees.** -- (a) The non-classified
20 employees of the board of regents for elementary and secondary education, except for non-
21 classified employees already receiving longevity increases, shall be entitled to a longevity
22 payment in the amount of five percent (5%) of base salary after ten (10) years of service and
23 increasing to a total of ten percent (10%) of base salary after twenty (20) years of service. The
24 provisions of this section shall apply only to employees under the grade of nineteen (19). The
25 longevity payments shall not be included in base salary.

26 (b) The board of regents is authorized to promulgate regulations implementing the
27 provisions of this section.

28 (c) Beginning on July 1, 2011, notwithstanding any rule, regulation, or provision of the
29 public laws or general laws to the contrary, there shall be no further longevity increases for
30 employees of the board of regents for elementary and secondary education; provided, however,
31 for employees with longevity provisions pursuant to a collective bargaining agreement in effect
32 on June 1, 2011, longevity increases shall cease beginning on July 1, 2011 or beginning upon the
33 expiration of the applicable collective bargaining agreement, whichever occurs later. To the
34 extent an employee has previously accrued longevity payments, the amount of the longevity

1 payment earned by the employee for the last pay period in June, 2011 shall be added to the
2 employee's base salary as of June 30, 2011, or in the case of an employee with longevity
3 provisions pursuant to a collective bargaining agreement in effect on June 1, 2011, the amount of
4 the longevity payment earned by the employee for the latter of the last pay period in June or the
5 last pay period prior to the expiration of the applicable collective bargaining agreement shall be
6 added to the employee's base salary as of June 30, 2011 or upon the expiration of the applicable
7 collective bargaining agreement, whichever occurs later.

8 SECTION 4. Section 16-61-8.1 of the General Laws in Chapter 16-61 entitled "Rhode
9 Island Public Telecommunications Authority" is hereby amended to read as follows:

10 **16-61-8.1. Longevity payments -- Nonclassified employees.** -- (a) Non-classified
11 employees of the Rhode Island public telecommunications authority, except for non-classified
12 employees already receiving longevity increases, shall be entitled to a longevity payment in the
13 amount of five percent (5%) of base salary after ten (10) years of service and increasing in a total
14 of ten percent (10%) of base salary after twenty (20) years of service. The provisions of this
15 section shall apply only to employees under the grade of nineteen (19). The longevity payments
16 shall not be included in base salary.

17 (b) The telecommunications authority is authorized to promulgate regulations
18 implementing the provisions of this section.

19 (c) Beginning on July 1, 2011, notwithstanding any rule, regulation, or provision of the
20 public laws or general laws to the contrary, there shall be no further longevity increases for
21 employees of the Rhode Island public telecommunications authority; provided, however, for
22 employees with longevity provisions pursuant to a collective bargaining agreement in effect on
23 June 1, 2011, longevity increases shall cease beginning on July 1, 2011 or beginning upon the
24 expiration of the applicable collective bargaining agreement, whichever occurs later. To the
25 extent an employee has previously accrued longevity payments, the amount of the longevity
26 payment earned by the employee for the last pay period in June, 2011 shall be added to the
27 employee's base salary as of June 30, 2011, or in the case of an employee with longevity
28 provisions pursuant to a collective bargaining agreement in effect on June 1, 2011, the amount of
29 the longevity payment earned by the employee for the latter of the last pay period in June or the
30 last pay period prior to the expiration of the applicable collective bargaining agreement shall be
31 added to the employee's base salary as of June 30, 2011 or upon the expiration of the applicable
32 collective bargaining agreement, whichever occurs later.

33 SECTION 5. Chapter 36-6 of the General Laws entitled "Salaries and Traveling
34 Expenses" is hereby amended by adding thereto the following section:

1 existence from the state, and not constituting a department of the state government, in order to
2 perform a governmental function.

3 SECTION 7. This Article shall take effect upon passage.

ARTICLE 9 AS AMENDED

RELATING TO GOVERNMENTAL ORGANIZATION

SECTION 1. Section 12-1.2-4 of the General Laws in Chapter 12-1.2 entitled "State Crime Laboratory" is hereby amended to read as follows:

12-1.2-4. Funding. – The state crime laboratory shall be funded through the budget of the ~~department of health~~ University of Rhode Island.

SECTION 2. Title 42 of the General Laws entitled "STATE AFFAIRS AND GOVERNMENT" is hereby amended by adding thereto the following chapter:

CHAPTER 154

DIVISION OF ELDERLY AFFAIRS

42-154-1. Establishment of division -- Director. – There is hereby established within the executive branch of state government and the department of human services a division of elderly affairs, effective July 1, 2011. The head of the division shall be the director of the division of elderly affairs, who shall be a person qualified through and by training and experience to perform the duties of the division. The director shall be in the unclassified service.

42-154-2. Transfer of powers and duties from the department of elderly affairs. – There is hereby transferred to the division of elderly affairs within the department of human services those powers and duties formerly administered by the department of elderly affairs as provided for in chapters 42-66 ("Elderly Affairs Department") through 42-66.10 ("Elder Health Insurance Consumer Assistance Program"), inclusive, and any other applicable provisions of the general laws; provided, however, in order that there is no interruption in the functions of elderly affairs and/or human services the transfer may be postponed until such time as determined by the secretary of the office of health and human services that the transfer may best be put into force and effect; provided, further, the governor shall submit to the 2012 Assembly any recommended statutory changes necessary to facilitate the merger.

42-154-3. Construction of references. – Effective July 1, 2011, all references in the general laws to the department of elderly affairs established pursuant to chapter 42-66 ("Elderly Affairs Department") shall be deemed to mean and refer to the division of elderly affairs within the department of human services as set forth in this chapter.

SECTION 3. Chapter 42-152 of the General Laws entitled "Department of Veterans'

1 Affairs" is hereby repealed in its entirety.

2 CHAPTER 42-152

3 Department of Veterans' Affairs

4 ~~42-152-1. Department of veterans' affairs. -- There is hereby established within the~~
5 ~~office of health and human services a department of veterans' affairs.~~

6 ~~42-152-2. Powers and duties. -- The powers and duties of the former division of~~
7 ~~veterans' affairs, as provided for in chapter 30-17 of the general laws are hereby transferred to the~~
8 ~~director of veterans' affairs. The director shall be an honorably discharged war veteran of the~~
9 ~~United States armed forces and shall be appointed by the governor with the advise and consent of~~
10 ~~the senate.~~

11 ~~42-152-3. Appropriations. -- The general assembly shall annually act upon a budget~~
12 ~~prepared and submitted by the director of veterans' affairs for the support of the veterans' home in~~
13 ~~the town of Bristol, any veterans' cemetery authorized and established by the general assembly,~~
14 ~~and the assistance of the widows, widowers, and dependent children of deceased veterans, known~~
15 ~~as the "veterans' assistance fund," for the assistance of worthy dependent veterans, and the~~
16 ~~dependent worthy families of those veterans who served in the army, navy, marine corps, coast~~
17 ~~guard, merchant marines, and air force of the United States and were honorably discharged from~~
18 ~~that service.~~

19 ~~42-152-4. Powers of department of veterans' affairs. -- The department of veterans'~~
20 ~~affairs, in addition to having the control and management of veterans' affairs, shall have custody~~
21 ~~of all records inquiring into the needs of worthy veterans and the needs of dependent worthy~~
22 ~~families of those veterans, residing within the state of Rhode Island, and shall also assist such~~
23 ~~cases as examination proves worthy of assistance, in such sums of money and by such methods as~~
24 ~~will, in the judgment of that division, best relieve the needs of worthy applicants for assistance.~~

25 ~~42-152-5. Pension and compensation claims assistance. -- Upon request, the director of~~
26 ~~the department shall, in accordance with the applicable rules and regulations of the department of~~
27 ~~veterans' affairs of the United States, prepare and present all veterans' pension and compensation~~
28 ~~claims qualifying under the provisions of section 42-12-5. The department shall render this~~
29 ~~assistance without charge to the claimant for the assistance.~~

30 ~~42-152-6. Admittance of veteran to veterans' home as condition of assistance. -- The~~
31 ~~director or his or her designee, may, in his or her discretion, require any veteran who has no~~
32 ~~dependent parents, wife, or children, and who desires assistance as provided in this chapter, to~~
33 ~~become a resident of the veterans' home in order to enjoy the benefits of this chapter.~~

34 ~~42-152-7. Residence requirement for admittance to veterans' home. -- Any person~~

1 ~~who has served in the army, navy, marine corps, coast guard, merchant marines, or air force of~~
2 ~~the United States for a period of ninety (90) days or more and that period began or ended during~~
3 ~~any foreign war in which the United States shall have been engaged or in any expedition or~~
4 ~~campaign for which the United States government issues a campaign medal, and who was~~
5 ~~honorably discharged there from, and who shall be deemed to be in need of care provided at the~~
6 ~~Rhode Island Veterans' Home, may be admitted to that facility subject to the rules and regulations~~
7 ~~as shall be adopted by the director of veterans' affairs to govern the admission of applicants to the~~
8 ~~facility. Any person who has served in the armed forces of the United States designated herein~~
9 ~~and otherwise qualified, who has served less than the ninety (90) day period described herein, and~~
10 ~~who was honorably discharged from service, and who, as a result of the service, acquired a~~
11 ~~service-connected disability or disease, may be admitted. No person shall be admitted to the~~
12 ~~facility unless the person has been accredited to the enlistment in the state or is a legal resident of~~
13 ~~the state at that time of the application for admission to the facility.~~

14 ~~**42-152-8. Annual report to general assembly.** -- The director shall appear and make an~~
15 ~~annual report in January of each year to the House and Senate Finance Committees, setting forth~~
16 ~~in detail the condition of the veterans' home, any veterans' cemetery, authorized and established~~
17 ~~by the general assembly, and in general the character of the work of veterans' affairs; and shall~~
18 ~~render in the report a faithful account of all moneys received and expended by the director and by~~
19 ~~the division of veterans' services in the execution of the provisions of this chapter and chapter 24~~
20 ~~of this title, excepting the names of persons to whom they have furnished assistance which shall~~
21 ~~be omitted.~~

22 SECTION 4. Title 30 of the General Laws entitled "MILITARY AFFAIRS AND
23 DEFENSE" is hereby amended by adding thereto the following chapter:

24 CHAPTER 17.1

25 VETERANS' AFFAIRS

26 **30-17.1-1. Appropriations.** -- The general assembly shall annually appropriate such
27 sums as it may deem necessary for the support of the veterans' home in the town of Bristol, any
28 veterans' cemetery authorized and established by the general assembly, and the assistance of the
29 widows, widowers, and dependent children of deceased veterans, known as the "veterans'
30 assistance fund", for the assistance of worthy dependent veterans, and the dependent worthy
31 families of those veterans who served in the army, navy, marine corps, coast guard, and air force
32 of the United States and were honorably discharged from that service, and for such clerical
33 assistance as may be required in connection with the administration of that program; and the state
34 controller is hereby authorized and directed to draw an order upon the general treasurer for the

1 payment of such sums as may be from time to time required, upon receipt by the state controller
2 of proper vouchers approved by the director of human services.

3 **30-17.1-2. Powers of division of veterans' affairs.** – The division of veterans' affairs, in
4 the department of human services, in addition to having the control and management of veterans'
5 affairs, shall have custody of all records inquiring into the needs of worthy veterans and the needs
6 of dependent worthy families of those veterans, residing within the State of Rhode Island, and
7 shall also assist such cases as examination proves worthy of assistance, in such sums of money
8 and by such methods as will, in the judgment of that division, best relieve the needs of worthy
9 applicants for assistance.

10 **30-17.1-3. Oath of officials -- Bonds.** – All officials appointed under the provisions of
11 this chapter or chapter 24 of this title shall be duly sworn to the faithful performance of their
12 duties. The director of human services may, in the director's discretion, require of all officials
13 subordinate to the director, bonds for the faithful performance of their duties.

14 **30-17.1-4. Veterans' claims assistance.** – Upon request, the director of the department
15 of human services, or his or her designee, shall, in accordance with the applicable rules and
16 regulations of the department of veterans' affairs of the United States, prepare and present all
17 veterans' pension and compensation claims qualifying under the provisions of section 42-12-5.
18 The department of human services shall render this assistance without charge to the claimant for
19 the assistance.

20 **30-17.1-5. Requiring veteran to enter home.** – The director of human services, or his or
21 her designee, may, in his or her discretion, require any veteran who has no dependent parents,
22 wife, or children, and who desires assistance as provided in this chapter, to become a resident of
23 the veterans' home in order to enjoy the benefits of this chapter.

24 **30-17.1-6. Establishment of division director.** – There is hereby established within the
25 executive branch of government and the department of human services a director of the division
26 of veterans' affairs. The director of the division of veterans' affairs shall be a person qualified
27 through experience and training and shall be an honorably discharged war veteran of the United
28 States armed forces. The director of the division of veterans' affairs shall report directly to the
29 director of the department of human services and be in the unclassified service.

30 **30-17.1-7. Annual report to general assembly.** – The director of human services shall
31 report annually no later than January 31 of each year to the governor, speaker of the house of
32 representatives, the senate president, house and senate finance committees, setting forth in detail
33 the condition of the veterans' home, any veterans' cemetery, authorized and established by the
34 general assembly, and in general the character of the work of veterans' affairs; and shall render in

1 the report a faithful account of all moneys received and expended by the director of human
2 services and by the division of veterans' services in the execution of the provisions of this chapter
3 and chapter 24 of this title, excepting the names of persons to whom they have furnished
4 assistance which shall be omitted.

5 SECTION 5. Sections 30-24-1, 30-24-2, 30-24-3, 30-24-4, 30-24-5, 30-24-6, 30-24-9,
6 30-24-10 and 30-24-10.1 of the General Laws in Chapter 30-24 entitled "Rhode Island Veterans'
7 Home" are hereby amended to read as follows:

8 **30-24-1. Management and control.** -- The management and control of the Rhode Island
9 veterans' home, established in this state for those who served in the army, navy, marine corps,
10 coast guard, merchant marines, or air force of the United States in any war or conflict and were
11 honorably discharged therefrom, who shall be in need of such care as is provided at the home,
12 shall be ~~in~~ the responsibility of the director of ~~veterans'-affairs~~ human services or his or her
13 designee.

14 **30-24-2. By-laws and regulations -- Supervision by director.** -- (a) The director of
15 ~~veterans'-affairs~~ human services or his or her designee shall have the general supervision over and
16 shall prescribe rules for the government and management of the Rhode Island veterans' home. He
17 or she shall make all needful by-laws and regulations governing the admission, maintenance, and
18 discharge of the residents of the home, which shall not be inconsistent with the spirit and intent of
19 this chapter, and generally may do all things necessary to successfully carry into effect the
20 purposes of this chapter.

21 (b) The director shall appoint and employ all subordinate officials and persons needed
22 for the proper management of the home.

23 **~~30-24-3. Department of veterans' affairs -- Advisory council Administrator --~~**
24 **Advisory council.** -- (a) The director of ~~veterans'-affairs~~ human services shall ~~serve as~~
25 ~~commandant and shall~~ appoint an administrator for the Rhode Island veterans' home who shall be
26 an honorably discharged war veteran of the United States Armed Forces. There shall be an
27 advisory council for ~~the department of~~ veterans' affairs, consisting of not more than twenty-seven
28 (27) qualified electors of this state, ten (10) of whom shall be honorably discharged war veterans
29 of the armed forces of the United States; sixteen (16) of the members shall be appointed by the
30 governor, consisting of a member designated by each of the various state departments of
31 chartered veteran organizations, one of whom shall be a member of the purple heart organization,
32 and the remaining member or members at large; provided, however, that each of those
33 departments of veteran organizations shall have and continue to have at least one member on the
34 advisory council for veterans' affairs; and provided further that one member shall be a female

1 veteran, one member shall be a minority veteran, one member shall be a representative of the
2 Persian Gulf War Veterans' Association, and one member shall be a representative of the Korean
3 War Veterans' Association; seven (7) members shall consist of five (5) members of the house of
4 representatives, not more than four (4) members from the same political party, to be appointed by
5 the speaker of the house of representatives, and two (2) members from the senate, not more than
6 one from the same political party, to be appointed by the president of the senate. The seven (7)
7 members of the general assembly who shall serve on the advisory council of veteran affairs shall
8 serve so long as they are members of the general assembly.

9 (b) The remaining members shall be one former representative having served at least five
10 (5) years on the advisory council, to be appointed by the speaker of the house of representatives,
11 and one former senator having served at least five (5) years on the advisory council, to be
12 appointed by the president of the senate. If either of the last two (2) mentioned are not available,
13 the selections may be members at-large selected from the general public; provided, further, the
14 immediate past chief of veterans' affairs shall serve as ex-officio of the veterans' council with
15 voting privileges for a period of five (5) years and may be reappointed for an additional term by
16 the governor. The final remaining member shall be an active National Guard person to be
17 appointed by the State Adjutant General.

18 **30-24-4. Appointments to advisory council -- Organization and meetings. --**

19 Annually, on or before July 1, the governor shall appoint a successor of each member of the
20 advisory council whose term expires, these appointments to be for a term of three (3) years.
21 Provided, however, that a former state representative or senator having served at least five (5)
22 years on the advisory council shall be appointed for a term of at least five (5) years. In case of any
23 vacancy or additional members on the council, the governor shall appoint a new member for the
24 unexpired portion of the term of that membership as hereinbefore provided. Members of the
25 council shall serve without pay. The advisory council shall elect one of its members to serve as
26 chairperson for a period of one year and until a successor is elected and qualified. Meetings shall
27 be held at the call of the chairperson; provided, however, that a majority of the members may call
28 a meeting of the advisory council at any time, all members being notified in any case by mail and
29 reasonably in advance of any such meetings. A majority of members shall constitute a quorum for
30 the transaction of business. The governor may remove a member of the council for neglect of
31 duty. Secretarial service for the council shall be provided by the director of the department of
32 ~~veterans' affairs~~ [human services](#). Provided, further, the immediate past chief of veterans' affairs
33 shall serve as ex-officio of the veterans' council with voting privileges for a period of five (5)
34 years and may be reappointed for an additional term by the governor.

1 **30-24-5. Functions of advisory council.** -- The advisory council for ~~the department of~~
2 veterans' affairs shall exercise and perform all the duties and functions formerly exercised and
3 performed by the advisory council for the Rhode Island veterans' home. The advisory council for
4 the Rhode Island veterans' home is hereby abolished. The advisory council for veterans' affairs
5 shall make suggestions to and shall advise the director of ~~veterans' affairs~~ [human services](#) and the
6 administrator of the veterans' home concerning the policies, rules, and the regulations of the
7 Rhode Island veterans' home; provided, however, that the advisory council shall have no
8 administrative power.

9 **30-24-6. Acceptance of gifts -- Veterans' home restricted account.** -- (a) The director
10 of ~~veterans' affairs~~ [human services](#) is hereby authorized and empowered to take and receive in the
11 name of the state any grant, devise, gift, or bequest of real or personal property that may be made
12 for the use and benefit of the Rhode Island veterans' home or the residents or purposes thereof.
13 All money so received, and all money received under the provisions of sections 30-24-9 and 30-
14 24-10, shall be paid over to the general treasurer and shall be kept by him or her as a restricted
15 account to be known as the "veterans' home restricted account". Use of the "veterans' home
16 restricted account" funds may only be made upon prior approval of the house of representatives'
17 finance committee and senate finance committee. The director may sell and dispose of any real or
18 personal property received under this section, and any property received under section 30-24-9,
19 and the proceeds of the sale shall be paid over to the general treasurer to be made a part of the
20 restricted account. The restricted account shall be used for the improvement of social,
21 recreational, and educational programs, including the purchase of educational and recreational
22 supplies and equipment for the welfare of members and for operational expenses and capital
23 improvements at the veterans' home and veterans' cemetery, as deemed necessary by the director
24 of ~~veterans' affairs~~ [human services](#).

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

26 **30-24-9. Property of deceased residents.** -- All goods, chattels, property, money, and
27 effects of a deceased resident of the Rhode Island veterans' home, which have not been disposed
28 of by him or her by a completed inter vivos conveyance or gift, or by a valid will, after payment
29 therefrom of the funeral expenses, which shall not exceed five thousand dollars (\$5,000), and
30 after payment therefrom of the reasonable debts and expenses of the deceased resident to be
31 determined by rules and regulations as shall be adopted by the director, shall upon his or her
32 decease become the property of the state, and shall be applied by the director of ~~veterans' affairs~~
33 [human services](#) or his designee to the uses and purposes of the veterans' restricted account;
34 provided, however, that the director may in his or her discretion deliver to any surviving relative

1 of the deceased resident any of the property or effects as may serve as a memento of the deceased
2 resident. For purposes of this section, the provisions of chapter 24 of title 33 shall be applicable.

3 **30-24-10. Admissible to home -- Fees. --** (a) Any person who has served in the army,
4 navy, marine corps, coast guard, or air force of the United States for a period of ninety (90) days
5 or more and that period began or ended during any foreign war in which the United States shall
6 have been engaged or in any expedition or campaign for which the United States government
7 issues a campaign medal, and who was honorably discharged from it, and who shall be deemed to
8 be in need of care provided at the Rhode Island veterans' home, may be admitted to that facility
9 subject to such rules and regulations as shall be adopted by the director of ~~veterans' affairs~~ [human](#)
10 [services](#) to govern the admission of applicants to the facility. Any person who has served in the
11 armed forces of the United States designated herein and otherwise qualified, who has served less
12 than the ninety-day period described in this section, and who was honorably discharged from
13 service, and who, as a result of the service, acquired a service-connected disability or disease,
14 may be admitted. No person shall be admitted to the facility unless the person has been accredited
15 to the enlistment or induction quota of the state or has resided in the state for at least two (2)
16 consecutive years next prior to the date of the application for admission to the facility.

17 (b) (1) The director shall, at the end of each fiscal year, determine the net per diem
18 expenses of maintenance of residents in the facility and shall assess against each resident who has
19 "net income", as defined in this section, a fee equal to eighty percent (80%) of the resident's net
20 income, provided that fee shall not exceed the actual cost of care and maintenance for the
21 resident; and provided that an amount equal to twenty percent (20%) of the maintenance fee
22 assessed shall be allocated to and deposited in the veterans' restricted account. For the purposes of
23 this section, "net income" is defined as gross income minus applicable federal and state taxes and
24 minus:

25 (i) An amount equal to one hundred fifty dollars (\$150) per month of residency and fifty
26 percent (50%) of any sum received due to wounds incurred under battle conditions for which the
27 resident received the purple heart; and

28 (ii) The amount paid by a resident for the support and maintenance of his or her spouse,
29 parent(s), minor child(ren), or child(ren) who is/are blind or permanently and totally disabled as
30 defined in title XVI of the Federal Social Security Act, 42 U.S.C. sections 1381 -- 1383d, subject
31 to a maximum amount to be determined by rules and regulations as shall be adopted by the
32 director.

33 (2) The fees shall be paid monthly to the home and any failure to make payment when
34 due shall be cause for dismissal from the facility. Prior to dismissal, the resident shall be afforded

1 administrative due process.

2 (c) Admissions to the veterans' home shall be made without discrimination as to race,
3 color, national origin, religion, sex, disability, marital status, age, sexual orientation, gender
4 identity or expression, assets, or income.

5 (d) Laundry services shall be provided to the residents of the Rhode Island veterans'
6 home at no charge to the residents, with such funds to cover the cost of providing laundry
7 services for residents of the Rhode Island Veterans' Home derived from monies appropriated to
8 the department of ~~veterans' affairs~~ [human services](#).

9 **30-24-10.1. Domiciliary care program for homeless veterans.** -- The director of the
10 department of ~~veterans' affairs~~ [human services](#) is hereby authorized and empowered to establish
11 and maintain a domiciliary care program for homeless veterans (Veterans Transitional Supportive
12 Program, V.T.S.P.) at the Rhode Island Veterans' Home. Any veteran admitted to the Rhode
13 Island Veterans' Home pursuant to this section shall be exempt from the maintenance fee
14 assessment established pursuant to section 30-24-10, provided, however, that the director shall
15 assess against each veteran admitted under this program a monthly maintenance fee equal to ten
16 percent (10%) of the veteran's monthly gross income, from whatever source derived and whether
17 taxable or non-taxable. In addition there will also be additional beds called Extended, V.T.S.P.
18 beds to which a monthly maintenance fee of thirty percent (30%) will be charged. Extended
19 V.T.S.P. will be available to eligible veterans in the V.T.S.P. program, but occupancy will not
20 exceed four (4) months. The maintenance fee shall be paid monthly to the Veterans' Home and
21 shall be deposited in the Veterans' Home fund. Any failure to make payment when due shall be
22 cause for dismissal from the facility. Prior to any dismissal for non-payment of fees, the veteran
23 shall be afforded administrative due process. The director is authorized to promulgate rules and
24 regulations to effectuate the intent and provisions of this section, and this grant of authority to
25 promulgate rules and regulations shall be liberally construed.

26 SECTION 6. Sections 30-25-8, 30-25-9, 30-25-10, 30-25-11, 30-25-12, 30-25-13 and 30-
27 25-14 of the General Laws in Chapter 30-25 entitled "Burial of Veterans" are hereby amended to
28 read as follows:

29 **30-25-8. Maintenance of north cemetery.** -- The director of ~~veterans' affairs~~ [human](#)
30 [services](#) shall be custodian of the Rhode Island soldiers' burial lots, and the monument and grave
31 markers thereon, located in the north cemetery in the town of Bristol. He or she shall, from time
32 to time, cause such work to be done as may be necessary in keeping the lots, monuments, and
33 markers in good condition and repair.

34 **30-25-9. Expenses of north cemetery.** -- The director of ~~veterans' affairs~~ [human services](#)

1 is authorized to make such expenditures as may be necessary in carrying out the purposes of
2 section 30-25-8, and the state controller is hereby authorized and directed upon receipt of proper
3 vouchers approved by the state director of ~~veterans'-affairs~~ [human services](#), to draw orders upon
4 the general treasurer for the payment of such sums as may be required, from the funds under the
5 control of the director of ~~veterans'-affairs~~ [human services](#), known as the veterans' home, restricted
6 account.

7 **30-25-10. Care of neglected graves.** -- The director of ~~veterans'-affairs~~ [human services](#) is
8 authorized and empowered to undertake the care of any grave of any soldier or sailor who fought
9 in the war of the revolution, or who at any time served the United States in any war, when the
10 grave appears to have been neglected or abandoned. For that purpose, the director, and the agents
11 or employees of the division, when duly authorized thereunto by the director, may enter into and
12 upon any public or private cemetery or burial place to clear any grave of grass, weeds, brush,
13 briars, or rubbish; to erect, replace, repair, or renovate fences, memorial stones, or markers; and
14 to perform the other tasks as may be necessary to restore and maintain the grave and its
15 surroundings in a decent and orderly condition.

16 **30-25-11. Consent of custodian of neglected grave.** -- When any cemetery or burial
17 place containing a neglected grave is found by the director of ~~veterans'-affairs~~ [human services](#), or
18 the agents or employees of the division, to be under the custody or control of some private owner
19 or public authority, then the director shall obtain permission in writing from the person or persons
20 having custody or control before entering into and upon the cemetery or burial place; provided,
21 that if no person or persons can be found having the custody or control of the cemetery or burial
22 place, the director shall assume the right of entry and shall perform the duties specified in section
23 30-25-10, without further notice.

24 **30-25-12. Appropriations for care of graves.** -- The general assembly shall, from time
25 to time, appropriate such sums as it may deem necessary to be expended by the director of
26 ~~veterans'-affairs~~ [human services](#) in carrying out the purposes of sections 30-25-10 and 30-25-11,
27 and the state controller is hereby authorized and directed, upon the receipt of the proper vouchers
28 approved by the director, to draw orders upon the general treasurer for the payment of such sums
29 as may be required, within the amount appropriated therefor.

30 **30-25-13. Acceptance and administration of gifts.** -- The director of ~~veterans'-affairs~~
31 [human services](#) may accept in the name of the state, and may administer, any devise, bequest, or
32 gift which is to be expended for the general purposes of this chapter. All sums received by devise,
33 bequest, or gift from any person or corporation shall be deposited with the general treasurer, and
34 by him or her kept in a special fund, to be known as "the veterans' cemetery fund", and held

1 subject to the order of the director.

2 **30-25-14. Rhode Island veterans' memorial cemetery.** -- The Rhode Island veterans'
3 memorial cemetery located on the grounds of the Joseph H. Ladd school in the town of Exeter
4 shall be under the management and control of the director of the department of ~~veterans' affairs~~
5 human services. The director of the department of ~~veterans' affairs~~ human services shall appoint
6 an administrator for the Rhode Island veterans' memorial cemetery who shall be an honorably
7 discharged veteran of the United States Armed Forces and shall have the general supervision over
8 and shall prescribe rules for the government and management of the cemetery. He or she shall
9 make all needful rules and regulations governing the operation of the cemetery and generally may
10 do all things necessary to insure the successful operation thereof. The director shall promulgate
11 rules and regulations, not inconsistent with the provisions of 38 USCS section 2402, to govern the
12 eligibility for burial in the Rhode Island veterans' memorial cemetery. In addition to all persons
13 eligible for burial pursuant to rules and regulations established by the director, any person who
14 served in the army, navy, air force, or marine corps of the United States for a period of not less
15 than two (2) years and whose service was terminated honorably, shall be eligible for burial in the
16 Rhode Island veterans' memorial cemetery. The director shall appoint and employ all subordinate
17 officials and persons needed for the proper management of the cemetery. National Guard
18 members who are killed in the line of duty or who are honorably discharged after completion of
19 at least twenty (20) years' of service in the Rhode Island National Guard and their spouse shall be
20 eligible for internment in the Rhode Island Veterans' Memorial Cemetery. For the purpose of
21 computing service under this section, honorable service in the active forces or reserves shall be
22 considered toward the twenty (20) years of National Guard service. The general assembly shall
23 make an annual appropriation to the department of ~~veterans' affairs~~ human services to provide for
24 the operation and maintenance for the cemetery. The director shall charge and collect a grave
25 liner fee per interment of the eligible spouse and/or eligible dependents of the qualified veteran
26 equal to the Department's cost for the grave liner.

27 SECTION 7. Section 42-18-5 of the General Laws in Chapter 42-18 entitled "Department
28 of Health" is hereby amended to read as follows:

29 **42-18-5. Transfer of powers and functions from department of health.** -- (a) There
30 are hereby transferred to the department of administration:

31 (1) Those functions of the department of health which were administered through or with
32 respect to departmental programs in the performance of strategic planning as defined in section
33 42-11-10(c);

34 (2) All officers, employees, agencies, advisory councils, committees, commissions, and

1 task forces of the department of health who were performing strategic planning functions as
2 defined in section 42-11-10(c); and

3 (3) So much of other functions or parts of functions and employees and resources,
4 physical and funded, related thereto of the director of health as are incidental to and necessary for
5 the performance of the functions transferred by subdivisions (1) and (2).

6 (b) There is hereby transferred to the department of human services the administration
7 and management of the special supplemental nutrition program for women, infants, and children
8 (WIC) and all functions and resources associated therewith.

9 [\(c\) There is hereby transferred to the department of human services the HIV/AIDS direct](#)
10 [services programs and all functions and resources associated therewith.](#)

11 SECTION 8. Section 42-11-10 of the General Laws in Chapter 42-11 entitled
12 "Department of Administration" is hereby amended to read as follows:

13 **42-11-10. Statewide planning program.** -- (a) Findings. - The general assembly finds
14 that the people of this state have a fundamental interest in the orderly development of the state;
15 the state has a positive interest and demonstrated need for establishment of a comprehensive
16 strategic state planning process and the preparation, maintenance, and implementation of plans
17 for the physical, economic, and social development of the state; the continued growth and
18 development of the state presents problems that cannot be met by the cities and towns
19 individually and that require effective planning by the state; and state and local plans and
20 programs must be properly coordinated with the planning requirements and programs of the
21 federal government.

22 (b) Establishment of statewide planning program. - (1) A statewide planning program is
23 hereby established to prepare, adopt, and amend strategic plans for the physical, economic, and
24 social development of the state and to recommend these to the governor, the general assembly,
25 and all others concerned.

26 (2) All strategic planning, as defined in subsection (c) of this section, undertaken by the
27 executive branch for those departments and other agencies enumerated in subsection (g) of this
28 section, shall be conducted by or under the supervision of the statewide planning program. The
29 statewide planning program shall consist of a state planning council, and the office of strategic
30 planning and the office of systems planning of the division of planning, which shall be a division
31 within the department of administration.

32 (c) Strategic planning. - Strategic planning includes the following activities:

33 (1) Establishing or identifying general goals.

34 (2) Refining or detailing these goals and identifying relationships between them.

1 (3) Formulating, testing, and selecting policies and standards that will achieve desired
2 objectives.

3 (4) Preparing long-range or system plans or comprehensive programs that carry out the
4 policies and set time schedules, performance measures, and targets.

5 (5) Preparing functional short-range plans or programs that are consistent with
6 established or desired goals, objectives, and policies, and with long-range or system plans or
7 comprehensive programs where applicable, and that establish measurable intermediate steps
8 toward their accomplishment of the goals, objectives, policies, and/or long-range system plans.

9 (6) Monitoring the planning of specific projects and designing of specific programs of
10 short duration by the operating departments, other agencies of the executive branch, and political
11 subdivisions of the state to insure that these are consistent with and carry out the intent of
12 applicable strategic plans.

13 (7) Reviewing the execution of strategic plans and the results obtained and making
14 revisions necessary to achieve established goals.

15 (d) State guide plan. - Components of strategic plans prepared and adopted in accordance
16 with this section may be designated as elements of the state guide plan. The state guide plan shall
17 be comprised of functional elements or plans dealing with land use; physical development and
18 environmental concerns; economic development; housing production; energy supply, including
19 the development of renewable energy resources in Rhode Island, and energy access, use, and
20 conservation; human services; and other factors necessary to accomplish the objective of this
21 section. The state guide plan shall be a means for centralizing, integrating, and monitoring long-
22 range goals, policies, plans, and implementation activities related thereto. State agencies
23 concerned with specific subject areas, local governments, and the public shall participate in the
24 state guide planning process, which shall be closely coordinated with the budgeting process.

25 (e) Membership of state planning council. - The state planning council shall consist of:

26 (1) The director of the department of administration as chairperson;

27 (2) The director, policy office, in the office of the governor, as vice-chairperson;

28 (3) The governor, or his or her designee;

29 (4) The budget officer;

30 (5) The chairperson of the housing resources commission;

31 (6) The chief of statewide planning, as secretary;

32 (7) The president of the League of Cities and Towns or his or her designee and one
33 official of local government, who shall be appointed by the governor from a list of not less than
34 three (3) submitted by the Rhode Island League Cities and Towns; and

- 1 (8) The executive director of the League of Cities and Towns;
- 2 (9) One representative of a nonprofit community development or housing organization;
- 3 (10) Four (4) public members, appointed by the governor;
- 4 (11) Two (2) representatives of a private, nonprofit environmental advocacy
5 organization, both to be appointed by the governor; and
- 6 (12) The director of planning and development for the city of Providence.
- 7 (f) Powers and duties of state planning council. - The state planning council shall have
8 the following powers and duties:
- 9 (1) To adopt strategic plans as defined in this section and the long-range state guide plan,
10 and to modify and amend any of these, following the procedures for notification and public
11 hearing set forth in section 42-35-3, and to recommend and encourage implementation of these
12 goals to the general assembly, state and federal agencies, and other public and private bodies;
13 approval of strategic plans by the governor;
- 14 (2) To coordinate the planning and development activities of all state agencies, in
15 accordance with strategic plans prepared and adopted as provided for by this section;
- 16 (3) To review and comment on the proposed annual work program of the statewide
17 planning program;
- 18 (4) To adopt rules and standards and issue orders concerning any matters within its
19 jurisdiction as established by this section and amendments to it;
- 20 (5) To establish advisory committees and appoint members thereto representing diverse
21 interests and viewpoints as required in the state planning process and in the preparation or
22 implementation of strategic plans. The state planning council shall appoint a permanent
23 committee comprised of:
- 24 (i) Public members from different geographic areas of the state representing diverse
25 interests, and
- 26 (ii) Officials of state, local and federal government, which shall review all proposed
27 elements of the state guide plan, or amendment or repeal of any element of the plan, and shall
28 advise the state planning council thereon before the council acts on any such proposal. This
29 committee shall also advise the state planning council on any other matter referred to it by the
30 council; and
- 31 (6) To establish and appoint members to an executive committee consisting of major
32 participants of a Rhode Island geographic information system with oversight responsibility for its
33 activities.
- 34 (7) To adopt on or before July 1, 2007, and to amend and maintain as an element of the

1 state guide plan or as an amendment to an existing element of the state guide plan, standards and
2 guidelines for the location of eligible renewable energy resources and renewable energy facilities
3 in Rhode Island with due consideration for the location of such resources and facilities in
4 commercial and industrial areas, agricultural areas, areas occupied by public and private
5 institutions, and property of the state and its agencies and corporations, provided such areas are of
6 sufficient size, and in other areas of the state as appropriate.

7 (g) Division of planning. - (1) The division of planning shall be the principal staff agency
8 of the state planning council for preparing and/or coordinating strategic plans for the
9 comprehensive management of the state's human, economic, and physical resources. The division
10 of planning shall recommend to the state planning council specific guidelines, standards, and
11 programs to be adopted to implement strategic planning and the state guide plan and shall
12 undertake any other duties established by this section and amendments thereto.

13 (2) The division of planning shall maintain records (which shall consist of files of
14 complete copies) of all plans, recommendations, rules, and modifications or amendments thereto
15 adopted or issued by the state planning council under this section. The records shall be open to
16 the public.

17 (3) The division of planning shall manage and administer the Rhode Island geographic
18 information system of land-related resources, and shall coordinate these efforts with other state
19 departments and agencies, including the University of Rhode Island, which shall provide
20 technical support and assistance in the development and maintenance of the system and its
21 associated data base.

22 (4) The division of planning shall coordinate and oversee the provision of technical
23 assistance to political subdivisions of the state in preparing and implementing plans to accomplish
24 the purposes, goals, objectives, policies, and/or standards of applicable elements of the state guide
25 plan and shall make available to cities and towns data and guidelines that may be used in
26 preparing comprehensive plans and elements thereof and in evaluating comprehensive plans and
27 elements thereby.

28 (h) Transfer determinations. - (1) The director of administration, with the approval of the
29 governor, shall make the conclusive determination of the number of positions, personnel, physical
30 space, property, records, and appropriation balances, allocations and other funds of the
31 department of mental health, retardation, and hospitals, department of health, department of
32 human services, department of corrections, department of labor and training, department of
33 environmental management, department of business regulation, department of transportation,
34 department of state library services, Rhode Island Economic Development Corporation,

1 department of elderly affairs, department of children, youth, and families, historical preservation
2 commission, water resources board, and the defense civil preparedness/emergency management
3 agency of the executive department to be transferred to the department of administration in
4 connection with the functions transferred there into by the provisions of this article.

5 (2) In order to ensure continuity of the strategic planning process of the department
6 specified heretofore, the actual transfer of functions or any part thereof to the department of
7 administration may be postponed after July 1, 1985 until such time as, by executive order of the
8 governor, the transfer herein provided can be put into force and effect but no later than December
9 31, 1985.

10 (i) The division of planning shall be the principal staff agency of the water resources
11 board established pursuant to chapter 46-15 ("Water Resources Board") and the water resources
12 board corporate established pursuant to chapter 46-15.1 ("Water Supply Facilities").

13 SECTION 9. Chapter 42-11 of the General Laws entitled "Department of
14 Administration" is hereby amended by adding thereto the following section:

15 **42-11-10.1. Transfer of powers, functions and resources from the water resources**
16 **board. -- (a) There are hereby transferred to the division of planning within the department of**
17 **administration those powers and duties formerly administered by the employees of the water**
18 **resources board as provided for in chapter 46-15 ("Water Resources Board") through 46-15.8**
19 **("Water Use and Efficiency Act"), inclusive, and any other applicable provisions of the general**
20 **laws; provided, however, the governor shall submit to the 2012 assembly any recommended**
21 **statutory changes necessary to facilitate the merger.**

22 (b) All resources of the water resources board, including, but not limited to, property,
23 employees and accounts, are hereby transferred to the division of planning.

24 (c) As part of the above transfer, except for the general manager, all employees of the
25 water resources board currently subject to the provisions of chapter 4 of title 36 shall continue to
26 be subject to those provisions.

27 SECTION 10. The title of Chapter 46-15 of the General Laws entitled "WATER
28 RESOURCES BOARD" is hereby amended to read as follows:

29 ~~CHAPTER 46-15~~

30 ~~Water Resources Board~~

31 CHAPTER 46-15

32 WATER RESOURCES MANAGEMENT

33 SECTION 11. Section 46-15-6.1 of the General Laws in Chapter 46-15 entitled "Water
34 Resources Board" is hereby repealed.

1 ~~**46-15-6.1. Assistants and employees and support provided.** -- The board shall appoint~~
2 ~~a general manager, who shall not be subject to the provisions of chapter 4 of title 36; and shall set~~
3 ~~his or her compensation and terms of employment. The general manager shall appoint such~~
4 ~~subordinates, assistants, and employees as may be required for the proper performance of the~~
5 ~~powers and duties of the board. All those subordinates, assistants, and employees shall be subject~~
6 ~~to the provisions of chapter 4 of title 36.~~

7 SECTION 12. Notwithstanding any provisions of the general laws, the low-income home
8 energy assistance program and the weatherization assistance program are hereby transferred from
9 the state energy office within the department of administration to the department of human
10 services, effective July 1, 2012.

11 SECTION 13. The general assembly hereby directs the auditor general to chair, identify
12 and convene a task force of state and local officials to develop and implement a strategic plan to
13 inventory, evaluate and coordinate programs charged with preventing and detecting fraud, waste,
14 abuse and mismanagement of public funds. Said strategic plan shall address the goal of
15 maximizing existing resources to identify and/or prevent fraud, waste, abuse and mismanagement
16 of public funds. The strategic plan shall inventory the state's various fraud detection units,
17 programs and resources, provide a clear definition of roles and responsibilities, and develop
18 measures of success with an appropriate timetable to measure progress.

19 Public funds shall include, but not be limited to, federal, state and local expenditures
20 relating to any an all state programs and operations by agencies, bureaus, divisions, sections,
21 departments, offices, commissions, institutions and activities of the State of Rhode Island,
22 including those districts, authorities, or political subdivisions created by the general assembly, the
23 governor, and any court, including any city or town within the State of Rhode Island.

24 The auditor general is directed to report the findings and recommendations contained in
25 the strategic plan no later than December 1, 2011, with copies to the speaker of the house, senate
26 president, chairs of the house and senate finance committees and their respective fiscal advisors.

27 All departments and agencies of the state shall furnish such advice and information,
28 documentary or otherwise to the auditor general and his or her agents as is deemed necessary or
29 desirable by the auditor general to facilitate the purposes of the task force.

30 SECTION 14. Section 42-17.1-17 of the General Laws in Chapter 42-17.1 entitled
31 "Department of Environmental Management" is hereby amended to read as follows:

32 **42-17.1-17. Transfer of powers and functions from department of environmental**
33 **management.** -- (a) There are hereby transferred to the department of administration:

34 (1) Those functions of the department of environmental management which were

1 administered through or with respect to departmental programs in the performance of strategic
2 planning as defined in section 42-11-10(c);

3 (2) All officers, employees, agencies, advisory councils, committees, commissions, and
4 task forces of the department of environmental management who were performing strategic
5 planning functions as defined in section 42-11-10(c); and

6 (3) So much of other functions or parts of functions and employees and resources,
7 physical and funded, related thereto of the director of environmental management as are
8 incidental to and necessary for the performance of the functions transferred by subdivisions (1)
9 and (2).

10 (b) There are hereby transferred to the department of public safety dispatch functions of
11 the division of enforcement of the department of environmental management.

12 (c) In order that there is no interruption in the dispatch functions of the division of
13 enforcement, the actual transfer of the dispatch functions, corresponding resources, and personnel
14 to the department of public safety, may be postponed until such time, as determined by the
15 director of public safety, that the transfer provided herein may be best put into force and effect,
16 but shall occur no later than January 1, 2012 and shall be reflected in the FY 2012 supplemental
17 budget submission.

18 SECTION 15. Chapter 16-59 of the General Laws entitled "Board of Governors for
19 Higher Education" is hereby amended by adding thereto the following section:

20 **16-59-4.1. Administration of higher education.** -- The director of the department of
21 administration is hereby directed to conduct research and analysis to recommend a revised plan
22 for the organizational structure for higher education governance, staff support and resource
23 allocation in Rhode Island. This plan shall address the goal of improving affordability and
24 accessibility to public higher education; and maximizing efficiencies while providing sufficient
25 support to the governance structure of public higher education. The director of the department of
26 administration is directed to report findings, recommendations and alternative designs to the
27 general assembly no later than November 1, 2011 with copies to the speaker of the house, senate
28 president, chairs of the house and senate finance committees and their respective fiscal advisors.

29 The report shall include a strategic plan that outlines the mission, goals, and the estimated
30 cost and timelines to implement said recommendations. The report shall provide a clear definition
31 of roles and responsibilities, including those responsible for implementing the proposed
32 recommendations. The analysis shall develop measures of success, and an appropriate timeline to
33 measure implementation progress. It shall also include:

34 (1) An examination of the various organizational structures in other states, evaluating

1 their strengths and weaknesses, and how they may or may not be applicable in Rhode Island. This
2 should include an evaluation of the best practices regarding organizational structures for higher
3 education.

4 (2) An analysis of what functions could be allocated to other institutions, and which
5 might be centralized to translate into efficiencies and more effective higher education policy. This
6 should include, but not be limited to, strategies to reorganize and or centralize finance,
7 purchasing, human resources, information technology, and facilities management within an office
8 of higher education, with specific direction on the allocation of resources, staff and
9 responsibilities.

10 The report should explore the feasibility of permanently allocating all operational
11 activities and other responsibilities currently held within the office of higher education to the
12 three (3) higher education institutions or other viable alternatives while maintaining the board of
13 governors.

14 All departments and agencies of the state shall furnish such advice and information,
15 documentary or otherwise to the director of the department of administration and its agents as is
16 deemed necessary or desirable to facilitate the purposes of the study.

17 SECTION 16. Section 42-11-21 of the General Laws in Chapter 42-11 entitled
18 "Department of Administration" is hereby repealed.

19 ~~**42-11-21. Division of sheriffs.** --- (a) Division established.--- A division of sheriffs is~~
20 ~~hereby established within the department of administration. This division shall be responsible for~~
21 ~~statewide activities assigned by law which relate to the duties and functions of the sheriffs of the~~
22 ~~several counties. The division also shall be responsible for all statewide activities assigned by law~~
23 ~~which relate to the duties and functions of state marshals. Among its other responsibilities, the~~
24 ~~division shall also be responsible for courtroom security and cellblocks in all state courthouses,~~
25 ~~training of personnel, transportation of individuals charged with crimes, and special operations.~~

26 ~~(b) Powers and duties.~~

27 ~~(1) The division of sheriffs shall have the following powers and duties:~~

28 ~~(i) To provide and maintain security for judges at all state courts;~~

29 ~~(ii) To provide and maintain security in all courtrooms and other public areas within~~
30 ~~state courthouses;~~

31 ~~(iii) To provide and maintain security in the cellblocks in all state courts, and exercise all~~
32 ~~powers as required and prescribed in all other provisions of the general laws and public laws~~
33 ~~relating to the powers and duties of sheriffs.~~

34 ~~(2) The division of sheriffs shall also have the following powers and duties previously~~

1 ~~performed by the Rhode Island marshals:~~

2 ~~-(i) To be responsible for transportation statewide of prisoners to and from police~~
3 ~~departments, the adult correctional institutions, all courthouses, and other places of detention;~~

4 ~~-(ii) To transport persons arrested by state and local police departments to places of~~
5 ~~detention; provided, however, nothing in this subsection shall prevent state and local police~~
6 ~~departments from transporting those persons;~~

7 ~~-(iii) To supervise the conduct of and maintain order and discipline of the prisoners in~~
8 ~~their custody;~~

9 ~~-(iv) To be responsible for the custody and safety of prisoners while being transported to~~
10 ~~and from court sessions, places of detention, and outside hospitals prior to commitment to the~~
11 ~~adult correctional institutions;~~

12 ~~-(v) To be responsible for the custody and security of prisoners detained in the cellblock~~
13 ~~areas in the Kent County courthouse and Providence County superior courthouse and for the~~
14 ~~security of these prisoners during the hearing of their cases, and while in outside hospitals prior to~~
15 ~~commitment to the adult correctional institutions;~~

16 ~~-(vi) To be responsible for the safety and welfare of prisoners in their custody;~~

17 ~~-(vii) To provide all security in connection with transportation in the execution of~~
18 ~~extraditions, including, but not limited to, warrants, IAD (Interstate Agreement on Detainers),~~
19 ~~arrest affidavits, interstate compact extradition, and criminal detainers; and~~

20 ~~-(viii) To carry firearms as prescribed.~~

21 ~~-(c) Administration and organization.—The director of the department of administration~~
22 ~~shall appoint with the consent of the governor an administrator, an executive high sheriff, and~~
23 ~~sheriffs and chief deputy sheriffs for the division of sheriffs, each to be appointed to a ten (10)~~
24 ~~year term. The sheriffs and chief deputy sheriffs shall be appointed to each of the counties. The~~
25 ~~director of the department of administration shall appoint deputy sheriffs and other necessary~~
26 ~~classifications, subject to the appropriation process, to provide assistance in the areas of~~
27 ~~courthouse and cellblock security, transportation of prisoners, staff training and special~~
28 ~~operations. Special operations include, but shall not be limited to, transportation of high risk~~
29 ~~inmates, extraditions, the execution of criminal warrants, prosecution and mutual aid to the police~~
30 ~~departments of the cities and towns. This special operations unit initially will be comprised of~~
31 ~~personnel transferred from the Rhode Island state marshals. All employees in the division of~~
32 ~~sheriffs shall be in the unclassified service.~~

33 ~~-(d) Transfer determinations.~~

34 ~~-(1) The director of administration, with the approval of the governor, subject to the~~

1 ~~appropriation process, shall make the determination of the number of positions, personnel,~~
2 ~~property, allocations and other funds of the sheriffs of the several counties and the department of~~
3 ~~corrections which shall be transferred to the department of administration.~~

4 ~~(2) In order to ensure continuity of the functions provided by sheriffs and marshals, the~~
5 ~~actual transfer of functions or any part of those functions may be postponed by the director until~~
6 ~~such time as the director deems appropriate; provided, however, the transfer of functions shall be~~
7 ~~completed within three (3) years.~~

8 SECTION 17. Section 36-4-2 of the General Laws in Chapter 36-4 entitled "Merit
9 System" is hereby amended to read as follows:

10 **36-4-2. Positions in unclassified service.** -- The classified service shall comprise all
11 positions in the state service now existing or hereinafter established, except the following specific
12 positions which with other positions heretofore or hereinafter specifically exempted by legislative
13 act shall constitute the unclassified service:

14 (1) Officers and legislators elected by popular vote and persons appointed to fill
15 vacancies in elective offices.

16 (2) Employees of both houses of the general assembly.

17 (3) Officers, secretaries, and employees of the office of the governor, office of the
18 lieutenant governor, department of state, department of the attorney general, and the treasury
19 department.

20 (4) Members of boards and commissions appointed by the governor, members of the
21 state board of elections and the appointees of the board, members of the commission for human
22 rights and the employees of the commission, and directors of departments.

23 (5) The following specific offices:

24 (i) In the department of administration: director, chief information officer;

25 (ii) In the department of business regulation: director;

26 (iii) In the department of elementary and secondary education: commissioner of
27 elementary and secondary education;

28 (iv) In the department of higher education: commissioner of higher education;

29 (v) In the department of health: director;

30 (vi) In the department of labor and training: director, administrative assistant,
31 administrator of the labor board and legal counsel to the labor board;

32 (vii) In the department of environmental management: director;

33 (viii) In the department of transportation: director;

34 (ix) In the department of human services: director and director of veterans' affairs;

- 1 (x) In the state properties committee: secretary;
- 2 (xi) In the workers' compensation court: judges, administrator, deputy administrator,
3 clerk, assistant clerk, clerk secretary;
- 4 (xii) In the ~~department~~ division of elderly affairs: director;
- 5 (xiii) In the department of mental health, retardation, and hospitals: director;
- 6 (xiv) In the department of corrections: director, assistant director
7 (institutions/operations), assistant director (rehabilitative services), assistant director
8 (administration), and wardens;
- 9 (xv) In the department of children, youth and families: director, one assistant director,
10 one associate director, and one executive director;
- 11 (xvi) In the public utilities commission: public utilities administrator;
- 12 (xvii) In the water resources board: general manager;
- 13 (xviii) In the human resources investment council: executive director.
- 14 (xix) In the office of health and human services: secretary of health and human services.
- 15 (6) Chief of the hoisting engineers, licensing division, and his or her employees;
16 executive director of the veterans memorial building and his or her clerical employees.
- 17 (7) One confidential stenographic secretary for each director of a department and each
18 board and commission appointed by the governor.
- 19 (8) Special counsel, special prosecutors, regular and special assistants appointed by the
20 attorney general, the public defender and employees of his or her office, and members of the
21 Rhode Island bar occupying a position in the state service as legal counsel to any appointing
22 authority.
- 23 (9) The academic and/or commercial teaching staffs of all state institution schools, with
24 the exception of those institutions under the jurisdiction of the board of regents for elementary
25 and secondary education and the board of governors for higher education.
- 26 (10) Members of the military or naval forces, when entering or while engaged in the
27 military or naval service.
- 28 (11) Judges, referees, receivers, clerks, assistant clerks, and clerical assistants of the
29 supreme, superior, family, and district courts, the traffic tribunal, security officers of the traffic
30 tribunal, jurors and any persons appointed by any court.
- 31 (12) Election officials and employees.
- 32 (13) ~~Administrator, executive high sheriff, sheriffs, chief deputy sheriffs, deputy sheriffs,~~
33 ~~and other employees of the sheriff's division within the department of administration and security~~
34 ~~officers of the traffic tribunal~~ Executive high sheriff, chief deputy sheriff, sheriffs, deputy

1 [sheriffs, and other employees of the sheriffs division within the department of public safety.](#)

2 (14) Patient or inmate help in state charitable, penal, and correctional institutions and
3 religious instructors of these institutions and student nurses in training, residents in psychiatry in
4 training, and clinical clerks in temporary training at the institute of mental health within the state
5 of Rhode Island medical center.

6 (15) (i) Persons employed to make or conduct a temporary and special inquiry,
7 investigation, project or examination on behalf of the legislature or a committee therefor, or on
8 behalf of any other agency of the state if the inclusion of these persons in the unclassified service
9 is approved by the personnel administrator. The personnel administrator shall notify the house
10 fiscal advisor and the senate fiscal advisor whenever he or she approves the inclusion of a person
11 in the unclassified service.

12 (ii) The duration of the appointment of a person, other than the persons enumerated in
13 this section, shall not exceed ninety (90) days or until presented to the department of
14 administration. The department of administration may extend the appointment another ninety (90)
15 days. In no event shall the appointment extend beyond one hundred eighty (180) days.

16 (16) Members of the division of state police within the department of public safety.

17 (17) Executive secretary of the Blackstone Valley district commission.

18 (18) Artist and curator of state owned art objects.

19 (19) Mental health advocate.

20 (20) Child advocate.

21 (21) The position of aquaculture coordinator and marine infrastructure specialist within
22 the coastal resources management council.

23 (22) Employees of the office of the health insurance commissioner.

24 (23) In the department of revenue: the director, secretary, attorney.

25 (24) In the department of public safety: the director.

26 SECTION 18. Section 42-7.3-3 of the General Laws in Chapter 42-7.3 entitled
27 "Department of Public Safety" is hereby amended to read as follows:

28 **42-7.3-3. Powers and duties of the department.** -- The department of public safety shall
29 be responsible for the management and administration of the following divisions and agencies:

30 (a) Office of the capitol police (chapter 2.2 of title 12).

31 (b) State fire marshal (chapter 28.2 of title 23).

32 (c) E-911 emergency telephone system division (chapter 28.2 of title 39).

33 (d) Rhode Island state police (chapter 28 of title 39).

34 (e) Municipal police training academy (chapter 28.2 of title 42).

1 (f) Division of sheriffs (chapter 7.3 of title 42).

2 SECTION 19. Chapter 42-7.3 of the General Laws entitled "Department of Public
3 Safety" is hereby amended by adding thereto the following section:

4 **42-7.3-3.2. Division of sheriffs. -- (a) Division established. A division of sheriffs is**
5 hereby established within the department of public safety. This division shall be responsible for
6 statewide activities assigned by law which relate to the duties and functions of the sheriffs of the
7 several counties. The division also shall be responsible for all statewide activities assigned by law
8 which relate to the duties and functions of state marshals. Among its other responsibilities, the
9 division shall also be responsible for courtroom security and cellblocks in all state courthouses,
10 training of personnel, transportation of individuals charged with crimes, and special operations.

11 (b) Powers and Duties. (1) The division of sheriffs shall have the following powers and
12 duties:

13 (i) To provide and maintain security for judges at all state courts;

14 (ii) To provide and maintain security in all courtrooms and other public areas within state
15 courthouses;

16 (iii) To provide and maintain security in the cellblocks in all state courts, and exercise all
17 powers as required and prescribed in all other provisions of the general laws and public laws
18 relating to the powers and duties of sheriffs.

19 (2) The division of sheriffs shall also have the following powers and duties previously
20 performed by the Rhode Island marshals:

21 (i) To be responsible for transportation statewide of prisoners to and from police
22 departments, the adult correctional institutions, all courthouses, and other places of detention;

23 (ii) To transport persons arrested by state and local police departments to places of
24 detention; provided, however, nothing in this subsection shall prevent state and local police
25 departments from transporting those persons;

26 (iii) To supervise the conduct of and maintain order and discipline of the prisoners in
27 their custody;

28 (iv) To be responsible for the custody and safety of prisoners while being transported to
29 and from court sessions, places of detention, and outside hospitals prior to commitment to the
30 adult correctional institutions;

31 (v) To be responsible for the custody and security of prisoners detained in the cellblock
32 areas in the Kent County courthouse and Providence County superior courthouse and for the
33 security of these prisoners during the hearing of their cases, and while in outside hospitals prior to
34 commitment to the adult correctional institutions;

- 1 (vi) To be responsible for the safety and welfare of prisoners in their custody;
2 (vii) To provide all security in connection with transportation in the execution of
3 extraditions, including, but not limited to, warrants, IAD (Interstate Agreement on Detainers),
4 arrest affidavits, interstate compact extradition, and criminal detainers; and
5 (viii) To carry firearms as prescribed.

6 (c) Administration and organization. (1) The director of the department of public safety
7 shall appoint, with the consent of the governor, an executive high sheriff. (2) The director of the
8 department of public safety shall appoint deputy sheriffs and other necessary classifications,
9 subject to the appropriation process, to provide assistance in the areas of courthouse and cellblock
10 security, transportation of prisoners, staff training and special operations. All employees in the
11 division of sheriffs shall be in the unclassified service.

12 SECTION 20. Section 42-29-1 of the General Laws in Chapter 42-29 entitled "Sheriffs"
13 is hereby amended to read as follows:

14 **42-29-1. Appointment -- Powers and duties -- Removal.** -- (a) ~~The director of the~~
15 ~~department of administration shall appoint with the consent of the governor an administrator to a~~
16 ~~ten (10) year term to be in charge of the division of sheriffs within the department of~~
17 ~~administration.~~ The director of the department of ~~administration~~ public safety shall ~~also~~ appoint,
18 with the consent of the governor, an executive high sheriff to a ten (10) year term, ~~to assist the~~
19 ~~administrator.~~ The director of the department of ~~administration~~ public safety shall also appoint to
20 each of the counties with the consent of the governor the sheriffs and the chief deputy sheriffs to
21 ten (10) year terms. The director of the department of ~~administration~~ public safety shall appoint
22 deputy sheriffs and other necessary classifications, subject to the appropriations process. Sheriffs,
23 chief deputy sheriffs, ~~and~~ deputy sheriffs, and other employees of the sheriff's division shall be
24 subject to the supervision of the ~~administrator~~ executive high sheriff who may assign tasks and
25 functions in order to ensure the proper management of the sheriffs division. Any deputy sheriff
26 hired after July 1, 2001 must successfully complete the sheriff academy and any courses deemed
27 necessary at the municipal police training academy prior to assuming the duties of a deputy
28 sheriff. Furthermore, the ~~administrator~~ executive high sheriff in conjunction with the personnel
29 administrator shall be responsible for promulgating written class specifications with necessary
30 minimum qualifications defined in them. The sheriffs of the several counties ~~and the deputy high~~
31 ~~sheriff for Providence county~~ who are in office as of February 1, 2001 shall continue to hold
32 office until their present term expires. Sheriffs and deputies can be removed for just cause by
33 their appointing authority.

34 (b) The ~~administrator, assisted by the~~ executive high sheriff, the sheriffs, the chief

1 deputy sheriffs, and the deputy sheriffs shall perform all the duties required and exercise all the
2 powers prescribed in this chapter; chapter 15 of title 5; chapters 5 and 10 of title 9; chapters 5, 10
3 and 14 of title 10; chapters 8, 31, 34, 36 and 44 of title 11; chapters 4, 5 and 6 of title 12; chapter
4 22 of title 17; chapters 4 and 6 of title 22; chapter 2 of title 28; chapter 6 of title 35; chapter 8 of
5 title 37; and all other provisions of the general laws and public laws insofar as those powers and
6 duties relate to the sheriffs of the several counties and as required and prescribed in all other
7 provisions of the general laws and public laws relating to the powers and duties of the sheriffs of
8 the several counties. ~~Sheriffs and deputies can be removed for just cause by their appointing~~
9 ~~authority.~~

10 (c) All resources of the sheriffs ~~and of the several counties~~ shall be transferred to the
11 division of sheriffs within the department of ~~administration~~ public safety. These resources
12 include, but are not limited to, all positions, property, accounts and other funding pertinent to
13 sheriffs.

14 SECTION 21. Any proceeding or other business or matter undertaken or commenced,
15 prior to the effective date of this article, by a department, division, or other administrative agency,
16 the functions, powers, and duties whereof are assigned and transferred to the department of public
17 safety and are pending on the effective date of this act, may be conducted and completed by the
18 director of the department of public safety, or by a subordinate under this direction, in the same
19 manner and under the same terms and conditions and with the same effect as though it were
20 undertaken or commenced or completed by the department, division, or other administrative
21 agency prior to said transfer.

22 SECTION 22. In order that there is no interruption in the public safety functions of the
23 division of sheriffs, the actual transfer of functions to the department of public safety, from any
24 existing departments, divisions, or agencies, may be postponed until after the effective date of
25 this article and until such time, as determined by director of public safety, that the transfer
26 provided herein may best be put into force and effect.

27 SECTION 23. Section 40.1-21-4.3 of the General Laws in Chapter 40.1-21 entitled
28 "Division of Developmental Disabilities" is hereby amended to read as follows:

29 **40.1-21-4.3. Definitions.** -- As used in this chapter and in chapter 22 of this title the
30 words:

31 (1) "Ancillary services" means those services provided, and shall include, but not be
32 limited to, transportation, housing, housing adaptation, personal attendant care, and homemaker
33 services.

34 (2) "Case management" means the implementation of an individual's program by

1 providing information, by referral to appropriate service providers, by procurement of services,
2 and by the coordination of the necessary services.

3 (3) "Department" means the Rhode Island department of mental health, retardation, and
4 hospitals.

5 (4) "Developmental services" means those services provided to developmentally
6 disabled adults, and shall include, but not be limited to, habilitation and rehabilitation services,
7 and day services.

8 (5) "Developmentally disabled adult" means a person, eighteen (18) years old or older
9 and not under the jurisdiction of the department of children, youth, and families who is either a
10 mentally retarded developmentally disabled adult or is a person with a severe, chronic disability
11 which:

12 (i) Is attributable to a mental or physical impairment or combination of mental and
13 physical impairments;

14 (ii) Is manifested before the person attains age twenty-two (22);

15 (iii) Is likely to continue indefinitely;

16 (iv) Results in substantial functional limitations in three (3) or more of the following
17 areas of major life activity:

18 (A) Self care,

19 (B) Receptive and expressive language,

20 (C) Learning,

21 (D) Mobility,

22 (E) Self-direction,

23 (F) Capacity for independent living,

24 (G) Economic self-sufficiency; and

25 (v) Reflects the person's need for a combination and sequence of special,
26 interdisciplinary, or generic care, treatment, or other services, which are of lifelong or extended
27 duration and are individually planned and coordinated. For purposes of funding, it is understood
28 that students enrolled in school will continue to receive education from their local education
29 authority in accordance with § 16-24-1 et seq.

30 (6) "Diagnosis and evaluation" means a process to determine whether and to what
31 extent an individual is developmentally disabled and a study of the individual's condition,
32 situation, and needs which lead to a recommendation of what services, if any, would benefit the
33 individual.

34 (7) "Individualized program plan" or "general service plan" means a plan, however

1 named, which includes, but shall not be limited to, the following:

2 (i) An evaluation of the strengths, difficulties, needs, and goals of the individual;

3 (ii) A description of those services found to be necessary or appropriate to assist the
4 individual in realizing his or her potential for self-sufficiency in major life activities;

5 (iii) A description of the agencies and/or individuals, which are proposed to provide
6 each of the recommended services;

7 (iv) The intermediate and long-range objectives for the individual's development and
8 habilitation;

9 (v) The expected duration for the provision of the services;

10 (vi) A description of the tests and other evaluative devices used and their results;

11 (vii) Proposed criteria for monitoring and evaluating the success of the services in
12 meeting the individual's needs; and

13 (viii) The signatures of the preparers of the plan and the date.

14 The individual program plan shall indicate developmental, supportive, or ancillary
15 services by function and frequency, the manner of subsidy and delivery and the categories of need
16 for services such as transportation, job training, or occupation, housing, housing adaptation,
17 personal attendant care, homemaker, or other services. This plan shall be reviewed at least
18 annually; provided, however, that authorizations for services and funding issued prior to July 1,
19 2011 are null and void. Authorizations will be paid at the rate effective in the quarter the service
20 was provided.

21 (8) "Mentally retarded developmentally disabled adult" means a person eighteen (18)
22 years old or older and not under the jurisdiction of the department of children, youth, and
23 families, with significant sub-average, general intellectual functioning two (2) standard deviations
24 below the norm, existing concurrently with deficits in adaptive behavior and manifested during
25 the developmental period. For purposes of funding, it is understood that students enrolled in
26 school will continue to receive education from their local education authority in accordance with
27 § 16-24-1 et seq.

28 (9) "Service broker" means that individual who assists in facilitating the connection
29 between the developmentally disabled person and the services required by the individual program
30 plan.

31 (10) "Subsidized access to service" means the provisions of financial resources through
32 vouchers to a developmentally disabled person to enable the person to gain access to appropriate
33 generic and/or special services as required by the individual program plan.

34 (11) "Supportive services" means those services provided to developmentally disabled

1 adults, and shall include, but not be limited to, occupational therapy, physical therapy,
2 psychological services, counseling, nursing services, and medical services.

3 SECTION 24. Section 40.1-26-2 of the General Laws in Chapter 40.1-26 entitled "Rights
4 for Persons with Developmental Disabilities" is hereby amended to read as follows:

5 **40.1-26-2. Definitions.** – As used in this chapter:

6 (1) "Advocate" means: (i) a legal guardian; or (ii) an individual acting on behalf of a
7 person with a developmental disability in a manner clearly consistent with the interests of the
8 person with a developmental disability and includes a family member, friend, or professional
9 advocate. Whenever possible an advocate should be selected by the person with a disability.

10 (2) "Agency" means any person or organization which provides day program services,
11 residential services, support services or advocacy services for persons with developmental
12 disabilities, and which is licensed by the department of mental health, retardation, and hospitals
13 pursuant to section 40.1-24-1 et seq.

14 (3) "Applicant" means any person with a developmental disability who has applied for
15 services from the division of developmental disabilities and/or any agency licensed by the
16 department of mental health, retardation, and hospitals pursuant to section 40.1-24-1 et seq.

17 (4) "Aversive interventions" means a class of stimuli that are followed by escape or
18 avoidance response.

19 (5) "Behavioral Treatment Intervention" means any intervention or treatment to develop
20 or strengthen adaptive appropriate behaviors through the application of behavioral interventions
21 and to simultaneously reduce the frequency of maladaptive or inappropriate behaviors. Behavior
22 interventions encompass interventions, which refer to purposeful, clinical manipulation of
23 behavior.

24 (6) "Competent" means the ability to understand the likely risks and benefits of a
25 procedure or plan when the risks and benefits are presented to the participant in a manner most
26 likely to be understood by the participant in light of his or her cognitive abilities and learning
27 style.

28 (7) "Department" means the department of mental health, retardation, and hospitals.

29 (8) "Developmental disability" means a severe chronic disability which is attributable to
30 a mental or physical impairment or combination of impairments; is manifested before the person
31 attains age twenty-two (22); is likely to continue indefinitely; results in substantial functional
32 limitations in three (3) or more of the following areas of major life activity: self-care, receptive
33 and expressive language, learning, mobility, self-direction, capacity for independent living,
34 economic self-sufficiency; and reflects the person's need for a combination and sequence of

1 special, interdisciplinary or generic care, treatment, or other services which are of life long or
2 extended duration and are individually planned and coordinated.

3 (9) "Individualized plan" means the personalized document which describes an
4 individualized profile of the participant highlighting his or her capabilities, preferences and
5 interests. The plan describes specific supports in the areas of vocational, social, medical,
6 supported living, and rehabilitation required to meet the specific needs of the participant. The
7 plan includes quality indicators that demonstrate the plan has met the expectations of the
8 participant and the participant is satisfied with the support services he or she is receiving;
9 provided, however, that authorizations for services and funding issued prior to July 1, 2011 are
10 null and void. Authorizations for services will be paid at the rate effective when in the quarter the
11 service was provided.

12 (10) "Participant" means any person eighteen (18) years or older, with a developmental
13 disability who receives services from the division of developmental disabilities and/or an agency
14 licensed by the department of mental health, retardation, and hospitals.

15 (11) "Relative" means a member of the participant's or applicant's family who has been
16 actively involved in the participant's or applicant's life, has an ongoing relationship with the
17 participant or applicant, and is supportive in a manner clearly consistent with the best interests of
18 the participant or applicant.

19 (12) "Seclusion" means placing a participant alone in a locked room without supervision.

20 (13) "Serious incidents" means any situation involving a person with developmental
21 disabilities in which the person:

22 (i) Has sustained an injury, which requires medical care or treatment beyond routine first
23 aid;

24 (ii) Has been missing;

25 (iii) Has died;

26 (iv) Has been involved in a criminal act;

27 (v) Has been subject to a medication error.

28 SECTION 25. Sections 1 through 13 shall take effect on July 1, 2011. Section 14 shall
29 take effect on January 1, 2012. Section 15 shall take effect upon passage. Sections 16 through 22
30 shall take effect on July 1, 2011. Sections 23 and 24 shall take effect upon passage.

1 **ARTICLE 10**

2 RELATING TO THE DEPARTMENT OF EDUCATION

3 SECTION 1. Section 16-21.1-7 of the General Laws in Chapter 16-21.1 entitled
4 “Transportation of School Pupils Beyond City and Town Limits” is hereby repealed.

5 ~~**16-21.1-7. Statewide transportation of students with special needs.--**~~

6 ~~Notwithstanding the regional structure created in this chapter, and pursuant to the~~
7 ~~obligation of school committees to transport children with special needs to and from school either~~
8 ~~within the school district or in another school district of the state created by 16-24-4, the~~
9 ~~department of elementary and secondary education, in collaboration with the office of statewide~~
10 ~~planning of the department of administration, and the Rhode Island public transit authority shall~~
11 ~~develop a plan for the creation and implementation of a statewide system of transportation of~~
12 ~~students with special needs to and from school. The statewide school transportation system for~~
13 ~~children with special needs shall be provided through a competitive request for proposals to~~
14 ~~which vendors of transportation services may respond. Effective upon the implementation of this~~
15 ~~statewide system of transportation for students with special needs, each school committee shall~~
16 ~~purchase the transportation services for their own resident students with special needs by~~
17 ~~accessing this integrated statewide system of transportation for children with special needs on a~~
18 ~~fee for service basis for each child; provided, however, that any school committee that fulfills its~~
19 ~~transportation obligations primarily through the use of district owned buses or district employees~~
20 ~~may continue to do so. The goals of the statewide system of transportation for students with~~
21 ~~special needs shall be the reduction of duplication of cost and routes in transporting children from~~
22 ~~the various cities and towns to the same special education program providers using different~~
23 ~~buses from each city and town, the improvement of services to children through the development~~
24 ~~of shorter ride times and more efficient routes of travel, and the reduction of cost to local school~~
25 ~~committees through achieving efficiency in eliminating the need for each school district to~~
26 ~~contract for and provide these specialized transportation services separately. The department of~~
27 ~~elementary and secondary education shall submit a report of their findings and plans to the~~
28 ~~general assembly by March 30, 2008.--~~

29 SECTION 2. Section 16-21.1-8 of the General Laws in Chapter 16-21.1 entitled
30 “Transportation of School Pupils Beyond City and Town Limits” is hereby amended to read as

1 follows:

2 ~~16-21.1-8. Statewide transportation system for all students to be established.---~~

3 **Statewide transportation system for all students. --**

4 (a) Notwithstanding the regional structure created in this chapter, and upon
5 implementation of ~~the department of elementary and secondary education, in collaboration with~~
6 ~~the office of statewide planning of the department of administration, and the Rhode Island public~~
7 ~~transit authority shall conduct a comprehensive study of all current transportation services for~~
8 ~~students in Rhode Island school districts in order to develop a plan for the creation and~~
9 ~~implementation of a statewide system of transportation of all students to and from school. The a~~
10 statewide school transportation system for all students ~~shall be provided through a competitive~~
11 ~~request for proposals to which vendors of transportation services may respond. Effective upon the~~
12 ~~implementation of this statewide system of transportation for all students~~, each school committee
13 shall purchase the transportation services for their own resident students by accessing this
14 integrated statewide system of transportation on a fee-for-service basis for each child; provided,
15 however, that any school committee that fulfills its transportation obligations ~~primarily~~
16 predominantly through the use of district-owned buses or district employees may apply for a
17 variance from the commissioner of education, or the commissioner's designee, thereby requesting
18 that its transportation obligations continue to be achieved through the use of the buses owned by
19 the district and staffed by district employees. ~~do so.~~ All fees paid for transportation services
20 provided to students under the statewide system shall be paid into a statewide student
21 transportation services restricted receipt account within the department of elementary and
22 secondary education. Payments from the account shall be limited to payments to the
23 transportation service provider and transportation system consultants. This restricted receipt
24 account shall not be subject to the indirect cost recoveries provisions set forth in 35-4-27. The
25 goals of the statewide system of transportation for all students shall be the reduction of
26 duplication of cost and routes in transporting children from the various cities and towns using
27 different buses within and between each city and town, the improvement of services to children
28 through the development of shorter ride times and more efficient routes of travel, and the
29 reduction of cost to local school committees through achieving efficiency in eliminating the need
30 for each school district to contract for and provide these transportation services separately. ~~The~~
31 ~~comprehensive study of all current transportation services for students in Rhode Island school~~
32 ~~districts and development of a plan for a statewide system of transportation of all students to and~~
33 ~~from school shall be completed, with a report to the general assembly by March 30, 2008.~~

34 (b) There shall be deducted from the final aid payment to each school district any

1 amounts owed to the state at the end of the fiscal year for transportation of the district's students
2 under the statewide transportation system established pursuant to this section. Districts shall
3 receive monthly invoices summarizing the basis of the transportation fees charged. Any such
4 deductions in aid shall be transferred to the statewide student transportation services restricted
5 receipt account, as set forth in R.I.G.L. section 35-4-27.

6 SECTION 3. Sections 31-22.1-1, 31-22.1-2, and 31-22.1-3 of the General Laws in
7 Chapter 31-22.1 entitled "Pupil Transportation Vehicles" are hereby amended to read as follows:

8 **31-22.1-1. Pupil transportation vehicle - Definition. --**

9 A pupil transportation vehicle is a motor vehicle designed and constructed to seat not
10 more than eight (8) passengers ~~in addition to~~ including the operator, used by a school committee
11 to provide the transportation services required by law or regulation to students being conveyed
12 along a fixed school transportation route. In particular, such vehicles may be used to provide the
13 transportation services required by § 16-21-1, § 16-21.1-1, et seq., and §16-24-4 on routes in
14 which only small numbers of students are being conveyed.

15 **31-22.1-2. Pupil transportation vehicle - Vehicle standards.--**

16 Vans, sport utility vehicles, and heavy automobiles as defined by applicable federal
17 regulations may be used as pupil transportation vehicles provided that these vehicles meet the
18 highest federal crashworthiness standards for these categories of vehicles. Unless otherwise
19 specifically provided for herein, the provisions of § 31-20-4, et seq. (Special Stops Required)
20 shall be applicable to pupil transportation vehicles. The provisions of § 31-23-42 (First aid kit and
21 heating equipment), § 31-23-42.2 (Power equipment on school buses), § 31-23-54 (Fire
22 extinguishers), and § 31-23-55 (Speedometer and odometer) ~~and § 31-23-56 (Stop arm)~~ shall be
23 applicable to pupil transportation vehicles. A pupil transportation vehicle shall not be required to
24 be painted school bus yellow, provided it carries a sign in school bus yellow visible from forward
25 and from in back of the vehicle containing the lettering required by § 31-20-11.

26 **31-22.1-3. Equipment and operation of pupil transportation vehicles. --**

27 No person shall operate any student transportation vehicle, and the owner or custodian of
28 a student transportation vehicle shall not permit the same to be operated to convey students unless
29 the following requirements are complied with:

30 (1) The operator of a pupil transportation vehicle shall not allow the number of school
31 students riding in the pupil transportation vehicle at any one time to exceed the number of
32 adequate seats therein nor shall the operator drive said bus until each student is seated.

33 (2) No person shall operate a pupil transportation vehicle referred to in this section, nor
34 knowingly allow any passenger to ride in such vehicle unless the operator and all passengers are

1 wearing a safety belt which is properly adjusted and fastened.

2 (3) All doors shall be kept closed while the pupil transportation vehicle is in motion. The
3 vehicle shall have an audible open door warning alarm and an audible back up warning alarm.

4 (4) No fueling shall take place while any pupil transportation vehicle is occupied by
5 ~~students~~ passengers.

6 (5) Each pupil transportation vehicle shall be equipped with Type I Class A turn signal
7 lamps, which shall have a four-way hazard warning signal switch to cause simultaneous flashing
8 of the turn signal lamps which may be activated when a pupil transportation vehicle is
9 approaching a stop to load or discharge school students and when needed as a vehicular traffic
10 hazard warning. Each pupil transportation vehicle shall also be equipped with front and rear
11 alternating flashing school bus red signal lamps, which shall remain flashing when school
12 pupils are entering or leaving the pupil transportation vehicle. All aforementioned lamps shall
13 comply with applicable Federal Motor Vehicle Safety Standards and any applicable rules and
14 regulations promulgated by the department of motor vehicles. The operator of a
15 pupil transportation vehicle shall cause its headlamps to be illuminated while such bus is in
16 operation.

17 (6) Any person who operates such a pupil transportation vehicle shall not permit the
18 boarding or discharging of school students therefrom unless the pupil transportation vehicle is
19 stopped as close as is practicable to the right-hand side or edge of the ways and shall announce
20 when discharging passengers there from that all persons who wish to cross to the other side of the
21 way shall do so by passing in front of the pupil transportation vehicle immediately upon alighting
22 therefrom. No person shall operate a pupil transportation vehicle ~~on a way~~ away from the point of
23 boarding until it is safe for ~~after discharging all discharged~~ passengers ~~therefrom unless all~~
24 ~~persons~~ who wish to cross to the other side have done so. The monitor requirement of § 16-21-1
25 shall not apply to pupil transportation vehicles.

26 (7) Each pupil transportation vehicle shall be required to be equipped with one pair of
27 adequate chock blocks and three (3) flares in compliance with United States Motor
28 Vehicle D.O.T. Safety Standard No. 125, which shall be placed upon the roadway in
29 conformance with section 14 B of chapter 85 when such vehicle becomes disabled upon the
30 traveled portion of any way, and seat belts for each permanent seating accommodation designed
31 and installed in compliance with applicable United States Motor Vehicle Safety Standards.

32 (8) All pupil transportation vehicles shall include an approved emergency airway and
33 bodily fluid spill kits.

34 ~~(8)~~(9) All pupil transportation vehicles used to transport school students under the

1 provisions of this section shall display sticker as authorized by the department of motor
2 vehicles for a reasonable fee established by the department of motor vehicles.

3 ~~(9)~~(10) All persons operating a pupil transportation vehicle to convey students shall hold
4 a Rhode Island chauffeurs license ~~shall operate a pupil transportation vehicle when the vehicle is~~
5 ~~being used to convey students, who~~ and has shall have passed a written test as may be prescribed
6 by the department of motor vehicles. In addition, all persons who operate a pupil transportation
7 vehicle to convey students shall submit to a national and statewide criminal and driving record
8 background check by the hiring agency.

9 SECTION 4. Section 31-22-11.6 of the General Laws in Chapter 31-22 entitled
10 "Miscellaneous Rules" is hereby amended to read as follows:

11 **31-22-11.6. Child care vehicles and school extra-curricular vehicles. --**

12 (a) (1) Pursuant to § 31-22-10, the division of motor vehicles is authorized to promulgate
13 rules and regulations concerning the type, construction, and equipment of motor vehicles used for
14 the transportation of children to and from child care facilities and to and from school sponsored
15 activities including athletics and extra-curricular activities.

16 (2) (i) For the purposes of this section, "school bus", as referred to in § 31-1-3(v), is
17 defined as a vehicle which is used to carry children to or from school on school bound routes at
18 the outset of the children's school day and/or on home bound routes at the end of the children's
19 school day. For these routes, a school bus or a pupil transportation vehicle as set forth in § 31-
20 22.1-1 and § 31-22.1-2 must be used regardless of the number of students being transported.

21 (ii) For purposes of this section, "school extra-curricular vehicles" is defined as
22 vehicles designed to transport fewer than fifteen (15) students to and from school sponsored
23 activities including athletics, internships, work experiences, and extra-curricular activities where
24 school buses are not used because of the small number of students being transported.

25 (iii) For the purpose of this section, "child care vehicle" is defined as a motor
26 vehicle owned or leased by a licensed child care agency that does not exceed fifteen (15)
27 passengers and is being used to transport children from schools to child care facilities and/or from
28 child care facilities to schools. Two (2) door sedans shall not be considered child care vehicles or
29 school extra-curricular vehicles.

30 (b) The division of motor vehicles shall have the authority to suspend the registration of
31 any vehicle used for child care transportation or school extra-curricular transportation that does
32 not meet the following requirements:

33 (1) *Seating.* Adequate seating space for all passengers shall be provided. The maximum
34 seating capacity of a child care vehicle and school extra-curricular vehicle shall be fifteen (15)

1 persons, including the driver. No standing shall be permitted while the vehicle is in operation.

2 (2) *Safety belts.* Safety belts shall be required for all passengers riding in the child care
3 vehicle and school extra-curricular vehicle.

4 (3) *Vehicle registration.* All child care vehicles and school extra-curricular vehicles shall
5 be registered as public vehicles.

6 (4) *Vehicle inspection.* All child care vehicles and school extra-curricular vehicles shall
7 be inspected for excessive emissions and/or safety items according to a staggered appointment
8 schedule as determined by the director of revenue, or his or her designee, and from time to time
9 thereafter as may be required, and the vehicle owner shall display upon the vehicle the certificate
10 of inspection and approval issued to the vehicle until the certificate shall expire.

11 (5) *Inspector's rejection notice.* The director of revenue, or his or her designee, may affix
12 a notice of rejection to any vehicle that fails to pass the required inspection requirements. The
13 rejection notice shall not be destroyed or removed from the vehicle until the vehicle has passed
14 the inspection requirements, or its removal has been authorized by the director of revenue or his
15 or her designee.

16 (6) (i) *Vehicle identification.* Any and all child care vehicles and school extra-
17 curricular vehicles must have the name of the child care organization conspicuously placed on the
18 side of the vehicle. The identification shall be required to possess two inch (2") letters, and be
19 permanently affixed on the side of the vehicle.

20 (ii) Should any child care vehicle and school extra-curricular vehicle be a leased vehicle,
21 the vehicle shall forego the requirement of having the name of the child care facility or school
22 permanently affixed to the side of the vehicle, but instead may satisfy the identification
23 requirement by placing a magnetized sign naming the child care facility or school or any other
24 temporarily affixed apparatus; provided, that the temporary identification sign not be
25 interchanged, replaced, or modified to change the purpose or function of the child care
26 vehicle and school extra-curricular vehicle.

27 (7) (i) *Fire extinguisher.* The child care vehicle and school extra-curricular vehicle shall
28 be equipped with at least one pressurized, potassium bicarbonate base dry chemical-type fire
29 extinguisher, mounted in the manufacturer's extinguisher bracket, and located in the driver's
30 compartment in full view of and readily accessible to the driver. A pressure gauge shall be
31 mounted on the extinguisher so as to be easily read without removing the extinguisher from its
32 mounted position.

33 (ii) The fire extinguisher shall have a minimum capacity of not less than two and a half
34 pounds (2 1/2 lbs.) and be of a type approved by the Underwriters Laboratories, Inc., with a rating

1 of not less than ten (10) B:C. The operating mechanism shall be sealed with a type of seal that
2 will not interfere with use of the fire extinguisher.

3 (8) First-Aid, Airway, and Bodily Fluid Spill kits. Every child care vehicle and school
4 extra-curricular vehicle shall be equipped with a first-aid kit mounted in an area accessible to the
5 operator which consists of bandages, sterile pads, adhesive tape, and Band-Aids, as well as an
6 approved Emergency Airway Kit, for use in the administration of first-aid treatment. In addition,
7 every child care vehicle and school extra-curricular vehicle shall be equipped with a bodily fluid
8 spill kit.

9 (9) Each vehicle shall also have an audible door alarm and an audible back up alarm.

10 (10) All persons operating a pupil transportation vehicle to convey children shall hold a
11 Rhode Island chauffeur's license and shall have passed a written test as may be prescribed by the
12 department of motor vehicles. In addition, all such persons who operate a pupil transportation
13 vehicle to convey children shall submit to a national and statewide criminal and driving record
14 background check by the hiring agency.

15 ~~(9)~~(11) School extra-curricular vehicles purchased after January 1, 2000 shall further
16 comply with regulations which the division of motor vehicles is authorized to promulgate which
17 require these vehicles to meet appropriate safety standards. The additional safety requirements of
18 this subsection shall, effective January 1, 2008, also apply to school extra-curricular vehicles in
19 service prior to January 1, 2000, which are still in service after January 1, 2008.

20 SECTION 5. Chapter 16-26 of the General Laws entitled "School for the Deaf" is hereby
21 amended by adding thereto the following section:

22 **16-26-12. Other sources of funding. -- (a) The 2009 general assembly, through the FY**
23 **2010 appropriation act, established a fee for a service program, also known as a tuition program,**
24 **for the Rhode Island school for the deaf effective July 1, 2009 in accordance with the fee**
25 **structure developed and implemented by the department of elementary and secondary education.**
26 **Under this fee for service program, and the provisions of Rhode Island general law section 16-26-**
27 **7.1 notwithstanding, districts shall be assessed tuition to cover the costs of educational services**
28 **that are additional to the core deaf and hard-of-hearing education program that is provided to**
29 **resident students at the Rhode Island school for the deaf.**

30 **(b) Tuition assessed at the school for the deaf to cover costs of educational services that**
31 **are additional to the core deaf and hard-of-hearing education program shall be based on a**
32 **graduated tuition schedule correlating to the varying needs of students. Districts shall receive**
33 **three (3) times each school year, invoices summarizing the basis for the tuition charged. There**
34 **shall be deducted from the final aid payment to each school district at the end of the fiscal year**

1 any amounts owed to the state for these additional educational services. All tuition paid by
2 districts and any aid deducted for non-payment shall be deposited in a restricted receipt account
3 and shall be exempt from the indirect cost recovery provisions of section 35-4-7.

4 (c) The school for the deaf is hereby authorized to rent or lease space in its school
5 building. The school shall deposit any revenues from such agreements into a restricted receipt
6 account, to be known as the school for the deaf rental income account, to be used for the same
7 educational purposes that its state appropriation is used. Any such rental agreements must receive
8 prior approval from the school's board of trustees and by the state properties committee.

9 SECTION 6. Relating to Regional Vocational Schools - Section 16-45-6 of the General
10 Laws in Chapter 16-45 entitled "Regional Vocational Schools" is hereby amended to read as
11 follows:

12 **16-45-6. Powers additional to previous authority.** -- (a) The powers delegated and
13 authorized in this chapter for the board of regents for elementary and secondary education and the
14 department of elementary and secondary education shall be in addition to those previously
15 authorized by any other general or public law.

16 (b) The governance, funding, and programming of the William M. Davies, Jr. vocational
17 technical school and the Metropolitan Career and Technical School shall be in accordance with
18 the rules and regulations formulated by the board of regents for elementary and secondary
19 education pursuant to chapter 35 of title 42. Provided, however, the additional appropriation by
20 the General Assembly in fiscal year 2005 for the William M. Davies, Jr. Vocational Technical
21 School shall be used to fund sixty (60) additional placements. Forty (40) of those placements
22 shall be made available to students from the City of Providence.

23 (c) The purpose of this chapter is to restructure the system of career and technical schools
24 in Rhode Island for the benefit of the students, the economy, and the general welfare. The
25 paramount aim is to enable the schools to make more significant contributions in providing the
26 state's students with the career preparation they need to compete and succeed in the world of
27 today and of the future. To ensure student success, a system of model career and technical schools
28 will be established and supported. These schools will provide: integrated academic and vocational
29 curricula, up to date technology, programs to meet the varying needs of all students, and strong
30 links to business, industry, postsecondary education, and the community.

31 (d)(1) There shall be a system of state operated career and technical schools serving
32 geographic areas of the state. Students attending these regional schools will do so on a full time
33 basis with the costs for their education at the regional school fully funded by the state.

34 (2) These schools shall be operated as local education agencies and each shall be

1 governed by a board of trustees. With the exception of those powers and duties reserved by the
2 director, the commissioner of elementary and secondary education, and the board of regents for
3 elementary and secondary education, the board of trustees shall have the powers and duties of
4 school committees. The Davies school shall be the first school operated under the provisions of
5 this chapter and shall be renamed the William M. Davies, Jr. career and technical high school.
6 The Metropolitan Career and Technical School shall be the second school operated under the
7 provisions of this chapter.

8 (e)(1) The board of regents for elementary and secondary education shall appoint the
9 members of the board of trustees from nominations made by the commissioner of elementary and
10 secondary education. The chairperson shall also be selected in this manner. The board of regents
11 shall determine the number, qualifications, and terms of office of members of the board of
12 trustees. The board of trustees will be broadly representative of the local communities served by
13 each school and the larger statewide workforce interests.

14 (2) The board of regents shall establish strategic directions for the career and technical
15 education system that are consistent with the state's economic development plans, workforce
16 requirements, and educational priorities and learner outcomes established by the board of regents.

17 (3) The board of regents shall provide parameters for the overall budget requests, approve
18 the budget, and participate in budget development as required in subsection (i).

19 (f)(1) The commissioner of elementary and secondary education shall recommend
20 parameters for the overall budget requests, recommend a budget and participate in budget
21 development as required in subsection (i).

22 (2) The commissioner shall approve the process for selection of a director of each
23 regional school. The commissioner shall develop a plan for statewide implementation of the
24 provisions of this chapter.

25 (g) The board of trustees shall meet monthly and serve without compensation. Nine (9)
26 members of the board of trustees shall be required to attend teacher appeal hearings conducted
27 pursuant to § 16-13-4. The board of trustees shall have broad policy making authority for the
28 operation of the school consistent with subsection (e) and the following powers and duties:

- 29 (1) To identify the educational needs of the communities in the district.
- 30 (2) To develop educational policies to meet the needs of students in the communities
31 served by the school district.
- 32 (3) To appoint a director of its regional school to serve as its chief executive officer and
33 to approve assistant and associate directors from nominations made by the director.
- 34 (4) To provide policy guidance and participate in budget development as required in

1 subsection (i).

2 (5) To develop staffing policies which ensure that all students are taught by educators of
3 the highest possible quality.

4 (h)(1) The director will serve at the pleasure of the board of trustees with the initial
5 appointment to be for a period of not more than three (3) years, provided, that the term and
6 conditions of employment are subject to the approval of the board of regents for elementary and
7 secondary education.

8 (2) It is the responsibility of the director to manage and operate the school on a day to day
9 basis. The director's duties shall include the following:

10 (i) To be responsible for the entire care, supervision, and management of the career and
11 technical high school.

12 (ii) To recommend to the board of trustees educational policies to meet the needs of the
13 district, and to implement policies established by the board of trustees.

14 (iii) To present nominations to the board of trustees for assistant and associate directors
15 and to appoint all other school personnel.

16 (iv) To provide for the evaluation of all school district personnel.

17 (v) To establish a school based management approach for decision making for the
18 operation of the school.

19 (vi) To prepare a budget and participate in budget development as required in subsection
20 (i), and to authorize purchases consistent with the adopted school district budget.

21 (vii) To report to the board of trustees on a regular basis the financial condition and
22 operation of the school, and to report annually on the educational progress of the school.

23 (viii) To establish appropriate advisory committees as needed to provide guidance on new
24 directions and feedback on the operation of the school.

25 (i) With policy guidance from the board of trustees and extensive involvement of the
26 administrators and faculty in the school, the director of each regional school shall annually
27 prepare a budget. The board of trustees will approve the budget and transmit it to the
28 commissioner. The board of regents for elementary and secondary education, upon
29 recommendation of the commissioner of elementary and secondary education, shall provide
30 parameters for the overall budget request. Based on review and recommendation by the
31 commissioner, the board of regents shall approve the total budget and incorporate it into its
32 budget request to the governor and to the general assembly. Line item budgeting decisions shall
33 be the responsibility of the director.

34 (j) Nothing in this section shall be deemed to limit or interfere with the rights of teachers

1 and other school employees to bargain collectively pursuant to chapters 9.3 and 9.4 of title 28 or
2 to allow the board of trustees or the director to abrogate any agreement by collective bargaining.
3 Employees at the William M. Davies school shall continue to be state employees and the
4 bargaining units which are presently established at the school shall remain intact.

5 (k) Any tuition payments, which are made to the William M. Davies Career and
6 Technical high school from the district of residence of its students, as authorized in R.I.G.L.
7 section 16-7.2-5, shall be deposited into a restricted receipt account to be used for the same
8 educational purposes that its state appropriation is used. Any such funds shall be exempt from the
9 indirect cost recovery provisions of section 35-4-7.

10 SECTION 7. Relating to Restricted Receipt Accounts - Section 35-4-27 of the General
11 Laws in Chapter 35-4 entitled "State Funds" is hereby amended to read as follows:

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

21 Department of Human Services
22 Veterans' home – Restricted account
23 Veterans' home – Resident benefits
24 Organ transplant fund
25 Veteran's Cemetery Memorial Fund
26 Department of Health
27 Pandemic medications and equipment account
28 Department of Mental Health, Retardation and Hospitals
29 Eleanor Slater non-Medicaid third-party payor account
30 Hospital Medicare Part D Receipts
31 RICLAS Group Home Operations
32 Vigneron Memorial Fund Grant
33 Department of Environmental Management
34 National heritage revolving fund

1 Environmental response fund II
2 Underground storage tanks registration fees
3 Rhode Island Council on the Arts
4 Art for public facilities fund
5 Rhode Island Foundation Grant
6 Rhode Island Historical Preservation and Heritage Commission
7 Historic preservation revolving loan fund
8 Historic Preservation loan fund – Interest revenue
9 Department of Public Safety
10 Forfeited property – Retained
11 Forfeitures – Federal
12 Forfeited property – Gambling
13 Donation – Polygraph and Law Enforcement Training
14 Rhode Island State Firefighter’s League Training Account
15 Fire Academy Training Fees Account
16 Attorney General
17 Forfeiture of property
18 Federal forfeitures
19 Attorney General multi-state account
20 Department of Administration
21 Restore and replacement – Insurance coverage
22 Convention Center Authority rental payments
23 Investment Receipts – TANS
24 Car Rental Tax/Surcharge-Warwick Share
25 OPEB System Restricted Receipt Account
26 ARRA Administrative Expenses – Bureau of Audits
27 ARRA Administrative Expenses – Purchasing
28 Legislature
29 Audit of federal assisted programs
30 Department of Elderly Affairs
31 Pharmaceutical Rebates Account
32 Department of Children Youth and Families
33 Children's Trust Accounts – SSI
34 Military Staff

- 1 RI Military Family Relief Fund
- 2 Treasury
- 3 Admin. Expenses – State Retirement System
- 4 Retirement – Treasury Investment Options
- 5 Business Regulation
- 6 Banking Division Reimbursement Account
- 7 Office of the Health Insurance Commissioner Reimbursement Account
- 8 Securities Division Reimbursement Account
- 9 Commercial Licensing and Racing and Athletics Division Reimbursement Account
- 10 Insurance Division Reimbursement Account
- 11 Historic Preservation Tax Credit Account.
- 12 Judiciary
- 13 Arbitration Fund Restricted Receipt Account
- 14 Department of Elementary and Secondary Education
- 15 Statewide Student Transportation Services Account
- 16 [School for the Deaf Fee for Service Account](#)
- 17 [Davies Career and Technical School Local Education Aid Account](#)
- 18 Office of the Governor
- 19 ARRA Administrative Expenses – Office of Economic Recovery and Reinvestment
- 20 Department of Labor and Training
- 21 Job Development Fund – Title XII loans principal and interest

22 SECTION 8. Section 5 of this Article, except for the fee for service program, which
23 became effective on July 1, 2009, shall take effect upon passage and apply retroactively to July 1,
24 2010. The remainder of this article shall take effect upon passage.

1 **ARTICLE 11 AS AMENDED**

2 RELATING TO THE CHILDREN'S HEALTH ACCOUNT

3 SECTION 1. Section 42-12-29 of the General Laws in Chapter 42-12 entitled
4 "Department of Human Services" is hereby amended to read as follows:

5 **42-12-29. Children's health account.** -- (a) There is created within the general fund a
6 restricted receipt account to be known as the "children's health account". All money in the
7 account shall be utilized by the department of human services to effectuate coverage for the
8 following service categories: (1) home health services, which include pediatric private duty
9 nursing and certified nursing assistant services; (2) comprehensive, evaluation, diagnosis,
10 assessment, referral and evaluation (CEDARR) services, which include CEDARR family center
11 services, home based therapeutic services, personal assistance services and supports (PASS) and
12 kids connect services and (3) child and adolescent treatment services (CAITS). All money
13 received pursuant to this section shall be deposited in the children's health account. The general
14 treasurer is authorized and directed to draw his or her orders on the account upon receipt of
15 properly authenticated vouchers from the department of human services.

16 (b) Beginning in the fiscal year 2007, each insurer licensed or regulated pursuant to the
17 provisions of chapters 18, 19, 20, and 41 of title 27 shall be assessed for the purposes set forth in
18 this section. The department of human services shall make available to each insurer, upon its
19 request, information regarding the department of human services child health program and the
20 costs related to the program. Further, the department of human services shall submit to the
21 general assembly an annual report on the program and cost related to the program, on or before
22 February 1 of each year. Annual assessments shall be based on direct premiums written in the
23 year prior to the assessment and shall not include any Medicare Supplement Policy (as defined in
24 § 27-18-2.1(g)), Medicare managed care, Medicare, Federal Employees Health Plan,
25 Medicaid/Rite Care or dental premiums. As to accident and sickness insurance, the direct
26 premium written shall include, but is not limited to, group, blanket, and individual policies. Those
27 insurers assessed greater than five hundred thousand dollars (\$500,000) for the year shall be
28 assessed four (4) quarterly payments of twenty-five percent (25%) of their total assessment.
29 Beginning July 1, 2006, the annual rate of assessment shall be determined by the director of
30 human services in concurrence with the primary payors, those being insurers likely to be assessed

1 at greater than five hundred thousand dollars (\$500,000). The director of the department of
2 human services shall deposit that amount in the "children's health account". The assessment shall
3 be used solely for the purposes of the "children's health account" and no other.

4 (c) Any funds collected in excess of funds needed to carry out the programs shall be
5 deducted from the subsequent year's assessment.

6 (d) The total annual assessment on all insurers shall be equivalent to the amount paid by
7 the department of human services for ~~such~~ all services, as listed in subsection (a), but not to
8 exceed ~~six thousand dollars (\$6,000)~~ seven thousand five hundred dollars (\$7,500) per child per
9 service per year.

10 (e) The children's health account shall be exempt from the indirect cost recovery
11 provisions of § 35-4-27 of the general laws.

12 SECTION 2. Comprehensive analysis.--The office of the health insurance commissioner
13 is directed to undertake an analysis and study of alternatives to the current assessments levied
14 upon health insurance premiums, including the child and adult immunization assessments and the
15 children's health account assessment. Alternatives should include, but not be limited to, a claims
16 surcharge on hospital services which would be levied on self-insured as well as fully-insured
17 health plans. The analysis shall evaluate other states' tax structures, evaluate their strengths and
18 weaknesses, and assess how they may or may not be applicable in Rhode Island.

19 All departments and agencies of the state shall furnish advice and information,
20 documentary or otherwise to the office of the health insurance commissioner and its agents as is
21 deemed necessary or desirable to facilitate the purposes of the analysis.

22 The office shall present a report including findings and recommendations to the
23 chairpersons of the house and senate finance committees no later than January 1, 2012.

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

1 **ARTICLE 12 AS AMENDED**

2 RELATING TO MUNICIPAL ACCOUNTABILITY

3 SECTION 1. Section 42-46-6 of the General Laws in Chapter 42-46 entitled 'Open
4 Meetings" is hereby amended to read as follows:

5 **42-46-6. Notice.** -- (a) All public bodies shall give written notice of their regularly
6 scheduled meetings at the beginning of each calendar year. The notice shall include the dates,
7 times, and places of the meetings and shall be provided to members of the public upon request
8 and to the secretary of state at the beginning of each calendar year in accordance with subsection
9 (f).

10 (b) Public bodies shall give supplemental written public notice of any meeting within a
11 minimum of forty-eight (48) hours before the date. This notice shall include the date the notice
12 was posted, the date, time and place of the meeting, and a statement specifying the nature of the
13 business to be discussed. Copies of the notice shall be maintained by the public body for a
14 minimum of one year. Nothing contained herein shall prevent a public body, other than a school
15 committee, from adding additional items to the agenda by majority vote of the members. School
16 committees may, however, add items for informational purposes only, pursuant to a request,
17 submitted in writing, by a member of the public during the public comment session of the school
18 committee's meetings. Said informational items may not be voted upon unless they have been
19 posted in accordance with the provisions of this section. Such additional items shall be for
20 informational purposes only and may not be voted on except where necessary to address an
21 unexpected occurrence that requires immediate action to protect the public or to refer the matter
22 to an appropriate committee or to another body or official.

23 (c) Written public notice shall include, but need not be limited to, posting a copy of the
24 notice at the principal office of the public body holding the meeting, or if no principal office
25 exists, at the building in which the meeting is to be held, and in at least one other prominent place
26 within the governmental unit, and electronic filing of the notice with the secretary of state
27 pursuant to subsection (f); ~~provided, that in the case of school committees the required public~~
28 ~~notice shall be published in a newspaper of general circulation in the school district under the~~
29 ~~committee's jurisdiction; however, ad hoc committees, sub-committees and advisory committees~~
30 ~~of school committees shall not be required to publish notice in a newspaper;~~ however, nothing

1 contained herein shall prevent a public body from holding an emergency meeting, upon an
2 affirmative vote of the majority of the members of the body when the meeting is deemed
3 necessary to address an unexpected occurrence that requires immediate action to protect the
4 public. If an emergency meeting is called, a meeting notice and agenda shall be posted as soon as
5 practicable and shall be electronically filed with the secretary of state pursuant to subsection (e)
6 and, upon meeting, the public body shall state for the record and minutes why the matter must be
7 addressed in less than forty-eight (48) hours and only discuss the issue or issues which created the
8 need for an emergency meeting. Nothing contained herein shall be used in the circumvention of
9 the spirit and requirements of this chapter.

10 (d) Nothing within this chapter shall prohibit any public body, or the members thereof,
11 from responding to comments initiated by a member of the public during a properly noticed open
12 forum even if the subject matter of a citizen's comments or discussions were not previously
13 posted, provided such matters shall be for informational purposes only and may not be voted on
14 except where necessary to address an unexpected occurrence that requires immediate action to
15 protect the public or to refer the matter to an appropriate committee or to another body or official.
16 Nothing contained in this chapter requires any public body to hold an open forum session, to
17 entertain or respond to any topic nor does it prohibit any public body from limiting comment on
18 any topic at such an open forum session. No public body, or the members thereof, may use this
19 section to circumvent the spirit or requirements of this chapter.

20 (e) A school committee may add agenda items not appearing in the published notice
21 required by this section under the following conditions:

22 (1) The revised agenda is electronically filed with the secretary of state pursuant to
23 subsection (f), and is posted on the school district's website and the two (2) public locations
24 required by this section at least forty-eight (48) hours in advance of the meeting;

25 (2) The new agenda items were unexpected and could not have been added in time for
26 newspaper publication;

27 (3) Upon meeting, the public body states for the record and minutes why the agenda
28 items could not have been added in time for newspaper publication and need to be addressed at
29 the meeting;

30 (4) A formal process is available to provide timely notice of the revised agenda to any
31 person who has requested that notice, and the school district has taken reasonable steps to make
32 the public aware of this process; and

33 (5) The published notice shall include a statement that any changes in the agenda will be
34 posted on the school district's web site and the two (2) public locations required by this section

1 and will be electronically filed with the secretary of state at least forty-eight (48) hours in advance
2 of the meeting.

3 (f) All notices required by this section to be filed with the secretary of state shall be
4 electronically transmitted to the secretary of state in accordance with rules and regulations which
5 shall be promulgated by the secretary of state. This requirement of the electronic transmission and
6 filing of notices with the secretary of state shall take effect one year after this subsection takes
7 effect.

8 (g) If a public body fails to transmit notices in accordance with this section, then any
9 aggrieved person may file a complaint with the attorney general in accordance with section 42-
10 46-8.

11 SECTION 2. Title 28 of the General Laws entitled "LABOR AND LABOR
12 RELATIONS" is hereby amended by adding thereto the following chapter:

13 CHAPTER 54

14 MUNICIPAL EMPLOYEES

15 **28-54-1. Medicare enrollment.** -- Every municipality, participating or nonparticipating
16 in the municipal employees' retirement system, may require its retirees, as a condition of
17 receiving or continuing to receive retirement payments and health benefits, to enroll in Medicare
18 as soon as he or she is eligible, notwithstanding the provisions of any other statute, ordinance,
19 interest arbitration award, or collective bargaining agreement to the contrary. Municipalities that
20 require said enrollment shall have the right to negotiate any Medicare supplement or gap
21 coverage for Medicare-eligible retirees, but shall not be required to provide any other healthcare
22 benefits to any Medicare-eligible retiree or his or her spouse who has reached sixty-five (65)
23 years of age, notwithstanding the provisions of any other statute, ordinance, interest arbitration
24 award, or collective bargaining agreement to the contrary. Municipality provided benefits that are
25 provided to Medicare-eligible individuals shall be secondary to Medicare benefits. Nothing
26 contained herein shall impair collectively bargained Medicare Supplement Insurance.

27 SECTION 3. Sections 28-29-2 and 28-29-26 of the General Laws in Chapter 28-29
28 entitled "Workers' Compensation - General Provisions" are hereby amended to read as follows:

29 **28-29-2. Definitions.** -- In chapters 29 -- 38 of this title, unless the context otherwise
30 requires:

31 (1) "Department" means the department of labor and training.

32 (2) "Director" means the director of labor and training or his or her designee unless
33 specifically stated otherwise.

34 (3) (i) "Earnings capacity" means the weekly straight time earnings which an employee

1 could receive if the employee accepted an actual offer of suitable alternative employment.
2 Earnings capacity can also be established by the court based on evidence of ability to earn,
3 including, but not limited to, a determination of the degree of functional impairment and/or
4 disability, that an employee is capable of employment. The court may, in its discretion, take into
5 consideration the performance of the employee's duty to actively seek employment in scheduling
6 the implementation of the reduction. The employer need not identify particular employment
7 before the court can direct an earnings capacity adjustment. In the event that an employee returns
8 to light duty employment while partially disabled, an earnings capacity shall not be set based
9 upon actual wages earned until the employee has successfully worked at light duty for a period of
10 at least thirteen (13) weeks.

11 (ii) As used under the provisions of this title, "functional impairment" means an
12 anatomical or functional abnormality existing after the date of maximum medical improvement as
13 determined by a medically or scientifically demonstrable finding and based upon the Sixth (6th)
14 edition of the American Medical Association's Guide to the Evaluation of Permanent Impairment
15 or comparable publications of the American Medical Association.

16 (iii) In the event that an employee returns to employment at an average weekly wage
17 equal to the employee's pre-injury earnings exclusive of overtime, the employee will be presumed
18 to have regained his/her earning capacity.

19 (4) "Employee" means any person who has entered into the employment of or works
20 under contract of service or apprenticeship with any employer, except that in the case of a city or
21 town other than the city of Providence it shall only mean that class or those classes of employees
22 as may be designated by a city, town, or regional school district in a manner provided in this
23 chapter to receive compensation under chapters 29 -- 38 of this title. Any person employed by the
24 state of Rhode Island, except for sworn employees of the Rhode Island State Police, or by the
25 Rhode Island Airport Corporation who is otherwise entitled to the benefits of chapter 19 of title
26 45 shall be subject to the provisions of chapters 29 -- 38 of this title for all case management
27 procedures and dispute resolution for all benefits. The term "employee" does not include any
28 individual who is a shareholder or director in a corporation, general or limited partners in a
29 general partnership, a registered limited liability partnership, a limited partnership, or partners in
30 a registered limited liability limited partnership, or any individual who is a member in a limited
31 liability company. These exclusions do not apply to shareholders, directors and members who
32 have entered into the employment of or who work under a contract of service or apprenticeship
33 within a corporation or a limited liability company. The term "employee" also does not include a
34 sole proprietor, independent contractor, or a person whose employment is of a casual nature, and

1 who is employed other than for the purpose of the employer's trade or business, or a person
2 whose services are voluntary or who performs charitable acts, nor shall it include the members of
3 the regularly organized fire and police departments of any town or city [except for appeals from an](#)
4 [order of the retirement board filed pursuant to the provisions of Rhode Island general law section](#)
5 [45-21.2-9](#); provided, however, that it shall include the members of the police and aircraft rescue
6 and firefighting (ARFF) units of the Rhode Island Airport Corporation. Whenever a contractor
7 has contracted with the state, a city, town, or regional school district any person employed by that
8 contractor in work under contract shall not be deemed an employee of the state, city, town, or
9 regional school district as the case may be. Any person who on or after January 1, 1999, was an
10 employee and became a corporate officer shall remain an employee, for purposes of these
11 chapters, unless and until coverage under this act is waived pursuant to subsection 28-29-8(b) or
12 section 28-29-17. Any person who is appointed a corporate officer between January 1, 1999 and
13 December 31, 2001, and was not previously an employee of the corporation, will not be
14 considered an employee, for purposes of these chapters, unless that corporate officer has filed a
15 notice pursuant to subsection 28-29-19(b). In the case of a person whose services are voluntary or
16 who performs charitable acts, any benefit received, in the form of monetary remuneration or
17 otherwise, shall be reportable to the appropriate taxation authority but shall not be deemed to be
18 wages earned under contract of hire for purposes of qualifying for benefits under chapters 29 --
19 38 of this title. Any reference to an employee who had been injured shall, where the employee is
20 dead, include a reference to his or her dependents as defined in this section, or to his or her legal
21 representatives, or, where he or she is a minor or incompetent, to his or her conservator or
22 guardian. A "seasonal occupation" means those occupations in which work is performed on a
23 seasonal basis of not more than sixteen (16) weeks.

24 (5) "Employer" includes any person, partnership, corporation, or voluntary association,
25 and the legal representative of a deceased employer; it includes the state, and the city of
26 Providence. It also includes each city, town, and regional school district in the state that votes or
27 accepts the provisions of chapters 29 -- 38 of this title in the manner provided in this chapter [or is](#)
28 [a party to an appeal from an order of the retirement board filed pursuant to the provisions of](#)
29 [Rhode Island general law section 45-21.2-9](#).

30 (6) "General or special employer":

31 (i) "General employer" includes but is not limited to temporary help companies and
32 employee leasing companies and means a person who for consideration and as the regular course
33 of its business supplies an employee with or without vehicle to another person.

34 (ii) "Special employer" means a person who contracts for services with a general

1 employer for the use of an employee, a vehicle, or both.

2 (iii) Whenever there is a general employer and special employer wherein the general
3 employer supplies to the special employer an employee and the general employer pays or is
4 obligated to pay the wages or salaries of the supplied employee, then, notwithstanding the fact
5 that direction and control is in the special employer and not the general employer, the general
6 employer, if it is subject to the provisions of the Workers' Compensation Act or has accepted that
7 Act, shall be deemed to be the employer as set forth in subdivision (5) of this section and both the
8 general and special employer shall be the employer for purposes of sections 28-29-17 and 28-29-
9 18.

10 (iv) Effective January 1, 2003, whenever a general employer enters into a contract or
11 arrangement with a special employer to supply an employee or employees for work, the special
12 employer shall require an insurer generated insurance coverage certification, on a form prescribed
13 by the department, demonstrating Rhode Island workers' compensation and employer's liability
14 coverage evidencing that the general employer carries workers' compensation insurance with that
15 insurer with no indebtedness for its employees for the term of the contract or arrangement. In the
16 event that the special employer fails to obtain and maintain at policy renewal and thereafter this
17 insurer generated insurance coverage certification demonstrating Rhode Island workers'
18 compensation and employer's liability coverage from the general employer, the special employer
19 is deemed to be the employer pursuant to the provisions of this section. Upon the cancellation or
20 failure to renew, the insurer having written the workers' compensation and employer's liability
21 policy shall notify the certificate holders and the department of the cancellation or failure to
22 renew and upon notice, the certificate holders shall be deemed to be the employer for the term of
23 the contract or arrangement unless or until a new certification is obtained.

24 (7) (i) "Injury" means and refers to personal injury to an employee arising out of and in
25 the course of his or her employment, connected and referable to the employment.

26 (ii) An injury to an employee while voluntarily participating in a private, group, or
27 employer-sponsored carpool, vanpool, commuter bus service, or other rideshare program, having
28 as its sole purpose the mass transportation of employees to and from work shall not be deemed to
29 have arisen out of and in the course of employment. Nothing in the foregoing provision shall be
30 held to deny benefits under chapters 29 -- 38 and chapter 47 of this title to employees such as
31 drivers, mechanics, and others who receive remuneration for their participation in the rideshare
32 program. Provided, that the foregoing provision shall not bar the right of an employee to recover
33 against an employer and/or driver for tortious misconduct.

34 (8) "Maximum medical improvement" means a point in time when any medically

1 determinable physical or mental impairment as a result of injury has become stable and when no
2 further treatment is reasonably expected to materially improve the condition. Neither the need for
3 future medical maintenance nor the possibility of improvement or deterioration resulting from the
4 passage of time and not from the ordinary course of the disabling condition, nor the continuation
5 of a pre-existing condition precludes a finding of maximum medical improvement. A finding of
6 maximum medical improvement by the workers' compensation court may be reviewed only
7 where it is established that an employee's condition has substantially deteriorated or improved.

8 (9) "Physician" means medical doctor, surgeon, dentist, licensed psychologist,
9 chiropractor, osteopath, podiatrist, or optometrist, as the case may be.

10 (10) "Suitable alternative employment" means employment or an actual offer of
11 employment which the employee is physically able to perform and will not exacerbate the
12 employee's health condition and which bears a reasonable relationship to the employee's
13 qualifications, background, education, and training. The employee's age alone shall not be
14 considered in determining the suitability of the alternative employment.

15 (11) "Independent contractor" means a person who has filed a notice of designation as
16 independent contractor with the director pursuant to section 28-29-17.1 or as otherwise found by
17 the workers' compensation court.

18 **28-29-26. Supervision of enforcement.** -- (a) Department of labor and training. - The
19 director as provided for in chapters 29 -- 38 of this title, and chapter 53 of this title and chapter
20 16.1 of title 42, shall have supervision over the enforcement of the provisions of those chapters,
21 and the director shall have the power and authority to adopt and enforce all reasonable rules,
22 regulations, and orders necessary and suitable to the administration of the department's
23 responsibilities as described in those chapters.

24 (b) (1) Workers' compensation court. - The workers' compensation court, as provided for
25 in chapters 29 -- 38 of this title, shall have supervision over the enforcement of the provisions of
26 the chapters, and shall have the power and authority to adopt and enforce all reasonable rules,
27 regulations, and orders necessary and suitable to the administration of its responsibilities
28 described in the chapters. In addition to the foregoing, the court shall have the power and
29 authority to hear and decide appeals from the retirement board in accordance with Rhode Island
30 general law sections 45-21.2-9. The court shall remain judicially and administratively
31 independent. The Workers' compensation court shall have original jurisdiction over all civil
32 actions filed pursuant to sections 28-36-15 and 28-37-28 and pursuant to the provisions of chapter
33 53 of this title.

34 (2) Any petition arising from any dispute regardless of date of injury, unless specifically

1 excepted, shall be filed with the administrator of the workers' compensation court in accordance
2 with chapter 35 of this title and any rules and regulations promulgated by the workers'
3 compensation court.

4 (3) The enactment of this subsection shall not affect the rights of the parties established
5 by any existing memorandum of agreement, suspension agreement and receipt, preliminary
6 determination of the department of workers' compensation, order or decree, or any existing right
7 to the payment of compensation acquired pursuant to section 28-29-6 or 28-35-9.

8 SECTION 4. Sections 28-30-1 and 28-30-13 of the General Laws in Chapter 28-30
9 entitled "Workers' Compensation Court" are hereby amended to read as follows:

10 **28-30-1. Court established -- General powers.** -- (a) There is established in the state of
11 Rhode Island a workers' compensation court consisting of a chief judge and nine (9) associate
12 judges having the jurisdiction that may be necessary to carry out its duties under the provisions of
13 the Workers' Compensation Act, chapters 29 -- 38 of this title [and the provisions of Rhode Island](#)
14 [general law sections 45-21.2-9](#), except those provisions of the act which establish violations of
15 the act as crimes, offenses, or misdemeanors. The jurisdiction of those crimes, offenses, or
16 misdemeanors shall remain in the district and superior courts as otherwise provided by law.

17 (b) The court shall be a court of record with the same authority and power to subpoena
18 and also the same authority and power to cite and punish for civil contempt as exist in the
19 superior court. The court shall have a seal, and the members, administrator, deputy administrator,
20 and assistant clerks of the court shall have the authority and power to administer oaths and
21 affirmations.

22 **28-30-13. Controversies submitted to court.** -- (a) Any controversy over which the
23 workers' compensation court has jurisdiction in accordance with chapters 29 -- 38 and chapter 53
24 of this title, including compensation, reasonableness of medical and hospital bills, degree of
25 functional impairment and/or disability, a dispute between an insurance carrier and an employer
26 under a workers' compensation insurance contract, except disputes under the jurisdiction of the
27 workers' compensation appeals board established pursuant to section 27-9-29, failure of an
28 employer to secure the payment of compensation under chapters 29 -- 38 and chapter 53 of this
29 title and any controversy in which the state or any of its political subdivisions is a party, [and](#)
30 [appeals from an order of the retirement board pursuant to Rhode Island general law section 45-](#)
31 [21.2-9](#) shall be submitted to the court in the manner provided in chapters 33 and 35 of this title.

32 (b) Disputes between an insurance carrier and an employer under a workers'
33 compensation insurance contract shall not be subject to a pretrial conference in accordance with
34 section 28-35-20, but shall be assigned consistent with the rules and regulations of the workers'

1 compensation court.

2 SECTION 5. Sections 28-35-11 and 28-35-27 of the General Laws in Chapter 28-35
3 entitled "Workers' Compensation - Procedure" are hereby amended to read as follows:

4 **28-35-11. Questions determined by court.** -- All questions arising under chapters 29 --
5 38 of this title [and Rhode Island general law sections 45-21.2-9](#) shall, except as otherwise
6 provided, be determined by the workers' compensation court in accordance with the provisions of
7 those chapters.

8 **28-35-27. Decision of controversies -- Decree.** -- (a) In any controversy over which the
9 workers' compensation court has jurisdiction pursuant to this chapter [and Rhode Island general](#)
10 [law sections 45-21.2-9](#), any judge of that court shall, pursuant to sections 28-35-11 -- 28-35-28,
11 and the procedural rules of the court, hear all questions of law and fact involved in the
12 controversy and presented by any party in interest, and he or she shall within ten (10) days after
13 the hearing, unless the parties otherwise agree, decide the merits of the controversy pursuant to
14 the law and the fair preponderance of the evidence and notify the administrator of the court of the
15 decision, who shall immediately notify the parties by mail.

16 (b) Within seventy-two (72) hours of the mailing of the notice, exclusive of Sundays and
17 holidays, the judge shall enter a decree upon the decision, which shall contain findings of fact, but
18 within that time any party may appear and present a form of decree for consideration.

19 SECTION 6. Section 28-36-5 of the General Laws in Chapter 28-36 entitled "Workers'
20 Compensation - Insurance" is hereby amended to read as follows:

21 **28-36-5. Policy provisions as to liability of employer and insurer.** -- Every policy shall
22 cover the entire liability of the employer under chapters 29 - 38 of this title, [except for appeals](#)
23 [from an order of the retirement board filed pursuant to the provisions of Rhode Island General](#)
24 [Law sections 45-21.2-9](#), and shall contain an agreement by the insurer to the effect that the
25 insurer shall be directly and primarily liable to the employee and, in the event of his death, to his
26 or her dependents, to pay to him, her, or them the compensation, if any, for which the employer is
27 liable.

28 SECTION 7. Section 45-19-1 of the General Laws in Chapter 45-19 entitled "Relief of
29 Injured and Deceased Fire Fighters and Police Officers" is hereby amended to read as follows:

30 **45-19-1. Salary payment during line of duty illness or injury.** -- (a) Whenever any
31 police officer of the Rhode Island Airport Corporation or whenever any police officer, fire
32 fighter, crash rescue crewperson, fire marshal, chief deputy fire marshal, or deputy fire marshal of
33 any city, town, fire district, or the state of Rhode Island is wholly or partially incapacitated by
34 reason of injuries received or sickness contracted in the performance of his or her duties or due to

1 their rendering of emergency assistance within the physical boundaries of the state of Rhode
2 Island at any occurrence involving the protection or rescue of human life which necessitates that
3 they respond in a professional capacity when they would normally be considered by their
4 employer to be officially off-duty, the respective city, town, fire district, state of Rhode Island or
5 Rhode Island Airport Corporation by which the police officer, fire fighter, crash rescue
6 crewperson, fire marshal, chief deputy fire marshal, or deputy fire marshal, is employed, shall,
7 during the period of the incapacity, pay the police officer, fire fighter, crash rescue crewperson,
8 fire marshal, chief deputy fire marshal, or deputy fire marshal, the salary or wage and benefits to
9 which the police officer, fire fighter, crash rescue crewperson, fire marshal, chief deputy fire
10 marshal, or deputy fire marshal, would be entitled had he or she not been incapacitated, and shall
11 pay the medical, surgical, dental, optical, or other attendance, or treatment, nurses, and hospital
12 services, medicines, crutches, and apparatus for the necessary period, except that if any city,
13 town, fire district, the state of Rhode Island or Rhode Island Airport Corporation provides the
14 police officer, fire fighter, crash rescue crewperson, fire marshal, chief deputy fire marshal, or
15 deputy fire marshal, with insurance coverage for the related treatment, services, or equipment,
16 then the city, town, fire district, the state of Rhode Island or Rhode Island Airport Corporation is
17 only obligated to pay the difference between the maximum amount allowable under the insurance
18 coverage and the actual cost of the treatment, service, or equipment. In addition, the cities, towns,
19 fire districts, the state of Rhode Island or Rhode Island Airport Corporation shall pay all similar
20 expenses incurred by a member who has been placed on a disability pension and suffers a
21 recurrence of the injury or illness that dictated his or her disability retirement, subject to the
22 provisions of subsection (j) herein.

23 (b) As used in this section, "police officer" means and includes any chief or other
24 member of the police department of any city or town regularly employed at a fixed salary or wage
25 and any executive high sheriff, sheriff, deputy sheriff, member of the fugitive task force, or
26 capitol police officer, permanent environmental police officer or criminal investigator of the
27 department of environmental management, or airport police officer.

28 (c) As used in this section, "fire fighter" means and includes any chief or other member
29 of the fire department or rescue personnel of any city, town, or fire district, and any person
30 employed as a member of the fire department of the town of North Smithfield, or fire department
31 or district in any city or town.

32 (d) As used in this section, "crash rescue crewperson" means and includes any chief or
33 other member of the emergency crash rescue section, division of airports, or department of
34 transportation of the state of Rhode Island regularly employed at a fixed salary or wage.

1 (e) As used in this section, "fire marshal," "chief deputy fire marshal", and "deputy fire
2 marshal" mean and include the fire marshal, chief deputy fire marshal, and deputy fire marshals
3 regularly employed by the state of Rhode Island pursuant to the provisions of chapter 28.2 of title
4 23.

5 (f) Any person employed by the state of Rhode Island, except for sworn employees of
6 the Rhode Island State Police, who is otherwise entitled to the benefits of chapter 19 of this title
7 shall be subject to the provisions of chapters 29 -- 38 of title 28 for all case management
8 procedures and dispute resolution for all benefits.

9 (g) In order to receive the benefits provided for under this section, a police officer or
10 firefighter must prove to their employer that he or she had reasonable grounds to believe that
11 there was an emergency which required an immediate need for their assistance for the protection
12 or rescue of human life.

13 (h) Any claims to the benefits provided for under this section resulting from the
14 rendering of emergency assistance in the state of Rhode Island at any occurrence involving the
15 protection or rescue of human life while off-duty, shall first require those covered by this section
16 to submit a sworn declaration to their employer attesting to the date, time, place and nature of the
17 event involving the protection or rescue of human life causing the professional assistance to be
18 rendered and the cause and nature of any injuries sustained in the protection or rescue of human
19 life. Sworn declarations shall also be required from any available witness to the alleged
20 emergency involving the protection or rescue of human life.

21 (i) All declarations required under this section shall contain the following language:

22 "Under penalty of perjury, I declare and affirm that I have examined this declaration,
23 including any accompanying schedules and statements, and that all statements contained herein
24 are true and correct."

25 (j) Any person receiving injured on-duty benefits pursuant to this section, and subject to
26 the jurisdiction of the state retirement board for accidental retirement disability, for an injury
27 occurring on or after July 1, 2011, shall be eligible to receive such benefits for a total period of
28 eighteen (18) months after the date of the person's injury that resulted in said person's injured on
29 duty status, except as provided for in subdivision 45-19-1(j)(2).

30 (1) Within eighteen (18) months of being injured, the person shall apply for an accidental
31 disability retirement allowance from the state retirement board. A person who so applies shall
32 continue to receive injured on duty payments until the person's application for an accidental
33 disability retirement allowance has been allowed or denied, and if denied initially, then upon the
34 expiration of the appeal period from such decision to the workers' compensation court pursuant to

1 section 45-21.2-9 of the general laws, or, if appealed, then upon a decision from the workers'
2 compensation court denying said appeal, whichever is applicable.

3 (2) If a person with injured on duty status fails to apply for an accidental disability
4 retirement allowance from the state retirement board within the eighteen (18) month period set
5 forth in this subsection, that person's injured on duty payments shall terminate, unless said person
6 provides to the applicable municipality a written opinion from a physician that states that it is the
7 physician's opinion, to a reasonable degree of medical certainty, that the person will be able to
8 return to work within six (6) months. In such event, the injured person may continue to receive
9 injured on duty payments for a period, not to exceed six (6) months, after the initial eighteen (18)
10 month period expires.

11 SECTION 8. Section 45-21.2-9 of the General Laws in Chapter 45-21.2 entitled
12 "Optional Retirement for Members of Police Force and Fire Fighters" is hereby amended to read
13 as follows:

14 **45-21.2-9. Retirement for accidental disability.** -- (a) Any member in active service,
15 regardless of length of service, is entitled to an accidental disability retirement allowance.
16 Application for the allowance is made by the member or on the member's behalf, stating that the
17 member is physically or mentally incapacitated for further service as the result of an injury
18 sustained while in the performance of duty and certifying to the time, place, and conditions of the
19 duty performed by the member which resulted in the alleged disability and that the alleged
20 disability was not the result of the willful negligence or misconduct on the part of the member,
21 and was not the result of age or length of service, and that the member has not attained the age of
22 sixty-five (65). The application shall be made within eighteen (18) months of the alleged accident
23 from which the injury has resulted in the member's present disability and shall be accompanied by
24 an accident report and a physician's report certifying to the disability. If the member was able to
25 return to his or her employment and subsequently reinjures or aggravates the same injury, the
26 member shall make another application within eighteen (18) months of the reinjury or
27 aggravation which shall be accompanied by a physician's report certifying to the reinjury or
28 aggravation causing the disability. If a medical examination made by three (3) physicians
29 engaged by the retirement board, and other investigations as the board may make, confirms the
30 statements made by the member, the board may grant the member an accidental disability
31 retirement allowance.

32 (b) For the purposes of subsection (a), "aggravation" shall mean an intervening work-
33 related trauma that independently contributes to a member's original injury that amounts to more
34 than the natural progression of the preexisting disease or condition and is not the result of age or

1 length of service. The intervening independent trauma causing the aggravation must be an
2 identifiable event or series of work-related events that are the proximate cause of the member's
3 present condition of disability.

4 (c) "Occupational cancer", as used in this section, means a cancer arising out of
5 employment as a fire fighter, due to injury due to exposures to smoke, fumes, or carcinogenic,
6 poisonous, toxic, or chemical substances while in the performance of active duty in the fire
7 department.

8 (d) For purposes of subsection (a), "reinjury" shall mean a recurrence of the original
9 work-related injury from a specific ascertainable event. The specific event must be the proximate
10 cause of the member's present condition of disability.

11 (e) Any fire fighter, including one employed by the state, or a municipal firefighter
12 employed by a municipality that participates in the optional retirement for police officers and fire
13 fighters as provided in this chapter, who is unable to perform his or her duties in the fire
14 department by reason of a disabling occupational cancer which develops or manifests itself
15 during a period while the fire fighter is in the service of the department, and any retired member
16 of the fire force of any city or town who develops occupational cancer, is entitled to receive an
17 occupational cancer disability and he or she is entitled to all of the benefits provided for in this
18 chapter, chapters 19, 19.1, and 21 of this title and chapter 10 of title 36 if the fire fighter is
19 employed by the state.

20 (f) In the event that any party is aggrieved by the determination of the retirement board
21 pursuant to section 45-19-1, for an injury occurring on or after July 1, 2011, the party may submit
22 an appeal to the Rhode Island workers' compensation court. The appellant shall file a notice of
23 appeal with the retirement board and shall serve a copy of the notice of appeal upon the opposing
24 party.

25 (g) Within twenty (20) days of the receipt of the notice of appeal, the retirement board
26 shall transmit the entire record of proceedings before it, together with its order, to the workers'
27 compensation court.

28 (h) In the event that a party files a notice of appeal to the workers' compensation court,
29 the order of the retirement board shall be stayed pending further action by the court pursuant to
30 the provisions of Rhode Island general law section 28-35-20.

31 (i) Upon receipt of the record of proceedings before the retirement board, the court shall
32 assign the matter to a judge and shall issue a notice at the time advising the parties of the judge to
33 whom the case has been assigned and the date for pretrial conference in accordance with Rhode
34 Island general law section 28-35-20.

1 (j) All proceedings filed with the workers' compensation court pursuant to this section
2 shall be de novo and shall be subject to the provisions of chapters 29 to 38 of Title 28 for all case
3 management procedures and dispute resolution processes, as provided under the rules of workers'
4 compensation court. Where the matter has been heard and decided by the workers' compensation
5 court, the court shall retain jurisdiction to review any prior orders or decrees entered by it. Such
6 petitions to review shall be filed directly with the workers' compensation court and shall be
7 subject to the case management and dispute resolution procedures set forth in chapters 29 through
8 38 of title 28 ("Labor and Labor Relations").

9 (k) If the court determines that a member qualifies for accidental disability retirement, the
10 member shall receive a retirement allowance equal to sixty-six and two-thirds percent (66 2/3%)
11 of the rate of the member's compensation at the date of the member's retirement, subject to the
12 provisions of section 45-21-31.

13 SECTION 9. Section 42-61.2-7 of the General Laws in Chapter 42-61.2 entitled "Video
14 Lottery Terminal" is hereby amended to read as follows:

15 **42-61.2-7. Division of revenue. [Effective June 30, 2009 and expires June 30, 2011].**

16 = (a) Notwithstanding the provisions of § 42-61-15, the allocation of net terminal income derived
17 from video lottery games is as follows:

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

21 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one
22 percent (0.19%) up to a maximum of twenty million dollars (\$20,000,000) shall be equally
23 allocated to the distressed communities as defined in § 45-13-12 provided that no eligible
24 community shall receive more than twenty-five percent (25%) of that community's currently
25 enacted municipal budget as its share under this specific subsection. Distributions made under
26 this specific subsection are supplemental to all other distributions made under any portion of
27 general laws § 45-13-12. For the fiscal year ending June 30, 2008 distributions by community
28 shall be identical to the distributions made in the fiscal year ending June 30, 2007 and shall be
29 made from general appropriations. For the fiscal year ending June 30, 2009, the total state
30 distribution shall be the same total amount distributed in the fiscal year ending June 30, 2008 and
31 shall be made from general appropriations. For the fiscal year ending June 30, 2010, the total
32 state distribution shall be the same total amount distributed in the fiscal year ending June 30,
33 2009 and shall be made from general appropriations, provided however that \$784,458 of the total
34 appropriation shall be distributed equally to each qualifying distressed community. For the fiscal

1 year ending June 30, 2011, seven hundred eighty-four thousand four hundred fifty-eight dollars
2 (\$784,458) of the total appropriation shall be distributed equally to each qualifying distressed
3 community.

4 (ii) Five one hundredths of one percent (0.05%) up to a maximum of five million dollars
5 (\$5,000,000) shall be appropriated to property tax relief to fully fund the provisions of § 44-33-
6 2.1. The maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum
7 amount to the nearest five dollar (\$5.00) increment within the allocation until a maximum credit
8 of five hundred dollars (\$500) is obtained. In no event shall the exemption in any fiscal year be
9 less than the prior fiscal year.

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

14 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent
15 (0.10%) to a maximum of ten million dollars (\$10,000,000) for supplemental distribution to
16 communities not included in paragraph (a)(1)(i) above distributed proportionately on the basis of
17 general revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008
18 distributions by community shall be identical to the distributions made in the fiscal year ending
19 June 30, 2007 and shall be made from general appropriations. For the fiscal year ending June 30,
20 2009, no funding shall be disbursed. For the fiscal year ending June 30, 2010 and thereafter,
21 funding shall be determined by appropriation.

22 (2) To the licensed video lottery retailer:

23 (a) Prior to the effective date of the NGJA Master Contract, Newport Jai Ali twenty-six
24 percent (26%) minus three hundred eighty four thousand nine hundred ninety-six dollars
25 (\$384,996);

26 (ii) On and after the effective date of the NGJA Master Contract, to the licensed video
27 lottery retailer who is a party to the NGJA Master Contract, all sums due and payable under said
28 Master Contract minus three hundred eighty four thousand nine hundred ninety-six dollars
29 (\$384,996).

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

34 (ii) On and after the effective date of the UTGR Master Contract, to the licensed video

1 lottery retailer who is a party to the UTGR Master Contract, all sums due and payable under said
2 Master Contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars
3 (\$767,687).

4 (3) To the technology providers who are not a party to the GTECH Master Contract as
5 set forth and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net terminal
6 income of the provider's terminals;

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

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

12 (4) To the city of Newport one and one hundredth percent (1.01%) of net terminal
13 income of authorized machines at Newport Grand except that effective November 9, 2009, the
14 allocation shall be one and two tenths percent (1.2%) of net terminal income of authorized
15 machines at Newport Grand for each week the facility operates video lottery games on a twenty-
16 four (24) hour basis for all eligible hours authorized and to the town of Lincoln one and twenty-
17 six hundredths percent (1.26%) of net terminal income of authorized machines at Lincoln Park
18 except that effective November 9, 2009, the allocation shall be one and forty-five hundredths
19 percent (1.45%) of net terminal income of authorized machines at Lincoln Park for each week the
20 facility operates video lottery games on a twenty-four (24) hour basis for all eligible hours
21 authorized;

22 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net
23 terminal income of authorized machines at Lincoln Park up to a maximum of ten million dollars
24 (\$10,000,000) per year, which shall be paid to the Narragansett Indian Tribe for the account of a
25 Tribal Development Fund to be used for the purpose of encouraging and promoting: home
26 ownership and improvement, elderly housing, adult vocational training; health and social
27 services; childcare; natural resource protection; and economic development consistent with state
28 law. Provided, however, such distribution shall terminate upon the opening of any gaming facility
29 in which the Narragansett Indians are entitled to any payments or other incentives; and provided
30 further, any monies distributed hereunder shall not be used for, or spent on previously contracted
31 debts; and

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

33 (7) Payments into the state's general fund specified in subdivisions (a)(1) and (a)(6) shall
34 be made on an estimated monthly basis. Payment shall be made on the tenth day following the

1 close of the month except for the last month when payment shall be on the last business day.

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

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

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

11 ~~(d)~~(e) Notwithstanding anything in this chapter 61.2 of this title 42 to the contrary the
12 Director is authorized to fund the Marketing Program as described in regard to the First
13 Amendment to the Newport Grand Master Contract.

14 SECTION 10. Section 42-61.2-7 of the General Laws in Chapter 42-61.2 entitled "Video
15 Lottery Terminal" is hereby amended to read as follows:

16 **42-61.2-7. Division of revenue. [Effective June 30, 2011.]** -- (a) Notwithstanding the
17 provisions of section 42-61-15, the allocation of net terminal income derived from video lottery
18 games is as follows:

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

22 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one
23 percent (0.19%) up to a maximum of twenty million dollars (\$20,000,000) shall be equally
24 allocated to the distressed communities as defined in section 45-13-12 provided that no eligible
25 community shall receive more than twenty-five percent (25%) of that community's currently
26 enacted municipal budget as its share under this specific subsection. Distributions made under
27 this specific subsection are supplemental to all other distributions made under any portion of
28 general laws section 45-13-12. For the fiscal year ending June 30, 2008 distributions by
29 community shall be identical to the distributions made in the fiscal year ending June 30, 2007 and
30 shall be made from general appropriations. For the fiscal year ending June 30, 2009, the total
31 state distribution shall be the same total amount distributed in the fiscal year ending June 30,
32 2008 and shall be made from general appropriations. For the fiscal year ending June 30, 2010, the
33 total state distribution shall be the same total amount distributed in the fiscal year ending June 30,
34 2009 and shall be made from general appropriations, provided however that \$784,458 of the total

1 appropriation shall be distributed equally to each qualifying distressed community. For each of
2 the fiscal years ending June 30, 2011 and June 30, 2012, seven hundred eighty-four thousand four
3 hundred fifty-eight dollars (\$784,458) of the total appropriation shall be distributed equally to
4 each qualifying distressed community.

5 (ii) Five one hundredths of one percent (0.05%) up to a maximum of five million dollars
6 (\$5,000,000) shall be appropriated to property tax relief to fully fund the provisions of section 44-
7 33-2.1. The maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum
8 amount to the nearest five dollar (\$5.00) increment within the allocation until a maximum credit
9 of five hundred dollars (\$500) is obtained. In no event shall the exemption in any fiscal year be
10 less than the prior fiscal year.

11 (iii) One and twenty-two one hundredths of one percent (1.22%) to fund section 44-34.1-
12 1, entitled "Motor Vehicle and Trailer Excise Tax Elimination Act of 1998", to the maximum
13 amount to the nearest two hundred fifty dollar (\$250) increment within the allocation. In no event
14 shall the exemption in any fiscal year be less than the prior fiscal year.

15 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent
16 (0.10%) to a maximum of ten million dollars (\$10,000,000) for supplemental distribution to
17 communities not included in paragraph (a)(1)(i) above distributed proportionately on the basis of
18 general revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008
19 distributions by community shall be identical to the distributions made in the fiscal year ending
20 June 30, 2007 and shall be made from general appropriations. For the fiscal year ending June 30,
21 2009, no funding shall be disbursed. For the fiscal year ending June 30, 2010 and thereafter,
22 funding shall be determined by appropriation.

23 (2) To the licensed video lottery retailer:

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

27 (ii) On and after the effective date of the NGJA Master Contract, to the licensed video
28 lottery retailer who is a party to the NGJA Master Contract, all sums due and payable under said
29 Master Contract minus three hundred eighty four thousand nine hundred ninety-six dollars
30 (\$384,996).

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

1 (ii) On and after the effective date of the UTGR Master Contract, to the licensed video
2 lottery retailer who is a party to the UTGR Master Contract, all sums due and payable under said
3 Master Contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars
4 (\$767,687).

5 (3) (i) To the technology providers who are not a party to the GTECH Master Contract
6 as set forth and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net
7 terminal income of the provider's terminals;

8 (ii) To contractors who are a party to the Master Contract as set forth and referenced in
9 Public 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
11 proportionately from the payments to technology providers the sum of six hundred twenty-eight
12 thousand seven hundred thirty-seven dollars (\$628,737);

13 (4) To the city of Newport one and one hundredth percent (1.01%) of net terminal
14 income of authorized machines at Newport Grand and to the town of Lincoln one and twenty-six
15 hundredths percent (1.26%) of net terminal income of authorized machines at Lincoln Park; and

16 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net
17 terminal income of authorized machines at Lincoln Park up to a maximum of ten million dollars
18 (\$10,000,000) per year, which shall be paid to the Narragansett Indian Tribe for the account of a
19 Tribal Development Fund to be used for the purpose of encouraging and promoting: home
20 ownership and improvement, elderly housing, adult vocational training; health and social
21 services; childcare; natural resource protection; and economic development consistent with state
22 law. Provided, however, such distribution shall terminate upon the opening of any gaming facility
23 in which the Narragansett Indians are entitled to any payments or other incentives; and provided
24 further, any monies distributed hereunder shall not be used for, or spent on previously contracted
25 debts; and

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

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

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

33 (c) Notwithstanding anything in this chapter 61.2 of this title 42 to the contrary, the
34 Director is authorized to fund the Marketing Program as described above in regard to the First

1 Amendment to the UTGR Master Contract.

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

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

8 SECTION 11. Section 45-13-12 of the General Laws in Chapter 45-18 entitled
9 "Distressed communities relief fund" is hereby amended to read as follows:

10 **45-13-12. Distressed communities relief fund.** -- (a) There is established a fund to
11 provide state assistance to those Rhode Island cities and towns which have the highest property
12 tax burdens relative to the wealth of taxpayers.

13 (b) *Establishment of indices.* Four (4) indices of distress shall be established to determine
14 eligibility for the program. Each community shall be ranked by each distress index and any
15 community which falls into the lowest twenty percent (20%) of at least three (3) of the four (4)
16 indices shall be eligible to receive assistance. The four (4) indices are established as follows:

17 (1) *Percent of tax levy to full value of property.* This shall be computed by dividing the
18 tax levy of each municipality by the full value of property for each municipality. For the 1990-91
19 fiscal year, tax levy and full value shall be as of the assessment date December 31, 1986.

20 (2) *Per capita income.* This shall be the most recent estimate reported by the U.S.
21 Department of Commerce, Bureau of the Census.

22 (3) *Percent of personal income to full value of property.* This shall be computed by
23 multiplying the per capita income above by the most recent population estimate as reported by the
24 U.S. Department of Commerce, Bureau of the Census, and dividing the result by the full value of
25 property.

26 (4) *Per capita full value of property.* This shall be the full value of property divided by
27 the most recent estimate of population by the U.S. Department of Commerce, Bureau of the
28 Census.

29 (c) *Distribution of funds.* Funds shall be distributed to each eligible community on the
30 basis of the community's tax levy relative to the total tax levy of all eligible communities. For the
31 fiscal year 1990-91, the reference year for the tax levy shall be the assessment date of December
32 31, 1988. For each fiscal year thereafter, except for fiscal year 2007-2008, the reference year and
33 the fiscal year shall bear the same relationship. For the fiscal year 2007-2008 the reference year
34 shall be the same as for the distributions made in fiscal year 2006-2007. Any newly qualifying

1 community shall be paid fifty percent (50%) of current law requirements the first year it qualifies.
2 The remaining fifty percent (50%) shall be distributed to the other distressed communities
3 proportionately. When any community falls out of the distressed community program, it shall
4 receive a one-time payment of fifty percent (50%) of the prior year requirement exclusive of any
5 reduction for first year qualification. The community shall be considered a distressed community
6 in the fall-out year.

7 (d) *Appropriation of funds.* The state of Rhode Island shall appropriate funds in the
8 annual appropriations act to support this program. For each of the fiscal years ending June 30,
9 2011 and June 30, 2012, seven hundred eighty-four thousand four hundred fifty-eight dollars
10 (\$784,458) of the total appropriation shall be distributed equally to each qualifying distressed
11 community.

12 (e) *Payments.* Payments shall be made to eligible communities each March equal to one
13 half of the appropriated amount and each August equal to one half of the appropriated amount.

14 SECTION 12. Section 29-6-6 of the General Laws in Chapter 29-6 entitled "State Aid to
15 Libraries" is hereby amended to read as follows:

16 **29-6-6. Construction and capital improvements.** -- The office of library and
17 information services may cause to be paid to a city or town treasurer, or to any free public library
18 in the state, such a grant-in-aid for the construction and capital improvement of any free public
19 library as the chief of library services may determine is necessary and desirable to provide better
20 free library services to the public, which shall be paid in accordance with the following
21 provisions:

22 (1) No grant-in-aid shall be made unless the city or town receiving the grant-in-aid shall
23 cause to be appropriated for the same purpose an amount from its own funds and not from any
24 federal grant or other federal financial assistance equal to or more than the state grant-in-aid, or
25 unless funds from private sources are dedicated for the same purpose in an amount equal to or
26 more than the state grant-in-aid, or unless the total of the city or town appropriation and the funds
27 from private sources for the same purpose is equal to or more than the state grant-in-aid.

28 (2) The state grant-in-aid may be paid in installments over a period of years up to a
29 maximum of twenty (20) years, beginning in the fiscal year during which the project is accepted
30 by the office of library and information services. Whenever a grant-in-aid is paid on the
31 installment basis permitted herein, there shall be included in the state grant-in-aid the interest cost
32 actually incurred by the city or town, or any free public library, as a result of its having to borrow
33 the state's portion of the total cost of the library project. The amount of this interest cost shall be
34 computed on the actual interest cost paid by the city or town, or free public library, less any

1 applicable accrued interest, premiums, and profits from investments, over the period of time
2 elapsing between the date borrowed funds are made available and the date of the last installment
3 payment of the state grant-in-aid. Interest cost incurred by the city or town, or any free public
4 library, as a result of having to borrow its portion of the total cost of the library project shall not
5 be considered a part of the total cost of the project for the purposes of matching provided for in
6 paragraph (1) of this section. Nothing contained herein shall prohibit the office of library and
7 information services from accelerating the schedule of annual installments, or from paying the
8 balance due of the state's grant-in-aid in a lump sum; provided, however, that the state grant-in-
9 aid in any fiscal year shall include no less than one-twentieth (1/20) of the state's total
10 reimbursable principal obligations. Notwithstanding the provisions of this section, the chief of
11 library services shall not accept any applications for library projects until July 1, 2014.

12 SECTION 13. Section 44-35-10 of the General Laws in Chapter 44-35 entitled "Property
13 Tax and Fiscal Disclosure - Municipal Budgets" is hereby amended to read as follows:

14 **44-35-10. ~~Balanced municipal budgets.~~ – Balanced municipal budgets – Additional**
15 **reporting requirements – Electronic reporting/municipal uniform chart of accounts. -- (a)**

16 The operating budgets for all cities and towns shall provide for total appropriations which do not
17 exceed total estimated receipts, taking into account any general fund surplus or deficit estimated
18 to be carried over from the current fiscal year. The funding of accumulated deficits shall be
19 consistent with the provisions of section 45-12-22.

20 (b) The chief elected official in each city and town shall provide to the division of
21 municipal finance within thirty (30) days of final action, in the form and format required by the
22 division, the adopted budget survey.

23 (c) Within thirty (30) days of final action as referenced in subsection (b) above each city
24 or town shall provide to the division a five (5) year forecast, in the form and format required by
25 the division, for major funds as defined by generally accepted accounting principles as
26 established by the governmental accounting standards board (GASB). The forecast shall include,
27 but not be limited to, a scenario reflecting pensions and post employment Benefits other than
28 pensions (OPEB) obligations at one hundred percent (100%) of the annual required contribution
29 (ARC), both for the general and unrestricted school funds. The forecast shall also reflect any and
30 all underlying assumptions.

31 (d) Within sixty (60) days of executing changes in healthcare benefits, pension benefits
32 and OPEB a municipality shall provide a fiscal impact statement to the division of municipal
33 finance, reflecting the impact on any unfunded liability and ARC, as well as the impact on the
34 five (5) year forecast. The fiscal impact statements shall show underlying actuarial assumptions

1 [and provide support for underlying assumptions.](#)

2 [\(e\) A municipality shall join electronic reporting/implement municipal uniform chart of](#)
3 [accounts \(UCOA\), within six \(6\) months of implementation.](#)

4 SECTION 14. Section 45-12-22.2 of the General Laws in Chapter 45-12 entitled
5 "Indebtedness of Towns and Cities" is hereby amended to read as follows:

6 **45-12-22.2. Monitoring of financial operations -- Corrective action.** -- (a) The chief
7 financial officer of each municipality and each school district within the state shall continuously
8 monitor their financial operations by tracking actual versus budgeted revenue and expense.

9 (b) The chief financial officer of the municipality shall submit a report on a monthly
10 basis to the municipality's chief executive officer, each member of the city or town council, and
11 school district committee certifying the status of the municipal budget including the school
12 department budget or regional school district. The chief financial officer of the municipality shall
13 also submit a [quarterly](#) report on [or before the 25th day of the month succeeding the end of each](#)
14 [fiscal quarter](#) ~~a quarterly basis~~ to the division of ~~property valuation~~ [municipal finance and the](#)
15 [auditor general](#) certifying the status of the municipal budget. [Each quarterly report submitted](#)
16 [must be signed by the chief executive officer, chief financial officer as well as the superintendent](#)
17 [of the school district and chief financial officer for the school district. The report has to be](#)
18 [submitted to the city/town council president and the school committee chair. It is encouraged, but](#)
19 [not required, to have the council president/school committee chair sign the report.](#) The chief
20 financial officer of the school department or school district shall certify the status of the school
21 district's budget and shall assist in the preparation of these reports. The monthly and quarterly
22 reports shall be in a format prescribed by the division of ~~property valuation~~ [municipal finance](#) and
23 the state auditor general. The reports shall contain a statement as to whether any actual or
24 projected shortfalls in budget line items are expected to result in a year-end deficit, the projected
25 impact on year-end financial results including all accruals and encumbrances, and how the
26 municipality and school district plans to address any such shortfalls.

27 (c) If any [of the quarterly](#) reports required under [subsection \(b\) above](#) ~~this section~~ project
28 a year-end deficit, the chief financial officer of the municipality shall submit to the state [division](#)
29 ~~office~~ of municipal ~~affairs~~ [finance and the auditor general](#) a corrective action plan [signed by the](#)
30 [chief executive office and chief financial officer on or before the last day of the month succeeding](#)
31 [the close of the fiscal quarter](#) ~~no later than thirty (30) days after completion of the monthly budget~~
32 ~~analysis referred to in subsection (b) above~~, which provides for the avoidance of a year-end
33 deficit. The plan may include recommendations as to whether an increase in property taxes and/or
34 spending cuts should be adopted to eliminate the deficit. The plan shall include a legal opinion by

1 municipal counsel that the proposed actions under the plan are permissible under federal, state,
2 and local law. The state ~~office~~ [division](#) of municipal affairs may rely on the written
3 representations made by the municipality in the plan and will not be required to perform an audit.

4 (d) If the division of ~~property-valuation~~ [municipal finance](#) concludes the plan required
5 hereunder is insufficient and/or fails to adequately address the financial condition of the
6 municipality, the division of ~~property-valuation~~ [municipal finance](#) can elect to pursue the
7 remedies identified in section 45-12-22.7.

8 (e) The reports required shall include the financial operations of any departments or
9 funds of municipal government including the school department or the regional school district,
10 notwithstanding the status of the entity as a separate legal body. This provision does not eliminate
11 the additional requirements placed on local and regional school districts by sections 16-2-9(f) and
12 16-3-11(e)(3).

13 SECTION 15. Section 45-12-22.3 of the General Laws in Chapter 45-12 entitled
14 "Indebtedness of Towns and Cities" is hereby amended to read as follows:

15 **45-12-22.3. Year-end deficits.** -- (a) If, at the end of any fiscal year, the chief financial
16 official determines, based on available data, that it is likely the city or town's general fund or
17 combined general fund and unrestricted school special revenue fund will incur a deficit, the
18 municipality must [notify the auditor general and the division of municipal finance within thirty](#)
19 [\(30\) days and](#) immediately develop a plan to eliminate the deficit. The plan shall provide for the
20 elimination of the accumulated year-end deficit by annual appropriation, over no more than five
21 (5) years, in equal or diminishing amounts. The plan shall indicate the necessary governmental
22 approvals and procedures required, and shall include a legal opinion by municipal counsel that
23 the proposed action is permissible under federal, state, and local law.

24 (b) The plan to eliminate the year-end deficit shall be submitted to the state auditor
25 general for approval. The state auditor general shall determine whether the plan reasonably
26 insures elimination of the accumulated deficit in accordance with the law in a fiscally responsible
27 manner. The state auditor general may rely on the written representations made by the
28 municipality in the plan and will not be required to perform an audit. The judgment of the state
29 auditor general in applying this standard shall be conclusive.

30 (c) If the state auditor general determines the plan is insufficient and/or fails to
31 adequately address the financial condition of the municipality, or if a plan is not submitted, then
32 in such event, the state auditor general can petition the superior court for mandatory injunctive
33 relief seeking to compel the municipality to submit a plan as required hereunder. The state auditor
34 general shall also have standing to pursue the appropriate remedies identified in section 45-12-

1 22.7.

2 SECTION 16. Section 44-5-22 of the General Laws in Chapter 44-5 entitled "Levy and
3 Assessment of Local Taxes" is hereby amended to read as follows:

4 **44-5-22. Certification of tax roll.** -- The tax levy shall be applied to the assessment roll
5 and the resulting tax roll certified by the assessors to the city or town clerk, city or town treasurer,
6 or tax collector, as the case may be, and to the department of revenue division of municipal
7 finance, not later than the next succeeding August 15. ~~Thereafter, the assessor shall cause to be~~
8 ~~published in a newspaper of general circulation within the city or town the rate of tax and the~~
9 ~~percentage of fair market value employed in assessing the tax on manufacturer's machinery and~~
10 ~~equipment.~~

11 SECTION 17. Section 42-142-1 of the General Laws in Chapter 42-142 entitled
12 "Department of Revenue" is hereby amended to read as follows:

13 **42-142-1. Department of revenue.** -- (a) There is hereby established within the
14 executive branch of state government a department of revenue.

15 (b) The head of the department shall be the director of revenue, who shall be appointed
16 by the governor, with the advice and consent of the senate, and shall serve at the pleasure of the
17 governor.

18 (c) The department shall contain the division of taxation (chapter 44-1), the division of
19 motor vehicles (chapter 32-2), the division of state lottery (chapter 42-61), the office of revenue
20 analysis (chapter 42-142), and the division of ~~property valuation~~ municipal finance (chapter 42-
21 142). Any reference to the division of property valuation, division of property valuation and
22 municipal finance, or office of municipal affairs in the Rhode Island general laws shall mean the
23 division of municipal finance.

24 SECTION 18. Section 16-2-9 of the General Laws in Chapter 16-2 entitled "School
25 Committees and Superintendents" is hereby amended to read as follows:

26 **16-2-9. General powers and duties of school committees.** -- (a) The entire care,
27 control, and management of all public school interests of the several cities and towns shall be
28 vested in the school committees of the several cities and towns. School committees shall have, in
29 addition to those enumerated in this title, the following powers and duties:

30 (1) To identify educational needs in the community.

31 (2) To develop education policies to meet the needs of the community.

32 (3) To provide for and assure the implementation of federal and state laws, the
33 regulations of the board of regents for elementary and secondary education, and of local school
34 policies, programs, and directives.

- 1 (4) To provide for the evaluation of the performance of the school system.
- 2 (5) To have responsibility for the care and control of local schools.
- 3 (6) To have overall policy responsibility for the employment and discipline of school
4 department personnel.
- 5 (7) To approve a master plan defining goals and objectives of the school system. These
6 goals and objectives shall be expressed in terms of what men and women should know and be
7 able to do as a result of their educational experience. The committee shall periodically evaluate
8 the efforts and results of education in light of these objectives.
- 9 (8) To provide for the location, care, control, and management of school facilities and
10 equipment.
- 11 (9) To adopt a school budget to submit to the local appropriating authority.
- 12 (10) To adopt any changes in the school budget during the course of the school year.
- 13 (11) To approve expenditures in the absence of a budget, consistent with state law.
- 14 (12) To employ a superintendent of schools and assign any compensation and other
15 terms and conditions as the school committee and superintendent shall agree, provided that in no
16 event shall the term of employment of the superintendent exceed three (3) years. Nothing
17 contained in this chapter shall be construed as invalidating or impairing a contract of a school
18 committee with a school superintendent in force on May 12, 1978.
- 19 (13) To give advice and consent on the appointment by the superintendent of all school
20 department personnel.
- 21 (14) To establish minimum standards for personnel, to adopt personnel policies, and to
22 approve a table of organization.
- 23 (15) To establish standards for the evaluation of personnel.
- 24 (16) To establish standards for conduct in the schools and for disciplinary actions.
- 25 (17) To hear appeals from disciplinary actions.
- 26 (18) To enter into contracts.
- 27 (19) To publish policy manuals which shall include all school committee policies.
- 28 (20) To establish policies governing curriculum, courses of instruction, and text books.
- 29 (21) To provide for transportation services which meet or exceed standards of the board
30 of regents for elementary and secondary education.
- 31 (22) To make any reports to the department of education as are required by the board of
32 regents for elementary and secondary education.
- 33 (23) To delegate, consistent with law, any responsibilities to the superintendent as the
34 committee may deem appropriate.

1 (24) To address the health and wellness of students and employees.

2 (25) To establish a subcommittee of the school board or committee to decrease obesity
3 and address school health and wellness policies for students and employees consistent with
4 section 16-21-28.

5 (26) To annually undertake a minimum of six (6) hours of professional development as
6 set forth and described in section 16-2-5.1.

7 (b) Nothing in this section shall be deemed to limit or interfere with the rights of teachers
8 and other school employees to collectively bargain pursuant to chapters 9.3 and 9.4 of title 28 or
9 to allow any school committee to abrogate any agreement reached by collective bargaining.

10 (c) The school committees of each city, town, or regional school district shall have the
11 power to bind their successors and successor committees by entering into contracts of
12 employment in the exercise of their governmental functions.

13 (d) Notwithstanding any provisions of the general laws to the contrary, the requirement
14 defined in subsections (d) through (f) of this section shall apply. The school committee of each
15 school district shall be responsible for maintaining a school budget which does not result in a
16 debt.

17 (e) The school committee shall, within thirty (30) days after the close of the first and
18 second quarters of the state's fiscal year, adopt a budget as may be necessary to enable it to
19 operate without incurring a debt, as described in subsection (d).

20 (f) In the event that any obligation, encumbrance, or expenditure by a superintendent of
21 schools or a school committee is in excess of the amount budgeted or that any revenue is less than
22 the amount budgeted, the school committee shall within five (5) working days of its discovery of
23 potential or actual over expenditure or revenue deficiency submit a written statement of the
24 amount of and cause for the over obligation or over expenditure or revenue deficiency to the city
25 or town council president and any other person who by local charter or statute serves as the city
26 or town's executive officer; the statement shall further include a statement of the school
27 committee's plan for corrective actions necessary to meet the requirements of subsection (d). The
28 plan shall be approved by the auditor general [and also submitted to the division of municipal](#)
29 [finance](#).

30 (g) Notwithstanding any other provision of law, whether of general or specific
31 application, and notwithstanding any contrary provision of any city or town charter or ordinance,
32 the elected school committee of any city, town and regional school district shall be, and is hereby
33 authorized to retain the services of such independent legal counsel as it may deem necessary and
34 convenient. Any counsel so retained shall be compensated out of funds duly appropriated to the

1 school committee, and in no event shall the independent counsel be deemed to be an employee of
2 the pertinent city or town for any purpose.

3 SECTION 19. This Article shall take effect upon passage.

1 **ARTICLE 13**

2 RELATING TO REGISTRATION OF MOTOR VEHICLES

3 SECTION 1. Section 31-3-40 of the General Laws in Chapter 31-3 entitled "Registration
4 of Vehicles" is hereby amended to read as follows:

5 **31-3-40. Special use identification tags.** -- (a) A new car dealer or used car dealer may
6 apply to the administrator of the division of motor vehicles for special use identification tags for
7 use on vehicles sold by him or her pending the registration of the vehicles, and provided that all
8 vehicles upon which special use identification tags are to be used conform to the standards for
9 general safety. Special use identification tags shall be of a size and type determined by the
10 administrator of the division of motor vehicles, and shall be sold to dealers ~~in packs of ten (10)~~
11 ~~plates per pack upon payment of two hundred dollars (\$200) per pack~~ at a cost to be determined
12 by the administrator of the division of motor vehicles, not to exceed twenty-five dollars (\$25) per
13 plate.

14 (b) Special use certificates and special use identification tags may be used on a vehicle
15 sold by the dealer to a resident or nonresident. The special use certificate and special use
16 identification tags shall be valid for no more than twenty (20) days including the date of delivery
17 of the certificate and tags by the dealer, and no dealer or any other person shall extend the
18 expiration date thereof, nor shall any person other than the administrator of the division of motor
19 vehicles issue another similar certificate or tag. The special certificate shall be carried in the
20 vehicle bearing the special use identification tags whenever the vehicle is being operated on a
21 public highway. Special use identification tags shall be displayed in the same manner as required
22 in this chapter for the display of registration plates. Upon the removal of special use identification
23 tags from a vehicle, they shall be destroyed immediately by the person to whom issued or his or
24 her agent.

25 (c) Upon the issuance of a special use certificate and special use identification tags, the
26 dealer shall prepare the special use certificate in triplicate and shall print or type all of the
27 information required on the certificate. The dealer shall imprint legibly with a rubber date stamp,
28 in black ink, upon the special use identification tag, the date of expiration of the tag in letters and
29 numerals not less than one inch (1") in height, nor less than one-fourth of an inch (1/4") in width.
30 The special use identification tag shall also contain the vehicle identification number of the car on

1 which it is displayed and the dealer's identification number. The original copy of the special use
2 certificate shall be given to the person named in the certificate. The duplicate copy shall become
3 the notice required by subsection (d) of this section. The third copy shall be held in the dealer's
4 files and shall be exhibited upon demand of the administrator of the division of motor vehicles or
5 of any peace officer.

6 (d) Notice of delivery of the special use certificate and special use identification tags shall
7 be mailed to the administrator of the division of motor vehicles not later than the next business
8 day after delivery.

9 (e) In the event that a dealer goes out of business, or transfers his or her business to any
10 other person, firm, or corporation, the dealer shall return to the administrator of the division of
11 motor vehicles within five (5) days all special use certificates and special use identification tags
12 held by him or her.

13 (f) No dealer shall make any use of special use certificates or special use identification
14 tags except in accordance with the provisions of this section.

15 (g) Violations of this section are subject to fines enumerated in § 31-41.1-4.

16 SECTION 2. Section 31-3-33 of the Rhode Island General Laws entitled "Registration of
17 Vehicles" is hereby amended to read as follows:

18 **31-3-33. Renewal of registration.** -- (a) Application for renewal of a vehicle registration
19 shall be made by the owner on a proper application form and by payment of the registration fee
20 for the vehicle as provided by law.

21 (b) The division of motor vehicles may receive applications for renewal of registration,
22 and may grant the renewal and issue new registration cards and plates at any time prior to
23 expiration of registration.

24 (c) Upon renewal, owners will be issued a renewal sticker for each registration plate
25 which shall be placed at the bottom right hand corner of the plate. Owners shall be issued a new
26 fully reflective plate beginning September 1, ~~2011~~ 2013 and reissuance will be conducted no less
27 than every (10) years.

28 SECTION 3. This Article shall take effect July 1, 2011.

1 **ARTICLE 14 AS AMENDED**

2 RELATING TO MEDICAL ASSISTANCE NURSING FACILITIES RATE REFORM

3 SECTION 1. Section 40-8-19 of the General Laws in Chapter 40-8 entitled "Medical
4 Assistance" is hereby amended to read as follows:

5 **40-8-19. Rates of payment to nursing facilities.** -- (a) Rate reform.

6 (1) The rates to be paid by the state to nursing facilities licensed pursuant to chapter 17 of
7 title 23, and certified to participate in the Title XIX Medicaid program for services rendered to
8 Medicaid-eligible residents, shall be reasonable and adequate to meet the costs which must be
9 incurred by efficiently and economically operated facilities in accordance with 42 U.S.C. §
10 1396a(a)(13). The department of human services shall promulgate or modify the principles of
11 reimbursement for nursing facilities ~~currently~~ in effect ~~on~~ as of July 1, ~~2003~~ 2011 to be consistent
12 with the provisions of this section and Title XIX, 42 U.S.C. § 1396 et seq., of the Social Security
13 Act.

14 (2) The department of human services shall review the current methodology for
15 providing Medicaid payments to nursing facilities, including other long-term care services
16 providers, and is authorized to modify the principles of reimbursement to ~~provide for an acuity~~
17 ~~based rate adjustment to nursing facilities. The department of human services is authorized to~~
18 ~~implement changes to the payment structure for the purpose of basing compensation for Medicaid~~
19 ~~services to nursing facilities and long term care service providers for services which shall be~~
20 ~~based upon performance, quality, and the scope and the intensity of the services required by the~~
21 ~~provider to meet the Medicaid recipient's level of care needs~~ replace the current cost based
22 methodology rates with rates based on a price based methodology to be paid to all facilities with
23 recognition of the acuity of patients and the relative Medicaid occupancy.

24 ~~No adjustment, subject to this section, that is made on the basis of, or in order to~~
25 ~~accommodate or address, resident acuity shall be designed or implemented in such a way as to:~~

26 ~~(i) Decrease the total of Medicaid funding for nursing facility care, although such~~
27 ~~methodology may reallocate such funding from one nursing facility to another;~~

28 ~~(ii) Provide incentives, financial or otherwise, that would disproportionately influence~~
29 ~~the nursing facilities that loses funding under the acuity adjustment to accommodate those losses~~
30 ~~by decreasing nursing staff, as opposed to non-nursing staff or other areas of expense. Such a~~

1 ~~prohibited incentive would be created by incorporating incentives for cost containment only with~~
2 ~~regard to nursing labor costs, or disproportionately disfavoring nursing labor costs.~~

3 ~~(iii) Result, by itself, in any single nursing facility gaining or losing more than two and~~
4 ~~two tenths percent (2.2%) of its existing per diem rate between July 1, 2010 and October 1, 2011.~~

5 (3) By no later than ~~October 1, 2011~~ January 1, 2012, under the direction of the
6 Secretary of Health and Human Services, the Department of Human Services shall modify the
7 principles of reimbursement to include the acuity needs of patients and the relative Medicaid
8 occupancy as a factor in determining the reimbursement rates to nursing facilities.

9 ~~(b) Rate reform. Subject to the phase in provisions in subsections (c) and (d), the~~
10 ~~department shall, on or before October 1, 2005, modify the principles of reimbursement for~~
11 ~~nursing facilities to include the following elements:~~

12 ~~(1) Annual base years;~~

13 ~~(2) Four (4) cost centers: direct labor, property, other operating, and pass through items;~~

14 ~~(3) Re-array of costs of all facilities in the labor and other operating cost centers every~~
15 ~~three (3) years beginning with calendar year 2002;~~

16 ~~(4) A ceiling maximum for allowable costs in the direct labor cost center to be~~
17 ~~established by the department between one hundred ten percent (110%) and one hundred twenty-~~
18 ~~five percent (125%) of the median for all facilities for the most recent array year.~~

19 ~~(5) A ceiling maximum for allowable costs in the other operating cost center to be~~
20 ~~established by the department between ninety percent (90%) and one hundred fifteen percent~~
21 ~~(115%) of the median for all facilities for the most recent array year;~~

22 ~~(6) Adjustment of costs and ceiling maximums by the increase in the National Nursing~~
23 ~~Home Price Index ("NNHPI") for the direct labor cost center and the other operating cost center~~
24 ~~for year between array years; such adjustments to be applied on October 1st of each year~~
25 ~~beginning October 1, 2003 for the direct labor cost center and October 1, 2005 for the other~~
26 ~~operating cost center, except for the fiscal year beginning July 1, 2006 for which the price index~~
27 ~~shall be applied on February 1, 2007 and for the fiscal year beginning October 1, 2007 for which~~
28 ~~the adjustment of costs and ceiling maximums shall be one and one tenth percent (1.1%). For the~~
29 ~~fiscal year beginning July 1, 2008, the price index shall be applied on April 1, 2009.~~

30 ~~(7) Application of a fair rental value system to be developed by the department for~~
31 ~~calculating allowable reimbursement for the property cost center;~~

32 ~~(8) Such quality of care and cost containment incentives as may be established by~~
33 ~~departmental regulations.~~

34 ~~(9) Notwithstanding the above provisions, for FY 2009 the department is authorized to~~

1 ~~reduce the per diem room and board rate calculated in accordance with the principles of~~
2 ~~reimbursement as described above, paid to the nursing facilities certified to participate in the Title~~
3 ~~XIX Medicaid program for services rendered to Medicaid eligible residents by five percent (5%).~~
4 ~~This reduction is deemed to be reasonable and adequate to meet the costs which must be incurred~~
5 ~~by efficiently and economically operated facilities in accordance with 42 U.S.C. § 1396a(a)(13).~~

6 ~~(e) (b) Phase I Implementation.~~ The department shall file a state plan amendment with
7 the U.S. Department of Health and Human Services on or before ~~August 1, 2003~~ November 1,
8 2011 to modify the principles of reimbursement for nursing facilities, to be effective on ~~October~~
9 ~~1, 2003~~ January 1, 2012, or as soon thereafter as is authorized by an approved state plan
10 amendment, to establish ~~the direct labor cost center and the pass through items cost center~~
11 ~~utilizing calendar year 2002 cost data, and to apply the ceiling maximums in subsections (b)(4)~~
12 ~~and (b)(5). Nursing facilities whose allowable 2002 direct labor costs are below the median in the~~
13 ~~direct labor cost center may make application to the department for a direct labor cost interim~~
14 ~~payment adjustment equal to twenty five percent (25%) of the amount such allowable 2002 direct~~
15 ~~labor costs are below the median in the direct labor cost center, provided that the interim payment~~
16 ~~adjustment granted by the department on or after October 1, 2003 must be expended by the~~
17 ~~facility on expenses allowable within the direct labor cost center, and any portion of the interim~~
18 ~~payment not expended on allowable direct labor cost center expenses shall be subject to~~
19 ~~retroactive adjustment and recoupment by the department upon the department's determination of~~
20 ~~a final direct labor payment adjustment after review of the facility's actual direct labor~~
21 ~~expenditures. The final direct labor payment adjustment will be included in the facility's October~~
22 ~~1, 2004 rate until the facility's next base year.~~

23 ~~(d) Phase II Implementation.~~ The department shall file a state plan amendment with the
24 ~~U.S. Department of Health and Human Services to modify the principles of reimbursement for~~
25 ~~nursing facilities, to be effective on September 1, 2004, or as soon thereafter as is authorized by~~
26 ~~an approved state plan amendment, to establish a fair rental value system for calculating~~
27 ~~allowable reimbursement for the property cost center in accordance with subsection (b)(7);~~
28 ~~provided, however, that no facility shall receive a payment as of September 1, 2004 for property-~~
29 ~~related expenses pursuant to the fair rental value system that is less than the property related~~
30 ~~payment they would have received for the other property related ("OPR") cost center system in~~
31 ~~effect as of June 30, 2004~~ price based payment rates for nursing facilities, recognizing patient
32 acuity and Medicaid occupancy.

33 SECTION 2. The executive office of health and human services shall submit a report to
34 the chairpersons of the house and senate finance committees by November 1, 2011, to coincide

1 with the filing of the state plan amendment, detailing the changes to the nursing home
2 reimbursement rates.

3 SECTION 3. This Article shall take effect upon passage.

ARTICLE 15 AS AMENDED

RELATING TO HOSPITAL PAYMENT RATES

SECTION 1. Section 40-8-13.4 of the General Laws in Chapter 40-8 entitled “Medical Assistance” is hereby amended to read as follows:

40-8-13.4. Rate methodology for payment for in state and out of state hospital services. -- (a) The department of human services shall implement a new methodology for payment for in state and out of state hospital services in order to ensure access to and the provision of high quality and cost-effective hospital care to its eligible recipients.

(b) In order to improve efficiency and cost effectiveness, the department of human services shall:

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

(B) With respect to inpatient services, (i) it is required as of January 1, 2011 until December 31, 2011, that the Medicaid managed care payment rates between each hospital and health plan shall not exceed ninety and one tenth percent (90.1%) of the rate in effect as of June 30, 2010. Negotiated increases in inpatient hospital payments for ~~the~~ each annual twelve (12) month period beginning January 1, 2012 may not exceed the Centers for Medicare and Medicaid Services national CMS Prospective Payment System (IPPS) Hospital Input Price index for the applicable period; (ii) The Rhode Island department of human services will develop an audit methodology and process to assure that savings associated with the payment reductions will accrue directly to the Rhode Island Medicaid program through reduced managed care plan payments and shall not be retained by the managed care plans; (iii) All hospitals licensed in

1 Rhode Island shall accept such payment rates as payment in full; and (iv) for all such hospitals,
2 compliance with the provisions of this section shall be a condition of participation in the Rhode
3 Island Medicaid program.

4 (2) With respect to outpatient services and notwithstanding any provisions of the law to
5 the contrary, for persons enrolled in fee for service Medicaid, the department will reimburse
6 hospitals for outpatient services using a rate methodology determined by the department and in
7 accordance with federal regulations. [Fee-for-service outpatient rates shall align with Medicare](#)
8 [payments for similar services. Changes to outpatient rates will be implemented on July 1 each](#)
9 [year.](#) With respect to the outpatient rate, it is required as of January 1, 2011 until December 31,
10 2011, that the Medicaid managed care payment rates between each hospital and health plan shall
11 not exceed one hundred percent (100%) of the rate in effect as of June 30, 2010. [Negotiated](#)
12 [increases in hospital outpatient payments for each annual twelve \(12\) month period beginning](#)
13 [January 1, 2012 may not exceed the Centers for Medicare and Medicaid Services national CMS](#)
14 [Outpatient Prospective Payment System \(OPPS\) hospital price index for the applicable period.](#)

15 (c) It is intended that payment utilizing the Diagnosis Related Groups method shall
16 reward hospitals for providing the most efficient care, and provide the department the opportunity
17 to conduct value based purchasing of inpatient care.

18 (d) The director of the department of human services and/or the secretary of executive
19 office of health and human services is hereby authorized to promulgate such rules and regulations
20 consistent with this chapter, and to establish fiscal procedures he or she deems necessary for the
21 proper implementation and administration of this chapter in order to provide payment to hospitals
22 using the Diagnosis Related Group payment methodology. Furthermore, amendment of the
23 Rhode Island state plan for medical assistance (Medicaid) pursuant to Title XIX of the federal
24 Social Security Act is hereby authorized to provide for payment to hospitals for services provided
25 to eligible recipients in accordance with this chapter.

26 (e) The department shall comply with all public notice requirements necessary to
27 implement these rate changes.

28 (f) As a condition of participation in the DRG methodology for payment of hospital
29 services, every hospital shall submit year-end settlement reports to the department within one
30 year from the close of a hospital's fiscal year. Should a participating hospital fail to timely submit
31 a year-end settlement report as required by this section, the department shall withhold financial
32 cycle payments due by any state agency with respect to this hospital by not more than ten percent
33 (10%) until said report is submitted. [For hospital fiscal year 2010 and all subsequent fiscal years,](#)
34 [hospitals will not be required to submit year-end settlement reports on payments for outpatient](#)

1 services. For hospital fiscal year 2011 and all subsequent fiscal years, hospitals will not be
2 required to submit year-end settlement reports on claims for hospital inpatient services. Further,
3 hospital fiscal year 2010, hospital inpatient claims subject to settlement shall include only those
4 claims received between October 1, 2009 and June 30, 2010 at which time the DRG-based
5 payment system was implemented.

6 (g) The provisions of this section shall be effective upon implementation of the
7 amendments and new payment methodology pursuant to this section and § 40-8-13.3 which shall
8 in any event be no later than March 30, 2010, at which time the provisions of § § 40-8-13.2, 27-
9 19-14, 27-19-15, and 27-19-16 shall be repealed in their entirety.

10 (h) The director of the Department of Human Services shall establish an independent
11 study commission comprised of representatives of the hospital network, representatives from the
12 communities the hospitals serve, state and local policy makers and any other stakeholders or
13 consumers interested in improving the access and affordability of hospital care.

14 The study commission shall assist the director in identifying: issues of concern and
15 priorities in the community hospital system, the delivery of services and rate structures, including
16 graduate medical education and training programs; and opportunities for building sustainable and
17 effective public-private partnerships that support the missions of the department and the state's
18 community hospitals.

19 The director of the Department of Human Services shall report to the chairpersons of the
20 House and Senate Finance Committees the findings and recommendations of the study
21 commission by December 31, 2010.

22 SECTION 2. Sections 23-15-2, 23-81-3.1, 23-81-4, 23-81-5 and 23-81-6 of the General
23 Laws in Chapter 23-81 entitled "Rhode Island Coordinated Health Planning Act of 2006" are
24 hereby amended to read as follows:

25 **23-15-2. Definitions.** – As used in this chapter:

26 (1) "Affected person" means and includes the person whose proposal is being reviewed,
27 or the applicant, health care facilities located within the state which provide institutional health
28 services, the state medical society, the state osteopathic society, those voluntary nonprofit area-
29 wide planning agencies that may be established in the state, the state budget office, the office of
30 health insurance commissioner, any hospital or medical service corporation organized under the
31 laws of the state, the statewide health coordinating council, contiguous health systems agencies,
32 and those members of the public who are to be served by the proposed new institutional health
33 services or new health care equipment.

34 (2) "Cost impact analysis" means a written analysis of the effect that a proposal to offer

1 or develop new institutional health services or new health care equipment, if approved, will have
2 on health care costs and shall include any detail that may be prescribed by the state agency in
3 rules and regulations.

4 (3) "Director" means the director of the Rhode Island state department of health.

5 (4) (i) "Health care facility" means any institutional health service provider, facility or
6 institution, place, building, agency, or portion of them, whether a partnership or corporation,
7 whether public or private, whether organized for profit or not, used, operated, or engaged in
8 providing health care services, which are limited to hospitals, nursing facilities, inpatient
9 rehabilitation centers (including drug and/or alcohol abuse treatment centers), certain facilities
10 providing surgical treatment to patients not requiring hospitalization (surgi-centers, multi-practice
11 physician ambulatory surgery centers and multi-practice podiatry ambulatory surgery centers) and
12 facilities providing inpatient hospice care. Single-practice physician or podiatry ambulatory
13 surgery centers (as defined in subdivisions 23-17-2(13) and 23-17-2(14), respectively) are
14 exempt from the requirements of chapter 15 of this title; provided, however, that such exemption
15 shall not apply if a single-practice physician or podiatry ambulatory surgery center is established
16 by a medical practice group (as defined in section 5-37-1) within two (2) years following the
17 formation of such medical practice group, when such medical practice group is formed by the
18 merger or consolidation of two (2) or more medical practice groups or the acquisition of one
19 medical practice group by another medical practice group. The term "health care facility" does
20 not include Christian Science institutions (also known as Christian Science nursing facilities)
21 listed and certified by the Commission for Accreditation of Christian Science Nursing
22 Organizations/Facilities, Inc.

23 (ii) Any provider of hospice care who provides hospice care without charge shall be
24 exempt from the provisions of this chapter.

25 (5) "Health care provider" means a person who is a direct provider of health care
26 services (including but not limited to physicians, dentists, nurses, podiatrists, physician assistants,
27 or nurse practitioners) in that the person's primary current activity is the provision of health care
28 services for persons.

29 (6) "Health services" means organized program components for preventive, assessment,
30 maintenance, diagnostic, treatment, and rehabilitative services provided in a health care facility.

31 (7) "Health services council" means the advisory body to the Rhode Island state
32 department of health established in accordance with chapter 17 of this title, appointed and
33 empowered as provided to serve as the advisory body to the state agency in its review functions
34 under this chapter.

1 (8) "Institutional health services" means health services provided in or through health
2 care facilities and includes the entities in or through which the services are provided.

3 (9) "New health care equipment" means any single piece of medical equipment (and any
4 components which constitute operational components of the piece of medical equipment)
5 proposed to be utilized in conjunction with the provision of services to patients or the public, the
6 capital costs of which would exceed ~~one million dollars (\$1,000,000)~~ two million two hundred
7 fifty thousand dollars (\$2,250,000); provided, however, that the state agency shall exempt from
8 review any application which proposes one for one equipment replacement as defined in
9 regulation. Further, beginning July 1, 2012 and each July thereafter the amount shall be adjusted
10 by the percentage of increase in the consumer price index for all urban consumers (CPI-U) as
11 published by the United States department of labor statistics as of September 30 of the prior
12 calendar year.

13 (10) "New institutional health services" means and includes:

14 (i) Construction, development, or other establishment of a new health care facility.

15 (ii) Any expenditure except acquisitions of an existing health care facility which will not
16 result in a change in the services or bed capacity of the health care facility by or on behalf of an
17 existing health care facility in excess of ~~two million dollars (\$2,000,000)~~ five million two
18 hundred fifty thousand dollars (\$5,250,000) which is a capital expenditure including expenditures
19 for predevelopment activities; provided further, beginning July 1, 2012 and each July thereafter
20 the amount shall be adjusted by the percentage of increase in the consumer price index for all
21 urban consumers (CPI-U) as published by the United States department of labor statistics as of
22 September 30 of the prior calendar year.

23 (iii) Where a person makes an acquisition by or on behalf of a health care facility or

24 (iii) Where a person makes an acquisition by or on behalf of a health care facility or
25 health maintenance organization under lease or comparable arrangement or through donation,
26 which would have required review if the acquisition had been by purchase, the acquisition shall
27 be deemed a capital expenditure subject to review.

28 (iv) Any capital expenditure which results in the addition of a health service or which
29 changes the bed capacity of a health care facility with respect to which the expenditure is made,
30 except that the state agency may exempt from review by rules and regulations promulgated for
31 this chapter any bed reclassifications made to licensed nursing facilities and annual increases in
32 licensed bed capacities of nursing facilities that do not exceed the greater of ten (10) beds or ten
33 percent (10%) of facility licensed bed capacity and for which the related capital expenditure does
34 not exceed two million dollars (\$2,000,000).

1 (v) Any health service proposed to be offered to patients or the public by a health care
2 facility which was not offered on a regular basis in or through the facility within the twelve (12)
3 month period prior to the time the service would be offered, and which increases operating
4 expenses by more than ~~seven hundred and fifty thousand dollars (\$750,000)~~ one million five
5 hundred thousand dollars (\$1,500,000), except that the state agency may exempt from review by
6 rules and regulations promulgated for this chapter any health service involving reclassification of
7 bed capacity made to licensed nursing facilities. Further beginning July 1, 2012 and each July
8 thereafter the amount shall be adjusted by the percentage of increase in the consumer price index
9 for all urban consumers (CPI-U) as published by the United States department of labor statistics
10 as of September 30 of the prior calendar year.

11 (vi) Any new or expanded tertiary or specialty care service, regardless of capital expense
12 or operating expense, as defined by and listed in regulation, the list not to exceed a total of twelve
13 (12) categories of services at any one time and shall include full body magnetic resonance
14 imaging and computerized axial tomography; provided, however, that the state agency shall
15 exempt from review any application which proposes one for one equipment replacement as
16 defined by and listed in regulation. Acquisition of full body magnetic resonance imaging and
17 computerized axial tomography shall not require a certificate of need review and approval by the
18 state agency if satisfactory evidence is provided to the state agency that it was acquired for under
19 one million dollars (\$1,000,000) on or before January 1, 2010 and was in operation on or before
20 July 1, 2010.

21 (11) "Person" means any individual, trust or estate, partnership, corporation (including
22 associations, joint stock companies, and insurance companies), state or political subdivision, or
23 instrumentality of a state.

24 (12) "Predevelopment activities" means expenditures for architectural designs, plans,
25 working drawings and specifications, site acquisition, professional consultations, preliminary
26 plans, studies, and surveys made in preparation for the offering of a new institutional health
27 service.

28 (13) "State agency" means the Rhode Island state department of health.

29 (14) "To develop" means to undertake those activities which, on their completion, will
30 result in the offering of a new institutional health service or new health care equipment or the
31 incurring of a financial obligation, in relation to the offering of that service.

32 (15) "To offer" means to hold oneself out as capable of providing, or as having the
33 means for the provision of, specified health services or health care equipment.

34 **23-81-3.1. Establishment of health care planning and accountability advisory**

1 **council.** -- Contingent upon funding:

2 (a) The health care planning and accountability advisory council shall be appointed by
3 the secretary of the executive office of health and human services and the ~~director of~~ health
4 insurance commissioner, no later than ~~January 31, 2008~~ September 30, 2011, to develop and
5 promote recommendations on the health care system in the form of health planning documents
6 described in subsection 23-81-4(a).

7 (b) The secretary of the executive office of health and human services and the ~~director of~~
8 health insurance commissioner shall serve as co-chairs of the health care planning council.

9 (c) The department of health, in coordination with the executive office of health and
10 human services and the office of the health insurance commissioner, shall be the principal staff
11 agency of the council to develop analysis of the health care system for use by the council,
12 including, but not limited to, health planning studies and health plan documents; making
13 recommendations for the council to consider for adoption, modification and promotion; and
14 ensuring the continuous and efficient functioning of the health care planning council.

15 (d) The health care planning council shall consist of, but not be limited to, the following:

16 (1) Five (5) consumer representatives. A consumer is defined as someone who does not
17 directly or through a spouse or partner receive any of his/her livelihood from the health care
18 system. Consumers may be nominated from the labor unions in Rhode Island; the health care
19 consumer advocacy organizations in Rhode Island, the business community; and organizations
20 representing the minority community who have an understanding of the linguistic and cultural
21 barriers to accessing health care in Rhode Island;

22 (2) One hospital CEO nominated from among the hospitals in Rhode Island;

23 (3) One physician nominated from among the primary care specialty societies in Rhode
24 Island;

25 (4) One physician nominated from among the specialty physician organizations in Rhode
26 Island;

27 (5) One nurse or allied health professional nominated from among their state trade
28 organizations in Rhode Island;

29 (6) One practicing nursing home administrator, nominated by a long-term care provider
30 organization in Rhode Island;

31 (7) One provider from among the community mental health centers in Rhode Island;

32 (8) One representative from among the community health centers of Rhode Island;

33 (9) One person from a health professional learning institution located in Rhode Island;

34 (10) ~~Health Insurance Commissioner~~ Director of the Department of Health;

- 1 (11) Director of the department of human services [or designee](#);
- 2 (12) CEOs of each health insurance company that administers the health insurance of ten
3 percent (10%) or more of insured Rhode Islanders;
- 4 (13) The speaker of the house or ~~designated representative~~ [designee](#);
- 5 (14) The house minority leader or ~~designated representative~~ [designee](#);
- 6 (15) The president of the senate or ~~designated senator~~ [designee](#);
- 7 (16) The senate minority leader or ~~designated representative~~ [designee](#); and
- 8 (17) The health care advocate of the department of the attorney general.

9 **23-81-4. Powers of the health care planning and accountability advisory council. --**

10 Powers of the council shall include, but not be limited to the following:

11 (a) The authority to develop and promote studies, advisory opinions and [to recommend](#) a
12 unified health plan on the state's health care delivery and financing system, including but not
13 limited to:

14 (1) Ongoing assessments of the state's health care needs and health care system capacity
15 that are used to determine the most appropriate capacity of and allocation of health care
16 providers, services [including transportation services](#), and equipment and other resources, to meet
17 Rhode Island's health care needs efficiently and affordably. These assessments shall be used to
18 advise the "determination of need for new health care equipment and new institutional health
19 services" or "certificate of need" process through the health services council;

20 (2) The establishment of Rhode Island's long range health care goals and values, and the
21 recommendation of innovative models of health care delivery, that should be encouraged in
22 Rhode Island;

23 (3) Health care payment models that reward improved health outcomes;

24 (4) Measurements of quality and appropriate use of health care services that are designed
25 to evaluate the impact of the health planning process;

26 (5) Plans for promoting the appropriate role of technology in improving the availability
27 of health information across the health care system, while promoting practices that ensure the
28 confidentiality and security of health records; and

29 (6) Recommendations of legislation and other actions that achieve accountability and
30 adherence in the health care community to the council's plans and recommendations.

31 (b) Convene meetings of the council no less than every sixty (60) days, which shall be
32 subject to the open meetings laws and public records laws of the state, and shall include a process
33 for the public to place items on the council's agenda.

34 (c) Appoint advisory committees as needed for technical assistance throughout the

1 process.

2 (d) Modify recommendations in order to reflect changing health care systems needs.

3 (e) Promote responsiveness to recommendations among all state agencies that provide
4 health service programs, not limited to the five (5) state agencies coordinated by the executive
5 office of the health and human services.

6 (f) Coordinate the review of existing data sources from state agencies and the private
7 sector that are useful to developing a unified health plan.

8 (g) Formulating, testing, and selecting policies and standards that will achieve desired
9 objectives.

10 (h) Provide an annual report each July, ~~to begin one year~~ after the convening of the
11 council, to the governor and general assembly on implementation of the plan adopted by the
12 council. This annual report shall:

13 (1) Present the strategic recommendations, updated annually;

14 (2) Assess the implementation of strategic recommendations in the health care market;

15 (3) Compare and analyze the difference between the guidance and the reality;

16 (4) Recommend to the governor and general assembly legislative or regulatory revisions
17 necessary to achieve the long-term goals and values adopted by the council as part of its strategic
18 recommendations, and assess the powers needed by the council or governmental entities of the
19 state deemed necessary and appropriate to carry out the responsibilities of the council.

20 (5) Include the request for a hearing before the appropriate committees of the general
21 assembly.

22 (6) Include a response letter from each state agency that is affected by the state health
23 plan describing the actions taken and planned to implement the plans recommendations.

24 **23-81-5. Implementation of the council recommendations.** -- In order to promote
25 effective implementation of the unified health plan, the council shall recommend to the governor,
26 the general assembly, and other state agencies actions that may be taken to promote and ensure
27 implementation of the council's policy and program guidance. The secretary of the executive
28 office of health and human services and the ~~director of health~~ insurance commissioner, as co-
29 chairs, of the council, shall use the powers of their offices to implement the recommendations
30 adopted by the council, as deemed appropriate, or as required by the governor or general
31 assembly. The secretary shall coordinate the implementation of the recommended actions by the
32 state agencies within the executive office of health and human services.

33 **23-81-6. Funding.** -- The ~~department of health~~ executive office of health and human
34 services may ~~apply for and receive private and/or public funds~~ provide funding to carry out the

- 1 requirements of this chapter.
- 2 SECTION 3. This Article shall take effect upon passage.

ARTICLE 16 AS AMENDED

RELATING TO THE MEDICAID REFORM ACT

SECTION 1. Medicaid Reform.

WHEREAS, The general assembly enacted Chapter 12.4 of Title 42 entitled “The Rhode Island Medicaid Reform Act of 2008”; and

WHEREAS, A Joint Resolution is required pursuant to Rhode Island General Laws § 42-12.4-1, et seq.; and

WHEREAS, Rhode Island General Law § 42-12.4-7 provides that any change that requires the implementation of a rule or regulation or modification of a rule or regulation in existence prior to the implementation of the global consumer choice section 1115 demonstration (“the demonstration”) shall require prior approval of the general assembly, and further provides that any category II change or category III change as defined in the demonstration shall also require prior approval by the general assembly; and

WHEREAS, Rhode Island General Law § 42-7.2-5 provides that the Secretary of the Office of Health and Human Services is responsible for the “review and coordination of any Global Consumer Choice Compact Waiver requests and renewals as well as any initiatives and proposals requiring amendments to the Medicaid state plan or category I or II changes” as described in the demonstration, with “the potential to affect the scope, amount, or duration of publicly-funded health care services, provider payments or reimbursements, or access to or the availability of benefits and services provided by Rhode Island general and public laws”; and

WHEREAS, In pursuit of a more cost-effective consumer choice system of care that is fiscally sound and sustainable, the secretary requests general assembly approval of the following proposals to amend the demonstration:

(a) *Nursing Facility Payment Rate Reform.* The Medicaid single state agency proposes to reform the methodology used for determining rates by revising completely the Principles of Reimbursement to simplify and change the amount paid to nursing facilities. Because implementation of this proposal will result in a new payment process and structure for a Medicaid funded service, a Category II change is required under the terms and conditions established for the Global Consumer Choice Compact Waiver. Further, effectuating such reforms in the methodology for setting nursing facilities rates may also require the adoption of new or amended

1 rules, regulations and procedures for providers and/or beneficiaries.

2 (b) *Selective Contracting –Medicaid Home Health Services*. The Medicaid single state
3 agency proposes to selectively contract with home health agencies that meet specific standards
4 related to economy, efficiency and performance. This process of selective contracting will result
5 in a change to the payment structure for a Medicaid funded service. Therefore, a Category II
6 change is required for implementation under the terms and conditions of the Global Consumer
7 Choice Waiver Compact.

8 (c) *Pain Management Benefits for Medicaid Beneficiaries*. The Medicaid single state
9 agency proposes to include a pain management benefit for targeted beneficiaries to reduce
10 utilization of pharmaceuticals, emergency departments and inpatient hospital stays. Establishing a
11 targeted benefit requires amendments to or new rules, regulations and procedures pertaining to
12 coverage for the Medicaid populations affected as well as a Category II change to the Global
13 Consumer Choice Compact Waiver in those areas where additional authority is warranted under
14 the terms and conditions of the demonstration agreement.

15 (d) *Health Homes – EOHHS Departments*. The Medicaid single state agency proposes to
16 pursue authorization from the Centers for Medicare and Medicaid Services (CMS) for the
17 purposes of accessing additional federal matching funds for services provided through the
18 departments that are integrated in accordance with the Health Home Initiative established under
19 the federal Patient Protection and Affordable Health Care Act of 2010. This includes, but is not
20 limited to, behavioral healthcare services provided through the department of behavioral
21 healthcare, developmental disabilities, and hospitals, and CEDARR services available through the
22 department of human services as well as other services deemed qualified under the Health Home
23 Initiative by the Medicaid single state agency. As a condition of obtaining approval to participate
24 in the Initiative, the single state agency is required to submit a Medicaid state plan amendment
25 and any waiver changes that may be mandated by CMS thereafter. Also, each of the EOHHS
26 departments participating may be required to adopt new or amended rules, regulations and
27 procedures related to the populations and/or providers affected upon implementation.

28 (e) *Medicaid Hospital Rate Reform- Outpatient Payments*. The Medicaid single state
29 agency is proposing a restructuring of the payment methodology for certain Medicaid funded out-
30 patient hospital services. Under the terms and conditions of the Global Consumer Choice
31 Compact Waiver, provider rate reforms such as those proposed require a Category II change.
32 Certain regulations, rules and procedures pertaining to provider payment rates may also require
33 revision.

34 (f) *Medicaid Money Follows the Person Demonstration*. The Medicaid single state

1 agency has been accepted to participate in the federal Money Follows the Person Demonstration,
2 which provides enhanced funding for certain services provided to Medicaid long-term care
3 beneficiaries receiving care and support at home or in the community. Although no changes to the
4 Global Consumer Choice Compact Waiver are expected to be necessary during implementation
5 of the demonstration, certain new or amended rules, regulations and procedures may be required
6 to take full advantage of the federal funding available for transition and diversion services
7 authorized under the Money Follows the Person Demonstration.

8 (g) *System of Care Implementation -- Department of Children, Youth and Families*
9 *(DCYF)*. The DCYF proposes to continue implementation of comprehensive reform of the system
10 of care for children at risk for or requiring out-of-home placement and their families. Components
11 of implementation involve restructuring the payment methodology for certain Medicaid funded
12 services and establishing prior approval for the duration of residential services, paid in part or in
13 full by Medicaid. Accordingly, the DCYF and Medicaid single state agency are required to
14 pursue Category II changes to the Global Consumer Choice Compact Waiver in those areas
15 where additional authority is warranted for implementation to proceed under the terms and
16 conditions of the demonstration agreement. The DCYF may adopt or amend rules, regulations
17 and procedures as appropriate, once such federal authorities have been secured.

18 (h) *Medicaid Coverage for Costs Not Otherwise Matchable (CNOM) for DCYF parent*
19 *aides and other home-based services*. The DCYF proposes to begin Medicaid claiming for certain
20 core home and community based services, approved under the Global Consumer Choice Compact
21 Waiver, that are provided to children and families at risk for Medicaid and/or out of home
22 placement. The DCYF and Medicaid single state agency are required to obtain the necessary
23 Category I or Category II changes necessary to begin this claiming.

24 (i) *Project Sustainability for Persons with Development Disabilities --Department of*
25 *Behavioral Healthcare, Developmental Disabilities, and Hospitals (DBHDDH)*. The DBHDDH
26 proposes to continue system reforms that are changing how beneficiaries are assessed for services
27 and the manner in which services are obtained as well as the payment structure. Because
28 implementation of this proposal is related to adoption of a new payment structure for a Medicaid
29 funded service, a Category II change is required under the terms and conditions established for
30 the Global Consumer Choice Compact Waiver. Further, implementation of Project Sustainability
31 may also require changes to the rules, regulations and procedures related to Medicaid services for
32 persons with developmental disabilities served by the DBHDDH;

33 (j) *RIte Care Cost Sharing Requirements*. The department of humans services will make
34 the necessary changes to raise the RIte Care monthly cost sharing requirement to five percent

1 (5%) of family income as outlined in Rhode Island general law sections 40-8-4.4 and 40-8-12
2 effective October 1, 2011. Implementation of these modification requires changes to the rules,
3 regulations and procedures related to managed care for the populations affected and category II
4 changes to the global consumer choice compact waiver in those areas where additional authority
5 under the terms and conditions of the demonstration agreement are warranted; now therefore, be
6 it

7 RESOLVED, That the general assembly hereby approves proposals (a) through (j) listed
8 above to amend the demonstration; and be it further

9 RESOLVED, That the secretary of the office of health and human services is authorized
10 to pursue and implement any waiver amendments, category II or category III changes, state plan
11 amendments and/or changes to the applicable department's rules, regulations and procedures
12 approved herein and as authorized by § 42-12.4-7; and be it further

13 RESOLVED, That this Joint resolution shall take effect upon passage.

14 SECTION 2. The state medical assistance program includes a comprehensive managed
15 care design to deliver services to various populations. The general assembly finds that a review of
16 the current system is necessary to determine if the design meets the goals of increased efficiency,
17 reduced cost, curtailment of high cost services, and the development of meaningful incentives to
18 promote the utilization of primary care services. The review shall include measures of program
19 effectiveness, services utilization, quality measures, and utilization patterns as compared to other
20 payers. Recommendations with respect to the design the state medical assistance program should
21 include, but not be limited to, the scope of services included in the medical assistance program
22 managed care contracts, alternatives that promote meaningful innovation and cost efficiency, and
23 alternative designs to promote the goals stated therein.

24 The executive office of health and human services is directed to report the findings and
25 recommendations contained in the review no later than January 1, 2012, with copies to the
26 speaker of the house, senate president, chairs of the house and senate finance committees and the
27 house and senate fiscal advisors.

28 SECTION 3. Integration of Care and Financing for Medicare and Medicaid Beneficiaries.

29 (a) *Expansion and integration of care management strategies.* By July 2012, the
30 department of human services shall establish a contractual agreement between the Medicaid
31 agency and a contractor (e.g., managed care entity) to manage primary, acute and long-term care
32 services for Medicaid-only beneficiaries and for individuals dually eligible for Medicaid and
33 Medicare.

34 The department is directed to seek federal authority from the Centers for Medicare and

1 Medicaid Services, including the negotiation of an agreement for the state to share in any savings
2 that accrue to the Medicare program as a result of this initiative. The changes in service delivery
3 will require changes to the rules, regulations and procedures governing this area for Medicaid-
4 only and dually eligible beneficiaries, as well as Category II changes to the Global Consumer
5 Choice Compact Waiver authorizing the expansion of managed care to new service areas and
6 populations.

7 The department shall present a report on this initiative to the Permanent Joint Legislative
8 Committee on Health Care Oversight and Chairpersons of the House and Senate Finance
9 Committees no later than December 31, 2011.

ARTICLE 17

RELATING TO DEPARTMENT OF CHILDREN, YOUTH AND FAMILIES

SECTION 1. Sections 40-11-6 and 40-11-7 of the General Laws in Chapter 40-11 entitled "Abused and Neglected Children" are hereby amended to read as follows:

40-11-6. Report by physicians of abuse or neglect. -- (a) When any physician or duly certified registered nurse practitioner has cause to suspect that a child brought to him or her or coming to him or her for examination, care, or treatment, is an abused or neglected child as defined in this chapter, or when he or she determines that a child under the age of twelve (12) years is suffering from any sexually transmitted disease, he or she shall report the incident or cause a report thereof to be made to the department as provided in subsection (b).

(b) An immediate oral report shall be made by telephone or otherwise, to both the department and law enforcement agency, and shall be followed by a report, in writing, to the department and law enforcement agency explaining the extent and nature of the abuse or neglect the child is alleged to have suffered.

(c) The department, upon receipt of such a report by a person other than a physician or duly certified registered nurse practitioner alleging that a child has been physically abused, shall investigate the report, and if the investigation reveals evidence of ~~physical injury~~ or that the child has been the victim of sexual abuse, the department shall have the child examined by a licensed physician or duly certified registered nurse practitioner. Any child protective investigator shall, with or without the consent of the parent or other person responsible for the child's welfare, have the right to remove the child from the place where the child may be to secure the examination required by this subsection. Upon completion of the examination, it shall be mandatory for the physician or duly certified registered nurse practitioner to make a written report of his or her findings to the department.

(d) The department shall promulgate rules and regulations to implement the provisions of this section.

40-11-7. Investigation of reports – Petition for removal from custody – Report to child advocate – Attorney general – Court-appointed special advocate. -- (a) The department shall investigate ~~each report~~ reports of child abuse and neglect made under this chapter in accordance with the rules the department has promulgated and in order to determine the

1 circumstances surrounding the alleged abuse or neglect and the cause thereof. The investigation
2 shall include personal contact with the child named in the report and any other children in the
3 same household. Any person required to investigate reports of child abuse and/or neglect may
4 question the subjects of those reports with or without the consent of the parent or other person
5 responsible for the child's welfare. The interviewing of the child or children, if they are of the
6 mental capacity to be interviewed, shall take place in the absence of the person or persons
7 responsible for the alleged neglect or abuse. In the event that any person required to investigate
8 child abuse and/or neglect is denied reasonable access to a child by the parents or other person,
9 and that person required to investigate deems that the best interests of the child so require, they
10 may request the intervention of a local law enforcement agency, or seek an appropriate court
11 order to examine and interview the child. The department shall provide such social services and
12 other services as are necessary to protect the child and preserve the family.

13 (b) In the event that after investigation it is determined by the department that the child
14 is being or has been abused or neglected but that the circumstances of the child's family or
15 otherwise do not require the removal of the child for his or her protection, the department may
16 allow the child to remain at home and ~~shall petition the family court for an order for the provision~~
17 ~~of treatment of the family and child~~ provide the family and child with access to preventative
18 support and services.

19 (c) The department shall ~~also~~ have the duty to petition the family court for removal of
20 the child from the care and custody of the parents, or any other person having custody or care of
21 the child ~~in cases where it is felt that a particular child has suffered abuse or neglect and that~~
22 ~~continued care and custody by that person might result in further harm to the child~~ if there is a
23 determination that a child has been abused or neglected; which results in a child death, serious
24 physical or emotional harm, sexual abuse or exploitation or an act or failure to act which
25 represents an imminent risk of serious harm. In addition, in cases of alleged abuse and/or neglect,
26 the department may petition the family court for the removal of the alleged perpetrator of that
27 abuse, and/or neglect from the household of the child or children when the child or children are
28 eleven (11) years of age or older. It shall be the responsibility of the department to make the
29 parent or other person responsible for the child's welfare aware of the court action, the possible
30 consequences of the court action, and to explain the rights of the parent relative to the court
31 action.

32 (d) The department shall forward immediately any reports of institutional child abuse
33 and neglect to the child advocate who shall investigate the report in accordance with chapter 73 of
34 title 42, and also to any guardian ad litem and/or attorney of record for the child.

1 (e) In the event that after investigation the department takes any action regarding
2 placement of the child, the department shall immediately notify the child advocate of such action.

3 (f) In the event that after investigation the department has reasonable cause to know or
4 suspect that a child has been subjected to criminal abuse or neglect, the department shall forward
5 immediately any information as it relates to that knowledge or suspicion to the law enforcement
6 agency.

7 SECTION 2. Section 40-13.2-3.1 of the General Laws in Chapter 40-13.2 entitled
8 "Certification of Child Care and Youth Serving Agency Workers" is hereby amended to read as
9 follows:

10 **40-13.2-3.1. CANTS (Child Abuse and Neglect Tracking System) check -- Operators**
11 **and employees.** -- Any person seeking to operate a facility, which is, or is required to be licensed
12 or registered with the department or who is seeking employment, if such employment involves
13 supervisory or disciplinary power over a child or children or involves routine contact with a child
14 or children without the presence of other employees in any facility which is, or is required to be,
15 licensed or registered with the department or who is seeking such employment at the training
16 school for youth shall, after acceptance by the employer of the affidavit required by section 40-
17 13.2-3, apply to the appropriate agency for a CANTS (child abuse and neglect tracking system)
18 check. [The department is authorized and directed to promulgate rules and regulations to impose](#)
19 [such fees or charges as may be appropriate to implement the provisions of this section.](#)

20 SECTION 3. Section 14-1-3 of the General Laws in Chapter 14-1 entitled "Proceedings
21 in Family Court" is hereby amended to read as follows:

22 **14-1-3. Definitions.** -- The following words and phrases when used in this chapter shall,
23 unless the context otherwise requires, be construed as follows:

24 (1) "Adult" means a person eighteen (18) years of age or older, except that "adult"
25 includes any person seventeen (17) years of age or older who is charged with a delinquent offense
26 involving murder, first degree sexual assault, first degree child molestation, or assault with intent
27 to commit murder, and that person shall not be subject to the jurisdiction of the family court as set
28 forth in sections 14-1-5 and 14-1-6 if after a hearing, the family court determines that probable
29 cause exists to believe that the offense charged has been committed and that the person charged
30 has committed the offense.

31 (2) "Appropriate person," as used in sections 14-1-10 and 14-1-11, except in matters
32 relating to adoptions and child marriages, means and includes:

- 33 (i) Any police official of this state, or of any city or town within this state;
34 (ii) Any duly qualified prosecuting officer of this state, or of any city or town within this

1 state;

2 (iii) Any director of public welfare of any city or town within this state, or his or her duly
3 authorized subordinate;

4 (iv) Any truant officer or other school official of any city or town within this state;

5 (v) Any duly authorized representative of any public or duly licensed private agency or
6 institution established for purposes similar to those specified in section 8-10-2 or 14-1-2; or

7 (vi) Any maternal or paternal grandparent, who alleges that the surviving parent, in those
8 cases in which one parent is deceased, is an unfit and improper person to have custody of any
9 child or children.

10 (3) "Child" means a person under eighteen (18) years of age.

11 (4) "The court" means the family court of the state of Rhode Island.

12 (5) "Delinquent" when applied to a child means and includes any child who has
13 committed any offense which, if committed by an adult, would constitute a felony, or who has on
14 more than one occasion violated any of the other laws of the state or of the United States or any
15 of the ordinances of cities and towns, other than ordinances relating to the operation of motor
16 vehicles.

17 (6) "Dependent" means any child who requires the protection and assistance of the court
18 when his or her physical or mental health or welfare is harmed or threatened with harm due to the
19 inability of the parent or guardian, through no fault of the parent or guardian, to provide the child
20 with a minimum degree of care or proper supervision because of:

21 (i) The death or illness of a parent; or

22 (ii) The special medical, educational, or social service needs of the child which the
23 parent is unable to provide.

24 (7) "Justice" means a justice of the family court.

25 (8) "Neglect" means a child who requires the protection and assistance of the court when
26 his or her physical or mental health or welfare is harmed or threatened with harm when the
27 parents or guardian:

28 (i) Fails to supply the child with adequate food, clothing, shelter, or medical care, though
29 financially able to do so or offered financial or other reasonable means to do so;

30 (ii) Fails to provide the child proper education as required by law; or

31 (iii) Abandons and/or deserts the child.

32 (9) "Wayward" when applied to a child means and includes any child:

33 (i) Who has deserted his or her home without good or sufficient cause;

34 (ii) Who habitually associates with dissolute, vicious, or immoral persons;

- 1 (iii) Who is leading an immoral or vicious life;
- 2 (iv) Who is habitually disobedient to the reasonable and lawful commands of his or her
3 parent or parents, guardian, or other lawful custodian;
- 4 (v) Who, being required by chapter 19 of title 16 to attend school, willfully and
5 habitually absents himself or herself from school or habitually violates the rules and regulations
6 of the school when he or she attends; or
- 7 (vi) Who has on any occasion violated any of the laws of the state or of the United States
8 or any of the ordinances of cities and towns, other than ordinances relating to the operation of
9 motor vehicles.

10 (10) The singular shall be construed to include the plural, the plural the singular, and the
11 masculine the feminine, when consistent with the intent of this chapter.

12 (11) For the purposes of this chapter, “electronic surveillance and monitoring devices”
13 means any “radio frequency identification device (RFID)” OR “global positioning device” that is
14 either tethered to a person or is intended to be kept with a person and is used for the purposes of
15 tracking the whereabouts of that person within the community.

16 SECTION 4. Chapter 14-1 of the General Laws entitled "Proceedings in Family Court" is
17 hereby amended by adding thereto the following section:

18 **14-1-36.3. Community confinement.** – (a) The family court may authorize that a
19 sentenced youth or a youth who is subject to an order of detention to the Thomas C. Slater
20 training school be placed in the community in an appropriate setting as specified in sections 14-1
21 27 and 14-1-32 for a period of time as determined by the court. In any instance wherein the
22 family court authorizes the release of a sentenced youth from the Thomas C. Slater training
23 school to community confinement, the youth shall be supervised by probation pursuant to section
24 14-1-33 and the term of community confinement shall not exceed the term of his or her sentence
25 to the training school.

26 (b) The court order to place a detained youth or a sentenced youth on probation and/or in
27 community confinement may include the use of electronic surveillance or monitoring devices as
28 defined in this chapter, upon the finding by the court that:

29 (1) The youth is charged with or adjudicated on an offense which meets the definition of
30 “delinquent” as found in 14-1-3(5); and

31 (2) The youth would otherwise be detained at or sentenced to the Thomas C. Slater
32 Training School for Youth; and

33 (3) The use of the surveillance or devices will allow the youth to be released to the home
34 of a legal guardian, family member, or foster home placement.

1 (c) Any use of electronic surveillance and monitoring devices authorized for non-
2 adjudicated youth who have been detained in accordance with the provisions of this chapter shall
3 be limited to thirty (30) days unless the court determines that an additional period not to exceed
4 thirty (30) days is necessary for the safety or welfare of the youth and/or the community.

5 (d) Any use of electronic surveillance and monitoring devices authorized for adjudicated
6 youth who have been sentenced in accordance with the provisions of this chapter shall be limited
7 to a period not to exceed sixty (60) days unless the court determines that an additional period not
8 to exceed thirty (30) days is necessary for the safety or welfare of the youth and/or the
9 community.

10 (e) The department is authorized to adopt, amend, and rescind regulations in accordance
11 with this chapter and implement its provisions, including rules and regulations for the application,
12 surveillance and reporting of youth compliance with electronic surveillance and monitoring
13 devices. The regulations shall be promulgated and become effective in accordance with the
14 provisions of the Administrative Procedures Act, chapter 35 of title 42.

15 SECTION 5. This Article shall take effect upon passage.

ARTICLE 18 AS AMENDED

RELATING TO HOSPITAL UNCOMPENSATED CARE

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

40-8.3-2. Definitions. -- As used in this chapter:

(1) "Base year" means for the purpose of calculating a disproportionate share payment for any fiscal year ending after September 30, ~~2009~~ 2010, the period from October 1, ~~2007~~ 2008 through September 30, ~~2008~~ 2009, and for any fiscal year ending after September 30, ~~2010~~ 2011, the period from October 1, ~~2008~~ 2009 through September 30, ~~2009~~ 2010.

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

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

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

(5) "Uncompensated care index" means the annual percentage increase for hospitals established pursuant to § 27-19-14 for each year after the base year, up to and including the payment year, provided, however, that the uncompensated care index for the payment year ending September 30, 2007 shall be deemed to be five and thirty-eight hundredths percent (5.38%), and

1 that the uncompensated care index for the payment year ending September 30, 2008 shall be
2 deemed to be five and forty-seven hundredths percent (5.47%), and that the uncompensated care
3 index for the payment year ending September 30, 2009 shall be deemed to be five and thirty-eight
4 hundredths percent (5.38%), and that the uncompensated care index for the payment years ending
5 September 30, 2010 ~~and~~, September 30, 2011 and September 30, 2012 shall be deemed to be five
6 and thirty hundredths percent (5.30%).

7 **40-8.3-3. Implementation.** -- ~~(a) For the fiscal year commencing on October 1, 2008 and~~
8 ~~ending September 30, 2009, the department of human services shall submit to the Secretary of the~~
9 ~~U.S. Department of Health and Human Services a state plan amendment to the Rhode Island~~
10 ~~Medicaid state plan for disproportionate share hospital payments (DSH Plan) to provide:~~

11 ~~(1) That the disproportionate share hospital payments to all participating hospitals not~~
12 ~~to exceed an aggregate limit of \$114.7 million, to be allocated by the department to the Pool A,~~
13 ~~Pool C and Pool D components of the DSH Plan;~~

14 ~~(2) That the Pool D allotment shall be distributed among the participating hospitals in~~
15 ~~direct proportion to the individual participating hospital's uncompensated care costs for the base~~
16 ~~year, inflated by the uncompensated care index to the total uncompensated care costs for the base~~
17 ~~year inflated by uncompensated care index for all participating hospitals. The disproportionate~~
18 ~~share payments shall be made on or before July 13, 2009 and are expressly conditioned upon~~
19 ~~approval on or before July 6, 2009 by the Secretary of the U.S. Department of Health and Human~~
20 ~~Services, or his or her authorized representative, of all Medicaid state plan amendments necessary~~
21 ~~to secure for the state the benefit of federal financial participation in federal fiscal year 2009 for~~
22 ~~the disproportionate share payments.~~

23 ~~(b)~~(a) For the fiscal year commencing on October 1, 2009 and ending September 30,
24 2010, the department of human services shall submit to the Secretary of the U.S. Department of
25 Health and Human Services a state plan amendment to the Rhode Island Medicaid state plan for
26 disproportionate share hospital payments (DSH Plan) to provide:

27 (1) That the disproportionate share hospital payments to all participating hospitals not
28 to exceed an aggregate limit of \$117.8 million, to be allocated by the department to the Pool A,
29 Pool C and Pool D components of the DSH Plan;

30 (2) That the Pool D allotment shall be distributed among the participating hospitals in
31 direct proportion to the individual participating hospital's uncompensated care costs for the base
32 year, inflated by the uncompensated care index to the total uncompensated care costs for the base
33 year inflated by uncompensated care index for all participating hospitals. The disproportionate
34 share payments shall be made on or before July 12, 2010 and are expressly conditioned upon

1 approval on or before July 5, 2010 by the Secretary of the U.S. Department of Health and Human
2 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary
3 to secure for the state the benefit of federal financial participation in federal fiscal year 2010 for
4 the disproportionate share payments.

5 ~~(e)~~(b) For the fiscal year commencing on October 1, 2010 and ending September 30,
6 2011, the department of human services shall submit to the Secretary of the U.S. Department of
7 Health and Human Services a state plan amendment to the Rhode Island Medicaid state plan for
8 disproportionate share hospital payments (DSH Plan) to provide:

9 (1) That the disproportionate share hospital payments to all participating hospitals not to
10 exceed an aggregate limit of \$125.4 million, to be allocated by the department to the Pool A, Pool
11 C and Pool D components of the DSH Plan;

12 (2) That the Pool D allotment shall be distributed among the participating hospitals in
13 direct proportion to the individual participating hospital's uncompensated care costs for the base
14 year, inflated by the uncompensated care index to the total uncompensated care costs for the base
15 year inflated by uncompensated care index for all participating hospitals. The disproportionate
16 share payments shall be made on or before July 18, 2011 and are expressly conditioned upon
17 approval on or before July 11, 2011 by the Secretary of the U.S. Department of Health and
18 Human Services, or his or her authorized representative, of all Medicaid state plan amendments
19 necessary to secure for the state the benefit of federal financial participation in federal fiscal year
20 2011 for the disproportionate share payments.

21 (c) For the fiscal year commencing on October 1, 2011 and ending September 30, 2012,
22 the executive office of health and human services shall submit to the Secretary of
23 the U.S. Department of Health and Human Services a state plan amendment to the Rhode Island
24 Medicaid state plan for disproportionate share hospital payments (DSH Plan) to provide:

25 (1) That the disproportionate share hospital payments to all participating hospitals, not to
26 exceed an aggregate limit of \$129.8 million, shall be allocated by the executive office of health
27 and human services to the Pool A, Pool C and Pool D components of the DSH Plan; and,

28 (2) That the Pool D allotment shall be distributed among the participating hospitals in
29 direct proportion to the individual participating hospital's uncompensated care costs for the base
30 year, inflated by the uncompensated care index to the total uncompensated care costs for the base
31 year inflated by uncompensated care index for all participating hospitals. The disproportionate
32 share payments shall be made on or before July 16, 2012 and are expressly conditioned upon
33 approval on or before July 9, 2012 by the Secretary of the U.S. Department of Health and Human
34 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary

1 to secure for the state the benefit of federal financial participation in federal fiscal year 2012 for
2 the disproportionate share payments.

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

6 SECTION 2. Chapter 40-8.3 of the General Laws entitled "Uncompensated Care" is
7 hereby amended by adding thereto the following section:

8 **40-8.3-9. Outpatient adjustment payments for fiscal year 2012.** -- Effective July 1,
9 2011, the executive office of health and human services is hereby authorized and directed to
10 amend its regulations for reimbursement to hospitals for outpatient services as follows:

11 Hospitals -- Outpatient adjustment payments.

12 (a) Each hospital in the State of Rhode Island, as defined in subdivision 23-17-
13 38.19(b)(1), shall receive a quarterly adjustment payment during state fiscal year 2012 of an
14 amount determined as follows:

15 (1) Determine the percent of the state's total Medicaid outpatient and emergency
16 department services (exclusive of physician services) provided by each hospital during each
17 hospital's fiscal year ending during 2010;

18 (2) Determine the sum of all Medicaid payments to hospitals made for outpatient and
19 emergency department services (exclusive of physician services) provided during each hospital's
20 fiscal year ending during 2010.

21 (3) Multiply the sum of all Medicaid payments as determined in (2) by 72.57 percent and
22 then multiply that result by each hospital's percentage of the state's total Medicaid outpatient and
23 emergency department services as determined in (1) to obtain the total outpatient adjustment for
24 each hospital to be paid in SFY 2012;

25 (4) Pay each hospital on or before July 20, 2011, October 20, 2011, January 20, 2012, and
26 April 20, 2012 one-quarter of its total outpatient adjustment as determined in (3) above.

27 (b) The amounts determined in subsection (a) are in addition to Medicaid outpatient
28 payments and emergency services payments (exclusive of physician services) paid to hospitals in
29 accordance with current state regulation and the Rhode Island Plan for Medicaid Assistance
30 pursuant to Title XIX of the Social Security Act and are not subject to recoupment or settlement.

31 SECTION 3. Section 40-8.3-5 of the General Laws in Chapter 40-8.3 entitled
32 "Uncompensated Care" is hereby amended to read as follows:

33 **40-8.3-5. Hospital payments.** -- Due to the high ratio of unqualified uncompensated care
34 expenses to qualified uncompensated care expenses, the department of human services is hereby

1 authorized and directed to pay by September 1, 2010 from revenues derived from taxes imposed
2 in accordance with section 44-17-1: (1) acute care hospitals in Washington County the amount of
3 five hundred thousand dollars (\$500,000) to South County Hospital, and seven hundred and fifty
4 thousand dollars (\$750,000) to The Westerly Hospital; (2) any acute care hospital in Kent County
5 the amount of eight hundred thousand dollars (\$800,000); and (3) Miriam Hospital the amount of
6 one million six hundred thousand dollars (\$1,600,000). The department of human services is
7 authorized and directed to pay four million seven hundred fifty thousand dollars (\$4,750,000)
8 during state fiscal year 2011 to the following hospitals: one million seven hundred seventy-eight
9 thousand eight hundred forty-three dollars (\$1,778,843) to Kent Hospital; six hundred and forty-
10 two thousand three hundred forty dollars (\$642,340) to Saint Joseph 's Hospital; one million one
11 hundred thirty-one thousand, nine hundred twenty-nine dollars (\$1,131,929) to Miriam Hospital;
12 four hundred thirty-eight thousand and four hundred eighty-two dollars (\$438,482) to South
13 County Hospital; two hundred ninety seven thousand eight hundred and six dollars (\$297,806) to
14 Westerly Hospital; one hundred thirty-three thousand and six hundred seventy-two dollars
15 (\$133,672) to Newport Hospital; one hundred seventy thousand nine hundred and sixty-four
16 dollars (\$170,964) to Butler Hospital; and one hundred fifty-five thousand and nine hundred
17 sixty-three dollars (\$155,963) to Bradley Hospital of Rhode Island. The department of human
18 services is authorized to pay five hundred thousand dollars (\$500,000) to South County Hospital
19 and five hundred thousand dollars (\$500,000) to Westerly Hospital in state fiscal year 2012”

20 SECTION 4. This Article shall take effect upon passage.

ARTICLE 19 AS AMENDED

RELATING TO TAXES AND REVENUES

SECTION 1. Chapter 7-12 of the General Laws entitled "Partnerships" is hereby amended by adding thereto the following section:

7-12-60. Filing of returns with the tax administrator -- Annual charge. – (a) For tax years beginning on or after January 1, 2012 a limited liability partnership registered under section 7-12-56, shall file a return in the form and containing the information as prescribed by the tax administrator as follows:

(1) If the fiscal year of the limited liability partnership is the calendar year, on or before the fifteenth (15th) day of April in the year following the close of the fiscal year; and

(2) If the fiscal year of the limited liability partnership is not a calendar year, on or before the fifteenth (15th) day of the fourth (4th) month following the close of the fiscal year.

(b) An annual charge, equal to the minimum tax imposed upon a corporation under subsection 44-11-2(e), shall be due on the filing of the limited liability partnership's return filed with the tax administrator and shall be paid to the division of taxation.

(c) The annual charge is delinquent if not paid by the due date for the filing of the return and an addition of one hundred dollars (\$100) to the charge is then due.

SECTION 2. Chapter 7-13 of the General Laws entitled "Limited Partnerships" is hereby amended by adding thereto the following section:

7-13-69. Filing of returns with the tax administrator -- Annual charge. – (a) For tax years beginning on or after January 1, 2012 a limited partnership certified under this chapter shall file a return in the form and containing the information as prescribed by the tax administrator as follows:

(1) If the fiscal year of the limited partnership is the calendar year, on or before the fifteenth (15th) day of April in the year following the close of the fiscal year; and

(2) If the fiscal year of the limited partnership is not a calendar year, on or before the fifteenth (15th) day of the fourth (4th) month following the close of the fiscal year.

(b) An annual charge, equal to the minimum tax imposed upon a corporation under subsection 44-11-2(e), shall be due on the filing of the limited partnership's return filed with the tax administrator and shall be paid to the division of taxation.

1 [\(c\) The annual charge is delinquent if not paid by the due date for the filing of the return](#)
2 [and an addition of one hundred dollars \(\\$100\) to the charge is then due.](#)

3 SECTION 3. Section 7-16-67 of the General Laws in Chapter 7-16 entitled "The Rhode
4 Island Limited Liability Company Act" is hereby amended to read as follows:

5 **7-16-67. Filing of returns with the tax administrator -- annual charge.** -- (a) A return
6 in the form and containing the information as the tax administrator may prescribe shall be filed
7 with the tax administrator by the limited liability company:

8 (1) In case the fiscal year of the limited liability company is the calendar year, on or
9 before the fifteenth day of March in the year following the close of the fiscal year; and

10 (2) In case the fiscal year of the limited liability company is not a calendar year, on or
11 before the fifteenth day of the third month following the close of the fiscal year.

12 (b) An annual charge shall be due on the filing of the limited liability company's return
13 filed with the tax administrator and shall be paid to the Division of Taxation as follows:

14 (1) If the limited liability company is treated as a corporation for purposes of federal
15 income taxation, it shall pay the taxes as provided in chapters 11 and 12 of ~~this~~ title [44](#); or

16 (2) If the limited liability company is [not](#) treated as a ~~partnership~~ [corporation](#) for
17 purposes of federal income taxation, it shall pay a fee in an amount equal to the minimum tax
18 imposed upon a corporation under section 44-11-2(e). [The due date for a limited liability](#)
19 [company that is not treated as a corporation for purposes of federal income taxation shall be on or](#)
20 [before the fifteenth \(15th\) day of the fourth \(4th\) month following the close of the fiscal year.](#)

21 (c) The annual charge is delinquent if not paid by the due date for the filing of the return
22 and an addition of one hundred dollars (\$100.00) to the charge is then due.

23 SECTION 4. Chapter 44-11 of the General Laws entitled "Business Corporation Tax" is
24 hereby amended by adding thereto the following section:

25 **44-11-45. Combined reporting study.** – (a) [For the purpose of this section:](#)

26 [\(1\) "Common ownership" means more than fifty percent \(50%\) of the voting control of](#)
27 [each member of the group is directly or indirectly owned by a common owner or owners, either](#)
28 [corporate or non-corporate, whether or not owner or owners are members of the combined group.](#)

29 [\(2\) "Member" means a corporation included in a unitary business.](#)

30 [\(3\) "Unitary business" means the activities of a group of two \(2\) or more corporations](#)
31 [under common ownership that are sufficiently interdependent, integrated or interrelated through](#)
32 [their activities so as to provide mutual benefit and produce a significant sharing or exchange of](#)
33 [value among them or a significant flow of value between the separate parts. The term unitary](#)
34 [business shall be construed to the broadest extent permitted under the United States Constitution.](#)

1 (4) “United States” means the fifty (50) states of the United States, the District of
2 Columbia, the United States’ territories and possessions.

3 (b) Combined reporting.

4 (1) As part of its tax return for a taxable year beginning after December 31, 2010 but
5 before January 1, 2013, each corporation which is part of an unitary business must file a report, in
6 a manner prescribed by the tax administrator, for the combined group containing the combined
7 net income of the combined group. The use of a combined report does not disregard the separate
8 identities of the members of the combined group. The report shall include, at minimum, for each
9 taxable year the following:

10 (i) The difference in tax owed as a result of filing a combined report compared to the tax
11 owed under the current filing requirements;

12 (ii) The difference in tax owed as a result of using the single sales factor apportionment
13 method under this paragraph as compared to the tax owed using the current three (3) factor
14 apportionment method under section 44-11-14;

15 (iii) Volume of sales in the state and worldwide; and

16 (iv) Taxable income in the state and worldwide.

17 (2) The combined reporting requirement required pursuant to this section shall not
18 include any persons that engage in activities enumerated in sections 44-13-4, 44-14-3, 44-14-4 or
19 44-17-1, whether within or outside this state. Neither the income or loss nor the apportionment
20 factors of such a person shall be included, directly or indirectly, in the combined report.

21 (3) Members of a combined group shall exclude as a member and disregard the income
22 and apportionment factors of any corporation incorporated in a foreign jurisdiction (a “foreign
23 corporation”) if the average of its property, payroll and sales factors outside the United States is
24 eighty percent (80%) or more. If a foreign corporation is includible as a member in the combined
25 group, to the extent that such foreign corporation’s income is subject to the provisions of a federal
26 income tax treaty, such income is not includible in the combined group net income. Such member
27 shall also not include in the combined report any expenses or apportionment factors attributable
28 to income that is subject to the provisions of a federal income tax treaty. For purposes of this
29 chapter, “federal income tax treaty” means a comprehensive income tax treaty between the
30 United States and a foreign jurisdiction, other than a foreign jurisdiction which the organization
31 for economic co-operation and development has determined has not committed to the
32 internationally agreed tax standard, or has committed to the international agreed tax standard but
33 has not yet substantially implemented that standard, as identified in the then-current organization
34 for economic co-operation and development progress report.

1 (c) Any corporation which is required file a report under this section which fails to file a
2 timely report or which files a false report shall be assessed a penalty not to exceed ten thousand
3 dollars (\$10,000). The penalty may be waived for good cause shown for failure to timely file.

4 (d) The tax administrator shall on or before March 15, 2014, based on the information
5 provided in income tax returns and the data submitted under this section, submit a report to the
6 chairpersons of the house finance committee and senate finance committee, and the house fiscal
7 advisor and the senate fiscal advisor analyzing the policy and fiscal ramifications of changing the
8 business corporation tax statute to a combined method of reporting.

9 SECTION 5. Section 42-64-10 of the General Laws in Chapter 42-64 entitled "Rhode
10 Island Economic Development Corporation" is hereby amended to read as follows:

11 **42-64-10. Findings of the corporation.** -- (a) Except as specifically provided in this
12 chapter, the Rhode Island economic development corporation shall not be empowered to
13 undertake the acquisition, construction, reconstruction, rehabilitation, development, or
14 improvement of a project, nor enter into a contract for any undertaking or for the financing of this
15 undertaking, unless it first:

16 (1) Finds:

17 (i) That the acquisition or construction and operation of the project will prevent,
18 eliminate, or reduce unemployment or underemployment in the state and will generally benefit
19 economic development of the state;

20 (ii) That adequate provision has been made or will be made for the payment of the cost
21 of the acquisition, construction, operation, and maintenance and upkeep of the project;

22 (iii) That, with respect to real property, the plans and specifications assure adequate
23 light, air, sanitation, and fire protection;

24 (iv) That the project is in conformity with the applicable provisions of chapter 23 of title
25 46; and

26 (v) That the project is in conformity with the applicable provisions of the state guide
27 plan; and

28 (2) Prepares and publicly releases an analysis of the impact the proposed project will or
29 may have on the State. The analysis shall be supported by appropriate data and documentation
30 and shall consider, but not be limited to, the following factors:

31 (i) The impact on the industry or industries in which the completed project will be
32 involved;

33 (ii) State fiscal matters, including the state budget (revenues and expenses);

34 (iii) The financial exposure of the taxpayers of the state under the plans for the proposed

1 project and negative foreseeable contingencies that may arise therefrom;

2 (iv) The approximate number of full-time, part-time, temporary, seasonal, and/or

3 permanent jobs projected to be created, construction and non-construction;

4 (v) Identification of geographic sources of the staffing for identified jobs;

5 (vi) The projected duration of the identified construction jobs;

6 (vii) The approximate wage rates for each category of the identified jobs;

7 (viii) The types of fringe benefits to be provided with the identified jobs, including

8 healthcare insurance and any retirement benefits;

9 (ix) The projected fiscal impact on increased personal income taxes to the state of Rhode

10 Island; and

11 (x) The description of any plan or process intended to stimulate hiring from the host

12 community, training of employees or potential employees and outreach to minority job applicants

13 and minority businesses.

14 (b) With respect to the uses described in section 42-64-3(18), (23), (30), (35), and (36)

15 and with respect to projects situated on federal lands, the corporation shall not be required to

16 make the findings specified in subsection (a)(1)(i) of this section.

17 (c) Except for the findings specified in subsections (a)(1)(iv) and (a)(1)(v) of this

18 section, the findings of the corporation made pursuant to this section shall be binding and

19 conclusive for all purposes. Upon adoption by the corporation, any such findings shall be

20 transmitted to the division of taxation, and shall be made available to the public for inspection by

21 any person, and shall be published by the tax administrator on the tax division website.

22 (d) The corporation shall monitor every impact analysis it completes through the

23 duration of any project incentives. Such monitoring shall include annual reports which shall be

24 transmitted to the division of taxation, and shall be available to the public for inspection by any

25 person, and shall be published by the tax administrator on the tax division website. The annual

26 reports on the impact analysis shall include:

27 (1) Actual versus projected impact for all considered factors; and

28 (2) Verification of all commitments made in consideration of state incentives or aid.

29 (e) Upon its preparation and release of the analysis required by subsection (a)(2) of this

30 section, the corporation shall provide copies of that analysis to the chairpersons of the house and

31 senate finance committees, the house and senate fiscal advisors, the department of labor and

32 training and the division of taxation. Any such analysis shall be available to the public for

33 inspection by any person and shall be published by the tax administrator on the tax division

34 website. Annually thereafter, the department of labor and training shall certify to the chairpersons

1 of the house and senate finance committees, the house and senate fiscal advisors, the corporation
2 and the division of taxation that: (i) the actual number of new full-time jobs with benefits created
3 by the project, not including construction jobs, is on target to meet or exceed the estimated
4 number of new jobs identified in the analysis above, and (ii) the actual number of existing full-
5 time jobs with benefits has not declined. This certification shall no longer be required two (2) tax
6 years after the terms and conditions of both the general assembly's joint resolution of approval
7 required by section 42-64-20.1 of this chapter and any agreement between the corporation and the
8 project lessee have been satisfied. For purposes of this section, "full-time jobs with benefits"
9 means jobs that require working a minimum of thirty (30) hours per week within the state, with a
10 median wage that exceeds by five percent (5%) the median annual wage for full-time jobs in
11 Rhode Island and within the taxpayer's industry, with a benefit package that includes healthcare
12 insurance plus other benefits typical of companies within the project lessee's industry. The
13 department of labor and training shall also certify annually to the chairpersons of the house and
14 senate finance committees, the house and senate fiscal advisors, and the division of taxation that
15 jobs created by the project are "new jobs" in the state of Rhode Island, meaning that the
16 employees of the project are in addition to, and without a reduction in the number of, those
17 employees of the project lessee currently employed in Rhode Island, are not relocated from
18 another facility of the project lessee in Rhode Island or are employees assumed by the project
19 lessee as the result of a merger or acquisition of a company already located in Rhode Island. The
20 certifications made by the department of labor and training shall be available to the public for
21 inspection by any person and shall be published by the tax administrator on the tax division
22 website.

23 (f) The corporation, with the assistance of the taxpayer, the department of labor and
24 training, the department of human services and the division of taxation shall provide annually an
25 analysis of whether any of the employees of the project lessee has received RIte Care or RIte
26 Share benefits and the impact such benefits or assistance may have on the state budget. Any such
27 analysis shall be available to the public for inspection by any person and shall be published by the
28 tax administrator on the tax division website. Notwithstanding any other provision of law or rule
29 or regulation, the division of taxation, the department of labor and training and the department of
30 human services are authorized to present, review and discuss lessee-specific tax or employment
31 information or data with the Rhode Island Economic Development Corporation (RIEDC), the
32 chairpersons of the house and senate finance committees, and/or the house and senate fiscal
33 advisors for the purpose of verification and compliance with this tax credit reporting requirement.

34 (g) The corporation and the project lessee shall agree that, if at any time prior to pay

1 back of the amount of the sales tax exemption through new income tax collections over three (3)
2 years, not including construction job income taxes, the project lessee will be unable to continue
3 the project, or otherwise defaults on its obligations to the corporation, the project lessee shall be
4 liable to the state for all the sales tax benefits granted to the project plus interest, as determined in
5 Rhode Island General Law section 44-1-7, calculated from the date the project lessee received the
6 sales tax benefits.

7 (h) Any agreements or contracts entered into by the corporation and the project lessee
8 shall be sent to the division of taxation and be available to the public for inspection by any person
9 and shall be published by the tax administrator on the tax division website.

10 (i) By August 15th of each year the project lessee shall report the source and amount of
11 any bonds, grants, loans, loan guarantees, matching funds or tax credits received from any state
12 governmental entity, state agency or public agency as defined in section 37-2-7 received during
13 the previous state fiscal year. This annual report shall be sent to the division of taxation and be
14 available to the public for inspection by any person and shall be published by the tax
15 administrator on the tax division website.

16 (j) By August 15th of each year the division of taxation shall report the name, address,
17 and amount of sales tax benefit each project lessee received during the previous state fiscal year
18 to the corporation, the chairpersons of the house and senate finance committees, the house and
19 senate fiscal advisors, the department of labor and training and the division of taxation. This
20 report shall be available to the public for inspection by any person and shall be published by the
21 tax administrator on the tax division website.

22 (k) On or before September 1, 2011, and every September 1 thereafter, the project lessee
23 shall file an annual report with the tax administrator. Said report shall contain each full-time
24 equivalent, part-time or seasonal employee's name, social security number, date of hire, and
25 hourly wage as of the immediately preceding July 1 and such other information deemed necessary
26 by the tax administrator. The report shall be filed on a form and in a manner prescribed by the tax
27 administrator.

28 SECTION 6. Section 44-63-3 of the General Laws in Chapter 44-63 entitled "Incentives
29 for Innovation and Growth" is hereby amended to read as follows:

30 **44-63-3. Eligibility for credit. [Repealed effective December 31, 2016 pursuant to**
31 **section 44-63-5.] --** (a) Only companies with business primarily in those industries or trades,
32 identified by the corporation upon advisory resolution of the Rhode Island Science and
33 Technology Advisory Council as "Innovation Industries" producing traded good or services, shall
34 be eligible for the Incentives for Innovation and Growth as provided in sections 44-63-1 and 44-

1 63-2. An eligible company must make application to the corporation prior to claiming the credit,
2 and the corporation shall be authorized to approve no more than one million dollars (\$1,000,000)
3 in credit applications in any two (2) calendar year period.

4 (b) The corporation shall approve no application under this chapter until it has first
5 prepared and publicly released an analysis of the impact the proposed investment will or may
6 have on the State. The analysis shall be supported by appropriate data and documentation and
7 shall consider, but not be limited to, the following factors:

- 8 (i) The impact on the industry or industries in which the applicant will be involved;
- 9 (ii) State fiscal matters, including the state budget (revenues and expenses);
- 10 (iii) The financial exposure of the taxpayers of the state under the plans for the proposed
11 investment and negative foreseeable contingencies that may arise therefrom;
- 12 (iv) The approximate number of full-time, part-time, temporary, seasonal and/or
13 permanent jobs projected to be created, construction and non-construction;
- 14 (v) Identification of geographic sources of the staffing for identified jobs;
- 15 (vi) The projected duration of the identified construction jobs;
- 16 (vii) The approximate wage rates for each category of the identified jobs;
- 17 (viii) The types of fringe benefits to be provided with the identified jobs, including
18 healthcare insurance and any retirement benefits;
- 19 (ix) The projected fiscal impact on increased personal income taxes to the state of Rhode
20 Island; and

21 (x) The description of any plan or process intended to stimulate hiring from the host
22 community, training of employees or potential employees, and outreach to minority job
23 applicants and minority businesses.

24 (c) The corporation shall monitor every impact analysis it completes through the
25 duration of any approved tax credit and for two (2) years after the taxpayer no longer receives the
26 credit. Such monitoring shall include annual reports which shall be transmitted to the division of
27 taxation, and shall be available to the public for inspection by any person, and shall be published
28 by the tax administrator on the tax division website. The annual reports on the impact analysis
29 shall include:

- 30 (1) Actual versus projected impact for all considered factors; and
- 31 (2) Verification of all commitments made in consideration of state incentives or aid.

32 (d) Upon its preparation and release of the analysis required by subsection (b) of this
33 section, the corporation shall provide copies of that analysis to the chairpersons of the house and
34 senate finance committees, the house and senate fiscal advisors, the department of labor and

1 training and the division of taxation. Any such analysis shall be available to the public for
2 inspection by any person and shall be published by the tax administrator on the tax division
3 website. Annually thereafter, through and including the second tax year after any taxpayer has
4 applied for and received a tax credit pursuant to this chapter, the department of labor and training
5 shall certify to the chairpersons of the house and senate finance committees, the house and senate
6 fiscal advisors, the corporation and the division of taxation that: (i) the actual number of new full-
7 time jobs with benefits created by the tax credit, not including construction jobs, is on target to
8 meet or exceed the estimated number of new jobs identified in the analysis above; and (ii) the
9 actual number of existing full-time jobs with benefits has not declined. For purposes of this
10 section, "full-time jobs with benefits" means jobs that require working a minimum of thirty (30)
11 hours per week within the state, with a median wage that exceeds by five percent (5%) the
12 median annual wage for full-time jobs in Rhode Island and within the taxpayer's industry, with a
13 benefit package that includes healthcare insurance plus other benefits typical of companies within
14 the taxpayer's industry. The department of labor and training shall also certify annually to the
15 chairpersons of the house and senate finance committees, the house and senate fiscal advisors,
16 and the division of taxation that jobs created by the tax credit are "new jobs" in the state of Rhode
17 Island, meaning that the employees of the project are in addition to, and without a reduction of,
18 those employees of the taxpayer currently employed in Rhode Island, are not relocated from
19 another facility of the taxpayer in Rhode Island or are employees assumed by the taxpayer as the
20 result of a merger or acquisition of a company already located in Rhode Island. The certifications
21 made by the department of labor and training shall be available to the public for inspection by any
22 person and shall be published by the tax administrator on the tax division website.

23 (e) The corporation, with the assistance of the taxpayer, the department of labor and
24 training, the department of human services and the division of taxation shall provide annually an
25 analysis of whether any of the employees of the taxpayer has received RIte Care or RIte Share
26 benefits and the impact such benefits or assistance may have on the state budget. This analysis
27 shall be available to the public for inspection by any person and shall be published by the tax
28 administrator on the tax division website. Notwithstanding any other provision of law or rule or
29 regulation, the division of taxation, the department of labor and training and the department of
30 human services are authorized to present, review and discuss taxpayer-specific tax or
31 employment information or data with the Rhode Island Economic Development Corporation
32 (RIEDC), the chairpersons of the house and senate finance committees, and/or the house and
33 senate fiscal advisors for the purpose of verification and compliance with this tax credit reporting
34 requirement.

1 (f) Any agreements or contracts entered into by the corporation and the taxpayer shall be
2 sent to the division of taxation and be available to the public for inspection by any person and
3 shall be published by the tax administrator on the tax division website.

4 (g) By August 15th of each year the taxpayer shall report the source and amount of any
5 bonds, grants, loans, loan guarantees, matching funds or tax credits received from any state
6 governmental entity, state agency or public agency as defined in section 37-2-7 received during
7 the previous state fiscal year. This annual report shall be sent to the division of taxation and be
8 available to the public for inspection by any person and shall be published by the tax
9 administrator on the tax division website.

10 (h) By August 15th of each year the division of taxation shall report the name, address,
11 and amount of tax credit received for each taxpayer during the previous state fiscal year to the
12 corporation, the chairpersons of the house and senate finance committees, the house and senate
13 fiscal advisors, the department of labor and training and the division of taxation. This report shall
14 be available to the public for inspection by any person and shall be published by the tax
15 administrator on the tax division website.

16 (i) On or before September 1, 2011, and every September 1 thereafter, the project lessee
17 shall file an annual report with the tax administrator. Said report shall contain each full-time
18 equivalent, part-time or seasonal employee's name, social security number, date of hire, and
19 hourly wage as of the immediately preceding July 1 and such other information deemed necessary
20 by the tax administrator. The report shall be filed on a form and in a manner prescribed by the tax
21 administrator.

22 SECTION 7. Section 42-64.3-6.1 of the General Laws in Chapter 42-64.3 entitled
23 "Distressed Areas Economic Revitalization Act" is hereby amended to read as follows:

24 **42-64.3-6.1. Impact analysis and periodic reporting.** -- (a) The council shall not certify
25 any applicant as a qualified business under subsection 42-64.3-3(4) of this chapter until it has first
26 prepared and publicly released an analysis of the impact the proposed investment will or may
27 have on the state. The analysis shall be supported by appropriate data and documentation and
28 shall consider, but not be limited to, the following factors:

- 29 (i) The impact on the industry or industries in which the applicant will be involved;
- 30 (ii) State fiscal matters, including the state budget (revenues and expenses);
- 31 (iii) The financial exposure of the taxpayers of the state under the plans for the proposed
32 investment and negative foreseeable contingencies that may arise therefrom;
- 33 (iv) The approximate number of full-time, part-time, temporary, seasonal and/or
34 permanent jobs projected to be created, construction and non-construction;

- 1 (v) Identification of geographic sources of the staffing for identified jobs;
- 2 (vi) The projected duration of the identified construction jobs;
- 3 (vii) The approximate wage rates for each category of the identified jobs;
- 4 (viii) The types of fringe benefits to be provided with the identified jobs, including
- 5 healthcare insurance and any retirement benefits;
- 6 (ix) The projected fiscal impact on increased personal income taxes to the state of Rhode
- 7 Island; and
- 8 (x) The description of any plan or process intended to stimulate hiring from the host
- 9 community, training of employees or potential employees, and outreach to minority job
- 10 applicants and minority businesses.

11 (b) The council shall monitor every impact analysis it completes through the duration of

12 any approved tax credit. Such monitoring shall include annual reports made available to the

13 public on the:

- 14 (1) Actual versus projected impact for all considered factors; and
- 15 (2) Verification of all commitments made in consideration of state incentives or aid.

16 (c) Upon its preparation and release of the analysis required by subsection (b) of this

17 section, the council shall provide copies of that analysis to the chairpersons of the house and

18 senate finance committees, the house and senate fiscal advisors, the department of labor and

19 training and the division of taxation. Any such analysis shall be available to the public for

20 inspection by any person and shall be published by the tax administrator on the tax division

21 website. Annually thereafter, through and including the second tax year after any taxpayer has

22 applied for and received a tax credit pursuant to this chapter, the department of labor and training

23 shall certify to the chairpersons of the house and senate finance committees, the house and senate

24 fiscal advisors, the corporation and the division of taxation that: (i) the actual number of new full-

25 time jobs with benefits created by the tax credit, not including construction jobs, is on target to

26 meet or exceed the estimated number of new jobs identified in the analysis above; and (ii) the

27 actual number of existing full-time jobs with benefits has not declined. For purposes of this

28 section, "full-time jobs with benefits" means jobs that require working a minimum of thirty (30)

29 hours per week within the state, with a median wage that exceeds by five percent (5%) the

30 median annual wage for full-time jobs in Rhode Island and within the taxpayer's industry, with a

31 benefit package that includes healthcare insurance plus other benefits typical of companies within

32 the taxpayer's industry. The department of labor and training shall also certify annually to the

33 house and senate fiscal committee chairs, the house and senate fiscal advisors, and the division of

34 taxation that jobs created by the tax credit are "new jobs" in the state of Rhode Island, meaning

1 that the employees of the project are in addition to, and without a reduction of, those employees
2 of the taxpayer currently employed in Rhode Island, are not relocated from another facility of the
3 taxpayer in Rhode Island or are employees assumed by the taxpayer as the result of a merger or
4 acquisition of a company already located in Rhode Island. The certifications made by the
5 department of labor and training shall be available to the public for inspection by any person and
6 shall be published by the tax administrator on the tax division website.

7 (d) The council, with the assistance of the taxpayer, the department of labor and training,
8 the department of human services and the division of taxation shall provide annually an analysis
9 of whether any of the employees of the taxpayer has received RIte Care or RIte Share benefits
10 and the impact such benefits or assistance may have on the state budget. This analysis shall be
11 available to the public for inspection by any person and shall be published by the tax
12 administrator on the tax division website. Notwithstanding any other provision of law or rule or
13 regulation, the division of taxation, the department of labor and training and the department of
14 human services are authorized to present, review and discuss taxpayer-specific tax or
15 employment information or data with the council, the chairpersons of the house and senate
16 finance committees, and/or the house and senate fiscal advisors for the purpose of verification
17 and compliance with this tax credit reporting requirement.

18 (e) Any agreements or contracts entered into by the council and the taxpayer shall be
19 sent to the division of taxation and be available to the public for inspection by any person and
20 shall be published by the tax administrator on the tax division website.

21 (f) By August 15th of each year the taxpayer shall report the source and amount of any
22 bonds, grants, loans, loan guarantees, matching funds or tax credits received from any state
23 governmental entity, state agency or public agency as defined in section 37-2-7 received during
24 the previous state fiscal year. This annual report shall be sent to the division of taxation and be
25 available to the public for inspection by any person and shall be published by the tax
26 administrator on the tax division website.

27 (g) By August 15th of each year the division of taxation shall report the name, address,
28 and amount of tax credit received for each taxpayer during the previous state fiscal year to the
29 council, the chairpersons of the house and senate finance committees, the house and senate fiscal
30 advisors, the department of labor and training and the division of taxation. This report shall be
31 available to the public for inspection by any person and shall be published by the tax
32 administrator on the tax division website.

33 (h) On or before September 1, 2011, and every September 1 thereafter, the project lessee
34 shall file an annual report with the tax administrator. Said report shall contain each full-time

1 equivalent, part-time or seasonal employee's name, social security number, date of hire, and
2 hourly wage as of the immediately preceding July 1 and such other information deemed necessary
3 by the tax administrator. The report shall be filed on a form and in a manner prescribed by the tax
4 administrator.

5 SECTION 8. Section 44-31.2-6.1 of the General Laws in Chapter 44-31.2 entitled
6 "Motion Picture Production Tax Credits" is hereby amended to read as follows:

7 **44-31.2-6.1. Impact analysis and periodic reporting.** -- (a) The film office shall not
8 certify or approve any application under section 44-31.2-6 of this chapter until it has first
9 prepared and publicly released an analysis of the impact the proposed investment will or may
10 have on the state. The analysis shall be supported by appropriate data and documentation and
11 shall consider, but not be limited to, the following factors:

- 12 (i) The impact on the industry or industries in which the applicant will be involved;
- 13 (ii) State fiscal matters, including the state budget (revenues and expenses);
- 14 (iii) The financial exposure of the taxpayers of the state under the plans for the proposed
15 investment and negative foreseeable contingencies that may arise therefrom;
- 16 (iv) The approximate number of full-time, part-time, temporary, seasonal and/or
17 permanent jobs projected to be created, construction and non-construction;
- 18 (v) Identification of geographic sources of the staffing for identified jobs;
- 19 (vi) The projected duration of the identified construction jobs;
- 20 (vii) The approximate wage rates for each category of the identified jobs;
- 21 (viii) The types of fringe benefits to be provided with the identified jobs, including
22 healthcare insurance and any retirement benefits;
- 23 (ix) The projected fiscal impact on increased personal income taxes to the state of Rhode
24 Island; and
- 25 (x) The description of any plan or process intended to stimulate hiring from the host
26 community, training of employees or potential employees, and outreach to minority job
27 applicants and minority businesses.

28 (b) The film office shall monitor every impact analysis it completes through the duration
29 of any approved tax credit. Such monitoring shall include annual reports made available to the
30 public on the:

- 31 (1) Actual versus projected impact for all considered factors; and
 - 32 (2) Verification of all commitments made in consideration of state incentives or aid.
- 33 (c) Upon its preparation and release of the analysis required by subsection (b) of this
34 section, the film office shall provide copies of that analysis to the chairpersons of the house and

1 senate finance committees, the house and senate fiscal advisors, the department of labor and
2 training and the division of taxation. Any such analysis shall be available to the public for
3 inspection by any person and shall be published by the tax administrator on the tax division
4 website. Annually thereafter, through and including the second tax year after any taxpayer has
5 applied for and received a tax credit pursuant to this chapter, the department of labor and training
6 shall certify to the chairpersons of the house and senate finance committees, the house and senate
7 fiscal advisors, the corporation and the division of taxation that: (i) the actual number of new full-
8 time jobs with benefits created by the state-certified production, not including construction jobs,
9 is on target to meet or exceed the estimated number of new jobs identified in the analysis above,
10 and (ii) the actual number of existing full-time jobs with benefits has not declined. For purposes
11 of this section, "full-time jobs with benefits" means jobs that require working a minimum of thirty
12 (30) hours per week within the state, with a median wage that exceeds by five percent (5%) the
13 median annual wage for full-time jobs in Rhode Island and within the taxpayer's industry, with a
14 benefit package that includes healthcare insurance plus other benefits typical of companies within
15 the motion picture industry. The department of labor and training shall also certify annually to the
16 house and senate fiscal committee chairs, the house and senate fiscal advisors, and the division of
17 taxation that jobs created by the state-certified production are "new jobs" in the state of Rhode
18 Island, meaning that the employees of the motion picture production company are in addition to,
19 and without a reduction of, those employees of the motion picture production company currently
20 employed in Rhode Island, are not relocated from another facility of the motion picture
21 production company in Rhode Island or are employees assumed by the motion picture production
22 company as the result of a merger or acquisition of a company already located in Rhode Island.
23 The certifications made by the department of labor and training shall be available to the public for
24 inspection by any person and shall be published by the tax administrator on the tax division
25 website.

26 (d) The film office, with the assistance of the motion picture production company, the
27 department of labor and training, the department of human services and the division of taxation
28 shall provide annually an analysis of whether any of the employees of the motion picture
29 production company has received RIte Care or RIte Share benefits and the impact such benefits
30 or assistance may have on the state budget. This analysis shall be available to the public for
31 inspection by any person and shall be published by the tax administrator on the tax division
32 website. Notwithstanding any other provision of law or rule or regulation, the division of
33 taxation, the department of labor and training and the department of human services are
34 authorized to present, review and discuss project-specific tax or employment information or data

1 with the film office, the chairpersons of the house and senate finance committees, and/or the
2 house and senate fiscal advisors for the purpose of verification and compliance with this tax
3 credit reporting requirement.

4 (e) Any agreements or contracts entered into by the film office and the motion picture
5 production company shall be sent to the division of taxation and be available to the public for
6 inspection by any person and shall be published by the tax administrator on the tax division
7 website.

8 (f) By August 15th of each year the motion picture production company shall report the
9 source and amount of any bonds, grants, loans, loan guarantees, matching funds or tax credits
10 received from any state governmental entity, state agency or public agency as defined in section
11 37-2-7 received during the previous state fiscal year. This annual report shall be sent to the
12 division of taxation and be available to the public for inspection by any person and shall be
13 published by the tax administrator on the tax division website.

14 (g) By August 15th of each year the division of taxation shall report the name, address,
15 and amount of tax credit received for each motion picture production company during the
16 previous state fiscal year to the film office, the chairpersons of the house and senate finance
17 committees, the house and senate fiscal advisors, the department of labor and training and the
18 division of taxation. This report shall be available to the public for inspection by any person and
19 shall be published by the tax administrator on the tax division website.

20 (h) On or before September 1, 2011, and every September 1 thereafter, the project le ssee
21 shall file an annual report with the tax administrator. Said report shall contain each full-time
22 equivalent, part-time or seasonal employee's name, social security number, date of hire, and
23 hourly wage as of the immediately preceding July 1 and such other information deemed necessary
24 by the tax administrator. The report shall be filed on a form and in a manner prescribed by the tax
25 administrator.

26 SECTION 9. Section 42-142-5 of the General Laws in Chapter 42-142 entitled
27 "Department of Revenue" is hereby repealed.

28 ~~**42-142-5. Annual unified economic development budget report.** -- (a) The director of~~
29 ~~the department of revenue shall, not later than October 15 of each state fiscal year, compile and~~
30 ~~publish, in printed and electronic form, including on the Internet, an annual unified economic~~
31 ~~development budget report which shall provide the following comprehensive information~~
32 ~~regarding the costs and benefits of all tax credits or other tax benefits conferred pursuant to~~
33 ~~sections 42-64-10, 44-63-3, 42-64.5-5, 42-64.3-6.1, 42-64.9-6.2 and 44-31.2-6.1 during the~~
34 ~~preceding fiscal year:~~

1 ~~(1) The name of each recipient of any such tax credit or other tax benefit; the dollar~~
2 ~~amount of each such tax credit or other tax benefit; and summaries of the number of full-time and~~
3 ~~part-time jobs created or retained, employee benefits provided and the degree to which job~~
4 ~~creation and retention, wage and benefit goals and requirements of recipient and related~~
5 ~~corporations, if any, have been met. The report shall include aggregate dollar amounts for each~~
6 ~~category of tax credit or other tax benefit and for each geographical area within the state; the~~
7 ~~number of recipients within each category of tax credit or other tax benefit; the number of full-~~
8 ~~time and part-time jobs created or retained, the employee benefits provided; and the degree to~~
9 ~~which job creation and retention, wage and benefit rate goals and requirements have been met~~
10 ~~within each category of tax credit or other tax benefit; and~~

11 ~~(2) The dollar amounts of all such tax credits and other tax benefits by each approving~~
12 ~~authority pursuant to sections 42-64-10, 44-63-3, 42-64.5-5, 42-64.3-6.1, 42-64.9-6.2 and 44-~~
13 ~~31.2-6.1, together with the cost to the state and to the approving agency; the value of the tax~~
14 ~~credit or other tax benefits to each recipient thereof; and summaries of the number of full-time~~
15 ~~and part-time jobs created or retained, employee benefits provided, and the degree to which job~~
16 ~~creation and retention, wage and benefit rate goals and requirements of the recipients and related~~
17 ~~corporations, if any, have been met.~~

18 ~~(b) The director of the department of revenue shall provide to the general assembly, as~~
19 ~~part of the annual budget request of the governor, and shall make available to the public via the~~
20 ~~Internet, a comprehensive presentation of the costs of all such tax credits and other tax benefits to~~
21 ~~the state during the preceding fiscal year, an estimate of the anticipated costs of such tax credits~~
22 ~~and other tax incentives for the then current fiscal year, and an estimate of the costs of all such~~
23 ~~tax credits or other tax benefits for the fiscal year of the requested budget, including, but not~~
24 ~~limited to:~~

25 ~~(1) The total cost to the state of tax expenditures resulting from such tax credits and~~
26 ~~other tax benefits, the costs for each category of tax credits and other tax benefits, and the~~
27 ~~amounts of tax credits and other tax benefits by geographical area;~~

28 ~~(2) The extent to which any employees of and recipients of any such tax credits or other~~
29 ~~tax benefits has received Rite Care or Rite Share benefits or assistance and the impact that any~~
30 ~~such benefits or assistance may have on the state budget; and~~

31 ~~(3) The cost to the state of all appropriated expenditures for such tax credits and other~~
32 ~~tax benefits, including line-item budgets for every state-funded entity concerned with economic~~
33 ~~development, including, but not limited to, the department of labor and training, the department~~
34 ~~of education, the economic development corporation, the commissioner of higher education, and~~

1 ~~the research and business assistance programs of public institutions of higher education.~~

2 ~~-(e) Forthwith upon passage of this act, the director of the department of revenue shall~~
3 ~~undertake to develop a method and a procedure for the collection and analysis of comprehensive~~
4 ~~information on the basis of which the costs and the fiscal and social efficacies associated with~~
5 ~~those tax credits and other tax benefits conferred pursuant to sections 44-31-1, 44-31-1.1, 44-31-~~
6 ~~2, 44-32-2, 44-32-3, 44-42-2 and 44-55-4 may be evaluated and weighed by the executive and~~
7 ~~legislative branches of state government. On or before December 31, 2008, the director shall~~
8 ~~report to the governor and to the chairpersons of the house and senate committees on finance~~
9 ~~upon his or her compliance with this subsection and set forth his conclusions and~~
10 ~~recommendations with respect thereto.~~

11 SECTION 10. Chapter 42-142 of the General Laws entitled "Department of Revenue" is
12 hereby amended by adding thereto the following section:

13 **42-142-6. Annual unified economic development report.** – (a) The director of the
14 department of revenue shall, no later than January 15th of each state fiscal year, compile and
15 publish, in printed and electronic form, including on the Internet, an annual unified economic
16 development report which shall provide the following comprehensive information regarding the
17 tax credits or other tax benefits conferred pursuant to sections 42-64-10, 44-63-3, 42-64.5-5, 42-
18 64.3-1, and 44-31.2-6.1 during the preceding fiscal year:

19 (1) The name of each recipient of any such tax credit or other tax benefit; the dollar
20 amount of each such tax credit or other tax benefit; and summaries of the number of full-time and
21 part-time jobs created or retained, an overview of benefits offered, and the degree to which job
22 creation and retention, wage and benefit goals and requirements of recipient and related
23 corporations, if any, have been met. The report shall include aggregate dollar amounts of each
24 category of tax credit or other tax benefit; to the extent possible, the amounts of tax credits and
25 other tax benefits by geographical area; the number of recipients within each category of tax
26 credit or retained; overview of benefits offered; and the degree to which job creation and
27 retention, wage and benefit rate goals and requirements have been met within each category of
28 tax credit or other tax benefit;

29 (2) The cost to the state and the approving agency for each tax credit or other tax benefits
30 conferred pursuant to sections 42-64-10, 44-63-3, 42-64.5-5, 42-64.3-1, and 44-31.2-6.1 during
31 the preceding fiscal year;

32 (3) To the extent possible, the amounts of tax credits and other tax benefits by
33 geographical area; and

34 (4) The extent to which any employees of and recipients of any such tax credits or other

1 [tax benefits has received RItE Care or RItE Share benefits or assistance.](#)

2 (b) After the initial report, the division of taxation will perform reviews of each recipient
3 of this tax credit or other tax benefits to ensure the accuracy of the employee data submitted. The
4 division of taxation will include a summary of the reviews performed along with any adjustments,
5 modifications and/or allowable recapture of tax credit amounts and data included on prior year
6 reports.

7 SECTION 11. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled
8 “Licensing of Health Care Facilities” is hereby amended to read as follows:

9 **23-17-38.1. Hospitals – Licensing fee.** ~~-- (a) There is also imposed a hospital licensing~~
10 ~~fee at the rate of five and three hundred fourteen thousandths percent (5.314%) upon the net~~
11 ~~patient services revenue of every hospital for the hospital's first fiscal year ending on or after~~
12 ~~January 1, 2008. This licensing fee shall be administered and collected by the tax administrator,~~
13 ~~division of taxation within the department of administration, and all the administration, collection~~
14 ~~and other provisions of chapters 50 and 51 of title 14 shall apply. Every hospital shall pay the~~
15 ~~licensing fee to the tax administrator on or before July 12, 2010 and payments shall be made by~~
16 ~~electronic transfer of monies to the general treasurer and deposited to the general fund in~~
17 ~~accordance with § 44-50-11 [repealed]. Every hospital shall, on or before June 14, 2010, make a~~
18 ~~return to the tax administrator containing the correct computation of net patient services revenue~~
19 ~~for the hospital fiscal year ending September 30, 2008, and the licensing fee due upon that~~
20 ~~amount. All returns shall be signed by the hospital's authorized representative, subject to the pains~~
21 ~~and penalties of perjury.~~

22 ~~(b)~~(a) There is ~~also~~ imposed a hospital licensing fee at the rate of five and four hundred
23 sixty-five thousandths percent (5.465%) upon the net patient services revenue of every hospital
24 for the hospital's first fiscal year ending on or after January 1, 2009. This licensing fee shall be
25 administered and collected by the tax administrator, division of taxation within the department of
26 administration, and all the administration, collection and other provisions of chapters 50 and 51 of
27 title ~~14~~ [44](#) shall apply. Every hospital shall pay the licensing fee to the tax administrator on or
28 before July 18, 2011 and payments shall be made by electronic transfer of monies to the general
29 treasurer and deposited to the general fund in accordance with § 44-50-11 [repealed]. Every
30 hospital shall, on or before June 20, 2011, make a return to the tax administrator containing the
31 correct computation of net patient services revenue for the hospital fiscal year ending September
32 30, 2009, and the licensing fee due upon that amount. All returns shall be signed by the hospital's
33 authorized representative, subject to the pains and penalties of perjury.

34 [\(b\) There is also imposed a hospital licensing fee at the rate of five and forty-three](#)

1 hundredths percent (5.43%) upon the net patient services revenue of every hospital for the
2 hospital's first fiscal year ending on or after January 1, 2010. This licensing fee shall be
3 administered and collected by the tax administrator, division of taxation within the department of
4 administration, and all the administration, collection and other provisions of chapters 50 and 51 of
5 title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before
6 July 16, 2012 and payments shall be made by electronic transfer of monies to the general
7 treasurer and deposited to the general fund in accordance with section 44-50-11 [repealed]. Every
8 hospital shall, on or before June 18, 2012, make a return to the tax administrator containing the
9 correct computation of net patient services revenue for the hospital fiscal year ending September
10 30, 2010, and the licensing fee due upon that amount. All returns shall be signed by the hospital's
11 authorized representative, subject to the pains and penalties of perjury.

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

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

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

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

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

25 (e) The licensing fee imposed by this section shall apply to hospitals as defined herein
26 which are duly licensed on July 1, ~~2010~~ 2011, and shall be in addition to the inspection fee
27 imposed by § 23-17-38 and to any licensing fees previously imposed in accordance with § 23-17-
28 38.1.

29 SECTION 12. Section 7-11-206 of the General Laws in Chapter 7-11 entitled "Licensing
30 and notice fees; and filing requirements for federal advisers" is hereby amended to read as
31 follows:

32 **7-11-206. Licensing and notice fees; and filing requirements for federal covered**
33 **advisers. –**

34 (a) A federal covered adviser or an applicant for licensing shall pay an annual fee as

1 follows:

2 (1) Broker dealer three hundred dollars (\$300) and for each branch office one hundred
3 dollars (\$100);

4 (2) Sales representative ~~sixty (\$60.00)~~ seventy-five dollars (\$75.00);

5 (3) Investment adviser three hundred dollars (\$300);

6 (4) Investment adviser representative sixty dollars (\$60.00); and

7 (5) Federal covered adviser ~~two hundred and fifty (\$250)~~ three hundred dollars (\$300).

8 (b) Except with respect to federal covered advisers whose only clients are those described
9 in § 7-11-204(1)(i), a federal covered adviser shall file any documents filed with the U.S.
10 Securities and Exchange Commission with the director, that the director requires by rule or order,
11 together with any notice fee and consent to service of process that the director requires by rule or
12 order. The notice filings under this subsection expire annually on December 31, unless renewed.

13 (c) A notice filing under this section is effective from receipt until the end of the calendar
14 year. A notice filing may be renewed by filing any documents that have been filed with the U.S.
15 Securities and Exchange Commission as required by the director along with a renewal fee of ~~two~~
16 ~~hundred fifty (\$250)~~ three hundred dollars (\$300).

17 (d) A federal covered adviser may terminate a notice filing upon providing the director
18 notice of the termination, which is effective upon receipt by the director.

19 (e) Notwithstanding the provisions of this section, until October 11, 1999, the director
20 may require the registration as an investment adviser of any federal covered adviser who has
21 failed to promptly pay the fees required by this section after written notification from the director
22 of the non-payment or underpayment of the fees. A federal covered adviser is considered to have
23 promptly paid the fees if they are remitted to the director within fifteen (15) days following the
24 federal covered adviser's receipt of written notice from the director.

25 (f) For purposes of this section, "branch office" means any location where one or more
26 associated persons of a broker-dealer regularly conducts the business of effecting any transactions
27 in, or inducing or attempting to induce the purchase or sale of any security, or is held out as such,
28 excluding:

29 (1) Any location that is established solely for customer service and/or back office type
30 functions where no sales activities are conducted and that is not held out to the public as a branch
31 office;

32 (2) Any location that is the associated person's primary residents; provided that:

33 (i) Only one associated person, or multiple associated persons who reside at that location
34 and are members of the same immediate family, conduct business at the location;

1 (ii) The location is not held out to the public as an office and the associated person does
2 not meet with customers at the location;

3 (iii) Neither customer funds nor securities are handled at that location;

4 (iv) The associated person is assigned to a designated branch office, and such designated
5 branch office is reflected on all business cards, stationery, advertisements and other
6 communications to the public by such associated person;

7 (v) The associated person's correspondence and communications with the public are
8 subject to the firm's supervision in accordance with Rule 3010 of the Financial Industry
9 Regulatory Authority;

10 (vi) Electronic communications are made through the broker-dealer's electronic system;

11 (vii) All orders are entered through the designated branch office or an electronic system
12 established by the broker-dealer that is reviewable at the branch office;

13 (viii) Written supervisory procedures pertaining to supervision of sales activities
14 conducted at the residence are maintained by the broker-dealer; and

15 (ix) A list of the residence locations is maintained by the broker-dealer;

16 (3) Any location, other than a primary residence, that is used for securities business for
17 less than thirty (30) business days in any one calendar year, provided the broker-dealer complies
18 with the provisions of paragraph (f)(2)(i) through (ix) above;

19 (4) Any office of convenience, where associated person occasionally and exclusively by
20 appointment meet with customers, which is not held out to the public as an office.

21 (5) Any location that is used primarily to engage in non-securities activities and from
22 which the associated person(s) effects no more than twenty-five (25) securities transactions in any
23 one calendar year; provided that any advertisement or sales literature identifying such location
24 also sets forth the address and telephone number of the location from which the associated
25 person(s) conducting business at the non-branch locations are directly supervised;

26 (6) The floor of a registered national securities exchange where a broker-dealer conducts
27 a direct access business with public customers.

28 (7) A temporary location established in response to the implementation of a business
29 continuity plan.

30 (8) Notwithstanding the exclusions in paragraph (f), any location that is responsible for
31 supervising the activities of persons associated with the broker-dealer at one or more non-branch
32 locations of the broker-dealer is considered to be a branch office.

33 (9) The term "business day" as used in subsection 711-206(f) shall not include any
34 partial business day provided that the associated person spends at least four (4) hours on such

1 business day at his or her designated branch office during the hours that such office is normally
2 open for business.

3 (10) Where such office of convenience is located on bank premises, signage necessary to
4 comply with applicable federal and state laws, rules and regulations and applicable rules and
5 regulations of the New York Stock Exchange, other self-regulatory organizations, and securities
6 and banking regulators may be displayed and shall not be deemed "holding out" for purposes of
7 subdivision 7-11-206(f)(iv).

8 (g) If an application is denied or withdrawn or the license is revoked, suspended, or
9 withdrawn, the director is not required to refund the fee paid.

10 (h) The director may issue a stop order suspending the activities of a federal covered
11 adviser in this state if the director reasonably believes there has been a violation of the provisions
12 of this section.

13 SECTION 13. Section 31-10.3-20 of the General Laws in Chapter 31-10.3 entitled
14 "Rhode Island Uniform Commercial Driver's License Act" is hereby amended to read as follows:

15 **31-10.3-20. Fees.** -- The fees charged for commercial licenses, endorsements,
16 classifications, restrictions, and required examinations shall be as follows:

17 (1) For every commercial operator's first license, thirty dollars (\$30.00);

18 (2) For every renewal of a commercial license, fifty dollars (\$50.00);

19 (3) For every duplicate commercial license, ten dollars (\$10.00);

20 (4) For every duplicate commercial instruction permit, ten dollars (\$10.00)

21 (5) For any change of:

22 (i) Classification(s), ten dollars (\$10.00);

23 (ii) Endorsement(s), ten dollars (\$10.00);

24 (iii) Restriction(s), ten dollars (\$10.00);

25 (6) For every written and/or oral examination, ten dollars (\$10.00);

26 (7) The board of governors for higher education shall establish fees that are deemed
27 necessary for the Community College of Rhode Island to administer the skill test, not to exceed
28 one hundred dollars (\$100). ~~For every skill test examination administered by the division, fifty~~
29 ~~dollars (\$50.00) which shall be dedicated to the Community College of Rhode Island to offset the~~
30 ~~administrative costs of conducting the driving skills examination(s).~~

31 SECTION 14. Section 42-61-7.2 of the General Laws in Chapter 42-61 entitled "State
32 Lottery" is hereby amended by adding hereto the following section:

33 **42-61-7.2. Payment of prizes in excess of six hundred dollars (\$600) – Setoff for**
34 **unpaid taxes.** -- Notwithstanding the provisions of section 42-61-7 and section 42-61-7.1 relating

1 to assignment of prizes and setoff for child support debts and benefit overpayments, the following
2 setoff provisions shall apply to the payment of any prizes or winning ticket in excess of six
3 hundred dollars (\$600).

4 (1) With respect to a person entitled to receive the prize or winning ticket who has unpaid
5 taxes owed to the tax administrator in excess of six hundred dollars (\$600), as evidenced by the
6 tax administrator pursuant to subdivision 42-61-7.2(3), the lottery director:

7 (i) Shall setoff against the amount due to that person after state and federal tax
8 withholding an amount up to the balance of the unpaid taxes owed as evidenced by the tax
9 administrator pursuant to subdivision 42-61-7.2(3), and the director shall make payment of this
10 amount directly to the tax administrator; and

11 (ii) Shall pay to that person the remaining balance of the prize or winning ticket amount,
12 if any, after reduction of the amount setoff above for taxes owed. If in any instance, the lottery
13 director has received notice from more than one claimant agency, the claim for child support
14 arrears(s) owed to the department of human services shall receive first (1st) priority, the claim
15 for benefit overpayments and interest owed to the department of labor and training the second
16 (2nd) priority, and the claim for taxes owed to the tax administrator the third (3rd) priority.

17 (2) The director shall be discharged of all further liability upon payment of a prize or
18 winning ticket pursuant to this section.

19 (3) The tax administrator shall periodically within each year furnish the director with a
20 list or compilation of names of individuals, together with any other identifying information and in
21 a form that the director shall require, who as of the date of the list or compilation, have unpaid
22 taxes in excess of six hundred dollars (\$600).

23 (4) Any party aggrieved by any action taken under this section may, within thirty (30)
24 days of the withholding of the payment by the lottery director, seek a review with the tax
25 administrator, who may, in his or her discretion, issue a temporary order prohibiting the
26 disbursement of funds under this section, pending final decision.

27 SECTION 15. Section 44-23-1 of the General Laws in Chapter 44-23 entitled "Estate
28 and Transfer Taxes – Enforcement and Collection" is hereby amended to read as follows:

29 **44-23-1. Statements filed by executors, administrators and heirs -at-law. --**

30 (a) Every executor, administrator, and heir-at-law, within nine (9) months after the death
31 of the decedent, shall file with the tax administrator a statement under oath showing the full and
32 fair cash value of the estate, the amounts paid out from the estate for claims, expenses, charges,
33 and fees, and the statement shall also provide the names and addresses of all persons entitled to
34 take any share or interest of the estate as legatees or distributees of the estate.

1 (b) A fee of ~~twenty five dollars (\$25.00)~~ fifty dollars (\$50.00) is paid when filing any
2 statement required by this section. All fees received under this section are allocated to the tax
3 administrator for enforcement and collection of taxes.

4 SECTION 16. Section 44-11-29.1 of the General Laws in Chapter 42-61 entitled
5 "Letters of good standing – Fees" is hereby amended to read as follows:

6 **44-11-29.1. Letters of good standing – Fees.** -- There shall be a fee of ~~twenty five~~
7 ~~dollars (\$25.00)~~ fifty dollars (\$50.00) for any ~~corporate~~ letter of good standing issued upon the
8 request of a taxpayer. All fees collected under this section shall be allocated to the tax
9 administrator for enforcement and collection of all taxes.

10 SECTION 17. TITLE 44 of the General Laws entitled "TAXATION" is hereby amended
11 by adding thereto the following chapter:

12 **44-67-1. Short title.** -- This chapter shall be known as "The Compassion Center
13 Surcharge Act."

14 **44-67-2. Definitions.** -- For purposes of this chapter:

15 (1) "Administrator" means the tax administrator within the department of revenue.

16 (2) "Compassion center" means a not-for-profit entity registered under section 21-28.6-
17 12 that acquires, possesses, cultivates, manufactures, delivers, transfers, transports, supplies or
18 dispenses marijuana, or related supplies and educational materials, to registered qualifying
19 patients and their registered primary caregivers who have designated it as one of their primary
20 caregivers.

21 (3) "Net patient revenue" means the gross amount received on a cash basis by a
22 compassion center net of returns and allowances.

23 (4) "Practitioner" means a person who is licensed with authority to prescribe drugs
24 pursuant to chapter 37 of title 5 or a physician licensed with authority to prescribe drugs in
25 Massachusetts or Connecticut.

26 (5) "Primary caregiver" means either a natural person who is at least twenty-one (21)
27 years old or a compassion center. Unless the primary caregiver is a compassion center, a natural
28 primary caregiver may assist no more than five (5) qualifying patients with their medical use of
29 marijuana.

30 (6) "Qualifying patient" means a person who has been diagnosed by a practitioner as
31 having a debilitating medical condition and is a resident of Rhode Island.

32 (7) "Surcharge" means the assessment that is imposed upon net patient revenue
33 pursuant to this chapter.

34 (8) Any term not defined in this chapter shall have the same meaning as used in chapter

1 28.6 of title 21.

2 **44-67-3. Imposition of surcharge – Compassion centers.** -- A surcharge at a rate of
3 four percent (4.0%) shall be imposed upon the net patient revenue received each month by every
4 compassion center. Every compassion center shall pay the monthly surcharge to the tax
5 administrator no later than the twentieth (20th) day of the month following the month that the net
6 patient revenue was received. This surcharge shall be in addition to any other authorized fees that
7 have been assessed upon a compassion center.

8 **44-67-4. Returns.** -- (a) Every compassion center shall, on or before the twentieth (20th)
9 day of the month following the month that the net patient revenue was received, make a return to
10 the tax administrator.

11 (b) Compassion centers shall file their returns on a form as prescribed by the tax
12 administrator containing data for the computation of net patient revenue and the surcharge. If a
13 return shows an overpayment of a surcharge, the tax administrator shall refund or credit the
14 overpayment to the compassion center.

15 (c) The tax administrator, for good cause shown, may extend the time within which a
16 compassion center is required to file a return. If the return is filed during the period of extension,
17 no penalty or late filing charge may be imposed for failure to file the return at the time required
18 by this chapter, but the compassion center shall be liable for any interest as prescribed in this
19 chapter. Failure to file the return during the period for the extension shall make the extension null
20 and void and an appropriate penalty or late filing charge shall be imposed.

21 **44-67-5. Setoff for delinquent payment of surcharge.** -- If a compassion center fails to
22 pay a surcharge, penalty or late filing charge within thirty (30) days of its due date, the tax
23 administrator may request any agency of state government to setoff the amount of the
24 delinquency against any payment due the compassion center from the agency and to remit to the
25 tax administrator the amount of the surcharge, penalty and/or late filing charge from any such
26 payment owed the compassion center. Upon receipt of a request for setoff from the tax
27 administrator, any agency of state government is authorized and empowered to setoff the amount
28 of any delinquency against any payment due the compassion center. The amount of setoff shall be
29 credited against the surcharge, penalty and/or late filing charge due from the compassion center.

30 **44-67-6. Surcharge on available information – Interest on delinquencies – Penalties**
31 **– Collection powers.** -- If any compassion center fails, within the time required by this chapter,
32 to file a return, or files an insufficient or incorrect return, or does not pay the surcharge imposed
33 by this chapter when it is due, the tax administrator shall make an assessment based upon
34 available information, which assessment shall be payable upon demand and shall bear interest

1 from the date when the surcharge should have been paid at the annual rate set forth in section 44-
2 1-7. If any part of the surcharge is caused by the negligence or intentional disregard of the
3 provisions of this chapter, a penalty of ten percent (10%) of the amount of the determination shall
4 be added to the surcharge. The tax administrator shall collect the surcharge with interest, penalty
5 and/or late filing charge in the same manner and with the same powers as prescribed for
6 collection of taxes in this title.

7 **44-67-7. Claims for refund – Hearing upon denial.** -- (a) A claim for refund of an
8 overpayment of a surcharge may be filed by a compassion center with the tax administrator at any
9 time within two (2) years after the surcharge has been paid. If the tax administrator determines
10 that a surcharge has been overpaid, the tax administrator shall make a refund with interest from
11 the date of overpayment at the rate provided in section 44-1-7.1.

12 (b) Any compassion center aggrieved by an action of the tax administrator in determining
13 the amount of any surcharge or penalty imposed under the provisions of this chapter may, within
14 thirty (30) days after the notice of the action was mailed, apply to the tax administrator, for a
15 hearing relative to the surcharge or penalty. The tax administrator shall fix a time and place for
16 the hearing and shall so notify the compassion center.

17 **44-67-8. Hearing by tax administrator on application.** -- Following the hearing, if the
18 tax administrator upholds the amount of the surcharge assessed, the amount owed shall be
19 assessed together with any penalty and/or interest thereon.

20 **44-67-9. Appeals.** -- Appeals from administrative orders or decisions made pursuant to
21 any provisions of this chapter shall be to the sixth (6th) division district court pursuant to chapter 8
22 of title 8. The compassion center's right to appeal under this section shall be conditional upon
23 prepayment of all surcharges, interest, and penalties, unless the compassion center moves for and
24 is granted an exemption from the prepayment requirement, pursuant to section 8-8-26. Following
25 the appeal, if the court determines that the compassion center is entitled to a refund, the
26 compassion center shall be paid interest on the refund at the rate provided in section 44-1-7.1.

27 **44-67-10. Compassion Center records.** -- Every compassion center shall:

28 (1) Keep records as may be necessary to determine the amount of its liability under this
29 chapter;

30 (2) Preserve those records for the period of three (3) years following the date of filing of
31 any return required by this chapter, or until any litigation or prosecution under this chapter has
32 been completed; and

33 (3) Make those records available for inspection upon demand by the tax administrator or
34 his/her authorized agents at reasonable times during regular business hours.

1 **44-67-11. Method of payment and deposit of surcharge.** -- (a) Payments required by
2 this chapter shall be made by electronic transfer of monies to the general treasurer for deposit in
3 the general fund.

4 (b) The general treasurer is authorized to establish necessary accounts and to take all
5 steps necessary to facilitate the electronic transfer of monies. Upon request of the tax
6 administrator the general treasurer shall provide the tax administrator a record of any such monies
7 transferred and deposited.

8 **4-67-12. Rules and regulations.** -- The tax administrator is authorized to promulgate
9 rules and regulations to carry out the provisions, policies, and purposes of this chapter including,
10 but not limited to, emergency rules and regulations pursuant to subsection 42-35-3(b).

11 **44-67-13. Severability.** -- If any provision of this chapter or the application of this
12 chapter to any person or circumstances is held invalid, that invalidity shall not affect other
13 provisions or applications of the chapter that can be given effect without the invalid provision or
14 application, and to this end the provisions of this chapter are declared to be severable.

15 SECTION 18. Section 44-1-34 of the General Laws in Chapter 44-1 entitled “State Tax
16 Officials” is hereby amended to read as follows:

17 **44-1-34. Tax Administrator to prepare list of delinquent taxpayers – Notice – Public**
18 **inspection.** -- (a) Notwithstanding any other provision of law, the tax administrator may, on a
19 quarterly basis,

20 (1) Prepare a list of the one hundred (100) delinquent taxpayers under chapter 44-30 who
21 owe the largest amount of state tax and whose taxes have been unpaid for a period in excess of
22 ninety (90) days following the date their tax was due.

23 (2) Prepare a list of the one hundred (100) delinquent taxpayers collectively under
24 chapters 44-11, 44-12, 44-13, 44-14, 44-15, 44-17, 44-18, and 44-20, who owe the largest
25 amount of state tax and whose taxes have been unpaid for a period in excess of ninety (90) days
26 following the date their tax was due.

27 (3) Each ~~The~~ list may contain the name and address of each delinquent taxpayer, the type
28 of tax levied, and the amount of the delinquency, including interest and penalty, as of the end of
29 the quarter. No taxpayer shall be included on such list if the tax assessment in question is the
30 subject of an appeal.

31 (b) The tax administrator shall not list any delinquent taxpayer until such time as he or
32 she gives the delinquent taxpayer thirty (30) days notice of intent to publish the taxpayer's
33 delinquency. Said notice shall be sent to the taxpayer's last known address by regular and
34 certified mail. If during said thirty (30) day period the taxpayer makes satisfactory arrangement

1 for payment of the delinquent tax, the name of such taxpayer shall not be published as long as the
2 taxpayer does not default on any payment agreement entered into with the division of taxation.

3 (c) Any such list prepared by the tax division shall be available to the public for
4 inspection by any person and may be published by the tax administrator on the tax division
5 website.

6 SECTION 19. Chapter 31-2 of the General Laws entitled "Division of Motor Vehicles"
7 is hereby amended by adding thereto the following section:

8 **31-2-24. Service fees on returned checks.** -- The division of motor vehicles is
9 authorized to impose a fee on returned checks, which shall not exceed fifty dollars (\$50.00) per
10 returned check.

11 SECTION 20. Chapter 42-142 of the General Laws entitled "Department of Revenue" is
12 hereby amended by adding thereto the following section:

13 **42-142-6. Collections of debts.** – (a) For the purpose of this section "governmental
14 entity" means the state, state agency, board commission, department, public institution of higher
15 learning, all political subdivisions of the state and quasi-state agency.

16 (b) Any governmental entity may contract to allow the tax administrator to collect an
17 outstanding liability owed the governmental entity. In administering the provisions of those
18 agreements, the tax administrator shall have all the rights and powers of collection provided
19 pursuant to title 44 for the collection of taxes and all the rights and powers authorized the
20 governmental entity to which the liability is owed. In addition, the tax administrator shall have all
21 of the rights and powers of collection provided pursuant to title 44 for the collection of taxes
22 including, but not limited to, the right to set-off debts enumerated in section 44-30.1 against any
23 amounts collected under the agreements. Subject to subordination to any set-off for past-due child
24 support, the tax administrator shall also have the right to set-off amounts owed to the division of
25 taxation against amounts collected under the agreements.

26 (c) The tax administrator may charge and retain a reasonable fee for a collection effort
27 made on behalf of a governmental entity. The amount of the fee must be negotiated between the
28 governmental entity and the tax administrator. The debtor must be given full credit toward the
29 satisfaction of the debt for the amount of the fee collected by the tax administrator pursuant to
30 this section.

31 (d) Governmental entities that contract with the tax administrator pursuant to this section
32 shall indemnify the tax administrator against injuries, actions, liabilities, or proceedings arising
33 from the collection or attempted collection by the tax administrator of the liability owed to the
34 governmental entity.

1 (e) The governmental entity shall notify the debtor of its intention to submit the liability
2 to the tax administrator for collection and of the debtor's right to appeal not less than thirty (30)
3 days before the liability is submitted to the tax administrator for collection.

4 SECTION 21. Section 42-64-20 of the General Laws in Chapter 42-64 entitled "Rhode
5 Island Economic Development Corporation" is hereby amended to read as follows:

6 **42-64-20. Exemption from taxation.** -- (a) The exercise of the powers granted by this
7 chapter will be in all respects for the benefit of the people of this state, the increase of their
8 commerce, welfare, and prosperity and for the improvement of their health and living conditions
9 and will constitute the performance of an essential governmental function and the corporation
10 shall not be required to pay any taxes or assessments upon or in respect of any project or of any
11 property or moneys of the Rhode Island economic development corporation, levied by any
12 municipality or political subdivision of the state; provided, that the corporation shall make
13 payments in lieu of real property taxes and assessments to municipalities and political
14 subdivisions with respect to projects of the corporation located in the municipalities and political
15 subdivisions during those times that the corporation derives revenue from the lease or operation
16 of the projects. Payments in lieu of taxes shall be in amounts agreed upon by the corporation and
17 the affected municipalities and political subdivisions. Failing the agreement, the amounts of
18 payments in lieu of taxes shall be determined by the corporation using a formula that shall
19 reasonably ensure that the amounts approximate the average amount of real property taxes due
20 throughout the state with respect to facilities of a similar nature and size. Any municipality or
21 political subdivision is empowered to accept at its option an amount of payments in lieu of taxes
22 less than that determined by the corporation. If, pursuant to section 42-64-13(f), the corporation
23 shall have agreed with a municipality or political subdivision that it shall not provide all of the
24 specified services, the payments in lieu of taxes shall be reduced by the cost incurred by the
25 corporation or any other person in providing the services not provided by the municipality or
26 political subdivision.

27 (b) The corporation shall not be required to pay state taxes of any kind, and the
28 corporation, its projects, property, and moneys and, except for estate, inheritance, and gift taxes,
29 any bonds or notes issued under the provisions of this chapter and the income (including gain
30 from sale or exchange) from these shall at all times be free from taxation of every kind by the
31 state and by the municipalities and all political subdivisions of the state. The corporation shall not
32 be required to pay any transfer tax of any kind on account of instruments recorded by it or on its
33 behalf.

34 (c) For purposes of the exemption from taxes and assessments upon or in respect of any

1 project under subsections (a) or (b) of this section, the corporation shall not be required to hold
2 legal title to any real or personal property, including any fixtures, furnishings or equipment which
3 are acquired and used in the construction and development of the project, but the legal title may
4 be held in the name of a lessee (including sublessees) from the corporation. This property, which
5 shall not include any goods or inventory used in the project after completion of construction, shall
6 be exempt from taxation to the same extent as if legal title of the property were in the name of the
7 corporation; provided that the board of directors of the corporation adopts a resolution confirming
8 use of the tax exemption for the project by the lessee. Such resolution shall not take effect until
9 thirty (30) days from passage. The resolution shall include findings that: (1) the project is a
10 project of the corporation under section 42-64-3(20), and (2) it is in the interest of the corporation
11 and of the project that legal title be held by the lessee from the corporation. In adopting the
12 resolution, the board of directors may consider any factors it deems relevant to the interests of the
13 corporation or the project including, for example, but without limitation, reduction in potential
14 liability or costs to the corporation or designation of the project as a "Project of Critical Economic
15 Concern" pursuant to Chapter 117 of this title.

16 (d) For purposes of the exemption from taxes and assessments for any project of the
17 corporation held by a lessee of the corporation under subsection (c) of this section, any such
18 project shall be subject to the following additional requirements:

19 (1) The total sales tax exemption benefit to the lessee will be implemented through a
20 reimbursement process as determined by the division of taxation rather than an up-front purchase
21 exemption;

22 (2) The sales tax benefits granted pursuant to RIGL 42-64-20(c) shall only apply to
23 project approved prior to July 1, 2011 and shall: (i) only apply to materials used in the
24 construction, reconstruction or rehabilitation of the project and to the acquisition of furniture,
25 fixtures and equipment, except automobiles, trucks or other motor vehicles, or materials that
26 otherwise are depreciable and have a useful life of one year or more, for the project for a period
27 not to exceed six (6) months after receipt of a certificate of occupancy for any given phase of the
28 project for which sales tax benefits are utilized; and (ii) not exceed an amount equal to the income
29 tax revenue received by the state from the new full-time jobs with benefits excluding project
30 construction jobs, generated by the project within a period of three (3) years from after the receipt
31 of a certificate of occupancy for any given phase of the project. "Full- time jobs with benefits"
32 means jobs that require working a minimum of thirty (30) hours per week within the state, with a
33 median wage that exceeds by five percent (5%) the median annual wage for the preceding year
34 for full-time jobs in Rhode Island, as certified by the department of labor and training with a

1 benefit package that is typical of companies within the lessee's industry. [The sales tax benefits](#)
2 [granted pursuant to Rhode Island general laws subsection 42-64-20\(c\) shall not be effective for](#)
3 [projects approved on or after July 1, 2011.](#)

4 (3) The corporation shall transmit the analysis required by RIGL 42-64-10(a)(2) to the
5 house and senate fiscal committee chairs, the department of labor and training and the division of
6 taxation promptly upon completion. Annually thereafter, the department of labor and training
7 shall certify to the house and senate fiscal committee chairs, the house and senate fiscal advisors,
8 the corporation and the division of taxation the actual number of new full-time jobs with benefits
9 created by the project, in addition to construction jobs, and whether such new jobs are on target to
10 meet or exceed the estimated number of new jobs identified in the analysis above. This
11 certification shall no longer be required when the total amount of new income tax revenue
12 received by the state exceeds the amount of the sales tax exemption benefit granted above.

13 (4) The department of labor and training shall certify to the house and senate fiscal
14 committee chairs and the division of taxation that jobs created by the project are "new jobs" in the
15 state of Rhode Island, meaning that the employees of the project are in addition to, and without a
16 reduction of, those employees of the lessee currently employed in Rhode Island, are not relocated
17 from another facility of the lessee's in Rhode Island or are employees assumed by the lessee as
18 the result of a merger or acquisition of a company already located in Rhode Island. Additionally,
19 the corporation, with the assistance of the lessee, the department of labor and training, the
20 department of human services and the division of taxation shall provide annually an analysis of
21 whether any of the employees of the project qualify for RIte Care or RIte Share benefits and the
22 impact such benefits or assistance may have on the state budget.

23 (5) Notwithstanding any other provision of law, the division of taxation, the department
24 of labor and training and the department of human services are authorized to present, review and
25 discuss lessee specific tax or employment information or data with the corporation, the house and
26 senate fiscal committee chairs, and/or the house and senate fiscal advisors for the purpose of
27 verification and compliance with this resolution; and

28 (6) The corporation and the project lessee shall agree that, if at any time prior to the state
29 recouping the amount of the sales tax exemption through new income tax collections from the
30 project, not including construction job income taxes, the lessee will be unable to continue the
31 project, or otherwise defaults on its obligations to the corporation, the lessee shall be liable to the
32 state for all the sales tax benefits granted to the project plus interest, as determined in RIGL 44-1-
33 7, calculated from the date the lessee received the sales tax benefits.

34 SECTION 22. Section 45-37.1-9.1 of the General Laws in Chapter 45-37.1 entitled

1 "Industrial Facilities Corporation" is hereby amended to read as follows:

2 **45-37.1-9.1. Procedure.** -- (a) An exemption from payment of state sales tax shall only
3 apply to projects approved prior to July 1, 2011 and shall be applicable to materials used in
4 construction of a facility only to the extent that the costs of such materials do not exceed the
5 amount financed through the corporation as required in section 45-37.1-9 shall be deemed to have
6 been authorized thirty (30) days from the date of the completion by the corporation of an
7 economic analysis that shall include:

8 (1) A full description of the project to which the tax exemption is related; and

9 (2) The corporation's analysis of the impact of the proposed project will or may have on
10 the state. The analysis shall be supported by such appropriate data and documentation and shall
11 consider, but not be limited to, the following factors:

12 (i) The impact on the industry or industries in which the completed project will be
13 involved;

14 (ii) State fiscal matters, including the state budget (revenues and expenses);

15 (iii) The financial exposure of the taxpayers of the state under the plans for the proposed
16 project and negative foreseeable contingencies that may arise therefrom;

17 (iv) The approximate number of jobs projected to be created, construction and
18 nonconstruction;

19 (v) Identification of geographic sources of the staffing for identified jobs;

20 (vi) The projected duration of the identified construction jobs;

21 (vii) The approximate wage rates for the identified jobs;

22 (viii) The types of fringe benefits to be provided with the identified jobs, including
23 healthcare insurance and any retirement benefits;

24 (ix) The projected fiscal impact on increased personal income taxes to the state of Rhode
25 Island; and

26 (x) The description of any plan or process intended to stimulate hiring from the host
27 community, training of employees or potential employees and outreach to minority job applicants
28 and minority businesses.

29 (b) For purposes of the exemption from taxes and assessments for any project of the
30 corporation held by a lessee of the corporation under section 9 of this chapter and subsection (a)
31 of this section, any such project shall be subject to the following additional requirements:

32 (1) The total sales tax exemption benefit to the lessee will be implemented through a
33 reimbursement process as determined by the division of taxation rather than an up-front purchase
34 exemption;

1 (2) The sales tax benefits granted pursuant to section 9 of this chapter shall: (i) only
2 apply to projects approved prior to July 1, 2011, ~~(ii)~~ only apply to materials used in the
3 construction, reconstruction or rehabilitation of the project and to the acquisition of furniture,
4 fixtures and equipment, except automobiles, trucks or other motor vehicles, or materials that
5 otherwise are depreciable and have a useful life of one year or more, for the project for a period
6 not to exceed six (6) months after receipt of a certificate of occupancy for any given phase of the
7 project for which sales tax benefits are utilized; and (ii) not exceed an amount equal to the income
8 tax revenue received by the state from the new full-time jobs with benefits excluding project
9 construction jobs, generated by the project within a period of three (3) years from after the receipt
10 of a certificate of occupancy for any given phase of the project. For purposes of this section, "full-
11 time jobs with benefits" means jobs that require working a minimum of thirty (30) hours per
12 week within the state, with a median wage that exceeds by five percent (5%) the median annual
13 wage for the preceding year for full-time jobs in Rhode Island, as certified by the department of
14 labor and training, with a benefit package that is typical of companies within the lessee's industry.

15 (3) The corporation shall transmit the analysis required under section 9 of this chapter to
16 the house and senate fiscal committee chairs, the department of labor and training and the
17 division of taxation promptly upon completion. Annually thereafter, the department of labor and
18 training shall certify to the house and senate fiscal committee chairs, the house and senate fiscal
19 advisors, the corporation and the division of taxation the actual number of new full-time jobs with
20 benefits created by the project, in addition to construction jobs, and whether such new jobs are on
21 target to meet or exceed the estimated number of new jobs indentified in the analysis above. This
22 certification shall no longer be required when the total amount of new income tax revenue
23 received by the state exceeds the amount of the sales tax exemption benefit granted above.

24 (4) The department of labor and training shall certify to the house and senate fiscal
25 committee chairs and the division of taxation that jobs created by the project are "new jobs" in the
26 state of Rhode Island, meaning that the employees of the project are in addition to, and without a
27 reduction of, those employees of the lessee currently employed in Rhode Island, are not relocated
28 from another facility of the lessee's in Rhode Island or are employees assumed by the lessee as
29 the result of a merger or acquisition of a company already located in Rhode Island. Additionally,
30 the corporation, with the assistance of the lessee, the department of labor and training, the
31 department of human services and the division of taxation shall provide annually an analysis of
32 whether any of the employees of the project qualify for RIte Care or RIte Share benefits and the
33 impact such benefits or assistance may have on the state budget.

34 (5) Notwithstanding any other provision of law, the division of taxation, the department

1 of labor and training and the department of human services are authorized to present, review and
2 discuss lessee specific tax or employment information or data with the corporation, the house and
3 senate fiscal committee chairs, and/or the house and senate fiscal advisors for the purpose of
4 verification and compliance with this resolution; and

5 (6) The corporation and the project lessee shall agree that, if any time prior to the state
6 recouping the amount of the sales tax exemption through new income tax collections from the
7 project, not including construction job income taxes, the lessee will be unable to continue the
8 project, or otherwise defaults on its obligations to the corporation, the lessee shall be liable to the
9 state for all the sales tax benefits granted to the project plus interest, as determined in RIGL 44-1-
10 7, calculated from the date the lessee received the sales tax benefits. [The sales tax exemption shall](#)
11 [only apply to projects approved prior to July 1, 2011.](#)

12 SECTION 23. Section 44-18-7 of the General Laws in Chapter 44-18 entitled "Sales and
13 Use Taxes - Liability and Computation" is hereby amended to read as follows:

14 **44-18-7. Sales defined.** -- "Sales" means and includes:

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

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

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

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

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

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

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

1 publication.

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

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

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

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

22 (11) The rental of living quarters in any hotel, rooming house, or tourist camp.

23 (12) The transfer for consideration of prepaid telephone calling arrangements and the
24 recharge of prepaid telephone calling arrangements sourced to this state in accordance with
25 sections 44-18.1-11 and 44-18.1-15. "Prepaid telephone calling arrangement" means and includes
26 prepaid calling service and prepaid wireless calling service.

27 (13) The furnishing of package tour and scenic and sightseeing transportation services as
28 set forth in the 2007 North American Industrial Classification System codes 561520 and 487
29 provided that such services are conducted in the state, in whole or in part. Said services include
30 all activities engaged in for other persons for a fee, retainer, commission, or other monetary
31 charge, which activities involve the performance of a service as distinguished from selling
32 property.

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

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

3 (16) The sale, storage, use or other consumption of medical marijuana as defined in
4 section 21-28.6-3.

5 SECTION 24. Sections 44-18-8, 44-18-12, 44-18-15, 44-18-20, 44-18-21, 44-18-22, 44-
6 18-23, 44-18-25 and 44-18-30 of the General Laws in Chapter 44-18 entitled "Sales and Use
7 Taxes - Liability and Computation" are hereby amended to read as follows:

8 **44-18-8. Retail sale or sale at retail defined.** -- A "retail sale" or "sale at retail" means
9 any sale, lease or rentals of tangible personal property, prewritten computer software delivered
10 electronically or by load and leave, and/or package tour and scenic and sightseeing transportation
11 services for any purpose other than resale, sublease or subrent in the regular course of business.
12 The sale of tangible personal property to be used for purposes of rental in the regular course of
13 business is considered to be a sale for resale. In regard to telecommunications service as defined
14 in section 44-18-7(9), retail sale does not include the purchase of telecommunications service by
15 a telecommunications provider from another telecommunication provider for resale to the
16 ultimate consumer; provided, that the purchaser submits to the seller a certificate attesting to the
17 applicability of this exclusion, upon receipt of which the seller is relieved of any tax liability for
18 the sale.

19 **44-18-12. "Sale price" defined.** -- (a) "Sales price" applies to the measure subject to
20 sales tax and means the total amount of consideration, including cash, credit, property, and
21 services, for which personal property or services are sold, leased, or rented, valued in money,
22 whether received in money or otherwise, without any deduction for the following:

23 (i) The seller's cost of the property sold;

24 (ii) The cost of materials used, labor or service cost, interest, losses, all costs of
25 transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

26 (iii) Charges by the seller for any services necessary to complete the sale, other than
27 delivery and installation charges;

28 (iv) Delivery charges, as defined in section 44-18-7.1(i); ~~or~~

29 (v) Credit for any trade-in, as determined by state law. ;

30 (vi) The amount charged for package tour and scenic and sightseeing transportation
31 services; or

32 (b) "Sales price" shall not include:

33 (i) Discounts, including cash, term, or coupons that are not reimbursed by a third party
34 that are allowed by a seller and taken by a purchaser on a sale;

1 (ii) The amount charged for labor or services, [except for package tours and scenic and](#)
2 [sightseeing transportation services](#), rendered in installing or applying the property sold when the
3 charge is separately stated by the retailer to the purchaser; provided that in transactions subject to
4 the provisions of this chapter the retailer shall separately state such charge when requested by the
5 purchaser and, further, the failure to separately state such charge when requested may be
6 restrained in the same manner as other unlawful acts or practices prescribed in chapter 13.1 of
7 title 6.

8 (iii) Interest, financing, and carrying charges from credit extended on the sale of personal
9 property or services, if the amount is separately stated on the invoice, bill of sale or similar
10 document given to the purchaser; and

11 (iv) Any taxes legally imposed directly on the consumer that are separately stated on the
12 invoice, bill of sale or similar document given to the purchaser.

13 (v) Manufacturer rebates allowed on the sale of motor vehicles.

14 (c) "Sales price" shall include consideration received by the seller from third parties if:

15 (i) The seller actually receives consideration from a party other than the purchaser and
16 the consideration is directly related to a price reduction or discount on the sale;

17 (ii) The seller has an obligation to pass the price reduction or discount through to the
18 purchaser;

19 (iii) The amount of the consideration attributable to the sale is fixed and determinable by
20 the seller at the time of the sale of the item to the purchaser; and

21 (iv) One of the following criteria is met:

22 (A) The purchaser presents a coupon, certificate or other documentation to the seller to
23 claim a price reduction or discount where the coupon, certificate or documentation is authorized,
24 distributed or granted by a third party with the understanding that the third party will reimburse
25 any seller to whom the coupon, certificate or documentation is presented;

26 (B) The purchaser identifies himself or herself to the seller as a member of a group or
27 organization entitled to a price reduction or discount (a "preferred customer" card that is available
28 to any patron does not constitute membership in such a group), or

29 (C) The price reduction or discount is identified as a third party price reduction or
30 discount on the invoice received by the purchaser or on a coupon, certificate or other
31 documentation presented by the purchaser.

32 **44-18-15. "Retailer" defined.** -- (a) "Retailer" includes:

33 (1) Every person engaged in the business of making sales at retail, [prewritten computer](#)
34 [software delivered electronically or by load and leave, and/or package tour and scenic and](#)

1 [sightseeing transportation services](#), including sales at auction of tangible personal property owned
2 by the person or others.

3 (2) Every person making sales of tangible personal property, [prewritten computer](#)
4 [software delivered electronically or by load and leave, and/or package tour and scenic and](#)
5 [sightseeing transportation services](#), through an independent contractor or other representative, if
6 the retailer enters into an agreement with a resident of this state, under which the resident, for a
7 commission or other consideration, directly or indirectly refers potential customers, whether by a
8 link on an Internet website or otherwise, to the retailer, provided the cumulative gross receipts
9 from sales by the retailer to customers in the state who are referred to the retailer by all residents
10 with this type of an agreement with the retailer, is in excess of five thousand dollars (\$5,000)
11 during the preceding four (4) quarterly periods ending on the last day of March, June, September
12 and December. Such retailer shall be presumed to be soliciting business through such independent
13 contractor or other representative, which presumption may be rebutted by proof that the resident
14 with whom the retailer has an agreement did not engage in any solicitation in the state on behalf
15 of the retailer that would satisfy the nexus requirement of the United States Constitution during
16 such four (4) quarterly periods.

17 (3) Every person engaged in the business of making sales for storage, use, or other
18 consumption, or the business of making sales at auction of tangible personal property, [prewritten](#)
19 [computer software delivered electronically or by load and leave, and/or package tour and scenic](#)
20 [and sightseeing transportation services](#), owned by the person or others for storage, use, or other
21 consumption.

22 (4) A person conducting a horse race meeting with respect to horses, which are claimed
23 during the meeting.

24 (5) Every person engaged in the business of renting any living quarters in any hotel,
25 rooming house, or tourist camp.

26 (6) Every person maintaining a business within or outside of this state who engages in
27 the regular or systematic solicitation of sales of tangible personal property, [prewritten computer](#)
28 [software delivered electronically or by load and leave, and/or package tour and scenic and](#)
29 [sightseeing transportation services](#), in this state by means of:

30 (i) Advertising in newspapers, magazines, and other periodicals published in this state,
31 sold over the counter in this state or sold by subscription to residents of this state, billboards
32 located in this state, airborne advertising messages produced or transported in the airspace above
33 this state, display cards and posters on common carriers or any other means of public conveyance
34 incorporated or operated primarily in this state, brochures, catalogs, circulars, coupons,

1 pamphlets, samples, and similar advertising material mailed to, or distributed within this state to
2 residents of this state;

3 (ii) Telephone;

4 (iii) Computer assisted shopping networks; and

5 (iv) Television, radio or any other electronic media, which is intended to be broadcast to
6 consumers located in this state.

7 (b) When the tax administrator determines that it is necessary for the proper
8 administration of chapters 18 and 19 of this title to regard any salespersons, representatives,
9 truckers, peddlers, or canvassers as the agents of the dealers, distributors, supervisors, employers,
10 or persons under whom they operate or from whom they obtain the tangible personal property
11 sold by them, irrespective of whether they are making sales on their own behalf or on behalf of
12 the dealers, distributors, supervisors, or employers, the tax administrator may so regard them and
13 may regard the dealers, distributors, supervisors, or employers as retailers for purposes of
14 chapters 18 and 19 of this title.

15 **44-18-20. Use tax imposed.** -- (a) An excise tax is imposed on the storage, use, or other
16 consumption in this state of tangible personal property, [or prewritten computer software delivered](#)
17 [electronically or by load and leave, and/or package tour and scenic and sightseeing transportation](#)
18 [services](#), including a motor vehicle, a boat, an airplane, or a trailer, purchased from any retailer at
19 the rate of six percent (6%) of the sale price of the property.

20 (b) An excise tax is imposed on the storage, use, or other consumption in this state of a
21 motor vehicle, a boat, an airplane, or a trailer purchased from other than a licensed motor vehicle
22 dealer or other than a retailer of boats, airplanes, or trailers respectively, at the rate of six percent
23 (6%) of the sale price of the motor vehicle, boat, airplane, or trailer.

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

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

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

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

34 (i) The last taxable sale, transfer, or use of the article being transferred or sold was

1 subjected to a tax imposed by this chapter;

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

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

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

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

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

25 (f) Every person making more than five (5) retail sales of tangible personal property or
26 prewritten computer software delivered electronically or by load and leave, and/or package tour
27 and scenic and sightseeing transportation services during any twelve (12) month period, including
28 sales made in the capacity of assignee for the benefit of creditors or receiver or trustee in
29 bankruptcy, is considered a retailer within the provisions of this chapter.

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

1 the seller is required to hold a seller's permit or would be required to hold a seller's permit if the
2 activity were conducted in this state.

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

10 (h) The use tax imposed under this section for the period commencing July 1, 1990 is at
11 the rate of seven percent (7%). In recognition of the work being performed by the Streamlined
12 Sales and Use Tax Governing Board, upon any federal law which requires remote sellers to
13 collect and remit taxes, effective the first (1st) day of the first (1st) state fiscal quarter following
14 the change, the rate imposed under section 44-18-18 shall be six and one-half percent (6.5%).

15 **44-18-21. Liability for use tax.** -- (a) Every person storing, using, or consuming in this
16 state tangible personal property, including a motor vehicle, boat, airplane, or trailer, purchased
17 from a retailer, and a motor vehicle, boat, airplane, or trailer, purchased from other than a
18 licensed motor vehicle dealer or other than a retailer of boats, airplanes, or trailers respectively ;
19 or storing, using or consuming specified prewritten computer software delivered electronically or
20 by load and leave, and/or package tour and scenic and sightseeing transportation services is liable
21 for the use tax. The person's liability is not extinguished until the tax has been paid to this state,
22 except that a receipt from a retailer engaging in business in this state or from a retailer who is
23 authorized by the tax administrator to collect the tax under rules and regulations that he or she
24 may prescribe, given to the purchaser pursuant to the provisions of section 44-18-22, is sufficient
25 to relieve the purchaser from further liability for the tax to which the receipt refers.

26 (b) Each person before obtaining an original or transferral registration for any article or
27 commodity in this state, which article or commodity is required to be licensed or registered in the
28 state, shall furnish satisfactory evidence to the tax administrator that any tax due under this
29 chapter with reference to the article or commodity has been paid, and for the purpose of effecting
30 compliance, the tax administrator, in addition to any other powers granted to him or her, may
31 invoke the provisions of section 31-3-4 in the case of a motor vehicle. The tax administrator,
32 when he or she deems it to be for the convenience of the general public, may authorize any
33 agency of the state concerned with the licensing or registering of these articles or commodities to
34 collect the use tax on any articles or commodities which the purchaser is required by this chapter

1 to pay before receiving an original or transferral registration. The general assembly shall annually
2 appropriate a sum that it deems necessary to carry out the purposes of this section.
3 Notwithstanding the provisions of sections 44-18-19, 44-18-22, and 44-18-24, the sales or use tax
4 on any motor vehicle and/or recreational vehicle requiring registration by the administrator of the
5 division of motor vehicles shall not be added by the retailer to the sale price or charge but shall be
6 paid directly by the purchaser to the tax administrator, or his or her authorized deputy or agent as
7 provided in this section.

8 (c) In cases involving total loss or destruction of a motor vehicle occurring within one
9 hundred twenty (120) days from the date of purchase and upon which the purchaser has paid the
10 use tax, the amount of the tax constitutes an overpayment. The amount of the overpayment may
11 be credited against the amount of use tax on any subsequent vehicle which the owner acquires to
12 replace the lost or destroyed vehicle or may be refunded, in whole or in part.

13 **44-18-22. Collection of use tax by retailer.** -- Every retailer engaging in business in this
14 state and making sales of tangible personal property [or prewritten computer software delivered](#)
15 [electronically or by load and leave](#), for storage, use, or other consumption in this state, [and/or](#)
16 [providing package tour and scenic and sightseeing transportation services](#), not exempted under
17 this chapter shall, at the time of making the sales, or if the storage, use, or other consumption of
18 the tangible personal property, [prewritten computer software delivered electronically or by load](#)
19 [and leave, and/or providing package tour and scenic and sightseeing transportation services](#), is not
20 then taxable under this chapter, at the time the storage, use, or other consumption becomes
21 taxable, collect the tax from the purchaser and give to the purchaser a receipt in the manner and
22 form prescribed by the tax administrator.

23 **44-18-23. "Engaging in business" defined.** -- As used in sections 44-18-21 and 44-18-
24 22 the term "engaging in business in this state" means the selling or delivering in this state, or any
25 activity in this state related to the selling or delivering in this state of tangible personal property
26 [or prewritten computer software delivered electronically or by load and leave](#) for storage, use, or
27 other consumption in this state, [as well as providing package tour and scenic and sightseeing](#)
28 [transportation services](#). This term includes, but is not limited to, the following acts or methods of
29 transacting business:

30 (1) Maintaining, occupying, or using in this state permanently or temporarily, directly or
31 indirectly or through a subsidiary, representative, or agent by whatever name called and whether
32 or not qualified to do business in this state, any office, place of distribution, sales or sample room
33 or place, warehouse or storage place, or other place of business;

34 (2) Having any subsidiary, representative, agent, salesperson, canvasser, or solicitor

1 permanently or temporarily, and whether or not the subsidiary, representative, or agent is
2 qualified to do business in this state, operate in this state for the purpose of selling, delivering, or
3 the taking of orders for any tangible personal property, or prewritten computer software delivered
4 electronically or by load and leave, and/or package tour and scenic and sightseeing transportation
5 services;

6 (3) The regular or systematic solicitation of sales of tangible personal property, or
7 prewritten computer software delivered electronically or by load and leave, and/or package tour
8 and scenic and sightseeing transportation services, in this state by means of:

9 (i) Advertising in newspapers, magazines, and other periodicals published in this state,
10 sold over the counter in this state or sold by subscription to residents of this state, billboards
11 located in this state, airborne advertising messages produced or transported in the air space above
12 this state, display cards and posters on common carriers or any other means of public conveyance
13 incorporated or operating primarily in this state, brochures, catalogs, circulars, coupons,
14 pamphlets, samples, and similar advertising material mailed to, or distributed within this state to
15 residents of this state;

16 (ii) Telephone;

17 (iii) Computer-assisted shopping networks; and

18 (iv) Television, radio or any other electronic media, which is intended to be broadcast to
19 consumers located in this state.

20 **44-18-25. Presumption that sale is for storage, use, or consumption -- Resale**
21 **certificate.** -- It is presumed that all gross receipts are subject to the sales tax, and that the use of
22 all tangible personal property, or prewritten computer software delivered electronically or by load
23 and leave, and/or package tour and scenic and sightseeing transportation services are ~~is~~ subject to
24 the use tax, and that all tangible personal property, or prewritten computer software delivered
25 electronically or by load and leave, and/or package tour and scenic and sightseeing transportation
26 services sold or in processing or intended for delivery or delivered in this state is sold or delivered
27 for storage, use, or other consumption in this state, until the contrary is established to the
28 satisfaction of the tax administrator. The burden of proving the contrary is upon the person who
29 makes the sale and the purchaser, unless the person who makes the sale takes from the purchaser
30 a certificate to the effect that the purchase was for resale. The certificate shall contain any
31 information and be in the form that the tax administrator may require.

32 **44-18-30. Gross receipts exempt from sales and use taxes.** -- There are exempted from
33 the taxes imposed by this chapter the following gross receipts:

34 (1) Sales and uses beyond constitutional power of state. - From the sale and from the

1 storage, use, or other consumption in this state of tangible personal property the gross receipts
2 from the sale of which, or the storage, use, or other consumption of which, this state is prohibited
3 from taxing under the Constitution of the United States or under the constitution of this state.

4 (2) Newspapers.

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

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

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

12 (3) School meals. - From the sale and from the storage, use, or other consumption in this
13 state of meals served by public, private, or parochial schools, school districts, colleges,
14 universities, student organizations, and parent teacher associations to the students or teachers of a
15 school, college, or university whether the meals are served by the educational institutions or by a
16 food service or management entity under contract to the educational institutions.

17 (4) Containers.

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

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

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

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

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

30 (5) (i) Charitable, educational, and religious organizations. - From the sale to as in
31 defined in this section, and from the storage, use, and other consumption in this state or any other
32 state of the United States of America of tangible personal property by hospitals not operated for a
33 profit, "educational institutions" as defined in subdivision (18) not operated for a profit, churches,
34 orphanages, and other institutions or organizations operated exclusively for religious or charitable

1 purposes, interest free loan associations not operated for profit, nonprofit organized sporting
2 leagues and associations and bands for boys and girls under the age of nineteen (19) years, the
3 following vocational student organizations that are state chapters of national vocational students
4 organizations: Distributive Education Clubs of America, (DECA); Future Business Leaders of
5 America, phi beta lambda (FBLA/PBL); Future Farmers of America (FFA); Future Homemakers
6 of America/Home Economics Related Occupations (FHA/HERD); and Vocational Industrial
7 Clubs of America (VICA), organized nonprofit golden age and senior citizens clubs for men and
8 women, and parent teacher associations.

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

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

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

26 (7) Purchase for manufacturing purposes.

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

34 (ii) "Consumed" means destroyed, used up, or worn out to the degree or extent that the

1 property cannot be repaired, reconditioned, or rendered fit for further manufacturing use.

2 (iii) "Consumed" includes mere obsolescence.

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

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

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

15 (8) State and political subdivisions. - From the sale to, and from the storage, use, or other
16 consumption by, this state, any city, town, district, or other political subdivision of this state.
17 Every redevelopment agency created pursuant to chapter 31 of title 45 is deemed to be a
18 subdivision of the municipality where it is located.

19 (9) Food and food ingredients. - From the sale and storage, use, or other consumption in
20 this state of food and food ingredients as defined in section 44-18-7.1(l).

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

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

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

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

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

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

34 (i) "Drugs" as defined in section 44-18-7.1(h)(i), sold on prescriptions, medical oxygen,

1 and insulin whether or not sold on prescription, ~~and over the counter drugs as defined in section~~
2 ~~44-18-7.1(h)(ii)~~. For purposes of this exemption ~~over the counter~~ drugs shall not include over-
3 the-counter drugs and grooming and hygiene products as defined in section 44-18-7.1(h)(iii).

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

10 (11) Prosthetic devices and mobility enhancing equipment. - From the sale and from the
11 storage, use, or other consumption in this state, of prosthetic devices as defined in section 44-18-
12 7.1(t), sold on prescription, including but not limited to, artificial limbs, dentures, spectacles and
13 eyeglasses, and artificial eyes; artificial hearing devices and hearing aids, whether or not sold on
14 prescription and mobility enhancing equipment as defined in section 44-18-7.1(p) including
15 wheelchairs, crutches and canes.

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

19 (13) Motor vehicles sold to nonresidents.

20 (i) From the sale, subsequent to June 30, 1958, of a motor vehicle to a bona fide
21 nonresident of this state who does not register the motor vehicle in this state, whether the sale or
22 delivery of the motor vehicle is made in this state or at the place of residence of the nonresident.
23 A motor vehicle sold to a bona fide nonresident whose state of residence does not allow a like
24 exemption to its nonresidents is not exempt from the tax imposed under section 44-18-20. In that
25 event the bona fide nonresident pays a tax to Rhode Island on the sale at a rate equal to the rate
26 that would be imposed in his or her state of residence not to exceed the rate that would have been
27 imposed under section 44-18-20. Notwithstanding any other provisions of law, a licensed motor
28 vehicle dealer shall add and collect the tax required under this subdivision and remit the tax to the
29 tax administrator under the provisions of chapters 18 and 19 of this title. When a Rhode Island
30 licensed motor vehicle dealer is required to add and collect the sales and use tax on the sale of a
31 motor vehicle to a bona fide nonresident as provided in this section, the dealer in computing the
32 tax takes into consideration the law of the state of the nonresident as it relates to the trade-in of
33 motor vehicles.

34 (ii) The tax administrator, in addition to the provisions of sections 44-19-27 and 44-19-

1 28, may require any licensed motor vehicle dealer to keep records of sales to bona fide
2 nonresidents as the tax administrator deems reasonably necessary to substantiate the exemption
3 provided in this subdivision, including the affidavit of a licensed motor vehicle dealer that the
4 purchaser of the motor vehicle was the holder of, and had in his or her possession a valid out of
5 state motor vehicle registration or a valid out of state driver's license.

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

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

13 (15) Air and water pollution control facilities. - From the sale, storage, use, or other
14 consumption in this state of tangible personal property or supplies acquired for incorporation into
15 or used and consumed in the operation of a facility, the primary purpose of which is to aid in the
16 control of the pollution or contamination of the waters or air of the state, as defined in chapter 12
17 of title 46 and chapter 25 of title 23, respectively, and which has been certified as approved for
18 that purpose by the director of environmental management. The director of environmental
19 management may certify to a portion of the tangible personal property or supplies acquired for
20 incorporation into those facilities or used and consumed in the operation of those facilities to the
21 extent that that portion has as its primary purpose the control of the pollution or contamination of
22 the waters or air of this state. As used in this subdivision, "facility" means any land, facility,
23 device, building, machinery, or equipment.

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

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

30 (18) Educational institutions. - From the rental charged by any educational institution for
31 living quarters, or sleeping or housekeeping accommodations or other rooms or accommodations
32 to any student or teacher necessitated by attendance at an educational institution. "Educational
33 institution" as used in this section means an institution of learning not operated for profit which is
34 empowered to confer diplomas, educational, literary, or academic degrees, which has a regular

1 faculty, curriculum, and organized body of pupils or students in attendance throughout the usual
2 school year, which keeps and furnishes to students and others records required and accepted for
3 entrance to schools of secondary, collegiate, or graduate rank, no part of the net earnings of which
4 inures to the benefit of any individual.

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

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

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

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

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

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

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

29 (22) Manufacturing machinery and equipment.

30 (i) From the sale and from the storage, use, or other consumption in this state of tools,
31 dies, and molds, and machinery and equipment (including replacement parts), and related items to
32 the extent used in an industrial plant in connection with the actual manufacture, conversion, or
33 processing of tangible personal property, or to the extent used in connection with the actual
34 manufacture, conversion or processing of computer software as that term is utilized in industry

1 numbers 7371, 7372, and 7373 in the standard industrial classification manual prepared by the
2 technical committee on industrial classification, office of statistical standards, executive office of
3 the president, United States bureau of the budget, as revised from time to time, to be sold, or that
4 machinery and equipment used in the furnishing of power to an industrial manufacturing plant.
5 For the purposes of this subdivision, "industrial plant" means a factory at a fixed location
6 primarily engaged in the manufacture, conversion, or processing of tangible personal property to
7 be sold in the regular course of business;

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

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

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

28 (23) Trade-in value of motor vehicles. - From the sale and from the storage, use, or other
29 consumption in this state of so much of the purchase price paid for a new or used automobile as is
30 allocated for a trade-in allowance on the automobile of the buyer given in trade to the seller ~~or of~~
31 ~~the proceeds applicable only to the motor vehicle as are received from an insurance claim as a~~
32 ~~result of a stolen or damaged motor vehicle~~, or of the proceeds applicable only to the automobile
33 as are received from the manufacturer of automobiles for the repurchase of the automobile
34 whether the repurchase was voluntary or not towards the purchase of a new or used automobile

1 by the buyer; ~~provided, that the proceeds from an insurance claim or repurchase is in lieu of the~~
2 ~~benefit prescribed in section 44-18-21 for the total loss or destruction of the automobile; and~~
3 ~~provided, further, that the tax has not been reimbursed as part of the insurance claim or~~
4 ~~repurchase.~~ For the purpose of this subdivision, the word "automobile" means a private passenger
5 automobile not used for hire and does not refer to any other type of motor vehicle.

6 (24) Precious metal bullion.

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

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

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

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

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

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

10 (27) Clothing and footwear. - From the sales of articles of clothing, including footwear,
11 intended to be worn or carried on or about the human body. For the purposes of this section,
12 "clothing or footwear" does not include clothing accessories or equipment or special clothing or
13 footwear primarily designed for athletic activity or protective use as these terms are defined in
14 section 44-18-7.1(f).

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

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

22 (30) Boats.

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

28 (ii) The tax administrator, in addition to the provisions of sections 44-19-17 and 44-19-
29 28, may require the seller of the boat or vessel to keep records of the sales to bona fide
30 nonresidents as the tax administrator deems reasonably necessary to substantiate the exemption
31 provided in this subdivision, including the affidavit of the seller that the buyer represented
32 himself or herself to be a bona fide nonresident of this state and of the buyer that he or she is a
33 nonresident of this state.

34 (31) Youth activities equipment. - From the sale, storage, use, or other consumption in

1 this state of items for not more than twenty dollars (\$20.00) each by nonprofit Rhode Island
2 eleemosynary organizations, for the purposes of youth activities which the organization is formed
3 to sponsor and support; and by accredited elementary and secondary schools for the purposes of
4 the schools or of organized activities of the enrolled students.

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

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

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

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

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

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

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

34 (39) Food items paid for by food stamps. - From the sale and from the storage, use, or

1 other consumption in this state of eligible food items payment for which is properly made to the
2 retailer in the form of U.S. government food stamps issued in accordance with the Food Stamp
3 Act of 1977, 7 U.S.C. section 2011 et seq.

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

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

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

18 (43) Coins. - From the sale and from the other consumption in this state of coins having
19 numismatic or investment value.

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

27 (45) Telecommunications carrier access service. - Carrier access service or
28 telecommunications service when purchased by a telecommunications company from another
29 telecommunications company to facilitate the provision of telecommunications service.

30 (46) Boats or vessels brought into the state exclusively for winter storage, maintenance,
31 repair or sale. - Notwithstanding the provisions of sections 44-18-10, 44-18-11, 44-18-20, the tax
32 imposed by section 44-18-20 is not applicable for the period commencing on the first day of
33 October in any year to and including the 30th day of April next succeeding with respect to the use
34 of any boat or vessel within this state exclusively for purposes of: (i) delivery of the vessel to a

1 facility in this state for storage, including dry storage and storage in water by means of apparatus
2 preventing ice damage to the hull, maintenance, or repair; (ii) the actual process of storage,
3 maintenance, or repair of the boat or vessel; or (iii) storage for the purpose of selling the boat or
4 vessel.

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

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

15 (49) Banks and Regulated investment companies interstate toll-free calls. -
16 Notwithstanding the provisions of this chapter, the tax imposed by this chapter does not apply to
17 the furnishing of interstate and international, toll-free terminating telecommunication service that
18 is used directly and exclusively by or for the benefit of an eligible company as defined in this
19 subdivision; provided, that an eligible company employs on average during the calendar year no
20 less than five hundred (500) "full-time equivalent employees", as that term is defined in section
21 42-64.5-2. For purposes of this section, an "eligible company" means a "regulated investment
22 company" as that term is defined in the Internal Revenue Code of 1986, 26 U.S.C. section 1 et
23 seq., or a corporation to the extent the service is provided, directly or indirectly, to or on behalf of
24 a regulated investment company, an employee benefit plan, a retirement plan or a pension plan or
25 a state chartered bank.

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

29 (51) Manufacturing business reconstruction materials.

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

1 damage resulting from the willful act of the owner of the manufacturing business facility.

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

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

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

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

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

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

22 (i) From the sale, subsequent to June 30, 2003, of a non-motorized recreational vehicle to
23 a bona fide nonresident of this state who does not register the non-motorized recreational vehicle
24 in this state, whether the sale or delivery of the non-motorized recreational vehicle is made in this
25 state or at the place of residence of the nonresident; provided, that a non-motorized recreational
26 vehicle sold to a bona fide nonresident whose state of residence does not allow a like exemption
27 to its nonresidents is not exempt from the tax imposed under section 44-18-20; provided, further,
28 that in that event the bona fide nonresident pays a tax to Rhode Island on the sale at a rate equal
29 to the rate that would be imposed in his or her state of residence not to exceed the rate that would
30 have been imposed under section 44-18-20. Notwithstanding any other provisions of law, a
31 licensed non-motorized recreational vehicle dealer shall add and collect the tax required under
32 this subdivision and remit the tax to the tax administrator under the provisions of chapters 18 and
33 19 of this title. Provided, that when a Rhode Island licensed non-motorized recreational vehicle
34 dealer is required to add and collect the sales and use tax on the sale of a non-motorized

1 recreational vehicle to a bona fide nonresident as provided in this section, the dealer in computing
2 the tax takes into consideration the law of the state of the nonresident as it relates to the trade-in
3 of motor vehicles.

4 (ii) The tax administrator, in addition to the provisions of sections 44-19-27 and 44-19-
5 28, may require any licensed non-motorized recreational vehicle dealer to keep records of sales to
6 bona fide nonresidents as the tax administrator deems reasonably necessary to substantiate the
7 exemption provided in this subdivision, including the affidavit of a licensed non-motorized
8 recreational vehicle dealer that the purchaser of the non-motorized recreational vehicle was the
9 holder of, and had in his or her possession a valid out-of-state non-motorized recreational vehicle
10 registration or a valid out-of-state driver's license.

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

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

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

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

31 (57) Renewable energy products. - Notwithstanding any other provisions of Rhode
32 Island general laws the following products shall also be exempt from sales tax: solar photovoltaic
33 modules or panels, or any module or panel that generates electricity from light; solar thermal
34 collectors, including, but not limited to, those manufactured with flat glass plates, extruded

1 plastic, sheet metal, and/or evacuated tubes; geothermal heat pumps, including both water-to-
2 water and water-to-air type pumps; wind turbines; towers used to mount wind turbines if
3 specified by or sold by a wind turbine manufacturer; DC to AC inverters that interconnect with
4 utility power lines; manufactured mounting racks and ballast pans for solar collector, module or
5 panel installation. Not to include materials that could be fabricated into such racks; monitoring
6 and control equipment, if specified or supplied by a manufacturer of solar thermal, solar
7 photovoltaic, geothermal, or wind energy systems or if required by law or regulation for such
8 systems but not to include pumps, fans or plumbing or electrical fixtures unless shipped from the
9 manufacturer affixed to, or an integral part of, another item specified on this list; and solar storage
10 tanks that are part of a solar domestic hot water system or a solar space heating system. If the tank
11 comes with an external heat exchanger it shall also be tax exempt, but a standard hot water tank is
12 not exempt from state sales tax.

13 (58) Returned property. - The amount charged for property returned by customers upon
14 rescission of the contract of sale when the entire amount exclusive of handling charges paid for
15 the property is refunded in either cash or credit, and where the property is returned within one
16 hundred twenty (120) days from the date of delivery.

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

19 (60) Blood. - From the sale and from the storage, use or other consumption of human
20 blood.

21 ~~(61) Prewritten computer software delivered electronically. - From the sale and from the~~
22 ~~storage, use or other consumption of prewritten computer software delivered electronically or by~~
23 ~~load and leave.~~

24 ~~(62)~~(61) Agricultural products for human consumption. - From the sale and from the
25 storage, use or other consumption of livestock and poultry of the kinds of products of which
26 ordinarily constitute food for human consumption and of livestock of the kind the products of
27 which ordinarily constitute fibers for human use.

28 ~~(63)~~(62) Diesel emission control technology. - From the sale and use of diesel retrofit
29 technology that is required by section 31-47.3-4 of the general laws.

30 SECTION 25. Section 44-19-7 of the General Laws in Chapter 44-19 entitled "Sales and
31 Use Taxes - Enforcement and Collection" is hereby amended to read as follows:

32 **44-19-7. Registration of retailers. --** Every retailer selling tangible personal property or
33 prewritten computer software delivered electronically or by load and leave for storage, use, or
34 other consumption in this state and/or package tour and scenic and sightseeing transportation

1 [services](#) or renting living quarters in any hotel, rooming house, or tourist camp in this state must
2 register with the tax administrator and give the name and address of all agents operating in this
3 state, the location of all distribution or sales houses or offices, or of any hotel, rooming house, or
4 tourist camp or other places of business in this state, and other information that the tax
5 administrator may require.

6 SECTION 26. Sections 44-18-18, 44-18-18.1 and 44-18-36.1 of the General Laws in
7 Chapter 44-18 entitled "Sales and Use Taxes - Liability and Computation" are hereby amended to
8 read as follows:

9 **44-18-18. Sales tax imposed.** -- A tax is imposed upon sales at retail in this state
10 including charges for rentals of living quarters in hotels, rooming houses, or tourist camps, at the
11 rate of six percent (6%) of the gross receipts of the retailer from the sales or rental charges;
12 provided, that the tax imposed on charges for the rentals applies only to the first period of not
13 exceeding thirty (30) consecutive calendar days of each rental; provided, further, that for the
14 period commencing July 1, 1990, the tax rate is seven percent (7%). The tax is paid to the tax
15 administrator by the retailer at the time and in the manner provided. Excluded from this tax are
16 those living quarters in hotels, rooming houses, or tourist camps for which the occupant has a
17 written lease for the living quarters which lease covers a rental period of twelve (12) months or
18 more. [In recognition of the work being performed by the Streamlined Sales and Use Tax](#)
19 [Governing Board, upon any federal law which requires remote sellers to collect and remit taxes,](#)
20 [effective the first \(1st\) day of the first \(1st\) state fiscal quarter following the change, the rate](#)
21 [imposed under section 44-18-18 shall be six and one-half percent \(6.5%\).](#)

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

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

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

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

1 (2) "Eating and/or drinking establishments" mean and include restaurants, bars, taverns,
2 lounges, cafeterias, lunch counters, drive-ins, roadside ice cream and refreshment stands, fish and
3 chip places, fried chicken places, pizzerias, food and drink concessions, or similar facilities in
4 amusement parks, bowling alleys, clubs, caterers, drive-in theatres, industrial plants, race tracks,
5 shore resorts or other locations, lunch carts, mobile canteens and other similar vehicles, and other
6 like places of business which furnish or provide facilities for immediate consumption of food at
7 tables, chairs or counters or from trays, plates, cups or other tableware or in parking facilities
8 provided primarily for the use of patrons in consuming products purchased at the location.
9 Ordinarily, eating establishments do not mean and include food stores and supermarkets. Eating
10 establishments do not mean "vending machines," a self-contained automatic device that dispenses
11 for sale foods, beverages, or confection products. Retailers selling prepared foods in bulk either in
12 customer-furnished containers or in the seller's containers, for example "Soup and Sauce"
13 establishments, are deemed to be selling prepared foods ordinarily for immediate consumption
14 and, as such, are considered eating establishments.

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

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

24 In recognition of the work being performed by the Streamlined Sales and Use Tax
25 Governing Board, upon any federal law which requires remote sellers to collect and remit taxes,
26 effective the first (1st) day of the first (1st) state fiscal quarter following the change, the rate
27 imposed under section 44-18-18.1 shall be one and one-half percent (1.5%).

28 **44-18-36.1. Hotel tax.** -- (a) There is imposed a hotel tax of five percent (5%) upon the
29 total consideration charged for occupancy of any space furnished by any hotel in this state. The
30 hotel tax is in addition to any sales tax imposed. This hotel tax is administered and collected by
31 the division of taxation and unless provided to the contrary in this chapter, all the administration,
32 collection, and other provisions of chapters 18 and 19 of this title apply. Nothing in this chapter
33 shall be construed to limit the powers of the convention authority of the city of Providence
34 established pursuant to the provisions of chapter 84 of the public laws of 1980, except that

1 distribution of hotel tax receipts shall be made pursuant to chapter 63.1 of title 42 rather than
2 chapter 84 of the public laws of 1980.

3 (b) There is hereby levied and imposed, upon the total consideration charged for
4 occupancy of any space furnished by any hotel in this state, in addition to all other taxes and fees
5 now imposed by law, a local hotel tax at a rate of one percent (1%). The local hotel tax shall be
6 administered and collected in accordance with subsection (a).

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

12 (d) Notwithstanding the provisions of subsection (a) of this section, the city of Newport
13 shall have the authority to collect from hotels located in the city of Newport the tax imposed by
14 subsection (a) of this section.

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

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

24 In recognition of the work being performed by the Streamlined Sales and Use Tax
25 Governing Board, upon any federal law which requires remote sellers to collect and remit taxes,
26 effective the first (1st) day of the first (1st) state fiscal quarter following the change, the rate
27 imposed under section 44-18-36.1 (b) shall be one and one-half percent (1.5%).

28 SECTION 27. Sections 1 through 3, 5 through 11, and 14 through 20 shall take effect
29 upon passage. Sections 23 through 25 shall take effect on October 1, 2011. The remainder of the
30 Article shall take effect on July 1, 2011.

1 **ARTICLE 20**

2 RELATING TO CORRECTIONS

3 SECTION 1. Sections 13-8.1-2, 13-8.1-3 and 13-8.1-4 of the General Laws in Chapter
4 13-8.1 entitled "Medical Parole" are hereby amended to read as follows:

5 **13-8.1-2. Purpose.** -- Medical parole is made available for humanitarian reasons and to
6 alleviate exorbitant medical expenses associated with inmates whose chronic and incurable illness
7 render their incarceration non-punitive and non-rehabilitative. Notwithstanding other statutory or
8 administrative provisions to the contrary, all prisoners except those serving life without parole
9 shall at any time after they begin serving their sentences be eligible for medical parole
10 consideration, regardless of the crime committed or the sentence imposed.

11 **13-8.1-3. Definitions.** -- (a) "Permanently physically incapacitated" means suffering from
12 a condition caused by injury, disease, or illness which, to a reasonable degree of medical
13 certainty, permanently and irreversibly physically incapacitates the individual to the extent that
14 no significant physical activity is possible, and the individual is confined to bed or a wheelchair.

15 (b) "Terminally ill" means suffering from a condition caused by injury (except self-
16 inflicted injury), disease, or illness, which to a reasonable degree of medical certainty will result
17 in death within six (6) months.

18 (c) "Severely ill" means suffering from a significant and permanent or chronic physical
19 and/or mental condition that: (1) Requires extensive medical and/or psychiatric treatment with
20 little to no possibility of recovery; and (2) Precludes significant rehabilitation from further
21 incarceration.

22 **13-8.1-4. Procedure.** -- (a) The parole board is authorized to grant release of a prisoner,
23 except a prisoner serving life without parole, at any time, who is determined to be terminally ill,
24 severely ill or permanently physically incapacitated within the meaning of section 13-8.1-3.
25 Inmates who are severely ill will only be considered for such release when their treatment causes
26 the state to incur exorbitant expenses as a result of continued and frequent medical treatment
27 during incarceration, as determined by the office of financial resources of the department of
28 corrections.

29 (b) In order to apply for this relief, the prisoner, with an attending physician's written
30 approval, or an attending physician, on behalf of the prisoner, shall file an application with the

1 director of the department of corrections. Within seventy-two (72) hours after the filing of any
2 application, the director shall refer the application to the health service unit of the department of
3 corrections for a medical report and a medical discharge plan to be completed within ~~five (5)~~ ten
4 (10) days. Upon receipt of the medical discharge plan the director of the department of
5 corrections shall immediately transfer the medical discharge plan together with the application to
6 the parole board for its consideration and decision.

7 (c) The report shall contain, at a minimum, the following information:

8 (1) Diagnosis of the prisoner's medical conditions, including related medical history;

9 (2) Detailed description of the conditions and treatments;

10 (3) Prognosis, including life expectancy, likelihood of recovery, likelihood of
11 improvement, mobility, and rate of debilitation;

12 (4) Degree of incapacity or disability, including an assessment of whether the prisoner is
13 ambulatory, capable of engaging in any substantial physical activity, and the extent of that
14 activity;

15 (5) An opinion from the medical director as to whether the person is terminally ill, and if
16 so, the stage of the illness or whether the person is permanently physically incapacitated or
17 severely ill. If the medical director's opinion is that the person is not terminally ill, permanently,
18 physically incapacitated, or severely ill as defined in section 13-8.1-3, the petition for medical
19 parole shall not be forwarded to the parole board.

20 (6) In the case of a severely ill inmate, the report shall also contain a determination from
21 the office of financial resources that the inmate's illness causes the state to incur exorbitant
22 expenses as a result of continued and frequent medical treatment during incarceration.

23 (d) When the director of corrections refers a prisoner to the parole board for medical
24 parole, the director shall provide to the parole board a medical discharge plan, which is
25 acceptable to the parole board.

26 (e) The department of corrections and the parole board shall jointly develop standards for
27 the medical discharge plan that are appropriately adapted to the criminal justice setting. The
28 discharge plan should ensure at the minimum that:

29 (1) An appropriate placement for the prisoner has been secured, including, but not
30 limited to, a hospital, nursing facility, hospice, or family home;

31 (2) A referral has been made for the prisoner to secure a source for payment of the
32 ~~prisoner~~ prisoner's medical expenses ~~has been secured~~;

33 (3) ~~A physician continues to examine the releasee and~~ A parole officer has been
34 assigned to periodically obtain updates on the prisoner's medical condition to report back to the

1 board.

2 (f) If the parole board finds from the credible medical evidence that the prisoner is
3 terminally ill, ~~or~~ permanently physically incapacitated, or severely ill, the board shall grant
4 release to the prisoner but only after the board also considers whether, in light of the prisoner's
5 medical condition, there is a reasonable probability that the prisoner, if released, will live and
6 remain at liberty without violating the law, and that the release is compatible with the welfare of
7 society and will not so depreciate the seriousness of the crime as to undermine respect for the law.
8 Notwithstanding any other provision of law, release may be granted at any time during the term
9 of a prisoner's sentence.

10 (g) There shall be a presumption that the opinion of the physician and/or medical
11 director will be accepted. However, the applicant, the physician, the director, or the parole board
12 may request an independent medical evaluation within seven (7) days after the physician's and/or
13 medical director's report is presented. The evaluation shall be completed and a report, containing
14 the information required by subsection (b) of this section, filed with the director and the parole
15 board and a copy sent to the applicant within fourteen (14) days from the date of the request.

16 (h) Within seven (7) days of receiving the application, the medical report and the
17 discharge plan, the parole board shall determine whether the application, on its face, demonstrates
18 that relief may be warranted. If the face of the application clearly demonstrates that relief is
19 unwarranted, the board may deny the application without a hearing or further proceedings, and
20 within seven (7) days shall notify the prisoner in writing of its decision to deny the application,
21 setting forth its factual findings and a brief statement of the reasons for denying release without a
22 hearing. Denial of release does not preclude the prisoner from reapplying for medical parole after
23 the expiration of sixty (60) days. A reapplication under this section must demonstrate a material
24 change in circumstances.

25 (i) (1) Upon receipt of the application from the director of the department of corrections
26 the parole board shall, except as provided in subsection (h) of this section, set the case for a
27 hearing within ~~fourteen (14)~~ thirty (30) days;

28 (2) Notice of the hearing shall be sent to the prosecutor and the victim(s), if any, of the
29 offense(s) for which the prisoner is incarcerated, and the prosecutor and the victim(s) shall have
30 the right to be heard at the hearing, or in writing, or both;

31 (3) At the hearing, the prisoner shall be entitled to be represented by an attorney or by
32 the public defender if qualified or other representative.

33 (j) Within seven (7) days of the hearing, the parole board shall issue a written decision
34 granting or denying medical parole and explaining the reasons for the decision. If the board

1 determines that medical parole is warranted, it shall impose conditions of release, which shall
2 include the following:

- 3 (1) Periodic medical examinations;
- 4 (2) Periodic reporting to a parole officer, and the reporting interval;
- 5 (3) Any other terms or conditions that the board deems necessary; and
- 6 (4) In the case of a prisoner who is medically paroled due to being severely ill, the parole
7 board shall require electronic monitoring as a condition of the medical parole, unless the health
8 care plan mandates placement in a medical facility that cannot accommodate the electronic
9 monitoring.

10 (k) If after release the releasee's condition or circumstances change so that he or she
11 would not then be eligible for medical parole, the parole board may order him or her returned to
12 custody to await a hearing to determine whether his or her release should be revoked. A release
13 may also be revoked for violation of conditions otherwise applicable to parole.

14 (l) An annual report shall be prepared by the director of corrections for the parole board
15 and the general assembly. The report shall include:

- 16 (1) The number of inmates who have applied for medical parole;
- 17 (2) The number who have been granted medical parole;
- 18 (3) The nature of the illness of the applicants, and the nature of the placement pursuant to
19 the medical discharge plan;
- 20 (4) The categories of reasons for denial for those who have been denied;
- 21 (5) The number of releasees on medical parole who have been returned to the custody of
22 the department of corrections and the reasons for return.

23 SECTION 2. Section 13-8-23 of the General Laws in Chapter 13-8 entitled "Parole" is
24 hereby amended to read as follows:

25 ~~**13-8-23. Agencies required to provide reports to parole board. -- Parties required to**~~
26 ~~**provide reports to parole board.**~~ -- Information concerning applicants for parole shall be
27 provided by:

28 (1) The director of corrections, who shall submit a list of all prisoners under his or her
29 control who will be eligible for parole in a given month, not later than the tenth day of the second
30 month preceding. That list shall identify the prisoner by name, offense, and date of commitment;

31 (2) The director of corrections, who shall secure reports from prison officials and
32 institutional personnel who have had direct contact with the prisoner including, but not limited to,
33 ~~the director of corrections, the chaplain, the work detail officer, the prison physician, and the~~
34 ~~classification officer~~ prison administrators, the classification board, mental health counselors,

1 correctional officers, and medical personnel The director shall transmit those reports, together
2 with all pertinent classification information, including such as social history and information
3 pertaining to the prisoner's disciplinary record, participation in rehabilitation and educational
4 programs, employment history and plan, housing plan, community supports, mental health status
5 and needs, substance abuse status and needs, discharge plan, etc., and any actions or
6 recommendations made by a classification board or committee in the institution, to the board not
7 later than the twentieth day of the month next preceding the month in which the individual is
8 eligible to appear before the board;

9 (3) The attorney general's department, which shall supply to the board a written report of
10 its recommendation concerning the current application for parole. The report shall set forth in
11 detail the reason or reasons why the particular inmate, given his or her criminal history and the
12 circumstances surrounding his or her offense, should or should not be paroled. The department
13 shall also consult the trial judge in the case to determine if he or she may wish to make any
14 comment or recommendation; and if requested by the board, the department shall have one of its
15 attorneys present at the board hearings to elaborate on the attorney general's recommendation as
16 to parole of the inmate;

17 (4) ~~The state~~ When deemed necessary by the board, a psychiatrist, who shall examine the
18 prisoner upon notice from the board and shall submit his or her findings and recommendations to
19 the board not later than the twentieth day of the month next preceding the month in which the
20 prisoner is eligible to appear before the board;

21 (5) ~~The psychological services agency, which~~ Licensed mental health professionals who
22 shall upon notice from the board examine the prisoner and report ~~its~~ their findings and
23 recommendations to the board not later than the twentieth day of the month next preceding the
24 month in which the prisoner is eligible to appear before the board; ~~provided, no applicant for~~
25 ~~parole who is incarcerated for a crime of violence, as defined in section 11-47-2, shall be~~
26 ~~considered for parole unless a psychological examination of the applicant that included~~
27 ~~standardized national psychological testing was completed within one year prior to the applicant's~~
28 ~~parole hearing date or any continuance of the hearing;~~

29 (6) The department of corrections, which shall submit: (i) a transcript of the previous
30 criminal record of the prisoner, including the date of offenses, nature of offenses, and the
31 disposition of each; (ii) a copy of the pre-sentence investigation; and (iii) a full summary of the
32 contact of the department with the prisoner during any prior period under supervision, either
33 probation or parole or both. The department shall make a written recommendation concerning the
34 current application for parole.

1 SECTION 3. The director shall submit a quarterly report to the chairs of the house and
2 senate finance committees and their respective fiscal advisors on the progress of closing the
3 Donald Price medium security facility.

4 SECTION 4. This Article shall take effect upon passage.

1 **ARTICLE 21**

2 RELATING TO RETIREE HEALTH CARE TRUST FUND

3 SECTION 1. Section 36-12.1 of the General Laws in Chapter 36-12 of the General Laws
4 entitled 'Insurance Benefits' is hereby amended as follows:

5 **36-12.1-9. Duties of the OPEB board. --** The OPEB Board shall be responsible for the
6 administration and operation of the OPEB System, determination of the amount of annual
7 contributions, and oversight of OPEB Benefit payments to Retired Employees and their
8 dependents. The OPEB Board shall have the power to collect contributions from the State of
9 Rhode Island, quasi-public agencies or any municipality thereof, to direct benefit payments, the
10 right to research, question, investigate and make recommendation of findings to the department of
11 administration ~~to interpret relevant plan documents, to resolve inconsistencies and ambiguities~~
12 ~~contained therein, to decide any claims for benefits and to resolve disputes.~~

13 **36-12.1-10. Votes of board – record of proceedings. --** Each member of the board shall
14 be entitled to one vote in the board and a majority of all the votes of the entire board shall be
15 necessary for a decision of the board. The board shall keep a record of all the proceedings which
16 shall be open to public inspection.

17 **36-12.1-11. Reimbursement of board members. --** Members of the board shall serve
18 without compensation but shall be reimbursed for any necessary expenditures and no employee
19 shall suffer any loss of salary or wages through serving upon the board.

20 **36-12.1-12. Annual report and statement. --** The OPEB Board shall submit to the
21 governor for transmittal to the general assembly, on or before the first day of ~~January~~ October in
22 each year beginning in 2011, an annual report showing the financial transactions of the system for
23 the fiscal year of the state next preceding said date. The report shall contain, among other things,
24 a statement of plan net assets, a statement of changes in plan net assets, a valuation balance sheet
25 as prepared by the actuary on a schedule in accordance with generally accepted accounting
26 principles, and other statistical data as are deemed necessary for a proper interpretation of the
27 condition of the system and the results of its operations. The report shall also embody such other
28 data as may be of use in the advancement of knowledge concerning state employee OPEB and
29 any recommendations of the board for changes in the laws pertaining to the system. The OPEB
30 Board shall cause to be published for distribution among the members of the system a financial

1 statement summarizing the results of operations for the fiscal year. All financial statements issued
2 by the OPEB Board shall conform to the requirements of GAAP.

3 **36-12.1-13. Executive officers and secretary.** -- (a) The Board shall elect a Chairperson
4 and Secretary. Moreover, the State Controller shall serve as the Treasurer.

5 (b) Any negotiated agreement entered into after July 1, 2010, between any state or
6 municipal agency or department and an employee or employees, whose conditions are contrary to
7 the general laws or the rules, regulations, and policies as adopted and promulgated by the OPEB
8 Board shall be null and void ~~unless and until approved by formal action of the OPEB Board for~~
9 ~~good cause shown.~~

10 **36-12.1-14. Accounts and statistical records – clerical and professional assistance –**
11 **disbursements.** -- The State Controller, under the direction and supervision of the OPEB Board,
12 shall be charged with the establishment and maintenance of such accounts and statistical records
13 as the OPEB Board may require and he or she shall employ such clerical assistance as shall be
14 necessary to carry out properly the provisions of chapters 12, 12.1 and 12.2 of this title. The
15 OPEB Board shall secure the services of an actuary who shall be the actuarial advisor of the
16 board and who shall make the actuarial computations and valuations required by chapters 12, 12.1
17 and 12.2. The state controller is hereby authorized and directed to draw his or her orders upon the
18 general treasurer for the payment of such sum or sums as may from time to time be necessary,
19 upon receipt by him or her of vouchers for payment of liabilities.

20 **36-12.1-15. Payment of administrative expenses of the OPEB board and maintaining**
21 **the OPEB system – restricted receipts account.** -- (a) There is hereby created within the
22 general fund a restricted receipt account entitled the “OPEB system restricted receipt account”,
23 the proceeds of which shall be used solely to pay the expenses of the OPEB Board, the cost of
24 maintaining the OPEB System, and the costs of administering the OPEB System.

25 (b) For fiscal years 2011 through 2014, the State Controller is authorized to disburse from
26 the fund ~~established under subsection (a) above the actual cost of administration of the fund the~~
27 ~~cost of the actuarial valuation, and the allocated share of investment manager fees incurred by the~~
28 ~~State Investment Commission.~~ In fiscal years, 2015 and thereafter, there shall be transferred to
29 this restricted receipt account twenty five (25) basis points or two hundred thousand dollars
30 (\$200,000), whichever is greater, where one hundred (100.0) basis points equals one percent
31 (1.0%), of the average total investments before lending activities as reported in the annual report
32 of the auditor general for the next preceding five fiscal years. Any non-encumbered funds on June
33 30 of any fiscal year shall be credited to the OPEB System.

34 **36-12.1-16. Collection of actuarial and experience data.** -- The General Treasurer and

1 the state Retirement System, shall collect and keep in convenient form such data as shall be
2 necessary for the preparation of the mortality and service tables and for the compilation of such
3 other information as shall be required for the actuarial valuation of the assets and liabilities of the
4 OPEB System and to comply with the requirements of GASB 43 and 45.

5 **36-12.1-17. Actuarial investigations authorized by board.** -- Immediately after his or
6 her selection, the actuary shall make such investigation of the mortality, service, and
7 compensation experience of the members as the OPEB Board shall authorize for the purpose of
8 determining the proper tables to be prepared and submitted to the OPEB Board for adoption.

9 **36-12.1-18. Periodic actuarial investigations and valuations.** -- Every ~~two year~~ years
10 beginning with fiscal year 2012 on a schedule in accordance with generally accepted accounting
11 principles, the actuary shall make an actuarial investigation into the mortality, service, and
12 compensation experience of the members and beneficiaries of the OPEB System, and shall make
13 a valuation of the assets and liabilities of the system, and, taking into account the result of the
14 investigation and valuation, the OPEB Board shall:

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

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

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

21 On the basis of such tables as the OPEB Board shall adopt, the actuary shall make a
22 valuation of the liabilities of the funds of the system created by this chapter and the investment
23 advisor or investment manager appointed by the OPEB Board shall make a valuation of the assets
24 of the OPEB System.

25 **36-12.1-19. State contributions.** -- (a) The State of Rhode Island shall make its
26 contribution for the maintenance of the system, including the proper and timely payment of
27 benefits, by annually appropriating an amount equal to a percentage of the total compensation
28 paid to the active membership and teacher payroll base. The percentage shall be computed by the
29 actuary employed by the OPEB Board and shall be certified by the OPEB Board to the director of
30 administration on or before the fifteenth day of October in each year, beginning in 2011. In
31 arriving at the yearly employer contribution the actuary shall determine the value of:

32 (1) The contributions made by the members;

33 (2) Income on investments; and

34 (3) Other income of the system.

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

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

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

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

8 (d) The Board of Governors for Higher Education shall remit to the general treasurer that
9 employer's share of the contribution for its non-classified employees, and those of the University
10 of Rhode Island, Rhode Island College, and the Community College of Rhode Island, pursuant to
11 §16-17.1-1 et seq., and in a manner consistent with sound accounting and actuarial practice.

12 **36-12.1-20. Establishment of OPEB trust funds.** -- The OPEB Board shall establish
13 one or more trust funds and/or sub trusts to hold the assets of the OPEB System, to be known as
14 the Rhode Island OPEB System Trust. Title and legal ownership of all assets of the OPEB
15 System shall be in the name of the Rhode Island OPEB System Trust. The OPEB Board, or its
16 delegate is authorized to execute one or more trust instruments to effectuate the purposes of this
17 section. However, such trust instruments shall require that: a) all funds held by such trusts shall
18 be used solely to pay benefits pursuant to the OPEB System, and reasonable and legitimate
19 administrative expenses associated therewith; b) no asset of the OPEB System or contribution
20 made by the State of Rhode Island, may be recovered or returned to the State, until the OPEB
21 Board has certified all liabilities of the System have been satisfied; and c) at no time shall the
22 assets of the Rhode Island OPEB System Trust shall be subject to the claims of the creditors of
23 the State of Rhode Island or the creditors of any beneficiary of the OPEB System.

24 **36-12.1-21. Custody and investment of funds.** -- (a) All money immediately required
25 for the payment of OPEB Benefits shall be invested only in accordance with the written
26 objectives and guidelines established by the state investment commission pursuant to the
27 provisions of chapter 10 of title 35 and other applicable law.

28 (b) All money not immediately required for the payment of OPEB Benefits shall be
29 invested in accordance with the provisions of chapter 10 of title 35 and other applicable law and
30 shall be held in a custodial or trust account in accordance with § 36-12.1-5. The trust and
31 custodial account established under this section shall be maintained pursuant to written
32 documents which expressly provide that it shall be impossible at any time prior to the satisfaction
33 of all liabilities with respect to employees and their beneficiaries for any part of the corpus or
34 income to be used for or diverted to purposes other than the payment of OPEB Benefits to

1 employees and their beneficiaries (except as otherwise permitted by § 36-12.1).

2 **36-12.1-22. Disposition of investment earnings.** -- The OPEB Board shall credit all
3 earned investment income from interest and dividends on investments and bank deposits during
4 any fiscal year to the Rhode Island OPEB System Trust.

5 **36-12.1-23. Improper interest in investments of board.** -- Except as herein provided,
6 no member of the OPEB Board and no employee of the OPEB Board shall have any interest,
7 direct or indirect, in the gains or profits of any investment made by the OPEB Board, nor as such
8 directly or indirectly receive any pay or emolument for his or her services. No member of the
9 OPEB Board or employee of the OPEB Board shall, directly or indirectly, for himself or herself
10 or as an agent, in any manner use the gains or profits, except to make such current and necessary
11 payments as are authorized by the OPEB Board; nor shall any member or employee of the OPEB
12 Board become an endorser or surety or become in any manner an obligor for money loaned or
13 borrowed from the OPEB Board. No member of the OPEB Board shall permit the OPEB System
14 to engage in a transaction that constitutes a sale or exchange, or leasing, of any property between
15 the OPEB System and a party in interest; a lending of money or other extension of credit between
16 the OPEB System and a party in interest; furnishing of goods, services, or facilities between the
17 OPEB System and a party in interest; transfer to, or use by or for the benefit of, a party in interest,
18 of any assets of the OPEB System.

19 **36-12.1-24. Payment of OPEB benefits.** -- All OPEB Benefits shall be paid from the
20 Rhode Island OPEB System Trust, subject to the oversight and approval of the OPEB Board.

21 **36-12.1-25. Annual audits.** -- The auditor general shall conduct upon the request of the
22 OPEB Board a separate annual performance audit of the OPEB System which shall include a
23 report on the actuarial valuation of the assets and liabilities of the OPEB System. The auditor
24 general may examine all records, files, and other documents, and evaluate all policies and
25 procedures for purposes of conducting the audit. The aforementioned performance audit shall be
26 in addition to the annual audit conducted by the auditor general of the financial statements of the
27 OPEB System. A copy of the report shall be given to the governor and the OPEB Board.

28 **36-12.1-26. Internal revenue code qualification.** -- [\(a\) Intent.](#) It is intended that the
29 OPEB System and the Rhode Island OPEB System Trust satisfy the requirements of §115 or
30 §501(c)(9) of the Internal Revenue Code of 1986 as amended from time to time, 26 U.S.C. §§
31 115, 501(c)(9) - ,(hereinafter referred to as the "Code"), in form and operation, to the extent that
32 those requirements apply to a governmental use trust under §115 or a voluntary employee benefit
33 association under §501(c)(9) of the Code. To this end, the following provisions shall be
34 applicable, administered, and interpreted in a manner consistent with maintaining the tax

1 qualification of the OPEB System, and shall supersede any conflicting provisions of chapters 12,
2 12.1 and 12.2 of this title, [of chapter 16 of title 16, or of chapter 21 of title 45].

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

10 **36-12.1-27. Severability.** -- (a) If any provision of this chapter 36-12.1 of this title, any
11 rule, or regulation made thereunder, or the application thereof to any person or circumstance is
12 held invalid by a court of competent jurisdiction the remainder of this chapter, rules, or
13 regulations and the application of those provisions to other persons or circumstances shall not be
14 affected thereby.

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

17 **36-12.1-28. Implementation.** -- Notwithstanding any law to the contrary, the provisions
18 of Chapter 36-12.1 entitled "Retiree Health Care Trust Fund" shall be implemented by July 1,
19 2010.

20 SECTION 2. Title 36 of the General Laws entitled "Public Officers and Employees" is
21 hereby amended by adding thereto the following chapter:

22 CHAPTER 12.2

23 MEDICARE ENROLLMENT

24 **36-12.2-1. Medicare enrollment.** – As a condition of receiving or continuing to receive
25 access to post-employment benefits offered by the state, anyone entitled to this benefit shall
26 enroll in Medicare as soon as he or she is eligible, notwithstanding the provisions of any other
27 general law or public law to the contrary.

28 SECTION 3. This Article shall take effect upon passage.

ARTICLE 22 AS AMENDED

RELATING TO TRANSPORTATION FUNDING

SECTION 1. Title 39 of the General Laws entitled "PUBLIC UTILITIES AND CARRIERS" is hereby amended by adding thereto the following chapter:

CHAPTER 39-18.1

TRANSPORTATION INVESTMENT AND DEBT REDUCTION ACT OF 2011

39-18.1-1. Short title. -- This chapter shall be known and may be cited as the "Transportation and Debt Reduction Act of 2011."

39-18.1-1-2. Legislative findings. -- The general assembly finds that:

(1) Rhode Island now has, and for some years has had, a serious shortfall of funds available for the upkeep, maintenance and repair of the state's highways, roads, and bridges.

(2) Rhode Island now funds, and for some years has funded, the local twenty percent (20%) match required to bring federal transportation dollars into the state by means of selling bonds. This has proven unsustainable and creates unaffordable debt-service obligations for future generations of Rhode Island taxpayers.

(3) The health, safety, and convenience of Rhode Island's citizens are seriously and adversely affected when the state's highways, roads, and bridges are not kept in a proper state of upkeep, maintenance and repair.

(4) A critically important function of the state in maintaining the health, safety, and welfare of all the people of Rhode Island is to ensure the proper upkeep, maintenance and repair of the state's highways, roads, and bridges.

(5) Rhode Island must consider all potential sustainable sources as a vehicle for maintaining and improving the transportation infrastructure of the state.

(6) Additional stable and secure funding sources are absolutely necessary in order for the state to carry out its essential functions, including the upkeep, maintenance and repair of the state's highways, roads, and bridges, and providing for the continued functioning and reliability of public transit. In order to avoid to the full extent possible the creation of enormous and unaffordable debt-service obligations for future generations of Rhode Islanders, these funding sources should be created on a pay-as-you-go basis, and bonding should be reduced to the fullest extent practicable.

1 **39-18.1-1-3. Definitions. -- When used in this chapter:**

2 (1) "Department of Transportation" means the department created by chapter 13 of title
3 42 of the general laws of Rhode Island.

4 (2) "Director" means the director of the Rhode Island department of transportation.

5 (3) "Highway maintenance" means the upkeep, maintenance, and repair of the state's
6 highways, roads, and bridges, including repaving or resurfacing the same.

7 (4) "State Planning Council" means the state planning council within the division of
8 planning of the department of administration, as established by Rhode Island general laws section
9 42-11-10.

10 (5) "Transportation Improvement Program" means the transportation improvement
11 program that is created and amended from time to time by the state planning council.

12 **39-18.1-1-4. Rhode Island highway maintenance trust fund created. --** (a) There is
13 hereby created a special account in the general fund to be known as the Rhode Island Highway
14 Maintenance Trust Fund.

15 (b) The fund shall consist of all those moneys which the state may from time to time
16 direct to the fund, including, but not necessarily limited to, moneys derived from the following
17 sources:

18 (1) There is imposed a surcharge of thirty dollars (\$30.00) per passenger car and light
19 truck to be paid by each car and light truck owner in order to register that owner's vehicle and
20 upon each subsequent biennial registration. This surcharge shall be phased in at the rate of ten
21 dollars (\$10.00) each year. The total surcharge will be ten dollars (\$10.00) from July 1, 2013
22 through June 30, 2014, twenty dollars (\$20.00) from July 1, 2014 through June 30, 2015, and
23 thirty dollars (\$30.00) from July 1, 2015 through June 30, 2016 and each year thereafter.

24 (2) There is imposed a surcharge of fifteen dollars (\$15.00) per car and truck, for those
25 cars and trucks subject to annual registration, to be paid annually by each car and truck owner in
26 order to register that owner's vehicle and upon each subsequent annual registration. This
27 surcharge will be phased in at the rate of five dollars (\$5.00) each year. The total surcharge will
28 be five dollars (\$5.00) from July 1, 2013 through June 30, 2014, ten dollars (\$10.00) from July 1,
29 2014 through June 30, 2015, and fifteen dollars (\$15.00) from July 1, 2015 through June 30, 2016
30 and each year thereafter.

31 (3) There is imposed a surcharge of thirty dollars (\$30.00) per operator's license to be
32 paid every five (5) years by each licensed operator of motor vehicles. This surcharge will be
33 phased in at the rate of ten dollars (\$10.00) each year. The total surcharge will be ten dollars
34 (\$10.00) from July 1, 2013 through June 30, 2014, twenty dollars (\$20.00) from July 1, 2014

1 through June 30, 2015, and thirty dollars (\$30.00) from July 1, 2015 through June 30, 2016 and
2 each year thereafter.

3 (c) All funds collected pursuant to this section shall be deposited in the highway
4 maintenance fund and shall be used only for the purposes set forth in this chapter.

5 (d) Unexpended balances and any earnings thereon shall not revert to the general fund but
6 shall remain in the highway maintenance fund. There shall be no requirement that moneys
7 received into the highway maintenance fund during any given calendar year or fiscal year be
8 expended during the same calendar year or fiscal year.

9 (e) The highway maintenance fund shall be administered by the director, who shall
10 allocate and spend moneys from the fund only in accordance with the purposes and procedures
11 set forth in this chapter.

12 **39-18.1-1-5. Allocation of funds.** -- (a) The monies in the highway maintenance fund to
13 be directed to the department of transportation pursuant to subdivision (a)(1) of this section shall
14 be allocated through the transportation improvement program process to provide the state match
15 for federal transportation funds, in place of borrowing, as approved by the state planning council.
16 The expenditure of moneys in the highway maintenance fund shall only be authorized for projects
17 that appear in the state's transportation improvement program.

18 **39-18.1-1-6. Severability.** -- If any of the provisions of this chapter or the applicability
19 thereof is held invalid by any court of competent jurisdiction, the remainder of the provisions of
20 this chapter shall not be affected thereby.

21 SECTION 2. This Article shall take effect on July 1, 2011.

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ARTICLE 23 AS AMENDED

RELATING TO HUMAN SERVICES

SECTION 1. Section 40-6-27 of the General Laws in Chapter 40-6 entitled "Public Assistance Act" is hereby amended to read as follows:

40-6-27. Supplemental security income. -- (a) (1) The director of the department is hereby authorized to enter into agreements on behalf of the state with the secretary of the Department of Health and Human Services or other appropriate federal officials, under the supplementary and security income (SSI) program established by title XVI of the Social Security Act, 42 U.S.C. section 1381 et seq., concerning the administration and determination of eligibility for SSI benefits for residents of this state, except as otherwise provided in this section. The state's monthly share of supplementary assistance to the supplementary security income program ~~effective January 1, 2009~~, shall be as follows:

- (i) Individual living alone: \$39.92
- (ii) Individual living with others: \$51.92
- (iii) Couple living alone: \$79.38
- (iv) Couple living with others: \$97.30
- (v) Individual living in state licensed assisted living residence: ~~\$538.00~~ \$332.00
- (vi) Individual living in state licensed supportive residential care settings that, depending on the population served, meet the standards set by the department of human services in conjunction with the department(s) of children, youth and families, elderly affairs and/or mental health, retardation and hospitals: \$300.00.

Provided, however, that the department of human services shall by regulation reduce, effective January 1, 2009, the state's monthly share of supplementary assistance to the supplementary security income program for each of the above listed payment levels, by the same value as the annual federal cost of living adjustment to be published by the federal social security administration in October 2008 and becoming effective on January 1, 2009, as determined under the provisions of title XVI of the federal social security act [42 U.S.C. section 1381 et seq.] and provided further, that it is the intent of the general assembly that the January 1, 2009 reduction in the state's monthly share shall not cause a reduction in the combined federal and state payment level for each category of recipients in effect in the month of December 2008; provided further,

1 that the department of human services is authorized and directed to provide for payments to
2 recipients in accordance with the above directives ~~beginning January 1, 2009.~~

3 (2) As of July 1, 2010, state supplement payments shall not be federally administered and
4 shall be paid directly by the department of human services to the recipient.

5 (3) Individuals living in institutions shall receive a twenty dollar (\$20.00) per month
6 personal needs allowance from the state which shall be in addition to the personal needs
7 allowance allowed by the Social Security Act, 42 U.S.C. section 301 et seq.

8 (4) Individuals living in state licensed supportive residential care settings and assisted
9 living residences who are receiving SSI shall be allowed to retain a minimum personal needs
10 allowance of fifty-five dollars (\$55.00) per month from their SSI monthly benefit prior to
11 payment of any monthly fees.

12 (5) To ensure that supportive residential care or an assisted living residence is a safe and
13 appropriate service setting, the department is authorized and directed to make a determination of
14 the medical need and whether a setting provides the appropriate services for those persons who:

15 (i) Have applied for or are receiving SSI, and who apply for admission to supportive
16 residential care setting and assisted living residences on or after October 1, 1998; or

17 (ii) Who are residing in supportive residential care settings and assisted living residences,
18 and who apply for or begin to receive SSI on or after October 1, 1998.

19 (6) The process for determining medical need required by subsection (4) of this section
20 shall be developed by the office of health and human services in collaboration with the
21 departments of that office and shall be implemented in a manner that furthers the goals of
22 establishing a statewide coordinated long-term care entry system as required pursuant to the
23 Global Consumer Choice Compact Waiver.

24 (7) To assure access to high quality coordinated services, the department is further
25 authorized and directed to establish rules specifying the payment certification standards that must
26 be met by those state licensed supportive residential care settings and assisted living residences
27 admitting or serving any persons eligible for state-funded supplementary assistance under this
28 section. Such payment certification standards shall define:

29 (i) The scope and frequency of resident assessments, the development and
30 implementation of individualized service plans, staffing levels and qualifications, resident
31 monitoring, service coordination, safety risk management and disclosure, and any other related
32 areas;

33 (ii) The procedures for determining whether the payment certifications standards have
34 been met; and

1 (iii) The criteria and process for granting a one time, short-term good cause exemption
2 from the payment certification standards to a licensed supportive residential care setting or
3 assisted living residence that provides documented evidence indicating that meeting or failing to
4 meet said standards poses an undue hardship on any person eligible under this section who is a
5 prospective or current resident.

6 (8) The payment certification standards required by this section shall be developed in
7 collaboration by the departments, under the direction of the executive office of health and human
8 services, so as to ensure that they comply with applicable licensure regulations either in effect or
9 in development. (b) The department is authorized and directed to provide additional assistance to
10 individuals eligible for SSI benefits for:

11 (1) Moving costs or other expenses as a result of an emergency of a catastrophic nature
12 which is defined as a fire or natural disaster; and

13 (2) Lost or stolen SSI benefit checks or proceeds of them; and

14 (3) Assistance payments to SSI eligible individuals in need because of the application of
15 federal SSI regulations regarding estranged spouses; and the department shall provide such
16 assistance in a form and amount, which the department shall by regulation determine.

17 SECTION 2. Section 40-8-4 of the General Laws in Chapter 40-8 entitled "Medical
18 Assistance" is hereby amended to read as follows:

19 **40-8-4. Direct vendor payment plan.** -- (a) The department shall furnish medical care
20 benefits to eligible beneficiaries through a direct vendor payment plan. The plan shall include, but
21 need not be limited to, any or all of the following benefits, which benefits shall be contracted for
22 by the director:

23 (1) Inpatient hospital services, other than services in a hospital, institution, or facility for
24 tuberculosis or mental diseases;

25 (2) Nursing services for such period of time as the director shall authorize;

26 (3) Visiting nurse service;

27 (4) Drugs for consumption either by inpatients or by other persons for whom they are
28 prescribed by a licensed physician;

29 (5) Dental services; and

30 (6) Hospice care up to a maximum of two hundred and ten (210) days as a lifetime
31 benefit.

32 (b) For purposes of this chapter, the payment of federal Medicare premiums or other
33 health insurance premiums by the department on behalf of eligible beneficiaries in accordance
34 with the provisions of Title XIX of the federal Social Security Act, 42 U.S.C. section 1396 et

1 seq., shall be deemed to be a direct vendor payment.

2 (c) With respect to medical care benefits furnished to eligible individuals under this
3 chapter or Title XIX of the federal Social Security Act, the department is authorized and directed
4 to impose:

5 (i) Nominal co-payments or similar charges upon eligible individuals for non-emergency
6 services provided in a hospital emergency room; and

7 (ii) Co-payments for prescription drugs in the amount of one dollar (\$1.00) for generic
8 drug prescriptions and three dollars (\$3.00) for brand name drug prescriptions in accordance with
9 the provisions of 42 U.S.C. section 1396, et seq.

10 (d) The department is authorized and directed to promulgate rules and regulations to
11 impose such co-payments or charges and to provide that, with respect to subdivision (ii) above,
12 those regulations shall be effective upon filing.

13 (e) No state agency shall pay a vendor for medical benefits provided to a recipient of
14 assistance under this chapter until and unless the vendor has submitted a claim for payment to a
15 commercial insurance plan, Medicare, and/or a Medicaid managed care plan, if applicable for that
16 recipient, in that order.

17 SECTION 3. Sections 40-5.2-10 and 40-5.2-12 of the General Laws in Chapter 40-5.2
18 entitled "The Rhode Island Works Program" are hereby amended to read as follows:

19 **40-5.2-10. Necessary requirements and conditions.** -- The following requirements and
20 conditions shall be necessary to establish eligibility for the program.

21 (a) Citizenship, alienage and residency requirements.

22 (1) A person shall be a resident of the State of Rhode Island.

23 (2) Effective October 1, 2008 a person shall be a United States citizen, or shall meet the
24 alienage requirements established in section 402(b) of the Personal Responsibility and Work
25 Opportunity Reconciliation Act of 1996, PRWORA, Public Laws No. 104-193 and as that section
26 may hereafter be amended; a person who is not a United States citizen and does not meet the
27 alienage requirements established in PRWORA, as amended, is not eligible for cash assistance in
28 accordance with this chapter.

29 (b) The family/assistance unit must meet any other requirements established by the
30 department of human services by rules and regulations adopted pursuant to the Administrative
31 Procedures Act, as necessary to promote the purpose and goals of this chapter.

32 (c) Receipt of cash assistance is conditional upon compliance with all program
33 requirements.

34 (d) All individuals domiciled in this state shall be exempt from the application of

1 subdivision 115(d)(1)(A) of Public Law 104-193, the Personal Responsibility and Work
2 Opportunity Reconciliation Act of 1996, PRWORA, which makes any individual ineligible for
3 certain state and federal assistance if that individual has been convicted under federal or state law
4 of any offense which is classified as a felony by the law of the jurisdiction and which has as an
5 element the possession, use, or distribution of a controlled substance as defined in section 102(6)
6 of the Controlled Substances Act (21 U.S.C. 802(6)).

7 (e) Individual employment plan as a condition of eligibility.

8 (1) Following receipt of an application, the department of human services shall assess
9 the financial conditions of the family, including the non-parent caretaker relative who is applying
10 for cash assistance for himself or herself as well as for the minor child(ren), in the context of an
11 eligibility determination. If a parent or non parent caretaker relative is unemployed or under-
12 employed, the department shall conduct an initial assessment, taking into account: (A) the
13 physical capacity, skills, education, work experience, health, safety, family responsibilities and
14 place of residence of the individual; and (B) the child care and supportive services required by the
15 applicant to avail himself or herself of employment opportunities and/or work readiness
16 programs.

17 (2) On the basis of such assessment, the department of human services and the
18 department of labor and training, as appropriate, in consultation with the applicant, shall develop
19 an individual employment plan for the family which requires the individual to participate in the
20 intensive employment services ~~provided by the department of labor and training~~. Intensive
21 employment services shall be defined as the work requirement activities in subsections 40-5.2-
22 12(g) and (i).

23 (3) The director, or his/her designee, may assign a case manager to an
24 applicant/participant, as appropriate.

25 (4) The department of labor and training and the department of human services in
26 conjunction with the participant shall develop a revised individual employment plan which shall
27 identify employment objectives, taking into consideration factors above, and shall include a
28 strategy for immediate employment and for preparing for, finding, and retaining employment
29 consistent, to the extent practicable, with the individual's career objectives.

30 (5) The individual employment plan must include the provision for the participant to
31 engage in work requirements as outlined in section 40-5.2-12 of this chapter.

32 (6) (A) The participant shall attend and participate immediately in intensive assessment
33 and employment services as the first step in the individual employment plan ~~at the Rhode Island~~
34 ~~department of labor and training~~, unless temporarily exempt from this requirement in accordance

1 with this chapter. [Intensive assessment and employment services shall be defined as the work](#)
2 [requirement activities in subsections 40-5.2-12\(g\) and \(i\).](#)

3 (B) Parents under age twenty (20) without a high school diploma or General Equivalency
4 Diploma (GED) shall be referred to special teen parent programs which will provide intensive
5 services designed to assist teen parent to complete high school education or GED, and to continue
6 approved work plan activities in accord with Works program requirements.

7 (7) The applicant shall become a participant in accordance with this chapter at the time
8 the individual employment plan is signed and entered into.

9 (8) Applicants and participants of the Rhode Island Work Program shall agree to comply
10 with the terms of the individual employment plan, and shall cooperate fully with the steps
11 established in the individual employment plan, including the work requirements.

12 (9) The department of human services has the authority under the chapter to require
13 attendance by the applicant/participant, either at the department of human services or at the
14 department of labor and training, at appointments deemed necessary for the purpose of having the
15 applicant enter into and become eligible for assistance through the Rhode Island Work Program.
16 Said appointments include, but are not limited to, the initial interview, orientation and
17 assessment; job readiness and job search. Attendance is required as a condition of eligibility for
18 cash assistance in accordance with rules and regulations established by the department.

19 (10) As a condition of eligibility for assistance pursuant to this chapter, the
20 applicant/participant shall be obligated to keep appointments, attend orientation meetings at the
21 department of human services and/or the Rhode Island department of labor and training,
22 participate in any initial assessments or appraisals and comply with all the terms of the individual
23 employment plan in accordance with department of human service rules and regulations.

24 (11) A participant, including a parent or non-parent caretaker relative included in the
25 cash assistance payment, shall not voluntarily quit a job or refuse a job unless there is good cause
26 as defined in this chapter or the department's rules and regulations.

27 (12) A participant who voluntarily quits or refuses a job without good cause, as defined
28 in subsection 40-5.2-12(l), while receiving cash assistance in accordance with this chapter, shall
29 be sanctioned in accordance with rules and regulations promulgated by the department.

30 (f) Resources.

31 (1) The Family or assistance unit's countable resources shall be less than the allowable
32 resource limit established by the department in accordance with this chapter.

33 (2) No family or assistance unit shall be eligible for assistance payments if the combined
34 value of its available resources (reduced by any obligations or debts with respect to such

1 resources) exceeds one thousand dollars (\$1,000).

2 (3) For purposes of this subsection, the following shall not be counted as resources of the
3 family/assistance unit in the determination of eligibility for the works program:

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

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

8 (C) Real property which the family is making a good faith effort to dispose of, however,
9 any cash assistance payable to the family for any such period shall be conditioned upon such
10 disposal of the real property within six (6) months of the date of application and any payments of
11 assistance for that period shall (at the time of disposal) be considered overpayments to the extent
12 that they would not have occurred at the beginning of the period for which the payments were
13 made. All overpayments are debts subject to recovery in accordance with the provisions of the
14 chapter;

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

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

25 (F) Household furnishings and appliances, clothing, personal effects and keepsakes of
26 limited value;

27 (G) Burial plots (one for each child, relative, and other individual in the assistance unit),
28 and funeral arrangements;

29 (H) For the month of receipt and the following month, any refund of federal income
30 taxes made to the family by reason of section 32 of the Internal Revenue Code of 1986, 26 U.S.C.
31 section 32 (relating to earned income tax credit), and any payment made to the family by an
32 employer under section 3507 of the Internal Revenue Code of 1986, 26 U.S.C. section 3507
33 (relating to advance payment of such earned income credit);

34 (I) The resources of any family member receiving supplementary security income

1 assistance under the Social Security Act, 42 U.S.C. section 301 et seq.

2 (g) Income.

3 (1) Except as otherwise provided for herein, in determining eligibility for and the amount
4 of cash assistance to which a family is entitled under this chapter, the income of a family includes
5 all of the money, goods, and services received or actually available to any member of the family.

6 (2) In determining the eligibility for and the amount of cash assistance to which a
7 family/assistance unit is entitled under this chapter, income in any month shall not include the
8 first one hundred seventy dollars (\$170) of gross earnings plus fifty percent (50%) of the gross
9 earnings of the family in excess of one hundred seventy dollars (\$170) earned during the month.

10 (3) The income of a family shall not include:

11 (A) The first fifty dollars (\$50.00) in child support received in any month from each non-
12 custodial parent of a child plus any arrearages in child support (to the extent of the first fifty
13 dollars (\$50.00) per month multiplied by the number of months in which the support has been in
14 arrears) which are paid in any month by a non-custodial parent of a child;

15 (B) Earned income of any child;

16 (C) Income received by a family member who is receiving supplemental security income
17 (SSI) assistance under Title XVI of the Social Security Act, 42 U.S.C. section 1381 et seq.;

18 (D) The value of assistance provided by state or federal government or private agencies
19 to meet nutritional needs, including: value of USDA donated foods; value of supplemental food
20 assistance received under the Child Nutrition Act of 1966, as amended and the special food
21 service program for children under Title VII, nutrition program for the elderly, of the Older
22 Americans Act of 1965 as amended, and the value of food stamps;

23 (E) Value of certain assistance provided to undergraduate students, including any grant
24 or loan for an undergraduate student for educational purposes made or insured under any loan
25 program administered by the U.S. Commissioner of Education (or the Rhode Island board of
26 governors for higher education or the Rhode Island higher educational assistance authority);

27 (F) Foster Care Payments;

28 (G) Home energy assistance funded by state or federal government or by a nonprofit
29 organization;

30 (H) Payments for supportive services or reimbursement of out-of-pocket expenses made
31 to foster grandparents, senior health aides or senior companions and to persons serving in SCORE
32 and ACE and any other program under Title II and Title III of the Domestic Volunteer Service
33 Act of 1973, 42 U.S.C. section 5000 et seq.;

34 (I) Payments to volunteers under AmeriCorps VISTA as defined in the department's

1 rules and regulations;

2 (J) Certain payments to native Americans; payments distributed per capita to, or held in
3 trust for, members of any Indian Tribe under P.L. 92-254, 25 U.S.C. section 1261 et seq., P.L. 93-
4 134, 25 U.S.C. section 1401 et seq., or P.L. 94-540; receipts distributed to members of certain
5 Indian tribes which are referred to in section 5 of P.L. 94-114, 25 U.S.C. section 459d, that
6 became effective October 17, 1975;

7 (K) Refund from the federal and state earned income tax credit;

8 (L) The value of any state, local, or federal government rent or housing subsidy,
9 provided that this exclusion shall not limit the reduction in benefits provided for in the payment
10 standard section of this chapter.

11 (4) The receipt of a lump sum of income shall affect participants for cash assistance in
12 accordance with rules and regulations promulgated by the department.

13 (h) Time limit on the receipt of cash assistance.

14 (1) No cash assistance shall be provided, pursuant to this chapter, to a family or
15 assistance unit which includes an adult member who has received cash assistance, either for
16 him/herself or on behalf of his/her children, for a total of twenty-four (24) months, (whether or
17 not consecutive) within any sixty (60) continuous months after July 1, 2008 to include any time
18 receiving any type of cash assistance in any other state or territory of the United States of
19 America as defined herein. Provided further, in no circumstances other than provided for in
20 section (3) below with respect to certain minor children, shall cash assistance be provided
21 pursuant to this chapter to a family or assistance unit which includes an adult member who has
22 received cash assistance for a total of a lifetime limit of forty-eight (48) months.

23 (2) Cash benefits received by a minor dependent child shall not be counted toward their
24 lifetime time limit for receiving benefits under this chapter should that minor child apply for cash
25 benefits as an adult.

26 (3) Certain minor children not subject to time limit. This section regarding the lifetime
27 time limit for the receipt of cash assistance, shall not apply only in the instances of a minor
28 child(ren) living with a parent who receives SSI benefits and a minor child(ren) living with a
29 responsible adult non-parent caretaker relative who is not in the case assistance payment.

30 (4) Receipt of family cash assistance in any other state or territory of the United States of
31 America shall be determined by the department of human services and shall include family cash
32 assistance funded in whole or in part by Temporary Assistance for Needy Families (TANF) funds
33 [Title IV-A of the Federal Social Security Act 42 U.S.C. section 601 et seq.]and/or family cash
34 assistance provided under a program similar to the Rhode Island Families Work and Opportunity

1 Program or the federal TANF program.

2 (5) (A) The department of human service shall mail a notice to each assistance unit when
3 the assistance unit has six (6) months of cash assistance remaining and each month thereafter
4 until the time limit has expired. The notice must be developed by the department of human
5 services and must contain information about the lifetime time limit, the number of months the
6 participant has remaining, the hardship extension policy, the availability of a post-employment-
7 and-closure bonus, and any other information pertinent to a family or an assistance unit nearing
8 either the twenty-four (24) month or forty-eight (48) month lifetime time limit.

9 (B) For applicants who have less than six (6) months remaining in either the twenty-four
10 (24) month or forty-eight (48) month lifetime time limit because the family or assistance unit
11 previously received cash assistance in Rhode Island or in another state, the department shall
12 notify the applicant of the number of months remaining when the application is approved and
13 begin the process required in paragraph (A) above.

14 (6) If a cash assistance recipient family closed pursuant to Rhode Island's Temporary
15 Assistance for Needy Families Program, (federal TANF described in Title IV A of the Federal
16 Social Security Act, 42 U.S.C. 601 et seq.) formerly entitled the Rhode Island Family
17 Independence Program, more specifically under subdivision 40-5.1-9(2)(c), due to sanction
18 because of failure to comply with the cash assistance program requirements; and that recipients
19 family received forty-eight (48) months of cash benefits in accordance with the Family
20 Independence Program, than that recipient family is not able to receive further cash assistance for
21 his/her family, under this chapter, except under hardship exceptions.

22 (7) The months of state or federally funded cash assistance received by a recipient family
23 since May 1, 1997 under Rhode Island's Temporary Assistance for Needy Families Program,
24 (federal TANF described in Title IV A of the Federal Social Security Act, 42 U.S.C. section 601
25 et seq.) formerly entitled the Rhode Island Family Independence Program, shall be countable
26 toward the time limited cash assistance described in this chapter.

27 (i) Time limit on the receipt of cash assistance.

28 (1) (A) No cash assistance shall be provided, pursuant to this chapter, to a family
29 assistance unit in which an adult member has received cash assistance for a total of sixty (60)
30 months (whether or not consecutive) to include any time receiving any type of cash assistance in
31 any other state or territory of the United States as defined herein effective August 1, 2008.
32 Provided further, that no cash assistance shall be provided to a family in which an adult member
33 has received assistance for twenty-four (24) consecutive months unless the adult member has a
34 rehabilitation employment plan as provided in subsection 40-5.2-12(g)(5).

1 (B) Effective August 1, 2008 no cash assistance shall be provided pursuant to this
2 chapter to a family in which a child has received cash assistance for a total of sixty (60) months
3 (whether or not consecutive) if the parent is ineligible for assistance under this chapter pursuant
4 to subdivision 40-5.2(a) (2) to include any time received any type of cash assistance in any other
5 state or territory of the United States as defined herein.

6 (j) Hardship Exceptions.

7 (1) The department may extend an assistance unit's or family's cash assistance beyond
8 the time limit, by reason of hardship; provided, however, that the number of such families to be
9 exempted by the department with respect to their time limit under this subsection shall not exceed
10 twenty percent (20%) of the average monthly number of families to which assistance is provided
11 for under this chapter in a fiscal year; provided, however, that to the extent now or hereafter
12 permitted by federal law, any waiver granted under section 40-5.2-35, for domestic violence,
13 shall not be counted in determining the twenty percent (20%) maximum under this section.

14 (2) Parents who receive extensions to the time limit due to hardship must have and
15 comply with employment plans designed to remove or ameliorate the conditions that warranted
16 the extension.

17 (k) Parents under eighteen (18) years of age.

18 (1) A family consisting of a parent who is under the age of eighteen (18), and who has
19 never been married, and who has a child; or a family which consists of a woman under the age of
20 eighteen (18) who is at least six (6) months pregnant, shall be eligible for cash assistance only if
21 such family resides in the home of an adult parent, legal guardian or other adult relative. Such
22 assistance shall be provided to the adult parent, legal guardian, or other adult relative on behalf of
23 the individual and child unless otherwise authorized by the department.

24 (2) This subsection shall not apply if the minor parent or pregnant minor has no parent,
25 legal guardian or other adult relative who is living and/or whose whereabouts are unknown; or the
26 department determines that the physical or emotional health or safety of the minor parent, or his
27 or her child, or the pregnant minor, would be jeopardized if he or she was required to live in the
28 same residence as his or her parent, legal guardian or other adult relative (refusal of a parent,
29 legal guardian or other adult relative to allow the minor parent or his or her child, or a pregnant
30 minor, to live in his or her home shall constitute a presumption that the health or safety would be
31 so jeopardized); or the minor parent or pregnant minor has lived apart from his or her own parent
32 or legal guardian for a period of at least one year before either the birth of any child to a minor
33 parent or the onset of the pregnant minor's pregnancy; or there is good cause, under departmental
34 regulations, for waiving the subsection; and the individual resides in supervised supportive living

1 arrangement to the extent available.

2 (3) For purposes of this section "supervised supportive living arrangement" means an
3 arrangement which requires minor parents to enroll and make satisfactory progress in a program
4 leading to a high school diploma or a general education development certificate, and requires
5 minor parents to participate in the adolescent parenting program designated by the department, to
6 the extent the program is available; and provides rules and regulations which ensure regular adult
7 supervision.

8 (1) Assignment and Cooperation. - As a condition of eligibility for cash and medical
9 assistance under this chapter, each adult member, parent or caretaker relative of the
10 family/assistance unit must:

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

14 (2) Consent to and cooperate with the state in establishing the paternity and in
15 establishing and/or enforcing child support and medical support orders for all children in the
16 family or assistance unit in accordance with Title 15 of the general laws, as amended, unless the
17 parent or caretaker relative is found to have good cause for refusing to comply with the
18 requirements of this subsection.

19 (3) Absent good cause, as defined by the department of human services through the rule
20 making process, for refusing to comply with the requirements of (1) and (2) above, cash
21 assistance to the family shall be reduced by twenty-five percent (25%) until the adult member of
22 the family who has refused to comply with the requirements of this subsection consents to and
23 cooperates with the state in accordance with the requirements of this subsection.

24 (4) As a condition of eligibility for cash and medical assistance under this chapter, each
25 adult member, parent or caretaker relative of the family/assistance unit must consent to and
26 cooperate with the state in identifying and providing information to assist the state in pursuing
27 any third-party who may be liable to pay for care and services under Title XIX of the Social
28 Security Act, 42 U.S.C. section 1396 et seq.

29 **40-5.2-12. Work requirements for receipt of cash assistance.** -- (a) The department of
30 human services and the department of labor and training shall assess the applicant/parent or non-
31 parent caretaker relative's work experience, educational and vocational abilities, and the
32 department together with the parent shall develop and enter into a mandatory individual
33 employment plan in accordance with subsection 40-5.2-10(e) of this chapter.

34 (b) In the case of a family including two (2) parents, at least one of the parents shall be

1 required to participate in an employment plan leading to full-time employment. The department
2 may also require the second parent in a two (2) parent household to develop an employment plan
3 if and when the youngest child reaches six (6) years of age or older.

4 (c) The written individual employment plan shall specify, at minimum, the immediate
5 steps necessary to support a goal of long-term economic independence.

6 (d) All applicants and participants in the Rhode Island Works employment program must
7 attend and participate in required appointments, employment plan development, and employment-
8 related activities, unless temporarily exempt for reasons specified in this chapter.

9 (e) A recipient/participant temporarily exempted from the work requirements may
10 participate in an individual employment plan on a voluntary basis; however, remains subject to
11 the same program compliance requirements as a participant without a temporary exemption.

12 (f) The individual employment plan shall specify the participant's work activity(ies) and
13 the supportive services which will be provided by the department to enable the participant to
14 engage in the work activity(ies).

15 (g) Work Requirements for single parent families. - In single parent households, the
16 participant parent or non-parent caretaker relative in the cash assistance payment, shall participate
17 as a condition of eligibility, for a minimum of twenty (20) hours per week if the youngest child in
18 the home is under the age of six (6), and for a minimum of thirty (30) hours per week if the
19 youngest child in the home is six (6) years of age or older, in one or more of their required work
20 activities, as appropriate, in order to help the parent obtain stable full-time paid employment, as
21 determined by the department of human services and the department of labor and training;
22 provided, however, that he or she shall begin with intensive employment services ~~through the~~
23 ~~department of labor and training~~ as the first step in the individual employment plan. Required
24 work activities are as follows:

25 (1) At least twenty (20) hours per week must come from participation in one or more of
26 the following ten (10) work activities:

27 (A) Unsubsidized employment;

28 (B) Subsidized private sector employment;

29 (C) Subsidized public sector employment;

30 (D) Work experience;

31 (E) On the Job Training;

32 (F) Job search and job readiness;

33 (G) Community service programs;

34 (H) Vocational educational training not to exceed twelve (12) months;

1 (I) Providing child care services to another participant parent who is participating in an
2 approved community service program;

3 (J) Adult education in an intensive work readiness program not to exceed six (6) months.

4 (2) Above twenty (20) hours per week, the parent may participate in one or more of the
5 following three (3) activities in order to satisfy a thirty (30) hour requirement:

6 (A) Job skills training directly related to employment;

7 (B) Education directly related to employment; and,

8 (C) Satisfactory attendance at a secondary school or in a course of study leading to a
9 certificate of general equivalence if it is a teen parent under the age twenty (20) who is without a
10 high school diploma or General Equivalence Diploma (GED);

11 (3) In the case of a parent under the age of twenty (20), attendance at a secondary school
12 or the equivalent during the month or twenty (20) hours per week on average for the month in
13 education directly related to employment will be counted as engaged in work.

14 (4) A parent who participates in a work experience or community service program for
15 the maximum number of hours per week allowable by the Fair Labor Standards Act (FLSA) is
16 deemed to have participated in his/her required minimum hours per week in core activities if
17 actual participation falls short of his/her required minimum hours per week.

18 (5) A parent who has been determined to have a physical or mental impairment affecting
19 employment but who has not been found eligible for Social Security Disability Benefits or
20 Supplemental Security Income must participate in his or her rehabilitation employment plan as
21 developed with the Office of Rehabilitative Services which leads to employment and/or to receipt
22 of disability benefits through the Social Security Administration.

23 (6) A required work activity may be any other work activity permissible under federal
24 TANF provisions or state defined Rhode Island Works Program activity, including up to ten (10)
25 hours of activities required by a parent's department of children, youth and families service plan.

26 (h) Exemptions from Work Requirements for the single parent family. - Work
27 Requirements outlined in subsection 40-5.2-12(g) above shall not apply to a single parent if (and
28 for so long as) the department finds that he or she is:

29 (1) Caring for a child below the age of one, provided, however that a parent may opt for
30 the deferral from an individual employment plan for a maximum of twelve (12) months during
31 the twenty-four (24) months of eligibility for cash assistance, and provided further that a minor
32 parent without a high school diploma or the equivalent, and who is not married, shall not be
33 exempt for more than twelve weeks from the birth of the child;

34 (2) Caring for a disabled family member, who resides in the home and requires full time

1 care;

2 (3) A recipient of Social Security Disability benefits or Supplemental Security Income or
3 other disability benefits which have the same standard of disability as defined by the Social
4 Security Administration;

5 (4) An individual receiving assistance who is a victim of domestic violence as
6 determined by the department in accordance with rules and regulations;

7 (5) An applicant for assistance in her third trimester or a pregnant woman in her third
8 trimester who is a recipient of assistance and has medical documentation that she cannot work;

9 (6) An individual otherwise exempt by the department as defined in rules and regulations
10 promulgated by the department.

11 (i) Work Requirement for two parent families.

12 (1) In families consisting of two parents, one parent is required and shall be engaged in
13 work activities as defined below, for at least thirty-five (35) hours per week during the month, not
14 fewer than thirty (30) hours per week of which are attributable to one or more of the following
15 listed work activities, provided, however, that he or she shall begin with intensive employment
16 services ~~through the department of labor and training~~ as the first step in the Individual
17 Employment Plan. Two parent work requirements shall be defined as the following:

18 (A) Unsubsidized employment;

19 (B) Subsidized private sector employment;

20 (C) Subsidized public-sector employment;

21 (D) Work experience;

22 (E) On-the-job training;

23 (F) Job search and job readiness;

24 (G) Community service program;

25 (H) Vocational educational training not to exceed twelve (12) months;

26 (I) The provision of child care services to a participant individual who is participating in
27 a community service program;

28 (J) Adult education in an intensive work readiness program not to exceed six (6) months.

29 (2) Above thirty (30) hours per week, the following three (3) activities may also count
30 for participation:

31 (A) Job skills training directly related to employment;

32 (B) Education directly related to employment; and

33 (C) Satisfactory attendance at secondary school or in a course of study leading to a
34 certificate of general equivalence.

1 (3) A family with two parents in which one or both parents participate in a work
2 experience or community service program shall be deemed to have participated in core work
3 activities for the maximum number of hours per week allowable by the Fair Labor Standards Act
4 (FLSA) if actual participation falls short of his/her required minimum hours per week.

5 (4) If the family receives child care assistance and an adult in the family is not disabled
6 or caring for a severely disabled child, then the work-eligible individuals must be participating in
7 work activities for an average of at least fifty-five (55) hours per week to count as a two-parent
8 family engaged in work for the month.

9 (5) At least fifty (50) of the fifty-five (55) hours per week must come from participation
10 in the activities listed in subdivision 40-5.1-12(i)(1).

11 Above fifty (50) hours per week, the three (3) activities listed in subdivision 40-5.1-(i)(2)
12 may also count as participation.

13 (6) A family with two parents receiving child care in which one or both parents
14 participate in a work experience or community service program for the maximum number of
15 hours per week allowable by the Fair Labor Standards Act (FLSA) will be considered to have met
16 their required core hours if actual participation falls short of the required minimum hours per
17 week. For families that need additional hours beyond the core activity requirement, these hours
18 must be satisfied in some other TANF work activity.

19 (j) Exemptions from work requirements for two parent families. - Work requirements
20 outlined in subsection 40-5.2-12(i) above shall not apply to two parent families if (and for so long
21 as) the department finds that:

22 (1) Both parents receive Supplemental Security Income (SSI);

23 (2) One parent receives SSI, and the other parent is caring for a disabled family member
24 who resides in the home, and who requires full time care; or

25 (3) The parents are otherwise exempt by the department as defined in rules and
26 regulations.

27 (k) Failure to comply with work requirements. Sanctions and Terminations.

28 (1) The cash assistance to which an otherwise eligible family/assistance unit is entitled
29 under this chapter, shall be reduced for three (3) months, whether or not consecutive, in
30 accordance with rules and regulations promulgated by the department, whenever any participant,
31 without good cause, as defined by the department in its rules and regulations, has failed to enter
32 into an individual employment plan; has failed to attend a required appointment; has refused or
33 quit employment; or has failed to comply with any other requirements for the receipt of cash
34 assistance under this chapter. If the family's benefit has been reduced, benefits shall be restored to

1 the full amount beginning with the initial payment made on the first of the month following the
2 month in which the parent: (1) enters into an individual employment plan or rehabilitation plan
3 and demonstrates compliance with the terms thereof; or (2) demonstrates compliance with the
4 terms of his or her existing individual employment plan or rehabilitation plan, as such plan may
5 be amended by agreement of the parent and the department.

6 (2) In the case where appropriate child care has been made available in accordance with
7 this chapter, a participant's failure, without good cause, to accept a bona fide offer of work,
8 including full-time, part-time and/or temporary employment, or unpaid work experience or
9 community service, shall be deemed a failure to comply with the work requirements of this
10 section and shall result in reduction or termination of cash assistance, as defined by the
11 department in rules and regulations duly promulgated.

12 (3) If the family/assistance unit's benefit has been reduced for a total of three (3) months,
13 whether or not consecutive in accordance with this section due to the failure by one or more
14 parents to enter into an individual employment plan or failure to comply with the terms of his of
15 her individual employment plan, or the failure to comply with the requirements of this chapter,
16 cash assistance to the entire family shall end. The family/assistance unit may reapply for benefits,
17 and the benefits shall be restored to the family/assistance unit in the full amount the
18 family/assistance unit is otherwise eligible for under this chapter beginning on the first of the
19 month following the month in which all parents in the family/assistance unit who are subject to
20 the employment or rehabilitation plan requirements under this chapter: (A) enter into an
21 individual employment or rehabilitation plan as applicable, and demonstrate compliance with the
22 terms thereof, or (B) demonstrate compliance with the terms of the parent's individual
23 employment or rehabilitation employment plan in effect at the time of termination of benefits, as
24 such plan may be amended by agreement of the parent and the department.

25 (4) Up to ten (10) days following a notice of adverse action to reduce or terminate
26 benefits under this subsection, the client may request the opportunity to meet with a social worker
27 to identify the reasons for non-compliance, establish good cause and seek to resolve any issues
28 that have prevented the parent from complying with the employment plan requirements.

29 (5) Participants whose cases had closed in sanction status pursuant to Rhode Island's
30 prior Temporary Assistance for Needy Families Program,(federal TANF described in Title IVA
31 of the federal Social Security Act, 42 U.S.C. section 601 et seq.), the Family Independence
32 Program, more specifically, subdivision 40-5.1-9(2)(c), due to failure to comply with the cash
33 assistance program requirements, but who had received less than forty-eight (48) months of cash
34 assistance at the time of closure, and who reapply for cash assistance under the Rhode Island

1 Works Program, must demonstrate full compliance, as defined by the department in its rules and
2 regulations, before they shall be eligible for cash assistance pursuant to this chapter.

3 (l) Good Cause. - Good Cause for failing to meet any program requirements including
4 leaving employment, and failure to fulfill documentation requirements, shall be outlined in rules
5 and regulations promulgated by the department of human services.

6 SECTION 4. Sections 42-66.2-2, 42-66.2-4, 42-66.2-5, 42-66.2-6 and 42-66.2-7 of the
7 General Laws in Chapter 42-66.2 entitled "Pharmaceutical Assistance to the Elderly Act" are
8 hereby amended to read as follows:

9 **42-66.2-2. Program established.** -- There is established a program for pharmaceutical
10 assistance to the elderly. The intent of the This program is to be the payer of last resort and is
11 limited to eligible persons and eligible drugs.

12 **42-66.2-4. Amount of payment.** - (a) The state shall ~~pay the percentage rate of the~~
13 ~~maximum allowable amount per prescription as formulated in the contract, as of the date of~~
14 ~~purchase of the drug, between the contractor and participating pharmacies in accordance with the~~
15 ~~income eligibility and co-payment shares~~ reimburse the consumer up to the percentage rate of the
16 maximum allowable amount per prescription as set forth in section 42-66.2-5 as of the date of
17 purchase of the drug, in accordance with the income eligibility and co-payment shares set forth in
18 section 42-66.2-5. The rebates generated pursuant to section 42-66.2-10 shall be used to offset the
19 state's payment. ~~The pharmacy shall collect from the consumer the percentage rate of the~~
20 ~~maximum allowable amount per prescription as formulated in the contract, as of the date of the~~
21 ~~purchase of the eligible drug or additional drug, between the contractor and participating~~
22 ~~pharmacies in accordance with the income eligibility and co-payment shares set forth in section~~
23 ~~42-66.2-5.~~

24 (b) Reimbursement payment will be made to consumers no less than quarterly.

25 (c) The director is authorized and directed to promulgate rules relating to the process by
26 which consumers submit claims for reimbursement including what documentation must be
27 provided by the consumer.

28 **42-66.2-5. Persons eligible.** -- (a) Persons eligible for assistance under the provisions of
29 this chapter include any resident of the state who is at least sixty-five (65) years of age or at least
30 fifty-five (55) years of age and receiving social security disability benefits. State and consumer
31 co-payment shares for these persons shall be determined as follows:

32 (1) For unmarried persons or married persons living separate and apart whose income for
33 the calendar year immediately preceding the year in which assistance is sought is:

34 (i) Less than nineteen thousand three hundred forty-one dollars (\$19,341) the state shall

1 provide reimbursement such that the consumer shall pay no more than forty percent (40%) pay
2 ~~sixty percent (60%) of the cost of the prescriptions and the consumer shall pay forty percent~~
3 ~~(40%)~~ of the cost of the prescriptions.

4 (ii) More than nineteen thousand three hundred forty-one dollars (\$19,341) and less than,
5 twenty-four thousand two hundred and eighty dollars (\$24,280) the state shall provide
6 reimbursement such that ~~pay thirty percent (30%) of the cost of the prescriptions and~~ the
7 consumer shall pay no more than seventy percent (70%) of the cost of the prescriptions; and

8 (iii) More than twenty-four thousand two hundred and eighty dollars (\$24,280) and less
9 than forty-two thousand four hundred and ninety-three dollars (\$42,493), the state shall provide
10 reimbursement such that ~~pay fifteen percent (15%) of the cost of prescriptions and~~ the consumer
11 shall pay no more than eighty-five percent (85%) of the cost of prescriptions.

12 (2) For married persons whose income for the calendar year immediately preceding the
13 year in which assistance is sought hereunder when combined with any income of the person's
14 spouse in the same year is:

15 (i) Twenty-four thousand one hundred and seventy-nine dollars (\$24,179) or less, the
16 state shall ~~pay sixty percent (60%) of the cost of the prescriptions and~~ provide reimbursement
17 such that the consumer shall pay no more than forty percent (40%) of the cost of the
18 prescriptions;

19 (ii) More than twenty-four thousand one hundred and seventy-nine dollars (\$24,179) and
20 less than thirty thousand three hundred and fifty-two dollars (\$30,352), the state shall ~~pay thirty~~
21 ~~percent (30%) of the cost of the prescriptions and~~ provide reimbursement such that the consumer
22 shall pay no more than seventy percent (70%) of the cost of prescriptions; and

23 (iii) More than thirty thousand three hundred and fifty-two dollars (\$30,352) and less
24 than forty-eight thousand five hundred and sixty-three dollars (\$48,563), the state shall ~~pay~~
25 ~~fifteen percent (15%) of the cost of prescriptions and~~ provide reimbursement such that the
26 consumer shall pay no more than eighty-five percent (85%) of the cost of prescriptions.

27 (3) Eligibility may also be determined by using income data for the ninety (90) days
28 prior to application for benefits and projecting that income on an annual basis. The income levels
29 shall not include those sums of money expended for medical and pharmaceutical that exceed
30 three percent (3%) of the applicant's annual income or three percent (3%) of the applicant's
31 preceding ninety (90) day income computed on an annual basis.

32 (4) For persons on social security disability benefits who are: (i) unmarried or married
33 and living separate and apart with income for the calendar year immediately preceding the year in
34 which assistance is sought that is less than forty-two thousand four hundred and ninety-three

1 dollars (\$42,493); or (ii) married with income that is less than forty-eight thousand five hundred
2 and sixty-three dollars (\$48,563) the state shall ~~pay fifteen percent (15%) of the cost of~~
3 ~~prescriptions and~~ provide reimbursement such that the consumer shall pay no more than eighty-
4 five percent (85%) of the cost.

5 (b) On July 1 of each year, the maximum amount of allowable income for both
6 unmarried and married residents set forth in subsection (a) shall be increased by a percentage
7 equal to the percentage of the cost of living adjustment provided for social security recipients.

8 ~~(c) No person whose prescription drug expenses are paid or reimbursable, either in~~
9 ~~whole or in part, by any other plan of assistance or insurance is eligible for assistance under this~~
10 ~~section, until the person's prescription drug coverage for a specific covered prescription~~
11 ~~medication is exhausted or the specific prescription medication is not covered by the plan during~~
12 ~~a benefit year, and as provided in subsection (d).~~

13 ~~(d)~~(c) The fact that some of a person's prescription drug expenses are paid or
14 reimbursable either in whole or in part, under the provisions of the federal Medicare program
15 shall not disqualify that person, if he or she is otherwise eligible, to receive assistance under this
16 chapter, provided that if the federal share equals or exceeds sixty percent (60%) of the cost the
17 state shall make no payment. ~~In those cases, the state shall pay the eligible percentage of the cost~~
18 ~~of those prescriptions for qualified drugs for which no payment or reimbursement is made by the~~
19 ~~federal government.~~

20 ~~(e) Eligibility for receipt of any other benefit under any other provisions of the Rhode~~
21 ~~Island general laws as a result of eligibility for the pharmaceutical assistance program authorized~~
22 ~~under this section shall be limited to those persons whose income qualify them for a sixty percent~~
23 ~~(60%) state co-payment share of the cost of prescriptions.~~

24 ~~(f)~~(d) For all additional drugs, the consumer shall pay one hundred percent (100%) of the
25 cost of prescriptions as set forth in section 42-66.2-4.

26 ~~(g)~~(e) To promote coordination of benefits between the pharmaceutical assistance
27 program created under this chapter and the Medicare Part D prescription drug program created in
28 the federal Medicare Prescription Drug, Improvement and Modernization Act of 2003, RIPAE
29 enrollees must apply for and enroll in the Medicare Part D prescription drug program.

30 **42-66.2-6. Responsibilities of department of elderly affairs.** -- (a) Determination of
31 eligibility. - The department shall adopt regulations relating to the determination of eligibility of
32 prospective consumers and the determination and elimination of program abuse. The department
33 has the power to declare ineligible any consumer who abuses or misuses the established
34 prescription plan. The department has the power to investigate cases of suspected provider or

1 consumer fraud.

2 ~~(b) Rebates for expenses prohibited. — (1) A system of rebates or reimbursements to the~~
3 ~~consumer for pharmaceutical expenses shall be prohibited.~~

4 ~~(2) Subdivision (1) shall not be interpreted to exclude other consumers not participating~~
5 ~~in the pharmaceutical assistance to the elderly program from receiving financial offers or~~
6 ~~redeemable coupons that are available to only those who have paid for the service or product~~
7 ~~through direct cash payment, insurance premiums, or cost sharing with an employer.~~

8 ~~(e)~~(b) Program criteria. - The program includes the following criteria:

9 ~~(1) Collection of the co-payment by pharmacies is mandatory;~~

10 ~~(2)~~(1) Senior citizens participating in the program are ~~not~~ required to maintain records of
11 each transaction ~~but shall sign a receipt for eligible and additional drugs; as specified by the~~
12 ~~director in accordance with subsection 42-66.2-4(c);~~

13 ~~(3) (i) A system of rebates or reimbursements to the consumer for pharmaceutical~~
14 ~~expenses is prohibited;~~

15 ~~(ii) This subdivision shall not be interpreted to exclude other consumers from receiving~~
16 ~~financial offers or redeemable coupons that are available to only those who have paid for the~~
17 ~~service or product through direct cash payment, insurance premiums, or cost sharing with an~~
18 ~~employer.~~

19 ~~(4)~~(2) Prescription benefits for any single prescription may be dispensed in the amounts
20 authorized by the physician, and agreed to by the consumer, up to a maximum of a one hundred
21 (100) day supply or two hundred (200) doses, whichever is less and/or a one hundred (100) day
22 supply or one quart of liquid, whichever is less; provided, however, that disposable insulin
23 syringes are dispensed in a quantity of one hundred (100);

24 ~~(5)~~(3) Experimental drugs are excluded from the program;

25 ~~(6)~~(4) A system of mail order delivery for prescriptions is allowed under this program;

26 and

27 ~~(7)~~(5) Eligible and additional drugs must be dispensed within one year of the original
28 prescription order.

29 ~~(d) The director shall issue an eligibility card containing a program ID number and the~~
30 ~~time period for which the card is valid.~~

31 ~~(e)~~(c) The director shall provide a mechanism, within the department, to handle all
32 public inquiries concerning the program.

33 ~~(f)~~(d) The director shall establish a process, in accordance with the Administrative
34 Procedures Act, chapter 35 of this title, to provide an appeals hearing on the determination of

1 eligibility.

2 ~~(e)~~(e) The director shall forward to the contractor a list of all eligible consumers.

3 ~~(f)~~(f) Expenditures for multiple sclerosis drugs shall not exceed thirty thousand dollars
4 (\$30,000).

5 ~~(g)~~(g) Generic drug substitution is mandatory when there is an available generic drug
6 equivalent.

7 **42-66.2-7. Contract.** -- (a) The director is authorized ~~and shall~~ to enter into a contract
8 with the contractor for the effective administrative support of this program.

9 (b) A competitive bid and contract award shall occur in accordance with the state
10 Medicaid authority's competitive bid process and cycle.

11 SECTION 5. Section 1 shall take effect as of October 1, 2011. The remainder of the
12 Article shall take effect upon passage.

1 **ARTICLE 24**

2 RELATING TO JOB TRAINING FUNDS

3 SECTION 1. Section 42-102-9 of the General Laws in Chapter 42-102 entitled "Rhode
4 Island Human Resource Investment Council" is hereby amended to read as follows:

5 **42-102-9. Powers and duties of the Rhode Island human resource investment council**

6 **-- Employment and training systems in the state. --** (a) The council shall establish statewide
7 policies, goals, and guidelines for the coordination of all employment and training programs and
8 related services, and employment-related training programs within the state, including:

9 (1) The state department of labor and training programs sponsored under the Workforce
10 Investment Act of 1998, Wagner-Peyser Act, 29 U.S.C. section 49 et seq., the Trade Act of 2002
11 and any other employment-related educational program administered by the state department of
12 labor and training;

13 (2) The state department of human services training programs sponsored under the
14 Temporary Assistance to Needy Families, title IV of the Social Security Act; the Supplemental
15 Nutrition Assistance Program Employment and Training Program; Vocational Rehabilitation Act
16 of 1973 and any other employment and training and related services and employment-related
17 educational programs administered by the state's department of human services;

18 (3) Employment and training programs sponsored under the Carl D. Perkins Vocational
19 Education Act, 20 U.S.C. section 2301 et seq., the federal Adult Education Act, Title II of the
20 Workforce Investment Act of 1998 and any other employment-related educational programs
21 administered by the board of governors for higher education, or the board of regents for
22 elementary and secondary education; and

23 (4) All other employment and training and related services and employment-related
24 educational programs either presently existing or hereinafter established which are administered
25 by any state agencies, departments, or councils. Programs included within subdivisions (1) --
26 ~~(5)~~(4) of this subsection shall be referred herein collectively as "the coordinated programs
27 system". Provided, however, that the responsibilities and duties of the board of governors for
28 higher education or the board of regents for elementary and secondary education, as set forth in
29 the general laws, shall not be abridged.

30 (b) With respect to plans for employment and training programs sponsored under the

1 federal Carl D. Perkins Vocational Education Act, 20 U.S.C. section 2301 et seq., and any other
2 employment-related educational programs administered by the boards of governors for higher
3 education or the board of regents for elementary and secondary education, the council and
4 applicable board shall establish a process for the development and preparation of all these plans;
5 and the applicable board shall approve the plan subject to review and comment by the council.

6 (c) With respect to plans for the Temporary Assistance to Needy Families Program,
7 SNAP Employment and Training Program, Vocational Rehabilitation Services and any other
8 employment and training and related programs administered by the state's department of human
9 services, the authority and responsibilities of the department as the single state agency under
10 Titles IV-A, 42 U.S.C. sections 601 -- 617, and IV-F, 42 U.S.C. sections 681 -- 687 [repealed] of
11 the federal Social Security Act shall not be abridged.

12 (d) The council shall review, comment on, or approve as appropriate all other plans for
13 employment and training within the coordinated programs system. The council shall establish
14 policies and performance goals for the coordinated programs system. These policies and goals
15 shall include, but not be limited to:

16 (1) Establishing and communicating uniform policies;

17 (2) Gathering and distributing information from and to all agencies, departments, and
18 councils within the coordinated programs system;

19 (3) Standardizing and coordinating program planning, budgeting, and funding processes;

20 (4) Recommending structural and procedural changes;

21 (5) Establishing performance goals and measurements for monitoring the effectiveness
22 of members of the coordinated programs system;

23 (6) Reconciling diverse agency, departmental, or council goals and developing priorities
24 among those goals; and

25 (7) Producing an annual Unified Workforce Development Expenditure and Program
26 Report to be submitted to the General Assembly beginning January 1, 2011 and covering activity
27 having taken place the preceding fiscal year ending June 30th. The report shall include, at a
28 minimum, expenditures by agencies for programs included in subdivisions 42-102-
29 9(a)(1)(2)(3)(4), and shall show the number of individuals served by each program, including
30 demographic information by gender, race and ethnicity; outcome information and such other
31 information as may be determined by the Human Resource Investment Council, including, but
32 not limited to, attainment of credentials.

33 (e) All state and local agencies, departments, or council or similar organizations within
34 the coordinated programs system shall be required to provide the council with the information

1 necessary to produce the Unified Workforce Development Expenditure and Program Report
2 described in subdivision (7) and shall otherwise cooperate with the council in the council's
3 exercise of its authority under subsections (b) -- (d).

4 (f) The council or a sub-committee or adjunct of the council shall assume all duties and
5 responsibilities of the state job training coordination council required to be established pursuant
6 to the federal Job Training Partnership Act, 29 U.S.C. section 1532 [repealed].

7 (g) In addition to the specific authority provided for herein, the council shall have all
8 other authority necessary for effective coordination and implementation of the coordinated
9 programs system.

10 (h) The council shall biennially develop an employment and training plan for the state to
11 be submitted to the governor and the general assembly commencing ~~January 1, 1994~~ March 15,
12 2012 and covering the subsequent two fiscal years. The biennial plan shall outline goals and
13 objectives of the coordinated programs system, major priorities needed for the next two (2) year
14 period, and policies and requirements necessary to meet those priorities. The council shall
15 provide a funding plan necessary to achieve system priorities and to serve the anticipated number
16 of participants and shall identify the general revenue funds necessary to meet program needs,
17 taking into account anticipated federal, private and other sources of funds.

18 (i) The council shall develop and maintain a comprehensive inventory and analysis of
19 workforce development activities in the state no later than December 1, 2011 to support the
20 biennial report in subsection 42-102-9 (h). The analysis shall include, but not be limited to, an
21 examination of the populations being served across the different employment and training and
22 adult education programs across the state, the number of participants being served by these
23 programs, the type of services provided and the eligibility requirements of each of these
24 programs. The analysis shall also identify the funding sources (all sources) used in these
25 programs, the service providers within the state, as well as the range of services provided. The
26 analysis shall also examine the employer role in workforce development activities, including, but
27 not limited to, how employer needs are assessed, benefits employers receive for partnering with
28 workforce development organizations, and the role employers play in development and training.

29 (j) The council shall establish and convene an advisory group to assist in the development
30 of the analysis that consists of stakeholders and organizations with specific knowledge and
31 expertise in the area of workforce development.

32 (k) All departments and agencies of the state shall furnish advice and information,
33 documentary or otherwise to the council and its agents as is deemed necessary or desirable by the
34 council to facilitate the purposes of the council as defined in subsection 42-109-9 (i).

1

SECTION 2. This Article shall take effect upon passage.

ARTICLE 25 AS AMENDED

RELATING TO AUTHORIZING STATE-OPERATED CASINO GAMING AT TWIN

“ARTICLE _____

RELATING TO AUTHORIZING STATE-OPERATED CASINO GAMING AT TWIN

RIVER SUBJECT TO STATEWIDE AND LOCAL VOTER APPROVAL

SECTION 1. Section 42-61.2-1 of the General Laws in Chapter 42-61.2 entitled "Video Lottery Terminal" is hereby amended to read as follows:

42-61.2-1. Definitions. [Effective June 30, 2009.] -- For the purpose of this chapter, the following words shall mean:

(1) "Central communication system" means a system approved by the lottery division, linking all video lottery machines at a licensee location to provide auditing program information and any other information determined by the lottery. In addition, the central communications system must provide all computer hardware and related software necessary for the establishment and implementation of a comprehensive system as required by the division. The central communications licensee may provide a maximum of fifty percent (50%) of the video lottery terminals.

(2) "Licensed video lottery retailer" means a pari-mutuel licensee specifically licensed by the director subject to the approval of the division to become a licensed video lottery retailer.

(3) "Net terminal income" means currency placed into a video lottery terminal less credits redeemed for cash by players.

(4) "Pari-mutuel licensee" means an entity licensed and authorized to conduct:

(i) Dog racing, pursuant to chapter 3.1 of title 41; and/or

(ii) Jai-alai games, pursuant to chapter 7 of title 41.

(5) "Technology provider" means any individual, partnership, corporation, or association that designs, manufactures, installs, operates, distributes or supplies video lottery machines or associated equipment for the sale or use in this state.

(6) "Video lottery games" means lottery games played on video lottery terminals controlled by the lottery division.

(7) "Video lottery terminal" means any electronic computerized video game machine that, upon the insertion of cash, is available to play a video game authorized by the lottery division, and which uses a video display and microprocessors in which, by chance, the player may receive free games or credits that can be redeemed for cash. The term does not include a

1 machine that directly dispenses coins, cash, or tokens.

2 (8) "Casino gaming" means any and all table and casino-style games played with cards,
3 dice or equipment, for money, credit, or any representative of value; including, but not limited to
4 roulette, blackjack, big six, craps, poker, baccarat, pai gow, any banking or percentage game, or
5 any other game of device included within the definition of Class III gaming as that term is
6 defined in Section 2703(8) of Title 25 of the United States Code and which is approved by the
7 state through the division of state lottery.

8 SECTION 2. Chapter 42-61.2 of the General Laws entitled "Video Lottery Terminal" is
9 hereby amended by adding thereto the following section:

10 **42-61.2-2.1. State authorized to operate casino gaming.** -- (a) State-operated casino
11 gaming shall be authorized at the facility of the licensed video lottery terminal retailer known as
12 "Twin River" located in the town of Lincoln; provided, that the requirements of Article VI,
13 Section 22 of the Rhode Island Constitution are met with respect to said facility at the general
14 election next held after enactment of this section.

15 (1) With respect to the "Twin River" facility, the authorization of this section 2.1 shall be
16 effective upon: (i) The certification by the secretary of state that the qualified voters of the state
17 have approved the expansion of gambling at such facility to include casino gaming; and (ii) The
18 certification by the board of canvassers of the town of Lincoln that qualified electors of the town
19 of Lincoln have approved the expansion of gambling at such facility to include casino gaming.

20 (b) The general assembly finds that:

21 (1) The operation of casino gaming at Twin River will play a critical role in the economy
22 of the state and enhance state and local revenues;

23 (2) Pursuant to Article VI, Section 15 of the Rhode Island Constitution and the specific
24 powers, authorities and safeguards set forth in subsection (c) herein in connection with the
25 operation of casino gaming, the state shall have full operational control over the specified
26 location at which casino gaming shall be conducted;

27 (3) It is in the best interest of the state to have the authorization to operate casino gaming
28 as specified at Twin River; and

29 (4) It is in the best interest of the state to conduct an extensive analysis and evaluation of
30 competitive casino gaming operations and thereafter for the general assembly to enact
31 comprehensive legislation during the 2012 legislative session to determine the terms and
32 conditions pursuant to which casino gaming would be operated in the state if it is authorized as
33 set forth herein.

34 (c) Notwithstanding the provisions of any other law and pursuant to Article VI, Section

1 15 of the Rhode Island Constitution, the state is authorized to operate, conduct and control casino
2 gaming at Twin River, subject to subsection (a) above. In furtherance thereof, the state, through
3 the division of state lottery and/or the department of business regulation, shall have full
4 operational control to operate the foregoing facility, the authority to make all decisions about all
5 aspects of the functioning of the business enterprise, including, without limitation, the power and
6 authority to:

7 (1) Determine the number, type, placement and arrangement of casino gaming games,
8 tables and sites within the facility;

9 (2) Establish with respect to casino gaming one or more systems for linking, tracking,
10 deposit and reporting of receipts, audits, annual reports, prohibitive conduct and other such
11 matters determined from time to time;

12 (3) Collect all receipts from casino gaming, require that Twin River collect casino
13 gaming gross receipts in trust for the state through the division of state lottery, deposit such
14 receipts into an account or accounts of its choice, allocate such receipts according to law, and
15 otherwise maintain custody and control over all casino gaming receipts and funds;

16 (4) Hold and exercise sufficient powers over Twin River's accounting and finances to
17 allow for adequate oversight and verification of the financial aspects of casino gaming at the
18 facility, including, without limitation:

19 (i) The right to require Twin River to maintain an annual balance sheet, profit and loss
20 statement, and any other necessary information or reports; and

21 (ii) The authority and power to conduct periodic compliance or special or focused audits
22 of the information or reports provided, as well as the premises with the facility containing records
23 of casino gaming or in which the business of Twin River's casino gaming operations are
24 conducted;

25 (5) Monitor all casino gaming operations and have the power to terminate or suspend any
26 casino gaming activities in the event of an integrity concern or other threat to the public trust, and
27 in furtherance thereof, require the licensed video lottery retailer to provide a specified area or
28 areas from which to conduct such monitoring activities;

29 (6) Define and limit the rules of play and odds of authorized casino gaming games,
30 including, without limitation, the minimum and maximum wagers for each casino gaming game;

31 (7) Have approval rights over matters relating to the employment of individuals to be
32 involved, directly or indirectly, with the operation of casino gaming at Twin River;

33 (8) Establish compulsive gambling treatment programs;

34 (9) Promulgate, or propose for promulgation, any legislative, interpretive and procedural

1 rules necessary for the successful implementation, administration and enforcement of this
2 chapter; and

3 (10) Hold all other powers necessary and proper to fully effectively execute and
4 administer the provisions of this chapter for its purpose of allowing the state to operate a casino
5 gaming facility through a licensed video lottery retailer hosting said casino gaming on behalf of
6 the State of Rhode Island.

7 (d) Subject to subsection (a) above, the state, through the division of state lottery and/or
8 the department of business regulation, may expand Twin River existing video lottery license
9 issued, or issue Twin River a new casino gaming license, to permit casino gaming to the extent
10 authorized by this act.

11 (e) Subject to subsection (a) above, all rules and regulations shall be promulgated by the
12 state, through the division of state lottery and the department of business regulation, in
13 accordance with the authority conferred upon the general assembly pursuant to Article VI,
14 Section 15 of the Rhode Island Constitution. In accord therewith, subject to subsection (a) above,
15 the state, through the division of state lottery and/or the department of business regulation, shall
16 have authority to issue such regulations as it deems appropriate pertaining to control, operation
17 and management of casino gaming as specifically set forth in subsections (b) and (c) herein.

18 SECTION 3. Nothing in this act shall abrogate or diminish the powers of the state,
19 through the division of state lottery and/or the department of business regulation, to conduct and
20 control video lottery terminals pursuant to chapter 42-61.2 of the general laws.

21 SECTION 4. Pursuant to Article VI, Section 22 of the Rhode Island Constitution, the
22 following question shall be submitted by the secretary of state to the qualified electors of the state
23 at the next statewide general election, and the secretary of state shall certify the election results:

24 “Shall an act be approved which would authorize the facility known as “Twin River” in
25 the town of Lincoln to add state-operated casino gaming, such as table games, to the types of
26 gambling it offers?”

27 SECTION 5. Pursuant to Article VI, Section 22 of the Rhode Island Constitution, the
28 following question shall be submitted by the local board of canvassers to the qualified electors of
29 the town of Lincoln at the next statewide general election, and the results thereof shall be certified
30 to the secretary of state:

31 “Shall an act be approved which would authorize the facility known as “Twin River” in
32 the town of Lincoln to add state-operated casino gaming, such as table games, to the types of
33 gambling it offers?”

34 SECTION 6. Purpose. The purpose of Sections 7 through 10 of this act is to help

1 strengthen the commercial health of the Twin River facility and the Newport Grand facility and
2 protect for the people of Rhode Island the public's share of revenues generated at the Twin River
3 and Newport Grand facilities.

4 SECTION 7. Unless otherwise amended by this Act, the terms, conditions, provisions,
5 and definitions of Chapter 322 and 323 of the Public Laws of 2005 and Chapter 16 of the Public
6 Laws of 2010 are hereby incorporated herein by reference and shall remain in full force and
7 effect.

8 SECTION 8. Authorized Procurement of Second Amendment to the Master Video
9 Lottery Terminal Contract.

10 (a) Notwithstanding any provision of the general or public laws or regulations adopted
11 thereunder to the contrary, the division of state lottery is hereby expressly authorized and
12 empowered, to enter into with Twin River and Newport Grand a Second Amendment to the Twin
13 River Master Contract and to the Newport Grand Master Contract, for the following purposes and
14 containing the following terms and conditions, all of which shall be set forth in more particular
15 detail in the Second Amendment:

16 (i) To provide that the requirements of Part A, Section 4(a)(ii) as to Twin River and Part
17 B, Section (4)(a)(ii) as to Newport Grand be amended to add the following provision thereto: The
18 Division is authorized, in addition to the Promotional Points Program established in Part A,
19 Section 4(a)(ii) and Part B, Section 4(a)(ii), to approve an additional amount of Promotional
20 Points not to exceed seven hundred fifty thousand dollars (\$750,000) per facility pursuant to the
21 same terms and conditions authorized by Chapter 16 of the Public Laws of 2010.

22 (ii) To provide that the requirements of the following subsection found in Chapter 16 of
23 the Public Laws of 2010, Part B, Section 4(a)(iii)(2) be stricken and removed from the First
24 Amendment to Master Video Terminal Contract, to wit: and (2) the division shall not owe any
25 amount pursuant to said section 4(a)(iii) in any given marketing year unless, pursuant to
26 subsection 42-61.2-7(a), the state has received net terminal income for such marketing year in an
27 amount equal to or exceeding the amount of net terminal income the state received for the state's
28 fiscal year 2010. The requirements so stricken shall allow the Marketing Program and payments
29 due thereunder to be in effect for fiscal year 2011 pursuant to the terms and conditions set forth in
30 said section.

31 (c) All other terms and conditions contained in the First Amendment to Master Video
32 Lottery Terminal Contract shall remain in full force and effect.

33 SECTION 9. Section 42-61.2-7 of the General Laws in Chapter 42-61.2 entitled "Video
34 Lottery Terminal" is hereby amended to read as follows:

1 **42-61.2-7. Division of revenue. [Effective June 30, 2009 and expires June 30, 2011.] -**

2 - (a) Notwithstanding the provisions of section 42-61-15, the allocation of net terminal income
3 derived from video lottery games is as follows:

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

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

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

27 (iii) One and twenty-two one hundredths of one percent (1.22%) to fund section 44-34.1-
28 1, entitled "Motor Vehicle and Trailer Excise Tax Elimination Act of 1998", to the maximum
29 amount to the nearest two hundred fifty dollar (\$250) increment within the allocation. In no event
30 shall the exemption in any 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
32 (0.10%) to a maximum of ten million dollars (\$10,000,000) for supplemental distribution to
33 communities not included in paragraph (a)(1)(i) above distributed proportionately on the basis of
34 general revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008

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

5 (2) To the licensed video lottery retailer:

6 (a) (i) Prior to the effective date of the NGJA Master Contract, Newport Jai Ali twenty-
7 six percent (26%) minus three hundred eighty four thousand nine hundred ninety-six dollars
8 (\$384,996);

9 (ii) On and after the effective date of the NGJA Master Contract, to the licensed video
10 lottery retailer who is a party to the NGJA Master Contract, all sums due and payable under said
11 Master Contract minus three hundred eighty four thousand nine hundred ninety-six dollars
12 (\$384,996).

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

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

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

33 (C) After approval of the request by the division of lottery, the total number of premium
34 or licensed propriety content video lottery terminals does not exceed ten percent (10%) of the

1 total number of video lottery terminals authorized at the respective licensed video lottery retailer;
2 and

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

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

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

12 (4) To the city of Newport one and one hundredth percent (1.01%) of net terminal
13 income of authorized machines at Newport Grand except that effective November 9, 2009, the
14 allocation shall be one and two tenths percent (1.2%) of net terminal income of authorized
15 machines at Newport Grand for each week the facility operates video lottery games on a twenty-
16 four (24) hour basis for all eligible hours authorized and to the town of Lincoln one and twenty-
17 six hundredths percent (1.26%) of net terminal income of authorized machines at Lincoln Park
18 except that effective November 9, 2009, the allocation shall be one and forty-five hundredths
19 percent (1.45%) of net terminal income of authorized machines at Lincoln Park for each week the
20 facility operates video lottery games on a twenty-four (24) hour basis for all eligible hours
21 authorized;

22 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net
23 terminal income of authorized machines at Lincoln Park up to a maximum of ten million dollars
24 (\$10,000,000) per year, which shall be paid to the Narragansett Indian Tribe for the account of a
25 Tribal Development Fund to be used for the purpose of encouraging and promoting: home
26 ownership and improvement, elderly housing, adult vocational training; health and social
27 services; childcare; natural resource protection; and economic development consistent with state
28 law. Provided, however, such distribution shall terminate upon the opening of any gaming facility
29 in which the Narragansett Indians are entitled to any payments or other incentives; and provided
30 further, any monies distributed hereunder shall not be used for, or spent on previously contracted
31 debts; and

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

33 (7) Payments into the state's general fund specified in subdivisions (a)(1) and (a)(6) shall
34 be made on an estimated monthly basis. Payment shall be made on the tenth day following the

1 close of the month except for the last month when payment shall be on the last business day.

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

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

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

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

14 **42-61.2-7. Division of revenue. [Effective June 30, 2011.]** -- (a) Notwithstanding the
15 provisions of section 42-61-15, the allocation of net terminal income derived from video lottery
16 games is as follows:

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

20 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one
21 percent (0.19%) up to a maximum of twenty million dollars (\$20,000,000) shall be equally
22 allocated to the distressed communities as defined in section 45-13-12 provided that no eligible
23 community shall receive more than twenty-five percent (25%) of that community's currently
24 enacted municipal budget as its share under this specific subsection. Distributions made under
25 this specific subsection are supplemental to all other distributions made under any portion of
26 general laws section 45-13-12. For the fiscal year ending June 30, 2008 distributions by
27 community shall be identical to the distributions made in the fiscal year ending June 30, 2007 and
28 shall be made from general appropriations. For the fiscal year ending June 30, 2009, the total
29 state distribution shall be the same total amount distributed in the fiscal year ending June 30,
30 2008 and shall be made from general appropriations. For the fiscal year ending June 30, 2010, the
31 total state distribution shall be the same total amount distributed in the fiscal year ending June 30,
32 2009 and shall be made from general appropriations, provided however that \$784,458 of the total
33 appropriation shall be distributed equally to each qualifying distressed community.

34 (ii) Five one hundredths of one percent (0.05%) up to a maximum of five million dollars

1 (\$5,000,000) shall be appropriated to property tax relief to fully fund the provisions of section 44-
2 33-2.1. The maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum
3 amount to the nearest five dollar (\$5.00) increment within the allocation until a maximum credit
4 of five hundred dollars (\$500) is obtained. In no event shall the exemption in any fiscal year be
5 less than the prior fiscal year.

6 (iii) One and twenty-two one hundredths of one percent (1.22%) to fund section 44-34.1-
7 1, entitled "Motor Vehicle and Trailer Excise Tax Elimination Act of 1998", to the maximum
8 amount to the nearest two hundred fifty dollar (\$250) increment within the allocation. In no event
9 shall the exemption in any fiscal year be less than the prior fiscal year.

10 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent
11 (0.10%) to a maximum of ten million dollars (\$10,000,000) for supplemental distribution to
12 communities not included in paragraph (a)(1)(i) above distributed proportionately on the basis of
13 general revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008
14 distributions by community shall be identical to the distributions made in the fiscal year ending
15 June 30, 2007 and shall be made from general appropriations. For the fiscal year ending June 30,
16 2009, no funding shall be disbursed. For the fiscal year ending June 30, 2010 and thereafter,
17 funding shall be determined by appropriation.

18 (2) To the licensed video lottery retailer:

19 (a) (i) Prior to the effective date of the NGJA Master Contract, Newport Jai Ali twenty-
20 six percent (26%) minus three hundred eighty four thousand nine hundred ninety-six dollars
21 (\$384,996);

22 (ii) On and after the effective date of the NGJA Master Contract, to the licensed video
23 lottery retailer who is a party to the NGJA Master Contract, all sums due and payable under said
24 Master Contract minus three hundred eighty four thousand nine hundred ninety-six dollars
25 (\$384,996).

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

30 (ii) On and after the effective date of the UTGR Master Contract, to the licensed video
31 lottery retailer who is a party to the UTGR Master Contract, all sums due and payable under said
32 Master Contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars
33 (\$767,687).

34 (3) (i) To the technology providers who are not a party to the GTECH Master Contract

1 as set forth and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net
2 terminal income of the provider's terminals; in addition thereto, technology providers who
3 provide premium or licensed proprietary content or those games that have unique characteristics
4 such as 3D graphics, unique math/game play features or merchandising elements to video lottery
5 terminals may receive incremental compensation, either in the form of a daily fee or as an
6 increased percentage, if all of the following criteria are met:

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

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

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

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

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

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

25 (4) To the city of Newport one and one hundredth percent (1.01%) of net terminal
26 income of authorized machines at Newport Grand except that effective November 9, 2009 until
27 June 30, 2012, the allocation shall be one and two tenths percent (1.2%) of net terminal income of
28 authorized machines at Newport Grand for each week the facility operates video lottery games on
29 a twenty-four (24) hour basis for all eligible hours authorized and to the town of Lincoln one and
30 twenty-six hundredths percent (1.26%) of net terminal income of authorized machines at Lincoln
31 Park except that effective November 9, 2009 until June 30, 2012, the allocation shall be one and
32 forty-five hundredths percent (1.45%) of net terminal income of authorized machines at Lincoln
33 Park for each week the facility operates video lottery games on a twenty-four (24) hour basis for
34 all eligible hours authorized; and

1 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net
2 terminal income of authorized machines at Lincoln Park up to a maximum of ten million dollars
3 (\$10,000,000) per year, which shall be paid to the Narragansett Indian Tribe for the account of a
4 Tribal Development Fund to be used for the purpose of encouraging and promoting: home
5 ownership and improvement, elderly housing, adult vocational training; health and social
6 services; childcare; natural resource protection; and economic development consistent with state
7 law. Provided, however, such distribution shall terminate upon the opening of any gaming facility
8 in which the Narragansett Indians are entitled to any payments or other incentives; and provided
9 further, any monies distributed hereunder shall not be used for, or spent on previously contracted
10 debts; and

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

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

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

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

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

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

27 SECTION 11. This Article shall take effect upon passage.

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ARTICLE 26 AS AMENDED

RELATING TO PUBLIC PROPERTY AND WORKS

ARTICLE _____

RELATING TO PUBLIC PROPERTY AND WORKS

SECTION 1. Chapter 37-7 of the General Laws entitled "Management and Disposal of Property" is hereby amended by adding thereto the following section:

37-7-15. Sale of state-owned land, buildings and improvements thereon and other real property. – (a) Total annual proceeds from the sale of any land and the buildings and improvements thereon, and other real property title to which is vested in the State of Rhode Island or title to which will be vested in the state upon completion of any condemnation or other proceedings, shall be transferred to and made available for the purposes outlined in section 42-11-2.5 of the general laws, unless otherwise prohibited by federal law.

(b) Provided, however, this shall not include proceeds from the sale of any land and the buildings and improvements thereon that will be created by the relocation of interstate route 195 which is sometimes collectively referred to as the "I-195 Surplus Land" which land is identified in the "Rhode Island Interstate 195 Relocation Surplus Land: Redevelopment and market Analysis" prepared by CKS Architecture & Urban Design dated 2009, and such term means those certain tracts or parcels of land situated in the city of Providence, county of Providence, State of Rhode Island, delineated on that certain plan of land captioned "Improvements to Interstate Route 195, Providence, Rhode Island, Proposed Development Parcel Plans 1 through 10, Scale: 1"=20', May 2010, Bryant Associates, Inc., Engineers-Surveyors-Construction Managers, Lincoln, Rhode Island, Maguire Group, Inc., Architects/Engineers/Planners, Providence, Rhode Island."

SECTION 2. Chapter 42-11 of the General Laws entitled "Department of Administration" is hereby amended by adding thereto the following section:

42-11-2.5. Information technology investment fund. – (a) All sums from the sale of any land and the buildings and improvements thereon, and other real property title to which is vested in the state except as provided in subsection 37-7-15(b) shall be transferred to an Information Technology Investment Fund restricted receipt account that is hereby established. This fund shall consist of such sums from the sale of any land and the buildings and improvements thereon, and other real property title to which is vested in the state except as

1 provided in subsection 37-7-15(b). This fund may also consist of such sums as the sate may from
2 time to time appropriate, as well as money received from the disposal of information technology
3 equipment, loan, interest and service charge payments from benefiting state agencies, as well as
4 interest earnings, money received from the federal government, gifts, bequest, donations, or to
5 otherwise from any public or private source. Any such funds shall be exempt from the indirect
6 cost recovery provisions of section 35-4-27.

7 (b) This fund shall be used for the purpose of acquiring information technology
8 improvements, including, but not limited to, hardware, software, consulting services, and ongoing
9 maintenance and upgrade contracts for state departments and agencies.

10 (c) The division of information technology of the Rhode Island department of
11 administration shall adopt rules and regulations consistent with the purposes of this chapter and
12 chapter 35 of title 42, in order to provide for the orderly and equitable disbursement of funds from
13 the revolving loan fund.

14 SECTION 3. This act shall take effect upon passage.

ARTICLE 27 AS AMENDED

RELATING TO PUBLIC PROPERTY AND WORKS

ARTICLE _____

RELATING TO PUBLIC PROPERTY AND WORKS

SECTION 1. Chapter 37-2 of the General Laws entitled "State Purchases" is hereby amended by adding thereto the following section:

37-2-56.1. Consolidated advertising program. -- The advertising and/or media expenses for all state departments and/or quasi-public agencies or entities shall be administered by the department of administration. Quasi-public agencies or entities shall utilize and participate in state master price agreement contracts for the purchase of any advertising and/or media services. The department of administration shall assist quasi-public agencies or entities in facilitating the negotiation and use of state master price agreement contracts for the purchase of advertising and/or media services. The savings realized from this consolidated advertising program through the use of state master price agreement contracts shall be directed into the general fund.

SECTION 2. This Article shall take effect upon passage.

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ARTICLE 28 AS AMENDED

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RELATING TO EFFECTIVE DATE

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SECTION 1. This act shall take effect on July 1, 2011, except as otherwise provided

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herein.

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SECTION 2. This Article shall take effect upon passage.

LC02105/SUB A