

2013 -- H 6175

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LC02672  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO TOWNS AND CITIES

Introduced By: Representatives Melo, Amore, Kazarian, Phillips, and Casey

Date Introduced: May 29, 2013

Referred To: House Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 45-9-10 of the General Laws in Chapter 45-9 entitled "Budget  
2           Commissions" is hereby repealed.

3           ~~**45-9-10. Appointment of administration and finance officer upon abolition of fiscal**~~  
4           ~~**overseer, budget commission or receiver.**~~ (a) Notwithstanding any general or special law or  
5           city or town ordinance to the contrary, this section shall apply upon abolition of the fiscal  
6           overseer or a budget commission or a receiver established under this chapter, upon a  
7           determination, in writing, by the director of revenue that the financial condition of the city or  
8           town has improved to a level such that a fiscal overseer, a budget commission or a receiver is no  
9           longer needed.

10           ~~(b) For a period of five (5) years after the abolition of a fiscal overseer, or a budget~~  
11           ~~commission or a receiver in any city or town, there shall be in the city or town a department of~~  
12           ~~administration and finance which shall be responsible for the overall budgetary and financial~~  
13           ~~administration of the city or town. The department shall be under the direction and control of the~~  
14           ~~officer appointed pursuant to subsection (c) below. The officer shall report to and be under the~~  
15           ~~charge and direction of the elected chief executive officer. Nothing in this section shall abrogate~~  
16           ~~the powers and duties of the school committee under any general or special law, except as~~  
17           ~~specifically provided in this section.~~

18           ~~Whenever the term "department of finance" or "finance department" appears in a general~~  
19           ~~or special law or an ordinance, regulation, contract or other document with reference to the city or~~

1 ~~town, it shall mean the department of administration and finance of the city or town. Whenever~~  
2 ~~the term "chief financial officer", "director of finance", "financial director" or "treasurer" appears~~  
3 ~~in a general or special law or an ordinance, regulation, contract or other document with reference~~  
4 ~~to the city or town, it shall mean the officer of the city or town.~~

5 ~~(c) The elected chief executive officer shall appoint the officer from a list of three (3)~~  
6 ~~names submitted by the division of municipal finance, for a term of not more than five (5) years,~~  
7 ~~as provided in this subsection. The officer shall be appointed solely on the basis of administrative~~  
8 ~~and executive qualifications and shall be a person especially fitted by education, training and~~  
9 ~~experience to perform the duties of the office. The officer need not be a resident of the city or~~  
10 ~~town or the state. In the event of a vacancy in the office of officer the same process will be used.~~

11 ~~(d) While the process of appointing an officer under subsection (c) is proceeding, the~~  
12 ~~elected chief executive officer may appoint an acting officer.~~

13 ~~(e) The appointment, including an acting appointment, or removal of the officer shall not~~  
14 ~~take effect until it has been approved in writing by the division of municipal finance.~~

15 ~~(f) The powers and duties of the officer shall include the following:~~

16 ~~(1) Coordinating, administering and supervising all financial services and activities;~~

17 ~~(2) Assisting in all matters related to municipal financial affairs;~~

18 ~~(3) Implementing and maintaining uniform systems, controls and procedures for all~~  
19 ~~financial activities in all departments, boards, commissions, agencies, offices or other units of city~~  
20 ~~or town government the operations of which have a financial impact upon the general fund and~~  
21 ~~enterprise funds of the city or town, and including, but not limited to, maintaining all financial~~  
22 ~~and accounting data and records;~~

23 ~~(4) Implementing and maintaining uniform financial data processing capabilities for all~~  
24 ~~departments, boards, commissions, agencies and offices;~~

25 ~~(5) Supervising all financial data processing activities;~~

26 ~~(6) Implementing and maintaining uniform budget guidelines and procedures within all~~  
27 ~~departments, boards, commissions, agencies, offices and other units of city or town government;~~

28 ~~(7) Assisting in the development and preparation of all department, board, commission,~~  
29 ~~agency and office budgets and spending plans;~~

30 ~~(8) Reviewing all proposed contracts to which the city or town is party;~~

31 ~~(9) Monitoring the expenditure of all city or town funds, including periodic reporting by~~  
32 ~~and to appropriate agencies of the status of accounts;~~

33 ~~(10) Reviewing the spending plan for each department, board, commission, agency and~~  
34 ~~office; and~~

1 ~~(11) Providing for the allotment of funds on a periodic basis as provided for in this~~  
2 ~~chapter.~~

3 ~~In all cases where the duty is not expressly charged to any other department, board,~~  
4 ~~commission, agency or office, it shall be the duty of the officer to promote, secure and preserve~~  
5 ~~the financial interests of the city or town.~~

6 ~~(g) All department, board, commission, agency and office budgets and requests for~~  
7 ~~budget transfers shall be submitted to the officer for review and recommendation before~~  
8 ~~submission to the elected chief executive officer, city or town council or school committee, as~~  
9 ~~appropriate. For each proposed appropriation order, lease or contract arrangement for a term,~~  
10 ~~including more than one fiscal year, collective bargaining agreement and with respect to any~~  
11 ~~proposed city or town council vote necessary to effectuate a financial transfer, ordinance revision~~  
12 ~~or special legislation which may require the expenditure of funds or otherwise financially obligate~~  
13 ~~the city or town for a period in excess of one year, or with respect to a vote to authorize a~~  
14 ~~borrowing under a law other than sections 45-12-4.1, 45-12-4.2 or 45-12-4.3 of the general laws,~~  
15 ~~the officer shall, if it be the case, submit in writing to the elected chief executive officer, city or~~  
16 ~~town council or school committee, as appropriate, a certification that it is the officer's~~  
17 ~~professional opinion, after an evaluation of all pertinent financial information reasonably~~  
18 ~~available, that the city's or town's financial resources and revenues are, and will continue to be,~~  
19 ~~adequate to support such proposed expenditures or obligations without a detrimental impact on~~  
20 ~~the provision of municipal services. If the officer fails to provide this certification within seven~~  
21 ~~(7) days after a request for such certification from the elected chief executive officer, city or town~~  
22 ~~council or school committee, the appropriation order, financial transfer, ordinance revision,~~  
23 ~~special legislation or borrowing authorization may nonetheless be approved, but the absence of~~  
24 ~~the certification of the officer shall be expressly noted in that order or vote.~~

25 ~~(h) All departments, officers, boards, commissions, agencies and other units of the city~~  
26 ~~or town, shall submit budget requests to the elected chief executive officer upon the schedule and~~  
27 ~~in the form established by the officer.~~

28 ~~(i) Annually, not later than March 30, the officer shall submit a four (4) year financial~~  
29 ~~plan and a five (5) year capital plan to the city or town council that includes all capital needs of~~  
30 ~~the city or town.~~

31 ~~(j) The assessor, treasurer, finance director, controller, director of information~~  
32 ~~technology, purchasing agent, director of human resources, labor relations director and employees~~  
33 ~~performing similar duties but with different titles shall report to and be under the direction of the~~  
34 ~~officer. The officer, with the approval of the elected chief executive officer shall appoint all such~~

1 ~~officers and employees. The elected chief executive officer may also place other positions and~~  
2 ~~departments under the direction of the officer.~~

3 ~~(k) The officer shall not assume the duties or responsibilities of the treasurer or the~~  
4 ~~finance director and shall not hold an elective office and shall devote the officer's full time and~~  
5 ~~attention to the officer's duties.~~

6 ~~(l) The city or town shall annually appropriate amounts sufficient for the proper~~  
7 ~~administration of the department, as determined in writing by the division of municipal finance. If~~  
8 ~~the city or town fails to appropriate such amounts, the division of municipal finance shall direct~~  
9 ~~the general treasurer to deduct the necessary funds from the city's or town's distribution of the~~  
10 ~~city's or town's state aid and shall expend those funds directly for the benefit of the department.~~

11 ~~(m) The officer shall comply with all requests of the school department to provide any~~  
12 ~~information relating to the operation of the school department held within the authority or control~~  
13 ~~of the officer as the result of the consolidation of school and city or town business and financial~~  
14 ~~functions under sections 45-9-3 or 45-9-6. If the officer, or any employee under the control of the~~  
15 ~~officer, refuses to provide such information or engages in unreasonable delay, the school~~  
16 ~~department shall notify the division of municipal finance. The division of municipal finance shall,~~  
17 ~~within a reasonable time, make a determination whether any such information shall be provided~~  
18 ~~to the school department which shall be binding upon the officer and the school department. The~~  
19 ~~division of municipal finance's determination shall not be an adjudicatory proceeding reviewable~~  
20 ~~under chapter 42-35 of the general laws. Nothing in this subsection shall abrogate any of the other~~  
21 ~~powers or duties of the school committee under the general laws.~~

22 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TOWNS AND CITIES

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1           This act would repeal section 45-9-10 of the general laws pertaining to the appointment  
2 of an administration and finance officer upon the abolition of a fiscal overseer, budget  
3 commission, or receiver.

4           This act would take effect upon passage.

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