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ARTICLE 19

RELATING TO EXECUTIVE OFFICE OF COMMERCE

SECTION 1. Section 42-35.1-5 of the General Laws in Chapter 42-35.1 entitled "Small Business Regulatory Fairness in Administrative Procedures" is hereby amended to read as follows:

42-35.1-5. Small business enforcement ombudsman. -- (a) The director of the ~~economic development corporation~~ office of regulatory reform shall designate an existing staff member as a "small business regulatory enforcement ombudsman", who shall report directly to the director.

(b) The ombudsman shall:

(1) Work with each agency with regulatory authority over small businesses to ensure that small business concerns that receive or are subject to an audit, on-site inspection, compliance assistance effort, or other enforcement related communication or contact by agency personnel are provided with a means to comment on the enforcement activity conducted by such personnel;

(2) Establish means to receive comments from small business concerns regarding actions by agency employees conducting compliance or enforcement activities;

(3) Within six (6) months of appointment, work with each regulating entity to develop and publish reporting policies;

(4) Based on substantiated comments received from small business concerns the ombudsman shall annually report to the general assembly and affected agencies evaluating the enforcement activities of agency personnel including a rating of the responsiveness of the regulatory agencies policies;

(5) Coordinate and report annually on the activities, findings and recommendations to the general assembly and the directors of affected agencies; and

(6) Provide the affected agency with an opportunity to comment on reports prepared pursuant to this chapter, and include a section of the final report in which the affected agency may make such comments as are not addressed by the ombudsman.

SECTION 2. Sections 42-64.13-3, 42-64.13-5, and 42-64.13-6 of the General Laws in Chapter 42-64.13 entitled "Rhode Island Regulatory Reform Act" are hereby amended to read as follows:

1 **42-64.13-3. Purposes of chapter. [Effective February 1, 2015].** -- The purposes of this
2 chapter are to create within the ~~Rhode Island executive office of commerce,~~ office of
3 management and budget the office of regulatory reform that will facilitate the regular review of
4 Rhode Island's regulatory processes and permitting procedures, report thereon in an effort to
5 improve them and assist and facilitate economic development opportunities within the regulatory
6 and permitting processes and procedures that exist within Rhode Island state and municipal
7 government.

8 **42-64.13-5. Creation of the office of regulatory reform. [Effective February 1,**
9 **2015].** -- The ~~Rhode Island executive office of commerce~~ office of management and budget shall
10 create an office of regulatory reform that shall be adequately staffed and supervised in order to
11 fulfill its functions as set forth in this chapter.

12 **42-64.13-6. Director of office of regulatory reform. [Effective February 1, 2015].** --
13 The office of regulatory reform shall be managed by a director of office of regulatory reform who
14 shall report to the ~~secretary of commerce within the Rhode Island executive office of commerce~~
15 director of the office of management and budget.

16 SECTION 3. Sections 42-64.19-2, 42-64.19-3, 42-64.19-4, 42-64.19-5, 42-64.19-6, 42-
17 64.19-7, 42-64.19-8, 42-64.19-9, 42-64.19-10, 42-64.19-11, and 42-64.19-12 of the General Laws
18 in Chapter 42-64.19 entitled "Executive Office of Commerce" are hereby amended to read as
19 follows:

20 **42-64.19-2. Purposes. [Effective ~~February 1, 2015~~ July 1, 2015].** -- The Rhode Island
21 executive office of commerce is authorized, created, and established as the state's lead agency for
22 economic development throughout Rhode Island for the following purposes: To promote and
23 encourage the preservation, expansion, and sound development of new and existing industry,
24 business, commerce, agriculture, tourism, and recreational facilities in the state, which will
25 promote the economic development of the state and the creation of opportunities for economic
26 stability and employment through a business climate that fosters opportunity for all Rhode
27 Islanders.

28 **42-64.19-3. Executive office of commerce.[Effective ~~February 1, 2015~~ July 1, 2015].** -
29 - (a) There is hereby established within the executive branch of state government an executive
30 office of commerce effective ~~February 1, 2015~~ July 1, 2015, to serve as the principal agency of
31 the executive branch of state government for managing the promotion of commerce and the
32 economy within the state and shall have the following powers and duties in accordance with the
33 following schedule:

34 (1) On or about ~~February 1, 2015~~ July 1, 2015, to operate functions from the department

1 of business regulation;

2 (2) On or about ~~April 1, 2015~~ [September 1, 2015](#), to operate various divisions and
3 functions from the department of administration;

4 (3) On or before ~~September 1, 2015~~ [January 1, 2016](#), to provide to the Senate and the
5 House of Representatives a comprehensive study and review of the roles, functions, and programs
6 of the Department of Administration and the Department of Labor and Training to devise
7 recommendations and a business plan for the integration of these entities with the office of the
8 secretary of commerce. The governor may include such recommendations in the Fiscal Year 2017
9 budget proposal.

10 (b) In this capacity, the office shall:

11 (1) Lead or assist state departments and coordinate business permitting processes in order
12 to:

13 (i) Improve the economy, efficiency, coordination, and quality of the business climate in
14 the state;

15 (ii) Design strategies and implement best practices that foster economic development and
16 growth of the state's economy;

17 (iii) Maximize and leverage funds from all available public and private sources, including
18 federal financial participation, grants and awards;

19 (iv) Increase public confidence by conducting customer centric operations whereby
20 commercial enterprise are supported and provided programs and services that will grow and
21 nurture the Rhode Island economy; and

22 (v) Be the state's lead agency for economic development.

23 ~~(c) The office shall include the office of regulatory reform and other administration
24 functions which promote, enhance or regulate various service and functions in order to promote
25 the reform and improvement of the regulatory function of the state.~~

26 **42-64.19-4. Secretary of commerce – Appointment. [Effective ~~February 1, 2015~~ July**
27 **1, 2015].** -- The executive office of commerce shall be administered by a secretary of commerce,
28 hereafter referred to as "secretary." The position of secretary is hereby created in the unclassified
29 service. The secretary shall be appointed by the governor with the advice and consent of the
30 senate. The secretary shall hold office at the pleasure of the governor and until a successor is
31 appointed and qualified. Before entering upon the discharge of duties, the secretary shall take an
32 oath to faithfully execute the duties of the office. The secretary shall be appointed by ~~February 1,~~
33 ~~2015~~ [July 1, 2015](#).

34 **42-64.19-5. Responsibilities of the secretary. [Effective ~~February 1, 2015~~ July 1,**

1 2015.] . – (a) The secretary shall be responsible to the governor for supervising the executive
2 office of commerce, improving the functions and operations of Rhode Island state government to
3 be clear, reliable, predictable, and as responsive and user-friendly to the state's business
4 community as is practicable, for managing and providing strategic leadership and direction to the
5 other divisions and departments under the jurisdiction of this chapter, for serving as the chief
6 executive officer of the Rhode Island commerce corporation, for convening the economic
7 development planning council to develop the economic development policy and strategic plan in
8 accordance with section 42-64.16, for serving as chair of the council of economic advisors in
9 accordance with section 42-64.17; for serving as vice-chair of the Human Resources Investment
10 Council; and for chairing the Governor's Commerce and Workforce Cabinet established pursuant
11 to section 42-6.1.

12 (b) Notwithstanding any provision of law to the contrary, the secretary shall appoint the
13 chiefs/directors of the divisions/departments within the executive office of commerce with the
14 consent of the governor.

15 **42-64.19-6. Duties of the secretary. [Effective February 1, 2015 July 1, 2015]. --** The
16 secretary shall be subject to the direction and supervision of the governor for the oversight,
17 coordination and cohesive direction of state economic development activities of the state and in
18 ensuring the laws are faithfully executed, notwithstanding any law to the contrary. In this
19 capacity, the secretary of commerce shall be authorized to:

20 (1) Coordinate the administration and financing of various departments or divisions
21 within the office and to supervise the work of the Rhode Island commerce corporation.

22 (2) Serve as the governor's chief advisor and liaison to federal policymakers on economic
23 development as well as the principal point of contact in the state on any such related matters.

24 (3) Review and ensure the coordination of the development of an overarching economic
25 development plan as produced by the office.

26 (4) Receive from department directors, within the timelines specified, any information
27 and resources the secretary deems necessary in order to perform the reviews authorized in this
28 section;

29 ~~(5) Engage in regulatory reform across all state agencies to protect the health and~~
30 ~~wellbeing of Rhode Islanders while meeting business needs for a clear, predictable, and reliable~~
31 ~~regulatory structure in the state; including the implementation of systems to enhance customer~~
32 ~~service by simplifying and expediting state permitting processes.~~

33 ~~(6)~~(5) Prepare and submit to the governor, the chairpersons of the house and senate
34 finance committees, and the caseload estimating conference, by no later than April 15 of each

1 year, a comprehensive overview of the Rhode Island economy. The secretary shall determine the
2 contents of the overview and shall determine the important economic data and information that
3 will inform the governor, and the revenue estimating committee on the economic conditions of
4 the state and future issues and forward looking projects of the Rhode Island economy.

5 ~~(7)~~(6) The directors of the departments, as well as local governments and school
6 departments, shall assist and cooperate with the secretary in fulfilling this responsibility by
7 providing whatever information and support shall be necessary.

8 ~~(8)~~(7) Resolve administrative, jurisdictional, operational, program, or policy conflicts
9 among departments and their executive staffs and make necessary recommendations to the
10 governor.

11 ~~(9)~~(8) Assure continued progress toward improving the quality, the accountability, and
12 the efficiency of state-administered programs to support the Rhode Island economy. In this
13 capacity, the secretary shall:

14 (i) Direct implementation of reforms in the economic development practices of the
15 departments that streamline and upgrade services, achieve greater economies of scale and
16 establish the coordinated system of the staff education, cross- training, and career development
17 services necessary to recruit and retain a highly-skilled, responsive, and engaged workforce;

18 (ii) Encourage departments to utilize consumer-centered approaches to service design and
19 delivery that expand their capacity to respond efficiently and responsibly to the diverse and
20 changing needs of the people and communities they serve;

21 (iii) Develop all opportunities to maximize resources by leveraging the state's purchasing
22 power, centralizing fiscal service functions related to budget, finance, and procurement,
23 centralizing communication, policy analysis and planning, and information systems and data
24 management, pursuing alternative funding sources through grants, awards and partnerships and
25 securing all available federal financial participation for programs and services provided through
26 the departments; and

27 (iv) Strengthen the financial support system for business and enterprises program
28 integrity, quality control and collections, and recovery activities by consolidating functions within
29 the office in a single unit that ensures all affected parties pay their fair share of the cost of
30 services and are aware of alternative financing.

31 ~~(10)~~(9) Prepare and integrate comprehensive budgets for the commerce services
32 departments and functions and duties assigned to the office. The budgets shall be submitted to the
33 state budget office by the secretary, for consideration by the governor, on behalf of the state's
34 commerce agencies in accordance with the provisions set forth in § 35-3-4 of the Rhode Island

1 general laws.

2 ~~(11)~~(10) Utilize objective data to evaluate economic development policy goals, resource
3 use and outcome evaluation and to perform short and long-term policy planning and
4 development.

5 ~~(12)~~(11) Establishment of an integrated approach to interdepartmental information and
6 data management that complements and furthers the goals of the council of economic advisors
7 and that will facilitate the transition to consumer-centered system of state administered economic
8 development programs and services.

9 ~~(13)~~(12) At the direction of the governor or the general assembly, conduct independent
10 reviews of state-administered economic development programs, policies and related agency
11 actions and activities and assist the department directors in identifying strategies to address any
12 issues or areas of concern that may emerge thereof. The department directors shall provide any
13 information and assistance deemed necessary by the secretary when undertaking such
14 independent reviews.

15 ~~(14)~~(13) Provide regular and timely reports to the governor and make recommendations
16 with respect to the state's economic development agenda.

17 ~~(15)~~(14) Employ such personnel and contract for such consulting services as may be
18 required to perform the powers and duties lawfully conferred upon the secretary.

19 ~~(16)~~(15) Implement the provisions of any general or public law or regulation related to
20 the disclosure, confidentiality and privacy of any information or records, in the possession or
21 under the control of the executive office or the departments assigned to the executive office, that
22 may be developed or acquired for purposes directly connected with the secretary's duties set forth
23 herein.

24 **42-64.19-7. Departments/divisions assigned to the executive office – Powers and**
25 **duties. [Effective ~~February 1, 2015~~ July 1, 2015].** -- (a) The departments and/or divisions
26 assigned to the secretary shall:

27 (1) Exercise their respective powers and duties in accordance with their statutory
28 authority and the general policy established by the governor or by the secretary acting on behalf
29 of the governor or in accordance with the powers and authorities conferred upon the secretary by
30 this chapter;

31 (2) Provide such assistance or resources as may be requested or required by the governor
32 and/or the secretary; and

33 (3) Provide such records and information as may be requested or required by the
34 governor and/or the secretary to the extent allowed under the provisions of any applicable general

1 or public law, regulation, or agreement relating to the confidentiality, privacy or disclosure of
2 such records or information.

3 (4) Forward to the secretary copies of all reports to the governor.

4 (b) Except as provided herein, no provision of this chapter or application thereof shall be
5 construed to limit or otherwise restrict the departments, offices, or divisions assigned to the
6 secretary from fulfilling any statutory requirement or complying with any valid rule or regulation.

7 (c) The secretary shall determine in collaboration with the department directors whether
8 the officers, employees, agencies, advisory councils, committees, commissions, and task forces of
9 the departments who were performing such functions shall be transferred to the office.

10 (d) In the transference of such functions, the secretary shall be responsible for ensuring:

11 (1) Minimal disruption of services to consumers;

12 (2) Elimination of duplication of functions and operations;

13 (3) Services are coordinated and functions are consolidated where appropriate;

14 (4) Clear lines of authority are delineated and followed;

15 (5) Cost savings are achieved whenever feasible;

16 (6) Program application and eligibility determination processes are coordinated and,
17 where feasible, integrated; and

18 (7) State and federal funds available to the office and the entities therein are allocated and
19 utilized for service delivery to the fullest extent possible.

20 (e) Except as provided herein, no provision of this chapter or application thereof shall be
21 construed to limit or otherwise restrict the departments under this section from fulfilling any
22 statutory requirement or complying with any regulation deemed otherwise valid.

23 (f) To ensure an orderly transfer of functions to the office of commerce the following
24 transition shall occur at the direction of the governor, secretary of commerce and the respective
25 directors of the department affected.

26 (g) On or about ~~February 1, 2015~~ [July 1, 2015](#), the office shall commence to operate all
27 functions currently assigned to the department of business regulation (DBR)

28 (h) On or about ~~April 1, 2015~~ [September 1, 2015](#), the office shall commence to operate
29 the ~~regulatory reform and~~ housing/community development functions currently assigned to the
30 department of administration.

31 (i) In addition to the requirements of RIGL § 35-3-7, budgets submitted by the impacted
32 state departments for state fiscal years 2015, ~~and 2016,~~ [and 2017](#) shall include provisions to
33 implement this section.

34 **42-64.19-8. Appointment of employees. [Effective ~~February 1, 2015~~ July 1, 2015].** –

1 The secretary, subject to the provisions of applicable state law, shall be the appointing authority
2 for all employees of the executive office of commerce. The secretary may assign this function to
3 such subordinate officers and employees of the executive office as may to him or her seem
4 feasible or desirable. The appointing authority of the secretary provided for herein shall not
5 affect, interfere with, limit, or otherwise restrict the appointing authority vested in the directors
6 for the employees of the departments under applicable general and public laws.

7 **42-64.19-9. Appropriations and disbursements. [Effective ~~February 1, 2015~~ July 1,**
8 **2015.].** – The general assembly shall annually appropriate such sums as it may deem necessary
9 for the purpose of carrying out the provisions of this chapter. The state controller is hereby
10 authorized and directed to draw his or her orders upon the general treasurer for the payment of
11 such sum or sums, or so much thereof as may from time to time be required, upon receipt by him
12 or her of proper authenticated vouchers approved by the secretary of the executive office of
13 commerce, or his or her designee.

14 **42-64.19-10. Rules and regulations. [Effective ~~February 1, 2015~~ July 1, 2015.].** – The
15 executive office of commerce shall be deemed an agency for purposes of § 42-35-1, et seq. of the
16 Rhode Island general laws. The secretary shall make and promulgate such rules and regulations,
17 fee schedules not inconsistent with state law and fiscal policies and procedures as he or she deems
18 necessary for the proper administration of this chapter and to carry out the policy and purposes
19 thereof.

20 **42-64.19-11. Severability. [Effective ~~February 1, 2015~~ July 1, 2015.].** – If any
21 provision of this chapter or the application thereof to any person or circumstance is held invalid,
22 such invalidity shall not affect other provisions or applications of the chapter, which can be given
23 effect without the invalid provision or application, and to this end the provisions of this chapter
24 are declared to be severable.

25 **42-64.19-12. Cooperation of other state executive branch agencies. [Effective**
26 **~~February 1, 2015~~ July 1, 2015.].** -- As may be appropriate from time to time, the departments
27 and other agencies of the state of the executive branch that have not been assigned to the
28 executive office of commerce under this chapter shall assist and cooperate with the executive
29 office as may be required by the governor requested by the secretary.

30 SECTION 4. Sections 42-102-2, 42-102-3 and 42-102-6 of the General Laws in Chapter
31 entitled "Rhode Island Human Resource Investment Council" are hereby amended to read as
32 follows:

33 **42-102-2. Composition of council. [Effective until ~~February 1, 2015~~ July 1, 2015.].** --
34 (a) Effective until January 1, 2005, the council shall be composed of twenty-seven (27) members

1 of whom no less than one-third (1/3) shall be women as follows:

2 (1) One shall be appointed by the governor from the nongovernmental sector to serve as
3 chairperson of the council;

4 (2) Eight (8) shall be appointed by the governor from the employer community, two (2)
5 of whom shall be from the nonprofit sector, and at least two (2) of whom must be women from
6 the following employer groups:

7 (i) Two (2) from companies with fewer than twenty-five (25) employees;

8 (ii) Two (2) from companies with twenty-five (25) to two hundred fifty (250) employees;

9 (iii) Two (2) from companies with more than two hundred fifty (250) employees; and

10 (iv) Two (2) from minority-owned companies;

11 (3) Three (3) members from organized labor shall be appointed by the governor;

12 (4) One member from a community-based organization representing minorities shall be
13 appointed by the governor;

14 (5) One individual who serves as the chairperson of the governor's commission on
15 disabilities;

16 (6) Six (6) individuals shall serve on the council by virtue of their respective positions as
17 chairpersons of the following organizations:

18 (i) Three (3) individuals, who serve as chairpersons of their respective private industry
19 councils;

20 (ii) One individual who serves as chairperson of the Rhode Island state apprenticeship
21 council; and

22 (iii) One individual who serves as chairperson of the pathways to independence advisory
23 council;

24 (7) The president of the senate and the speaker of the house shall appoint one individual
25 each from their respective chambers to become members of the council;

26 (8) The directors or commissioners of the following four (4) departments and corporation
27 shall serve on the council: employment and training, Rhode Island economic development
28 corporation, human services, elementary and secondary education, and higher education;

29 (9) The executive director of the Rhode Island economic policy council shall serve on the
30 council; and

31 (10) Any individual serving on the council as of June 1, 2004 shall remain on the council
32 until the new members are appointed and confirmed by the senate.

33 (b) Effective January 1, 2005, the council shall be composed of fifteen (15) members,
34 thirteen (13) members appointed by the governor, with the advice and consent of the senate, at

1 least four (4) of whom shall be women, at least three (3) of whom shall be from minority
2 communities, and at least one of whom shall be a person with disabilities, as follows:

3 (1) One shall be appointed by the governor to serve as chairperson of the council;

4 (2) Six (6) shall be appointed by the governor from the employer community, in a manner
5 that is representative of employers of different sizes and sectors, including the nonprofit sector;
6 provided, however, that in the event that there is established a state workforce investment board
7 that is separate and distinct from the council, then one of the six (6) representatives of the
8 employer community shall be the chairperson of the state work force investment board, and if all
9 employer community appointments have been duly made and are filled, then the appointed
10 chairperson of the state workforce investment board shall be made with the next available
11 appointment of a representative of the employer community;

12 (3) Four (4) members from organized labor shall be appointed by the governor;

13 (4) Two (2) members from community-based organizations shall be appointed by the
14 governor;

15 (5) The president of the senate and the speaker of the house shall appoint one individual
16 each from their respective chambers to be members of the council.

17 (c) *Transitional Provisions.* The council as provided for in subsection (b) shall assume
18 the powers, duties and responsibilities set forth in this chapter, and the council as provided for in
19 subsection (a) shall be terminated, and shall cease to exist and all the powers, duties, and
20 responsibilities of the council as provided for in subsection (a) shall be transferred to the council
21 as provided in subsection (b); the governor may appoint persons serving on the council as
22 provided for in subsection (a) to the council as provided for in subsection (b), as provided for in §
23 42-102-4(a), and may appoint an interim executive director who shall serve until such time as an
24 executive director is appointed in accordance with § 42-102-3(b). All rules, regulations,
25 decisions, actions, and approvals taken by the council as provided in subsection (a) shall remain
26 in full force and effect until superseded, amended, revised, or rescinded by the council as
27 provided for in subsection (b). The present council will continue its duties and responsibilities
28 until the new members of the council are appointed and a number sufficient to satisfy a quorum
29 are confirmed by the senate.

30 **42-102-2. Composition of council. [Effective February 1, 2015 July 1, 2015].** -- The
31 council shall be composed of fifteen (15) members, the secretary of commerce, who shall be vice-
32 chair, twelve (12) members appointed by the governor, with the advice and consent of the senate,
33 at least four (4) of whom shall be women, at least three (3) of whom shall be from minority
34 communities, and at least one of whom shall be a person with disabilities, as follows:

1 (1) One shall be appointed by the governor to serve as chairperson of the council;

2 (2) Five (5) shall be appointed by the governor from the employer community, in a
3 manner that is representative of employers of different sizes and sectors, including the nonprofit
4 sector; provided, however, that in the event that there is established a state workforce investment
5 board that is separate and distinct from the council, then one of the five (5) representatives of the
6 employer community shall be the chairperson of the state work force investment board, and if all
7 employer community appointments have been duly made and are filled, then the appointed
8 chairperson of the state workforce investment board shall be made with the next available
9 appointment of a representative of the employer community;

10 (3) Four (4) members from organized labor shall be appointed by the governor;

11 (4) Two (2) members from community-based organizations shall be appointed by the
12 governor;

13 (5) The president of the senate and the speaker of the house shall appoint one individual
14 each from their respective chambers to be members of the council.

15 **42-102-3. Officers. [Effective until February 1, 2015 July 1, 2015]. --** (a) The position
16 of chairperson shall be unpaid and the individual that is appointed chairperson shall serve a three
17 (3) year term. The governor may reappoint the individual appointed chairperson to serve another
18 three (3) year term. The council shall elect from its own members a vice-chairperson, who is
19 authorized to preside over meetings in the absence of the chairperson.

20 (b) *Executive director.* The council, in consultation with the governor, shall appoint an
21 executive director who shall serve at the pleasure of the council, provided that the executive
22 director's initial engagement by the council shall be for a period of not more than three (3) years.
23 The position of executive director shall be in the unclassified service of the state and he or she
24 shall serve as the chief executive officer of the council.

25 **42-102-3. Officers. [Effective February 1, 2015 July 1, 2015]. --** (a) The position of
26 chairperson shall be unpaid and the individual that is appointed chairperson shall serve a three (3)
27 year term. The governor may reappoint the individual appointed chairperson to serve another
28 three (3) year term.

29 (b) The secretary of commerce shall be vice-chair, and is authorized to preside over
30 meetings in the absence of the chairperson.

31 (c) *Executive director.* The council, in consultation with the governor, shall appoint an
32 executive director who shall serve at the pleasure of the council, provided that the executive
33 director's initial engagement by the council shall be for a period of not more than three (3) years.
34 The position of executive director shall be in the unclassified service of the state and he or she

1 shall serve as the chief executive officer of the council.

2 **42-102-6. Duties. [Effective until February 1, 2015 July 1, 2015].** -- (a) The council
3 shall meet with other entities involved with vocational education, labor, and training and shall be
4 responsible for the planning of labor and training activities to ensure that a comprehensive and
5 cohesive plan is developed. The council shall take into consideration the needs of all segments of
6 the state's citizenry in establishing goals and training objectives.

7 (b) The council shall establish policy to ensure the effectiveness and efficiency of
8 programs and activities as they pertain to labor and training.

9 (c) The council shall provide funding for special projects that will increase and improve
10 the skill base of Rhode Island's workforce. The council shall take into account labor market
11 information from the Rhode Island economic development corporation to help establish training
12 needs. In addition, the council shall have the following responsibilities:

13 (1) Prepare and submit by September 1, 1992 and thereafter annually, a proposed budget
14 for the ensuing year for the governor's approval;

15 (2) The auditor general shall conduct annual audits of all financial accounts and any other
16 audits that he or she shall deem necessary.

17 (3) Ensure that, for those contracts or grants characterized as training or upgrading, the
18 administrative expenses of the private or public entity awarded the contract or grant shall not
19 exceed fifteen percent (15%) of the total contract or grant.

20 (4) Receive any gifts, grants, or donations made and to disburse and administer them in
21 accordance with the terms thereof; and

22 (5) Allocate moneys from the job development fund for projects to implement the
23 recommendations of the council, including, but not limited to, technology transfers or technical
24 assistance to manufacturers to improve their operations through the use of appropriate
25 technologies; provided, that for fiscal year 2005, a minimum of three million four hundred
26 thousand dollars (\$3,400,000) from the job development fund shall be allocated for adult literacy
27 programs.

28 (6) Within ninety (90) days after the end of each fiscal year, the council shall approve and
29 submit an annual report to the governor, the speaker of the house, the president of the senate, and
30 the secretary of state, of its activities during the fiscal year. The report shall provide: an operating
31 statement summarizing meetings or hearings held, meeting minutes if requested, subjects
32 addressed, decisions rendered, rules and regulations promulgated, studies conducted, policies and
33 plans developed, approved or modified, and programs administered or initiated; a consolidated
34 financial statement of all funds received and expended including the source of funds, a listing of

1 any staff supported by these funds, and a summary of clerical, administrative, professional or
2 technical reports received; a summary of performance during the previous fiscal year including
3 accomplishments, shortcomings and remedies; a synopsis of hearings, complaints, suspensions or
4 other legal matters related to the authority of the council; a summary of any training courses held
5 pursuant to subsection 42-102-2(c); a briefing on anticipated activities in the upcoming fiscal
6 year; and findings and recommendations for improvement. The report, within thirty (30) days of
7 its completion, shall be posted electronically on the general assembly and secretary of state's
8 websites. The director of the department of administration shall be responsible for the
9 enforcement of this provision.

10 **42-102-6. Duties. [Effective February 1, 2015 July 1, 2015].** -- (a) The council shall
11 meet with other entities involved with vocational education, labor, and training and shall be
12 responsible for the planning of labor and training activities to ensure that a comprehensive and
13 cohesive plan is developed. The council shall take into consideration the needs of all segments of
14 the state's citizenry in establishing goals and training objectives.

15 (b) The council shall establish policy to ensure the effectiveness and efficiency of
16 programs and activities as they pertain to labor and training, including the workforce needs of
17 state employers.

18 (c) The council shall provide funding for special projects that will increase and improve
19 the skill base of Rhode Island's workforce. The council shall take into account labor market
20 information from the Rhode Island economic development corporation to help establish training
21 needs. In addition, the council shall have the following responsibilities:

22 (1) Prepare and submit by September 1, 1992 and thereafter annually, a proposed budget
23 for the ensuing year for the governor's approval;

24 (2) The auditor general shall conduct annual audits of all financial accounts and any other
25 audits that he or she shall deem necessary.

26 (3) Ensure that, for those contracts or grants characterized as training or upgrading, the
27 administrative expenses of the private or public entity awarded the contract or grant shall not
28 exceed fifteen percent (15%) of the total contract or grant.

29 (4) Receive any gifts, grants, or donations made and to disburse and administer them in
30 accordance with the terms thereof; and

31 (5) Allocate moneys from the job development fund for projects to implement the
32 recommendations of the council, including, but not limited to, technology transfers or technical
33 assistance to manufacturers to improve their operations through the use of appropriate
34 technologies; provided, that for fiscal year 2005, a minimum of three million four hundred

1 thousand dollars (\$3,400,000) from the job development fund shall be allocated for adult literacy
2 programs.

3 (6) Within ninety (90) days after the end of each fiscal year, the council shall approve and
4 submit an annual report to the governor, the speaker of the house, the president of the senate, and
5 the secretary of state, of its activities during the fiscal year. The report shall provide: an operating
6 statement summarizing meetings or hearings held, meeting minutes if requested, subjects
7 addressed, decisions rendered, rules and regulations promulgated, studies conducted, policies and
8 plans developed, approved or modified, and programs administered or initiated; a consolidated
9 financial statement of all funds received and expended including the source of funds, a listing of
10 any staff supported by these funds, and a summary of clerical, administrative, professional or
11 technical reports received; a summary of performance during the previous fiscal year including
12 accomplishments, shortcomings and remedies; a synopsis of hearings, complaints, suspensions or
13 other legal matters related to the authority of the council; a summary of any training courses held
14 pursuant to subsection 42-102-2(c); a briefing on anticipated activities in the upcoming fiscal
15 year; and findings and recommendations for improvement. The report, within thirty (30) days of
16 its completion, shall be posted electronically on the general assembly and secretary of state's
17 websites. The director of the department of administration shall be responsible for the
18 enforcement of this provision.

19 SECTION 5. This article shall take effect upon passage.