

1

ARTICLE 9

2

RELATING TO EDUCATION

3

SECTION 1. Sections 16-7-20 and 16-7-21 of the General Laws in Chapter 16-7 entitled "Foundation Level School Support [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" are hereby amended to read as follows:

6

16-7-20. Determination of state's share.

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(a) For each community the state's share shall be computed as follows: Let

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R = state share ratio for the community.

9

v = adjusted equalized weighted assessed valuation for the community, as defined in

10

§ 16-7-21(3).

11

V = sum of the values of v for all communities.

12

m = average daily membership of pupils in the community as defined in § 16-7-22(3).

13

M = total average daily membership of pupils in the state.

14

E = approved reimbursable expenditures for the community for the reference year minus

15

the excess costs of special education, tuitions, federal and state receipts, and other

16

income.

17

Then the state share entitlement for the community shall be RE where

18

$R = 1 - 0.5vM/(Vm)$ through June 30, 2011, and $R = 1 - 0.475 vM/(Vm)$ beginning on July

19

1, 2011 and thereafter.

20

Except that in no case shall R be less than zero percent (0%).

21

(b) Whenever any funds are appropriated for educational purposes, the funds shall be used

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for educational purposes only and all state funds appropriated for educational purposes must be

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used to supplement any and all money allocated by a city or town for educational purposes and in

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no event shall state funds be used to supplant, directly or indirectly, any money allocated by a city

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or town for educational purposes. The courts of this state shall enforce this section by writ of

26

mandamus.

27

(c) Notwithstanding the calculations in subsection (a), the hospital school at the Hasbro

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Children's Hospital shall be reimbursed one hundred percent (100%) of all expenditures approved

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by the board of regents for elementary and secondary education in accordance with currently

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existing rules and regulations for administering state aid, and subject to annual appropriations by

1 the general assembly including, but not limited to, expenditures for educational personnel, supplies,
2 and materials in the prior fiscal year.

3 (d) In the event the computation of the state's share for any local education agency as
4 outlined in subsection (a) is determined to have been calculated incorrectly after the state budget
5 for that fiscal year has been enacted, the commissioner of elementary of secondary education shall
6 notify affected local education agencies, the senate president and the speaker of the house within
7 fifteen (15) days of the determination.

8 (e) Realignment of aid payments to the affected local education agencies pursuant to
9 subsection (d) shall occur in the following fiscal year:

10 (1) If the determination shows aid is underpaid to the local education agency, any amounts
11 owed shall be paid in equal monthly installments.

12 (2) If the determination shows aid was overpaid, the department of elementary and
13 secondary education shall recapture some amount of the aid from the overpaid local education
14 agency. The amount to be withheld shall be equal to the amount of the overpayment prorated to the
15 number of full months remaining in the fiscal year when the notification required in subsection (d)
16 was made.

17 **16-7-21. Determination and adjustment of equalized weighted assessed valuation.**

18 On or before August 1 of each year the division of property valuation within the department
19 of revenue shall determine and certify to the commissioner of elementary and secondary education
20 the equalized weighted assessed valuation for each city and town in the following manner:

21 (1) The total assessed valuations of real and tangible personal property for each city and
22 town as of December 31 of the third preceding calendar year shall be weighted by bringing the
23 valuation to the true and market value of real and tangible personal property. The total assessed
24 valuations of real and tangible personal property for all cities and towns shall be applied to the true
25 and market valuations of the property for all cities and towns and the resulting percentage shall
26 determine the average throughout the state. This percentage applied to the sum of the total true and
27 market value of real and tangible personal property of each city and town shall be the equalized
28 weighted assessed valuation of each city and town.

29 (2) The equalized weighted assessed valuation for each city and town shall be allocated to
30 the particular city or town, and in the case of a regional school district which does not service all
31 grades, except the Chariho regional high school district, the commissioner of elementary and
32 secondary education shall apportion that proportion of the equalized weighted assessed valuation
33 of the member cities or towns which the average daily membership serviced by the regional school
34 district bears to the total average daily membership, and the equalized weighted assessed valuation

1 of the member cities and towns shall be appropriately reduced.

2 (3) The equalized weighted assessed valuation for each community as allocated or
3 apportioned in accordance with subdivision (2) of this section shall be adjusted by the ratio which
4 the median family income of a city or town bears to the statewide median family income as reported
5 in the latest available federal census data. The total state adjusted equalized weighted assessed
6 valuation shall be the same as the total state equalized weighted assessed valuation.

7 (4) In the event that certified data is later determined to be incorrect, the division of
8 property valuation in conjunction with the commissioner of elementary and secondary education,
9 shall inform local education agencies, the senate president and the speaker of the house of the
10 issue(s) within five (5) days of the determination.

11 SECTION 2. Legislative findings and intent. The general assembly hereby finds and
12 declares that:

13 (1) The University of Rhode Island has become a public research university educating more
14 than eighteen thousand (18,000) students annually, and offering opportunities to study in more than
15 ninety (90) bachelor's degree, more than seventy (70) graduate degree, and more than twenty (20)
16 certificate and non-degree programs.

17 (2) The aspirations of high school graduates and their families require the continuous
18 innovation and transformation of the university and its academic programs.

19 (3) The shrinking and shifting demographics of high school graduates in the region coupled
20 with the increased competitiveness of the higher education marketplace requires the university to
21 be strategic, nimble and innovative in its recruitment, financial aid and academic offerings in order
22 to be successful.

23 (4) The University of Rhode Island's peer institutions and aspirational competitor
24 institutions have governing bodies solely dedicated to the success of their mission and focus on
25 these higher education trends and best practices for their public research university, and

26 (5) The University of Rhode Island would benefit from having a Board of Trustees entirely
27 committed to exploring opportunities, addressing challenges, and creating new economic
28 opportunities and partnerships for the university.

29 (6) The general assembly finds that the establishment of a University of Rhode Island board
30 of trustees is necessary to effectuate these goals for the governance and support of the University
31 of Rhode Island.

32 SECTION 3. Sections 16-32-2, 16-32-2.1, 16-32-5, 16-32-9, 16-32-10, 16-32-11, 16-32-
33 12, 16-32-15, 16-32-25 and 16-32-26 of the General Laws in Chapter 16-32 entitled "University of
34 Rhode Island [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" are hereby

1 amended to read as follows:

2 **16-32-2. Continuation of powers of board. Board of Trustees established.**

3 ~~The change in name shall in no way affect the powers and duties of the board of governors~~
4 ~~for higher education defined in chapter 59 of this title; and the board of governors for higher~~
5 ~~education shall be responsible for the control, management, and operation of the University of~~
6 ~~Rhode Island in the same manner as previously it was responsible for the control, management, and~~
7 ~~operation of it under the name of Rhode Island State College.~~

8 (a) There is hereby created a board of trustees for the University of Rhode Island,
9 sometimes referred to as the "board" or "board of trustees", which shall be and is constituted a
10 public corporation, empowered to sue and be sued in its own name, to borrow money, to
11 compromise and settle claims, to have a seal, and to make and execute contracts and other
12 instruments necessary or convenient to the exercise of its powers, and to exercise all the powers, in
13 addition to those specifically enumerated in this chapter, usually appertaining to public corporations
14 entrusted with control of postsecondary educational institutions and functions. Upon its
15 organization, the board shall be vested with the legal title to all property, real and personal, now
16 owned by and/or under the control or in custody of the council on postsecondary education for the
17 use of the University of Rhode Island including all its departments, divisions, and branches,
18 sometimes referred to as the property.

19 (b) The board is empowered to hold and operate the property in trust for the state; to
20 acquire, hold, and dispose of the property and other like property as deemed necessary for the
21 execution of its corporate purposes. The board is made successor to all powers, rights, duties, and
22 privileges for the University of Rhode Island formerly belonging to the council on postsecondary
23 education pertaining to postsecondary education and the board of governors for higher education.

24 (c) The board shall be the employer of record for the university. It shall retain all authority
25 formerly vested in the council on postsecondary education and the board of education regarding
26 the employment of faculty and staff at the University of Rhode Island. The board shall appoint the
27 president of the university and shall review their performance on an annual basis.

28 (1) The board is empowered to enter into contracts and agreements with the council on
29 postsecondary education and/or the department of administration related to employee benefits,
30 including but not limited to retirement benefits, health, dental, vision and life insurance, disability
31 insurance, workers' compensation, and tuition waivers to maximize the state's and university's
32 purchasing and investment portfolio and educational opportunities for the benefit of its employees.

33 (2) The board is empowered to enter into collective bargaining agreements as appropriate
34 with its employees and all existing collective bargaining agreements in effect when the board is

1 established pursuant to § 16-32-2.2 shall be transferred from the council on postsecondary
2 education to the board.

3 (d) The board shall make rules and regulations for the control and use of all public
4 properties and highways under its care, and for violations of those rules and regulations; penalties,
5 up to one hundred dollars (\$100) and costs for any one offense, may be imposed by any district
6 court or police court in the city or town where the violation occurs; and, in general, the board shall
7 take all actions necessary for the proper execution of the powers and duties granted to, and imposed
8 upon, the board by the terms of this chapter.

9 (e) The board shall make rules and regulations pursuant to chapter 2 of title 37 to implement
10 its responsibilities as a public agency for procurement purposes as defined in § 37-2-7(16).

11 (f) The board shall evaluate data on which to base performance of the university as
12 described in subsection (g) of this section which shall be defined by the president of the university.
13 These measures may include and incorporate outcomes or goals from multiple, previous years. The
14 lack of information from previous years, however, will not affect the use of performance-based
15 measures.

16 (g) The University of Rhode Island shall have unique measures consistent with its purpose,
17 role, scope, and mission. The board shall provide faculty and students an opportunity to provide
18 input on the development of performance measures.

19 (1) The performance-based measures shall include, but not be limited to, the following
20 metrics:

21 (i) The number and percentage, including growth in relation to enrollment and prior years
22 of bachelor's degrees awarded to first-time, full-time students within four (4) years and six (6)
23 years, including summer graduates;

24 (ii) The number of degrees awarded that are tied to Rhode Island's high demand, high-wage
25 employment opportunities consistent with the institution's mission;

26 (iii) One metric that applies only to the university, in consultation with the president, which
27 shall consider faculty, staff and student input; and

28 (iv) Any other metrics that are deemed appropriate by the board.

29 (2) Weight may be assigned to any of the aforementioned metrics to reinforce the mission
30 of the university, the economic needs of the state, and the socio-economic status of the students.

31 (h) The board shall hold the university accountable for developing and implementing
32 transfer pathways for students from the Community College of Rhode Island and Rhode Island
33 College.

34 (i) The board shall supervise, coordinate, and/or authorize audits, civil and administrative

1 investigations, and inspections or oversight reviews, when necessary, relating to expenditure of
2 state or federal funds, or to any and all university programs and operations, as well as the
3 procurement of any supplies, services, or construction, by the university. In the course of an audit
4 or investigation, the board authorized auditor(s) shall review statutes and regulations of the
5 university and shall determine if the university is in compliance and shall make recommendations
6 concerning the efficiency of operations, and the effect of such statutes or regulations on internal
7 controls and the prevention and detection of fraud, waste and abuse. The board authorized
8 auditor(s) may recommend policies or procedures that may strengthen internal controls, or assist in
9 the prevention or detection of fraud, waste, and abuse or mismanagement. Any audits conducted
10 shall be transmitted to the office of internal audit established in general law 35-7.1.

11 **16-32-2.1. Additional powers of the President of the University.**

12 In addition to any powers granted to the president of the University of Rhode Island by law
13 or regulation, and consistent with shared governance practices, in conformity with § 16-32-10, the
14 president shall have the following additional powers and duties:

15 (a) To create, and consolidate departments, divisions, programs, and courses of study
16 within the university ~~with the assistance of the commissioner of postsecondary education within~~
17 and the approved role and scope of the president's authority adopted by the ~~council on~~
18 ~~postsecondary education pursuant to § 16-59-4~~ board of trustees. Any new or proposed eliminations
19 of departments, divisions, programs or courses of study that are outside the role and scope approved
20 by the ~~council~~ board shall require the review and approval of the ~~council on postsecondary~~
21 ~~education~~ board.

22 (b) To adopt a budget for the university and submit it to the ~~council on postsecondary~~
23 ~~education~~ board of trustees for approval.

24 (c) To be responsible for the general management of property of the university.

25 (d) To recommend to the ~~council on postsecondary education, after consultation with the~~
26 ~~commissioner of postsecondary education~~ board of trustees, tables of organization for the
27 university.

28 (e) To submit to the ~~office of postsecondary commissioner~~ board of trustees and to compile
29 and analyze the following information for presentation to the ~~council on postsecondary education~~
30 ~~and the board of education~~ board annually by May 1st the following:

31 (1) A detailed departmental breakdown of all faculty members employed at the university
32 by rank (including all professors, associate professors, assistant professors, lecturers, and
33 instructors) and tenure (tenured and non-tenured, and other) and by race (African American,
34 Hispanic, Native American, and Asian) and gender.

1 (2) A detailed report on current student enrollments for each class at the university by race
2 and gender, by academic department, and by outreach program (e.g. talent development),
3 guaranteed admissions program, and the current levels of funding and staff support for each of
4 these programs.

5 ~~(3) A report on the current status of the African and Afro-American studies programs at~~
6 ~~the university and a five (5) year budgetary history of the programs along with projections for~~
7 ~~budgetary support for the next two (2) years.~~

8 ~~(4)~~(3) A plan for recruitment of African American and Hispanic faculty into tenure track
9 positions at the university with specific reference to and planned involvement with the New
10 England higher education's minority faculty recruitment and development plan.

11 ~~(5)~~(4) Copies of the report shall be furnished to the ~~council of postsecondary education and~~
12 ~~the board of education~~ board of trustees.

13 (f) To assist the board of trustees in preparation and maintenance of a three (3) year
14 strategic funding plan for the university; to assist the board in the preparation and presentation
15 annually to the state budget officer in accordance with § 35-3-4 of a total university budget.

16 (g) To monitor, publish, and report to the board of trustees the level of performance on all
17 metrics of the universities set forth in § 16-32-2 and in accordance with this chapter. The president
18 shall revise the metrics at a time when performance has reached a level pre-defined by the board.
19 Future metrics may further goals identified by the board, the board of education and the governor's
20 workforce board, and the purpose and mission of the university. The university shall publish its
21 performance on all of its associated metrics prescribed in this chapter on its website.

22 **16-32-5. Authority over experiment station.**

23 The ~~board of governors for higher education~~ board of trustees shall have authority over the
24 experiment station of the university located in the town of South Kingstown.

25 **16-32-9. Annual appropriations.**

26 (a) The general assembly shall annually appropriate any sum as it may deem sufficient for
27 the purpose of defraying the expenses of the university, the appropriation to be expended under the
28 direction of the trustees and officers of the university. The state controller is authorized and directed
29 to draw his or her orders upon the general treasurer for the payment of the appropriations or so
30 much of the sums that are necessary for the purposes appropriated, upon the receipt by him or her
31 of proper vouchers as the board of trustees may by rule provide. The board shall receive, review,
32 and adjust the budget for the university and present the budget under the requirements of § 35-3-4.

33 (b) Any tuition or fee increase schedules in effect for the university shall be received by
34 the board of trustees for allocation for the fiscal year for which state appropriations are made to the

1 board by the general assembly; provided that no further increases may be made by the board for
2 the year for which appropriations are made.

3 (c) All housing, dining, and other auxiliary facilities at the university shall be self-
4 supporting and no funds shall be appropriated by the general assembly to pay operating expenses,
5 including principal and interest on debt services, and overhead expenses for the facilities. Any debt
6 service costs on general obligation bonds presented to the voters in November 2000 and November
7 2004 or appropriated funds from the Rhode Island Capital Plan Fund for the housing auxiliaries at
8 the University of Rhode Island shall not be subject to this self-supporting requirement in order to
9 provide funds for the building construction and rehabilitation program.

10 (d) The additional costs to achieve self-supporting status shall be by the implementation of
11 a fee schedule of all housing, dining, and other auxiliary facilities, including but not limited to,
12 operating expenses, principal, and interest on debt services, and overhead expenses.

13 (e) Notwithstanding paragraphs (a) and (c) of this section or any provisions of title 16, to
14 the extent necessary to comply with the provisions of any outstanding bonds issued by the Rhode
15 Island Health and Educational Building Corporation or outstanding Lease Certificates of
16 Participation, in either case, issued for the benefit of the University of Rhode Island, the
17 Community College of Rhode Island, and/or Rhode Island College, to the extent necessary to
18 comply with the provisions of any such bonds or certificates of participation, the general assembly
19 shall annually appropriate any such sums it deems necessary from educational and general revenues
20 (including, but not limited to tuition) and auxiliary enterprise revenues derived from the University
21 of Rhode Island, the Community College of Rhode Island and Rhode Island College, to be allocated
22 by the council on postsecondary education or by the board of trustees, as appropriate, in accordance
23 with the terms of the contracts with such bondholders or certificate holders.

24 **16-32-10. Award of degrees -- Curriculum and government.**

25 The board of trustees, with the approval of the president and a committee of the faculty of
26 the university, shall award academic degrees and diplomas and confer honors in the same manner
27 as is customary in American colleges. It shall also be the duty of the president and a committee of
28 the faculty, with the approval of the ~~board of governors for higher education~~ board of trustees, to
29 arrange courses of study conforming to all acts of Congress, and prescribe any qualifications for
30 the admission of students and any rules of study, exercise, discipline, and government as the
31 president and committee may deem proper.

32 **16-32-11. Power to guarantee loans.**

33 The ~~board of governors for higher education~~ board of trustees is authorized and empowered
34 to carry out the provisions of §§ 16-32-12 through 16-32-14 in regard to the guaranty of loans made

1 to societies and students at the university.

2 **16-32-12. Acquisition of land -- Guaranty of loans to societies of students.**

3 The ~~board of governors for higher education~~ [board of trustees](#) is authorized and empowered
4 on behalf of the University of Rhode Island to acquire land and also to guarantee in the name of
5 the state approved loans made to societies of students at the university, for the purchase or
6 construction, upon lands owned by the university, of society houses which shall serve as student
7 dormitories. Any loans approved, upon default, shall become state obligations in the same manner
8 as any state bond.

9 **16-32-15. Assumption of defaulted obligations -- Lien on property.**

10 Whenever default is made on the part of a society in the payment of loans guaranteed under
11 the provisions of § 16-32-12, or any part of them, the ~~board of governors for higher education~~ [board](#)
12 [of trustees](#) is authorized to assume the obligation and to make required payments on principal and
13 interest from any of the appropriations available for the University of Rhode Island. In the event of
14 a default, in cases where that board assumes the obligation of a society, the state shall have a lien
15 subject to any mortgages or encumbrances existing at the time on any and all property of the society.
16 The lien may be released after the reimbursement to the state of all payments made on behalf of the
17 society, plus accrued interest.

18 **16-32-25. Establishment of college of pharmacy fund.**

19 All money received pursuant to the provisions of chapter 3644 of the Public Laws of 1956
20 shall be deemed to be trust funds to be held by the general treasurer or by the University of Rhode
21 Island Foundation, as provided in § 16-32-26, in a special fund the income of which shall be made
22 available to the ~~board of governors for higher education~~ [board of trustees](#) to be applied by it solely
23 for use as scholarship grants in the field of pharmacy and allied sciences, in any manner and under
24 any conditions as the board of governors for higher education may determine. The board of
25 governors for higher education is authorized and empowered, from time to time, as occasion may
26 require, to draw on the general treasurer or on the University of Rhode Island Foundation, for the
27 annual income of the fund, or so much of this amount as may be necessary, to carry out this
28 objective.

29 **16-32-26. Management of college of pharmacy fund.**

30 (a) The general treasurer shall have the care and management of the fund with full power
31 to regulate the custody and safekeeping of all money and evidences of property belonging to the
32 fund. The treasurer shall deposit, subject to his or her order, to the use of this fund, all dividends,
33 interest, or income arising from it, in any bank or banks, trust company or trust companies, in which
34 funds of the state may be lawfully kept. The treasurer may invest and reinvest, in his or her

1 discretion, the money in the fund at any time and the dividends, interest, and income in any
2 securities or investments in which the deposits in savings banks and participation deposits in banks
3 and trust companies may be legally invested. The treasurer may change and vary the investments
4 from time to time, and he or she may sell and dispose of any investments made, when necessary to
5 meet the draft of the ~~board of governors for higher education~~ board of trustees as provided in § 16-
6 32-25.

7 (b) The general treasurer shall, upon the order of the governor to do so, transfer to the
8 University of Rhode Island Foundation created by act of the general assembly at its January 1957
9 session all money and evidences of property comprising the fund, and then his or her duties with
10 respect to the fund shall cease, and the foundation shall after this hold and administer the fund with
11 all the powers and subject to all the duties imposed upon it by the act of the general assembly with
12 respect to other funds held by the foundation; provided, that the fund shall be held by the foundation
13 as a special fund and shall not be mingled with other funds held by the foundation, and the net
14 income of the fund shall be devoted exclusively to the object specified in § 16-32-25.

15 SECTION 4. Sections 16-32.1-2 and 16-32.1-8 of the General Laws in Chapter 16-32.1
16 entitled "The University of Rhode Island Research Foundation Act [See Title 16 Chapter 97 - The
17 Rhode Island Board of Education Act]" are hereby amended to read as follows:

18 **16-32.1-2. Creation and powers.**

19 (a) There is hereby authorized, created and established a public corporation having a legal
20 existence distinct from the state and not constituting a department of state government, to be known
21 as the University of Rhode Island Research Foundation, with such powers as are set forth in this
22 chapter, for the purposes of the development of scientific research, technology, commercialization
23 of intellectual property and such other purposes as may be necessary to develop, promote and
24 enhance scientific research and technology at the University of Rhode Island.

25 (b) The research foundation is authorized, created and established for the benefit of the
26 University of Rhode Island and shall be organized exclusively for charitable, educational and
27 scientific purposes of the University of Rhode Island within the meaning of § 501(c)(3) of the
28 Internal Revenue Code with the following powers and purposes:

29 (1) To aid and assist the University of Rhode Island in the establishment, development and
30 fostering of scientific research and technology which will further the learning opportunities,
31 programs, services and enterprises of the University and of the state of Rhode Island;

32 (2) To assist in providing research programs at the University of Rhode Island which will
33 provide for the advancement of education and educational programs at the University of Rhode
34 Island and which will provide for opportunities to individuals for learning and training in subjects

1 useful to the individual and beneficial to the community;

2 (3) To promote, encourage and foster the education and training services, scientific
3 investigations, technology development and technology commercialization at the University of
4 Rhode Island;

5 (4) To pursue, obtain and protect intellectual property rights (including patents, trademarks,
6 tangible materials and copyrights) in and to all valuable intellectual property flowing from or
7 belonging to the University of Rhode Island and to administer such intellectual property in
8 conformity with applicable state and federal laws;

9 (5) To carry on any other lawful purpose within the meaning of § 501(c)(3) of the Internal
10 Revenue Code in connection with its purposes.

11 (c) The research foundation and its corporate existence shall continue until terminated by
12 law or until the corporation shall cease entirely and continuously to conduct or be involved in any
13 business or transactions in furtherance of its purposes. Upon termination of the research foundation
14 and its corporate existence, all of its rights, assets and properties shall pass to and be vested in the
15 ~~board of governors for higher education~~ [board of trustees](#) for the benefit of the University of Rhode
16 Island.

17 **16-32.1-8. Annual report and audit.**

18 The research foundation shall submit to the ~~board of governors for higher education~~ [board](#)
19 [of trustees](#) an audited report of its activities for the preceding fiscal year. The report shall set forth
20 a complete operating and financial statement covering the research foundation operations during
21 the preceding fiscal year. The research foundation shall cause an independent audit of its books and
22 accounts to be made at least once each fiscal year.

23 SECTION 5. Chapter 16-32 of the General Laws entitled "University of Rhode Island [See
24 Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby amended by adding
25 thereto the following sections:

26 **16-32-2.2. Appointment and removal of the board of trustees.**

27 [\(a\) There is hereby established a board of trustees for the University of Rhode Island](#)
28 [consisting of seventeen \(17\) members. The governor shall appoint the members, with the advice](#)
29 [and consent of the senate, to serve on the board of trustees, until the expiration of their term and](#)
30 [their successor is appointed. In making these appointments the governor shall give due](#)
31 [consideration to recommendations from the president of the University of Rhode Island and at least](#)
32 [three \(3\) of those members appointed by the governor shall be residents of the State of Rhode](#)
33 [Island, at least one of those members shall be selected from a list of names of at least five \(5\)](#)
34 [individuals submitted by the speaker of the house of representatives, and at least one of those](#)

1 members shall be selected from a list of names of at least five (5) individuals submitted by the
2 president of the senate. In addition, the president of the University of Rhode Island shall appoint
3 one faculty member and one student member who shall be a full-time student in good standing at
4 the university and who shall both serve in a non-voting, ex officio capacity for a single two (2) year
5 term. The chair of the board of education and the chair of the council on postsecondary education
6 shall serve in a non-voting, ex-officio capacity on the board of trustees. Six (6) of the members
7 initially appointed pursuant to this section shall serve terms of three (3) years; seven (7) members
8 initially appointed pursuant to this section shall serve terms of two (2) years, including the member
9 appointed from the list submitted by the speaker of the house of representatives and the member
10 appointed from the list submitted by the president of the senate; and, four (4) members initially
11 appointed pursuant to this section shall serve terms of one year. Thirteen (13) voting members of
12 the board shall constitute a quorum and the vote of a majority of those present and voting shall be
13 required for action.

14 (b) After the initial terms of appointment have expired, the governor shall appoint nine (9)
15 members with the advice and consent of the senate to serve as members of the board of trustees
16 with two (2) members appointed for a term of three (3) years; with two (2) members appointed for
17 a term of two (2) years, including the member appointed from the list submitted by the speaker of
18 the house of representatives and the member appointed from the list submitted by the president of
19 the senate; and with two (2) members appointed for a term of one year and shall be eligible to be
20 reappointed to a term of two (2) years. In making these appointments the governor shall give due
21 consideration to recommendations from the president of the University of Rhode Island and at least
22 three (3) of those members appointed by the governor shall be residents of the State of Rhode
23 Island, at least one of those members shall be selected from a list of names of at least five (5)
24 individuals submitted by the speaker of the house of representatives, and at least one of those
25 members shall be selected from a list of names of at least five (5) individuals submitted by the
26 president of the senate. The remaining eight (8) voting members shall be self-perpetuating members
27 appointed by the board pursuant to rules adopted by the board regarding the nomination and
28 appointment of members and shall serve terms as defined by the board pursuant to the adopted
29 rules and be eligible for reappointment. In making these appointments the board shall give due
30 consideration to recommendations from the president of the University of Rhode Island.

31 (c) A majority of the board shall elect the chair of the board from among the seventeen (17)
32 voting board members pursuant to rules and regulations adopted by the board establishing the
33 procedure for electing a chair.

34 (d) Public members of the board shall be removable by the appointing authority of the

1 member for cause only, and removal solely for partisan or personal reasons unrelated to capacity
2 or fitness for the office shall be unlawful. No removal shall be made for any cause except after ten
3 (10) days' notice in writing of specific charges, with opportunity for the member to be present in
4 person and with counsel at a public hearing before the appointing authority, to introduce witnesses
5 and documentary evidence in his or her own defense, and to confront and cross-examine adversary
6 witnesses; and appeal shall lie to the superior court from the governor's determination.

7 **16-32-32. Exemption from provisions of administrative procedures act.**

8 The provisions of the administrative procedures act, chapter 35 of title 42, shall not apply
9 to this chapter.

10 **16-32-33. Receipts from sources other than appropriations.**

11 (a) Notwithstanding any general laws to the contrary, all receipts from all sources other
12 than state appropriations shall not be deposited into the general fund of the state, but shall be
13 deposited by the general treasurer of the state into a restricted account for the benefit of the board
14 of trustees, and shall be paid out by the treasurer upon the order of the board, without the necessity
15 of appropriation or re-appropriation by the general assembly.

16 (b) The board of trustees shall ensure that the university has a structure in place to prohibit
17 the university from accepting funds that would interfere with or restrict academic freedom at the
18 university. Nothing contained in this subsection shall be construed in a way as to prohibit a donor
19 from earmarking funds for a particular purpose or use including, but not limited to, research,
20 scholarships, construction, or development.

21 **16-32-34. Fiscal accounts -- Receipts -- Petty cash funds.**

22 (a) The treasurer of the University of Rhode Island, as appointed by the board of trustees,
23 shall:

24 (1) Keep an accurate account of his or her receipts and expenditures, which shall be audited
25 by the state controller; and

26 (2) Turn over to the general treasurer at monthly intervals all sums of money received by
27 him or her during the preceding month which shall be credited to the proper accounts and funds by
28 the general treasurer.

29 (b) The state controller shall establish an imprest fund or petty cash fund for the use of the
30 treasurer of the university for expenditures of any nature as may be approved by the state controller.

31 **16-32-35. Audit of expenditures.**

32 The pre-audit of all expenditures under authority of the board by the state controller
33 provided for in § 35-6-1 shall be purely ministerial, concerned only with the legality of the
34 expenditure and the availability of the funds, and in no event shall the state controller interpose his

1 or her judgment regarding the wisdom or expediency of any item or items of expenditure.

2 **16-32-36. Freedom from budget and lease control by other agencies.**

3 In order that the board of trustees may control the personnel and equipment of the
4 university in the interest of educational efficiency, the board and the university are exempt from
5 the provisions of § 35-3-1(a)(5) relating to the employment of personnel, and from any provision
6 of § 42-20-8 which relates to the director of administration.

7 **16-32-37. Applicability of merit system -- Teacher certification -- List of positions**
8 **transferable to classified service.**

9 (a) The appointment, promotion, salaries, tenure, and dismissal of administrative,
10 instructional, and research employees, and secretarial employees not exceeding ten (10) in number,
11 and armed university police officers shall not be subject in any manner or degree to control by the
12 state personnel administrator or by any officer or board other than the board of trustees. The
13 certification of teachers at the University of Rhode Island is abolished, except for teachers who
14 elect to come or remain under it.

15 (b) All positions that are exempt from the merit system law, chapter 4 of title 36, which
16 become vacant or that are to be established, must be forwarded to the state personnel administrator,
17 who shall determine whether the position(s) in question shall remain in the board of trustees non-
18 classified service or be established in the classified service of the state.

19 (c) No position presently in the classified service of the state subject to the merit system
20 law, chapter 4 of title 36, shall be changed or modified so as to establish the position in the board
21 of trustees non-classified service.

22 (d) Faculty positions, presidents, vice presidents, deans, assistant deans, and student
23 employees of the university shall not be covered by the preceding provisions and shall remain in
24 the non-classified service of the board.

25 **16-32-38. Permanent status for non-classified employees.**

26 All non-classified employees of the board of trustees who shall have twenty (20) years, not
27 necessarily consecutive, of service credit, these credits having been earned in either the classified,
28 non-classified, or unclassified service or any combination of these, shall be deemed to have
29 acquired full status in their positions as the status is defined by § 36-4-59 with the base entry date
30 prior to August 8, 1996; provided, that this provision shall not apply to faculty employed by the
31 board nor shall it apply to non-classified employees who have acquired tenure as faculty.

32 **16-32-39. Longevity payments -- Non-classified employees.**

33 (a) The non-classified employees of the board of trustees, except for faculty employees and
34 except for non-classified employees already receiving longevity increases, shall be entitled to a

1 longevity payment in the amount of five percent (5%) of base salary after ten (10) years of service
2 and increasing to a total of ten percent (10%) of base salary after twenty (20) years of service. The
3 provisions of this section will apply only to employees with a pay grade under nineteen (19). The
4 longevity payments shall not be included in base salary.

5 (b) The board of trustees is authorized to promulgate regulations implementing the
6 provisions of this section.

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

20 **16-32-40. Appointment of campus police.**

21 (a) The board of trustees may appoint one or more persons who may act as police officers
22 upon the property and highways of the university subject to the control of the board and upon the
23 streets and highways immediately adjacent to those lands. The campus police officers shall protect
24 the property of the university, suppress nuisances and disturbances and breaches of the peace, and
25 enforce laws and regulations for the preservation of good order. They shall have the same powers
26 and authority as that conferred upon municipal police officers, including the power to arrest persons
27 for violations of state criminal statutes or for violations of city or town ordinances of the city or
28 town in which the institution is located. They shall be required to attend and successfully complete
29 the municipal police training academy before they shall be allowed to carry firearms. Additionally,
30 any campus police officer observing the violation of any rule or regulation of the board adopted
31 pursuant to this chapter, including, but not limited to, parking and traffic regulations, may issue a
32 summons in the manner and form set forth in §§ 31-27-12 or 31-41.1-1 returnable to the district
33 court, the police court of the city or town where the violation occurs, or the traffic tribunal as
34 provided by law.

1 (b) Notwithstanding any other provision of law, all fines and penalties recovered for
2 violation of rules and regulations made under authority of this section shall be accounted for by the
3 appropriate authority, which shall forward all fines or penalties for nonmoving traffic violations to
4 the general treasurer for use by the college or university on whose campus the citation or violation
5 was issued in accordance with § 16-32-27.

6 **16-32-41. Conflicts of interest.**

7 No member of the board of trustees shall be employed in any position under the jurisdiction
8 of the board, nor contract in any manner for any purpose with the board; nor shall the board
9 purchase, sell, or lease any land, property, or supplies from or to any firm or business association
10 of which any member of the board is owner, part owner, or officer or director. No person related
11 by consanguinity or affinity in the first degree to any member of the board shall be employed in
12 any capacity under the board's jurisdiction.

13 **16-32-42. Existing Bond Debt.**

14 The board of trustees is authorized to take all actions, and execute and deliver all
15 agreements or instruments, necessary or convenient for the board to assume all of the obligations
16 on behalf of, and in replacement of, or jointly with the council on postsecondary education under
17 outstanding bonds issued by the Rhode Island Health and Educational Building Corporation or
18 outstanding Lease Certificates of Participation, in either case, issued for the benefit of the
19 University of Rhode Island, the Community College of Rhode Island, and/or Rhode Island College
20 as may be necessary to ensure, among other items, that the university continues to meet its
21 obligations under such bonds or certificates.

22 SECTION 6. Sections 16-59-1, 16-59-6, 16-59-9, 16-59-13, 16-59-18, 16-59-19, 16-59-22
23 and 16-59-26 of the General Laws in Chapter 16-59 entitled "Council on Postsecondary Education
24 [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" are hereby amended to read
25 as follows:

26 **16-59-1. Council on Postsecondary Education established.**

27 (a) There is created a council on postsecondary education, sometimes referred to as the
28 "council", which shall be and is constituted a public corporation, empowered to sue and be sued in
29 its own name, and to exercise all the powers, in addition to those specifically enumerated in this
30 chapter, usually appertaining to public corporations entrusted with control of postsecondary
31 educational institutions and functions. Upon its organization the council shall be invested with the
32 legal title (in trust for the state) to all property, real and personal, now owned by and/or under the
33 control or in custody of the board of regents for education for the use of ~~the University of Rhode~~
34 ~~Island~~, Rhode Island College, Community College of Rhode Island and the system of community

1 colleges of Rhode Island including all departments, divisions, and branches of these.

2 (b) The council is empowered to hold and operate the property in trust for the state; to
3 acquire, hold, and dispose of the property and other like property as deemed necessary for the
4 execution of its corporate purposes. The council is made successor to all powers, rights, duties, and
5 privileges formerly belonging to the board of regents for education pertaining to postsecondary
6 education and the board of governors for higher education.

7 (c) The council shall be the employer of record for ~~higher education~~ Rhode Island College
8 and the Community College of Rhode Island and the office of postsecondary education. It shall
9 retain all authority formerly vested in the board of education regarding the employment of faculty
10 and staff at ~~the public higher education institutions~~ Rhode Island College and the Community
11 College of Rhode Island.

12 (d) The council shall be the governing body for the Rhode Island division of higher
13 education assistance and shall retain all authority formerly vested in the higher education assistance
14 authority board of directors pursuant to § 16-57-7; however, any debts, liabilities, or obligations of
15 the council that result from its status as such governing body shall be payable solely from the
16 revenues or assets of reserve funds set forth and established by the prior Rhode Island higher
17 education assistance authority and/or the Rhode Island division of higher education assistance
18 created pursuant to chapter 57 of this title, and not from any assets or property held by the council
19 on public higher education pursuant to this chapter.

20 (e) The council on postsecondary education shall be the employer of record for the division
21 of higher education assistance.

22 (f) The council on postsecondary education, simultaneous with the transfer of authority to
23 the University of Rhode Island board of trustees pursuant to § 16-32-2, shall enter into a sublease
24 with the University of Rhode Island board of trustees for the space the University currently occupies
25 at the Rhode Island Nursing Education Center in Providence Rhode Island, such sublease being
26 coterminous with the Lease and incorporating the same terms, conditions and space allocations
27 currently in effect under the Lease, and R.I. Public Law 2014, Chapter 145, Article 4, Section 8,
28 and that certain Memorandum of Understanding dated January 7, 2017 among the Rhode Island
29 Office of Postsecondary Commissioner, the University of Rhode Island and Rhode Island College.

30 (g) The council is empowered to enter into contracts and agreements with the board of
31 trustees for the University of Rhode Island and/or the department of administration related to public
32 higher education employee benefits, including but not limited to retirement benefits, health, dental,
33 vision and life insurance, disability insurance, workers' compensation, and tuition waivers to
34 maximize the state's and council's purchasing and investment portfolio and educational

1 [opportunities for the benefit of its employees.](#)

2 **16-59-6. Commissioner of postsecondary education.**

3 The council on postsecondary education, with approval of the board, shall appoint a
4 commissioner of postsecondary education, who shall serve at the pleasure of the council, provided
5 that his or her initial engagement by the council shall be for a period of not more than three (3)
6 years. For the purpose of appointing, retaining, or dismissing a commissioner of postsecondary
7 education, the governor shall serve as an additional voting member of the council. The position of
8 commissioner shall be in the unclassified service of the state and he or she shall serve as the chief
9 executive officer of the council on postsecondary education, the chief administrative officer of the
10 office of postsecondary commissioner, and the executive director of the division of higher
11 education assistance. The commissioner of postsecondary education shall have any duties that are
12 defined in this section and in this title and other additional duties as may be determined by the
13 council, and shall perform any other duties as may be vested in him or her by law. In addition to
14 these duties and general supervision of the office of postsecondary commissioner and the
15 appointment of the several officers and employees of the office, it shall be the duty of the
16 commissioner of postsecondary education:

17 (1) To develop and implement a systematic program of information gathering, processing,
18 and analysis addressed to every aspect of higher education in the state, especially as that
19 information relates to current and future educational needs.

20 (2) To prepare a strategic plan for higher education in the state aligned with the goals of
21 the board of education's strategic plan; to coordinate the goals and objectives of the higher public
22 education sector with the goals of the council on elementary and secondary education and activities
23 of the independent higher education sector where feasible.

24 (3) To communicate with, and seek the advice of those concerned with, and affected by the
25 board of education's and council's determinations.

26 (4) To implement broad policy as it pertains to the goals and objectives established by the
27 board of education and council on postsecondary education; to promote better coordination
28 between higher public education in the state, independent higher education in the state as provided
29 in subdivision (10) of this section, and pre k-12 education; to assist in the preparation of the budget
30 for public higher education; and to be responsible, upon direction of the council, for the allocation
31 of appropriations, the acquisition, holding, disposition of property.

32 (5) To be responsible for the coordination of the various higher educational functions of
33 the state so that maximum efficiency and economy can be achieved.

34 (6) To assist the board of education in preparation and maintenance of a five-year (5)

1 strategic funding plan for higher education; to assist the council in the preparation and presentation
2 annually to the state budget officer in accordance with § 35-3-4 of a total, public higher educational
3 budget.

4 (7) To recommend to the council on postsecondary education, after consultation with the
5 presidents, a clear and definitive mission for each ~~public institution of higher learning~~ college.

6 (8) To annually recommend to the council on postsecondary education, after consultation
7 with the presidents, the creation, abolition, retention, or consolidation of departments, divisions,
8 programs, and courses of study within the public colleges ~~and universities~~ to eliminate unnecessary
9 duplication in public higher education, to address the future needs of public higher education in the
10 state, and to advance proposals recommended by the presidents of the public colleges ~~and~~
11 ~~universities~~ pursuant to §§ ~~16-32-2.1~~, 16-33-2.1 and 16-33.1-2.1.

12 (9) To supervise the operations of the office of postsecondary commissioner, including the
13 division of higher education assistance, and any other additional duties and responsibilities that
14 may be assigned by the council.

15 (10) To perform the duties vested in the council with relation to independent higher
16 educational institutions within the state under the terms of chapter 40 of this title and any other
17 laws that affect independent higher education in the state.

18 (11) To be responsible for the administration of policies, rules, and regulations of the
19 council on postsecondary education with relation to the entire field of higher education within the
20 state, not specifically granted to any other department, board, or agency and not incompatible with
21 law.

22 (12) To prepare standard accounting procedures for public higher education and all public
23 colleges ~~and universities~~.

24 (13) To carry out the policies and directives of the board of education and the council on
25 postsecondary education through the office of postsecondary commissioner and through utilization
26 of the resources of the public ~~institutions of higher learning~~ colleges.

27 (14) To enter into interstate reciprocity agreements regarding the provision of
28 postsecondary distance education; to administer such agreements; to approve or disapprove
29 applications to voluntarily participate in such agreements from postsecondary institutions that have
30 their principal place of business in Rhode Island; and to establish annual fees, with the approval of
31 the council on postsecondary education, for aforesaid applications to participate in an interstate
32 postsecondary distance education reciprocity agreement.

33 (15) To the extent necessary for participation, and to the extent required and stated in any
34 distance learning reciprocity agreement, to implement procedures to address complaints received

1 from out-of-state students in connection with, or related to, any Rhode Island postsecondary
2 institution, public or private, that has been approved to participate in said reciprocity agreement.

3 (16) To exercise all powers and duties of the division of higher education assistance as set
4 forth under the terms of chapter 57 of this title.

5 **16-59-9. Educational budget and appropriations.**

6 (a) The general assembly shall annually appropriate any sums it deems necessary for
7 support and maintenance of higher education in the state and the state controller is authorized and
8 directed to draw his or her orders upon the general treasurer for the payment of the appropriations
9 or so much of the sums that are necessary for the purposes appropriated, upon the receipt by him
10 or her of proper vouchers as the council on postsecondary education may by rule provide. The
11 council shall receive, review, and adjust the budget for the office of postsecondary commissioner
12 and present the budget as part of the budget for higher education under the requirements of § 35-3-
13 4.

14 (b) The office of postsecondary commissioner and the institutions of public higher
15 education shall establish working capital accounts.

16 (c) Any tuition or fee increase schedules in effect for the institutions of public higher
17 education shall be received by the council on postsecondary education for allocation for the fiscal
18 year for which state appropriations are made to the council by the general assembly; provided that
19 no further increases may be made by the board of education or the council on postsecondary
20 education for the year for which appropriations are made. Except that these provisions shall not
21 apply to the revenues of housing, dining, and other auxiliary facilities at the university of Rhode
22 Island, Rhode Island college, and the community colleges including student fees as described in
23 P.L. 1962, ch. 257 pledged to secure indebtedness issued at any time pursuant to P.L. 1962, ch. 257
24 as amended.

25 (d) All housing, dining, and other auxiliary facilities at all public institutions of higher
26 learning shall be self-supporting and no funds shall be appropriated by the general assembly to pay
27 operating expenses, including principal and interest on debt services, and overhead expenses for
28 the facilities, with the exception of the mandatory fees covered by the Rhode Island promise
29 scholarship program as established by § 16-107-3. Any debt-service costs on general obligation
30 bonds presented to the voters in November 2000 and November 2004 or appropriated funds from
31 the Rhode Island capital plan for the housing auxiliaries at the university of Rhode Island and
32 Rhode Island college shall not be subject to this self-supporting requirement in order to provide
33 funds for the building construction and rehabilitation program. The institutions of public higher
34 education will establish policies and procedures that enhance the opportunity for auxiliary facilities

1 to be self-supporting, including that all faculty provide timely and accurate copies of booklists for
2 required textbooks to the public higher educational institution's bookstore.

3 (e) The additional costs to achieve self-supporting status shall be by the implementation of
4 a fee schedule of all housing, dining, and other auxiliary facilities, including but not limited to,
5 operating expenses, principal, and interest on debt services, and overhead expenses.

6 (f) The board of education is authorized to establish a restricted-receipt account for the
7 Higher Education and Industry Centers established throughout the state to collect lease payments
8 from occupying companies, and fees from room and service rentals, to support the operation and
9 maintenance of the facilities. All such revenues shall be deposited to the restricted-receipt [account](#).

10 [\(g\) Notwithstanding paragraphs \(a\) and \(d\) of this section or any provisions of title 16, to](#)
11 [the extent necessary to comply with the provisions of any outstanding bonds issued by the Rhode](#)
12 [Island Health and Educational Building Corporation or outstanding Lease Certificates of](#)
13 [Participation, in either case, issued for the benefit of the University of Rhode Island, the](#)
14 [Community College of Rhode Island, and/or Rhode Island College, to the extent necessary to](#)
15 [comply with the provisions of any such bonds or certificates of participation, the general assembly](#)
16 [shall annually appropriate any such sums it deems necessary from educational and general revenues](#)
17 [\(including, but not limited to, tuition\) and auxiliary enterprise revenues derived from the University](#)
18 [of Rhode Island, the Community College of Rhode Island and Rhode Island College, to be allocated](#)
19 [by the council on postsecondary education or by the board of trustees of the University of Rhode](#)
20 [Island, as appropriate, in accordance with the terms of the contracts with such bondholders or](#)
21 [certificate holders.](#)

22 **16-59-13. Definitions.**

23 Where in this chapter the phrase "public colleges" or "public institutions of higher learning"
24 or "public tax supported institutions of higher learning" or words of similar import are used they
25 shall be taken to mean ~~the University of Rhode Island,~~ Rhode Island College, and Community
26 College of Rhode Island, or any other of these public colleges, public institutions of higher learning,
27 or public tax supported institutions of higher learning [other than the University of Rhode Island,](#)
28 which may be created, individually or collectively, as appropriate.

29 **16-59-18. Receipts from sources other than appropriations.**

30 (a) All receipts from all sources other than state appropriations shall not be covered into
31 the general fund of the state, but shall be kept by the general treasurer of the state in a separate fund
32 for the board of governors for higher education, and shall be paid out by the treasurer upon the
33 order of the board, without the necessity of appropriation or re-appropriation by the general
34 assembly.

1 (b) The board of governors of higher education shall ensure that state colleges ~~and~~
2 ~~universities~~ have a structure in place to prohibit these colleges ~~and universities~~ from accepting
3 funds that would interfere with or restrict academic freedom at the state colleges ~~and universities~~.
4 Nothing contained in this subsection shall be construed in a way as to prohibit a donor from
5 earmarking funds for a particular purpose or use including but not limited to research, scholarships,
6 construction, or development.

7 **16-59-19. Fiscal accounts -- Receipts -- Petty cash funds.**

8 The treasurer of ~~the University of Rhode Island, and the treasurer of the~~ Rhode Island
9 College to be appointed by the board of governors for higher education, shall ~~each~~ keep an accurate
10 account of his or her receipts and expenditures which shall be audited by the state controller in
11 accordance with law. The treasurer of each college shall turn over to the general treasurer at
12 monthly intervals all sums of money received by him or her during the preceding month which
13 shall be credited to the proper accounts and funds by the general treasurer. The state controller shall
14 establish an imprest fund or petty cash fund for the use of the treasurer of each of the colleges for
15 expenditures of any nature as may be approved by the state controller.

16 **16-59-22. Applicability of merit system -- Teacher certification -- List of positions**
17 **transferable to classified service.**

18 (a) The appointment, promotion, salaries, tenure, and dismissal of administrative,
19 instructional, and research employees, and secretarial employees not exceeding ten (10) in number,
20 and armed college ~~and university~~ police officers of the state colleges shall not be subject in any
21 manner or degree to control by the personnel administrator or by any officer or board other than
22 the council on postsecondary education. ~~The certification of teachers at the University of Rhode~~
23 ~~Island is abolished, except for teachers who elect to come or remain under it.~~

24 (b) All positions that are exempt from the merit system law, chapter 4 of title 36, which
25 become vacant or that are to be established, must be forwarded to the personnel administrator, who,
26 in consultation with the deputy assistant commissioner of education in charge of personnel and
27 labor relations, shall determine whether the position(s) in question shall remain in the council on
28 postsecondary education non-classified service or be established in the classified service of the
29 state.

30 (c) No position presently in the classified service of the state subject to the merit system
31 law, chapter 4 of title 36, shall be changed or modified so as to establish the position in the council
32 on postsecondary education non-classified service.

33 (d) Faculty positions, presidents, vice presidents, deans, assistant deans, and student
34 employees of the higher-education institutions shall not be covered by the preceding provisions and

1 shall remain in the council on postsecondary education non-classified service.

2 **16-59-26. The public and private partnership in education.**

3 (a) Purpose. The state of Rhode Island recognizes that research is a primary mission of an
4 institution of higher education. While carrying out its research mission, the state further recognizes
5 that inventions of value to the public will be made by persons working in its public institutions of
6 higher education. The marketing of these inventions will contribute to job creation and to the
7 overall economic well-being of the state of Rhode Island and the nation. It is accordingly the policy
8 of the state to encourage such inventors and inventions and to take appropriate steps to aid the
9 inventor and ensure that the public receives the benefit. In facilitating this policy, the state
10 recognizes the need for cooperation between governmental agencies, private industries, and the
11 inventors themselves.

12 (b) Definitions. The following words and phrases used in § 16-59-26 have the following
13 meaning:

14 (1) "Conflict of interest policies and procedures relating to research and development"
15 refers to policies and procedures adopted by the Rhode Island board of governors for higher
16 education, or as it pertains to the University of Rhode Island, the board of trustees in consultation
17 with the Rhode Island ethics commission, and approved by the Rhode Island ethics commission;

18 (2) "Relationship" includes any interest, service, employment, gift, or other benefit or
19 relationship;

20 (3) "Research or development" means basic or applied research or development, including:

21 (i) The development or marketing of university-owned technology;

22 (ii) The acquisition of services of an official or employee, by an entity for research and
23 development purposes;

24 (iii) Participation in state economic development programs; or

25 (iv) The development or marketing of any technology on the premises of a public
26 institution of higher education by an official or employee of the institution.

27 (c) Policy.

28 (1) The Rhode Island board of governors for higher education, or as it pertains to the
29 University of Rhode Island, the board of trustees shall develop conflict of interest policies and
30 procedures based on the purposes expressed in art. 3, § 7 of the Constitution of the State of Rhode
31 Island, § 36-14-1, and in this section.

32 (2) The Rhode Island board of governors for higher education, or as it pertains to the
33 University of Rhode Island, the board of trustees shall consult with the Rhode Island ethics
34 commission in developing these policies and procedures and shall submit them to the Rhode Island

1 ethics commission for approval in order to insure conformity with the purposes expressed in art. 3,
2 § 7 of the Constitution of the State of Rhode Island, § 36-14-1, and in this section.

3 (d) Policy standards. The policies and procedures adopted by the board of governors for
4 higher education, [or as it pertains to the University of Rhode Island, the board of trustees](#) under
5 subsection (c) of this section shall:

6 (1) Require disclosure of any interest in, or employment by, or other relationship with an
7 entity for which an exemption under this section is claimed, on a form filed with the ethics
8 commission and the Rhode Island board of governors for higher education, [or as it pertains to the](#)
9 [University of Rhode Island, the board of trustees](#) and maintained as a public record at the
10 commission offices, the office of higher education, and at the interested public institution of higher
11 education;

12 (2) Require review of all disclosures by a designated official or officials, who shall
13 determine what further information must be disclosed and what restrictions shall be imposed by the
14 Rhode Island board of governors for higher education, [or as it pertains to the University of Rhode](#)
15 [Island, the board of trustees](#) to manage, reduce, or eliminate any actual or potential conflict of
16 interest;

17 (3) Include guidelines to ensure that interests and employment for which an exemption
18 under this section is claimed do not improperly give an advantage to entities in which the interests
19 or employment are maintained, lead to misuse of institution students or employees for the benefit
20 of entities in which the interests or employment are maintained, or otherwise interfere with the
21 duties and responsibilities of the exempt official or employee;

22 (4) Require approval by the president of the public institution of higher education of any
23 interest or employment for which an exemption is claimed under this section; and

24 (5) Require approval by the Rhode Island board of governors for higher education, [or as it](#)
25 [pertains to the University of Rhode Island, the board of trustees](#).

26 (e) Relationship permitted. An official or employee at a public institution of higher
27 education may have a relationship, that would otherwise be prohibited by the Rhode Island Code
28 of Ethics in Government, with an entity engaged in research or development, or with an entity
29 having a direct interest in the outcome of research or development, only if the Rhode Island Board
30 of governors for higher education, [or as it pertains to the University of Rhode Island, the board of](#)
31 [trustees](#) has adopted policies and procedures in accordance with this section, and the official or
32 employee has complied with the policies and procedures. If the provisions of this section are not
33 met, the official or employee is not exempt from any relevant provisions of the Rhode Island Code
34 of Ethics in Government.

1 (f) Annual reporting. The board of governors for higher education, or as it pertains to the
2 University of Rhode Island, the board of trustees shall report annually to the governor, the president
3 of the senate and the speaker of the house of representatives, and the ethics commission the number
4 of approvals granted under this section and how the conflict of interest policies and procedures
5 adopted pursuant to this section have been implemented in the preceding year.

6 (g) Person not eligible. An official or employee who is a president, or vice-president at a
7 public institution of higher education in Rhode Island may not receive an exemption under this
8 section.

9 (h) Ethics commission review. The board of governors for higher education, or as it
10 pertains to the University of Rhode Island, the board of trustees, shall promptly notify the ethics
11 commission in writing of any exemption that is granted under this section. If the ethics commission
12 disagrees with an exemption that is granted pursuant to this section and the conflict of interest
13 policies and procedures relating to research and development adopted by the board of governors
14 for higher education, within thirty (30) calendar days after the receipt of the notice described in this
15 section, the ethics commission shall notify the board of governors for higher education reason for
16 its concern. Upon receipt of such notice from the ethics commission, the board of governors for
17 higher education, or as it pertains to the University of Rhode Island, the board of trustees shall
18 cause the matter to be re-examined at an open and public meeting pursuant to § 42-46-1 et seq.

19 SECTION 7. Section 16-59-28 of the General Laws in Chapter 16-59 entitled "Council on
20 Postsecondary Education [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is
21 hereby repealed.

22 ~~**16-59-28. "Bachelors Degree in Three" program.**~~

23 ~~(a) The Rhode Island board of governors for higher education shall establish and administer~~
24 ~~the "Bachelors Degree in Three" program. The board shall:~~

25 ~~(1) Establish guidelines for the "Bachelors Degree in Three" program.~~

26 ~~(2) Collaborate with the board of regents for elementary and secondary education to~~
27 ~~establish a seamless credit transfer system for high school students and other policies that might~~
28 ~~facilitate student participation in such a program.~~

29 ~~(3) Identify and propose any necessary changes to academic courses of study, support~~
30 ~~services, financial aid, and other policies and resources at the University of Rhode Island, Rhode~~
31 ~~Island College and the Community College of Rhode Island to ensure greater opportunities for~~
32 ~~students to complete bachelors degree programs in three (3) years.~~

33 ~~(4) Identify potential costs of the program, including costs to students, to the institutions,~~
34 ~~and to school districts, identify possible sources of external grant funding for a pilot program, and~~

1 ~~propose a funding structure for the program.~~

2 ~~(5) Investigate accreditation issues and federal financial aid rules that may be implicated~~
3 ~~by the program.~~

4 ~~(6) Identify units at the University of Rhode Island, Rhode Island College, and the~~
5 ~~Community College of Rhode Island that will assume administrative responsibility for the program.~~

6 ~~(7) Design, undertake and evaluate a three (3) year pilot program that will serve as a model~~
7 ~~for full-scale implementation.~~

8 ~~(b) The board shall present an initial report, recommendations and timeline to the general~~
9 ~~assembly on or by February 1, 2011, and the pilot program will begin with the fall academic~~
10 ~~semester of 2011.~~

11 SECTION 8. Sections 16-97-7 and 16-97-1 of the General Laws in Chapter 16-97 entitled
12 "The Rhode Island Board of Education Act" are hereby amended to read as follows:

13 **16-97-1. Rhode Island board of education established.**

14 (a) Effective January 1, 2013, there is created a board of education that shall be responsible
15 for and shall exercise the purposes, powers, and duties of, this chapter and chapters 59 and 60 of
16 this title. The board is responsible for the coordination of education from pre-k through higher
17 education and shall set goals and policies for the effective coordination of these public education
18 systems.

19 (b) The board of education shall consist of seventeen (17) public members appointed by
20 the governor with the advice and consent of the senate, eight (8) of whom shall be designated to
21 serve on the council for elementary and secondary education and eight (8) of whom shall be
22 designated to serve on the council for postsecondary education. The chairperson of the board shall
23 serve as a member of both councils. Six (6) of the members initially appointed pursuant to this
24 section shall serve terms of three (3) years; six (6) members initially appointed pursuant to this
25 section shall serve terms of two (2) years; and, four (4) members initially appointed pursuant to this
26 section shall serve terms of one year. To the greatest extent possible, the initial staggered terms
27 shall be equitably divided among the councils so as to protect against sudden changes in
28 membership and reversal of policy. Thereafter, all members appointed pursuant to this section shall
29 serve terms of three (3) years. At the expiration of their terms, members shall remain and continue
30 in their official capacity until their successor is appointed and qualified. Members shall not be
31 appointed to more than three (3), successive three-year (3) terms each; provided that the chair of
32 the board shall have no term and shall serve at the pleasure of the governor. Any vacancy among
33 the members of the board shall be filled by appointment of the governor for the remainder of the
34 unexpired term. In the selection and appointment of the board, the governor shall seek persons who

1 best serve the needs of the entire state. No person shall be eligible for appointment to the board
2 after the effective date of this act unless a resident of this state. Members of the board shall not be
3 compensated for their service in attending board or council meetings.

4 (c) The chair of the Governor's Workforce Board, or designee, ~~and~~ the chair of the Rhode
5 Island Commerce Corporation, or designee, [and the chair of the University of Rhode Island board](#)
6 [of trustees, or designee](#), shall serve as non-voting, ex-officio members of the board.

7 (d) The governor shall select from the appointed members a chairperson and vice
8 chairperson. A quorum shall consist of nine (9) members of the board. A majority vote of those
9 present shall be required for action.

10 (e) Except as provided by subsection (b) of this section, members of the board shall be
11 removable by the governor for cause only. Removal solely for partisan or personal reasons
12 unrelated to performance, capacity, or fitness for the office shall be unlawful.

13 (f) The statutory responsibilities of the department of elementary and secondary education,
14 the commissioner of elementary and secondary education, and the commissioner of postsecondary
15 education shall remain unchanged.

16 (g) The chair of the board of education shall consult with the chairs of the council on
17 elementary and secondary education, the council on postsecondary education, the commissioner of
18 elementary and secondary education, and the commissioner of postsecondary education in
19 developing agendas, goals, policies, and strategic plans for the board.

20 **16-97-7. Tuition waivers -- Disclosure as a prerequisite to receipt.**

21 Notwithstanding any other provision of law, no employee of the state board of education,
22 [or the board of trustees for the University of Rhode Island](#), his or her spouse, domestic partner or
23 dependent, shall receive a tuition waiver as a result of employment status with the state board of
24 education, [or the board of trustees for the University of Rhode Island](#) without first consenting to
25 the public disclosure of the existence and amount of the waiver. This section shall apply to any
26 tuition waivers, including, but not limited to, any such waiver at the Community College of Rhode
27 Island, Rhode Island College, and/or the University of Rhode Island.

28 SECTION 9. Section 16-101-1 of the General Laws in Chapter 16-101 entitled "Academic
29 Credit For Military Service" is hereby amended to read as follows:

30 **16-101-1. Academic credit for military service.**

31 (a) State public higher education institutions in the state shall honor the military training,
32 experience, correspondence courses and occupations of an individual who has served in the military
33 or armed forces of the United States by allowing academic credits that meet the standards of the
34 American Council on Education or equivalent standards for awarding academic credit, if the award

1 of the educational credit is based upon the institution's admission standards and its role, scope, and
2 mission. The board of education shall adopt policies or regulations requiring each institution to
3 award educational credits to a student enrolled in the institution, based upon the student's military
4 training or service when academically appropriate.

5 (b) The board of trustees for the University of Rhode Island, in consultation with the
6 president and the faculty senate, shall adopt policies or regulations requiring the award of
7 educational credits to a student enrolled at the university, based upon the student's military training
8 or service when academically appropriate.

9 SECTION 10. Sections 16-106-4 and 16-106-6 of the General Laws in Chapter 16-106
10 entitled "The Performance Incentive Funding Act of 2016" are hereby amended to read as follows:

11 ~~16-106-4. Performance incentive funding -- Rhode Island College and University of~~
12 ~~Rhode Island. Performance incentive funding -- Rhode Island College.~~

13 (a) Beginning in FY 2018, funding for Rhode Island College ("RIC") ~~and the University~~
14 ~~of Rhode Island ("URI")~~ shall include a performance-based component utilizing all additional
15 allocations of otherwise unrestricted, higher-education general revenue greater than the base
16 amount received pursuant to the FY 2016 budget as enacted, of total unrestricted state higher-
17 education funding.

18 (b) Data on which to base performance measures as described in subsection (c) shall be
19 defined by the commissioner of postsecondary education, in consultation with the council on
20 postsecondary education. Measures shall begin to be collected in FY 2017.

21 These measures may include and incorporate outcomes or goals from multiple, previous
22 years. The lack of information from previous years, however, will not affect the use of performance-
23 based measures.

24 (c) Rhode Island College ~~and the University of Rhode Island~~ shall ~~each~~ have unique
25 measures consistent with ~~each institution's~~ its purpose, role, scope, and mission. The performance-
26 based measures shall include the following metrics:

27 (1) The number and percentage, including growth in relation to enrollment and prior years
28 of bachelor's degrees awarded to first-time, full-time students within four (4) years and six (6)
29 years, including summer graduates;

30 (2) The number of degrees awarded that are tied to Rhode Island's high demand, high-wage
31 employment opportunities consistent with the institution's mission;

32 (3) One measure that applies only to RIC, as agreed to by the commissioner of
33 postsecondary education and the president of RIC, who shall consider faculty, staff, and student
34 input; ~~and one measure that applies only to URI, as agreed to by the commissioner of postsecondary~~

1 ~~education and the president of URI, who shall consider faculty, staff and student input;~~ and

2 (4) Any other measures that are deemed appropriate by the council of postsecondary
3 education.

4 (d) Weight may be assigned to any of the aforementioned metrics to ~~either or both of the~~
5 ~~institutions to~~ reinforce the ~~missions~~ mission of RIC ~~and URI, respectively~~, the economic needs of
6 the state, and the socio-economic status of the students. The commissioner may consider the
7 ~~institutions'~~ institution's improvements in said metrics when determining whether it has satisfied
8 the annual measure despite not reaching the overall goal.

9 (e) The commissioner shall provide faculty and students an opportunity to provide input
10 on the development of performance measures.

11 **16-106-6. Accountability -- Authority to revise and transparency.**

12 (a) The commissioner of postsecondary education shall monitor, publish, and report to the
13 council on postsecondary education the level of performance on all metrics identified in accordance
14 with this chapter for the Community College of Rhode Island, and Rhode Island College, ~~and the~~
15 ~~University of Rhode Island.~~

16 (b) The commissioner of postsecondary education, in consultation with the council of
17 postsecondary education, shall revise the metrics at a time when performance has reached a pre-
18 defined level. Future metrics shall further goals identified by the board of education and the
19 governor's workforce board, and the applicable purpose and mission of the institution of higher
20 education to which they apply.

21 (c) Each public higher-education institution shall publish its performance on all of its
22 associated metrics prescribed in this chapter on its website.

23 SECTION 11. Section 35-4-23.1 of the General Laws in Chapter 35-4 entitled "State
24 Funds" is hereby amended to read as follows:

25 **35-4-23.1. Indirect cost recoveries by state agencies.**

26 All state agencies shall apply for recovery of indirect costs when recovery is permissible
27 under federal statute and grant regulations. All funds received for indirect costs recovery shall be
28 turned over to the general treasurer and shall be placed in a restricted account in each agency for
29 the specific purposes designated through the annual budget process. The agency shall, through the
30 annual budget process, report to the general assembly the estimated amount of federal indirect cost
31 recoveries for the next fiscal year, together with the intended use of the funds. Nothing contained
32 in this section, however, shall conflict with the powers and duties granted the board of governors
33 for higher education and the board of regents for elementary and secondary education in chapters
34 59 and 60 of title 16, and the board of trustees for the University of Rhode Island as provided in

1 [chapter 32 of title 16.](#)

2 SECTION 12. Section 37-2-7 of the General Laws in Chapter 37-2 entitled "State
3 Purchases" is hereby amended to read as follows:

4 **37-2-7. Definitions.**

5 The words defined in this section have the meanings set forth below whenever they appear
6 in this chapter, unless the context in which they are used clearly requires a different meaning or a
7 different definition is prescribed for a particular section, group of sections, or provision:

8 (1) "Business" means any corporation, partnership, individual, sole proprietorship, joint
9 stock company, joint venture, or any other legal entity through which business is conducted.

10 (2) "Change order" means a written authorization signed by the purchasing agent directing
11 or allowing the contractor to proceed with changes, alterations, or modifications to the terms,
12 conditions, or scope of work on a previously awarded contract

13 (3) "Chief purchasing officer" shall mean: (i) for a state agency, the director of the
14 department of administration, and (ii) for a public agency, the executive director or the chief
15 operational officer of the agency.

16 (4) "Construction" means the process of building, altering, repairing, improving, or
17 demolishing any public structures or building, or other public improvements of any kind to any
18 public real property. It does not include the routine maintenance or repair of existing structures,
19 buildings, or real property performed by salaried employees of the state of Rhode Island in the
20 usual course of their jobs.

21 (5) "Contract" means all types of agreements, including grants and orders, for the purchase
22 or disposal of supplies, services, construction, or any other item. It includes awards; contracts of a
23 fixed-price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of
24 job or task orders; leases; letter contracts; purchase orders; and construction management contracts.
25 It also includes supplemental agreements with respect to any of the foregoing. "Contract" does not
26 include labor contracts with employees of state agencies.

27 (6) "Contract amendment" means any written alteration in the specifications, delivery
28 point, rate of delivery, contract period, price, quantity, or other contract provisions of any existing
29 contract, whether accomplished by unilateral action in accordance with a contract provision, or by
30 mutual action of the parties to the contract. It includes bilateral actions, such as supplemental
31 agreements, and unilateral actions, such as change orders, administrative changes, notices of
32 termination, and notices of the exercise of a contract option.

33 (7) "Contractor" means any person having a contract with a governmental body.

34 (8) "Data" means recorded information, regardless of form or characteristic.

1 (9) "Designee" means a duly authorized representative of a person holding a superior
2 position.

3 (10) "Employee" means an individual drawing a salary from a state governmental entity.

4 (11) "State governmental entity" means any entity created as a legislative body or a public
5 or state agency by the general assembly or constitution of this state, except for municipal, regional,
6 or county governmental entities.

7 (12) "May" means permissive.

8 (13) "Negotiation" means contracting by either the method set forth in §§ 37-2-19, 37-2-
9 20, or 37-2-21.

10 (14) "Person" means any business, individual, organization, or group of individuals.

11 (15) "Procurement" means the purchasing, buying, renting, leasing, or otherwise obtaining
12 of any supplies, services, or construction. It also includes all functions that pertain to the obtaining
13 of any supply, service, or construction item, including a description of requirements, selection and
14 solicitation of sources, preparation, and award of contract, and all phases of contract administration.

15 (16) "Public agency" shall mean the Rhode Island industrial recreational building authority,
16 the Rhode Island commerce corporation, the Rhode Island industrial facilities corporation, the
17 Rhode Island refunding bond authority, the Rhode Island housing and mortgage finance
18 corporation, the Rhode Island resource recovery corporation, the Rhode Island public transit
19 authority, the Rhode Island student loan authority, the Howard development corporation, the water
20 resources board corporate, the Rhode Island health and education building corporation, the Rhode
21 Island turnpike and bridge authority, the Blackstone Valley district commission, the Narragansett
22 Bay water quality management district commission, the Rhode Island telecommunications
23 authority, the convention center authority, the Channel 36 foundation, the Rhode Island lottery
24 commission their successors and assigns, any other body corporate and politic which has been or
25 will be created or established within this state excepting cities and towns, [the University of Rhode
26 Island board of trustees for all purchases which are funded by restricted, sponsored, or auxiliary
27 monies](#), and the council on postsecondary education for all purchases which are funded by
28 restricted, sponsored, or auxiliary monies.

29 (17) "Purchase request" or "purchase requisition" means that document whereby a using
30 agency requests that a contract be entered into to obtain goods and/or services for a specified need,
31 and may include, but is not limited to, the technical description of the requested item, delivery
32 requirements, transportation mode request, criteria for evaluation of proposals, and/or preparation
33 of suggested sources of supply, and information supplied for the making of any written
34 determination and finding required by § 37-2-6.

1 (18) "Purchasing agency" means any state governmental entity which is authorized by this
2 chapter, its implementing regulations, or by way of delegation from the chief purchasing officer to
3 contract on its own behalf rather than through the central contracting authority of the chief
4 purchasing officer.

5 (19) "Purchasing agent" means any person authorized by a governmental entity in
6 accordance with procedures prescribed by regulations, to enter into and administer contracts and
7 make written determinations and findings with respect to contracts. The term also includes an
8 authorized representative acting within the limits of authority. "Purchasing agent" also means the
9 person appointed in accordance with § 37-2-1.

10 (20) "Services" means the rendering, by a contractor, of its time and effort rather than the
11 furnishing of a specific end product, other than reports which are merely incidental to the required
12 performance of services. "Services" does not include labor contracts with employees of state
13 agencies.

14 (21) "Shall" means imperative.

15 (22) "State" means the state of Rhode Island and any of its departments or agencies and
16 public agencies.

17 (23) "Supplemental agreement" means any contract modification which is accomplished
18 by the mutual action of the parties.

19 (24) "Supplies" means all property, including, but not limited to, leases of real property,
20 printing, and insurance, except land or permanent interest in land.

21 (25) "Using agency" means any state governmental entity which utilizes any supplies,
22 services, or construction purchased under this chapter.

23 (26) As used in § 37-2-59, "architect" or "engineer" services means those professional
24 services within the scope of practice of architecture, professional engineering, or registered land
25 surveying pertaining to construction, as defined by the laws of this state. "Consultant" means any
26 person with whom the state and/or a public agency has a contract which contract provides for the
27 person to give direction or information as regards a particular area of knowledge in which the
28 person is a specialist and/or has expertise.

29 (27) For purposes of §§ 37-2-62 -- 37-2-70, "directors" means those members of a public
30 agency appointed pursuant to a statute who comprise the governing authority of the board,
31 commission, authority, and/or corporation.

32 (28) "State agency" means any department, commission, council, board, bureau,
33 committee, institution, or other governmental entity of the executive or judicial branch of this state
34 not otherwise established as a body corporate and politic, and includes, without limitation, the

1 council on postsecondary education except for purchases which are funded by restricted, sponsored,
2 or auxiliary moneys, [the University of Rhode Island board of trustees for all purchases which are](#)
3 [funded by restricted, sponsored, or auxiliary monies](#), and the council on elementary and secondary
4 education.

5 (29) "Governmental entity" means any department, commission, council, board, bureau,
6 committee, institution, legislative body, agency, or government corporation of the executive,
7 legislative, or judicial branches of state, federal, and/or local governments.

8 (30) "Construction management at-risk" or "construction management at-risk services" or
9 "construction management at-risk delivery method" is a construction method wherein a
10 construction manager at-risk provides a range of preconstruction services and construction
11 management services which may include cost estimation and consultation regarding the design of
12 the building project, the preparation and coordination of bid packages, scheduling, cost control, and
13 value engineering, acting as the general contractor during the construction, detailing the trade
14 contractor scope of work, holding the trade contracts and other contracts, evaluating trade
15 contractors and subcontractors, and providing management and construction services, all at a
16 guaranteed maximum price, which shall represent the maximum amount to be paid by the using
17 agency for the building project, including the cost of work, the general conditions and the fee
18 payable to the construction management at-risk firm.

19 (31) "Construction manager at-risk" or "construction management at-risk firm" is a person
20 or business experienced in construction that has the ability to evaluate and to implement drawings
21 and specifications as they affect time, cost and quality of construction and the ability to coordinate
22 and deliver the construction of the project within a guaranteed maximum price, which shall
23 represent the maximum amount to be paid by the using agency for the building project, including
24 the cost of the work, the general conditions and the fee payable to the construction management at-
25 risk firm. The construction manager at-risk provides consultation services during the
26 preconstruction and construction phases of the project. The project engineer, architect or owner's
27 program manager may not serve as the construction manager at-risk.

28 (32) "Owner's program manager" shall be an entity engaged to provide project management
29 services on behalf of a state agency for the construction and supervision of the construction of a
30 building project. The owner's program manager acts as the owner's agent in all aspects of the
31 construction project, including, but not limited to, architectural programming, planning, design,
32 construction, and the selection and procurement of an appropriate construction delivery method.
33 The owner's program manager shall have at least seven (7) years experience in the construction and
34 supervision of construction of buildings of similar size and complexity. The owner's program

1 manager shall not have been employed during the preceding year by the design firm, the
2 construction firm, and/or the subcontractors associated with the project.

3 SECTION 13. Section 16-56-6 of the General Laws in Chapter 16-56 entitled
4 "Postsecondary Student Financial Assistance" is hereby amended to read as follows:

5 **16-56-6. Need-based grants.**

6 (a) Amount of funds allocated. The commissioner of postsecondary education shall allocate
7 annually the appropriation for need-based scholarships and grants. Of the total amount appropriated
8 for need-based scholarship and grants, the lesser of twenty percent (20%) or ~~two million dollars~~
9 ~~(\$2,000,000)~~ one million five hundred thousand dollars (\$1,500,000) shall be distributed to
10 qualified students attending participating, independent, non-profit, higher education institutions in
11 Rhode Island. The remainder of funds shall be limited to public higher education institutions in
12 Rhode Island including payments made pursuant to § 16-100-3(c). As part of the annual budget
13 submission, the office of postsecondary commissioner shall include a plan of how the need-based
14 scholarship and grant funds will be allocated to each public institution receiving funds pursuant to
15 this chapter and how the funds will be distributed to students attending independent, non-profit
16 institutions.

17 (b) Eligibility of individuals. Eligibility for need-based grants and scholarships shall be
18 determined by the office of the postsecondary commissioner.

19 (c) Number and terms of awards. The number of awards to be granted in any one fiscal
20 year shall be contingent upon the funds allocated to this section.

21 SECTION 14. Section 16-105-7 of the General Laws in Chapter 16-105 entitled "School
22 Building Authority" is hereby amended to read as follows:

23 **16-105-7. Expenses incurred by the school building authority.**

24 In order to provide for one-time or limited expenses of the school building authority under
25 this chapter, the Rhode Island health and educational building corporation shall provide funding
26 from the school building authority capital fund, fees generated from the origination of municipal
27 bonds and other financing vehicles used for school construction, and its own reserves. The school
28 building authority shall, by October 1 of each year, report to the governor and the chairs of the
29 senate and house finance committees, the senate fiscal advisor, and the house fiscal advisor the
30 amount sought for expenses for the next fiscal year.

31 There is also hereby established a restricted-receipt account within the budget of the
32 department of elementary and secondary education entitled "school construction services", to be
33 financed by the Rhode Island health and educational building corporation's sub-allotments of fees
34 generated from the origination of municipal bonds and other financing vehicles used for school

1 construction and its own reserves. Effective July 1, 2018, this account shall be utilized for the
2 express purpose of supporting personnel expenditures directly related to the administration of the
3 school construction aid program. [Expenditure of all restricted receipts accepted by the department](#)
4 [shall be subject to the annual appropriation process and approval by the general assembly.](#)

5 SECTION 15. Section 45-38.2-3 of the General Laws in Chapter 45-38.2 entitled "School
6 Building Authority Capital Fund" is hereby amended to read as follows:

7 **45-38.2-3. Administration.**

8 (a) The corporation shall have all the powers necessary or incidental to carry out and
9 effectuate the purposes and provisions of this chapter including:

10 (1) To receive and disburse such funds from the state as may be available for the purpose
11 of the fund subject to the provisions of this chapter;

12 (2) To make and enter into binding commitments to provide financial assistance to cities,
13 towns, and local education agencies from amounts on deposit in the fund;

14 (3) To enter into binding commitments to provide subsidy assistance for loans and city,
15 town, and local education agency obligations from amounts on deposit in the fund;

16 (4) To levy administrative fees on cities, towns, and local education agencies as necessary
17 to effectuate the provisions of this chapter; provided that the ~~fee~~ [total amount of all such fees](#) does
18 not exceed one tenth of one percent (0.001) of the [original](#) principal amount;

19 (5) To engage the services of third-party vendors to provide professional services;

20 (6) To establish one or more accounts within the fund; and

21 (7) Such other authority as granted to the corporation under chapter 38.1 of this title.

22 (b) Subject to the provisions of this chapter, and to any agreements with the holders of any
23 bonds of the corporation or any trustee therefor, amounts held by the corporation for the account
24 of the fund shall be applied by the corporation, either by direct expenditure, disbursement, or
25 transfer to one or more other funds and accounts held by the corporation or a trustee under a trust
26 agreement or trust indenture entered into by the corporation with respect to bonds or notes issued
27 by the corporation under this chapter or by a holder of bonds or notes issued by the corporation
28 under this chapter, either alone or with other funds of the corporation, to the following purposes:

29 (1) To provide financial assistance to cities, towns, and local education agencies to finance
30 costs of approved projects, and to refinance the costs of the projects, subject to such terms and
31 conditions, if any, as are determined by the department and/or the corporation;

32 (2) To fund reserves for bonds of the corporation and to purchase insurance and pay the
33 premiums therefor, and pay fees and expenses of letters or lines of credit and costs of
34 reimbursement to the issuers thereof for any payments made thereon or on any insurance, and to

1 otherwise provide security for, and a source of payment for obligations of the corporation, by
2 pledge, lien, assignment, or otherwise as provided in chapter 38.1 of this title;

3 (3) To pay or provide for subsidy assistance as determined by the school building authority;

4 (4) To provide a reserve for, or to otherwise secure, amounts payable by cities, towns, and
5 local education agencies on loans and city, town, and local education agency obligations
6 outstanding in the event of default thereof; amounts in any account in the fund may be applied to
7 defaults on loans outstanding to the city, town, or local education agency for which the account
8 was established and, on a parity basis with all other accounts, to defaults on any loans or city, town,
9 or local education agency obligations outstanding; and

10 (5) To provide a reserve for, or to otherwise secure, by pledge, lien, assignment, or
11 otherwise as provided in chapter 38.1 of this title, any bonds or notes of the corporation issued
12 under this chapter.

13 (c) The repayment obligations of the city, town, or local education agency for loans shall
14 be in accordance with its eligibility for state aid for school housing as set forth in §§ 16-7-39, 16-
15 77.1-5, and 16-105-3(19).

16 (d) In addition to other remedies of the corporation under any loan or financing agreement
17 or otherwise provided by law, the corporation may also recover from a city, town, or local education
18 agency, in an action in superior court, any amount due the corporation together with any other
19 actual damages the corporation shall have sustained from the failure or refusal of the city, town, or
20 local education agency to make the payments or abide by the terms of the loan or financing
21 agreement.

22 SECTION 16. Sections 2 through 12 shall take effect upon on February 1, 2020. The
23 remaining sections of this article shall take effect upon passage.

24