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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR THE FISCAL
YEAR ENDING JUNE 30, 2025

Introduced By: Representative Marvin L. Abney

Date Introduced: January 18, 2024

Referred To: House Finance

(Governor)

It is enacted by the General Assembly as follows:

- 1 ARTICLE 1 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY
- 2 2025
- 3 ARTICLE 2 RELATING TO STATE FUNDS
- 4 ARTICLE 3 RELATING TO GOVERNMENT REFORM AND REORGANIZATION
- 5 ARTICLE 4 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS
- 6 ARTICLE 5 RELATING TO CAPITAL DEVELOPMENT PROGRAM
- 7 ARTICLE 6 RELATING TO TAXES AND FEES
- 8 ARTICLE 7 RELATING TO ECONOMIC DEVELOPMENT
- 9 ARTICLE 8 RELATING TO EDUCATION
- 10 ARTICLE 9 RELATING TO HEALTH AND HUMAN SERVICES
- 11 ARTICLE 10 RELATING TO LEASES
- 12 ARTICLE 11 RELATING TO EFFECTIVE DATE

1 **ARTICLE 1**

2 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2025

3 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in
4 this act, the following general revenue amounts are hereby appropriated out of any money in the
5 treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2025.
6 The amounts identified for federal funds and restricted receipts shall be made available pursuant to
7 section 35-4-22 and Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes
8 and functions hereinafter mentioned, the state controller is hereby authorized and directed to draw
9 his or her orders upon the general treasurer for the payment of such sums or such portions thereof
10 as may be required from time to time upon receipt by him or her of properly authenticated vouchers.

11 **Administration**

12 *Central Management*

13	General Revenues	3,654,794
14	Federal Funds	
15	Federal Funds	33,000,000
16	Federal Funds - State Fiscal Recovery Fund	
17	Public Health Response Warehouse Support	778,347
18	Health Care Facilities	10,000,000
19	Community Learning Center Programming Support Grant	2,000,000
20	Total - Central Management	49,433,141

21 *Legal Services*

22	General Revenues	2,491,594
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23 *Accounts and Control*

24	General Revenues	5,355,257
25	Restricted Receipts - OPEB Board Administration	155,811
26	Restricted Receipts - Grants Management Administration	2,477,997
27	Total - Accounts and Control	7,989,065

28 *Office of Management and Budget*

29	General Revenues	9,915,379
30	Federal Funds	
31	Federal Funds	101,250
32	Federal Funds – Capital Projects Fund	
33	CPF Administration	484,149
34	Federal Funds – State Fiscal Recovery Fund	

1	Pandemic Recovery Office	1,345,998
2	Restricted Receipts	300,000
3	Other Funds	617,223
4	Total - Office of Management and Budget	12,763,999
5	<i>Purchasing</i>	
6	General Revenues	4,232,292
7	Restricted Receipts	461,480
8	Other Funds	571,626
9	Total - Purchasing	5,265,398
10	<i>Human Resources</i>	
11	General Revenues	943,668
12	<i>Personnel Appeal Board</i>	
13	General Revenues	159,290
14	<i>Information Technology</i>	
15	General Revenues	1,988,147
16	Restricted Receipts	3,379,840
17	Total - Information Technology	5,367,987
18	<i>Library and Information Services</i>	
19	General Revenues	1,949,487
20	Federal Funds	1,606,151
21	Restricted Receipts	6,990
22	Total - Library and Information Services	3,562,628
23	<i>Planning</i>	
24	General Revenues	1,175,750
25	Federal Funds	3,050
26	Restricted Receipts	50,000
27	Other Funds	
28	Air Quality Modeling	24,000
29	Federal Highway - PL Systems Planning	3,597,529
30	State Transportation Planning Match	454,850
31	FTA - Metro Planning Grant	1,453,240
32	Total-Planning	6,758,419
33	<i>General</i>	
34	General Revenues	

1	Miscellaneous Grants/Payments	510,405
2	Torts Court Awards	1,350,000
3	Wrongful Conviction Awards	250,000
4	Resource Sharing and State Library Aid	11,475,314
5	Library Construction Aid	2,232,819
6	Restricted Receipts	1,000,000
7	Other Funds	
8	Rhode Island Capital Plan Funds	
9	Security Measures State Buildings	975,000
10	Energy Efficiency Improvements	1,000,000
11	Cranston Street Armory	3,250,000
12	State House Renovations	2,209,000
13	Zambarano Buildings and Campus	4,740,000
14	Replacement of Fueling Tanks	700,000
15	Environmental Compliance	725,000
16	Big River Management Area	754,154
17	Shepard Building Upgrades	435,000
18	RI Convention Center Authority	3,590,000
19	Pastore Center Power Plant	250,000
20	Accessibility - Facility Renovations	288,928
21	DoIT Enterprise Operations Center	2,550,000
22	Cannon Building	700,000
23	Old State House	500,000
24	State Office Building	675,000
25	State Office Reorganization & Relocation	250,000
26	William Powers Building	2,400,000
27	Pastore Center Non-Hospital Buildings Asset Protection	9,550,000
28	Washington County Government Center	800,000
29	Chapin Health Laboratory	350,000
30	560 Jefferson Blvd Asset Protection	1,600,000
31	Arrigan Center	75,000
32	Civic Center	3,550,000
33	Pastore Center Buildings Demolition	9,900,000
34	Veterans Auditorium	400,000

1	Pastore Center Hospital Buildings Asset Protection	4,500,000
2	Pastore Campus Infrastructure	25,000,000
3	Community Facilities Asset Protection	925,000
4	Zambarano LTAC Hospital	7,099,677
5	Medical Examiners - New Facility	50,000
6	Group Home Replacement & Rehabilitation	5,000,000
7	Hospital Consolidation	25,000,000
8	Expo Center	1,220,000
9	Group Homes Consolidation	4,325,000
10	Total - General	142,155,297
11	<i>Debt Service Payments</i>	
12	General Revenues	165,237,664
13	Other Funds	
14	Transportation Debt Service	32,887,674
15	Investment Receipts - Bond Funds	100,000
16	Total - Debt Service Payments	198,225,338
17	<i>Energy Resources</i>	
18	General Revenues	500,000
19	Provided that this amount be allocated to support the electric bicycle rebate program.	
20	Federal Funds	15,042,632
21	Restricted Receipts	23,217,475
22	Other Funds	4,064,322
23	Total - Energy Resources	42,824,429
24	<i>Rhode Island Health Benefits Exchange</i>	
25	General Revenues	3,529,116
26	Federal Funds	10,758,473
27	Restricted Receipts	16,139,854
28	Total - Rhode Island Health Benefits Exchange	30,427,443
29	<i>Division of Equity, Diversity & Inclusion</i>	
30	General Revenues	2,652,119
31	Other Funds	110,521
32	Total - Division of Equity, Diversity & Inclusion	2,762,640
33	<i>Capital Asset Management and Maintenance</i>	
34	General Revenues	8,267,729

1	Grand Total - Administration	519,398,065
2	Business Regulation	
3	<i>Central Management</i>	
4	General Revenues	3,999,763
5	<i>Banking Regulation</i>	
6	General Revenues	1,904,080
7	Restricted Receipts	63,000
8	Total - Banking Regulation	1,967,080
9	<i>Securities Regulation</i>	
10	General Revenues	880,722
11	<i>Insurance Regulation</i>	
12	General Revenues	4,844,248
13	Restricted Receipts	1,872,951
14	Total - Insurance Regulation	6,717,199
15	<i>Office of the Health Insurance Commissioner</i>	
16	General Revenues	3,444,417
17	Federal Funds	500,000
18	Restricted Receipts	527,468
19	Total - Office of the Health Insurance Commissioner	4,471,885
20	<i>Board of Accountancy</i>	
21	General Revenues	5,490
22	<i>Commercial Licensing and Gaming and Athletics Licensing</i>	
23	General Revenues	949,709
24	Restricted Receipts	1,046,895
25	Total - Commercial Licensing and Gaming and Athletics Licensing	1,996,604
26	<i>Building, Design and Fire Professionals</i>	
27	General Revenues	8,489,335
28	Federal Funds	345,863
29	Restricted Receipts	1,948,472
30	Other Funds	
31	Quonset Development Corporation	67,300
32	Rhode Island Capital Plan Funds	
33	Fire Academy Expansion	1,941,000
34	Total - Building, Design and Fire Professionals	12,791,970

1	<i>Office of Cannabis Regulation</i>	
2	Restricted Receipts	6,814,062
3	Grand Total - Business Regulation	39,644,775
4	Executive Office of Commerce	
5	<i>Central Management</i>	
6	General Revenues	2,264,703
7	<i>Quasi-Public Appropriations</i>	
8	General Revenues	
9	Rhode Island Commerce Corporation	8,506,041
10	Airport Impact Aid	1,010,036
11	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be	
12	distributed to each airport serving more than 1,000,000 passengers based upon its percentage of the	
13	total passengers served by all airports serving more than 1,000,000 passengers. Forty percent (40%)	
14	of the first \$1,000,000 shall be distributed based on the share of landings during calendar year 2024	
15	at North Central Airport, Newport-Middletown Airport, Block Island Airport, Quonset Airport,	
16	T.F. Green International Airport and Westerly Airport, respectively. The Rhode Island Commerce	
17	Corporation shall make an impact payment to the towns or cities in which the airport is located	
18	based on this calculation. Each community upon which any part of the above airports is located	
19	shall receive at least \$25,000.	
20	STAC Research Alliance	900,000
21	Innovative Matching Grants/Internships	1,000,000
22	I-195 Redevelopment District Commission	1,245,050
23	Polaris Manufacturing Grant	450,000
24	East Providence Waterfront Commission	50,000
25	Urban Ventures	140,000
26	Chafee Center at Bryant	476,200
27	Industrial Recreational Building Authority Obligations	452,553
28	Other Funds	
29	Rhode Island Capital Plan Funds	
30	I-195 Redevelopment District Commission	646,180
31	I-195 Park Improvements	3,000,000
32	Quonset Carrier Pier	2,250,000
33	Quonset Infrastructure	2,500,000
34	Total - Quasi-Public Appropriations	22,626,060

1	<i>Economic Development Initiatives Fund</i>	
2	General Revenues	
3	Innovation Initiative	1,000,000
4	Rebuild RI Tax Credit Fund	10,085,000
5	Small Business Promotion	1,000,000
6	Small Business Assistance	2,000,000
7	Destination Marketing	1,400,000
8	Federal Funds	
9	Federal Funds	20,000,000
10	Federal Funds - State Fiscal Recovery Fund	
11	Assistance to Impacted Industries	2,000,000
12	Total - Economic Development Initiatives Fund	37,485,000
13	<i>Commerce Programs</i>	
14	General Revenues	
15	Wavemaker Fellowship	3,576,400
16	Air Service Development Fund	1,200,000
17	Main Street RI Streetscape Improvement Fund	1,000,000
18	Minority Business Accelerator	500,000
19	Total - Commerce Programs	6,276,400
20	Grand Total - Executive Office of Commerce	68,652,163
21	Housing	
22	<i>Central Management</i>	
23	General Revenues	9,840,596
24	Federal Funds	18,530,670
25	Restricted Receipts	7,664,150
26	Grand Total - Housing	36,035,416
27	Labor and Training	
28	<i>Central Management</i>	
29	General Revenues	1,763,445
30	Provided that \$200,000 shall be allocated to the Workers' Compensation Advisory Council	
31	for the purpose of conducting a comprehensive study of the Rhode Island workers' compensation	
32	system that shall include an analysis of rates, benefits, and administrative costs. The report shall	
33	include metrics comparing the Rhode Island workers' compensation system to other states and shall	
34	include recommendations for system improvements. The report shall be submitted to the Governor,	

1	the Speaker of the House of Representatives, and the President of the Senate no later than March	
2	31, 2025.	
3	Restricted Receipts	305,765
4	Total - Central Management	2,069,210
5	<i>Workforce Development Services</i>	
6	General Revenues	1,109,430
7	Provided that \$200,000 of this amount is used to support Year Up.	
8	Federal Funds	23,836,453
9	Total - Workforce Development Services	24,945,883
10	<i>Workforce Regulation and Safety</i>	
11	General Revenues	4,833,768
12	<i>Income Support</i>	
13	General Revenues	3,692,213
14	Federal Funds	18,875,141
15	Restricted Receipts	2,721,683
16	Other Funds	
17	Temporary Disability Insurance Fund	278,906,931
18	Employment Security Fund	222,700,000
19	Total - Income Support	526,895,968
20	<i>Injured Workers Services</i>	
21	Restricted Receipts	10,630,130
22	<i>Labor Relations Board</i>	
23	General Revenues	541,797
24	<i>Governor's Workforce Board</i>	
25	General Revenues	6,050,000
26	Provided that \$600,000 of these funds shall be used for enhanced training for direct care	
27	and support services staff to improve resident quality of care and address the changing health care	
28	needs of nursing facility residents due to higher acuity and increased cognitive impairments	
29	pursuant to Rhode Island General Laws, Section 23-17.5-36.	
30	Restricted Receipts	18,379,506
31	Total - Governor's Workforce Board	24,429,506
32	Grand Total - Labor and Training	594,346,262
33	Department of Revenue	
34	<i>Director of Revenue</i>	

1	General Revenues	2,883,605
2	<i>Office of Revenue Analysis</i>	
3	General Revenues	1,015,848
4	<i>Lottery Division</i>	
5	Other Funds	422,981,930
6	<i>Municipal Finance</i>	
7	General Revenues	1,741,697
8	<i>Taxation</i>	
9	General Revenues	35,022,773
10	Restricted Receipts	4,826,512
11	Other Funds	
12	Motor Fuel Tax Evasion	175,000
13	Total - Taxation	40,024,285
14	<i>Registry of Motor Vehicles</i>	
15	General Revenues	31,206,744
16	Federal Funds	805,667
17	Restricted Receipts	3,659,640
18	Total - Registry of Motor Vehicles	35,672,051
19	<i>State Aid</i>	
20	General Revenues	
21	Distressed Communities Relief Fund	12,384,458
22	Payment in Lieu of Tax Exempt Properties	49,201,412
23	Motor Vehicle Excise Tax Payments	234,712,307
24	Property Revaluation Program	1,887,448
25	Tangible Tax Exemption Program	28,000,000
26	Provided that all unexpended or unencumbered balances as of June 30, 2025, appropriated	
27	for tangible tax exemption reimbursements pursuant to Rhode Island General Law, Chapter 44-5.3	
28	are hereby reappropriated to the following fiscal year.	
29	Restricted Receipts	995,120
30	Total - State Aid	327,180,745
31	<i>Collections</i>	
32	General Revenues	965,438
33	Grand Total - Revenue	832,465,599
34	Legislature	

1	General Revenues	53,358,280
2	Restricted Receipts	2,431,651
3	Grand Total - Legislature	55,789,931
4	Lieutenant Governor	
5	General Revenues	1,447,015
6	Secretary of State	
7	<i>Administration</i>	
8	General Revenues	5,076,740
9	Provided that \$100,000 be allocated to support the Rhode Island Council for the	
10	Humanities for grant making to civic and cultural organizations, and \$50,000 to support Rhode	
11	Island's participation in the We the People Civics Challenge.	
12	<i>Corporations</i>	
13	General Revenues	2,807,730
14	<i>State Archives</i>	
15	General Revenues	349,562
16	Restricted Receipts	384,347
17	Other Funds	
18	Rhode Island Capital Plan Funds	
19	Rhode Island Archives and History Center	3,757,444
20	Total - State Archives	4,491,353
21	<i>Elections and Civics</i>	
22	General Revenues	2,489,990
23	Federal Funds	2,001,207
24	Total - Elections and Civics	4,491,197
25	<i>State Library</i>	
26	General Revenues	649,250
27	Provided that \$125,000 be allocated to support the Rhode Island Historical Society and	
28	\$18,000 be allocated to support the Newport Historical Society, pursuant to Sections 29-2-1 and	
29	29-2-2 of the Rhode Island General Laws, and \$25,000 be allocated to support the Rhode Island	
30	Black Heritage Society.	
31	<i>Office of Public Information</i>	
32	General Revenues	738,969
33	Received Receipts	25,000
34	Total - Office of Public Information	763,969

1	Grand Total - Secretary of State	18,280,239
2	General Treasurer	
3	<i>Treasury</i>	
4	General Revenues	3,022,950
5	Federal Funds	335,037
6	Other Funds	
7	Temporary Disability Insurance Fund	247,266
8	Tuition Savings Program - Administration	353,760
9	Total -Treasury	3,959,013
10	<i>State Retirement System</i>	
11	Restricted Receipts	
12	Admin Expenses - State Retirement System	11,808,078
13	Retirement - Treasury Investment Operations	2,149,961
14	Defined Contribution - Administration	287,609
15	Total - State Retirement System	14,245,648
16	<i>Unclaimed Property</i>	
17	Restricted Receipts	2,981,837
18	<i>Crime Victim Compensation</i>	
19	General Revenues	892,383
20	Federal Funds	427,993
21	Restricted Receipts	380,000
22	Total - Crime Victim Compensation	1,700,376
23	Grand Total - General Treasurer	22,886,874
24	Board of Elections	
25	General Revenues	5,156,957
26	Rhode Island Ethics Commission	
27	General Revenues	2,299,337
28	Office of Governor	
29	General Revenues	
30	General Revenues	8,321,265
31	Contingency Fund	150,000
32	Grand Total - Office of Governor	8,471,265
33	Commission for Human Rights	
34	General Revenues	2,055,616

1	Federal Funds	450,110
2	Grand Total - Commission for Human Rights	2,505,726
3	Public Utilities Commission	
4	Federal Funds	711,984
5	Restricted Receipts	13,739,288
6	Grand Total - Public Utilities Commission	14,451,272
7	Office of Health and Human Services	
8	<i>Central Management</i>	
9	General Revenues	56,010,456
10	Federal Funds	203,893,766
11	Provided that \$250,000 shall be for the Executive Office to develop an Olmstead Plan.	
12	Restricted Receipts	45,392,855
13	Total - Central Management	305,297,077
14	<i>Medical Assistance</i>	
15	General Revenues	
16	Managed Care	457,974,487
17	Hospitals	119,660,046
18	Nursing Facilities	174,411,630
19	Home and Community Based Services	84,020,529
20	Other Services	169,441,306
21	Pharmacy	107,728,475
22	Rhody Health	239,649,563
23	Federal Funds	
24	Managed Care	612,367,722
25	Hospitals	238,078,826
26	Nursing Facilities	221,888,370
27	Home and Community Based Services	107,019,363
28	Other Services	798,187,128
29	Pharmacy	(628,475)
30	Rhody Health	302,471,709
31	Other Programs	21,379,083
32	Restricted Receipts	9,833,144
33	Total - Medical Assistance	3,663,482,906
34	Grand Total - Office of Health and Human Services	3,968,779,983

1 **Children, Youth and Families**

2 *Central Management*

3 General Revenues 14,365,996

4 The director of the department of children, youth and families shall provide to the speaker
5 of the house and president of the senate at least every sixty (60) days beginning September 1, 2021,
6 a report on its progress implementing the accreditation plan filed in accordance with Rhode Island
7 General Law, Section 42-72-5.3 and any projected changes needed to effectuate that plan. The
8 report shall, at minimum, provide data regarding recruitment and retention efforts including
9 attaining and maintaining a diverse workforce, documentation of newly filled and vacated
10 positions, and progress towards reducing worker caseloads.

11 Federal Funds 8,118,289

12 Total - Central Management 22,484,285

13 *Children's Behavioral Health Services*

14 General Revenues 7,732,064

15 Federal Funds 9,693,607

16 Total - Children's Behavioral Health Services 17,425,671

17 *Youth Development Services*

18 General Revenues 22,893,954

19 Federal Funds 224,837

20 Restricted Receipts 144,986

21 Other Funds

22 Rhode Island Capital Plan Funds

23 Training School Asset Protection 250,000

24 Residential Treatment Facility 15,000,000

25 Total - Youth Development Services 38,513,777

26 *Child Welfare*

27 General Revenues 190,681,186

28 Federal Funds 91,871,773

29 Restricted Receipts 558,571

30 Total - Child Welfare 283,111,530

31 *Higher Education Incentive Grants*

32 General Revenues 200,000

33 Provided that these funds and any unexpended or unencumbered previous years' funding
34 are to be used exclusively to fund awards to eligible youth.

1	Federal Funds	2,515,810
2	Other Funds	
3	Rhode Island Capital Plan Funds	
4	Health Laboratories & Medical Examiner Equipment	800,000
5	Department of Health Laboratory Building	3,221,762
6	Total - Health Laboratories and Medical Examiner	19,877,692
7	<i>Customer Services</i>	
8	General Revenues	8,969,365
9	Federal Funds	7,882,616
10	Restricted Receipts	5,773,607
11	Total - Customer Services	22,625,588
12	<i>Policy, Information and Communications</i>	
13	General Revenues	998,588
14	Federal Funds	4,095,600
15	Restricted Receipts	1,812,550
16	Total - Policy, Information and Communications	6,906,738
17	<i>Preparedness, Response, Infectious Disease & Emergency Services</i>	
18	General Revenues	2,169,568
19	Federal Funds	17,503,333
20	Total - Preparedness, Response, Infectious Disease & Emergency Services	19,672,901
21	<i>COVID-19</i>	
22	Federal Funds	57,721,419
23	Grand Total - Health	342,181,505
24	Human Services	
25	<i>Central Management</i>	
26	General Revenues	6,160,641
27	Of this amount, \$400,000 is to support the Domestic Violence Prevention Fund to provide	
28	direct services through the Coalition Against Domestic Violence, \$25,000 for the Center for	
29	Southeast Asians, \$450,000 to support Project Reach activities provided by the RI Alliance of Boys	
30	and Girls Clubs, \$267,000 is for outreach and supportive services through Day One, \$550,000 is	
31	for food collection and distribution through the Rhode Island Community Food Bank, \$500,000 for	
32	services provided to the homeless at Crossroads Rhode Island, \$600,000 for the Community Action	
33	Fund, \$250,000 is for the Institute for the Study and Practice of Nonviolence's Reduction Strategy,	
34	\$75,000 is to support services provided to the immigrant and refugee population through Higher	

1 Ground International, and \$50,000 is for services provided to refugees through the Refugee Dream
2 Center.

3 The director of the department of human services shall provide to the speaker of the house,
4 president of the senate, and chairs of the house and senate finance committees at least every sixty
5 (60) days beginning August 1, 2022, a report on its progress in recruiting and retaining customer
6 serving staff. The report shall include: documentation of newly filled and vacated positions,
7 including lateral transfers, position titles, civil service information, including numbers of eligible
8 and available candidates, plans for future testing and numbers of eligible and available candidates
9 resulting from such testing, impacts on caseload backlogs and call center wait times, as well as
10 other pertinent information as determined by the director.

11 Federal Funds 8,012,780

12 Of this amount, \$3.0 million is to sustain Early Head Start and Head Start programs.

13 Restricted Receipts 300,000

14 Total - Central Management 14,473,421

15 *Child Support Enforcement*

16 General Revenues 4,624,506

17 Federal Funds 9,988,214

18 Restricted Receipts 3,823,859

19 Total - Child Support Enforcement 18,436,579

20 *Individual and Family Support*

21 General Revenues 46,482,910

22 Federal Funds 131,396,290

23 Restricted Receipts 705,708

24 Other Funds

25 Rhode Island Capital Plan Funds

26 Blind Vending Facilities 165,000

27 Food Stamp Bonus Funding 298,874

28 Total - Individual and Family Support 179,048,782

29 *Office of Veterans Services*

30 General Revenues 33,185,642

31 Of this amount, \$200,000 is to provide support services through Veterans' organizations,
32 \$50,000 is to support Operation Stand Down, and \$100,000 is to support the Veterans Services
33 Officers (VSO) program through the Veterans of Foreign Wars.

34 Federal Funds 16,618,112

1	Restricted Receipts	1,360,000
2	Other Funds	
3	Rhode Island Capital Plan Funds	
4	Veterans Home Asset Protection	760,000
5	Veterans Memorial Cemetery Asset Protection	250,000
6	Total - Office of Veterans Services	52,173,754
7	<i>Health Care Eligibility</i>	
8	General Revenues	10,634,812
9	Federal Funds	16,821,865
10	Total - Health Care Eligibility	27,456,677
11	<i>Supplemental Security Income Program</i>	
12	General Revenues	16,521,000
13	<i>Rhode Island Works</i>	
14	General Revenues	10,139,902
15	Federal Funds	86,480,618
16	Total - Rhode Island Works	96,620,520
17	<i>Other Programs</i>	
18	General Revenues	2,444,424
19	Of this appropriation, \$90,000 shall be used for hardship contingency payments.	
20	Federal Funds	361,440,000
21	Restricted Receipts	8,000
22	Total - Other Programs	363,892,424
23	<i>Office of Healthy Aging</i>	
24	General Revenues	11,811,882
25	Of this amount, \$325,000 is to provide elder services, including respite, through the	
26	Diocese of Providence, \$40,000 is for ombudsman services provided by the Alliance for Long Term	
27	Care in accordance with Rhode Island General Laws, Chapter 42-66.7, \$85,000 is for security for	
28	housing for the elderly in accordance with Rhode Island General Law, Section 42-66.1-3, and	
29	\$1,400,000 is for Senior Services Support and \$680,000 is for elderly nutrition, of which \$630,000	
30	is for Meals on Wheels.	
31	Federal Funds	15,592,237
32	Restricted Receipt	46,200
33	Other Funds	
34	Intermodal Surface Transportation Fund	1,082,242

1	Total - Office of Healthy Aging	28,532,561
2	Grand Total - Human Services	797,155,718
3	Behavioral Healthcare, Developmental Disabilities and Hospitals	
4	<i>Central Management</i>	
5	General Revenues	2,780,069
6	Federal Funds	1,276,605
7	Total - Central Management	4,056,674
8	<i>Hospital and Community System Support</i>	
9	General Revenues	1,463,642
10	Federal Funds	400,294
11	Restricted Receipts	67,548
12	Total - Hospital and Community System Support	1,931,484
13	<i>Services for the Developmentally Disabled</i>	
14	General Revenues	225,785,600
15	Provided that of this general revenue funding, an amount certified by the department shall	
16	be expended on certain community-based department of behavioral healthcare, developmental	
17	disabilities and hospitals (BHDDH) developmental disability private provider and self-directed	
18	consumer direct care service worker raises and associated payroll costs as authorized by BHDDH	
19	and to finance the new services rates implemented by BHDDH pursuant to the Consent Decree	
20	Action Plan. Any increase for direct support staff and residential or other community-based setting	
21	must first receive the approval of BHDDH.	
22	Federal Funds	283,359,342
23	Provided that of this federal funding, an amount certified by the department shall be	
24	expended on certain community-based department of behavioral healthcare, developmental	
25	disabilities and hospitals (BHDDH) developmental disability private provider and self-directed	
26	consumer direct care service worker raises and associated payroll costs as authorized by BHDDH	
27	and to finance the new services rates implemented by BHDDH pursuant to the Consent Decree	
28	Action Plan. Any increase for direct support staff and residential or other community-based setting	
29	must first receive the approval of BHDDH.	
30	Restricted Receipts	1,444,204
31	Total - Services for the Developmentally Disabled	510,589,146
32	<i>Behavioral Healthcare Services</i>	
33	General Revenues	4,118,531
34	Federal Funds	

1	Federal Funds	33,919,356
2	Provided that \$250,000 from Social Services Block Grant funds is awarded to The	
3	Providence Center to coordinate with Oasis Wellness and Recovery Center for its support and	
4	services program offered to individuals with behavioral health issues.	
5	Federal Funds - State Fiscal Recovery Fund	
6	9-8-8 Hotline	1,875,000
7	Restricted Receipts	6,819,883
8	Provided that \$500,000 from the Opioid Stewardship Fund is distributed equally to the	
9	seven Regional Substance Abuse Prevention Task Forces to fund priorities determined by each	
10	Task Force.	
11	Total - Behavioral Healthcare Services	46,732,770
12	<i>Hospital and Community Rehabilitative Services</i>	
13	General Revenues	52,044,891
14	Federal Funds	50,768,748
15	Restricted Receipts	4,535,481
16	Other Funds	
17	Rhode Island Capital Plan Funds	
18	Hospital Equipment	500,000
19	Total - Hospital and Community Rehabilitative Services	107,849,120
20	<i>State of RI Psychiatric Hospital</i>	
21	General Revenues	35,149,422
22	Grand Total - Behavioral Healthcare,	
23	Developmental Disabilities and Hospitals	706,308,616
24	Office of the Child Advocate	
25	General Revenues	1,641,426
26	Commission on the Deaf and Hard of Hearing	
27	General Revenues	782,651
28	Restricted Receipts	131,533
29	Grand Total - Comm. On Deaf and Hard-of-Hearing	914,184
30	Governor's Commission on Disabilities	
31	General Revenues	
32	General Revenues	763,664
33	Livable Home Modification Grant Program	765,304
34	Provided that this will be used for home modification and accessibility enhancements to	

1	construct, retrofit, and/or renovate residences to allow individuals to remain in community settings.	
2	This will be in consultation with the Executive Office of Health and Human Services. All	
3	unexpended or unencumbered balances, at the end of the fiscal year, shall be reappropriated to the	
4	ensuing fiscal year, and made immediately available for the same purpose.	
5	Federal Funds	85,000
6	Restricted Receipts	66,539
7	Grand Total - Governor's Commission on Disabilities	1,680,507
8	Office of the Mental Health Advocate	
9	General Revenues	981,608
10	Elementary and Secondary Education	
11	<i>Administration of the Comprehensive Education Strategy</i>	
12	General Revenues	49,074,536
13	Provided that \$90,000 be allocated to support the hospital school at Hasbro Children's	
14	Hospital pursuant to Rhode Island General Law, Section 16-7-20 and that \$395,000 be allocated to	
15	support child opportunity zones through agreements with the Department of Elementary and	
16	Secondary Education to strengthen education, health and social services for students and their	
17	families as a strategy to accelerate student achievement and further provided that \$450,000 and 3.0	
18	full-time equivalent positions be allocated to support a special education function to facilitate	
19	individualized education program (IEP) and 504 services; and further provided that \$130,000 be	
20	allocated to City Year for the Whole School Whole Child Program, which provides individualized	
21	support to at-risk students.	
22	Federal Funds	
23	Federal Funds	268,652,215
24	Provided that \$684,000 from the Department's administrative share of Individuals with	
25	Disabilities Education Act funds be allocated to the Paul V. Sherlock Center on Disabilities to	
26	support the Rhode Island Vision Education and Services Program.	
27	Federal Funds – State Fiscal Recovery Fund	
28	Adult Education Providers	127,822
29	Restricted Receipts	
30	Restricted Receipts	1,654,727
31	HRIC Adult Education Grants	3,500,000
32	Total - Admin. of the Comprehensive Ed. Strategy	323,009,300
33	<i>Davies Career and Technical School</i>	
34	General Revenues	17,562,853

1	Federal Funds	1,287,045
2	Restricted Receipts	4,667,353
3	Other Funds	
4	Rhode Island Capital Plan Funds	
5	Davies School HVAC	50,000
6	Davies School Asset Protection	750,000
7	Davies School Wing Renovation	30,000,000
8	Total - Davies Career and Technical School	54,317,251
9	<i>RI School for the Deaf</i>	
10	General Revenues	8,675,430
11	Federal Funds	254,316
12	Restricted Receipts	570,169
13	Other Funds	
14	School for the Deaf Transformation Grants	59,000
15	Rhode Island Capital Plan Funds	
16	School for the Deaf Asset Protection	167,648
17	Total - RI School for the Deaf	9,726,563
18	<i>Metropolitan Career and Technical School</i>	
19	General Revenues	10,741,033
20	Other Funds	
21	Rhode Island Capital Plan Funds	
22	MET School Asset Protection	2,000,000
23	Total - Metropolitan Career and Technical School	12,741,033
24	<i>Education Aid</i>	
25	General Revenues	1,190,623,956
26	Provided that the criteria for the allocation of early childhood funds shall prioritize	
27	prekindergarten seats and classrooms for four-year-olds whose family income is at or below one	
28	hundred eighty-five percent (185%) of federal poverty guidelines and who reside in communities	
29	with higher concentrations of low performing schools.	
30	Federal Funds	36,844,747
31	Restricted Receipts	42,626,878
32	Total - Education Aid	1,270,095,581
33	<i>Central Falls School District</i>	
34	General Revenues	48,327,433

1	Federal Funds	5,164,409
2	Total - Central Falls School District	53,491,842
3	<i>School Construction Aid</i>	
4	General Revenues	
5	School Housing Aid	106,198,555
6	<i>Teachers' Retirement</i>	
7	General Revenues	132,268,922
8	Grand Total - Elementary and Secondary Education	1,961,849,047
9	Public Higher Education	
10	<i>Office of Postsecondary Commissioner</i>	
11	General Revenues	30,622,180
12	Provided that \$355,000 shall be allocated to the Rhode Island College Crusade pursuant to	
13	the Rhode Island General Law, Section 16-70-5, \$75,000 shall be allocated to Best Buddies Rhode	
14	Island to support its programs for children with developmental and intellectual disabilities. It is also	
15	provided that \$7,878,650 shall be allocated to the Rhode Island Promise Scholarship program,	
16	\$151,410 shall be used to support Rhode Island's membership in the New England Board of Higher	
17	Education, \$3,375,500 shall be allocated to the Rhode Island Hope Scholarship Program, and	
18	\$200,000 shall be allocated to the Rhode Island School for Progressive Education to support access	
19	to higher education opportunities for teachers of color.	
20	Federal Funds	
21	Federal Funds	4,900,773
22	Guaranty Agency Administration	60,000
23	Restricted Receipts	7,854,557
24	Other Funds	
25	Tuition Savings Program - Scholarships and Grants	3,500,000
26	Nursing Education Center - Operating	3,120,498
27	Rhode Island Capital Plan Funds	
28	WEC Expansion - Annex Site	1,220,000
29	Total - Office of Postsecondary Commissioner	51,278,008
30	<i>University of Rhode Island</i>	
31	General Revenues	
32	General Revenues	108,750,396
33	Provided that in order to leverage federal funding and support economic development,	
34	\$700,000 shall be allocated to the Small Business Development Center, \$100,000 shall be allocated	

1 to the Institute for Labor Studies & Research and that \$50,000 shall be allocated to Special
 2 Olympics Rhode Island to support its mission of providing athletic opportunities for individuals
 3 with intellectual and developmental disabilities.

4	Debt Service	31,664,061
5	RI State Forensics Laboratory	1,784,983
6	Other Funds	
7	University and College Funds	794,703,980
8	Debt - Dining Services	744,765
9	Debt - Education and General	6,850,702
10	Debt - Health Services	118,345
11	Debt - Housing Loan Funds	14,587,677
12	Debt - Memorial Union	91,202
13	Debt - Ryan Center	2,377,246
14	Debt - Parking Authority	531,963
15	URI Restricted Debt Service - Energy Conservation	524,431
16	URI Debt Service - Energy Conservation	1,914,069
17	Rhode Island Capital Plan Funds	
18	Asset Protection	14,006,225
19	Mechanical, Electric, and Plumbing Improvements	7,858,588
20	Fire Protection Academic Buildings	3,311,666
21	Bay Campus	6,000,000
22	Athletics Complex	8,882,689
23	Provided that total Rhode Island Capital Plan funds provide no more than 80.0 percent of	
24	the total project.	
25	Stormwater Management	2,221,831
26	Fine Arts Center Renovation	8,000,000
27	PFAS Removal Water Treatment Plant	1,015,192
28	Total - University of Rhode Island	1,015,940,011
29	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or	
30	unencumbered balances as of June 30, 2025 relating to the University of Rhode Island are hereby	
31	reappropriated to fiscal year 2026.	
32	<i>Rhode Island College</i>	
33	General Revenues	
34	General Revenues	69,702,836

1	Debt Service	8,178,392
2	Other Funds	
3	University and College Funds	107,027,705
4	Debt - Education and General	714,519
5	Debt - Student Union	207,150
6	Debt - G.O. Debt Service	1,602,610
7	Debt - Energy Conservation	742,700
8	Rhode Island Capital Plan Funds	
9	Asset Protection	5,785,000
10	Infrastructure Modernization	5,675,000
11	Master Plan Phase III	10,000,000
12	Phase IV: Whipple Hall	500,000
13	Total - Rhode Island College	210,135,912
14	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or	
15	unencumbered balances as of June 30, 2025 relating to Rhode Island College are hereby	
16	reappropriated to fiscal year 2026.	
17	<i>Community College of Rhode Island</i>	
18	General Revenues	
19	General Revenues	60,231,829
20	Debt Service	1,054,709
21	Restricted Receipts	814,584
22	Other Funds	
23	University and College Funds	104,016,119
24	Rhode Island Capital Plan Funds	
25	Asset Protection	2,719,452
26	Data, Cabling, and Power Infrastructure	3,700,000
27	Flanagan Campus Renovations	5,700,000
28	CCRI Renovation and Modernization Phase I	16,000,000
29	CCRI Accessibility Improvements	200,000
30	Total - Community College of RI	194,436,693
31	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or	
32	unencumbered balances as of June 30, 2025 relating to the Community College of Rhode Island	
33	are hereby reappropriated to fiscal year 2026.	
34	Grand Total - Public Higher Education	1,471,790,624

1	RI State Council on the Arts	
2	General Revenues	
3	Operating Support	1,205,211
4	Grants	1,190,000
5	Provided that \$400,000 be provided to support the operational costs of WaterFire	
6	Providence art installations.	
7	Federal Funds	996,126
8	Other Funds	
9	Art for Public Facilities	585,000
10	Grand Total - RI State Council on the Arts	3,976,337
11	RI Atomic Energy Commission	
12	General Revenues	1,180,419
13	Restricted Receipts	25,036
14	Other Funds	
15	URI Sponsored Research	338,456
16	Rhode Island Capital Plan Funds	
17	Asset Protection	50,000
18	Grand Total - RI Atomic Energy Commission	1,593,911
19	RI Historical Preservation and Heritage Commission	
20	General Revenues	1,898,100
21	Provided that \$30,000 support the operational costs of the Fort Adams Trust's restoration	
22	activities and that \$25,000 shall be allocated to Rhode Island Slave History Medallions.	
23	Federal Funds	1,267,431
24	Restricted Receipts	419,300
25	Other Funds	
26	RIDOT Project Review	142,829
27	Grand Total - RI Historical Preservation and Heritage Comm.	3,727,660
28	Attorney General	
29	<i>Criminal</i>	
30	General Revenues	21,173,986
31	Federal Funds	3,231,773
32	Restricted Receipts	1,473,682
33	Total - Criminal	25,879,441
34	<i>Civil</i>	

1	General Revenues	7,005,430
2	Restricted Receipts	2,616,629
3	Total - Civil	9,622,059
4	<i>Bureau of Criminal Identification</i>	
5	General Revenues	2,164,423
6	Federal Funds	33,332
7	Restricted Receipts	2,847,793
8	Total - Bureau of Criminal Identification	5,045,548
9	<i>General</i>	
10	General Revenues	4,759,579
11	Other Funds	
12	Rhode Island Capital Plan Funds	
13	Building Renovations and Repairs	150,000
14	Total - General	4,909,579
15	Grand Total - Attorney General	45,456,627
16	Corrections	
17	<i>Central Management</i>	
18	General Revenues	22,522,753
19	The Department of Corrections shall conduct a study to evaluate recidivism trends and	
20	outcomes of existing correctional programs intended to promote rehabilitation and reduce	
21	recidivism. The report shall include, but not be limited to, historical recidivism rates including	
22	demographic data, and regional comparisons; prison population projections and driving factors; an	
23	inventory of evidence-based rehabilitative practices and programs; and a review of Correctional	
24	Industries and its alignment to workforce needs. On or before March 1, 2025, the Department of	
25	Corrections must submit a report to the governor, the speaker of the house and the president of the	
26	senate including a summary, relevant data and findings, and recommendations to reduce recidivism.	
27	<i>Parole Board</i>	
28	General Revenues	1,526,785
29	<i>Custody and Security</i>	
30	General Revenues	163,902,830
31	Federal Funds	1,333,277
32	Other Funds	
33	Rhode Island Capital Plan Funds	
34	DOC HVAC	23,946,648

1	Total - Custody and Security	189,182,755
2	<i>Institutional Support</i>	
3	General Revenues	34,243,329
4	Other Funds	
5	Rhode Island Capital Plan Funds	
6	Asset Protection	4,100,000
7	Correctional Facilities – Renovations	3,179,677
8	Total - Institutional Support	41,523,006
9	<i>Institutional Based Rehab/Population Management</i>	
10	General Revenues	14,780,027
11	Provided that \$1,050,000 be allocated to Crossroads Rhode Island for sex offender	
12	discharge planning.	
13	The director of the department of corrections shall provide to the speaker of the house and	
14	president of the senate at least every ninety (90) days beginning September 1, 2022, a report on	
15	efforts to modernize the correctional industries program. The report shall, at minimum, provide	
16	data on the past ninety (90) days regarding program participation, changes made in programming	
17	to more closely align with industry needs, new or terminated partnerships with employers,	
18	nonprofits, and advocacy groups, current program expenses and revenues, and the employment	
19	status of all persons on the day of discharge from department care who participated in the	
20	correctional industries program.	
21	Federal Funds	455,919
22	Restricted Receipts	44,800
23	Total - Institutional Based Rehab/Population Mgt.	15,280,746
24	<i>Healthcare Services</i>	
25	General Revenues	34,782,837
26	Restricted Receipts	1,331,555
27	Total - Healthcare Services	36,114,392
28	<i>Community Corrections</i>	
29	General Revenues	21,987,526
30	Federal Funds	30,639
31	Restricted Receipts	10,488
32	Total - Community Corrections	22,028,653
33	Grand Total - Corrections	328,179,090
34	Judiciary	

1	<i>Supreme Court</i>	
2	General Revenues	
3	General Revenues	35,882,258
4	Provided however, that no more than \$1,375,370 in combined total shall be offset to the	
5	Public Defender's Office, the Attorney General's Office, the Department of Corrections, the	
6	Department of Children, Youth and Families, and the Department of Public Safety for square-	
7	footage occupancy costs in public courthouses and further provided that \$230,000 be allocated to	
8	the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy	
9	project pursuant to Rhode Island General Law, Section 12-29-7 and that \$90,000 be allocated to	
10	Rhode Island Legal Services, Inc. to provide housing and eviction defense to indigent individuals.	
11	Defense of Indigents	6,075,432
12	Federal Funds	123,424
13	Restricted Receipts	4,182,232
14	Other Funds	
15	Rhode Island Capital Plan Funds	
16	Judicial Complexes - HVAC	500,000
17	Judicial Complexes Asset Protection	2,250,000
18	Judicial Complexes Fan Coil Unit Replacements	500,000
19	Garrahy Courthouse Restoration	1,125,000
20	Total - Supreme Court	50,638,346
21	<i>Judicial Tenure and Discipline</i>	
22	General Revenues	174,997
23	<i>Superior Court</i>	
24	General Revenues	27,995,998
25	Restricted Receipts	665,000
26	Total - Superior Court	28,660,998
27	<i>Family Court</i>	
28	General Revenues	26,940,842
29	Federal Funds	3,678,496
30	Total - Family Court	30,619,338
31	<i>District Court</i>	
32	General Revenues	16,384,243
33	Federal Funds	616,036
34	Restricted Receipts	60,000

1	Total - District Court	17,060,279
2	<i>Traffic Tribunal</i>	
3	General Revenues	10,812,491
4	<i>Workers' Compensation Court</i>	
5	Restricted Receipts	9,931,788
6	Grand Total - Judiciary	147,898,237
7	Military Staff	
8	General Revenues	3,106,655
9	Federal Funds	86,857,534
10	Restricted Receipts	
11	RI Military Family Relief Fund	55,000
12	Other Funds	
13	Rhode Island Capital Plan Funds	
14	Aviation Readiness Center	3,294,818
15	Asset Protection	1,799,185
16	Quonset Airport Runway Reconstruction	1,339,988
17	Quonset Air National Guard HQ Facility	3,000,000
18	Counter-Drug Training Facility	2,000,000
19	Grand Total - Military Staff	101,453,180
20	Public Safety	
21	<i>Central Management</i>	
22	General Revenues	1,418,898
23	Federal Funds	15,542,257
24	Restricted Receipts	309,252
25	Total - Central Management	17,270,407
26	<i>E-911 Emergency Telephone System</i>	
27	Restricted Receipts	11,103,966
28	<i>Security Services</i>	
29	General Revenues	30,711,397
30	<i>Municipal Police Training Academy</i>	
31	General Revenues	299,114
32	Federal Funds	417,455
33	Total - Municipal Police Training Academy	716,569
34	<i>State Police</i>	

1	General Revenues	89,994,631
2	Federal Funds	6,784,981
3	Restricted Receipts	1,096,000
4	Other Funds	
5	Airport Corporation Assistance	150,630
6	Road Construction Reimbursement	3,354,650
7	Weight and Measurement Reimbursement	248,632
8	Rhode Island Capital Plan Funds	
9	DPS Asset Protection	2,125,000
10	Southern Barracks	20,000,000
11	Training Academy Upgrades	1,250,000
12	Statewide Communications System Network	245,048
13	Total - State Police	125,249,572
14	Grand Total - Public Safety	185,051,911
15	Office of Public Defender	
16	General Revenues	15,835,559
17	Federal Funds	85,035
18	Grand Total - Office of Public Defender	15,920,594
19	Emergency Management Agency	
20	General Revenues	7,165,529
21	Federal Funds	28,880,583
22	Restricted Receipts	412,371
23	Other Funds	
24	Rhode Island Capital Plan Funds	
25	RI Statewide Communications Infrastructure	140,000
26	State Emergency Ops Center	80,000
27	Grand Total - Emergency Management Agency	36,678,483
28	Environmental Management	
29	<i>Office of the Director</i>	
30	General Revenues	8,944,403
31	Of this general revenue amount, \$100,000 is appropriated to the Conservation Districts and	
32	\$100,000 is appropriated to the Wildlife Rehabilitators Association of Rhode Island for a	
33	veterinarian at the Wildlife Clinic of Rhode Island.	
34	Federal Funds	40,100

1	Restricted Receipts	4,894,237
2	Total - Office of the Director	13,878,740
3	<i>Natural Resources</i>	
4	General Revenues	32,363,741
5	Provided that of this general revenue amount, \$150,000 is to be used for marine mammal	
6	response activities in conjunction with matching federal funds.	
7	Federal Funds	23,602,130
8	Restricted Receipts	6,078,419
9	Other Funds	
10	DOT Recreational Projects	762,000
11	Blackstone Bike Path Design	1,000,000
12	Rhode Island Capital Plan Funds	
13	Dam Repair	10,186,000
14	Fort Adams Rehabilitation	300,000
15	Port of Galilee	11,500,000
16	Newport Pier Upgrades	500,000
17	Recreation Facilities Asset Protection	750,000
18	Recreational Facilities Improvements	5,729,077
19	Natural Resources Office and Visitor's Center	250,000
20	Fish & Wildlife Maintenance Facilities	200,000
21	Marine Infrastructure/Pier Development	650,000
22	Total - Natural Resources	93,871,367
23	<i>Environmental Protection</i>	
24	General Revenues	15,870,312
25	Federal Funds	12,377,846
26	Restricted Receipts	10,332,134
27	Other Funds	
28	Transportation MOU	41,769
29	Total - Environmental Protection	38,622,061
30	Grand Total - Environmental Management	146,372,168
31	Coastal Resources Management Council	
32	General Revenues	3,607,384
33	Federal Funds	2,319,579
34	Restricted Receipts	250,000

1	Grand Total - Coastal Resources Mgmt. Council	6,176,963
2	Transportation	
3	<i>Central Management</i>	
4	Federal Funds	15,122,388
5	Other Funds	
6	Gasoline Tax	8,265,215
7	Total - Central Management	23,387,603
8	<i>Management and Budget</i>	
9	Other Funds	
10	Gasoline Tax	4,243,682
11	<i>Infrastructure Engineering</i>	
12	Federal Funds	
13	Federal Funds	402,650,393
14	Federal Funds – State Fiscal Recovery Funds	
15	Municipal Roads Grant Program	5,000,000
16	RIPTA Operating Grant	10,000,000
17	The Rhode Island Public Transit Authority shall conduct a thorough review of its transit	
18	operations and administration. The aim of this review is to uncover ways to enhance efficiency and	
19	streamline costs, ensuring a more effective use of resources. This evaluation shall encompass a	
20	range of areas, including but not limited to, a comprehensive analysis of the fixed-route service.	
21	Analysis should include operating expenses, ridership figures, cost per rider, and other pertinent	
22	data across all routes and serviced regions. A review focusing on the cost-effectiveness of the	
23	agency’s diverse transit services will be a key component of this study. Additionally, the study	
24	shall explore different transit service delivery models, incorporating successful strategies from	
25	other transit systems; financial planning strategies; agency management structure, capital plan	
26	development and funding strategies; project management; and Transit Master Plan scope and	
27	schedule. By January 1, 2025, the Rhode Island Public Transit Authority shall compile and present	
28	a report to the governor, the speaker of the house, and the president of the senate. This report will	
29	summarize the findings of the study and include recommendations aimed at fostering sustainable	
30	and effective transit operations.	
31	Restricted Receipts	6,116,969
32	Other Funds	
33	Gasoline Tax	72,301,225
34	Toll Revenue	1,500,000

1	Land Sale Revenue	6,568,333
2	Rhode Island Capital Plan Funds	
3	Highway Improvement Program	121,102,060
4	Bike Path Asset Protection	400,000
5	RIPTA - Land and Buildings	11,214,401
6	RIPTA - Pawtucket/Central Falls Bus Hub Passenger Facility	3,424,529
7	Total - Infrastructure Engineering	640,277,910
8	<i>Infrastructure Maintenance</i>	
9	Other Funds	
10	Gasoline Tax	39,544,619
11	The department of transportation will establish a Municipal Roadway Database, which will	
12	include information concerning the name, condition, length, roadway infrastructure, and pedestrian	
13	features of each municipal roadway, updated annually by municipalities. The database will serve	
14	as a comprehensive and transparent list of municipal roadway conditions.	
15	Rhode Island Highway Maintenance Account	105,190,431
16	Rhode Island Capital Plan Funds	
17	Maintenance Capital Equipment Replacement	1,800,000
18	Maintenance Facilities Improvements	500,000
19	Welcome Center	150,000
20	Salt Storage Facilities	1,150,000
21	Train Station Asset Protection	475,585
22	Total - Infrastructure Maintenance	148,810,635
23	Grand Total - Transportation	816,719,830
24	Statewide Totals	
25	General Revenues	5,500,088,983
26	Federal Funds	4,929,239,756
27	Restricted Receipts	450,860,737
28	Other Funds	2,795,864,892
29	Statewide Grand Total	13,676,054,368

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

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

1 thereby; provided, however, in accordance with Rhode Island General Law, Section 42-6-5, when
 2 the duties or administrative functions of government are designated by law to be performed within
 3 a particular department or agency, no transfer of duties or functions and no re-allocation, in whole
 4 or part, or appropriations and full-time equivalent positions to any other department or agency shall
 5 be authorized.

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

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

24 Account	Expenditure Limit
25 State Assessed Fringe Benefit Internal Service Fund	36,946,270
26 Administration Central Utilities Internal Service Fund	30,029,111
27 State Central Mail Internal Service Fund	8,419,019
28 State Telecommunications Internal Service Fund	3,748,530
29 State Automotive Fleet Internal Service Fund	15,496,081
30 Surplus Property Internal Service Fund	44,789
31 Health Insurance Internal Service Fund	272,804,635
32 Other Post-Employment Benefits Fund	63,854,008
33 Capitol Police Internal Service Fund	1,466,975
34 Corrections Central Distribution Center Internal Service Fund	7,659,339

1	Correctional Industries Internal Service Fund	8,247,332
2	Secretary of State Record Center Internal Service Fund	1,166,547
3	Human Resources Internal Service Fund	17,669,248
4	DCAMM Facilities Internal Service Fund	53,327,083
5	Information Technology Internal Service Fund	62,092,295

6 SECTION 6. The director of the department of administration shall exercise his powers
7 under R.I. Gen. Laws Chapter 42-11 to centralize state fleet operations under the department as it
8 relates to light and medium duty vehicle management, in accordance with best practices.

9 SECTION 7. Legislative Intent - The General Assembly may provide a written "statement
10 of legislative intent" signed by the chairperson of the House Finance Committee and by the
11 chairperson of the Senate Finance Committee to show the intended purpose of the appropriations
12 contained in Section 1 of this Article. The statement of legislative intent shall be kept on file in the
13 House Finance Committee and in the Senate Finance Committee.

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

19 SECTION 8. Appropriation of Temporary Disability Insurance Funds -- There is hereby
20 appropriated pursuant to sections 28-39-5 and 28-39-8 of the Rhode Island General Laws all funds
21 required to be disbursed for the benefit payments from the Temporary Disability Insurance Fund
22 and Temporary Disability Insurance Reserve Fund for the fiscal year ending June 30, 2025.

23 SECTION 9. Appropriation of Employment Security Funds -- There is hereby appropriated
24 pursuant to section 28-42-19 of the Rhode Island General Laws all funds required to be disbursed
25 for benefit payments from the Employment Security Fund for the fiscal year ending June 30, 2025.

26 SECTION 10. Appropriation of Lottery Division Funds -- There is hereby appropriated to
27 the Lottery Division any funds required to be disbursed by the Lottery Division for the purposes of
28 paying commissions or transfers to the prize fund for the fiscal year ending June 30, 2025.

29 SECTION 11. Appropriation of CollegeBoundSaver Funds - There is hereby appropriated
30 to the Office of the General Treasurer designated funds received under the CollegeBoundSaver
31 program for transfer to the Division of Higher Education Assistance within the Office of the
32 Postsecondary Commissioner to support student financial aid for the fiscal year ending June 30,
33 2025.

34 SECTION 12. Departments and agencies listed below may not exceed the number of full-

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

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

16 FY 2025 FTE POSITION AUTHORIZATION

17 Departments and Agencies	Full-Time Equivalent
18 Administration	683.6
19 Provided that no more than 419.1 of the total authorization would be limited to positions	
20 that support internal service fund programs.	
21 Business Regulation	181.0
22 Executive Office of Commerce	5.0
23 Housing	38.0
24 Labor and Training	461.7
25 Revenue	599.5
26 Legislature	298.5
27 Office of the Lieutenant Governor	8.0
28 Office of the Secretary of State	61.0
29 Office of the General Treasurer	91.0
30 Board of Elections	13.0
31 Rhode Island Ethics Commission	12.0
32 Office of the Governor	45.0
33 Commission for Human Rights	15.0
34 Public Utilities Commission	56.0

1	Office of Health and Human Services	233.0
2	Children, Youth and Families	714.5
3	Health	572.6
4	Human Services	779.0
5	Office of Veterans Services	267.0
6	Office of Healthy Aging	33.0
7	Behavioral Healthcare, Developmental Disabilities and Hospitals	1,203.4
8	Office of the Child Advocate	10.0
9	Commission on the Deaf and Hard of Hearing	4.0
10	Governor's Commission on Disabilities	5.0
11	Office of the Mental Health Advocate	6.0
12	Elementary and Secondary Education	153.1
13	School for the Deaf	61.0
14	Davies Career and Technical School	123.0
15	Office of Postsecondary Commissioner	46.0
16	Provided that 1.0 of the total authorization would be available only for positions that are	
17	supported by third-party funds, 12.0 would be available only for positions at the State's Higher	
18	Education Centers located in Woonsocket and Westerly, 10.0 would be available only for positions	
19	at the Nursing Education Center, and 7.0 would be available for the longitudinal data systems	
20	program.	
21	University of Rhode Island	2,551.0
22	Provided that 353.8 of the total authorization would be available only for positions that are	
23	supported by third-party funds.	
24	Rhode Island College	949.2
25	Provided that 76.0 of the total authorization would be available only for positions that are	
26	supported by third-party funds.	
27	Community College of Rhode Island	849.1
28	Provided that 89.0 of the total authorization would be available only for positions that are	
29	supported by third-party funds.	
30	Rhode Island State Council on the Arts	10.0
31	RI Atomic Energy Commission	8.6
32	Historical Preservation and Heritage Commission	15.6
33	Office of the Attorney General	264.1
34	Corrections	1,461.0

1	Judicial	745.3
2	Military Staff	93.0
3	Emergency Management Agency	39.0
4	Public Safety	633.0
5	Office of the Public Defender	104.0
6	Environmental Management	437.0
7	Coastal Resources Management Council	32.0
8	Transportation	755.0
9	Total	15,725.8

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

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

18 SECTION 13. The amounts reflected in this Article include the appropriation of Rhode
19 Island Capital Plan funds for fiscal year 2025 and supersede appropriations provided for FY 2025
20 within Section 12 of Article 1 of Chapter 79 of the P.L. of 2023.

21 The following amounts are hereby appropriated out of any money in the State’s Rhode
22 Island Capital Plan Fund not otherwise appropriated to be expended during the fiscal years ending
23 June 30, 2026, June 30, 2027, June 30, 2028, and June 30, 2029. These amounts supersede
24 appropriations provided within Section 12 of Article 1 of Chapter 79 of the P.L. of 2023.

25 For the purposes and functions hereinafter mentioned, the State Controller is hereby
26 authorized and directed to draw his or her orders upon the General Treasurer for the payment of
27 such sums and such portions thereof as may be required by him or her upon receipt of properly
28 authenticated vouchers.

29		FY Ending	FY Ending	FY Ending	FY Ending
30	Project	06/30/2026	06/30/2027	06/30/2028	06/30/2029
31	DOA - 560 Jefferson Boulevard Asset Protection	50,000	50,000	50,000	50,000
32	DOA – Arrigan Center	200,000	100,000	100,000	100,000
33	DOA – Big River Management Area	797,000	746,000	742,000	792,000
34	DOA – Cannon Building	1,050,000	3,925,000	4,225,000	4,225,000

1	DOA – Chapin Health Laboratory	350,000	300,00	0	0
2	DOA – Civic Center	3,800,000	1,250,000	1,075,000	1,500,000
3	DOA – Communities Facilities Asset Protection	225,000	125,000	125,000	125,000
4	DOA - Cranston Street Armory	1,600,000	100,000	100,000	100,000
5	DOA - DoIT Enterprise Operations Center	2,050,000	200,000	200,000	200,000
6	DOA – Energy Efficiency Improvements	1,000,000	1,000,000	1,000,000	1,000,000
7	DOA – Environmental Compliance	225,000	225,000	225,000	225,000
8	DOA – Group Homes Consolidation	4,325,000	4,325,000	4,426,000	5,450,000
9	DOA – Medical Examiners - New Facility	50,000	50,000	50,000	50,000
10	DOA – Old State House	600,000	600,000	100,000	100,000
11	DOA - Pastore Campus Infrastructure	25,000,000	25,000,000	15,000,000	8,500,000
12	DOA - Pastore Center Hospital Buildings	4,500,000	2,500,000	500,000	500,000
13	DOA - Pastore Center Non-Hospital Buildings	7,750,000	4,500,000	4,600,000	4,600,000
14	DOA - Pastore Power Plant Rehabilitation	250,000	5,250,000	0	0
15	DOA – Replacement of Fueling Tanks	620,000	100,000	100,000	0
16	DOA - RI Convention Center Authority	2,800,000	2,825,000	2,500,000	2,000,000
17	DOA - Shepard Building Upgrades	555,000	3,920,000	8,125,000	4,785,000
18	DOA – State Building Security Measures	700,000	650,000	600,000	600,000
19	DOA - State House Renovations	1,759,000	17,379,000	16,000,000	31,940,000
20	DOA – State Office Building	250,000	550,000	300,000	50,000
21	DOA – State Office Reorganization & Relocation	250,000	250,000	250,000	250,000
22	DOA – Veterans’ Auditorium	380,000	100,000	100,000	100,000
23	DOA – Washington County Government Center	600,000	150,000	150,000	150,000
24	DOA - William Powers Building	2,200,000	2,350,000	1,850,000	1,700,000
25	DOA - Zambarano Buildings and Campus	2,850,000	250,000	900,000	900,000
26	DOA – Zambarano LTAC Hospital	26,065,740	23,804,439	24,427,656	24,155,740
27	DBR – Fire Academy Expansion	675,000	0	0	0
28	EOC – I-195 Redevelopment Commission	700,000	700,000	700,000	0
29	EOC – Quonset Infrastructure	2,500,000	2,500,000	0	0
30	SOS – Rhode Island Archives and History Center	3,901,863	2,340,693	0	0
31	DCYF – Training School Asset Protection	250,000	250,000	250,000	250,000
32	DCYF - Residential Treatment Facility	15,000,000	0	0	0
33	DOH – Laboratory Building	8,363,883	0	0	0
34	DOH – Health Laboratories & Medical				

1	Examiner Equipment	400,000	400,000	400,000	400,000
2	DHS – Blind Vending Facilities	165,000	165,000	165,000	165,000
3	DHS – Veterans Home Asset Protection	1,550,000	1,525,000	1,525,000	500,000
4	DHS – Veterans’ Memorial Cemetery Asset				
5	Protection	300,000	250,000	300,000	250,000
6	BHDDH – Hospital Equipment	300,000	300,000	300,000	300,000
7	ELSEC – Davies School Asset Protection	750,000	500,000	500,000	511,000
8	ELSEC – Davies School HVAC	50,000	50,000	50,000	50,000
9	ELSEC - Davies School Wing Renovation	2,500,000	0	0	0
10	ELSEC - MET School Asset Protection	250,000	250,000	255,000	255,000
11	ELSEC – School for the Deaf Asset Protection	100,000	100,000	100,000	305,600
12	URI - Asset Protection	14,606,536	15,236,863	15,528,074	15,885,220
13	URI - Athletics Complex	51,532,096	0	0	0
14	URI - Bay Campus	12,500,000	12,500,000	0	0
15	URI – PFAS Removal Water Treatment Plant	14,102,455	4,369,853	0	0
16	URI – Mechanical, Electric and Plumbing				
17	Improvements	8,607,757	86,605	0	0
18	URI – Stormwater Management	2,221,831	0	0	0
19	RIC - Asset Protection	5,950,000	6,025,000	6,157,000	6,375,000
20	RIC - Infrastructure Modernization	5,675,000	5,675,000	5,925,000	5,925,000
21	RIC – Phase IV: Whipple Hall	1,500,000	16,500,000	0	0
22	CCRI - Asset Protection	2,719,452	2,719,452	2,780,000	2,870,000
23	CCRI – Accessibility Improvements	340,00	340,000	0	0
24	CCRI – Data, Cabling, & Power Infrastructure	4,650,000	4,394,885	2,000,000	0
25	CCRI – Flanagan Campus Renovations	3,200,000	1,734,505	0	0
26	CCRI – Renovation and Modernization Phase I	16,000,000	6,084,928	0	0
27	CCRI – Renovation and Modernization				
28	Phase II -IV	5,000,000	0	0	0
29	AOC – Atomic Energy Asset Protection	50,000	50,000	50,000	50,000
30	AG – Building Renovations and Repairs	2,525,000	1,150,000	900,000	150,000
31	DOC – Asset Protection	4,100,000	4,100,000	4,100,000	4,100,000
32	DOC – Correctional Facilities – Renovations	7,419,248	0	0	0
33	DOC – HVAC	10,272,500	0	0	0
34	Judiciary - Judicial Complexes Asset Protection	1,500,000	1,500,000	1,500,000	1,500,000

1	Judiciary - Garrahy Courthouse Renovation	1,125,000	1,125,000	0	0
2	Judiciary – Judicial Complexes HVAC	500,000	500,000	500,000	500,000
3	Judiciary –Licht Window and Masonry Repairs	0	0	1,500,000	1,545,000
4	Judiciary –Fan Coil Unit Replacements	500,000	750,000	850,000	500,000
5	Military Staff – Asset Protection	962,185	1,301,316	863,505	1,357,288
6	Military Staff – Counter Drug Training				
7	Facility	1,025,250	0	0	0
8	Military Staff – Repair Squadron Ops				
9	Facility	600,000	0	0	0
10	Military Staff - Quonset Airport				
11	Runway Reconstruction	446,663	0	0	0
12	DPS – Asset Protection	1,205,000	1,335,000	285,000	300,000
13	DPS - Southern Barracks	12,700,000	0	0	0
14	DPS – Training Academy Upgrades	1,820,000	640,000	150,000	150,000
15	DPS – Statewide Communications				
16	System Network	245,048	0	0	0
17	EMA – RISCO Infrastructure Upgrade	40,000	15,000	15,000	0
18	DEM – Dam Repair	6,815,000	2,265,000	1,015,000	1,015,000
19	DEM – Fort Adams Trust Rehabilitation	500,000	500,000	500,000	500,000
20	DEM – Recreational Facilities Asset Protection	750,000	750,000	765,000	765,000
21	DEM – Fish and Wildlife Maintenance Facilities	200,000	200,000	200,000	200,000
22	DEM – Natural Resources Offices and				
23	Visitor's Center	1,836,709	1,836,709	0	0
24	DEM – Newport Piers & Building Project	500,000	500,000	0	0
25	DEM – Port of Galilee	16,500,000	14,113,820	2,800,000	
26	DEM – Recreational Facilities Improvements	2,900,000	3,338,551	3,260,000	2,750,000
27	CRMC – Confined Aquatic Dredged				
28	Material Disposal Cells	20,600,000	0	0	0
29	CRMC – South Coast Restoration Project	0	2,000,000	0	0
30	DOT – Bike Path Asset Protection	400,000	400,000	400,000	400,000
31	DOT - Highway Improvement Program	27,200,000	27,200,000	27,200,000	27,200,000
32	DOT - Maintenance Capital Equipment				
33	Replacement	1,800,000	1,800,000	1,800,000	1,800,000
34	DOT – Maintenance Facilities Improvements	859,756	500,000	1,375,000	500,000

1	DOT - Salt Storage Facilities	1,150,000	1,150,000	1,500,000	1,500,000
2	DOT – Train Station Asset Protection	500,000	500,000	500,000	500,000
3	DOT – Welcome Center	150,000	150,000	150,000	0
4	DOT - RIPTA Land and Buildings	4,561,885	500,000	500,000	500,000
5	DOT - RIPTA Pawtucket/Central Falls				
6	Bus Hub Passenger Facility	627,977	0	0	0

7 SECTION 14. Reappropriation of Funding for Rhode Island Capital Plan Fund Projects.
8 Any unexpended and unencumbered funds from Rhode Island Capital Plan Fund project
9 appropriations shall be reappropriated in the ensuing fiscal year and made available for the same
10 purpose. However, any such reappropriations are subject to final approval by the General Assembly
11 as part of the supplemental appropriations act. Any unexpended funds of less than five hundred
12 dollars (\$500) shall be reappropriated at the discretion of the State Budget Officer.

13 SECTION 15. For the Fiscal Year ending June 30, 2025, the Rhode Island Housing and
14 Mortgage Finance Corporation shall provide from its resources such sums as appropriate in support
15 of the Neighborhood Opportunities Program. The Corporation shall provide a report detailing the
16 amount of funding provided to this program, as well as information on the number of units of
17 housing provided as a result to the Director of Administration, the Chair of the Housing Resources
18 Commission, the Chair of the House Finance Committee, the Chair of the Senate Finance
19 Committee, and the State Budget Officer.

20 SECTION 16. Appropriation of Economic Activity Taxes in accordance with the city of
21 Pawtucket downtown redevelopment statute -- There is hereby appropriated for the fiscal year
22 ending June 30, 2025, all State Economic Activity Taxes to be collected pursuant to § 45-33.4-4 of
23 the Rhode Island General Laws, as amended (including, but not limited to, the amount of tax
24 revenues certified by the Commerce Corporation in accordance with § 45-33.4-1(13) of the Rhode
25 Island General Laws), for the purposes of paying debt service on bonds, funding debt service
26 reserves, paying costs of infrastructure improvements in and around the ballpark district, arts
27 district, and the growth center district, funding future debt service on bonds, and funding a
28 redevelopment revolving fund established in accordance with § 45-33-1 of the Rhode Island
29 General Laws.

30 SECTION 17. The appropriations from federal funds contained in Section 1 shall not be
31 construed to mean any federal funds or assistance appropriated, authorized, allocated or
32 apportioned to the State of Rhode Island from the State Fiscal Recovery Fund and Capital Projects
33 Fund enacted pursuant to the American Rescue Plan Act of 2021, P.L. 117-2 for fiscal year 2025
34 except for those instances specifically designated.

1 The State Fiscal Recovery Fund and Capital Projects Fund appropriations herein shall be
2 made in support of the following projects:

3 **Federal Funds - State Fiscal Recovery Fund**

4 **Department of Administration (DOA)**

5 DOA - Pandemic Recovery Office. These funds shall be allocated to finance the Pandemic
6 Recovery Office established within the Department of Administration.

7 DOA - Public Health Response Warehouse Support. These funds shall be allocated to the
8 proper storage of PPE and other necessary COVID-19 response related supplies.

9 DOA – Health Care Facilities. These funds shall address the ongoing staffing needs of
10 nursing facilities related to the COVID-19 public health emergency. \$10.0 million shall be
11 distributed to nursing facilities based on the number of Medicaid beds days from the 2022 facility
12 cost reports, provided at least 80 percent is dedicated to direct care workers.

13 DOA – Community Learning Center Programming Support Grant. These funds shall be
14 distributed to municipalities that have approved community learning center projects under the
15 coronavirus capital projects fund community learning center municipal grant program. An equal
16 amount of funding will be allocated to each approved community learning center project that
17 reaches substantial completion as defined by the U.S. Department of Treasury by October 31, 2026.
18 These funds must be used to support the establishment of U.S. Department of the Treasury
19 compliant health monitoring, work, and or education programming that will take place in a
20 community learning center.

21 **Executive Office of Commerce (EOC)**

22 EOC – Assistance to Impacted Industries. These funds shall be allocated to provide
23 assistance to the tourism, hospitality, and events industries for outdoor and public space capital
24 improvements and event programming.

25 **Department of Behavioral Healthcare, Developmental Disabilities and Hospitals**
26 **(BHDDH)**

27 BHDDH - 9-8-8 Hotline. These funds shall be allocated for the creation and operation of a
28 9-8-8 hotline to maintain compliance with the National Suicide Hotline Designation Act of 2020
29 and the Federal Communications Commission-adopted rules to assure that all citizens receive a
30 consistent level of 9-8-8 and crisis behavioral health services.

31 **Rhode Island Department of Elementary and Secondary Education (ELSEC)**

32 RIDE - Adult Education Providers. These funds shall be directly distributed through the
33 Office of Adult Education to nonprofit adult education providers to expand access to educational
34 programs and literary services.

1 **Department of Transportation (DOT)**

2 DOT - Municipal Roads Grant Program. These funds shall support a program to distribute
3 grants with a required local match for the replacement, rehabilitation, preservation, and
4 maintenance of existing roads, sidewalks, and bridges. These funds shall be distributed equally to
5 each city and town provided that each municipality is required to provide a 67 percent match.

6 DOT - RIPTA Operating Grant. These funds shall provide operating support to the Rhode
7 Island public transit authority.

8 **Federal Funds - Capital Projects Fund**

9 **Department of Administration (DOA)**

10 DOA - CPF Administration. These funds shall be allocated to the department of
11 administration to oversee the implementation of the Capital Projects Fund award from the
12 American Rescue Plan Act.

13 SECTION 18. Reappropriation of Funding for State Fiscal Recovery Fund and Capital
14 Projects Fund. Notwithstanding any provision of general law, any unexpended and unencumbered
15 federal funds from the State Fiscal Recovery Fund and Capital Projects Fund shall be
16 reappropriated in the ensuing fiscal year and made available for the same purposes. However, any
17 such reappropriations are subject to final approval by the General Assembly as part of the
18 supplemental appropriations act.

19 SECTION 19. The pandemic recovery office shall monitor the progress and performance
20 of all programs financed by the State Fiscal Recovery Fund and the Capital Projects Fund. On or
21 before October 31, 2023, and quarterly thereafter until and including October 31, 2024, the office
22 shall provide a report to the speaker of the house and senate president, with copies to the
23 chairpersons of the house and senate finance committees, identifying programs that are at risk of
24 significant underspending or noncompliance with federal or state requirements. The report, at a
25 minimum must include an assessment of how programs that are at risk can be remedied. In the
26 event that any State Fiscal Recovery Fund program would put the state at risk of forfeiture of federal
27 funds, the governor may reallocate funding from the at-risk program to the unemployment
28 insurance trust fund.

29 SECTION 20. This article shall take effect as of July 1, 2024, except as otherwise provided
30 herein.

1 **ARTICLE 2**

2 **RELATING TO STATE FUNDS**

3 SECTION 1. Effective July 1, 2023, section 35-3-20.2 of the General Laws in Chapter 35-
4 3 entitled "State Budget" is hereby amended to read as follows:

5 **35-3-20.2. Supplemental state budget reserve account.**

6 (a) There is hereby created within the general fund a supplemental state budget reserve
7 account, which shall be administered by the state controller and which shall be used solely for the
8 purpose of providing such sums as may be appropriated to fund any unanticipated general revenue
9 deficit caused by a general revenue shortfall.

10 (b) At any time after the third quarter of a fiscal year that it is indicated that total resources
11 which are defined to be the aggregate of estimated general revenue, general revenue receivables,
12 and available free surplus in the general fund will be less than the estimates upon which current
13 appropriations were based, the general assembly may make appropriations from the supplemental
14 state budget reserve account for the difference between the estimated total resources and the
15 original estimates upon which enacted appropriations were based, but only in the amount of the
16 difference based upon the revenues projected at the latest state revenue estimating conference
17 pursuant to chapter 16 of this title as reported by the chairperson of that conference.

18 (c) Whenever a transfer has been made pursuant to subsection (b), that transfer shall be
19 considered as estimated general revenues for the purposes of determining the amount to be
20 transferred to the Rhode Island Capital Plan fund for the purposes of § 35-3-20.1(b).

21 (d) The supplemental state budget reserve account shall consist of: ~~(1) S~~ such sums as the
22 state may from time to time directly transfer to the account as authorized in law; ~~and (2) Any~~
23 ~~amounts transferred pursuant to § 35-6-1(e).~~

24 SECTION 2. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"
25 is hereby amended to read as follows:

26 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

27 Indirect cost recoveries of ten percent (10%) of cash receipts shall be transferred from all
28 restricted-receipt accounts, to be recorded as general revenues in the general fund. However, there
29 shall be no transfer from cash receipts with restrictions received exclusively: (1) From contributions
30 from nonprofit charitable organizations; (2) From the assessment of indirect cost-recovery rates on
31 federal grant funds; or (3) Through transfers from state agencies to the department of administration
32 for the payment of debt service. These indirect cost recoveries shall be applied to all accounts,
33 unless prohibited by federal law or regulation, court order, or court settlement. The following
34 restricted receipt accounts shall not be subject to the provisions of this section:

1 Executive Office of Health and Human Services
2 Organ Transplant Fund
3 HIV Care Grant Drug Rebates
4 Health System Transformation Project
5 Rhode Island Statewide Opioid Abatement Account
6 HCBS Support-ARPA
7 HCBS Admin Support-ARPA
8 Department of Human Services
9 Veterans' home — Restricted account
10 Veterans' home — Resident benefits
11 Pharmaceutical Rebates Account
12 Demand Side Management Grants
13 Veteran's Cemetery Memorial Fund
14 Donations — New Veterans' Home Construction
15 [Commodity Supplemental Food Program- Claims](#)
16 Department of Health
17 Pandemic medications and equipment account
18 Miscellaneous Donations/Grants from Non-Profits
19 State Loan Repayment Match
20 Healthcare Information Technology
21 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
22 Eleanor Slater non-Medicaid third-party payor account
23 Hospital Medicare Part D Receipts
24 RICLAS Group Home Operations
25 [Group Home Facility Improvement Fund](#)
26 Commission on the Deaf and Hard of Hearing
27 Emergency and public communication access account
28 Department of Environmental Management
29 National heritage revolving fund
30 Environmental response fund II
31 Underground storage tanks registration fees
32 De Coppet Estate Fund
33 Rhode Island Historical Preservation and Heritage Commission
34 Historic preservation revolving loan fund

1 Historic Preservation loan fund — Interest revenue
2 Department of Public Safety
3 E-911 Uniform Emergency Telephone System
4 Forfeited property — Retained
5 Forfeitures — Federal
6 Forfeited property — Gambling
7 Donation — Polygraph and Law Enforcement Training
8 Rhode Island State Firefighter’s League Training Account
9 Fire Academy Training Fees Account
10 Attorney General
11 Forfeiture of property
12 Federal forfeitures
13 Attorney General multi-state account
14 Forfeited property — Gambling
15 Department of Administration
16 OER Reconciliation Funding
17 Health Insurance Market Integrity Fund
18 RI Health Benefits Exchange
19 Information Technology restricted receipt account
20 Restore and replacement — Insurance coverage
21 Convention Center Authority rental payments
22 Investment Receipts — TANS
23 OPEB System Restricted Receipt Account
24 Car Rental Tax/Surcharge-Warwick Share
25 Grants Management Administration
26 RGGI-Executive Climate Change Coordinating Council Projects
27 [Electric Vehicle Charging Stations Operating and Maintenance Account](#)
28 Executive Office of Commerce
29 Housing Resources Commission Restricted Account
30 Housing Production Fund
31 Department of Revenue
32 DMV Modernization Project
33 Jobs Tax Credit Redemption Fund
34 Legislature

1 Audit of federal assisted programs
2 Department of Children, Youth and Families
3 Children’s Trust Accounts — SSI
4 Military Staff
5 RI Military Family Relief Fund
6 RI National Guard Counterdrug Program
7 Treasury
8 Admin. Expenses — State Retirement System
9 Retirement — Treasury Investment Options
10 Defined Contribution — Administration - RR
11 Violent Crimes Compensation — Refunds
12 Treasury Research Fellowship
13 Business Regulation
14 Banking Division Reimbursement Account
15 Office of the Health Insurance Commissioner Reimbursement Account
16 Securities Division Reimbursement Account
17 Commercial Licensing and Racing and Athletics Division Reimbursement Account
18 Insurance Division Reimbursement Account
19 Historic Preservation Tax Credit Account
20 Marijuana Trust Fund
21 Social Equity Assistance Fund
22 Judiciary
23 Arbitration Fund Restricted Receipt Account
24 Third-Party Grants
25 RI Judiciary Technology Surcharge Account
26 Department of Elementary and Secondary Education
27 Statewide Student Transportation Services Account
28 School for the Deaf Fee-for-Service Account
29 School for the Deaf — School Breakfast and Lunch Program
30 Davies Career and Technical School Local Education Aid Account
31 Davies — National School Breakfast & Lunch Program
32 School Construction Services
33 Office of the Postsecondary Commissioner
34 Higher Education and Industry Center

1 IGT STEM Scholarships
2 Department of Labor and Training
3 Job Development Fund
4 Rhode Island Council on the Arts
5 Governors' Portrait Donation Fund
6 Statewide records management system account

7 SECTION 3. Effective July 1, 2023, section 35-6-1 of the General Laws in Chapter 35-6
8 entitled "Accounts and Control" is hereby amended to read as follows:

9 **35-6-1. Controller — Duties in general.**

10 (a) Within the department of administration there shall be a controller who shall be
11 appointed by the director of administration pursuant to chapter 4 of title 36. The controller shall be
12 responsible for accounting and expenditure control and shall be required to:

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

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

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

19 (4) Identify federal grant-funding opportunities to support the governor's and general
20 assembly's major policy initiatives and provide technical assistance with the application process
21 and post-award grants management;

22 (5) Manage federal fiscal proposals and guidelines and serve as the state clearinghouse for
23 the application of federal grants;

24 (6) Pre-audit all state receipts and expenditures;

25 (7) Prepare financial statements required by the several departments and agencies, by the
26 governor, or by the general assembly;

27 (8) Approve the orders drawn on the general treasurer; provided, that the pre-audit of all
28 expenditures under authority of the legislative department and the judicial department by the state
29 controller shall be purely ministerial, concerned only with the legality of the expenditure and
30 availability of the funds, and in no event shall the state controller interpose his or her judgment
31 regarding the wisdom or expediency of any item or items of expenditure;

32 (9) Prepare and timely file, on behalf of the state, any and all reports required by the United
33 States, including, but not limited to, the Internal Revenue Service, or required by any department
34 or agency of the state, with respect to the state payroll; and

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

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

10 (ii) A comparison of actual expenditures with each of the actual appropriations, including
11 supplemental appropriations and other adjustments provided for in the Rhode Island general laws;

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

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

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

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

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

25 (e) Upon issuance of the audited financial statement, the controller shall transfer fifty
26 percent (50%) of all general revenues received in the completed fiscal year net of transfer to the
27 state budget reserve and cash stabilization account as required by § 35-3-20 in excess of those
28 estimates adopted for that year as contained in the final enacted budget to the employees' retirement
29 system of the state of Rhode Island as defined in § 36-8-2 ~~and fifty percent (50%) to the~~
30 ~~supplemental state budget reserve account as defined in § 35-3-20.2.~~

31 (f) The controller shall implement a direct deposit payroll system for state employees.

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

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

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

7 (4) The controller shall promulgate rules and regulations as necessary for implementation
8 and administration of the direct deposit system, which shall include limited exceptions to required
9 participation.

10 SECTION 4. Sections 37-7-13 and 37-7-15 of the General Laws in Chapter 37-7 entitled
11 “Management and Disposal of Property” are hereby amended to read as follows:

12 **37-7-13. Surplus group homes.**

13 Any group home purchased or built by the state of Rhode Island and licensed pursuant to
14 house § 40.1-24-3, which is no longer used to house persons with disabilities and is vacant for a
15 period of one year must be offered for sale on the private housing market forthwith and shall
16 thereafter remain under the jurisdiction of the zoning enforcement officer and the zoning code of
17 that municipality in which the home is located. The zoning enforcement officer and zoning code
18 shall govern the use thereof. The group home shall not acquire any rights of a nonconforming use.
19 Proceeds from the sale of group homes owned by the state of Rhode Island shall be transferred to
20 the group home facility improvement fund, pursuant to § 40.1-1-22.

21 **37-7-15. Sale of state-owned land, buildings and improvements thereon and other real**
22 **property.**

23 (a) Total annual proceeds from the sale of any land and the buildings and improvements
24 thereon, and other real property, title to which is vested in the state of Rhode Island or title to which
25 will be vested in the state upon completion of any condemnation or other proceedings, except for
26 the sale of group homes as referenced in § 37-7-13, shall be transferred to the information
27 technology restricted receipt account (ITRR account) and made available for the purposes outlined
28 in § 42-11-2.5(a), unless otherwise prohibited by federal law.

29 (b) Provided, however, this shall not include proceeds from the sale of any land and the
30 buildings and improvements thereon that will be created by the relocation of interstate route 195,
31 which is sometimes collectively referred to as the “I-195 Surplus Land,” which land is identified
32 in the “Rhode Island Interstate 195 Relocation Surplus Land: Redevelopment and Market Analysis”
33 prepared by CKS Architecture & Urban Design dated 2009, and such term means those certain
34 tracts or parcels of land situated in the city of Providence, county of Providence, state of Rhode

1 Island, delineated on that certain plan of land captioned “Improvements to Interstate Route 195,
2 Providence, Rhode Island, Proposed Development Parcel Plans 1 through 10, Scale: 1”=20’, May
3 2010, Bryant Associates, Inc., Engineers-Surveyors-Construction Managers, Lincoln, Rhode
4 Island, Maguire Group, Inc., Architects/Engineers/Planners, Providence, Rhode Island.”

5 (c) Provided, however, the transfer of proceeds in subsection (a) shall not include proceeds
6 from the sale of state-owned group homes or “community residences” as that term is defined in §
7 40.1-24-1(2) and licensed by the department of behavioral healthcare, developmental disabilities
8 and hospitals. Proceeds from the sale of these properties will be transferred to the group home
9 facility improvement fund, pursuant to § 40.1-1-22.

10 ~~(c)~~ (d) Subject to the approval of the director of the department of administration, the state
11 controller is authorized to offset any currently recorded outstanding liability on the part of
12 developmental disability organizations (DDOs) to repay previously authorized startup capital
13 advances against the proceeds from the sale of group homes within a fiscal year prior to any sale
14 proceeds being deposited into the information technology investment fund.

15 SECTION 5. Chapter 40.1-1 of the General Laws entitled “Behavioral Healthcare,
16 Developmental Disabilities and Hospitals” is hereby amended by adding thereto the following
17 section:

18 **40.1-1-22. Group Home Facility Improvement Fund.**

19 There is created within the general fund of the state a restricted receipt account to be known
20 as the “group home facility improvement fund.” Money transferred to this fund shall include, but
21 is not limited to, the proceeds from the surplus of state-owned group home facilities or “community
22 residences” as that term is defined in § 40.1-24-1(2) and licensed by the department of behavioral
23 healthcare, developmental disabilities and hospitals; or, notwithstanding the provisions of §§ 37-7-
24 1 and 37-7-9, rents collected from provider agencies providing services in state-owned group home
25 as defined in § 40.1-24-1(2) and licensed by the department of behavioral healthcare,
26 developmental disabilities and hospitals. All money in the account shall by utilized by the
27 department of behavioral healthcare, developmental disabilities and hospitals (“department”) to
28 fund the ongoing upkeep and maintenance of state-owned facilities as defined by § 40.1-24-1(6).
29 Use of the funds will be directed by the department’s strategic priorities. The group home facility
30 improvement fund shall be exempt from the indirect cost recovery provisions of § 35-4-27.

31 SECTION 6. Section 42-6.2-3.1 of the General Laws in Chapter 42-6.2 entitled "2021 Act
32 on Climate” is hereby amended to read as follows:

33 **42-6.2-3.1. Funding for the council.**

34 There is hereby established a restricted receipt account in the general fund of the state and

1 housed in the budget of the department of administration entitled “RGGI-executive climate change
2 coordinating council projects.” The express purpose of this account is to record receipts and
3 expenditures allocated pursuant to § 23-82-6(a)(7),(8). The state budget officer is hereby authorized
4 to create restricted receipt sub-accounts in any department of state government that receives such
5 funding as directed by the executive climate change coordinating council.

6 The Rhode Island executive climate change coordinating council shall report annually to
7 the governor and general assembly within one hundred twenty (120) days of the end of each
8 calendar year how the funds were used to achieve the statutory objectives of the 2021 Act on
9 Climate.

10 SECTION 7. Section 42-11-2.5 of the General Laws in Chapter 42-11 entitled “Department
11 of Administration” is hereby amended to read as follows:

12 **42-11-2.5. Information technology restricted receipt account and large systems**
13 **initiatives fund.**

14 (a) All sums from the sale of any land and the buildings and improvements thereon, and
15 other real property, title to which is vested in the state, except as provided in ~~§§ 37-7-15(b) and 37-~~
16 ~~7-15(e)~~ § 37-7-15(b)-(d), shall be transferred to an information technology restricted receipt
17 account (ITRR account) that is hereby established. This ITRR account shall consist of such sums
18 from the sale of any land and the buildings and improvements thereon, and other real property, title
19 to which is vested in the state, except as provided in ~~§§ 37-7-15(b) and 37-7-15(e)~~ § 37-7-15(b)-
20 (d), as well as a share of first response surcharge revenues collected under the provisions of § 39-
21 21.1-14. This ITRR account may also consist of such sums as the state may from time to time
22 appropriate; as well as money received from the disposal of information technology hardware, loan,
23 interest, and service charge payments from benefiting state agencies; as well as interest earnings,
24 money received from the federal government, gifts, bequest, donations, or otherwise from any
25 public or private source. Any such funds shall be exempt from the indirect cost recovery provisions
26 of § 35-4-27.

27 (1) This ITRR account shall be used for the purpose of acquiring information technology
28 improvements, including, but not limited to: hardware, software, consulting services, and ongoing
29 maintenance and upgrade contracts for state departments and agencies.

30 (2) The division of enterprise technology strategy and services of the Rhode Island
31 department of administration shall adopt rules and regulations consistent with the purposes of this
32 chapter and chapter 35 of this title, in order to provide for the orderly and equitable disbursement
33 of funds from this ITRR account.

34 (3) For all requests for proposals that are issued for information technology projects, a

1 corresponding information technology project manager shall be assigned.

2 (b) There is also hereby established a special fund to be known as the large systems
3 initiatives fund (LSI fund), separate and apart from the general fund of the state, to be administered
4 by the chief information officer within the department of administration for the purpose of
5 implementing and maintaining enterprise-wide software projects for executive branch departments.
6 The LSI fund shall consist of such sums as the state may from time to time directly appropriate to
7 the LSI fund. After the completion of any project, the chief digital officer shall inform the state
8 controller of unexpended sums previously transferred to the LSI Fund for that project and the state
9 controller shall subsequently transfer any such unexpended funds to the information technology
10 restricted receipt account.

11 (c) For any new project initiated using sums expended from the LSI Fund, as part of its
12 budget submission pursuant to § 35-3-4 relative to state fiscal year 2025 and thereafter, the
13 department of administration shall include a statement of project purpose and the estimated project
14 cost.

15 SECTION 8. Section 42-66-4 of the General Laws in Chapter 42-66 entitled "Office of
16 Healthy Aging" is hereby amended to read as follows:

17 **42-66-4. Duties of the division.**

18 (a) The division shall be the principal agency of the state to mobilize the human, physical,
19 and financial resources available to plan, develop, and implement innovative programs to ensure
20 the dignity and independence of elderly persons, including the planning, development, and
21 implementation of a home- and long-term-care program for the elderly in the communities of the
22 state.

23 (b)(1) The division shall serve as an advocate for the needs of the adult with a disability as
24 these needs and services overlap the needs and services of elderly persons.

25 (2) The division shall serve as the state's central agency for the administration and
26 coordination of a long-term-care entry system, using community-based access points, that will
27 provide the following services related to long-term care: information and referral; initial screening
28 for service and benefits eligibility; and a uniform assessment program for state-supported long-
29 term care.

30 (3) The division shall investigate reports of elder abuse, neglect, exploitation, or self-
31 neglect and shall provide and/or coordinate protective services.

32 (c) To accomplish these objectives, the director is authorized:

33 (1) To provide assistance to communities in solving local problems with regard to elderly
34 persons including, but not limited to, problems in identifying and coordinating local resources to

- 1 serve the needs of elderly persons;
- 2 (2) To facilitate communications and the free flow of information between communities
3 and the offices, agencies, and employees of the state;
- 4 (3) To encourage and assist communities, agencies, and state departments to plan, develop,
5 and implement home- and long-term care programs;
- 6 (4) To provide and act as a clearinghouse for information, data, and other materials relative
7 to elderly persons;
- 8 (5) To initiate and carry out studies and analyses that will aid in solving local, regional,
9 and statewide problems concerning elderly persons;
- 10 (6) To coordinate those programs of other state agencies designed to assist in the solution
11 of local, regional, and statewide problems concerning elderly persons;
- 12 (7) To advise and inform the governor on the affairs and problems of elderly persons in the
13 state;
- 14 (8) To exercise the powers and discharge the duties assigned to the director in the fields of
15 health care, nutrition, homemaker services, geriatric day care, economic opportunity, local and
16 regional planning, transportation, and education and pre-retirement programs;
- 17 (9) To further the cooperation of local, state, federal, and private agencies and institutions
18 providing for services or having responsibility for elderly persons;
- 19 (10) To represent and act on behalf of the state in connection with federal grant programs
20 applicable to programs for elderly persons in the functional areas described in this chapter;
- 21 (11) To seek, accept, and otherwise take advantage of all federal aid available to the
22 division, and to assist other agencies of the state, local agencies, and community groups in taking
23 advantage of all federal grants and subventions available for elderly persons and to accept other
24 sources of funds with the approval of the director of administration that shall be deposited as general
25 revenues;
- 26 (12) To render advice and assistance to communities and other groups in the preparation
27 and submission of grant applications to state and federal agencies relative to programs for elderly
28 persons;
- 29 (13) To review and coordinate those activities of agencies of the state and of any political
30 subdivision of the state at the request of the subdivision, that affect the full and fair utilization of
31 community resources for programs for elderly persons, and initiate programs that will help ensure
32 such utilization;
- 33 (14) To encourage the formation of councils on aging and to assist local communities in
34 the development of the councils;

1 (15) To promote and coordinate daycare facilities for the frail elderly who are in need of
2 supportive care and supervision during the daytime;

3 (16) To provide and coordinate the delivery of in-home services to the elderly, as defined
4 under the rules and regulations adopted by the office of healthy aging;

5 (17) To advise and inform the public of the risks of accidental hypothermia;

6 (18) To establish a clearinghouse for information and education of the elderly citizens of
7 the state, including, but not limited to, and subject to available funding, a web-based caregiver
8 support information center;

9 (19) [As amended by P.L. 2019, ch. 110, § 2]. To establish and operate, in collaboration
10 with the departments of behavioral health, developmental disabilities and hospitals; human
11 services; and children youth and families regular community agencies supporting caregivers, a
12 statewide family-caregiver support association and a family-caregiver resource network to provide
13 and coordinate family-caregiver training and support services to include counseling and elder
14 caregiver respite services, which shall be subject to available funding, and include home
15 health/homemaker care, adult day services, assisted living, and nursing facility care; and

16 (19) [As amended by P.L. 2019, ch. 130, § 2]. To establish and operate, in collaboration
17 with the department of behavioral healthcare, developmental disabilities and hospitals; the
18 department of human services; the department of children, youth and families, and community
19 agencies supporting caregivers, a statewide family-caregiver support association and a family-
20 caregiver resource network to provide and coordinate family-caregiver training and support
21 services to include counseling and caregiver respite services, which shall be subject to available
22 funding, and include home health/homemaker care, adult day services, assisted living, and nursing
23 facility care; and

24 (20) To supervise the citizens' commission for the safety and care of the elderly created
25 pursuant to the provisions of chapter 1.4 of title 12.

26 (d) In order to assist in the discharge of the duties of the division, the director may request
27 from any agency of the state information pertinent to the affairs and problems of elderly persons.

28 (e) There is hereby established within the general fund of the state and housed within the
29 budget of the office of healthy aging a restricted receipt account entitled "Commodity Supplemental
30 Food Program- Claims" to account for funds collected in payment of claims for donated food
31 losses, pursuant to united states department of agriculture guidelines under the commodity
32 supplemental food program. Expenditures from this account shall be utilized by the office solely
33 for the following purposes:

34 (i) Purchase of replacement foods.

1 [\(ii\) Payment of administrative costs.](#)

2 [\(iii\) Replacement of lost or improperly used funds.](#)

3 [\(iv\) For use as a salvage account in compliance with federal regulations.](#)

4 SECTION 9. Chapter 42-140 of the General Laws entitled “Rhode Island Energy
5 Resources Act” is hereby amended by adding thereto the following section:

6 **[42-140-11. Electric vehicle charging stations operating and maintenance fund.](#)**

7 [\(a\) There is established a restricted receipts account within the general fund of the state, to](#)
8 [be known as the "electric vehicle charging stations operating and maintenance account", to be](#)
9 [administered by the office of energy resources for the purposes of installing, operating, and](#)
10 [maintaining electric vehicle charging stations on state properties.](#)

11 [\(b\) Effective January 1, 2025, the office of energy resources shall establish electric vehicle](#)
12 [charging station fees for electric vehicle charging stations operating on state properties.](#)

13 [\(c\) The office of energy resources shall post the proposed charging station fees on its](#)
14 [website and solicit public comment for a period of thirty \(30\) days.](#)

15 [\(d\) The office of energy resources shall have the authority to allocate funds not utilized in](#)
16 [a fiscal year to fulfill the objectives of this section. Funds deposited into the electric vehicle](#)
17 [charging stations operating and maintenance account shall be exempt from the indirect cost](#)
18 [recovery provisions of R.I. Gen. Laws § 35-4-27.](#)

19 SECTION 10. Sections 1 and 3 of this Article shall take effect as of July 1, 2023. Section
20 2 and Sections 4 through 9 shall take effect as of July 1, 2024.

1 **ARTICLE 3**

2 **RELATING TO GOVERNMENT REFORM AND REORGANIZATION**

3 SECTION 1. Section 23-1-5.5 of the General Laws in Chapter 23-1 entitled “Department
4 of Health” is hereby amended to read as follows:

5 **23-1-5.5. Annual report.**

6 The department of health shall prepare and issue an annual report on the status of private
7 well water contamination in the state. The report shall be submitted to the governor and the general
8 assembly by ~~January 15th~~ July 1 of each year and shall be made available to the public.

9 SECTION 2 Section 23-1-9 of the General Laws in Chapter 23-1 entitled “Department of
10 Health” is hereby repealed:

11 ~~**§ 23-1-9. Annual report to general assembly.**~~

12 ~~The director of health shall make an annual report to the general assembly of his or her~~
13 ~~proceedings during the year ending on the thirty-first (31st) day of December next preceding, with~~
14 ~~any suggestions in relation to the sanitary laws and interests of the state that he or she shall deem~~
15 ~~important.~~

16 SECTION 3. Section 23-1.1-3 of the General Laws in Chapter 23-1.1 entitled “Division of
17 Occupational Health” is hereby repealed.

18 ~~**23-1.1-3. Annual report.**~~

19 ~~The director of health shall annually furnish information regarding the activities of the~~
20 ~~division of occupational health to the director of labor and training for inclusion in the director of~~
21 ~~labor and training’s annual report to the governor and to the general assembly. The director of~~
22 ~~health shall also provide information to the director of labor and training for reports to be submitted~~
23 ~~to the United States Secretary of Labor in the form and from time to time that the secretary of labor~~
24 ~~and training may require.~~

25 SECTION 4. Section 23-6.4-8 of the General Laws in Chapter 23-6.4 entitled “Life-Saving
26 Allergy Medication — Stock Supply of Epinephrine Auto-Injectors — Emergency Administration”
27 is hereby amended to read as follows:

28 **23-6.4-8. Reporting.**

29 An authorized entity that possesses and makes available epinephrine auto-injectors shall
30 submit to the department of health, on a form developed by the department of health, a report of
31 each incident on the authorized entity’s premises that involves the administration of an epinephrine
32 auto-injector. ~~The department of health shall annually publish a report that summarizes and~~
33 ~~analyzes all reports submitted to it under this section.~~

34 SECTION 5. Section 23-12.7-3 of the General Laws in Chapter 23-12.7 entitled “The

1 Breast Cancer Act” is hereby amended to read as follows:

2 **23-12.7-3. Program established.**

3 (a) Through funding from the Rhode Island Cancer Council, the Rhode Island
4 department of health is required to establish a program of free mammography screening according
5 to American Cancer Society standards, and, where required, follow-up, diagnostic testing, and case
6 management for women in the state who are uninsured or underinsured.

7 (b) The screening program shall:

8 (1) Secure radiology facilities to participate in the screening program;

9 (2) Pay for screening mammograms;

10 (3) Ensure that screening results are sent by mail, electronically, or otherwise, to the patient
11 in a timely manner;

12 (4) Provide diagnostic tests as required to diagnose breast cancer;

13 (5) Provide case management facilitating appropriate contact to breast surgeons, medical
14 oncologists, and radiation oncologists; and

15 (6) Provide follow-up support to women who are found to have breast cancer as a result of
16 this screening program.

17 (c) The director of the Rhode Island department of health is required to provide ~~a quarterly~~
18 an annual report due to the general assembly on May 15 on the program of free mammography
19 screening, follow-up diagnostic testing and case management, and public education. An advisory
20 committee concerned with advocacy, outreach, and public education shall meet on a quarterly basis
21 and report to the director.

22 SECTION 6. Section 23-13.7-2 of the General Laws in Chapter 23-12.7 entitled “The
23 Rhode Island Family Home-Visiting Act” is hereby amended to read as follows:

24 **23-13.7-2. Home-visiting system components.**

25 (a) The Rhode Island department of health shall coordinate the system of early childhood
26 home-visiting services in Rhode Island and shall work with the department of human services and
27 department of children, youth and families to identify effective, evidence-based, home-visiting
28 models that meet the needs of vulnerable families with young children.

29 (b) The Rhode Island department of health shall implement a statewide home-visiting
30 system that uses evidence-based models proven to improve child and family outcomes. Evidence-
31 based, home-visiting programs must follow with fidelity a program model with comprehensive
32 standards that ensure high-quality service delivery, use research-based curricula, and have
33 demonstrated significant positive outcomes in at least two (2) of the following areas:

34 (1) Improved prenatal, maternal, infant, or child health outcomes;

- 1 (2) Improved safety and reduced child maltreatment and injury;
- 2 (3) Improved family economic security and self-sufficiency;
- 3 (4) Enhanced early childhood development (social-emotional, language, cognitive,
- 4 physical) to improve children's readiness to succeed in school.

5 (c) The Rhode Island department of health shall implement a system to identify and refer

6 families prenatally, or as early after the birth of a child as possible, to voluntary, evidence-based,

7 home-visiting programs. The referral system shall prioritize families for services based on risk

8 factors known to impair child development, including:

- 9 (1) Adolescent parent(s);
- 10 (2) History of prenatal drug or alcohol abuse;
- 11 (3) History of child maltreatment, domestic abuse, or other types of violence;
- 12 (4) Incarcerated parent(s);
- 13 (5) Reduced parental cognitive functioning or significant disability;
- 14 (6) Insufficient financial resources to meet family needs;
- 15 (7) History of homelessness; or
- 16 (8) Other risk factors as determined by the department.

17 (d) ~~Beginning on or before October 1, 2016, and annually thereafter, t~~The Rhode Island

18 department of health shall issue a state home-visiting report [due annually by March 1 of each year](#)

19 that outlines the components of the state's family home-visiting system that shall be made publicly

20 available on the department's website. The report shall include:

- 21 (1) The number of families served by each evidence-based model; and
- 22 (2) Demographic data on families served; and
- 23 (3) Duration of participation of families; and
- 24 (4) Cross-departmental coordination; and
- 25 (5) Outcomes related to prenatal, maternal, infant and child health, child maltreatment,
- 26 family economic security, and child development and school readiness; and
- 27 (6) An annual estimate of the number of children born to Rhode Island families who face
- 28 significant risk factors known to impair child development, and a plan including the fiscal costs
- 29 and benefits to gradually expand access to the existing evidence-based, family home-visiting
- 30 programs in Rhode Island to all vulnerable families.

31 (e) State appropriations for this purpose shall be combined with federal dollars to fund the

32 expansion of evidence-based, home-visiting programs, with the goal of offering the program to all

33 the state's pregnant and parenting teens; families with a history of involvement with the child

34 welfare system; and other vulnerable families.

1 SECTION 7. Section 23-18.16-4 of the General Laws in Chapter 23-18.16 entitled
2 “Newspaper Recyclability” is hereby amended to read as follows:

3 **23-18.16-4. Reporting – Determination of compliance – Orders – Appeals.**

4 ~~(a) The department shall annually report to the governor and the general assembly, all~~
5 ~~findings regarding publications both in compliance and not in compliance with the requirements of~~
6 ~~this chapter.~~

7 ~~(b) The department must by July 1 of each year produce a written determination on any~~
8 ~~publication that does not comply with the provision of this chapter.~~

9 ~~(c)~~ (a) All publications will report on an annual basis their annual rate of purchase of post
10 consumer materials to the department of environmental management. A person adversely affected
11 or aggrieved by the issuance of an order under the provisions of this section may seek judicial
12 review of an order in the superior courts.

13 SECTION 8. Section 23-19.10-11 of the General Laws in Chapter 23-19.10 entitled
14 “Hazardous Waste Reduction, Recycling, and Treatment Research and Demonstration Act of 1986”
15 is hereby repealed.

16 ~~**23-19.10-11. Report to the governor and the general assembly.**~~

17 ~~(a) The department shall annually report to the governor and the general assembly on the~~
18 ~~status, funding, and results of all demonstration and research projects awarded grants.~~

19 ~~(b) This report shall include recommendations for legislation and shall identify those state~~
20 ~~and federal economic and financial incentives which can best accelerate and maximize the research,~~
21 ~~development, and demonstration of hazardous waste reduction, recycling, and treatment~~
22 ~~technologies.~~

23 SECTION 9. Section 23-20.11-4 of the General Laws in Chapter 23-20.11 entitled
24 “Reduced Cigarette Ignition Propensity and Firefighter Protection” is hereby amended to read as
25 follows:

26 **23-20.11-4. Standards for cigarette fire safety.**

27 (a) No cigarettes may be sold or offered for sale in this state or offered for sale or sold to
28 persons located in this state unless such cigarettes have been tested in accordance with the test
29 method and meet the performance standard specified in this subsection; and a written certification
30 has been filed by the manufacturer with the director in accordance with § 23-20.11-5 of this act;
31 and the cigarettes have been marked in accordance with § 23-20.11-6 of this act.

32 (1) Testing of cigarettes shall be conducted in accordance with the American Society of
33 Testing and Materials (“ASTM”) standard E2187-04 “Standard Test Method for Measuring the
34 Ignition Strength of Cigarettes.”

1 (2) Testing shall be conducted on ten (10) layers of filter paper.

2 (3) No more than twenty-five percent (25%) of the cigarettes tested in a test trial in
3 accordance with this subsection shall exhibit full-length burns. Forty (40) replicate tests shall
4 comprise a complete test trial for each cigarette tested.

5 (4) The performance standard required by this subsection shall only be applied to a
6 complete test trial.

7 (5) Written certifications shall be based upon testing conducted by a laboratory that has
8 been accredited pursuant to Standard ISO/IEC 17025 of the International Organization for
9 Standardization (“ISO”), or other comparable accreditation standard required by the director.

10 (6) Laboratories conducting testing in accordance with this subsection shall implement a
11 quality control and quality assurance program that includes a procedure to determine the
12 repeatability of the testing results. The repeatability value shall be no greater than nineteen
13 hundredths (0.19).

14 (7) This section does not require additional testing if cigarettes are tested consistent with
15 this chapter for any other purpose.

16 (8) Testing performed or sponsored by the director to determine a cigarette’s compliance
17 with the performance standard required by this section shall be conducted in accordance with this
18 section.

19 (b) Each cigarette listed in a certification submitted pursuant to § 23-20.11-5 of this act that
20 uses lowered permeability bands in the cigarette paper to achieve compliance with the performance
21 standard set forth in this section shall have at least two (2) nominally identical bands on the paper
22 surrounding the tobacco column. At least one complete band shall be located at least fifteen (15)
23 millimeters from the lighting end of the cigarette. For cigarettes on which the bands are positioned
24 by design, there shall be at least two (2) bands fully located at least fifteen (15) millimeters from
25 the lighting end and ten (10) millimeters from the filter end of the tobacco column, or ten (10)
26 millimeters from the labeled end of the tobacco column for a nonfiltered cigarette.

27 (c) The manufacturer or manufacturers of a cigarette that the director determines cannot be
28 tested in accordance with the test method prescribed in subsection 23-20.11-4(a) shall propose a
29 test method and performance standard for such cigarette to the director. Upon approval of the
30 proposed test method and a determination by the director that the performance standard proposed
31 by the manufacturer or manufacturers is equivalent to the performance standard prescribed in
32 subsection 23-20.11-4(a), the manufacturer or manufacturers may employ such test method and
33 performance standard to certify such cigarette pursuant to § 23-20.11-5 of this act. If the director
34 determines that another state has enacted reduced cigarette ignition propensity standards that

1 include a test method and performance standard that are the same as those contained in this section,
2 and the director finds that the officials responsible for implementing those requirements have
3 approved the proposed alternative test method and performance standard for a particular cigarette
4 proposed by a manufacturer as meeting the reduced cigarette ignition propensity standards of that
5 state’s law or regulation under a legal provision comparable to this subsection, then the director
6 shall authorize that manufacturer to employ the alternative test method and performance standard
7 to certify that cigarette for sale in this state, unless the director demonstrates a reasonable basis why
8 the alternative test should not be accepted under this chapter. All other applicable requirements of
9 this section shall apply to such manufacturer or manufacturers.

10 (d) Each manufacturer shall maintain copies of the reports of all tests conducted on all
11 cigarettes offered for sale for a period of three (3) years, and shall make copies of these reports
12 available to the director and the attorney general upon written request. Any manufacturer who fails
13 to make copies of these reports available within sixty (60) days of receiving a written request shall
14 be subject to a civil penalty not to exceed ten thousand dollars (\$10,000) for each day after the
15 sixtieth (60th) day that the manufacturer does not make such copies available.

16 (e) The director may adopt a subsequent ASTM Standard Test Method for Measuring the
17 Ignition Strength of Cigarettes upon a finding that such subsequent method does not result in a
18 change in the percentage of full-length burns exhibited by any tested cigarette when compared to
19 the percentage of full-length burns the same cigarette would exhibit when tested in accordance with
20 ASTM Standard E2187-04 and the performance standard prescribed in subsection 23-20.11-4(a).

21 ~~(f) As of January 1, 2010, and at least every three (3) years thereafter, the director shall~~
22 ~~review of the effectiveness of this section and report to the legislature the director’s finding’s and,~~
23 ~~if appropriate, recommendations for legislation to improve the effectiveness of this section. The~~
24 ~~report and legislative recommendations shall be submitted no later than January 1 of each three (3)~~
25 ~~year period.~~

26 (g) This chapter shall be implemented in accordance with the implementation and
27 substance of the New York Fire Safety Standards for Cigarettes.

28 SECTION 10. Sections 23-24.12-2 and 23-24.12-3 of the General Laws in Chapter 23-
29 24.12 entitled “Proper Management of Unused Paint” are hereby amended to read as follows:

30 **23-24.12-2. Management of unused architectural paint — Definitions.**

31 (1) “Architectural paint” means interior and exterior architectural coatings sold in
32 containers of five (5) gallons or less. Architectural paint does not include industrial, original
33 equipment or specialty coatings.

34 (2) “Department” means the department of environmental management.

1 (3) “Director” means the director of the department of environmental management.

2 (4) “Distributor” means a company that has a contractual relationship with one or more
3 producers to market and sell architectural paint to retailers in this state.

4 (5) “Environmentally sound management practices” means procedures for the collection,
5 storage, transportation, reuse, recycling and disposal of architectural paint, to be implemented by
6 the ~~representative~~ implementing organization or such ~~representative~~ implementing organization’s
7 contracted partners to ensure compliance with all applicable federal, state and local laws,
8 regulations and ordinances and the protection of human health and the environment.
9 Environmentally sound management practices include, but are not limited to, record keeping, the
10 tracking and documenting of the use and disposition of post-consumer paint in and outside of this
11 state, and environmental liability coverage for professional services and for the operations of the
12 contractors working on behalf of the ~~representative~~ implementing organization.

13 (6) “Paint stewardship assessment” means the amount added to the purchase price of
14 architectural paint sold in this state that is necessary to cover the cost of collecting, transporting
15 and processing post-consumer paint by the ~~representative~~ implementing organization pursuant to
16 the paint stewardship program.

17 (7) “Post-consumer paint” means architectural paint that is not used and that is no longer
18 wanted by a purchaser of architectural paint.

19 (8) “Producer” means a manufacturer of architectural paint who sells, offers for sale,
20 distributes or contracts to distribute architectural paint in this state.

21 (9) “Recycling” means any process by which discarded products, components and by-
22 products are transformed into new, usable or marketable materials in a manner in which the original
23 products may lose their identity.

24 (10) “~~Representative~~ Implementing organization” means the ~~nonprofit~~ organization ~~created~~
25 ~~by producers~~ selected by the department to implement the paint stewardship program described in
26 § ~~23-24.11-3~~ 23-24.12-3.

27 (11) “Retailer” means any person who offers architectural paint for sale at retail in this
28 state.

29 (12) “Reuse” means the return of a product into the economic stream for use in the same
30 kind of application as the product was originally intended to be used, without a change in the
31 product’s identity.

32 (13) “Sell” or “sale” means any transfer of title for consideration including, but not limited
33 to, remote sales conducted through sales outlets, catalogues, the Internet or any other similar
34 electronic means.

1 23-24.12-3. Establishment of paint stewardship program.

2 (a) ~~On or before March 1, 2014, each producer shall join the representative organization~~
3 ~~and such representative organization shall submit a plan for the establishment of a paint stewardship~~
4 ~~program to the department for approval. The program shall minimize the public sector involvement~~
5 ~~in the management of post consumer paint by reducing the generation of post consumer paint,~~
6 ~~negotiating agreements to collect, transport, reuse, recycle, and/or burn for energy recovery at an~~
7 ~~appropriately licensed facility post consumer paint using environmentally sound management~~
8 ~~practices.~~ No later than June 30, 2025, and every five years thereafter, unless otherwise delegated
9 to the department by the chief purchasing officer, the division of purchases shall issue a solicitation
10 seeking an organization or entity to implement and administer the paint stewardship program as
11 described in this section. The solicitation shall be conducted in accordance with State Purchases
12 Act, R.I. Gen. Laws 37-2-1 et seq. The paint stewardship program in effect at the time that this
13 statute is enacted shall remain in effect until such time as an organization or entity is selected by
14 the department to administer the program.

15 (b) ~~The program shall also provide for convenient and available state wide collection of~~
16 ~~post consumer paint that, at a minimum, provides for collection rates and convenience greater than~~
17 ~~the collection programs available to consumers prior to such paint stewardship program; propose a~~
18 ~~paint stewardship assessment; include a funding mechanism that requires each producer who~~
19 ~~participates in the representative organization to remit to the representative organization payment~~
20 ~~of the paint stewardship assessment for each container of architectural paint sold within the state;~~
21 ~~include an education and outreach program to help ensure the success of the program; and, work~~
22 ~~with the department and Rhode Island commerce corporation to identify ways in which the state~~
23 ~~can motivate local infrastructure investment, business development and job creation related to the~~
24 ~~collection, transportation and processing of post consumer paint.~~ Each proposal submitted to the
25 department shall include, at a minimum, the following elements:

26 (1) Recommendations to minimize the public sector involvement in the management of
27 post-consumer paint by reducing the generation of post-consumer paint, negotiating agreements to
28 collect, transport, reuse, recycle, and/or burn for energy recovery at an appropriately licensed
29 facility post-consumer paint using environmentally sound management practices.

30 (2) A proposed program that will provide for convenient and available state-wide collection
31 of post-consumer paint that, at a minimum, provides for collection rates and convenience greater
32 than the collection programs available to consumers prior to such paint stewardship program;
33 propose a paint stewardship assessment; include a funding mechanism that requires each producer
34 to remit to the implementing organization payment of the paint stewardship assessment for each

1 container of architectural paint sold within the state; include an education and outreach program to
2 help ensure the success of the program; and, work with the department and Rhode Island commerce
3 corporation to identify ways in which the state can motivate local infrastructure investment,
4 business development and job creation related to the collection, transportation and processing of
5 post-consumer paint.

6 (c) ~~The plan submitted to the department pursuant to this section shall~~ Each proposal shall
7 also:

8 (1) Identify each producer ~~participating~~ that will participate in the paint stewardship
9 program ~~and the brands of architectural paint sold in this state covered by the program;~~

10 (2) Identify how the ~~representative~~ implementing organization will provide convenient,
11 statewide accessibility to the program;

12 (3) Set forth the process by which an independent auditor will be selected and identify the
13 criteria used by the ~~representative~~ implementing organization in selecting an independent auditor;

14 (4) Identify, in detail, the educational and outreach program that will be implemented to
15 inform consumers and retailers of the program and how to participate;

16 (5) Identify the methods and procedures under which the paint stewardship program will
17 be coordinated with the Rhode Island resource recovery corporation;

18 (6) Identify, in detail, the operational plans for interacting with retailers on the proper
19 handling and management of post-consumer paint;

20 (7) Include the proposed, audited paint assessment as identified in this section;

21 (8) Include the targeted annual collection rate;

22 (9) Include a description of the intended treatment, storage, transportation and disposal
23 options and methods for the collected post-consumer paint; and

24 ~~(10) Be accompanied by a fee in the amount of two thousand five hundred dollars (\$2,500)~~
25 ~~to be deposited into the environmental response fund to cover the review of said plan by the~~
26 ~~department.~~

27 ~~(d) Not later than sixty (60) days after submission of a plan pursuant to this section, the~~
28 ~~department shall make a determination whether to:~~

29 ~~(1) Approve the plan as submitted;~~

30 ~~(2) Approve the plan with conditions; or~~

31 ~~(3) Deny the plan.~~

32 ~~(e) Not later than three (3) months after the date the plan is approved, the representative~~
33 ~~organization shall implement the paint stewardship program.~~

34 ~~(fd) On or before March 1, 2014, the representative organization~~ Each proposal shall

1 propose a uniform paint stewardship assessment for all architectural paint sold in this state. The
2 proposed paint stewardship assessment shall be sufficient to cover the costs of administering the
3 program. The assessment may also be used to create a reserve fund, provided that such reserve fund
4 shall not exceed 50% of projected program costs in any given year. If the reserve fund is projected
5 to exceed 50% of projected program costs, the implementing organization shall immediately
6 propose to the department an amendment to the approved plan which will reduce the paint
7 stewardship assessment in the following calendar year by an amount sufficient to cause the reserve
8 fund to not exceed 50% of projected program costs. The department shall have the authority to cap
9 administrative expenses at a percentage of program costs as part of any contract awarded to
10 administer the paint stewardship program. ~~Such proposed paint stewardship assessment shall be~~
11 ~~reviewed by an independent auditor to assure that such assessment is consistent with the budget of~~
12 ~~the paint stewardship program described in this section and such independent auditor shall~~
13 ~~recommend an amount for such paint stewardship assessment to the department. The department~~
14 ~~shall be responsible for the approval of such paint stewardship assessment based upon the~~
15 ~~independent auditor's recommendation. If the paint stewardship assessment previously approved~~
16 ~~by the department pursuant to this section is proposed to be changed, the representative~~
17 ~~organization shall submit the new, adjusted uniform paint stewardship assessment to an~~
18 ~~independent auditor for review. After such review has been completed, the representative~~
19 ~~organization shall submit the results of said auditor's review and a proposal to amend the paint~~
20 ~~stewardship assessment to the department for review. The department shall review and approve, in~~
21 ~~writing, the adjusted paint stewardship assessment before the new assessment can be implemented.~~
22 ~~Any proposed changes to the paint stewardship assessment shall be submitted to the department no~~
23 ~~later than sixty (60) days prior to the date the representative organization anticipates the adjusted~~
24 ~~assessment to take effect.~~

25 (g) On and after the date of implementation of the paint stewardship program pursuant to
26 this section, the paint stewardship assessment shall be added to the cost of all architectural paint
27 sold to retailers and distributors in this state by each producer. On and after such implementation
28 date, each retailer or distributor, as applicable, shall add the amount of such paint stewardship
29 assessment to the purchase price of all architectural paint sold in this state.

30 (h) Any retailer may participate, on a voluntary basis, as a paint collection point pursuant
31 to such paint stewardship program and in accordance with any applicable provision of law or
32 regulation.

33 (i) Each producer and the ~~representative~~ implementing organization shall be immune from
34 liability for any claim of a violation of antitrust law or unfair trade practice if such conduct is a

1 violation of antitrust law, to the extent such producer or ~~representative~~ implementing organization
2 is exercising authority pursuant to the provisions of this section.

3 (h) Not later than the implementation date of the paint stewardship program, the
4 department shall list ~~the names of participating producers the brands of architectural paint covered~~
5 ~~by such paint stewardship program and~~ the cost of the approved paint stewardship assessment on
6 its website.

7 (i)(1) On and after the implementation date of the paint stewardship program, no producer,
8 distributor or retailer shall sell or offer for sale architectural paint to any person in this state if the
9 ~~producer of such architectural paint is not a member of~~ paint stewardship assessment is not
10 collected and remitted to the ~~representative~~ implementing organization.

11 (2) No retailer or distributor shall be found to be in violation of the provisions of this section
12 if, on the date the architectural paint was ordered from the producer or its agent, the producer or
13 the subject brand of architectural paint was listed on the department's website in accordance with
14 the provisions of this section.

15 (j) Producers or the ~~representative~~ implementing organization shall provide retailers with
16 educational materials regarding the paint stewardship assessment and paint stewardship program
17 to be distributed at the point of sale to the consumer. Such materials shall include, but not be limited
18 to, information regarding available end-of-life management options for architectural paint offered
19 through the paint stewardship program and information that notifies consumers that a charge for
20 the operation of such paint stewardship program is included in the purchase price of all architectural
21 paint sold in this state.

22 (k) On or before October 15, 2015, and annually thereafter, the ~~representative~~
23 implementing organization shall submit a report to the director of the department of environmental
24 management that details the paint stewardship program. Said report shall include a copy of the
25 independent audit detailed in subdivision (4) below. Such annual report shall include, but not be
26 limited to:

27 (1) A detailed description of the methods used to collect, transport and process post-
28 consumer paint in this state;

29 (2) The overall volume of post-consumer paint collected in this state;

30 (3) The volume and type of post-consumer paint collected in this state by method of
31 disposition, including reuse, recycling and other methods of processing or disposal;

32 (4) The total cost of implementing the program, as determined by an independent financial
33 audit, as performed by an independent auditor;

34 (5) An evaluation of the adequacy of the program's funding mechanism;

1 (6) Samples of all educational materials provided to consumers of architectural paint and
2 participating retailers; and

3 (7) A detailed list of efforts undertaken and an evaluation of the methods used to
4 disseminate such materials including recommendations, if any, for how the educational component
5 of the program can be improved.

6 (n) The ~~representative~~ implementing organization ~~shall~~ may update the plan, as needed,
7 when there are changes proposed to the current program. An ~~new plan or~~ amendment to the existing
8 plan will be required to be submitted to the department for approval when:

9 (1) There is a proposed change to the amount of the assessment; or

10 (2) There is an addition to the products covered under the program; or

11 (3) There is a revision of the product stewardship organization's goals; ~~or~~

12 ~~(4) Every four (4) years, if requested, in writing, by the department the representative~~
13 ~~organization shall notify the department annually, in writing, if there are no changes proposed to~~
14 ~~the program and the representative organization intends to continue implementation of the program~~
15 ~~as previously approved by the department.~~

16 (m) Upon selection of a new implementing organization to administer the paint stewardship
17 program, the program shall be audited by the independent auditor and, upon certification of the
18 audit by the department, any funds held by the previous implementing organization shall be
19 immediately transferred to the department. These funds shall then be transferred by the department
20 to the new implementing organization for use in administering the approved paint stewardship
21 program.

22 (n) If there are no respondents to the solicitation required by this section, or the department
23 determines that none of the responses are sufficient to meet the requirements of this section, the
24 Rhode Island resource recovery corporation established pursuant to § 23-19 et. seq. shall serve as
25 the implementing organization, as defined in this chapter, until such time as another solicitation is
26 required to occur by this section.

27 SECTION 11. Chapter 23-28.2 of the General Laws entitled "Office of the State Fire
28 Marshal" is hereby amended by adding thereto the following section:

29 **23-28.2-30. Deputy state fire marshals assigned to towns or fire districts.**

30 In the event any town or fire district does not have an assistant deputy state fire marshal
31 appointed by the state fire marshal pursuant to § 23-28.2-9 of this chapter to perform fire
32 prevention, protection, inspection, and other duties under chapters 28.1 – 28.39 of title 23, the
33 applicable town or fire district shall provide written notice to the state fire marshal within ten (10)
34 business days of such absence. The notice shall include, at a minimum, the reason for the absence,

1 the anticipated duration, and a stated plan for appointment of an assistant deputy state fire marshal
2 to perform such services within the applicable town or fire district. Failure to provide such notice
3 may result in the assessment of additional fees as deemed necessary and appropriate by the state
4 fire marshal. During the absence, the state fire marshal is authorized to assign and appoint one or
5 more deputy state fire marshals of the office of the state fire marshal to duty in the applicable town
6 or fire district. Each deputy state fire marshal assigned to duty as aforesaid shall during the period
7 of such duty continue to be a deputy state fire marshal of the office of the state fire marshal, but the
8 salary and expenses of each deputy state fire marshal so assigned, or such prorated amount as
9 determined by the state fire marshal, shall be reimbursed by the applicable town or fire district.
10 The state fire marshal shall have full power at all times to withdraw any deputy state fire marshal
11 assigned to duty in a town or fire district and assign another deputy state fire marshal to his or her
12 place or to discontinue such duty and to make no assignment to replace.

13 SECTION 12. Section 23-86-1 of the General Laws in Chapter 23-86 entitled “Women’s
14 cardiovascular screening and risk reduction pilot program” is hereby repealed.

15 ~~**23-86-1. Women’s cardiovascular screening and risk reduction pilot program.**~~

16 ~~(a) The department of health (hereinafter, “the department”) shall develop a cardiovascular~~
17 ~~disease screening and lifestyle intervention pilot program at one site in one of Rhode Island’s six~~
18 ~~(6) core cities for low-income, underinsured and uninsured women between forty (40) and sixty-~~
19 ~~four (64) years of age, inclusive, at risk for heart disease, diabetes and stroke, namely Pawtucket,~~
20 ~~Providence, Woonsocket, Newport, West Warwick or Central Falls.~~

21 ~~(b) The department shall develop the program based on the federal WISEWOMEN~~
22 ~~program administered by the Centers for Disease Control and Prevention. The pilot program shall~~
23 ~~employ specified measures to gauge the impact and outcome of the program. These measures may~~
24 ~~include the number of women served, the number who receive lifestyle interventions, the number~~
25 ~~of follow up visits per woman, an evaluation of the use of progress markers to reduce risk factors,~~
26 ~~and a research and evaluation component.~~

27 ~~(c) The department shall prepare an annual report and submit it to the legislature by January~~
28 ~~31 of each year summarizing the scope and reach of the pilot program. The final report shall include~~
29 ~~a fiscal analysis and a recommendation outlining the benefits and costs of expanding the pilot~~
30 ~~program throughout the state after the program has been in existence for three (3) years. The pilot~~
31 ~~program shall expire July 1, 2014.~~

32 ~~(d) Implementation of the Women’s Cardiovascular screening and risk reduction pilot~~
33 ~~program shall be subject to appropriation.~~

34 SECTION 13. Sections 23-90-3, 23-90-5, 23-90-6, 23-90-8, 23-90-10 of the General Laws

1 in Chapter 23-90 entitled “Responsible Recycling, Reuse and Disposal of Mattresses” are hereby
2 amended to read as follows:

3 **23-90-3. Definitions.**

4 As used in this chapter, the following words shall, unless the context clearly requires
5 otherwise, have the following meanings:

6 (1) “Brand” means a name, symbol, word or mark that attributes a mattress to the producer
7 of such mattress.

8 (2) “Covered entity” means any political subdivision of the state, any mattress retailer, any
9 permitted transfer station, any waste to energy facility, any healthcare facility, any educational
10 facility, any correctional facility, any military base, or any commercial or non-profit lodging
11 establishment that possesses a discarded mattress that was discarded in this state. Covered entity
12 does not include any renovator, refurbisher or any person who transports a discarded mattress.

13 (3) “Consumer” means an individual who is also a resident of this state.

14 (4) “Corporation” means the Rhode Island Resource Recovery Corporation.

15 (5) “Corporation Director” means the executive director of the Rhode Island Resource
16 Recovery Corporation.

17 ~~(6) “Council” or “mattress recycling council” means the state-wide, non-profit organization~~
18 ~~created by producers, or created by any trade association that represents producers, who account~~
19 ~~for a majority of mattress production in the United States to design, submit, and implement the~~
20 ~~mattress stewardship plan as described in this chapter.~~

21 ~~(7)~~ (6) “Discarded mattress” means any mattress that a consumer intends to discard, has
22 discarded, or that is abandoned.

23 ~~(8)~~ (7) “Energy recovery” means the process by which all or a portion of solid waste materials
24 are processed or combusted in order to utilize the heat content or other forms of energy derived
25 from such solid waste materials.

26 ~~(9)~~ (8) “Foundation” means any ticking-covered structure that is used to support a mattress
27 and that is composed of one or more of the following: A constructed frame, foam, or a box spring.
28 “Foundation” does not include any bed frame or base made of wood, metal, or other material that
29 rests upon the floor and that serves as a brace for a mattress.

30 ~~(9)~~ (9) “Implementing organization” means the organization or entity selected by the resource
31 ~~recovery corporation to administer the mattress stewardship program.~~

32 (10) “Mattress” means any resilient material, or combination of materials, that is enclosed
33 by ticking, used alone or in combination with other products, and that is intended for, or promoted
34 for, sleeping upon. “Mattress” includes any foundation, renovated foundation, or renovated

1 mattress.

2 “Mattress” does not include any of the following:

3 (i) An unattached mattress pad, an unattached mattress topper, including any item with
4 resilient filling, with or without ticking, that is intended to be used with, or on top of a mattress;

5 (ii) A sleeping bag, pillow;

6 (iii) A crib or bassinet mattress, car bed;

7 (iv) Juvenile products, including: a carriage, basket, dressing table, stroller, playpen, infant
8 carrier, lounge pad, crib bumper, and the pads for those juvenile products;

9 (v) A product that contains liquid- or gaseous-filled ticking, including any water bed or air
10 mattress that does not contain upholstery material between the ticking and the mattress core;

11 (vi) Any upholstered furniture that does not contain a detachable mattress; or

12 (vii) A fold-out sofa bed or futon.

13 (11) “Mattress core” means the main support system that is present in a mattress, including,
14 but not limited to: springs, foam, air bladder, water bladder, or resilient filling.

15 ~~(12) “Mattress recycling council” or “council” means the organization created by producers
16 to design, submit, and implement the mattress stewardship program described in § 23-90-5.~~

17 ~~(13)~~¹² “Mattress stewardship fee” means the amount added to the purchase price of a
18 mattress sold in this state that is necessary to cover the cost of collecting, transporting, and
19 processing discarded mattresses by the council pursuant to the mattress stewardship program.

20 ~~(14)~~¹³ “Mattress stewardship program” or “program” means the state wide, program
21 described in § 23-90-5 and implemented pursuant to the mattress stewardship plan as approved by
22 the corporation director.

23 ~~(15)~~¹⁴ “Mattress topper” means any item that contains resilient filling, with or without
24 ticking, that is intended to be used with or on top of a mattress.

25 ~~(16)~~¹⁵ “Performance goal” means a metric proposed by the council, to measure, on an
26 annual basis, the performance of the mattress stewardship program, taking into consideration
27 technical and economic feasibilities, in achieving continuous, meaningful improvement in
28 improving the rate of mattress recycling in the state and any other specified goal of the program.

29 ~~(17)~~¹⁶ “Producer” means any person who manufactures or renovates a mattress that is sold,
30 offered for sale, or distributed in the state under the manufacturer’s own name or brand. “Producer”
31 includes:

32 (i) The owner of a trademark or brand under which a mattress is sold, offered for sale, or
33 distributed in this state, whether or not such trademark or brand is registered in this state; and

34 (ii) Any person who imports a mattress into the United States that is sold or offered for sale

1 in this state and that is manufactured or renovated by a person who does not have a presence in the
2 United States;

3 (~~18~~17) “Recycling” means any process in which discarded mattresses, components, and
4 by-products may lose their original identity or form as they are transformed into new, usable, or
5 marketable materials. “Recycling” does not include as a primary process the use of incineration for
6 energy recovery or energy generation by means of combustion.

7 (~~19~~18) “Renovate” or “renovation” means altering a mattress for the purpose of resale and
8 includes any one, or a combination of, the following: Replacing the ticking or filling, adding
9 additional filling, rebuilding a mattress, or replacing components with new or recycled materials.
10 “Renovate” or “renovation” does not include the:

- 11 (i) Stripping of a mattress of its ticking or filling without adding new material;
- 12 (ii) Sanitization or sterilization of a mattress without otherwise altering the mattress; or
- 13 (iii) Altering of a mattress by a renovator when a person retains the altered mattress for
14 personal use, in accordance with regulations of the department of business regulation.

15 (~~20~~19) “Renovator” means a person who renovates discarded mattresses for the purpose of
16 reselling such mattresses in a retail store.

17 (~~21~~20) “Retailer” means any person who sells mattresses in this state or offers mattresses
18 in this state to a consumer through any means, including, but not limited to, remote offerings such
19 as sales outlets, catalogs, or the internet.

20 (~~22~~21) “Sanitization” means the direct application of chemicals to a mattress to kill human
21 disease-causing pathogens.

22 (~~23~~22) “-Sale” means the transfer of title of a mattress for consideration, including through
23 the use of a sales outlet, catalog, internet website, or similar electronic means.

24 (~~24~~23) “Sterilization” means the mitigation of any deleterious substances or organisms
25 including human disease-causing pathogens, fungi, and insects from a mattress or filling material
26 using a process approved by the department of business regulation.

27 (~~25~~24) “Ticking” means the outermost layer of fabric or material of a mattress. “Ticking”
28 does not include any layer of fabric or material quilted together with, or otherwise attached to, the
29 outermost layer of fabric or material of a mattress.

30 (~~26~~25) “Upholstery material” means all material, loose or attached, between the ticking
31 and the core of a mattress.

32 (~~27~~26) “Wholesaler” means any person who sells or distributes mattresses in the state, in a
33 nonretail setting, for the purpose of the resale of such mattresses.

34 [23-90-5. Mattress stewardship plan.](#)

1 (a) On or before ~~July 1, 2015~~ December 31, 2024, and every five years thereafter, the
2 ~~mattress stewardship council corporation~~ shall ~~submit a mattress stewardship plan for the~~
3 ~~establishment of a mattress stewardship program to the corporation director for approval~~ issue a
4 solicitation consistent with state procurement law to identify an implementing organization to
5 administer the mattress stewardship program.

6 (b) ~~The plan~~ Responses to the solicitation submitted pursuant to subsection (a) of this
7 section shall, to the extent it is technologically feasible and economically practical:

- 8 (1) Identify each producer's participation in the program;
- 9 (2) Describe the fee structure for the program and propose a uniform stewardship fee that
10 is sufficient to cover the costs of operating and administering the program;
- 11 (3) Establish performance goals for the ~~first two (2) years of the~~ program;
- 12 (4) Identify proposed recycling facilities to be used by the program, such facilities shall not
13 require a solid waste management facilities license;
- 14 (5) Detail how the program will promote the recycling of discarded mattresses;
- 15 (6) Include a description of the public education program;
- 16 (7) Describe fee-disclosure language that retailers will be required to prominently display
17 that will inform consumers of the amount and purpose of the fee; and
- 18 (8) Identify the methods and procedures to facilitate implementation of the mattress
19 stewardship program in coordination with the corporation director and municipalities.

20 ~~(c) Not later than ninety (90) days after submission of the plan pursuant to this section, the~~
21 ~~corporation shall make a determination whether to:~~

- 22 ~~(1) Approve the plan as submitted; or~~
- 23 ~~(2) Deny the plan.~~

24 ~~(d) The corporation director shall approve the plan for the establishment of the mattress~~
25 ~~stewardship program, provided such plan reasonably meets the requirements of this section. Prior~~
26 ~~to making such determination, the corporation director shall post the plan for at least thirty (30)~~
27 ~~days, in accordance with the "Administrative Procedures Act" as set forth in chapter 35 of title 42,~~
28 ~~on the corporation's website and solicit public comments on the plan to be posted on the website.~~

29 ~~(e)~~ In the event that the corporation does not select a respondent to administer the mattress
30 stewardship program, or the director of the corporation determines that the corporation can
31 administer a mattress stewardship program at lower cost to the consumer, then the corporation shall
32 administer a mattress stewardship program consistent with the requirements of this chapter. In such
33 cases, the corporation shall assume all duties and responsibilities of the implementing organization,
34 as defined in this chapter, and shall administer the mattress stewardship program until such time as

1 a new implementing organization is selected pursuant to the solicitation required by this section to
2 occur every five years. ~~director denies the plan, the corporation director shall provide a notice of~~
3 ~~determination to the council, within sixty (60) days, detailing the reasons for the disapproval. The~~
4 ~~council shall revise and resubmit the plan to the corporation director not later than forty five (45)~~
5 ~~days after receipt of notice of the corporation director's denial notice. Not later than forty five (45)~~
6 ~~days after receipt of the revised plan, the corporation director shall review and approve or deny the~~
7 ~~revised plan. The council may resubmit a revised plan to the corporation director for approval on~~
8 ~~not more than two (2) occasions. If the council fails to submit a plan that is acceptable to the~~
9 ~~corporation director, because it does not meet the criteria pursuant to subdivisions (b)(1-8), the~~
10 ~~corporation director shall have the ability to modify the submitted plan and approve it. Not later~~
11 ~~than one hundred twenty (120) days after the approval of a plan pursuant to this section, the council~~
12 ~~shall implement the mattress stewardship program.~~

13 (fd) It is the responsibility of the ~~council~~ implementing organization to:

14 (1) Notify the corporation director whenever there is a proposed substantial change to the
15 program. If the corporation director takes no action on a proposed substantial change within ninety
16 (90) days after notification of the proposed change, the proposed change shall be deemed approved.
17 For the purposes of this subdivision, "substantial change" shall include, but not be limited to:

18 (i) A change in the processing facilities to be used for discarded mattresses collected
19 pursuant to the program; or

20 (ii) A material change to the system for collecting mattresses.

21 ~~(2) Not later than October 1, 2017, the council shall submit to the corporation director for~~
22 ~~review, updated performance goals that are based on the experience of the program during the first~~
23 ~~two (2) years of the program.~~

24 (ge) The ~~council~~ implementing organization shall notify the corporation director of any
25 other changes to the program on an ongoing basis, whenever they occur, without resubmission of
26 the plan to the corporation director for approval. ~~Such changes shall include, but not be limited to,~~
27 ~~a change in the composition, officers, or contact information of the council.~~

28 ~~(h) On or before July 1, 2015, and every two (2) years thereafter, the council shall propose~~
29 ~~a uniform fee for all mattresses sold in this state. The council may propose a change to the uniform~~
30 ~~fee more frequently than once every two (2) years if the council determines such change is needed~~
31 ~~to avoid funding shortfalls or excesses. Any proposed fee shall be reviewed by an independent~~
32 ~~auditor to ensure that such assessment does not exceed the costs of the mattress stewardship~~
33 ~~program described in subsection (b) of this section and to maintain financial reserves sufficient to~~
34 ~~operate the program over a multi-year period in a fiscally prudent and responsible manner. Not~~

1 ~~later than sixty (60) days after the council proposes a mattress stewardship fee, the auditor shall~~
2 ~~render an opinion to the corporation director as to whether the proposed mattress stewardship fee~~
3 ~~is reasonable to achieve the goals set forth in this section. If the auditor concludes that the mattress~~
4 ~~stewardship fee is reasonable, then the proposed fee shall go into effect not less than ninety (90)~~
5 ~~days after the auditor notifies the corporation director that the fee is reasonable. If the auditor~~
6 ~~concludes that the mattress stewardship fee is not reasonable, the auditor shall provide the council~~
7 ~~with written notice explaining the auditor's opinion. Specific documents or information provided~~
8 ~~to the auditor by the council, along with any associated internal documents or information held by~~
9 ~~the council, shall be made available to the corporation for its review upon request but shall not be~~
10 ~~made public if the documents and information contain trade secrets or commercial or financial~~
11 ~~information of a privileged or confidential nature, pursuant to chapter 2 of title 38 ("access to public~~
12 ~~records"). Not later than fourteen (14) days after the council's receipt of the auditor's opinion, the~~
13 ~~council may either propose a new mattress stewardship fee, or provide written comments on the~~
14 ~~auditor's opinion. If the auditor concludes that the fee is not reasonable, the corporation director~~
15 ~~shall decide, based on the auditor's opinion and any comments provided by the council, whether to~~
16 ~~approve the proposed mattress stewardship fee. Such auditor shall be selected by the council. The~~
17 ~~cost of any work performed by such auditor pursuant to the provisions of this subsection and~~
18 ~~subsection (i) of this section shall be funded by the council.~~

19 (f)(1) On and after the implementation of the mattress stewardship program, each retailer
20 shall add the amount of the fee established pursuant to subsection (b) of this section ~~and described~~
21 ~~in subsection (h) of this section~~ to the purchase price of all mattresses sold in this state. The fee
22 shall be remitted by the retailer to the ~~council~~ implementing organization. The ~~council~~
23 implementing organization may, subject to the corporation director's approval, establish an
24 alternative, practicable means of collecting or remitting such fee.

25 (2) On and after the implementation date of the mattress stewardship program, no producer,
26 distributor, or retailer shall sell or offer for sale a mattress to any person in the state if the producer
27 is not a ~~member participant in~~ of the mattress stewardship program administered by the council
28 implementing organization.

29 (3) No retailer or distributor shall be found to be in violation of the provisions of this
30 section, if, on the date the mattress was ordered from the producer or its agent, the producer of said
31 mattress was listed on the corporation's website in accordance with the provisions of this chapter.

32 (jg) Not later than October 1, 2016, and annually thereafter, the ~~council~~ implementing
33 organization shall submit an annual report to the corporation director. The corporation director shall
34 post such annual report on the corporation's website. Such report shall include, but not be limited

1 to:

2 (1) The weight of mattresses collected pursuant to the program from:

3 (i) Municipal and/or transfer stations;

4 (ii) Retailers; and

5 (iii) All other covered entities;

6 (2) The weight of mattresses diverted for recycling;

7 (3) Identification of the mattress recycling facilities to which mattresses were delivered for
8 recycling;

9 (4) The weight of discarded mattresses recycled, as indicated by the weight of each of the
10 commodities sold to secondary markets;

11 (5) The weight of mattresses, or parts thereof, sent for disposal at each of the following:

12 (i) Rhode Island resource recovery corporation; and

13 (ii) Any other facilities;

14 (6) Samples of public education materials and methods used to support the program;

15 (7) A description of efforts undertaken and evaluation of the methods used to
16 disseminate such materials;

17 (8) Updated performance goals and an evaluation of the effectiveness of the methods and
18 processes used to achieve performance goals of the program; and

19 (9) Recommendations for any changes to the program.

20 ~~(h)~~ Two (2) years after the implementation of the program and upon the request of the
21 corporation director, but not more frequently than once a year, the ~~council~~ implementing
22 organization shall cause an audit of the program to be conducted by ~~the auditor described in~~
23 ~~subsection (h) of this section~~ an independent auditor selected by the implementing organization.

24 Such audit shall review the accuracy of the ~~council's~~ implementing organization's data concerning
25 the program and provide any other information requested by the corporation director. Such audit
26 shall be paid for by the ~~council~~ implementing organization. The ~~council~~ implementing organization
27 shall maintain all records relating to the program for not less than three (3) years.

28 ~~(i)~~ No covered entity that participates in the program shall charge for receipt of mattresses
29 generated in the state. Covered entities may charge a fee for providing the service of collecting
30 mattresses and may restrict the acceptance of mattresses by number, source, or physical condition.

31 ~~(m)~~ Covered entities that, upon the date of this act's passage, have an existing program for
32 recycling discarded mattresses may continue to operate such program without coordination of the
33 council, so long as the entities are able to demonstrate, in writing, to the corporation director that
34 the facilities to which discarded mattresses are delivered are engaged in the business of recycling

1 said mattresses and the corporation director approves the written affirmation that the facility
2 engages in mattress recycling of mattresses received by the covered entity. A copy of the written
3 affirmation and the corporation's approval shall be provided to the council by the corporation
4 director in a timely manner.

5 (k) The implementing organization may, subject to approval by the corporation, propose
6 the establishment and maintenance of a financial reserve sufficient to operate the program over a
7 multi-year period in a fiscally prudent and responsible manner. Such financial reserve shall not
8 exceed 50 percent of the projected program costs in any given year.

9 (l) The corporation is authorized to cap administrative expenses to administer the mattress
10 stewardship program at a set percentage of annual program expenses as determined by the
11 corporation.

12 **23-90-6. Responsibilities of the Rhode Island resource recovery corporation.**

13 (a) The corporation shall review for approval responses to the solicitation for an
14 implementing organization to administer the mattress stewardship ~~plan program.~~ ~~of the council~~

15 (b) The corporation shall maintain on its website information on collection opportunities
16 for mattresses, including collection site locations. The information must be made available in a
17 printable format for retailers and consumers.

18 (c) Not later than the implementation date of the mattress stewardship program, the
19 corporation shall list the names of participating producers covered by the program and the cost of
20 the approved mattress stewardship fee on its website.

21 (d) The corporation shall approve the mattress stewardship fee to be applied by the ~~council~~
22 implementing organization to mattresses pursuant to this chapter.

23 (e) The corporation shall assume responsibility for administering the mattress stewardship
24 program in the event that none of the submissions to the solicitation for an implementing
25 organization are deemed sufficient, or if the director of the corporation determines that the
26 corporation can administer the mattress stewardship program at a lower cost to the consumer than
27 any of the respondents to the solicitation.

28 (ef) Pursuant to § 23-90-11, the corporation shall report biennially to the general assembly
29 on the operation of the statewide system for collection, transportation and recycling of mattresses.

30 **23-90-8. Immunity.**

31 Each producer, retailer and the ~~council~~ implementing organization shall be immune from
32 liability for any claim of a violation of antitrust law, to the extent such producer or ~~council~~
33 implementing organization is exercising authority pursuant to the provisions of this chapter,
34 including but not limited to:

1 (1) The creation, implementation or management of a plan pursuant to § 23-90-5, and the
2 types or quantities of used mattresses recycled or otherwise managed pursuant to a plan;

3 (2) The cost and structure of a plan; and

4 (3) The establishment, administration, collection or disbursement of the mattress
5 stewardship fee associated with funding the implementation of the plan.

6 **23-90-10. Collaboration.**

7 In the event that another state implements a mattress recycling program, the ~~council~~
8 implementing organization may collaborate with such state to conserve efforts and resources used
9 in carrying out the mattress stewardship program, provided such collaboration is consistent with
10 the requirements of this chapter.

11 SECTION 14. Section 23-90-4 in Chapter 23-90 entitled “Responsible Recycling, Reuse
12 and Disposal of Mattresses” is hereby repealed.

13 **~~23-90-4. Mattress stewardship council established.~~**

14 ~~(a) On or before July 1, 2015, each producer shall join the council and such council shall~~
15 ~~submit a plan, for the corporation director’s approval, to establish a statewide mattress stewardship~~
16 ~~program, as described in this section. Any retailer may be a member of such council. Such mattress~~
17 ~~stewardship program shall, to the extent it is technologically feasible and economically practical:~~

18 ~~(1) Minimize public sector involvement in the management of discarded mattresses;~~

19 ~~(2) Provide for the convenient and accessible statewide collection of discarded mattresses~~
20 ~~from any person in the state with a discarded mattress that was discarded in the state, including~~
21 ~~from participating covered entities that accumulated and segregated a minimum of fifty (50)~~
22 ~~discarded mattresses for collection at one time, or a minimum of thirty (30) discarded mattresses~~
23 ~~for collection at one time in the case of participating municipal transfer stations;~~

24 ~~(3) Provide for council financed recycling and disposal of discarded mattresses;~~

25 ~~(4) Provide suitable storage containers at permitted municipal transfer stations, municipal~~
26 ~~government property or other solid waste management facilities for segregated, discarded~~
27 ~~mattresses, or make other mutually agreeable storage and transportation agreements at no cost to~~
28 ~~such municipality provided the municipal transfer station, municipal government property or other~~
29 ~~solid waste management facilities make space available for such purpose and imposes no fee for~~
30 ~~placement of such storage container on its premises;~~

31 ~~(5) Include a uniform mattress stewardship fee that is sufficient to cover the costs of~~
32 ~~operating and administering the program; and~~

33 ~~(6) Establish a financial incentive that provides for the payment of a monetary sum,~~
34 ~~established by the council, to promote the recovery of mattresses.~~

1 ~~(b) The council shall be a nonprofit organization with a fee structure that covers, but does~~
2 ~~not exceed, the costs of developing the plan and operating and administering the program in~~
3 ~~accordance with the requirements of this chapter, and maintaining a financial reserve sufficient to~~
4 ~~operate the program over a multi-year period of time in a fiscally prudent and responsible manner.~~
5 ~~The council shall maintain all records relating to the program for a period of not less than three (3)~~
6 ~~years.~~

7 ~~(c) Pursuant to the program, recycling shall be preferred over any other disposal method to~~
8 ~~the extent that recycling is technologically feasible and economically practical.~~

9 ~~(d) The council shall enter into an agreement with the corporation to reimburse for~~
10 ~~reasonable costs directly related to administering the program but not to exceed the cost of two (2)~~
11 ~~full-time equivalent employees.~~

12 SECTION 15. Title 23 of the General Laws entitled "Health and Safety" is hereby amended
13 by adding thereto the following Chapter:

14 **CHAPTER 100**

15 **RHODE ISLAND HEALTHCARE WORKFORCE DATA COLLECTION ACT**

16 **23-100-1. Short Title.**

17 This Chapter shall be known and may be cited as the Rhode Island Healthcare Workforce
18 Data Collection Act.

19 **23-100-2. Definitions.**

20 (1) "Department" means the Rhode Island department of health.

21 (2) "Health care professional" means physicians, physician assistants, dentists, registered
22 nurses, licensed practical nurses, advanced practice registered nurses, nursing assistants,
23 psychologists, licensed clinical social workers, and mental health counselors and marriage and
24 family therapists, and any other licensees as defined by the department.

25 (3) "Not currently working" means unemployed-not looking for a job, unemployed and
26 looking for a job; on extended leave, retired, or other.

27 (4) "Principal specialty" means the specialty the healthcare professional spends the most
28 time
29 practicing.

30 **23-100-3. Health care workforce data collection authorized.**

31 The department is hereby authorized to collect healthcare workforce data on all healthcare
32 professionals licensed by the department as part of the department's licensure and license renewal
33 process and to request all healthcare professionals to voluntarily provide the following healthcare
34 workforce data elements as a part of licensure and licensure renewal:

- 1 (a) Principal Specialty;
- 2 (b) Education level;
- 3 (c) Current practice status in Rhode Island, including but not limited to, clinical practice,
- 4 medical administrative or legal services only, clinical teaching or clinical research only, not
- 5 currently working in the medical field, status as a provider of telemedicine, and other practice status
- 6 as determined by the department;
- 7 (d) Ethnicity;
- 8 (e) Race;
- 9 (f) Languages spoken other than English;
- 10 (g) Additional years planning to practice or anticipated retirement year;
- 11 (h) Total number of clinical/non-clinical hours per week providing services;
- 12 (i) Practice name(s), location(s), and contact information;
- 13 (j) Acceptance of Medicaid as a form of payment;
- 14 (k) Other data as defined by the department.

15 **23-100-4. Privacy.**

16 The department shall not make publicly available individual data acquired pursuant to §

17 23-97-3. Individualized healthcare workforce data elements shall remain confidential and shall only

18 be available as de-identified aggregate analysis to support healthcare planning, workforce analysis

19 and other health program and policy recommendations. Publicly available data may include, but

20 not be limited to:

- 21 (a) Aggregate de-identified data and information on current healthcare workforce capacity;
- 22 (b) Geographic distribution of healthcare professionals actively practicing;
- 23 (c) Provider-to-population rates; and
- 24 (d) Projections of healthcare workforce need.

25 **23-100-5. Rules and regulations.**

26 The department shall promulgate rules and regulations pursuant to this chapter.

27 SECTION 16. Section 28-43-1 of the General Laws in Chapter 34-18 entitled

28 "Employment Security - Contributions" is hereby amended to read as follows:

29 **28-43-1. Definitions.**

30 The following words and phrases as used in this chapter have the following meanings,

31 unless the context clearly requires otherwise:

- 32 (1) "Balancing account" means a book account to be established within the employment
- 33 security fund, the initial balance of which shall be established by the director as of September 30,
- 34 1979, by transferring the balance of the solvency account on that date to the balancing account.

1 (2) “Computation date” means September 30 of each year, provided, however, that in
2 calendar year 2024, for the purposes of establishing which schedule shall be in effect for tax year
3 2025, “computation date” means any date between September 30 and December 31 in the discretion
4 of the director of the department of labor.

5 (3) “Eligible employer” means an employer who has had three (3) consecutive experience
6 years during each of which contributions have been credited to the employer’s account and benefits
7 have been chargeable to this account.

8 (4) “Employer’s account” means a separate account to be established within the
9 employment security fund by the director as of September 30, 1958, for each employer subject to
10 chapters 42 — 44 of this title, out of the money remaining in that fund after the solvency account
11 has been established in the fund, by crediting to each employer an initial credit balance bearing the
12 same relation to the total fund balance so distributed, as his or her tax contributions to the fund
13 during the period beginning October 1, 1955, and ending on September 30, 1958, have to aggregate
14 tax contributions paid by all employers during the same period; provided, that nothing contained in
15 this section shall be construed to grant to any employer prior claim or rights to the amount
16 contributed by him or her to the fund.

17 (5) “Experience rate” means the contribution rate assigned to an employer’s account under
18 whichever is applicable of schedules A — I in § 28-43-8.

19 (6) “Experience year” means the period of twelve (12), consecutive calendar months
20 ending September 30 of each year.

21 (7) “Most recent employer” means the last base-period employer from whom an individual
22 was separated from employment and for whom the individual worked for at least four (4) weeks,
23 and in each of those four (4) weeks had earnings of at least twenty (20) times the minimum hourly
24 wage as defined in chapter 12 of this title.

25 (8) “Reserve percentage” means, in relation to an employer’s account, the net balance of
26 that account on a computation date, including any voluntary contributions made in accordance with
27 § 28-43-5.1, stated as a percentage of the employer’s twelve-month (12) average taxable payroll
28 for the last thirty-six (36) months ended on the immediately preceding June 30.

29 (9) “Reserve ratio of fund” means the ratio which the total amount available for the
30 payment of benefits in the employment security fund on September 30, 1979, or any computation
31 date thereafter, minus any outstanding federal loan balance, plus an amount equal to funds
32 transferred to the job development fund through the job development assessment adjustment for
33 the prior calendar year, bears to the aggregate of all total payrolls subject to this chapter paid during
34 the twelve-month (12) period ending on the immediately preceding June 30, or the twelve-month

1 (12) average of all total payrolls during the thirty-six-month (36) period ending on that June 30,
2 whichever percentage figure is smaller.

3 (10) "Taxable payroll" means, for the purpose of this chapter, the total of all wages as
4 defined in § 28-42-3(29).

5 SECTION 17. Section 34-18-58 of the General Laws in Chapter 34-18 entitled "Residential
6 Landlord and Tenant Act" is hereby amended to read as follows:

7 34-18-58. Statewide mandatory ~~rental~~ lead registry.

8 (a) All landlords who own at least one (1) rental dwelling unit built before 1978 shall
9 register the following information with the department of health:

10 (1) Names of individual landlords or any business entity responsible for leasing to a tenant
11 under this chapter;

12 (2) An active business address, PO box, or home address;

13 (3) An active email address;

14 (4) An active telephone number that would reasonably facilitate communications with the
15 tenant of each dwelling unit;

16 (5) Any property manager, management company, or agent for service of the property,
17 along with the business address, PO box, or home address of the property manager, management
18 company, or agent and including:

19 (i) An active email address; and

20 (ii) An active telephone number, for each such person or legal entity, if applicable, for each
21 dwelling unit; and

22 (6) Information necessary to identify each dwelling unit.

23 (b) All landlords who lease a residential property constructed prior to 1978 and that is not
24 exempt from the requirements of chapter 128.1 of title 42 ("lead hazard mitigation") shall, in
25 addition to the requirements of subsection (a) of this section, for each dwelling unit, provide the
26 department of health with a valid certificate of conformance in accordance with chapter 128.1 of
27 title 42 ("lead hazard mitigation") and regulations derived therefrom, or evidence sufficient to
28 demonstrate that they are exempt from the requirement to obtain a certificate of conformance.

29 (c) Contingent upon available funding, no later than September 1, 2025, the department of
30 health, or designee, shall create a publicly accessible online database containing ~~the~~ information
31 ~~obtained in accordance with subsections (a) and (b) of this section, no later than nine (9) months~~
32 ~~following the effective date of this section [June 20, 2023].~~ on all landlords who have not provided
33 the department with a valid certificate of conformance. The database shall contain:

34 (i) The names of individual landlords or any business entity responsible for leasing to a

1 [tenant under this chapter.](#)

2 [\(ii\) The property address and,](#)

3 [\(iii\) Any property manager, management company, or agent for service of the property.](#)

4 (d) All landlords subject to the requirements of subsections (a) and (b) of this section as of
5 September 1, 2024~~4~~⁵, shall register the information required by those subsections no later than
6 October 1, 2024~~4~~⁵. A landlord who acquires a rental property, or begins leasing a rental property to
7 a new tenant, after September 1, 2024~~4~~⁵, shall register the information required by subsections (a)
8 and (b) of this section within thirty (30) days after the acquisition or lease to a tenant, whichever
9 date is earlier. All landlords subject to the requirements of subsections (a) and (b) of this section
10 shall, following initial registration, re-register by October 1 of each year in order to update any
11 information required to comply with subsections (a) and (b) of this section, or to confirm that the
12 information already supplied remains accurate.

13 (e) Any person or entity subject to subsections (a) and (b) of this section who fails to
14 comply with the registration provision in subsection (d) of this section, shall be subject to a civil
15 fine of at least fifty dollars (\$50.00) per month for failure to register the information required by
16 subsection (a) of this section, or at least one hundred and twenty-five dollars (\$125) per month, for
17 failure to register the information required by subsection (b) of this section.

18 (f) All civil penalties imposed pursuant to subsection (e) of this section shall be payable to
19 the department of health. There is to be established a restricted receipt account to be known as the
20 "rental registry account" which shall be a separate account within the department of health.
21 Penalties received by the department pursuant to the terms of this section shall be deposited into
22 the account. Monies deposited into the account shall be transferred to the department of health and
23 shall be expended for the purpose of administering the provisions of this section or lead hazard
24 mitigation, abatement, enforcement, or poisoning prevention. No penalties shall be levied under
25 this section prior to October 1, 2024~~4~~⁵.

26 (g) Notwithstanding the provisions of § 34-18-35, a landlord or any agent of a landlord
27 may not commence an action to evict for nonpayment of rent in any court of competent jurisdiction,
28 unless, at the time the action is commenced, the landlord is in compliance with the requirements of
29 subsections (a), (b), and (d) of this section. A landlord must present the court with evidence of
30 compliance with subsections (a), (b), and (d) of this section at the time of filing an action to evict
31 for nonpayment of rent in order to proceed with the civil action.

32 (h) The department of health may commence an action for injunctive relief and additional
33 civil penalties of up to fifty dollars (\$50.00) per violation against any landlord who repeatedly fails
34 to comply with subsection (a) of this section. The attorney general may commence an action for

1 injunctive relief and additional civil penalties of up to one thousand dollars (\$1,000) per violation
2 against any landlord who repeatedly fails to comply with subsection (b) of this section. Any
3 penalties obtained pursuant to this subsection shall be used for the purposes of lead hazard
4 mitigation, abatement, enforcement, or poisoning prevention, or for the purpose of administering
5 the provisions of this section. No penalties shall be levied under this section prior to October 1,
6 2024⁴⁵.

7 SECTION 18. Effective July 1, 2024, section 35-17-1 of the General Laws in Chapter 35-
8 17 entitled "Medical Assistance and Public Assistance Caseload Estimating Conferences" is hereby
9 amended to read as follows:

10 **35-17-1. Purpose and membership.**

11 (a) In order to provide for a more stable and accurate method of financial planning and
12 budgeting, it is hereby declared the intention of the legislature that there be a procedure for the
13 determination of official estimates of anticipated medical assistance expenditures and public
14 assistance caseloads, upon which the executive budget shall be based and for which appropriations
15 by the general assembly shall be made.

16 (b) The state budget officer, the house fiscal advisor, and the senate fiscal advisor shall
17 meet in regularly scheduled caseload estimating conferences (C.E.C.). These conferences shall be
18 open public meetings.

19 (c) The chairpersonship of each regularly scheduled C.E.C. will rotate among the state
20 budget officer, the house fiscal advisor, and the senate fiscal advisor, hereinafter referred to as
21 principals. The schedule shall be arranged so that no chairperson shall preside over two (2)
22 successive regularly scheduled conferences on the same subject.

23 (d) Representatives of all state agencies are to participate in all conferences for which their
24 input is germane.

25 (e) The department of human services shall provide monthly data to the members of the
26 caseload estimating conference by the fifteenth day of the following month. Monthly data shall
27 include, but is not limited to, actual caseloads and expenditures for the following case assistance
28 programs: Rhode Island Works, SSI state program, general public assistance, and child care. For
29 individuals eligible to receive the payment under § 40-6-27(a)(1)(vi), the report shall include the
30 number of individuals enrolled in a managed care plan receiving long-term-care services and
31 supports and the number receiving fee-for-service benefits. The executive office of health and
32 human services shall report relevant caseload information and expenditures for the following
33 medical assistance categories: hospitals, long-term care, managed care, pharmacy, and other
34 medical services. In the category of managed care, caseload information and expenditures for the

1 following populations shall be separately identified and reported: children with disabilities,
2 children in foster care, and children receiving adoption assistance and RIte Share enrollees under §
3 40-8.4-12(j). The information shall include the number of Medicaid recipients whose estate may
4 be subject to a recovery and the anticipated amount to be collected from those subject to recovery,
5 the total recoveries collected each month and number of estates attached to the collections and each
6 month, the number of open cases and the number of cases that have been open longer than three
7 months.

8 (f) Beginning July 1, 2021, the department of behavioral healthcare, developmental
9 disabilities and hospitals shall provide monthly data to the members of the caseload estimating
10 conference by the ~~fifteenth~~ twenty-fifth day of the following month. Monthly data shall include,
11 but is not limited to, actual caseloads and expenditures for the private community developmental
12 disabilities services program. Information shall include, but not be limited to: the number of cases
13 and expenditures from the beginning of the fiscal year at the beginning of the prior month; cases
14 added and denied during the prior month; expenditures made; and the number of cases and
15 expenditures at the end of the month. The information concerning cases added and denied shall
16 include summary information and profiles of the service-demand request for eligible adults meeting
17 the state statutory definition for services from the division of developmental disabilities as
18 determined by the division, including age, Medicaid eligibility and agency selection placement with
19 a list of the services provided, and the reasons for the determinations of ineligibility for those cases
20 denied. The department shall also provide, monthly, the number of individuals in a shared-living
21 arrangement and how many may have returned to a twenty-four-hour (24) residential placement in
22 that month. The department shall also report, monthly, any and all information for the consent
23 decree that has been submitted to the federal court as well as the number of unduplicated individuals
24 employed; the place of employment; and the number of hours working. The department shall also
25 provide the amount of funding allocated to individuals above the assigned resource levels; the
26 number of individuals and the assigned resource level; and the reasons for the approved additional
27 resources. The department will also collect and forward to the house fiscal advisor, the senate fiscal
28 advisor, and the state budget officer, by November 1 of each year, the annual cost reports for each
29 community-based provider for the prior fiscal year. The department shall also provide the amount
30 of patient liability to be collected and the amount collected as well as the number of individuals
31 who have a financial obligation. The department will also provide a list of community-based
32 providers awarded an advanced payment for residential and community-based day programs; the
33 address for each property; and the value of the advancement. If the property is sold, the department
34 must report the final sale, including the purchaser, the value of the sale, and the name of the agency

1 that operated the facility. If residential property, the department must provide the number of
2 individuals residing in the home at the time of sale and identify the type of residential placement
3 that the individual(s) will be moving to. The department must report if the property will continue
4 to be licensed as a residential facility. The department will also report any newly licensed twenty-
5 four-hour (24) group home; the provider operating the facility; and the number of individuals
6 residing in the facility. Prior to December 1, 2017, the department will provide the authorizations
7 for community-based and day programs, including the unique number of individuals eligible to
8 receive the services and at the end of each month the unique number of individuals who participated
9 in the programs and claims processed.

10 (g) The executive office of health and human services shall provide direct assistance to the
11 department of behavioral healthcare, developmental disabilities and hospitals to facilitate
12 compliance with the monthly reporting requirements in addition to preparation for the caseload
13 estimating conferences.

14 SECTION 19. Chapter 37-2 of the General Laws entitled "State Purchases" is hereby
15 amended by adding thereto the following section:

16 **37-2-83. Ethics.**

17 (a) All state employees shall be subject to the provisions of Chapter 36-14 and all
18 regulations promulgated by the Rhode Island Ethics Commission, and any special provisions of
19 this section.

20 (b) In addition to Chapter 36-14, the following Supplemental State Code of Procurement
21 Ethics shall apply to procurement personnel and vendors. Procurement personnel shall be defined
22 as every employee within the division of purchases, any state employee that is directly involved in
23 drafting or approving specifications, requirements, and requisitions, and/or any state employee
24 involved in or advising on the technical evaluation for solicitations. Procurement personnel shall
25 also include any agency directors involved in a particular procurement.

26 (1) The code of ethics applicable to all procurement personnel:

27 (A) To consider, first, the interests of the state in all transactions;

28 (B) To support and carry out state policies;

29 (C) To buy without prejudice;

30 (D) To avoid any conflict of interest with respect to procurement, or the appearance thereof;

31 (E) To obtain the maximum value for each dollar of expenditure;

32 (F) To subscribe to and work for honesty and truth in buying and selling, and to denounce
33 all forms and manifestations of bribery; and

34 (G) To respect obligation and to require that obligations to the state be respected, consistent

1 with good business practice.

2 (2) A primary responsibility of purchasing personnel shall be to maintain good relations
3 with suppliers and potential suppliers. Relationships shall be maintained in a manner which assures
4 that no conflict of interest situations arise.

5 (A) All potential suppliers shall be given a fair opportunity to present their capabilities and
6 products.

7 (B) Reasonable effort shall be made to provide fair bidding opportunities to all qualified
8 and interested suppliers.

9 (C) During the procurement process, procurement personnel shall maintain the
10 confidentiality of information submitted by suppliers and potential suppliers.

11 (i) During the procurement process, supplier proposals shall be treated in confidence with
12 regard to technical approach and cost.

13 (ii) Distribution of information contained in supplier proposals shall be limited to those
14 having a "need to know" as determined by the Purchasing Agent.

15 (iii) Under no circumstances shall confidential information be made available to other
16 vendors.

17 (D) Procurement personnel are prohibited from engaging in any conduct which might cause
18 any existing or prospective supplier of goods or services to believe that its relationship with the
19 state will be affected by purchasing or failing to purchase goods or services from any procurement
20 personnel or any business associate of such procurement personnel.

21 (E) Under no circumstances may a vendor provide to procurement personnel, nor may
22 procurement personnel accept, any goods or services, regardless of monetary value, for personal
23 use for less than fair market value.

24 (F) Procurement personnel are prohibited from accepting gifts or gratuities in any form for
25 themselves or their families (spouses, parents, children, sisters, brothers, in-laws, etc.) from
26 contractors, subcontractors or suppliers now furnishing or desiring to furnish supplies or services
27 to the division of purchases.

28 (i) Gifts or gratuities shall mean, but are not limited to money, merchandise, advertising
29 media (any merchandise carrying a vendor's name or logo), gift certificates, trips (individually or
30 in groups), cocktail parties, dinners, evening entertainment, sporting events, etc.

31 (G) Inappropriate social interaction between procurement personnel and any current or
32 prospective contractors, subcontractors or suppliers and their representatives creating the
33 impression of favoritism shall be avoided. However, social interactions between state employees
34 and representatives of suppliers which are clearly of a personal nature, in which the parties involved

1 would normally be expected to reciprocate, and in which no reimbursement from the state is sought
2 by the employee, may be acceptable. However, the responsibility rests on the individual employee
3 to regulate his or her own actions and to seek advice from the State Purchasing Agent, or designee,
4 with respect to the Supplemental State Code of Procurement Ethics.

5 (3) It shall be the obligation of all state employees to avoid conflicts of interest with respect
6 to procurement, and to report promptly to the State Purchasing Agent all instances where a conflict
7 exists or is suspected to exist.

8 (4) The State Purchasing Agent shall investigate and issue determinations with respect to
9 any reports or complaints made under this section.

10 (5) All employees of the division of purchases shall be required to sign and submit annual
11 disclosure statements with respect to conflicts of interest.

12 (6) Procurement personnel shall not make purchases for personal use in the name of the
13 state or through the use of any state procurement forms.

14 (i.) If a procurement personnel violates the provisions of this section, the State Purchasing
15 Agent, or designee, with approval by the Chief Purchasing Officer, will recommend appropriate
16 consequences to the division of human resources, including but not limited to: reassignment of the
17 procurement personnel or other state employee involved, termination of employment of the
18 procurement personnel or other state employee involved. Additionally, if appropriate, the Chief
19 Purchasing Officer may refer the matter to the Ethics Commission pursuant to Chapter 36-14.

20 (ii) If a vendor violates the provisions of this section, the State Purchasing Agent, or
21 designee, with approval by the Chief Purchasing Officer, will recommend appropriate
22 consequences, including, but not limited to the suspension or debarment of any and all vendors
23 who may be involved.

24 SECTION 20. Sections 37-2-2, 37-2-13.1, 37-2-17, 37-2-17.1, 37-2-17.2, 37-2-18, 37-2-
25 18.2, 37-2-19, 37-2-20, 37-2-25.1, 37-2-54 and 37-2-56 of the General Laws in Chapter 37-2
26 entitled "State Purchases" are hereby amended to read as follows:

27 **37-2-2. General provisions.**

28 (a) This chapter shall be liberally construed and applied to promote its underlying purposes
29 and policies.

30 (b) The purpose of the public procurement system for the State of Rhode Island and its
31 local public agencies is to deliver on a timely basis the best value product or service to the customer,
32 while maintaining the public's trust and fulfilling public policy objectives in the best interest of the
33 State. The additional underlying purposes and policies of this chapter are to:

34 (1) Simplify, clarify, and modernize the law governing purchasing by the state of Rhode

- 1 Island and its local public agencies;
- 2 (2) Permit the continued development of purchasing policies and practices;
- 3 (3) Make as consistent as possible the purchasing laws among the various states;
- 4 (4) Provide for increased public confidence in the procedures followed in public
5 procurement;
- 6 (5) Insure the fair and equitable treatment of all persons who deal with the procurement
7 system of the state;
- 8 (6) Provide increased economy in state and public agency procurement activities by
9 fostering effective competition;
- 10 (7) Provide safeguards for the maintenance of a procurement system of quality, integrity
11 and highest ethical standards; and
- 12 (8) Ensure that a public agency, acting through its existing internal purchasing function,
13 adheres to the general principles, policies and practices enumerated herein.

14 **37-2-13.1. Procurement regulations — Request for proposal.**

15 (a) No request for proposal shall change to a ~~master price~~ master price agreement unless
16 the request for proposal is cancelled and reissued as a master price agreement.

17 (b) No vendor, parent corporation, subsidiary, affiliate, or subcontractor of any state vendor
18 may bid on a request for proposal if that person or entity has ~~or had any contractual, financial,~~
19 ~~business, or beneficial interest with the state or~~ a conflict of interest as defined in chapter 36-14
20 with any official, officer, or agency in charge of the request or if they materially participated or
21 were consulted with respect to the direct requirements, and/or technical aspects, ~~or any other part~~
22 ~~of the formation and promulgation~~ of the request for proposals- except for in the situations outlined
23 in subsection (f) of this section.

24 (c) Further, no person or entity ~~who or that acts~~ acting as an operator or vendor for the state
25 may participate in any request for proposal relating to any audit, examination, independent
26 verification, review, or evaluation of any of the person's or entity's work, financials or operations
27 performed for or on behalf of the state, or any official, officer, or agency.

28 ~~(e)~~ (d) Persons or entities certified as "sole source" providers under § 37-2-21 shall be
29 exempt from the requirements of subsection (b) of this section.

30 ~~(e)~~ (e) Any person or entity submitting a proposal in response to a request for proposal
31 shall make a written certification attesting under the penalty of perjury that the terms of subsection
32 (b) of this section have been complied with or that the person or entity is exempt under subsection
33 ~~(e)~~ (d) of this section.

34 (f) Requests for information formally issued by the division of purchases, feasibility studies

1 and preliminary evaluations, and emergency procurements as defined in § 37-2-21 shall be exempt
2 from subsection (b) of this section. However, the division of purchases shall publicly disclose any
3 final prior feasibility studies and/or evaluation reports completed in a subsequent procurement
4 regarding a project.

5 **37-2-17. Method of source selection.**

6 Except for purchases solicited pursuant to the provisions for small purchases set forth in §
7 37-2-22, all state contracts and purchases shall be solicited through utilization of ~~the Rhode Island~~
8 ~~Vendor Information Program (RIVIP)~~ the State's eProcurement system as set forth in § 37-2-17.1.

9 Except as otherwise authorized by law, all state contracts shall be awarded by:

- 10 (1) Competitive sealed offers, pursuant to § 37-2-18;
- 11 (2) Competitive negotiation, pursuant to §§ 37-2-19 and 37-2-20;
- 12 (3) Emergency procurements, sole source procurements, and Nonnoncompetitive
13 negotiation, pursuant to § 37-2-21;
- 14 (4) Small purchase procedures, pursuant to § 37-2-22; or
- 15 (5) Reverse auctions, pursuant to § 37-2-18.1.

16 **37-2-17.1. ~~Rhode Island vendor information program (RIVIP)~~ Rhode Island**
17 **eProcurement System.**

18 (a) The chief purchasing officer is directed to institute an electronic vendor information
19 program which shall enable all solicitations ~~invitations for bid~~ and requests for a proposal to be
20 accessed electronically by all potential vendors. This program is to be readily accessible through
21 public access stations located at the following locations:

- 22 (1) One Capitol Hill, Providence, Rhode Island;
- 23 (2) City hall, town hall or public library of each of the thirty-nine (39) cities and towns in
24 the state.

25 (b) Further, the vendor information program shall be accessible to potential vendors
26 through means of computer modem.

27 (c) The chief purchasing officer may contract with auctioneers as defined in § 37-2-15(10)
28 to conduct electronic reverse auctions, provided that notification of the opportunity to participate
29 in the auction is posted ~~on the RIVIP~~ in accordance with the requirements of § 37-2-25.1.

30 (d) Any reference to Rhode Island vendor information program (RIVIP) in this chapter
31 shall be amended to the Rhode Island eProcurement System.

32 **37-2-17.2. ~~Utilization of department of administration Rhode Island vendor~~**
33 **information program (RIVIP) Utilization of department of administration eProcurement**
34 **system.**

1 All public agencies as defined by § 37-2-7(16) shall utilize the [RIVIP eProcurement system](#)
2 established by the chief purchasing officer for state agencies (~~director of the department of~~
3 ~~administration~~) to implement the requirements of §§ 37-2-17 and 37-2-17.1. The director of
4 administration shall be authorized to assess prorated charges to public agencies to offset costs for
5 acquisition of equipment, computer and other development, consultant services, installation of
6 equipment, software, communications lines, initial and ongoing training and outreach, maintenance
7 and any other costs of implementing and operating the ~~department of administration RIVIP~~
8 [eProcurement system](#).

9 **37-2-18. Competitive sealed bidding.**

10 (a) Contracts exceeding the amount provided by § 37-2-22 [or authorized under the](#)
11 [procurement methods in § 37-2-17](#) shall be awarded by competitive sealed bidding unless it is
12 determined in writing that this method is not practicable or that the best value for the state may be
13 obtained by using an electronic reverse auction as set forth in § 37-2-18.1. Factors to be considered
14 in determining whether competitive sealed bidding is practicable shall include whether:

15 (1) Specifications can be prepared that permit award on the basis of either the lowest bid
16 price or the lowest evaluated bid price; and

17 (2) The available sources, the time and place of performance, and other relevant
18 circumstances as are appropriate for the use of competitive sealed bidding.

19 (b) The ~~invitation for bids~~ [solicitation](#) shall state whether the award shall be made on the
20 basis of the lowest bid price or the lowest evaluated or responsive bid price. If ~~the latter basis is~~
21 ~~used~~ [the selection is not made on the basis of lowest price](#), the objective measurable criteria to be
22 utilized shall be set forth in the ~~invitation for bids~~ [solicitation](#), if available. [Subject to chapter 38-2,](#)
23 [the Access to Public Records Act](#), ~~All~~ documents submitted in response to the bid proposal ~~are~~
24 ~~public pursuant to chapter 38-2 upon opening of the bids~~ [shall be made public upon the opening of](#)
25 [the bids and are posted on the State's eProcurement system for public inspection.](#) ~~The invitation~~
26 ~~for bids shall state that each bidder must submit a copy of their bid proposal to be available for~~
27 ~~public inspection upon the opening of the bids.~~ The burden to identify and withhold from the public
28 copy that is released at the bid opening any trade secrets, commercial or financial information, or
29 other information the bidder deems not subject to public disclosure pursuant to chapter 38-2, the
30 Access to Public Records Act, shall rest with the bidder submitting the bid proposal.

31 (c) ~~Unless the invitations for bid are accessible under the provisions as provided in § 37-2-~~
32 ~~17.1~~ [Through the eProcurement system](#), public notice of the ~~invitation for bids~~ [solicitation](#) shall be
33 given a sufficient time prior to the date set forth therein for the opening of bids. Public notice may
34 include publication in a newspaper of general circulation in the state as determined by the

1 purchasing agent not less than seven (7) days nor more than twenty-eight (28) days before the date
2 set for the opening of the bids. The purchasing agent may make a written determination that the
3 twenty-eight (28) day limitation needs to be waived. The written determination shall state the
4 reason why the twenty-eight (28) day limitation is being waived and shall state the number of days,
5 giving a minimum and maximum, before the date set for the opening of bids when public notice is
6 to be given.

7 (d) Bids shall be opened and ~~read aloud publicly~~ posted on the eProcurement system at the
8 time and place designated in the ~~invitation for bids~~ solicitation. Each bid, together with the name
9 of the bidder, shall be ~~recorded and an abstract made available for public inspection~~ posted on the
10 eProcurement system unless otherwise provided herein.

11 ~~(e) The chief purchasing officer shall adopt and file regulations governing the bidding of~~
12 ~~highway and bridge construction projects in the state not later than December 31, 2011.~~

13 ~~(f) (e) Immediately subsequent to the opening of the bids, the copies of bid documents~~
14 ~~submitted pursuant to subsection 37-2-18(b) shall be made available for inspection by the public.~~

15 Any objection to any bid on the grounds that it is nonresponsive to the ~~invitation for bids~~ solicitation
16 must be filed with the purchasing agent within five (5) business days of the opening of the bids.
17 The purchasing agent shall issue a written determination as to whether the subject bid is
18 nonresponsive addressing each assertion in the objection and shall provide a copy of the
19 determination to the objector and all those who submitted bids at least seven (7) business days prior
20 to the award of the contract. If a bid is nonresponsive to the requirements in the invitation to bid,
21 the bid is invalid and the purchasing agent shall reject the bid. The purchasing agent shall have no
22 discretion to waive any requirements in the invitation to bid which are identified as mandatory.
23 Nothing in this section shall be construed to interfere with or invalidate the results of the due
24 diligence conducted by the division of purchasing to determine whether bids are responsive and
25 responsible.

26 (g) Subsequent to the awarding of the bid, all documents pertinent to the awarding of the
27 bid that were not made public pursuant to subsection ~~37-2-18(e)~~ 37-2-18(b) shall be made available
28 and open to public inspection, pursuant to chapter 38-2, the Access to Public Records Act, and
29 retained in the bid file. ~~The copy of the bid proposal provided pursuant to subsection 37-2-18(b)~~
30 ~~shall be retained until the bid is awarded.~~

31 (h) The contract shall be awarded with reasonable promptness by written notice to the
32 responsive and responsible bidder whose bid is either the lowest bid price, lowest evaluated, or
33 responsive bid price.

34 (i) Correction or withdrawal of bids may be allowed only to the extent permitted by

1 regulations issued by the chief purchasing officer.

2 (j) ~~As of January 1, 2011, this section shall apply to contracts greater than one million~~
3 ~~dollars (\$1,000,000); on January 1, 2012 for all contracts greater than seven hundred fifty thousand~~
4 ~~dollars (\$750,000); on January 1, 2013 for all contracts greater than five hundred thousand dollars~~
5 ~~(\$500,000); and on January 1, 2014 for all contracts awarded pursuant to this section.~~ All available
6 contracts awarded under this section shall be posted on the eProcurement system.

7 **37-2-18.2. Exemption from competitive bidding.**

8 (a) The three (3) public institutions of higher education (the University of Rhode Island,
9 Rhode Island College and the Community College of Rhode Island) shall be exempt from the
10 competitive bidding process provisions of this chapter for research or research related activity
11 funded with federal funds or other third-party funds subject to rules and regulations promulgated
12 by the ~~board of governors for higher education~~ office of the postsecondary commissioner.

13 (b) In the event that none of the three Rhode Island public institutions of higher education
14 can provide the services for research or research-related activity, private institutions of higher
15 education shall also be exempted from the competitive bidding process provisions of this chapter
16 for research or research related activity funded with federal funds or other third-party funds.

17 (c) The State of Rhode Island has a large number of well-qualified institutions of higher
18 education. In instances where two (2) or more institutions of higher education can provide the
19 services covered by this section, preference shall be given to the institution of higher education that
20 is located within Rhode Island, all other factors being equal.

21 **37-2-19. Competitive negotiation.**

22 (a) When, under regulations issued by the chief purchasing officer, the purchasing agent
23 determines in writing that the use of competitive sealed bidding is not practicable, and except as
24 provided in §§ 37-2-21 and 37-2-22, a contract may be awarded by competitive negotiation.

25 (b) Adequate public notice of the request for proposals to be negotiated shall be given in
26 the same manner as provided in § 37-2-18(c).

27 (c) The request for proposals shall indicate the relative importance of price and other
28 evaluation factors.

29 (d) Written or oral discussions may be conducted with all responsible offerors who submit
30 proposals determined in writing to be reasonably susceptible of being selected for award. All oral
31 discussions conducted with responsible offerors who submit proposals shall be memorialized in
32 writing and all such writings shall be deemed public record at the time the contract is awarded and
33 shall be made available for public inspection. Discussions shall not disclose any information
34 derived from proposals submitted by competing offerors.

1 (e) An award shall be made to the responsible offeror whose proposal is determined in
2 writing to be the most advantageous to the state, taking into consideration price and the evaluation
3 factors set forth in the request for proposals. Discussions need not be conducted if the purchasing
4 agent makes a written determination concerning one or more of the following:

5 (1) With respect to prices, where the prices are fixed by law or regulation, except that
6 consideration shall be given to competitive terms and conditions;

7 (2) Where time of delivery or performance will not permit discussions; or

8 (3) Where it can be clearly demonstrated and documented from the existence of adequate
9 competition or accurate prior cost experience with the particular supply, service, or construction
10 item that acceptance of an initial offer without discussion would result in fair and reasonable prices,
11 and the request for proposals notifies all offerors of the possibility that an award may be made on
12 the basis of the initial offers.

13 (f) Where time permits, the State Purchasing Agent may authorize a best and final offer
14 process to clarify requirements when there is a substantial price discrepancy among bidders or when
15 the cost exceeds the budget or in any circumstance determined to be in the best interest of the state.

16 ~~37-2-20. Negotiations after unsuccessful competitive sealed bidding~~ Negotiations after
17 unsuccessful solicitation.

18 (a) ~~In the event that all~~ The State Purchasing Agent may authorize negotiation when bids
19 submitted pursuant to competitive sealed bidding under § 37-2-18 result in bid prices in excess of
20 the funds available, to clarify requirements or where there is a substantial price discrepancy or in
21 any circumstance determined to be in the best interest of the state. ~~for the purchase and the chief~~
22 ~~purchasing officer determines in writing~~ The State Purchasing Agent shall consider the following:

23 (1) That there are no additional funds available from any source so as to permit an award
24 to the lowest responsive and responsible bidder, and

25 (2) The best interest of the state will not permit the delay attendant to a resolicitation under
26 revised specifications, or for revised quantities, under competitive sealed bidding as provided in §
27 37-2-18, then a negotiated award may be made as set forth in subsection (b) or (d) of this section.

28 (b) Where there is more than one ~~bidder offeror~~, competitive negotiations, ~~pursuant to §~~
29 ~~37-2-19, shall~~ may be conducted with the ~~three (3) (or two (2) if there are only two (2)) bidders~~
30 offerors determined in writing to be the lowest responsive and responsible bidders, or the highest
31 scoring offerors, to the ~~competitive sealed bid~~ solicitation invitation. Competitive negotiations shall
32 be conducted under the following restrictions:

33 (1) If discussions pertaining to the revision of the specifications or quantities are held with
34 any potential offeror, all other potential offerors shall be afforded an opportunity to take part in

1 such discussions; and

2 (2) A ~~request for proposals, based upon revised specifications or quantities,~~ best and final
3 offer shall be issued as promptly as possible, shall provide for an expeditious response to the revised
4 requirements, and shall be awarded upon the basis of the lowest bid price, or ~~lowest evaluated bid~~
5 ~~price~~ the highest score submitted by any responsive and responsible offeror.

6 (c) Contracts may be competitively negotiated when it is determined in writing by the
7 purchasing agent that the bid prices received by competitive sealed bidding were not independently
8 reached in open competition, and for which:

9 (1) Each competitive bidder has been notified of the intention to negotiate and is given
10 reasonable opportunity to negotiate; and

11 (2) The negotiated price is lower than the lowest rejected bid by any competitive bidder;
12 and

13 (3) The negotiated price is the lowest negotiated price offered by a competitive offeror.

14 (d) When, after ~~competitive sealed bidding solicitation~~, it is determined in writing that there
15 is only one responsive and responsible bidder, a negotiated award may be made with the bidder
16 subject to the provisions of § 37-2-28.

17 **37-2-25.1. Prequalification of vendors for electronic reverse auctions.**

18 (a) Potential bidders shall be prequalified for participation in each electronic auction.

19 (b) A request for qualifications shall be issued stating the intent to conduct a reverse auction
20 in accordance with the provisions of § 37-2-18.1. The request for qualifications shall identify the
21 goods and services to be purchased and the criteria to be used to determine how many and/or which
22 bidders will be selected to participate in the reverse auction. All requests for qualifications shall be
23 solicited through utilization of the Rhode Island ~~Vendor Information Program (RIVIP)~~
24 eProcurement system-as set forth in § 37-2-17.1.

25 (c) Participants shall be selected based on the criteria set forth in the request for
26 qualifications, including agreement to any terms, conditions or other requirements of the
27 solicitation. Written or oral discussions may be conducted with all responsible vendors determined
28 in writing to be reasonably susceptible of being selected for award.

29 (d) Prior to the execution of the auction potential bidders shall be required to receive
30 instruction on the use of the selected electronic bidding procedure. Only bidders who successfully
31 complete the training phase of prequalification shall be permitted to participate in the electronic
32 reverse auction specified in the request for qualifications.

33 **37-2-54. Chief purchasing officer — Purchases.**

34 (a) The chief purchasing officer, except as otherwise provided by law, shall purchase, or

1 delegate and control the purchase of, the combined requirements of all spending agencies of the
2 state including, but not limited to, interests in real property, contractual services, rentals of all types,
3 supplies, materials, equipment, and services, except that competitive bids may not be required:

4 (1) For contractual services where no competition exists such as sewage treatment, water,
5 and other public utility services;

6 (2) When, in the judgment of the department of administration, food, clothing, equipment,
7 supplies, or other materials to be used in laboratory and experimental studies can be purchased
8 otherwise to the best advantage of the state;

9 (3) When instructional materials are available from only one source;

10 (4) Where rates are fixed by law or ordinance;

11 (5) For library books;

12 (6) For commercial items that are purchased for resale;

13 (7) For professional, technical, or artistic services;

14 (8) For all other commodities, equipment, and services which, in the reasonable discretion
15 of the chief purchasing officer, are available from only one source;

16 (9) For interests in real property.

17 (10) For works of art for museum and public display;

18 (11) For published books, maps, periodicals, newspaper or journal subscriptions, and
19 technical pamphlets;

20 (12) For licenses for use of proprietary or patented systems; ~~and~~

21 (13) For services of visiting speakers, professors, performing artists, and expert witnesses;

22 and

23 (14) For research-related activities and services provided by colleges and universities
24 within the State of Rhode Island.

25 (b) Nothing in this section shall deprive the chief purchasing officer from negotiating with
26 vendors who maintain a general service administration price agreement with the United States of
27 America or any agency thereof or other governmental entities, provided, however, that no contract
28 executed under this provision shall authorize a price higher than is contained in the contract
29 between the general service administration and the vendor affected.

30 (c) The department of administration shall have supervision over all purchases by the
31 various spending agencies, except as otherwise provided by law, and shall prescribe rules and
32 regulations to govern purchasing by or for all spending agencies, subject to the approval of the
33 chief purchasing officer; and shall publish a manual of procedures to be distributed to agencies and
34 to be revised upon issuance of amendments to the procedures. No purchase or contract shall be

1 binding on the state or any agency thereof unless approved by the department or made under general
2 regulations which the chief purchasing officer may prescribe.

3 (d) The chief purchasing officer shall adopt regulations to require agencies to take and
4 maintain inventories of plant and equipment. The department of administration shall conduct
5 periodic physical audits of inventories.

6 (e) The department of administration shall require all agencies to furnish an estimate of
7 specific needs for supplies, materials, and equipment to be purchased by competitive bidding for
8 the purpose of permitting scheduling of purchasing in large volume. It shall establish and enforce
9 schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit
10 to the department of administration, prior to the beginning of each fiscal year, an estimate of all
11 needs for supplies, materials, and equipment during that year which will have to be acquired
12 through competitive bidding.

13 (f) The director of the department of administration shall have the power: to transfer
14 between departments; to salvage; to exchange; and to condemn supplies and equipment.

15 (g) Unless the chief purchasing officer deems it is in the best interest of the state to proceed
16 otherwise, all property (including any interest in real property) shall be sold either by invitation of
17 sealed bids or by public auction; provided, however, that the selling price of any interest in real
18 property shall not be less than the appraised value thereof as determined by the department of
19 administration or the department of transportation for the requirements of that department.

20 (h) Subject to the provisions of this chapter, the chief purchasing officer shall purchase, or
21 otherwise acquire, all real property determined to be needed for state use, upon the approval of the
22 state properties committee as to the determination of need and as to the action of purchase or other
23 acquisition, provided that the amount paid shall not exceed the appraised value as determined by
24 the department of transportation (for such requirements of that department) or value set by eminent
25 domain procedure.

26 (i) The department of administration shall maintain records of all purchases and sales made
27 under its authority and shall make periodic summary reports of all transactions to the chief
28 purchasing officer, the governor, and the general assembly. The chief purchasing officer shall also
29 report trends in costs and prices, including savings realized through improved practices, to the
30 governor and general assembly.

31 (j) The chief purchasing officer shall attempt in every practicable way to insure that the
32 state is supplying its real needs at the lowest possible cost. Further, to assure that the lowest possible
33 cost is achieved, the chief purchasing officer may enter into cooperative purchasing agreements
34 with other ~~governmental~~ [public](#) entities [and institutions of higher education](#).

1 ~~37-2-56. Purchasing for municipalities and regional school districts.~~ Purchasing for
2 municipalities, and regional school districts, and institutions of higher education.

3 Any municipality, ~~or~~ regional school district, or institution of higher education of the state
4 may participate in state master price agreement contracts for the purchase of materials, supplies,
5 services and equipment entered into by the purchasing agent, provided, however, that the contractor
6 is willing, when requested by the municipality, ~~or~~ school district, or institution of higher education,
7 to extend the terms and conditions of the contract and that the municipality, ~~or~~ school district, or
8 institution of higher education will be responsible for payment directly to the vendor under each
9 purchase contract. Unless a state contract is the result of an intergovernmental cooperative purchase
10 contract to which a municipality, ~~or~~ school district, or institution of higher education is a party, the
11 purchasing agent shall not compel a successful bidder to extend the same terms and conditions to
12 a municipality, ~~or~~ school district, or institution of higher education. However, the purchasing agent
13 may, in the interest of obtaining better pricing on behalf of the state and local entities, solicit offers
14 based upon anticipated master price agreement utilization by municipalities, ~~and~~ school districts,
15 and institutions of higher education.

16 SECTION 21. Section 37-2-9.1 of the General Laws in Chapter 37-2 entitled "State
17 Purchases" is hereby repealed in its entirety.

18 ~~**§ 37-2-9.1. Bidder registration fee.**~~

19 ~~The chief purchasing officer may adopt regulations to establish an annual fee, of not less
20 than twenty five dollars (\$25.00), which shall be paid by all potential bidders requesting to
21 subscribe to solicitation mailings for public bids for specific types of supplies, services, and
22 construction during a fiscal year, and may waive that fee for Rhode Island firms. Additionally, the
23 chief purchasing agent officer may delegate to the purchasing agent the authority to waive that fee
24 for an individual solicitation and to include unregistered bidders in the solicitation in the interest of
25 expanding competition. Nothing herein shall prevent any interested party from submitting a bid in
26 response to any solicitation of which they become aware.~~

27 SECTION 22. Chapter 37-14.2 of the General Laws entitled "Micro Business Act" is
28 hereby repealed in its entirety.

29 ~~**§ 37-14.2-1. Short title.**~~

30 ~~This chapter shall be known and may be cited as "The Micro Businesses Act."~~

31 ~~**§ 37-14.2-2. Purpose.**~~

32 ~~The purpose of this chapter is to carry out the state's policy of supporting the fullest
33 possible participation of micro businesses in the economic activity in the state of Rhode Island,
34 including, but not limited to, state directed public construction programs and projects and in state~~

1 ~~purchases of goods and services. The purpose of this chapter includes assisting micro businesses~~
2 ~~throughout the life of any contracts with the state of Rhode Island or its agencies.~~

3 **~~§ 37-14.2-3. Definitions.~~**

4 ~~As used in this chapter, the following words and terms shall have the following meanings~~
5 ~~unless the context shall clearly indicate another or different meaning or intent:~~

6 (1) ~~“Contract” means a mutually binding legal relationship, or any modification thereof,~~
7 ~~obligating the seller to furnish supplies or services, including construction, and the buyer to pay for~~
8 ~~them. As used in this chapter, a lease is a contract.~~

9 (2) ~~“Contractor” means one who participates, through a contract or subcontract, in any~~
10 ~~procurement or program covered by this chapter and includes lessees and material suppliers.~~

11 (3) ~~“Micro business” means a Rhode Island based business entity, regardless of whether it~~
12 ~~is in the form of a corporation, limited liability company, limited partnership, general partnership,~~
13 ~~or sole proprietorship, that has a total of ten (10) or fewer members, owners, and employees and~~
14 ~~has gross sales totaling five hundred thousand dollars (\$500,000) or less.~~

15 (4) ~~“MB coordinator” means the official designated to have overall responsibility for~~
16 ~~promoting, coordinating, documenting, and implementing efforts related to micro businesses.~~

17 (5) ~~“Registered” means those micro businesses that have provided their business name,~~
18 ~~address, owner contact information, number of employees, and annual gross sales to the department~~
19 ~~of administration.~~

20 **~~§ 37-14.2-4. Compilation and reporting of data on micro businesses.~~**

21 (a) ~~The department of administration shall compile and maintain data on the existence of~~
22 ~~registered micro businesses to facilitate the achievement of the purpose of this chapter. Within sixty~~
23 ~~(60) days of the effective date of this statute [July 20, 2016], the department of administration shall~~
24 ~~submit a report to the governor and general assembly that describes the methodology being used to~~
25 ~~compile such data and to report annual utilization of registered, micro businesses in state directed~~
26 ~~public construction programs and projects and in state purchases of goods and services. The report~~
27 ~~shall be made public contemporaneously with its submission to the governor and general assembly.~~

28 (b) ~~The department of administration shall maintain a micro business registration database~~
29 ~~that shall include the business name, address, owner contact information, number of employees,~~
30 ~~and annual gross sales. Such registration of micro businesses with the department of administration~~
31 ~~shall be on a voluntary basis, and does not supersede any mandated, business registration~~
32 ~~requirements with the secretary of state or other general offices, as well as with any city or town as~~
33 ~~applicable.~~

34 (c) ~~On or before January 1, 2017, and on or before the first day of January in all years~~

1 ~~thereafter, the department of administration shall submit a report to the governor and general~~
2 ~~assembly consisting of data concerning the registration of micro businesses in the state. The data~~
3 ~~shall include, but not be limited to: the number of registered micro businesses; the distribution of~~
4 ~~registered, micro businesses among the thirty nine (39) cities or towns in the state; the number of~~
5 ~~registered, micro businesses that are also Rhode Island certified minority business enterprises; and~~
6 ~~the number of registered, micro businesses that are also Rhode Island certified women business~~
7 ~~enterprises.~~

8 ~~(d) At the request of the director of the department of administration, the secretary of state,~~
9 ~~or all other general officers of the state, all agencies of the state and all cities and towns shall make~~
10 ~~reasonable modifications to their record keeping procedures to facilitate the compilation of data~~
11 ~~concerning the existence of micro businesses in Rhode Island.~~

12 SECTION 23. Section 41-5-23 of the General Laws in Chapter 41-5 entitled "Boxing and
13 Wrestling" is hereby repealed.

14 ~~§ 41-5-23. Annual report to general assembly.~~

15 ~~The division of gaming and athletics licensing shall make an annual report to the general~~
16 ~~assembly on or before the first Wednesday in February, together with any recommendations for~~
17 ~~legislation, that it may deem desirable.~~

18 SECTION 24. Section 42-11-2 of the General Laws in Chapter 42-11 entitled "Department
19 of Administration" is hereby amended as follows:

20 42-11-2. Powers and duties of department.

21 The department of administration shall have the following powers and duties:

22 (1) To prepare a budget for the several state departments and agencies, subject to the
23 direction and supervision of the governor;

24 (2) To administer the budget for all state departments and agencies, except as specifically
25 exempted by law;

26 (3) To devise, formulate, promulgate, supervise, and control accounting systems,
27 procedures, and methods for the state departments and agencies, conforming to such accounting
28 standards and methods as are prescribed by law;

29 (4) To purchase or to contract for the supplies, materials, articles, equipment, printing, and
30 services needed by state departments and agencies, except as specifically exempted by law;

31 (5) To prescribe standard specifications for those purchases and contracts and to enforce
32 compliance with specifications;

33 (6) To supervise and control the advertising for bids and awards for state purchases;

34 (7) To regulate the requisitioning and storage of purchased items, the disposal of surplus

1 and salvage, and the transfer to or between state departments and agencies of needed supplies,
2 equipment, and materials;

3 (8) To maintain, equip, and keep in repair the state house, state office building, and other
4 premises owned or rented by the state for the use of any department or agency, excepting those
5 buildings, the control of which is vested by law in some other agency;

6 (9) To provide for the periodic inspection, appraisal or inventory of all state buildings and
7 property, real and personal;

8 (10) To require reports from state agencies on the buildings and property in their custody;

9 (11) To issue regulations to govern the protection and custody of the property of the state;

10 (12) To assign office and storage space and to rent and lease land and buildings for the use
11 of the several state departments and agencies in the manner provided by law;

12 (13) To control and supervise the acquisition, operation, maintenance, repair, and
13 replacement of state-owned motor vehicles by state agencies;

14 (14) To maintain and operate central duplicating and mailing service for the several state
15 departments and agencies;

16 (15) To furnish the several departments and agencies of the state with other essential office
17 services;

18 (16) To survey and examine the administration and operation of the state departments and
19 agencies, submitting to the governor proposals to secure greater administrative efficiency and
20 economy, to minimize the duplication of activities, and to effect a better organization and
21 consolidation of functions among state agencies;

22 (17) To operate a merit system of personnel administration and personnel management as
23 defined in § 36-3-3 in connection with the conditions of employment in all state departments and
24 agencies within the classified service;

25 (18) To assign or reassign, with the approval of the governor, any functions, duties, or
26 powers established by this chapter to any agency within the department;

27 (19) To establish, maintain, and operate a data processing center or centers, approve the
28 acquisition and use of electronic data processing services by state agencies, furnish staff assistance
29 in methods, systems and programming work to other state agencies, and arrange for and effect the
30 centralization and consolidation of punch card and electronic data processing equipment and
31 services in order to obtain maximum utilization and efficiency;

32 (20) To devise, formulate, promulgate, supervise, and control a comprehensive and
33 coordinated statewide information system designed to improve the database used in the
34 management of public resources, to consult and advise with other state departments and agencies

1 and municipalities to assure appropriate and full participation in this system, and to encourage the
2 participation of the various municipalities of this state in this system by providing technical or other
3 appropriate assistance toward establishing, within those municipalities, compatible information
4 systems in order to obtain the maximum effectiveness in the management of public resources;

5 (i) The comprehensive and coordinated statewide information system may include a Rhode
6 Island geographic information system of land-related economic, physical, cultural and natural
7 resources.

8 (ii) In order to ensure the continuity of the maintenance and functions of the geographic
9 information system, the general assembly may annually appropriate such sum as it may deem
10 necessary to the department of administration for its support;

11 (21) To administer a statewide planning program including planning assistance to the state
12 departments and agencies;

13 (22) To administer a statewide program of photography and photographic services;

14 (23) To negotiate with public or private educational institutions in the state, in cooperation
15 with the department of health, for state support of medical education;

16 (24) To promote the expansion of markets for recovered material and to maximize their
17 return to productive economic use through the purchase of materials and supplies with recycled
18 content by the state of Rhode Island to the fullest extent practically feasible;

19 (25) To approve costs as provided in § 23-19-32;

20 (26) To provide all necessary civil service tests for individuals seeking employment as
21 social workers at the department of human services at least twice each year and to maintain an
22 adequate hiring list for this position at all times;

23 (27)(i) To prepare a report every three (3) months of all current property leases or rentals
24 by any state or quasi-state agency to include the following information:

25 (A) Name of lessor;

26 (B) Description of the lease (purpose, physical characteristics, and location);

27 (C) Cost of the lease;

28 (D) Amount paid to date;

29 (E) Date initiated;

30 (F) Date covered by the lease.

31 ~~(ii) To prepare a report by October 31, 2014, of all current property owned by the state or~~
32 ~~leased by any state agency or quasi-state agency to include the following information:~~

33 ~~(A) Total square feet for each building or leased space;~~

34 ~~(B) Total square feet for each building and space utilized as office space currently;~~

- 1 ~~(C) Location of each building or leased space;~~
- 2 ~~(D) Ratio and listing of buildings owned by the state versus leased;~~
- 3 ~~(E) Total occupancy costs which shall include capital expenses, provided a proxy should~~
- 4 ~~be provided to compare properties that are owned versus leased by showing capital expenses on~~
- 5 ~~owned properties as a per square foot cost at industry depreciation rates;~~
- 6 ~~(F) Expiration dates of leases;~~
- 7 ~~(G) Number of workstations per building or leased space;~~
- 8 ~~(H) Total square feet divided by number of workstations;~~
- 9 ~~(I) Total number of vacant workstations;~~
- 10 ~~(J) Percentage of vacant workstations versus total workstations available;~~
- 11 ~~(K) Date when an action is required by the state to renew or terminate a lease;~~
- 12 ~~(L) Strategic plan for leases commencing or expiring by June 30, 2016;~~
- 13 ~~(M) Map of all state buildings which provides: cost per square foot to maintain, total~~
- 14 ~~number of square feet, total operating cost, date each lease expires, number of persons per building~~
- 15 ~~and total number of vacant seats per building; and~~
- 16 ~~(N) Industry benchmark report which shall include total operating cost by full time~~
- 17 ~~equivalent employee, total operating cost by square foot and total square feet divided by full time~~
- 18 ~~equivalent employee;~~

19 (28) To prepare a report to the chairs of the house and senate finance committees by
20 December 15, 2021, and each year thereafter of all current property owned by the state or leased
21 by any state agency or quasi-state agency to include the following information:

- 22 (i) Total square feet for each building or leased space;
- 23 (ii) Total square feet for each building and space utilized as office space currently;
- 24 (iii) Location of each building or leased space;
- 25 (iv) Ratio and listing of buildings owned by the state versus leased;
- 26 (v) Total occupancy costs which shall include capital expenses, provided a proxy should
- 27 be provided to compare properties that are owned versus leased by showing capital expenses on
- 28 owned properties as a per square foot cost at industry depreciation rates;
- 29 (vi) Expiration dates of leases;
- 30 (vii) Number of workstations per building or leased space;
- 31 (viii) Total square feet divided by number of workstations;
- 32 (ix) Total number of vacant workstations;
- 33 (x) Percentage of vacant workstations versus total workstations available;
- 34 (xi) Date when an action is required by the state to renew or terminate a lease;

1 (xii) Strategic plan for leases commencing or expiring by June 30, 2022, and each
2 subsequent year thereafter;

3 (xiii) Map of all state buildings that provides: cost per square foot to maintain, total number
4 of square feet, total operating cost, date each lease expires, number of persons per building and
5 total number of vacant seats per building; and

6 (xiv) Industry benchmark report that shall include total operating cost by full-time
7 equivalent employee, total operating cost by square foot and total square feet divided by full-time
8 equivalent employee;

9 (29) To provide by December 31, 1995, the availability of automatic direct deposit to any
10 recipient of a state benefit payment, provided that the agency responsible for making that payment
11 generates one thousand (1,000) or more such payments each month;

12 (30) To encourage municipalities, school districts, and quasi-public agencies to achieve
13 cost savings in health insurance, purchasing, or energy usage by participating in state contracts, or
14 by entering into collaborative agreements with other municipalities, districts, or agencies. To assist
15 in determining whether the benefit levels including employee cost sharing and unit costs of such
16 benefits and costs are excessive relative to other municipalities, districts, or quasi-public agencies
17 as compared with state benefit levels and costs; and

18 (31) To administer a health benefit exchange in accordance with chapter 157 of this title.

19 SECTION 25. Section 42-17.1-2 of the General Laws in Chapter 42-17.1 entitled
20 "Department of Environmental Management" is hereby amended to read as follows:

21 **42-17.1-2. Powers and duties.**

22 The director of environmental management shall have the following powers and duties:

23 (1) To supervise and control the protection, development, planning, and utilization of the
24 natural resources of the state, such resources, including, but not limited to: water, plants, trees, soil,
25 clay, sand, gravel, rocks and other minerals, air, mammals, birds, reptiles, amphibians, fish,
26 shellfish, and other forms of aquatic, insect, and animal life;

27 (2) To exercise all functions, powers, and duties heretofore vested in the department of
28 agriculture and conservation, and in each of the divisions of the department, such as the promotion
29 of agriculture and animal husbandry in their several branches, including the inspection and
30 suppression of contagious diseases among animals; the regulation of the marketing of farm
31 products; the inspection of orchards and nurseries; the protection of trees and shrubs from injurious
32 insects and diseases; protection from forest fires; the inspection of apiaries and the suppression of
33 contagious diseases among bees; the prevention of the sale of adulterated or misbranded
34 agricultural seeds; promotion and encouragement of the work of farm bureaus, in cooperation with

1 the University of Rhode Island, farmers' institutes, and the various organizations established for
2 the purpose of developing an interest in agriculture; together with such other agencies and activities
3 as the governor and the general assembly may, from time to time, place under the control of the
4 department; and as heretofore vested by such of the following chapters and sections of the general
5 laws as are presently applicable to the department of environmental management and that were
6 previously applicable to the department of natural resources and the department of agriculture and
7 conservation or to any of its divisions: chapters 1 through 22, inclusive, as amended, in title 2
8 entitled "Agriculture and Forestry"; chapters 1 through 17, inclusive, as amended, in title 4 entitled
9 "Animals and Animal Husbandry"; chapters 1 through 19, inclusive, as amended, in title 20 entitled
10 "Fish and Wildlife"; chapters 1 through 32, inclusive, as amended, in title 21 entitled "Food and
11 Drugs"; chapter 7 of title 23, as amended, entitled "Mosquito Abatement"; and by any other general
12 or public law relating to the department of agriculture and conservation or to any of its divisions or
13 bureaus;

14 (3) To exercise all the functions, powers, and duties heretofore vested in the division of
15 parks and recreation of the department of public works by chapters 1, 2, and 5 in title 32 entitled
16 "Parks and Recreational Areas"; by chapter 22.5 of title 23, as amended, entitled "Drowning
17 Prevention and Lifesaving"; and by any other general or public law relating to the division of parks
18 and recreation;

19 (4) To exercise all the functions, powers, and duties heretofore vested in the division of
20 harbors and rivers of the department of public works, or in the department itself by such as were
21 previously applicable to the division or the department, of chapters 1 through 22 and sections
22 thereof, as amended, in title 46 entitled "Waters and Navigation"; and by any other general or public
23 law relating to the division of harbors and rivers;

24 (5) To exercise all the functions, powers, and duties heretofore vested in the department of
25 health by chapters 25, 18.9, and 19.5 of title 23, as amended, entitled "Health and Safety"; and by
26 chapters 12 and 16 of title 46, as amended, entitled "Waters and Navigation"; by chapters 3, 4, 5,
27 6, 7, 9, 11, 13, 18, and 19 of title 4, as amended, entitled "Animals and Animal Husbandry"; and
28 those functions, powers, and duties specifically vested in the director of environmental
29 management by the provisions of § 21-2-22, as amended, entitled "Inspection of Animals and
30 Milk"; together with other powers and duties of the director of the department of health as are
31 incidental to, or necessary for, the performance of the functions transferred by this section;

32 (6) To cooperate with the Rhode Island commerce corporation in its planning and
33 promotional functions, particularly in regard to those resources relating to agriculture, fisheries,
34 and recreation;

1 (7) To cooperate with, advise, and guide conservation commissions of cities and towns
2 created under chapter 35 of title 45 entitled “Conservation Commissions”, as enacted by chapter
3 203 of the Public Laws, 1960;

4 (8) To assign or reassign, with the approval of the governor, any functions, duties, or
5 powers established by this chapter to any agency within the department, except as hereinafter
6 limited;

7 (9) To cooperate with the water resources board and to provide to the board facilities,
8 administrative support, staff services, and other services as the board shall reasonably require for
9 its operation and, in cooperation with the board and the statewide planning program, to formulate
10 and maintain a long-range guide plan and implementing program for development of major water-
11 sources transmission systems needed to furnish water to regional- and local-distribution systems;

12 (10) To cooperate with the solid waste management corporation and to provide to the
13 corporation such facilities, administrative support, staff services, and other services within the
14 department as the corporation shall reasonably require for its operation;

15 (11) To provide for the maintenance of waterways and boating facilities, consistent with
16 chapter 6.1 of title 46, by: (i) Establishing minimum standards for upland beneficial use and
17 disposal of dredged material; (ii) Promulgating and enforcing rules for water quality, ground water
18 protection, and fish and wildlife protection pursuant to § 42-17.1-24; (iii) Planning for the upland
19 beneficial use and/or disposal of dredged material in areas not under the jurisdiction of the council
20 pursuant to § 46-23-6(2); and (iv) Cooperating with the coastal resources management council in
21 the development and implementation of comprehensive programs for dredging as provided for in
22 §§ 46-23-6(1)(ii)(H) and 46-23-18.3; and (v) Monitoring dredge material management and disposal
23 sites in accordance with the protocols established pursuant to § 46-6.1-5(a)(3) and the
24 comprehensive program provided for in § 46-23-6(1)(ii)(H); no powers or duties granted herein
25 shall be construed to abrogate the powers or duties granted to the coastal resources management
26 council under chapter 23 of title 46, as amended;

27 (12) To establish minimum standards, subject to the approval of the environmental
28 standards board, relating to the location, design, construction, and maintenance of all sewage-
29 disposal systems;

30 (13) To enforce, by such means as provided by law, the standards for the quality of air, and
31 water, and the design, construction, and operation of all sewage-disposal systems; any order or
32 notice issued by the director relating to the location, design, construction, or maintenance of a
33 sewage-disposal system shall be eligible for recordation under chapter 13 of title 34. The director
34 shall forward the order or notice to the city or town wherein the subject property is located and the

1 order or notice shall be recorded in the general index by the appropriate municipal official in the
2 land evidence records in the city or town wherein the subject property is located. Any subsequent
3 transferee of that property shall be responsible for complying with the requirements of the order or
4 notice. Upon satisfactory completion of the requirements of the order or notice, the director shall
5 provide written notice of the same, which notice shall be similarly eligible for recordation. The
6 original written notice shall be forwarded to the city or town wherein the subject property is located
7 and the notice of satisfactory completion shall be recorded in the general index by the appropriate
8 municipal official in the land evidence records in the city or town wherein the subject property is
9 located. A copy of the written notice shall be forwarded to the owner of the subject property within
10 five (5) days of a request for it, and, in any event, shall be forwarded to the owner of the subject
11 property within thirty (30) days after correction;

12 (14) To establish minimum standards for the establishment and maintenance of salutary
13 environmental conditions, including standards and methods for the assessment and the
14 consideration of the cumulative effects on the environment of regulatory actions and decisions,
15 which standards for consideration of cumulative effects shall provide for: (i) Evaluation of potential
16 cumulative effects that could adversely affect public health and/or impair ecological functioning;
17 (ii) Analysis of other matters relative to cumulative effects as the department may deem appropriate
18 in fulfilling its duties, functions, and powers; which standards and methods shall only be applicable
19 to ISDS systems in the town of Jamestown in areas that are dependent for water supply on private
20 and public wells, unless broader use is approved by the general assembly. The department shall
21 report to the general assembly not later than March 15, 2008, with regard to the development and
22 application of the standards and methods in Jamestown;

23 (15) To establish and enforce minimum standards for permissible types of septage,
24 industrial-waste disposal sites, and waste-oil disposal sites;

25 (16) To establish minimum standards, subject to the approval of the environmental
26 standards board, for permissible types of refuse disposal facilities; the design, construction,
27 operation, and maintenance of disposal facilities; and the location of various types of facilities;

28 (17) To exercise all functions, powers, and duties necessary for the administration of
29 chapter 19.1 of title 23 entitled "Rhode Island Hazardous Waste Management Act";

30 (18) To designate, in writing, any person in any department of the state government or any
31 official of a district, county, city, town, or other governmental unit, with that official's consent, to
32 enforce any rule, regulation, or order promulgated and adopted by the director under any provision
33 of law; provided, however, that enforcement of powers of the coastal resources management
34 council shall be assigned only to employees of the department of environmental management,

1 except by mutual agreement or as otherwise provided in chapter 23 of title 46;

2 (19) To issue and enforce the rules, regulations, and orders as may be necessary to carry
3 out the duties assigned to the director and the department by any provision of law; and to conduct
4 investigations and hearings and to issue, suspend, and revoke licenses as may be necessary to
5 enforce those rules, regulations, and orders. Any license suspended under the rules, regulations,
6 and/or orders shall be terminated and revoked if the conditions that led to the suspension are not
7 corrected to the satisfaction of the director within two (2) years; provided that written notice is
8 given by certified mail, return receipt requested, no less than sixty (60) days prior to the date of
9 termination.

10 Notwithstanding the provisions of § 42-35-9 to the contrary, no informal disposition of a
11 contested licensing matter shall occur where resolution substantially deviates from the original
12 application unless all interested parties shall be notified of the proposed resolution and provided
13 with opportunity to comment upon the resolution pursuant to applicable law and any rules and
14 regulations established by the director;

15 (20) To enter, examine, or survey, at any reasonable time, places as the director deems
16 necessary to carry out his or her responsibilities under any provision of law subject to the following
17 provisions:

18 (i) For criminal investigations, the director shall, pursuant to chapter 5 of title 12, seek a
19 search warrant from an official of a court authorized to issue warrants, unless a search without a
20 warrant is otherwise allowed or provided by law;

21 (ii)(A) All administrative inspections shall be conducted pursuant to administrative
22 guidelines promulgated by the department in accordance with chapter 35 of this title;

23 (B) A warrant shall not be required for administrative inspections if conducted under the
24 following circumstances, in accordance with the applicable constitutional standards:

25 (I) For closely regulated industries;

26 (II) In situations involving open fields or conditions that are in plain view;

27 (III) In emergency situations;

28 (IV) In situations presenting an imminent threat to the environment or public health, safety,
29 or welfare;

30 (V) If the owner, operator, or agent in charge of the facility, property, site, or location
31 consents; or

32 (VI) In other situations in which a warrant is not constitutionally required.

33 (C) Whenever it shall be constitutionally or otherwise required by law, or whenever the
34 director in his or her discretion deems it advisable, an administrative search warrant, or its

1 functional equivalent, may be obtained by the director from a neutral magistrate for the purpose of
2 conducting an administrative inspection. The warrant shall be issued in accordance with the
3 applicable constitutional standards for the issuance of administrative search warrants. The
4 administrative standard of probable cause, not the criminal standard of probable cause, shall apply
5 to applications for administrative search warrants;

6 (I) The need for, or reliance upon, an administrative warrant shall not be construed as
7 requiring the department to forfeit the element of surprise in its inspection efforts;

8 (II) An administrative warrant issued pursuant to this subsection must be executed and
9 returned within ten (10) days of its issuance date unless, upon a showing of need for additional
10 time, the court orders otherwise;

11 (III) An administrative warrant may authorize the review and copying of documents that
12 are relevant to the purpose of the inspection. If documents must be seized for the purpose of
13 copying, and the warrant authorizes the seizure, the person executing the warrant shall prepare an
14 inventory of the documents taken. The time, place, and manner regarding the making of the
15 inventory shall be set forth in the terms of the warrant itself, as dictated by the court. A copy of the
16 inventory shall be delivered to the person from whose possession or facility the documents were
17 taken. The seized documents shall be copied as soon as feasible under circumstances preserving
18 their authenticity, then returned to the person from whose possession or facility the documents were
19 taken;

20 (IV) An administrative warrant may authorize the taking of samples of air, water, or soil
21 or of materials generated, stored, or treated at the facility, property, site, or location. Upon request,
22 the department shall make split samples available to the person whose facility, property, site, or
23 location is being inspected;

24 (V) Service of an administrative warrant may be required only to the extent provided for
25 in the terms of the warrant itself, by the issuing court.

26 (D) Penalties. Any willful and unjustified refusal of right of entry and inspection to
27 department personnel pursuant to an administrative warrant shall constitute a contempt of court and
28 shall subject the refusing party to sanctions, which in the court's discretion may result in up to six
29 (6) months imprisonment and/or a monetary fine of up to ten thousand dollars (\$10,000) per refusal;

30 (21) To give notice of an alleged violation of law to the person responsible therefor
31 whenever the director determines that there are reasonable grounds to believe that there is a
32 violation of any provision of law within his or her jurisdiction or of any rule or regulation adopted
33 pursuant to authority granted to him or her. Nothing in this chapter shall limit the authority of the
34 attorney general to prosecute offenders as required by law;

1 (i) The notice shall provide for a time within which the alleged violation shall be remedied,
2 and shall inform the person to whom it is directed that a written request for a hearing on the alleged
3 violation may be filed with the director within twenty (20) days after service of the notice. The
4 notice will be deemed properly served upon a person if a copy thereof is served the person
5 personally; or sent by registered or certified mail to the person's last known address; or if the person
6 is served with notice by any other method of service now or hereafter authorized in a civil action
7 under the laws of this state. If no written request for a hearing is made to the director within twenty
8 (20) days of the service of notice, the notice shall automatically become a compliance order;

9 (ii)(A) Whenever the director determines that there exists a violation of any law, rule, or
10 regulation within the director's jurisdiction that requires immediate action to protect the
11 environment, the director may, without prior notice of violation or hearing, issue an immediate-
12 compliance order stating the existence of the violation and the action he or she deems necessary.
13 The compliance order shall become effective immediately upon service or within such time as is
14 specified by the director in such order. No request for a hearing on an immediate-compliance order
15 may be made;

16 (B) Any immediate-compliance order issued under this section without notice and prior
17 hearing shall be effective for no longer than forty-five (45) days; provided, however, that for good
18 cause shown, the order may be extended one additional period not exceeding forty-five (45) days;

19 (iii) The director may, at his or her discretion and for the purposes of timely and effective
20 resolution and return to compliance, cite a person for alleged noncompliance through the issuance
21 of an expedited citation in accordance with § 42-17.6-3(c);

22 (iv) If a person upon whom a notice of violation has been served under the provisions of
23 this section or if a person aggrieved by any such notice of violation requests a hearing before the
24 director within twenty (20) days of the service of notice of violation, the director shall set a time
25 and place for the hearing, and shall give the person requesting that hearing at least five (5) days'
26 written notice thereof. After the hearing, the director may make findings of fact and shall sustain,
27 modify, or withdraw the notice of violation. If the director sustains or modifies the notice, that
28 decision shall be deemed a compliance order and shall be served upon the person responsible in
29 any manner provided for the service of the notice in this section;

30 (v) The compliance order shall state a time within which the violation shall be remedied,
31 and the original time specified in the notice of violation shall be extended to the time set in the
32 order;

33 (vi) Whenever a compliance order has become effective, whether automatically where no
34 hearing has been requested, where an immediate compliance order has been issued, or upon

1 decision following a hearing, the director may institute injunction proceedings in the superior court
2 of the state for enforcement of the compliance order and for appropriate temporary relief, and in
3 that proceeding, the correctness of a compliance order shall be presumed and the person attacking
4 the order shall bear the burden of proving error in the compliance order, except that the director
5 shall bear the burden of proving in the proceeding the correctness of an immediate compliance
6 order. The remedy provided for in this section shall be cumulative and not exclusive and shall be
7 in addition to remedies relating to the removal or abatement of nuisances or any other remedies
8 provided by law;

9 (vii) Any party aggrieved by a final judgment of the superior court may, within thirty (30)
10 days from the date of entry of such judgment, petition the supreme court for a writ of certiorari to
11 review any questions of law. The petition shall set forth the errors claimed. Upon the filing of the
12 petition with the clerk of the supreme court, the supreme court may, if it sees fit, issue its writ of
13 certiorari;

14 (22) To impose administrative penalties in accordance with the provisions of chapter 17.6
15 of this title and to direct that such penalties be paid into the account established by subsection (26);

16 (23) The following definitions shall apply in the interpretation of the provisions of this
17 chapter:

18 (i) Director: The term "director" shall mean the director of environmental management of
19 the state of Rhode Island or his or her duly authorized agent;

20 (ii) Person: The term "person" shall include any individual, group of individuals, firm,
21 corporation, association, partnership, or private or public entity, including a district, county, city,
22 town, or other governmental unit or agent thereof, and in the case of a corporation, any individual
23 having active and general supervision of the properties of the corporation;

24 (iii) Service:

25 (A) Service upon a corporation under this section shall be deemed to include service upon
26 both the corporation and upon the person having active and general supervision of the properties
27 of the corporation;

28 (B) For purposes of calculating the time within which a claim for a hearing is made
29 pursuant to subsection (21)(i), service shall be deemed to be the date of receipt of such notice or
30 three (3) days from the date of mailing of the notice, whichever shall first occur;

31 (24)(i) To conduct surveys of the present private and public camping and other recreational
32 areas available and to determine the need for and location of other camping and recreational areas
33 as may be deemed necessary and in the public interest of the state of Rhode Island and to report
34 back its findings on an annual basis to the general assembly on or before March 1 of every year;

1 (ii) Additionally, the director of the department of environmental management shall take
2 additional steps, including, but not limited to, matters related to funding as may be necessary to
3 establish such other additional recreational facilities and areas as are deemed to be in the public
4 interest;

5 (25)(i) To apply for and accept grants and bequests of funds, with the approval of the
6 director of administration, from other states, interstate agencies, and independent authorities, and
7 private firms, individuals, and foundations, for the purpose of carrying out his or her lawful
8 responsibilities. The funds shall be deposited with the general treasurer in a restricted receipt
9 account created in the natural resources program for funds made available for that program's
10 purposes or in a restricted receipt account created in the environmental protection program for
11 funds made available for that program's purposes. All expenditures from the accounts shall be
12 subject to appropriation by the general assembly, and shall be expended in accordance with the
13 provisions of the grant or bequest. In the event that a donation or bequest is unspecified, or in the
14 event that the trust account balance shows a surplus after the project as provided for in the grant or
15 bequest has been completed, the director may utilize the appropriated unspecified or appropriated
16 surplus funds for enhanced management of the department's forest and outdoor public recreation
17 areas, or other projects or programs that promote the accessibility of recreational opportunities for
18 Rhode Island residents and visitors;

19 (ii) The director shall submit to the house fiscal advisor and the senate fiscal advisor, by
20 October 1 of each year, a detailed report on the amount of funds received and the uses made of such
21 funds;

22 (26) To establish fee schedules by regulation, with the approval of the governor, for the
23 processing of applications and the performing of related activities in connection with the
24 department's responsibilities pursuant to subsection (12); chapter 19.1 of title 23, as it relates to
25 inspections performed by the department to determine compliance with chapter 19.1 and rules and
26 regulations promulgated in accordance therewith; chapter 18.9 of title 23, as it relates to inspections
27 performed by the department to determine compliance with chapter 18.9 and the rules and
28 regulations promulgated in accordance therewith; chapters 19.5 and 23 of title 23; chapter 12 of
29 title 46, insofar as it relates to water-quality certifications and related reviews performed pursuant
30 to provisions of the federal Clean Water Act, 33 U.S.C. § 1251 et seq.; the regulation and
31 administration of underground storage tanks and all other programs administered under chapter 12
32 of title 46 and § 2-1-18 et seq., and chapter 13.1 of title 46 and chapter 13.2 of title 46, insofar as
33 they relate to any reviews and related activities performed under the provisions of the Groundwater
34 Protection Act; chapter 24.9 of title 23 as it relates to the regulation and administration of mercury-

1 added products; and chapter 17.7 of this title, insofar as it relates to administrative appeals of all
2 enforcement, permitting and licensing matters to the administrative adjudication division for
3 environmental matters. Two (2) fee ranges shall be required: for “Appeal of enforcement actions,”
4 a range of fifty dollars (\$50) to one hundred dollars (\$100), and for “Appeal of application
5 decisions,” a range of five hundred dollars (\$500) to ten thousand dollars (\$10,000). The monies
6 from the administrative adjudication fees will be deposited as general revenues and the amounts
7 appropriated shall be used for the costs associated with operating the administrative adjudication
8 division.

9 There is hereby established an account within the general fund to be called the water and
10 air protection program. The account shall consist of sums appropriated for water and air pollution
11 control and waste-monitoring programs and the state controller is hereby authorized and directed
12 to draw his or her orders upon the general treasurer for the payment of the sums, or portions thereof,
13 as may be required, from time to time, upon receipt by him or her of properly authenticated
14 vouchers. All amounts collected under the authority of this subsection (26) for the sewage-disposal-
15 system program and freshwater wetlands program will be deposited as general revenues and the
16 amounts appropriated shall be used for the purposes of administering and operating the programs.
17 The director shall submit to the house fiscal advisor and the senate fiscal advisor by January 15 of
18 each year a detailed report on the amount of funds obtained from fines and fees and the uses made
19 of the funds;

20 (27) To establish and maintain a list or inventory of areas within the state worthy of special
21 designation as “scenic” to include, but not be limited to, certain state roads or highways, scenic
22 vistas, and scenic areas, and to make the list available to the public;

23 (28) To establish and maintain an inventory of all interests in land held by public and
24 private land trust and to exercise all powers vested herein to ensure the preservation of all identified
25 lands;

26 (i) The director may promulgate and enforce rules and regulations to provide for the orderly
27 and consistent protection, management, continuity of ownership and purpose, and centralized
28 records-keeping for lands, water, and open spaces owned in fee or controlled in full or in part
29 through other interests, rights, or devices such as conservation easements or restrictions, by private
30 and public land trusts in Rhode Island. The director may charge a reasonable fee for filing of each
31 document submitted by a land trust;

32 (ii) The term “public land trust” means any public instrumentality created by a Rhode
33 Island municipality for the purposes stated herein and financed by means of public funds collected
34 and appropriated by the municipality. The term “private land trust” means any group of five (5) or

1 more private citizens of Rhode Island who shall incorporate under the laws of Rhode Island as a
2 nonbusiness corporation for the purposes stated herein, or a national organization such as the nature
3 conservancy. The main purpose of either a public or a private land trust shall be the protection,
4 acquisition, or control of land, water, wildlife, wildlife habitat, plants, and/or other natural features,
5 areas, or open space for the purpose of managing or maintaining, or causing to be managed or
6 maintained by others, the land, water, and other natural amenities in any undeveloped and relatively
7 natural state in perpetuity. A private land trust must be granted exemption from federal income tax
8 under Internal Revenue Code 501(c)(3) [26 U.S.C. § 501(c)(3)] within two (2) years of its
9 incorporation in Rhode Island or it may not continue to function as a land trust in Rhode Island. A
10 private land trust may not be incorporated for the exclusive purpose of acquiring or accepting
11 property or rights in property from a single individual, family, corporation, business, partnership,
12 or other entity. Membership in any private land trust must be open to any individual subscribing to
13 the purposes of the land trust and agreeing to abide by its rules and regulations including payment
14 of reasonable dues;

15 (iii)(A) Private land trusts will, in their articles of association or their bylaws, as
16 appropriate, provide for the transfer to an organization, created for the same or similar purposes, of
17 the assets, lands and land rights, and interests held by the land trust in the event of termination or
18 dissolution of the land trust;

19 (B) All land trusts, public and private, will record in the public records, of the appropriate
20 towns and cities in Rhode Island, all deeds, conservation easements, or restrictions or other interests
21 and rights acquired in land and will also file copies of all such documents and current copies of
22 their articles of association, their bylaws, and their annual reports with the secretary of state and
23 with the director of the Rhode Island department of environmental management. The director is
24 hereby directed to establish and maintain permanently a system for keeping records of all private
25 and public land trust land holdings in Rhode Island;

26 (29) The director will contact in writing, not less often than once every two (2) years, each
27 public or private land trust to ascertain: that all lands held by the land trust are recorded with the
28 director; the current status and condition of each land holding; that any funds or other assets of the
29 land trust held as endowment for specific lands have been properly audited at least once within the
30 two-year (2) period; the name of the successor organization named in the public or private land
31 trust's bylaws or articles of association; and any other information the director deems essential to
32 the proper and continuous protection and management of land and interests or rights in land held
33 by the land trust. In the event that the director determines that a public or private land trust holding
34 land or interest in land appears to have become inactive, the director shall initiate proceedings to

1 effect the termination of the land trust and the transfer of its lands, assets, land rights, and land
2 interests to the successor organization named in the defaulting trust's bylaws or articles of
3 association or to another organization created for the same or similar purposes. Should such a
4 transfer not be possible, then the land trust, assets, and interest and rights in land will be held in
5 trust by the state of Rhode Island and managed by the director for the purposes stated at the time
6 of original acquisition by the trust. Any trust assets or interests other than land or rights in land
7 accruing to the state under such circumstances will be held and managed as a separate fund for the
8 benefit of the designated trust lands;

9 (30) Consistent with federal standards, issue and enforce such rules, regulations, and orders
10 as may be necessary to establish requirements for maintaining evidence of financial responsibility
11 for taking corrective action and compensating third parties for bodily injury and property damage
12 caused by sudden and non-sudden accidental releases arising from operating underground storage
13 tanks;

14 (31) To enforce, by such means as provided by law, the standards for the quality of air, and
15 water, and the location, design, construction, and operation of all underground storage facilities
16 used for storing petroleum products or hazardous materials; any order or notice issued by the
17 director relating to the location, design, construction, operation, or maintenance of an underground
18 storage facility used for storing petroleum products or hazardous materials shall be eligible for
19 recordation under chapter 13 of title 34. The director shall forward the order or notice to the city or
20 town wherein the subject facility is located, and the order or notice shall be recorded in the general
21 index by the appropriate municipal officer in the land-evidence records in the city or town wherein
22 the subject facility is located. Any subsequent transferee of that facility shall be responsible for
23 complying with the requirements of the order or notice. Upon satisfactory completion of the
24 requirements of the order or notice, the director shall provide written notice of the same, which
25 notice shall be eligible for recordation. The original, written notice shall be forwarded to the city
26 or town wherein the subject facility is located, and the notice of satisfactory completion shall be
27 recorded in the general index by the appropriate municipal official in the land-evidence records in
28 the city or town wherein the subject facility is located. A copy of the written notice shall be
29 forwarded to the owner of the subject facility within five (5) days of a request for it, and, in any
30 event, shall be forwarded to the owner of the subject facility within thirty (30) days after correction;

31 (32) To manage and disburse any and all funds collected pursuant to § 46-12.9-4, in
32 accordance with § 46-12.9-5, and other provisions of the Rhode Island Underground Storage Tank
33 Financial Responsibility Act, as amended;

34 (33) To support, facilitate, and assist the Rhode Island Natural History Survey, as

1 appropriate and/or as necessary, in order to accomplish the important public purposes of the survey
2 in gathering and maintaining data on Rhode Island natural history; making public presentations and
3 reports on natural history topics; ranking species and natural communities; monitoring rare species
4 and communities; consulting on open-space acquisitions and management plans; reviewing
5 proposed federal and state actions and regulations with regard to their potential impact on natural
6 communities; and seeking outside funding for wildlife management, land management, and
7 research;

8 (34) To promote the effective stewardship of lakes, ponds, rivers, and streams including,
9 but not limited to, collaboration with watershed organizations and associations of lakefront property
10 owners on planning and management actions that will prevent and mitigate water quality
11 degradation, reduce the loss of native habitat due to infestation of non-native species, abate
12 nuisance conditions that result from excessive growth of algal or non-native plant species as well
13 as promote healthy freshwater riverine ecosystems;

14 (35) In implementing the programs established pursuant to this chapter, to identify critical
15 areas for improving service to customers doing business with the department, and to develop and
16 implement strategies to improve performance and effectiveness in those areas. Key aspects of a
17 customer-service program shall include, but not necessarily be limited to, the following
18 components:

19 (i) Maintenance of an organizational unit within the department with the express purpose
20 of providing technical assistance to customers and helping customers comply with environmental
21 regulations and requirements;

22 (ii) Maintenance of an employee-training program to promote customer service across the
23 department;

24 (iii) Implementation of a continuous business process evaluation and improvement effort,
25 including process reviews to encourage development of quality proposals; ensure timely and
26 predictable reviews; and result in effective decisions and consistent follow up and implementation
27 throughout the department; and publish an annual report on such efforts;

28 (iv) Creation of a centralized location for the acceptance of permit applications and other
29 submissions to the department;

30 (v) Maintenance of a process to promote, organize, and facilitate meetings prior to the
31 submission of applications or other proposals in order to inform the applicant on options and
32 opportunities to minimize environmental impact; improve the potential for sustainable
33 environmental compliance; and support an effective and efficient review and decision-making
34 process on permit applications related to the proposed project;

1 (vi) Development of single permits under multiple authorities otherwise provided in state
2 law to support comprehensive and coordinated reviews of proposed projects. The director may
3 address and resolve conflicting or redundant process requirements in order to achieve an effective
4 and efficient review process that meets environmental objectives; and

5 (vii) Exploration of the use of performance-based regulations coupled with adequate
6 inspection and oversight, as an alternative to requiring applications or submissions for approval
7 prior to initiation of projects. ~~The department shall work with the office of regulatory reform to~~
8 ~~evaluate the potential for adopting alternative compliance approaches and provide a report to the~~
9 ~~governor and the general assembly by May 1, 2015;~~

10 (36) To formulate and promulgate regulations requiring any dock or pier longer than twenty
11 feet (20') and located on a freshwater lake or pond to be equipped with reflective materials, on all
12 sides facing the water, of an appropriate width and luminosity such that it can be seen by operators
13 of watercraft;

14 (37) To temporarily waive any control or prohibition respecting the use of a fuel or fuel
15 additive required or regulated by the department if the director finds that:

16 (i) Extreme or unusual fuel or fuel additive supply circumstances exist in the state or the
17 New England region that prevent the distribution of an adequate supply of the fuel or fuel additive
18 to consumers;

19 (ii) Extreme or unusual fuel or fuel additive supply circumstances are the result of a natural
20 disaster, an act of God, a pipeline or refinery equipment failure, or another event that could not
21 reasonably have been foreseen; and

22 (iii) It is in the public interest to grant the waiver.

23 Any temporary waiver shall be made in writing and shall be effective for twenty (20)
24 calendar days; provided, that the director may renew the temporary waiver, in writing, if it is
25 deemed necessary; and

26 (38)(i) To designate by rule certain waters of the state as shellfish or marine life project
27 management areas for the purpose of enhancing the cultivation and growth of marine species,
28 managing the harvest of marine species, facilitating the conduct by the department of experiments
29 in planting, cultivating, propagating, managing, and developing any and all kinds of marine life,
30 and any other related purpose.

31 (ii) Any such designation shall be by reference to fixed landmarks and include an explicit
32 description of the area to be designated.

33 (iii) Once so designated, the director may adopt rules and regulations addressing
34 restrictions on the quantities, types, or sizes of marine species which may be taken in any individual

1 management area, the times during which marine species may be taken, the manner or manners in
2 which marine species may be taken, the closure of such area to the taking of marine species, or any
3 other specific restrictions as may be deemed necessary. Such rules shall be exempt from the
4 requirements of §§ 42-35-2.7, 42-35-2.8, and 42-35-2.9.

5 (iv) The director, upon the designation of a management area, may place any stakes,
6 bounds, buoys, or markers with the words “Rhode Island department of environmental
7 management” plainly marked on them, as will approximate the management area. Failure to place
8 or maintain the stakes, bounds, buoys, or markers shall not be admissible in any judicial or
9 administrative proceeding.

10 (v) Nothing in this section shall prevent the director from implementing emergency rules
11 pursuant to § 42-35-2.10.

12 SECTION 26. Section 42-64-36 of the General Laws in Chapter 42-64 entitled “Rhode
13 Island Commerce Corporation” is hereby amended to read as follows:

14 **42-64-36. Program accountability.**

15 (a) The board of the Rhode Island commerce corporation shall be responsible for
16 establishing accountability standards, reporting standards, and outcome measurements for each of
17 its programs to include, but not be limited to, the use of tax credits, loans, loan guarantees, and
18 other financial transactions managed or utilized by the corporation. Included in the standards shall
19 be a set of principles and guidelines to be followed by the board to include:

20 (1) A set of outcomes against which the board will measure each program’s and offering’s
21 effectiveness;

22 (2) A set of standards for risk analysis for all of the programs especially the loans and loan
23 guarantee programs; and

24 (3) A process for reporting out all loans, loan guarantees, and any other financial
25 commitments made through the corporation that includes the purpose of the loan, financial data as
26 to payment history, and other related information.

27 (b) The board shall annually prepare a report starting in January 2015 which shall be
28 submitted to the house and senate. The report shall summarize the above listed information on each
29 of its programs and offerings and contain recommendations for modification, elimination, or
30 continuation.

31 (c) The commerce corporation shall prepare a report beginning January 1, 2019, which
32 shall be submitted to the house and senate within a period of ~~thirty (30)~~ forty-five (45) days of the
33 close of each quarter. The report shall summarize the information listed in subsection (a) of this
34 section on each of its programs and offerings, including any modifications, adjustments, clawbacks,

1 reallocations, alterations, or other changes, made from the close of the prior fiscal quarter and
2 include comparison data to the reports submitted pursuant to §§ 42-64.20-9(b), 42-64.21-8(a) and
3 (c), 42-64.22-14(a), 42-64.23-5(d), 42-64.24-5(d), 42-64.25-12, 42-64.26-6, 42-64.27-4, 42-64.28-
4 9, 42-64.29-7(a), 42-64.31-3, 44-48.3-13(b) and (c), chapters 64.20, 64.21, 64.22, 64.23, 64.24,
5 64.25, 64.26, 64.27, 64.28, 64.29, 64.30, 64.31, 64.32 of title 42 and § 44-48.3-13.

6 (d) The board shall coordinate its efforts with the office of revenue analysis to not duplicate
7 information on the use of tax credits and other tax expenditures.

8 SECTION 27. Section 42-64.19-3 of the General Laws in Chapter 42-64.19 entitled
9 “Executive Office of Commerce” is hereby amended to read as follows:

10 **42-64.19-3. Executive office of commerce.**

11 (a) There is hereby established within the executive branch of state government an
12 executive office of commerce effective February 1, 2015, to serve as the principal agency of the
13 executive branch of state government for managing the promotion of commerce and the economy
14 within the state and shall have the following powers and duties in accordance with the following
15 schedule:

16 (1) On or about February 1, 2015, to operate functions from the department of business
17 regulation;

18 (2) On or about April 1, 2015, to operate various divisions and functions from the
19 department of administration;

20 (3) On or before September 1, 2015, to provide to the Senate and the House of
21 Representatives a comprehensive study and review of the roles, functions, and programs of the
22 department of administration and the department of labor and training to devise recommendations
23 and a business plan for the integration of these entities with the office of the secretary of commerce.
24 The governor may include such recommendations in the Fiscal Year 2017 budget proposal; and

25 (4) On or before July 1, 2021, to provide for the hiring of a deputy secretary of commerce
26 and housing who shall report directly to the secretary of commerce. On July 1, 2022, the deputy
27 secretary of commerce and housing shall succeed to the position of secretary of housing, and the
28 position of deputy secretary of commerce and housing shall cease to exist under this chapter. All
29 references in the general laws to the deputy secretary of commerce and housing shall be construed
30 to mean the secretary of housing. The secretary of housing shall be appointed by and report directly
31 to the governor and shall assume all powers, duties, and responsibilities formerly held by the deputy
32 secretary of commerce and housing. Until the formation of the new department of housing pursuant
33 to chapter 64.34 of this title, the secretary of housing shall reside within the executive office of
34 commerce for administrative purposes only. The secretary of housing shall:

1 (i) Prior to hiring, have completed and earned a minimum of a master's graduate degree in
2 the field of urban planning, economics, or a related field of study or possess a juris doctor law
3 degree. Preference shall be provided to candidates having earned an advanced degree consisting of
4 an L.L.M. law degree or Ph.D. in urban planning or economics. Qualified candidates must have
5 documented five (5) years' full-time experience employed in the administration of housing policy
6 and/or development;

7 (ii) Be responsible for overseeing all housing initiatives in the state of Rhode Island and
8 developing a housing plan, including, but not limited to, the development of affordable housing
9 opportunities to assist in building strong community efforts and revitalizing neighborhoods;

10 (iii) Coordinate with all agencies directly related to any housing initiatives and participate
11 in the promulgation of any regulation having an impact on housing including, but not limited to,
12 the Rhode Island housing and mortgage finance corporation, the coastal resources management
13 council (CRMC), and state departments including, but not limited to: the department of
14 environmental management (DEM), the department of business regulation (DBR), the department
15 of transportation (DOT) and statewide planning, and the Rhode Island housing resources
16 commission;

17 (iv) Coordinate with the housing resources commission to formulate an integrated housing
18 report to include findings and recommendations to the governor, speaker of the house, senate
19 president, each chamber's finance committee, and any committee whose purview is reasonably
20 related to, including, but not limited to, issues of housing, municipal government, and health on or
21 before ~~December~~ April 315, 20215, and annually thereafter ~~which.~~ This report shall include, but
22 not be limited to, the following:

23 (A) The total number of housing units in the state with per community counts, ~~including~~
24 ~~the number of Americans with Disabilities Act compliant special needs units;~~

25 (B) Every three years, beginning in 2026 and contingent upon funding for data collection,
26 an assessment of the suitability of existing housing stock in meeting accessibility needs of residents;

27 ~~(BC)~~ The occupancy and vacancy rate of the units referenced in subsection (a)(4)(iv)(A);

28 ~~(CD)~~ The change in the number of units referenced in subsection (a)(4)(iv)(A), for each of
29 the prior three (3) years in figures and as a percentage;

30 ~~(DE)~~ The number of net new units in development and number of units completed ~~since~~
31 ~~the prior report in the previous calendar year;~~

32 ~~(EF)~~ For each municipality the number of single-family, two-family (2), and three-family
33 (3) units, and multi-unit housing delineated sufficiently to provide the lay reader a useful
34 description of current conditions, including a statewide sum of each unit type;

1 ~~(F) The total number of units by income type;~~

2 (G) ~~A projection of the number of status quo units~~ Every three years, beginning in 2026, a
3 projection of the number of units required to meet estimated population growth and based upon
4 household formation rates;

5 ~~(H) A projection of the number of units required to meet housing formation trends;~~

6 ~~(H)~~ (H) A comparison of regional and other similarly situated state funding sources that
7 support housing development including a percentage of private, federal, and public support;

8 ~~(H)~~ (H) A reporting of unit types by number of bedrooms for rental properties including an
9 accounting of all:

10 (I) Single-family units;

11 (II) Accessory dwelling units;

12 (III) Two-family (2) units;

13 (IV) Three-family (3) units;

14 (V) Multi-unit sufficiently delineated units;

15 (VI) Mixed use sufficiently delineated units; and

16 (VII) Occupancy and vacancy rates for the prior three (3) years;

17 ~~(K)~~ (K) A reporting of unit types by ownership including an accounting of all:

18 (I) Single-family units;

19 (II) Accessory dwelling units;

20 (III) Two-family (2) units;

21 (IV) Three-family (3) units;

22 (V) Multi-unit sufficiently delineated units;

23 (VI) Mixed use sufficiently delineated units; and

24 (VII) Occupancy and vacancy rates for the prior three (3) years;

25 ~~(K)~~ (K) A reporting of the number of applications submitted or filed for each community
26 according to unit type and an accounting of action taken with respect to each application to include,
27 approved, denied, appealed, approved upon appeal, and if approved, the justification for each
28 appeal approval;

29 ~~(M)~~ (M) A reporting of permits for each community according to affordability level that were
30 sought, approved, denied, appealed, approved upon appeal, and if approved, the justification for
31 each approval;

32 ~~(N)~~ (N) A reporting of affordability ~~by municipality~~ that shall include the following:

33 (I) The percent and number of units of extremely low-, very low-, low-, moderate-, fair-
34 market rate, and above moderate-income ~~market-rate units~~; including the average and median costs

1 of those units;

2 (II) The percent and number of units of extremely low-, very low-, low-, and moderate-
3 income housing units by municipality required to satisfy the ten percent (10%) requirement
4 pursuant to chapter 24 of title 45; including the average and median costs of those units;

5 (III) The percent and number of units for the affordability levels above moderate-income
6 housing, including a comparison to fair-market rent ~~and fair-market homeownership~~; including the
7 average and median costs of those units;

8 (IV) The percentage of cost burden by municipality with population equivalent;

9 (V) The percentage and number of home financing sources, including all private, federal,
10 state, or other public support; ~~and~~

11 (VI) The disparities in mortgage loan financing by race and ethnicity based on Home
12 Mortgage Disclosure Act data by available geographies;

13 (VI) The annual median gross rent ~~cost~~ growth for each of the previous five (5) years by
14 ~~unit type at each affordability level, by unit type~~ municipality; ~~and~~

15 (VIII) The annual growth in median owner-occupied home values for each of the previous
16 five (5) years by municipality;

17 ~~(N)~~ A reporting of municipal healthy housing stock by unit type and number of bedrooms
18 and providing an assessment of the state's existing housing stock and enumerating any risks to the
19 public health from that housing stock, including, but not limited to: the presence of lead, mold, safe
20 drinking water, disease vectors (insects and vermin), and other conditions that are an identifiable
21 health detriment. Additionally, the report shall provide the percentage of the prevalence of health
22 risks by age of the stock for each community by unit type and number of bedrooms; and

23 ~~(O)~~ A recommendation shall be included with the report required under this section that
24 shall provide consideration to any and all populations, ethnicities, income levels, and other relevant
25 demographic criteria determined by the secretary, and with regard to any and all of the criteria
26 enumerated elsewhere in the report separately or in combination, provide recommendations to
27 resolve any issues that provide an impediment to the development of housing, including specific
28 data and evidence in support of the recommendation. All data and methodologies used to present
29 evidence are subject to review and approval of the chief of revenue analysis, and that approval shall
30 include an attestation of approval by the chief to be included in the report;

31 (P) Municipal governments shall provide the Department of Housing's requested data
32 relevant to this report on or before February 15, 2025 and annually thereafter.

33 (v) Have direct oversight over the office of housing and community development (OHCD)
34 and shall be responsible for coordinating with the secretary of commerce a shared staffing

1 arrangement until June 30, 2023, to carry out the provisions of this chapter;

2 (vi) On or before November 1, 2022, develop a housing organizational plan to be provided
3 to the general assembly that includes a review, analysis, and assessment of functions related to
4 housing of all state departments, quasi-public agencies, boards, and commissions. Provided,
5 further, the secretary, with the input from each department, agency, board, and commission, shall
6 include in the plan comprehensive options, including the advantages and disadvantages of each
7 option and recommendations relating to the functions and structure of the new department of
8 housing.

9 (vii) Establish rules and regulations as set forth in § 45-24-77.

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

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

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

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

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

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

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

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

26 SECTION 28. Sections 42-72.8-2, 42-72.8-2.1, 42-72.8-3 and 42-72.8-4 of the General
27 Laws in Chapter 42-72.8 entitled "Department of Children, Youth and Families Higher Education
28 Incentive Grant" are hereby amended to read as follows:

29 **42-72.8-2. Administration of program.**

30 (a) ~~Each year the~~ The department annually shall notify, identify and ~~recommend from~~
31 ~~among~~ outreach to those youth in its legal custody, ~~or who were in the Department's legal custody~~
32 ~~on their eighteenth (18th) birthday,~~ beginning at age fourteen (14) and until the youth exits care,
33 who may satisfy the eligibility requirements prescribed in 42-72.8-2.1 ~~those students who may be~~
34 ~~eligible to apply for a~~ for the Higher Education Opportunity Incentive Grant. ~~The department of~~

1 ~~elementary and secondary education shall afford all appropriate assistance to the department in the~~
2 ~~identification of youth who may be eligible for such grants.~~ Each ~~selected~~ qualified applicant will
3 receive ~~grants~~ a grant, to the extent of available funding, to supplement federal, state, private and
4 institutional scholarships, grants and ~~loans~~ work-study opportunities awarded to the higher
5 education institution for the applicant in an amount not to exceed the full cost of attendance,
6 including but not limited to: tuition, fees, ~~and room and board charges~~ books, academic support,
7 transportation, food and housing: The department shall request from the higher education institution
8 the qualified applicant's unmet need calculated in accordance with federal and state laws and the
9 institution's policies. For the Workforce Development Incentive Grant, each qualified applicant
10 shall receive a grant, to the extent of available funding, in an amount not to exceed the full cost of
11 attendance, including but not limited to: training, fees, books, transportation, food, and housing
12 calculated by the department, in collaboration with the Community College of Rhode Island.
13 Payments pursuant to this chapter shall be disbursed in accordance with the requirements of the
14 higher education institution.

15 ~~(b) A grant period shall be limited to two (2) years of full-time study at the Community~~
16 ~~College of Rhode Island, four (4) years of full-time study at Rhode Island College, and the~~
17 ~~University of Rhode Island, and in no instance shall the grant period exceed a period of four (4)~~
18 ~~years. Grant recipients shall be enrolled full-time and shall continue to make satisfactory progress~~
19 ~~toward an academic certificate or degree as determined by the school in which they are enrolled;~~

20 ~~(c) The department shall make recommendations for grant awards from among those youth~~
21 ~~who:~~

22 ~~(1) Have not yet reached the age of eighteen (18) on the day of recommendation, are in~~
23 ~~the legal custody of the department on the day of recommendation and have remained in such~~
24 ~~custody for at least twenty-four (24) months prior to the day of recommendation; or, for former~~
25 ~~foster care, have reached the age of eighteen (18) prior to the date of recommendation, have not yet~~
26 ~~reached the age of twenty-one (21) and were in the custody of the department from their sixteenth~~
27 ~~(16th) to their eighteenth (18th) birthdays; and~~

28 ~~(2) Have graduated from high school or received the equivalent of a high school diploma~~
29 ~~not more than one year prior to the date of recommendation; and~~

30 ~~(3) Has not reached his/her twenty-first (21st) birthday; except that youth who are~~
31 ~~participating in this program on the date before his/her twenty-first (21st) birthday may remain~~
32 ~~eligible until his/her twenty-third (23rd) birthday, as long as he/she continues to be considered a~~
33 ~~full-time student by Community College of Rhode Island, Rhode Island College or University of~~
34 ~~Rhode Island, and is making satisfactory progress, as determined by the school in which he/she is~~

1 ~~enrolled, toward completion of his/her degree program.~~

2 **42-72.8-2.1. Eligibility.**

3 (a) To be eligible for a Higher Education Opportunity Incentive Grant, a youth:

4 (1) Must have been in foster care in Rhode Island through the department for at least six
5 (6) months on or after their fourteenth birthday. The six (6) months can be non-consecutive periods
6 of foster care placement or participation in the voluntary extension of care pursuant to §14-1-6;

7 (2) Must be no older than twenty-three (23) years of age prior to June 30 of the application
8 year;

9 (3) Must have graduated from high school or received a high school equivalency diploma;

10 (4) Must be admitted to, and must enroll, attend, and make satisfactory progress towards
11 the completion of a degreed program of study at the Community College of Rhode Island, Rhode
12 Island College or the University of Rhode Island on a full-time or part-time basis enrolled in no
13 less than six (6) credits per semester; and

14 (5) Must complete the FAFSA and any required FAFSA verification, or for persons who
15 are legally unable to complete the FAFSA, must complete a comparable form created by the
16 institution by the applicable deadline for each year in which the student seeks to receive funding
17 under the aforesaid incentive grant;

18 (b) To be eligible for a Workforce Development Incentive Grant, a youth:

19 (1) Must have been in foster care in Rhode Island through the department for at least six
20 (6) months on or after their fourteenth birthday. The six (6) months can be non-consecutive periods
21 of foster care placement or participation in the voluntary extension of care pursuant to §14-1-6;

22 (2) Must be no older than twenty-three (23) years of age prior to June 30 of the application
23 year;

24 (3) Must have graduated from high school or received a high school equivalency diploma;

25 and

26 (4) Must be enrolled and attend a workforce development program at the community
27 college of Rhode Island approved by the commissioner of postsecondary education;

28 (c) Youth shall only be eligible for one of the incentive grants per academic year.

29 (d) Youth who meet the eligibility requirements in subsection (a) or (b) and who are
30 adopted or placed in guardianship through the department after their sixteenth (16) birthday are
31 eligible to receive the incentive grant.

32 **42-72.8-3. Selection of grant recipients.**

33 (a) ~~There shall be a grant award selection committee which shall consist of a representative~~
34 ~~from each of the institutions of higher education appointed by their respective presidents, two (2)~~

1 ~~representatives from the department of children, youth and families appointed by the director, one~~
2 ~~representative from the department of elementary and secondary education appointed by the~~
3 ~~commissioner, and one representative from the office of higher education appointed by the~~
4 ~~commissioner and representatives of other organizations that the director of department of children,~~
5 ~~youth and families believes can help further the goals of the program. Grant awards shall be made~~
6 ~~by the department pursuant to its policies, procedures, rules and regulations.~~

7 (b) ~~Grant awards shall be made on the basis of scholastic record, aptitude, financial need~~
8 ~~and general interest in higher education. Recipients must comply with all application deadlines and~~
9 ~~criteria for admission to the institution to which the recipient is making application and, further,~~
10 ~~the recipient must have been granted admission by the admissions office of the institution.~~
11 Cumulative grant awards shall not exceed available appropriations in any fiscal year. The
12 department shall adopt policies, procedures, rules and or regulations, which are reasonably
13 necessary to implement the provisions of this chapter.

14 **42-72.8-4. Appropriation.**

15 The general assembly shall appropriate no less than the sum of ~~\$ 50,000 for the fiscal year~~
16 ~~ending June 30, 2000; \$ 100,000 for the fiscal year ending June 30, 2001; \$ 150,000 for the fiscal~~
17 ~~year ending June 30, 2002; and \$ 200,000 annually.~~ for the fiscal year ending June 30, 2003 and
18 ~~thereafter.~~ No later than September 1, 2024 and annually thereafter, the department shall provide
19 an annual report to the governor, the speaker of the house of representatives and the president of
20 the senate regarding the funds distributed pursuant to this chapter. The report shall include:

21 (a) the total number of applicants in relation to the total number of grants authorized by
22 the department by school and approved workforce development program;

23 (b) the average unmet need for each grant recipient by each school and approved workforce
24 development program;

25 (c) the average award amount by grant program; and

26 (d) the total amount of funding distributed to each grant program.

27 The department annually shall present the report and an update regarding the Higher Education
28 Opportunity Incentive Grant and Workforce Development Incentive Grant to the youth advisory
29 board and key partners.

30 SECTION 29. All sections in this Article shall take effect upon passage, except Section 18,
31 which shall take effect July 1, 2024.

1 **ARTICLE 4**

2 **RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS**

3 SECTION 1. This article shall serve as joint resolution required pursuant to Rhode Island
4 Laws 35-18-1, *et seq.*

5 SECTION 2. *University of Rhode Island – Utility Infrastructure Upgrade Phase III.*

6 WHEREAS, the University of Rhode Island Board of Trustees and the University of Rhode
7 Island (“University”) are proposing a project which involves the engineering and construction of
8 upgrades and component replacements to five (5) municipal-level Kingston Campus utility
9 systems;

10 WHEREAS, the University has engaged qualified engineering firms to examine its major
11 infrastructure systems;

12 WHEREAS, based on the condition and capabilities of these systems, the studies have
13 concluded that replacement of components and reconfiguration is advisable for each of these
14 extensive systems to ensure necessary steam, water, sanitary, and electrical support for the
15 University’s campuses for the next twenty (20) to forty (40) years;

16 WHEREAS, the University has also developed the required Stormwater Management Plan
17 for the Kingston Campus, which provides guidelines that are being incorporated into new building
18 projects under development and are driving stand-alone stormwater infrastructure projects as well;

19 WHEREAS, the University has successfully completed many extremely important
20 individual utility infrastructure projects in its continuing progression of work to upgrade and
21 replace infrastructure systems, but now needs additional investments beyond annual capital
22 resources;

23 WHEREAS, this project is the third phase in a phased implementation plan to upgrade and
24 improve the reliability of infrastructure on the University’s campuses;

25 WHEREAS, the total project cost associated with the completion of this phase of the
26 project and proposed financing method is nine million one hundred ninety-one thousand two
27 hundred fifty dollars (\$9,191,250), including cost of issuance, debt service payments would be
28 supported by revenues derived from the University’s unrestricted general revenues, and total debt
29 service on the bonds is not expected to exceed eight hundred five thousand dollars (\$805,000)
30 annually and sixteen million one hundred thousand dollars (\$16,100,000) in the aggregate based
31 on an average interest rate of six (6%) percent and a twenty (20) year term; now, therefore be it

32 **RESOLVED**, that this General Assembly hereby approves financing in an amount not to
33 exceed nine million one hundred ninety-one thousand two hundred fifty dollars (\$9,191,250) for
34 the Utility Infrastructure Upgrade Phase III project at the University; and be it further

1 RESOLVED, that, this Joint Resolution shall take effect upon passage by this General
2 Assembly.

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

1 **ARTICLE 5**

2 **RELATING TO CAPITAL DEVELOPMENT PROGRAM**

3 SECTION 1. **Proposition to be submitted to the people.** -- At the general election to be
4 held on the Tuesday next after the first Monday in November 2024, there shall be submitted to the
5 people ("People") of the State of Rhode Island ("State"), for their approval or rejection, the
6 following proposition:

7 "Shall the action of the general assembly, by an act passed at the January 2024 session,
8 authorizing the issuance of bonds, refunding bonds, and temporary notes of the State of Rhode
9 Island for the capital projects and in the amount with respect to each such project listed below be
10 approved, and the issuance of bonds, refunding bonds, and temporary notes authorized in
11 accordance with the provisions of said act?"

12 **Project**

13 (1) Higher Education Facilities \$135,000,000

14 Approval of this question will allow the State of Rhode Island to issue general obligation
15 bonds, refunding bonds, and/or temporary notes in an amount not to exceed one hundred and thirty-
16 five million dollars (\$135,000,000) for capital improvements to higher education facilities, to be
17 allocated as follows:

18 (a) University of Rhode Island Biomedical Sciences Building

19 \$80,000,000

20 Provides eighty million dollars (\$80,000,000) for the construction of a biomedical sciences
21 building to accelerate the education, research, and workforce development of life sciences for the
22 state.

23 (b) Rhode Island College Cybersecurity Building

24 \$55,000,000

25 Provides fifty-five million dollars (\$55,000,000) to fund the renovation of Whipple Hall
26 and other improvements to support the Institute for Cybersecurity & Emerging Technologies.

27 (2) State Archives and History Center

28 \$60,000,000

29 Approval of this question will allow the State of Rhode Island to issue general obligation
30 bonds, refunding bonds, and/or temporary notes in an amount not to exceed sixty million dollars
31 (\$60,000,000) for the construction of a new Rhode Island State Archives and History Center.

32 (3) Housing and Community Opportunity

33 \$100,000,000

34 Approval of this question will allow the State of Rhode Island to issue general obligation

1 bonds, refunding bonds, and/or temporary notes in an amount not to exceed one hundred million
2 dollars (\$100,000,000) to increase affordable and middle-income housing production and
3 infrastructure, support community revitalization, and promote home ownership.

4 (4) Green Economy Bonds

5 \$50,000,000

6 Approval of this question will allow the State of Rhode Island to issue general obligation
7 bonds, refunding bonds, and/or temporary notes in an amount not to exceed fifty million dollars
8 (\$50,000,000) for environmental and recreational purposes, to be allocated as follows:

9 (a) Port of Davisville Infrastructure at Quonset

10 \$20,000,000

11 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support
12 the continued growth and modernization at the Port of Davisville. This investment will finance the
13 Port master plan. The work will include new port access roads, laydown area improvements, and
14 security upgrades to support the new Terminal Five Pier. These projects will upgrade World War
15 II-era infrastructure and position Davisville to accommodate offshore wind project cargo and
16 logistics staging while continuing to support the Port's existing businesses.

17 (b) Climate Resiliency and Public Access Projects

18 \$2,000,000

19 Provides two million dollars (\$2,000,000) for up to seventy-five percent (75%) matching
20 grants to public and non-profit entities for restoring and/or improving resiliency of vulnerable
21 coastal habitats and restoring rivers and stream floodplains. These funds are expected to leverage
22 significant matching funds to support local programs to improve community resiliency and public
23 safety in the face of increased flooding, major storm events, and environmental degradation.

24 (c) Brownfields Remediation and Economic Development

25 \$5,000,000

26 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
27 to public, private, and/or non-profit entities for brownfield remediation projects.

28 (d) Local Recreation Projects

29 \$5,000,000

30 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
31 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
32 growing needs for active outdoor recreational facilities.

33 (e) Municipal Resiliency

34 \$10,000,000

1 Provides ten million dollars (\$10,000,000) to provide financial assistance to municipalities
2 for restoring and/or improving resiliency of infrastructure, vulnerable coastal habitats, and restoring
3 rivers and stream floodplains. These funds will be prioritized to leverage significant matching funds
4 to support local programs to improve community resiliency and public safety in the face of
5 increased flooding, major storm events, and environmental degradation.

6 (f) Newport Cliff Walk

7 \$8,000,000

8 Provides eight million dollars (\$8,000,000) for restoring and improving the resiliency of
9 the historic statewide tourism infrastructure of the public access walkway known as the Newport
10 Cliff Walk located in Newport, Rhode Island.

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

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

21 SECTION 4. Bonds for the capital development program. -- The General Treasurer is
22 hereby authorized and empowered, with the approval of the Governor, and in accordance with the
23 provisions of this Act to issue capital development bonds in serial form, in the name of and on
24 behalf of the State of Rhode Island, in amounts as may be specified by the Governor in an aggregate
25 principal amount not to exceed the total amount for all projects approved by the People and
26 designated as "capital development loan of 2024 bonds." Provided, however, that the aggregate
27 principal amount of such capital development bonds and of any temporary notes outstanding at any
28 one time issued in anticipation thereof pursuant to Section 7 hereof shall not exceed the total amount
29 for all such projects approved by the People. All provisions in this Act relating to "bonds" shall
30 also be deemed to apply to "refunding bonds."

31 Capital development bonds issued under this Act shall be in denominations of one thousand
32 dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency of the
33 United States which at the time of payment shall be legal tender for public and private debts. These
34 capital development bonds shall bear such date or dates, mature at specified time or times, but not

1 mature beyond the end of the twentieth (20th) State fiscal year following the fiscal year in which
2 they are issued; bear interest payable semi-annually at a specified rate or different or varying rates:
3 be payable at designated time or times at specified place or places; be subject to express terms of
4 redemption or recall, with or without premium; be in a form, with or without interest coupons
5 attached; carry such registration, conversion, reconversion, transfer, debt retirement, acceleration
6 and other provisions as may be fixed by the General Treasurer, with the approval by the Governor,
7 upon each issue of such capital development bonds at the time of each issue. Whenever the
8 Governor shall approve the issuance of such capital development bonds, the Governor's approval
9 shall be certified to the Secretary of State; the bonds shall be signed by the General Treasurer and
10 countersigned by Secretary of State and shall bear the seal of the State. The signature approval of
11 the Governor shall be endorsed on each bond.

12 SECTION 5. Refunding bonds for the 2024 capital development program. -- The
13 General Treasurer is hereby authorized and empowered, with the approval of the Governor, and in
14 accordance with the provisions of this Act, to issue bonds to refund the 2024 capital development
15 program bonds, in the name of and on behalf of the state, in amounts as may be specified by the
16 Governor in an aggregate principal amount not to exceed the total amount approved by the People,
17 to be designated as "capital development program loan of 2024 refunding bonds" (hereinafter
18 "Refunding Bonds").

19 The General Treasurer with the approval of the Governor shall fix the terms and form of
20 any Refunding Bonds issued under this Act in the same manner as the capital development bonds
21 issued under this Act, except that the Refunding Bonds may not mature more than twenty (20) years
22 from the date of original issue of the capital development bonds being refunded.

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

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

1 State of Rhode Island for any purpose starting from the date of deposit of such moneys with the
2 paying agent. The Refunding Bonds shall continue to be a debt of the State until paid.

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

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

13 All monies in the capital development bond fund shall be expended for the purposes
14 specified in the proposition provided for in Section 1 hereof under the direction and supervision of
15 the Director of Administration (hereinafter referred to as "Director"). The Director or his or her
16 designee shall be vested with all power and authority necessary or incidental to the purposes of this
17 Act, including but not limited to, the following authority: (a) to acquire land or other real property
18 or any interest, estate or right therein as may be necessary or advantageous to accomplish the
19 purposes of this Act; (b) to direct payment for the preparation of any reports, plans and
20 specifications, and relocation expenses and other costs such as for furnishings, equipment
21 designing, inspecting and engineering, required in connection with the implementation of any
22 projects set forth in Section 1 hereof; (c) to direct payment for the costs of construction,
23 rehabilitation, enlargement, provision of service utilities, and razing of facilities, and other
24 improvements to land in connection with the implementation of any projects set forth in Section 1
25 hereof; and (d) to direct payment for the cost of equipment, supplies, devices, materials and labor
26 for repair, renovation or conversion of systems and structures as necessary for the 2024 capital
27 development program bonds or notes hereunder from the proceeds thereof. No funds shall be
28 expended in excess of the amount of the capital development bond fund designated for each project
29 authorized in Section 1 hereof. With respect to the bonds and temporary notes described in Section
30 1, the proceeds shall be used for the following purposes:

31 Question 1, relating to bonds in the amount of one hundred and thirty-five million dollars
32 (\$135,000,000) to provide funding for higher education facilities to be allocated as follows:

33 (b) University of Rhode Island Biomedical Sciences Building
34 \$80,000,000

1 Provides eighty million dollars (\$80,000,000) for the construction of a biomedical sciences
2 building to accelerate the education, research, and workforce development of life sciences for the
3 state.

4 (b) Rhode Island College Cybersecurity Building
5 \$55,000,000

6 Provides fifty-five million dollars (\$55,000,000) to fund the renovation of Whipple Hall
7 and other improvements to support the Institute for Cybersecurity & Emerging Technologies.

8 Question 2, relating to bonds in the amount of sixty million dollars (\$60,000,000) for the
9 construction of a new Rhode Island State Archives and History Center.

10 Question 3, relating to bonds in the amount of one hundred million dollars (\$100,000,000)
11 to increase affordable and middle-income housing production and infrastructure, support
12 community revitalization, and promote home ownership.

13 Question 4, relating to bonds in the amount of fifty million dollars (\$50,000,000) for
14 environmental and recreational purposes, to be allocated as follows:

15 (a) Port of Davisville Infrastructure at Quonset
16 \$20,000,000

17 Provides twenty million dollars (\$20,000,000) for infrastructure projects that will support
18 the continued growth and modernization at the Port of Davisville. This investment will finance the
19 Port master plan. The work will include new port access roads, laydown area improvements, and
20 security upgrades to support the new Terminal Five Pier. These projects will upgrade World War
21 II-era infrastructure and position Davisville to accommodate offshore wind project cargo and
22 logistics staging while continuing to support the Port's existing businesses.

23 (b) Climate Resiliency and Public Access Projects
24 \$2,000,000

25 Provides two million dollars (\$2,000,000) for up to seventy-five percent (75%) matching
26 grants to public and non-profit entities for restoring and/or improving resiliency of vulnerable
27 coastal habitats and restoring rivers and stream floodplains. These funds are expected to leverage
28 significant matching funds to support local programs to improve community resiliency and public
29 safety in the face of increased flooding, major storm events, and environmental degradation.

30 (c) Brownfields Remediation and Economic Development
31 \$5,000,000

32 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
33 to public, private, and/or non-profit entities for brownfield remediation projects.

34 (d) Local Recreation Projects

1 \$5,000,000

2 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
3 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
4 growing needs for active outdoor recreational facilities.

5 (e) Municipal Resiliency

6 \$10,000,000

7 Provides ten million dollars (\$10,000,000) to provide financial assistance to municipalities
8 for restoring and/or improving resiliency of infrastructure, vulnerable coastal habitats, and restoring
9 rivers and stream floodplains. These funds will be prioritized to leverage significant matching funds
10 to support local programs to improve community resiliency and public safety in the face of
11 increased flooding, major storm events, and environmental degradation.

12 (f) Newport Cliff Walk

13 \$8,000,000

14 Provides eight million dollars (\$8,000,000) for restoring and improving the resiliency of
15 the historic statewide tourism infrastructure of the public access walkway known as the Newport
16 Cliff Walk located in Newport, Rhode Island.

17 SECTION 7. Sale of bonds and notes. -- Any bonds or notes issued under the authority
18 of this Act shall be sold at not less than the principal amount thereof, in such mode and on such
19 terms and conditions as the General Treasurer, with the approval of the Governor, shall deem to be
20 in the best interests of the State.

21 Any premiums and accrued interest, net of the cost of bond issuance and underwriter's
22 discount, which may be received on the sale of the capital development bonds or notes shall become
23 part of the Rhode Island Capital Plan Fund of the State, unless directed by federal law or regulation
24 to be used for some other purpose.

25 In the event that the amount received from the sale of the capital development bonds or
26 notes exceeds the amount necessary for the purposes stated in Section 6 hereof, the surplus may be
27 used to the extent possible to retire the bonds as the same may become due, to redeem them in
28 accordance with the terms thereof or otherwise to purchase them as the General Treasurer, with the
29 approval of the Governor, shall deem to be in the best interests of the state.

30 Any bonds or notes issued under the provisions of this Act and coupons on any capital
31 development bonds, if properly executed by the manual or electronic signatures of officers of the
32 State in office on the date of execution, shall be valid and binding according to their tenor,
33 notwithstanding that before the delivery thereof and payment therefor, any or all such officers shall
34 for any reason have ceased to hold office.

1 SECTION 8. Bonds and notes to be tax exempt and general obligations of the State. -
2 - All bonds and notes issued under the authority of this Act shall be exempt from taxation in the
3 State and shall be general obligations of the State, and the full faith and credit of the State is hereby
4 pledged for the due payment of the principal and interest on each of such bonds and notes as the
5 same shall become due.

6 SECTION 9. Investment of moneys in fund. -- All moneys in the capital development
7 fund not immediately required for payment pursuant to the provisions of this act may be invested
8 by the investment commission, as established by Chapter 10 of Title 35, entitled "State Investment
9 Commission," pursuant to the provisions of such chapter; provided, however, that the securities in
10 which the capital development fund is invested shall remain a part of the capital development fund
11 until exchanged for other securities; and provided further, that the income from investments of the
12 capital development fund shall become a part of the general fund of the State and shall be applied
13 to the payment of debt service charges of the State, unless directed by federal law or regulation to
14 be used for some other purpose, or to the extent necessary, to rebate to the United States treasury
15 any income from investments (including gains from the disposition of investments) of proceeds of
16 bonds or notes to the extent deemed necessary to exempt (in whole or in part) the interest paid on
17 such bonds or notes from federal income taxation.

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

22 SECTION 11. Advances from general fund. -- The General Treasurer is authorized, with
23 the approval of the Director and the Governor, in anticipation of the issue of notes or bonds under
24 the authority of this Act, to advance to the capital development bond fund for the purposes specified
25 in Section 6 hereof, any funds of the State not specifically held for any particular purpose; provided,
26 however, that all advances made to the capital development bond fund shall be returned to the
27 general fund from the capital development bond fund forthwith upon the receipt by the capital
28 development fund of proceeds resulting from the issue of notes or bonds to the extent of such
29 advances.

30 SECTION 12. Federal assistance and private funds. -- In carrying out this act, the
31 Director, or his or her designee, is authorized on behalf of the State, with the approval of the
32 Governor, to apply for and accept any federal assistance which may become available for the
33 purpose of this Act, whether in the form of loan or grant or otherwise, to accept the provision of
34 any federal legislation therefor, to enter into, act and carry out contracts in connection therewith,

1 to act as agent for the federal government in connection therewith, or to designate a subordinate so
2 to act. Where federal assistance is made available, the project shall be carried out in accordance
3 with applicable federal law, the rules and regulations thereunder and the contract or contracts
4 providing for federal assistance, notwithstanding any contrary provisions of State law. Subject to
5 the foregoing, any federal funds received for the purposes of this Act shall be deposited in the
6 capital development bond fund and expended as a part thereof. The Director or his or her designee
7 may also utilize any private funds that may be made available for the purposes of this Act.

8 SECTION 13. **Effective Date.** -- Sections 1, 2, 3, 11, 12 and this Section 13 of this article
9 shall take effect upon passage. The remaining sections of this article shall take effect when and if
10 the State Board of Elections shall certify to the Secretary of State that a majority of the qualified
11 electors voting on the proposition contained in Section 1 hereof have indicated their approval of all
12 or any projects thereunder.

1 At no time shall any license be renewed without examination if the license has expired beyond a
2 period of
3 one year.

4 SECTION 3. Sections 11-9-13.4, 11-9-13.13, 11-9-13.15, and 11-9-13.20 of the General
5 Laws in Chapter 11-9 entitled "Children" are hereby amended to read as follows:

6 **11-9-13.4. Definitions.**

7 As used in this chapter:

8 (1) "Bidi cigarette" means any product that (i) Contains tobacco that is wrapped in
9 temburni or tender leaf, or that is wrapped in any other material identified by rules of the department
10 of health that is similar in appearance or characteristics to the temburni or tender leaf, and (ii) Does
11 not contain a smoke filtering device.

12 (2) "Court" means any appropriate district court of the state of Rhode Island.

13 (3) "Dealer" is synonymous with the term "retail tobacco products dealer."

14 (4) "Department of behavioral healthcare, developmental disabilities and hospitals" means
15 the state of Rhode Island behavioral healthcare, developmental disabilities and hospitals
16 department, its employees, agents, or assigns.

17 (5) "Department of taxation" means the state of Rhode Island taxation division, its
18 employees, agents, or assigns.

19 (6) "Electronic nicotine-delivery system" means an electronic device that may be used to
20 simulate smoking in the delivery of nicotine or other substance to a person inhaling from the device,
21 and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic cigarillo,
22 electronic little cigars, electronic pipe, or electronic hookah, "heat not burn products," e-liquids, e-
23 liquid products, or any related device and any cartridge or other component of such device.

24 (7) "Electronic nicotine-delivery system product" means any combination of electronic
25 nicotine-delivery system and/or e-liquid and/or any derivative thereof, and/or any e-liquid
26 container. Electronic nicotine-delivery system products shall ~~not~~ include hemp-derived consumable
27 cannabidiol (CBD) products as defined in § 2-26-3.

28 (8) "E-liquid" and "e-liquid products" means any liquid or substance placed in or sold for
29 use in an electronic nicotine-delivery system that generally utilizes a heating element that
30 aerosolizes, vaporizes, or combusts a liquid or other substance containing nicotine or nicotine
31 derivative:

32 (i) Whether the liquid or substance contains nicotine or a nicotine derivative; or

33 (ii) Whether sold separately or sold in combination with a personal vaporizer, electronic
34 nicotine-delivery system, or an electronic inhaler.

1 (9) “License” is synonymous with the term “retail tobacco products dealer license” or
2 “electronic nicotine-delivery system license” or any license issued under chapter 20 of title 44 ~~or~~
3 ~~chapter 1 of title 23.~~

4 (10) “License holder” is synonymous with the term “retail tobacco products dealer” or
5 “electronic nicotine-delivery system license” or any licenses issued under chapter 20 of title 44 ~~or~~
6 ~~chapter 1 of title 23.~~

7 (11) “Little cigars” means and includes any roll, made wholly or in part of tobacco,
8 irrespective of size or shape, and irrespective of whether the tobacco is flavored, adulterated, or
9 mixed with any other ingredient, where such roll has a wrapper or cover made of tobacco wrapped
10 in leaf tobacco or any substance containing tobacco paper or any other material and where such roll
11 has an integrated filter, except where such wrapper is wholly or in greater part made of tobacco and
12 where such roll has an integrated filter and weighs over four (4) pounds per thousand (1,000).

13 (12) “Person” means any individual person, firm, fiduciary, partnership, trust, association,
14 or corporation licensed as a retail dealer to sell tobacco products within the state.

15 (13) “Retail tobacco products dealer” means the holder of a license to sell tobacco products
16 at retail and shall include holders of all other licenses issued under chapter 20 of title 44 ~~or chapter~~
17 ~~1 of title 23.~~

18 (14) “Retail tobacco products dealer license” means a license to sell tobacco products
19 [and/or electronic nicotine-delivery system products as defined in section 44-20-1\(7\)](#) at retail as
20 issued by the department of taxation.

21 (15) “Spitting tobacco” also means snuff, powdered tobacco, chewing tobacco, dipping
22 tobacco, pouch tobacco, or smokeless tobacco.

23 (16) “Tobacco product(s)” means any product(s) containing, made of, or derived from
24 tobacco or nicotine that is intended for human consumption or is likely to be consumed, whether
25 inhaled, absorbed, or ingested by any other means, including, but not limited to, a cigarette, a little
26 cigar as defined in § 44-20.2-1, and any and all products as defined in § 44-20-1, electronic nicotine-
27 delivery system products, or any added substance that may be aerosolized, vaporized, or otherwise
28 delivered by such an electronic nicotine-delivery system device, whether or not that substance
29 contains nicotine.

30 (i) “Tobacco product(s)” does not include drugs, devices, or combination products
31 intended to treat tobacco or nicotine dependence that are authorized by the United States Food and
32 Drug Administration, as those terms are defined in the Federal Food, Drug and Cosmetic Act. Nor
33 does it include such authorized drugs, devices, or combination products with such treatment
34 purpose by individuals under age twenty-one (21) if prescribed by a licensed prescriber such as a

1 physician, nurse practitioner, or physician assistant.

2 (17) “Underage individual” or “underage individuals” means any individual under the age
3 of twenty-one (21).

4 **11-9-13.13. Nature and size of penalties.**

5 (a) Any license holder who violates a requirement of § 11-9-13.6(2) or § 11-9-13.7, display
6 of specific signage, shall be subject to a fine in court of not less than thirty-five dollars (\$35.00),
7 nor more than five hundred dollars (\$500), per civil violation.

8 (b) The license holder is responsible for all violations of this section that occur at the
9 location for which the license is issued. Any license holder who or that violates the prohibition of
10 § 11-9-13.8(1) or § 11-9-13.20 shall be subject to civil fines as follows:

11 (1) A fine of two hundred fifty dollars (\$250) for the first violation within any thirty-six-
12 month (36) period;

13 (2) A fine of five hundred dollars (\$500) for the second violation within any thirty-six-
14 month (36) period;

15 (3) A fine of one thousand dollars (\$1,000) and a fourteen-day (14) suspension of the
16 license to sell tobacco products or electronic nicotine-delivery systems for the third violation within
17 any thirty-six-month (36) period;

18 (4) A fine of one thousand five hundred dollars (\$1,500) and a ninety-day (90) suspension
19 of the license to sell tobacco products or electronic nicotine-delivery systems for each violation in
20 excess of three (3).

21 (c) Any person who or that violates a prohibition of § 11-9-13.8(3), sale of single cigarettes;
22 or § 11-9-13.8(2), regarding factory-wrapped packs as sealed and certified by the manufacturer;
23 shall be subject to a penalty of five hundred dollars (\$500) for each violation.

24 (d) The department of taxation ~~and/or the department of health~~ shall not issue a license to
25 any individual, business, firm, fiduciary, partnership, trust, association, or corporation, the license
26 of which has been revoked or suspended; to any corporation, an officer of which has had his or her
27 license revoked or suspended; or to any individual who is, or has been, an officer of a corporation
28 the license of which has been revoked or suspended so long as such revocations or suspensions are
29 in effect.

30 (e) The court may suspend the imposition of a license suspension of the license secured
31 from the Rhode Island tax administrator or department of health for a violation of subsections (b)(3)
32 and (b)(4) of this section if the court finds that the license holder has taken measures to prevent the
33 sale of tobacco products, including electronic nicotine-delivery system products, to an underage
34 individual and the license holder can demonstrate to the court that those measures have been taken

1 and that employees have received training. No person or individual shall sell tobacco products,
2 including electronic nicotine-delivery system products, at retail without first being trained in the
3 legal sale of tobacco products, including electronic nicotine-delivery system products. Training
4 shall teach employees what constitutes a tobacco product, including an electronic nicotine-delivery
5 system product; legal age of sale; acceptable identification; how to refuse a direct sale to an
6 underage individual or secondary sale to an individual twenty-one (21) years or older; and all
7 applicable laws on tobacco sales and distribution. Dealers shall maintain records indicating that the
8 provisions of this section were reviewed with all employees who conduct, or will conduct, tobacco
9 product sales, including electronic nicotine-delivery system product sales. Each employee who
10 sells or will sell tobacco products, including electronic nicotine-delivery system products, shall sign
11 an acknowledgement form attesting that the provisions of this section were reviewed with him or
12 her. Each form shall be maintained by the retailer for as long as the employee is so employed and
13 for no less than one year after termination of employment. The measures to prevent the sale of
14 tobacco products, including electronic nicotine-delivery system products, to underage individuals
15 shall be defined by the department of behavioral healthcare, developmental disabilities and
16 hospitals in rules and regulations.

17 **11-9-13.15. Penalty for operating without a dealer license.**

18 (a) Any individual or business who or that violates this chapter by selling or conveying a
19 tobacco product or electronic nicotine-delivery system product without a retail tobacco products
20 dealer license shall be cited for that violation and shall be required to appear in court for a hearing
21 on the citation.

22 (b) Any individual or business cited for a violation under this section of this chapter shall:

23 (1) Either post a two-thousand-five-hundred-dollar (\$2,500) bond with the court within ten
24 (10) days of the citation; or

25 (2) Sign and accept the citation indicating a promise to appear in court.

26 (c) An individual or business who or that has accepted the citation may:

27 (1) Pay a ten-thousand-dollar (\$10,000) fine, either by mail or in person, within ten (10)
28 days after receiving the citation; or

29 (2) If that individual or business has posted a bond, forfeit the bond by not appearing at the
30 scheduled hearing. If the individual or business cited pays the ten-thousand-dollar (\$10,000) fine
31 or forfeits the bond, that individual or business is deemed to have admitted the cited violation and
32 to have waived the right to a hearing on the issue of commission on the violation.

33 (d) The court after a hearing on a citation shall make a determination as to whether a
34 violation has been committed. If it is established that the violation did occur, the court shall impose

1 a ten-thousand-dollar (\$10,000) fine, in addition to any court costs or other court fees.

2 **11-9-13.20. Packaging of electronic nicotine-delivery system liquid.**

3 (a) No liquid, whether or not such liquid contains nicotine, that is intended for human
4 consumption and used in an electronic nicotine-delivery system, as defined in § 11-9-13.4, shall be
5 sold unless the liquid is contained in child-resistant packaging.

6 (b) Any liquid nicotine container that is sold at retail in this state must satisfy the child-
7 resistant effectiveness standards set forth in 16 C.F.R. § 1700.15(b), when tested in accordance
8 with the method described in 16 C.F.R. § 1700.20. All licensees under ~~§ 23-1-56~~ § 44-20-2 shall
9 ensure that any liquid sold by the licensee intended for human consumption and used in an
10 electronic-nicotine delivery system, as defined in § 11-9-13.4, is sold in a liquid nicotine container
11 that meets the requirements described and referenced in this subsection.

12 (c) For the purposes of this section, “liquid nicotine container” means a bottle or other
13 container of a liquid or other substance where the liquid or substance is sold, marketed, or intended
14 for use in a vapor product. A “liquid nicotine container” does not include a liquid or other substance
15 in a cartridge that is sold, marketed, or intended for use in a vapor product, provided that such
16 cartridge is prefilled and sealed by the manufacturer and not intended to be opened by the consumer.

17 (d) Any licensee or any person required to be licensed under ~~§ 23-1-56~~ § 44-20-2 who or
18 that fails to comply with this section shall be subject to the penalties provided in § 11-9-13.13.

19 (e) The licensee is responsible for all violations of this section that occur at the location for
20 which the license is issued.

21 (f) No licensee or person shall be found in violation of this section if the licensee or person
22 relied in good faith on documentation provided by or attributed to the manufacturer of the
23 packaging of the aforementioned liquid that such packaging meets the requirements of this section.

24 (g) On or after October 1, 2024, any product found to be in violation of this chapter shall
25 be considered contraband and subject to the confiscation provisions outlined in § 44-20-15.

26 SECTION 4. Section 16-21.2-5 of the General Laws in Chapter 16-21.2 entitled "The
27 Rhode Island Substance Abuse Prevention Act" is hereby repealed:

28 **~~16-21.2-5. Funding of substance abuse prevention program.~~**

29 ~~(a) Money to fund the Rhode Island Substance Abuse Prevention Act shall be appropriated~~
30 ~~from state general revenues and shall be raised by assessing an additional penalty of thirty dollars~~
31 ~~(\$30.00) for all speeding violations as set forth in § 31-43-5.1. The money shall be deposited as~~
32 ~~general revenues. The department of behavioral healthcare, developmental disabilities and~~
33 ~~hospitals may utilize up to ten percent (10%) of the sums appropriated for the purpose of~~
34 ~~administering the substance abuse prevention program.~~

1 ~~(b) Grants made under this chapter shall not exceed money available in the substance abuse~~
2 ~~prevention program.~~

3 SECTION 5. Section 16-21.3-3 of the General Laws in Chapter 16-21.3 entitled "The
4 Rhode Island Student Assistance Junior High/Middle School Act" is hereby repealed:

5 **16-21.3-3. Funding of junior high/middle school student assistance program.**

6 ~~(a) Money to fund this program shall be raised by assessing an additional substance abuse~~
7 ~~prevention assessment of thirty dollars (\$30.00) for all moving motor vehicle violations handled~~
8 ~~by the traffic tribunal including, but not limited to, those violations set forth in § 31-41.1-4, except~~
9 ~~for speeding. The money shall be deposited in a restricted purpose receipt account separate from~~
10 ~~all other accounts within the department of behavioral healthcare, developmental disabilities and~~
11 ~~hospitals. The restricted purpose receipt account shall be known as the junior high/middle school~~
12 ~~student assistance fund and the traffic tribunal shall transfer money from the junior high/middle~~
13 ~~school student assistance fund to the department of behavioral healthcare, developmental~~
14 ~~disabilities and hospitals for the administration of the Rhode Island Student Assistance Junior~~
15 ~~High/Middle School Act.~~

16 ~~(b) The department of behavioral healthcare, developmental disabilities and hospitals may~~
17 ~~utilize up to ten percent (10%) of the sums collected from the additional penalty for the purpose of~~
18 ~~administering the program.~~

19 SECTION 6. Effective October 1, 2024, Sections 23-1-55, 23-1-56, 23-1-57, and 23-1-58
20 of the General Laws in Chapter 23-1 entitled "Department of Health" are hereby repealed.

21 ~~23-1-55. Electronic nicotine delivery system distributor, and dealer licenses required —~~
22 ~~Definitions.~~

23 ~~Definitions. Whenever used in §§ 23-1-56 to 23-1-58, unless the context requires~~
24 ~~otherwise:~~

25 ~~(1) "Dealer" means any person, whether located within or outside of this state, who sells~~
26 ~~or distributes electronic nicotine delivery system products to a consumer in this state;~~

27 ~~(2) "Distributor" means any person:~~

28 ~~(i) Whether located within or outside of this state, other than a dealer, who sells or~~
29 ~~distributes electronic nicotine delivery system products within or into this state. Such term shall~~
30 ~~not include any electronic nicotine delivery system products manufacturer, export warehouse~~
31 ~~proprietor, or importer with a valid permit, if such person sells or distributes electronic nicotine~~
32 ~~delivery system products in this state only to licensed distributors or to an export warehouse~~
33 ~~proprietor or another manufacturer with a valid permit;~~

34 ~~(ii) Selling electronic nicotine delivery system products directly to consumers in this state~~

1 ~~by means of at least twenty five (25) electronic nicotine delivery system product vending~~
2 ~~machines;~~

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

9 ~~(iv) Maintaining one or more regular places of business in this state for that purpose;~~
10 ~~provided, that seventy five percent (75%) of the sold electronic nicotine delivery system products~~
11 ~~are purchased directly from the manufacturer and selling electronic nicotine delivery system~~
12 ~~products directly to at least forty (40) dealers or other persons for resale;~~

13 ~~(3) "Electronic nicotine delivery system" means the products as defined in § 11-9-13.4(6).~~
14 ~~23-1-56. License.~~

15 ~~(a) Each person engaging in the business of selling electronic nicotine delivery system~~
16 ~~products in the state, including any distributor or dealer, shall secure a license annually from the~~
17 ~~department before engaging in that business or continuing to engage in it. A separate application~~
18 ~~and license is required for each place of business operated by a distributor or dealer. If the applicant~~
19 ~~for a license does not have a place of business in this state, the license shall be issued for such~~
20 ~~applicant's principal place of business, wherever located. A licensee shall notify the department~~
21 ~~within thirty (30) days in the event that it changes its principal place of business. A separate license~~
22 ~~is required for each class of business if the applicant is engaged in more than one of the activities~~
23 ~~required to be licensed by this section. No person shall maintain or operate, or cause to be operated,~~
24 ~~a vending machine for electronic nicotine delivery systems without procuring a dealer's license for~~
25 ~~each machine.~~

26 ~~(b) The director shall have authority to set a reasonable fee not to exceed twenty five~~
27 ~~dollars (\$25.00) for the issuance of the license.~~

28 ~~(c) Each issued license shall be prominently displayed on the premises, if any, covered by~~
29 ~~the license.~~

30 ~~(d) The director shall create and maintain a website setting forth the identity of all licensed~~
31 ~~persons under this section, itemized by type of license possessed, and shall update the site no less~~
32 ~~frequently than six (6) times per year.~~

33 ~~(e) A manufacturer or importer may sell or distribute electronic nicotine delivery systems~~
34 ~~to a person located or doing business within the state only if such person is a licensed distributor.~~

1 ~~An importer may obtain electronic nicotine delivery systems only from a licensed manufacturer. A~~
2 ~~distributor may sell or distribute electronic nicotine delivery systems to a person located or doing~~
3 ~~business within this state only if such person is a licensed distributor or dealer. A distributor may~~
4 ~~obtain electronic nicotine delivery systems only from a licensed manufacturer, importer, or~~
5 ~~distributor. A dealer may obtain electronic nicotine delivery systems only from a licensed~~
6 ~~distributor.~~

7 ~~(f)(1) No license under this chapter may be granted, maintained, or renewed if the~~
8 ~~applicant, or any combination of persons owning directly or indirectly any interests in the applicant:~~

9 ~~(i) Is delinquent in any tax filings for one month or more; or~~

10 ~~(ii) Had a license under this chapter revoked within the past two (2) years.~~

11 ~~(2) No person shall apply for a new license, or renewal of a license and no license shall be~~
12 ~~issued or renewed for any person, unless all outstanding fines, fees, or other charges relating to any~~
13 ~~license held by that person have been paid.~~

14 ~~(3) No license shall be issued relating to a business at any specific location until all prior~~
15 ~~licenses relating to that location have been officially terminated and all fines, fees, or charges~~
16 ~~relating to the prior licenses have been paid or otherwise resolved or if the director has found that~~
17 ~~the person applying for the new license is not acting as an agent for the prior licensee who is subject~~
18 ~~to any such related fines, fees, or charges that are still due. Evidence of such agency status includes,~~
19 ~~but is not limited to, a direct familial relationship and/or employment, contractual, or other formal~~
20 ~~financial or business relationship with the prior licensee.~~

21 ~~(4) No person shall apply for a new license pertaining to a specific location in order to~~
22 ~~evade payment of any fines, fees, or other charges relating to a prior license for that location.~~

23 ~~(5) No new license shall be issued for a business at a specific location for which a license~~
24 ~~has already issued unless there is a bona fide, good faith change in ownership of the business at~~
25 ~~that location.~~

26 ~~(6) No license or permit shall be issued, renewed or maintained for any person, including~~
27 ~~the owners of the business being licensed, who has been convicted of violating any criminal law~~
28 ~~relating to tobacco products and/or electronic nicotine delivery system products, the payment of~~
29 ~~taxes, or fraud, or has been ordered to pay civil fines of more than twenty five thousand dollars~~
30 ~~(\$25,000) for violations of any civil law relating to tobacco products and/or electronic nicotine-~~
31 ~~delivery system products, the payment of taxes, or fraud.~~

32 ~~23-1-57. Penalties for unlicensed business.~~

33 ~~Any distributor or dealer who sells, offers for sale, or possesses with intent to sell,~~
34 ~~electronic nicotine delivery system products without a license as provided in § 23-1-56, shall be~~

1 ~~fined in accordance with the provisions of, and the penalties contained in, § 23-1-58.~~

2 ~~23-1-58. Penalty for operating without a dealer license.~~

3 ~~(a) Any individual or business who violates this chapter by selling or conveying an~~
4 ~~electronic nicotine delivery system product without a retail license shall be cited for that violation~~
5 ~~and shall be required to appear in district court for a hearing on the citation.~~

6 ~~(b) Any individual or business cited for a violation hereunder shall:~~

7 ~~(1) Either post a five hundred dollar (\$500) bond with the district court within ten (10) days~~
8 ~~of the citation; or~~

9 ~~(2) Sign and accept the citation indicating a promise to appear in court.~~

10 ~~(c) An individual or business who or that has accepted the citation may:~~

11 ~~(1) Pay the five hundred dollar (\$500) fine, either by mail or in person, within ten (10) days~~
12 ~~after receiving the citation; or~~

13 ~~(2) If that individual or business has posted a bond, forfeit the bond by not appearing at the~~
14 ~~scheduled hearing. If the individual or business cited pays the five hundred dollar (\$500) fine or~~
15 ~~forfeits the bond, that individual or business is deemed to have admitted the cited violation and to~~
16 ~~have waived the right to a hearing on the issue of commission on the violation.~~

17 ~~(d) The court, after a hearing on a citation, shall make a determination as to whether a~~
18 ~~violation has been committed. If it is established that the violation did occur, the court shall impose~~
19 ~~a five hundred dollar (\$500) fine in addition to any court costs or fees.~~

20 SECTION 7. Section 23-3-25 of the General Laws in Chapter 23-3 entitled "Vital Records"
21 is hereby amended to read as follows:

22 **23-3-25. Fees for copies and searches.**

23 (a) The state registrar shall charge fees for searches and copies as follows:

24 (1) For a search of two (2) consecutive calendar years under one name and for issuance of
25 a certified copy of a certificate of birth, fetal death, death, or marriage, or a certification of birth, or
26 a certification that the record cannot be found, and each duplicate copy of a certificate or
27 certification issued at the same time, the fee is as set forth in § 23-1-54.

28 (2) For each additional calendar year search, if applied for at the same time or within three
29 (3) months of the original request and if proof of payment for the basic search is submitted, the fee
30 is as set forth in § 23-1-54.

31 (3) For providing expedited service, the additional handling fee is as set forth in § 23-1-54.

32 (4) For processing of adoptions, legitimations, or paternity determinations as specified in
33 §§ 23-3-14 and 23-3-15, there shall be a fee as set forth in § 23-1-54.

34 (5) For making authorized corrections, alterations, and additions, the fee is as set forth in

1 § 23-1-54; provided, no fee shall be collected for making authorized corrections or alterations and
2 additions on records filed before one year of the date on which the event recorded has occurred.

3 (6) For examination of documentary proof and the filing of a delayed record, there is a fee
4 as set forth in § 23-1-54; and there is an additional fee as set forth in § 23-1-54 for the issuance of
5 a certified copy of a delayed record.

6 (b) Fees collected under this section by the state registrar shall be deposited in the general
7 fund of this state, according to the procedures established by the state treasurer.

8 (c) The local registrar shall charge fees for searches and copies of records as follows:

9 (1) For a search of two (2) consecutive calendar years under one name and for issuance of
10 a certified copy of a certificate of birth, fetal death, death, delayed birth, or marriage, or a
11 certification of birth or a certification that the record cannot be found, the fee is twenty dollars
12 (\$20.00). For each duplicate copy of a certificate or certification issued at the same time, the fee is
13 fifteen dollars (\$15.00).

14 (2) For each additional calendar year search, if applied for at the same time or within three
15 (3) months of the original request and if proof of payment for the basic search is submitted, the fee
16 is two dollars (\$2.00).

17 (d) Fees collected under this section by the local registrar shall be deposited in the city or
18 town treasury according to the procedures established by the city or town treasurer except that six
19 dollars (\$6.00) of the certified copy fees shall be submitted to the state registrar for deposit in the
20 general fund of this state.

21 (e) To acquire, maintain, and operate an electronic statewide registration system (ESRS),
22 the state registrar shall assess a surcharge of no more than five dollars (\$5.00) for a mail-in certified
23 records request, no more than three dollars (\$3.00) for each duplicate certified record, and no more
24 than two dollars (\$2.00) for a walk-in certified records request or a certified copy of a vital record
25 requested for a local registrar. Notwithstanding the provisions of subsection (d), any such
26 surcharges collected by the local registrar shall be submitted to the state registrar. Any funds
27 collected from the surcharges listed above shall be deposited ~~into the information technology~~
28 ~~restricted receipt account (ITRR account) established pursuant to § 42-11-2.5(a).~~ as general
29 revenues.

30 SECTION 8. Effective January 1, 2025, Section 23-27.3-108.2 of the General Laws in
31 Chapter 23-27.3 entitled “State Building Code; Article 1; Administration and Enforcement” is
32 hereby amended to read as follows:

33 **23-27.3-108.2. State building commissioner’s duties.**

34 (a) This code shall be enforced by the state building commissioner as to any structures or

1 buildings or parts thereof that are owned or are temporarily or permanently under the jurisdiction
2 of the state or any of its departments, commissions, agencies, or authorities established by an act
3 of the general assembly, and as to any structures or buildings or parts thereof that are built upon
4 any land owned by or under the jurisdiction of the state; provided, however, that for the purposes
5 of this section structures constituting tents and/or membrane frame structures as defined in this state
6 building code and any regulations promulgated hereunder shall be subject to an annual certification
7 process to be established by the state building commissioner in conjunction with the state fire
8 marshal and shall not be subject to recurring permit and fee requirements as otherwise required by
9 this code.

10 (b) Permit fees for the projects shall be established by the committee. The fees shall be
11 deposited as general revenues.

12 (c)(1) The local cities and towns shall charge each permit applicant an additional .1 (.001)
13 percent levy of the total construction cost for each permit issued. The levy shall be limited to a
14 maximum of fifty dollars (\$50.00) for each of the permits issued for one- and two-family (2)
15 dwellings. This additional levy shall be transmitted monthly to the state building office at the
16 department of business regulation, and shall be used to staff and support the purchase or lease and
17 operation of a web-accessible service and/or system to be utilized by the state and municipalities
18 for uniform, statewide electronic plan review, permit management, and inspection system and other
19 programs described in this chapter. The fee levy shall be deposited as general revenues.

20 (2) On or before July 1, 2013, the building commissioner shall develop a standard statewide
21 process for electronic plan review, permit management, and inspection. The process shall include,
22 but
23 not be limited to: applications; submission of building plans and plans for developments and plots;
24 plan review; permitting; inspections; inspection scheduling; project tracking; fee calculation and
25 collections;
26 and workflow and report management.

27 (3) On or before December 1, 2013, the building commissioner, with the assistance of the
28 office of regulatory reform, shall implement the standard statewide process for electronic plan
29 review, permit management, and inspection. In addition, the building commissioner shall develop
30 a technology and implementation plan for a standard web-accessible service or system to be utilized
31 by the state and municipalities for uniform, statewide electronic plan review, permit management,
32 and inspection. The plan shall include, but not be limited to: applications; submission of building
33 plans and plans for developments and plots; plan review; permitting; inspections; inspection
34 scheduling; project tracking; fee calculation and collections; and workflow and report management.

1 (d) The building commissioner shall, upon request by any state contractor described in §
2 37-2-38.1, review, and when all conditions for certification have been met, certify to the state
3 controller that the payment conditions contained in § 37-2-38.1 have been met.

4 (e) The building commissioner shall coordinate the development and implementation of
5 this section with the state fire marshal to assist with the implementation of § 23-28.2-6. On or before
6 January 1, 2022, the building commissioner shall promulgate rules and regulations to implement
7 the provisions of this section and § 23-27.3-115.6.

8 (f) The building commissioner shall submit, in coordination with the state fire marshal, a
9 report to the governor and general assembly on or before April 1, 2013, and each April 1 thereafter,
10 providing the status of the web-accessible service and/or system implementation and any
11 recommendations for process or system improvement. In every report submitted on or after April,
12 2024, the building commissioner shall provide the following information:

13 (1) The identity of every municipality in full compliance with the provisions § 23-27.3-
14 115.6
15 and the rules and regulations promulgated pursuant to the provisions of this section;

16 (2) The identity of every municipality failing to fully implement and comply with the
17 provisions of § 23-27.3-115.6 and/or the rules and regulations promulgated pursuant to the
18 provisions of this section, and the nature, extent, and basis or reason for the failure or
19 noncompliance; and

20 (3) Recommendations to achieve compliance by all municipalities with the provisions of §
21 23-27.3-115.6 and the rules and regulations promulgated pursuant to this section.

22 (g) The building commissioner shall assist with facilitating the goals and objectives set
23 forth in § 28-42-84(a)(9).

24 SECTION 9. Effective January 1, 2025, Section 23-28.19-1 of the General Laws in Chapter
25 23-28.19 entitled “Tents – Grandstands – Air Supported Structures” is hereby amended to read as
26 follows:

27 **23-28.19-1. Tents for which license required — Application and issuance.**

28 (a) No tent exceeding three hundred fifty square feet (350 sq. ft.) in area shall be erected,
29 maintained, operated, or used in any city or town in this state except under a license from the
30 licensing authorities of the city or town; provided, however, that for tent installations on state
31 property or in jurisdictions otherwise subject to the authority of the state fire marshal, structures
32 constituting tents and/or membrane frame structures as defined in the state building code and any
33 regulations promulgated thereunder, shall be subject to an annual certification process to be
34 established by the state building commissioner in conjunction with the state fire marshal pursuant

1 [to § 23-27.3-108.2 and shall not be subject to recurring permit and fee requirements as otherwise](#)
2 [required by the code.](#) The license shall not be issued for a period exceeding thirty (30) days and
3 shall be revocable for cause. Application shall be made on proper form and, when deemed
4 necessary by the licensing authorities, shall include plans drawn to scale, showing exits, aisles, and
5 seating arrangements and details of the structural support of tent, seats, and platforms, etc. No
6 license shall be issued until the provisions of this chapter have been complied with, and approval
7 has been obtained from the building department, the police department, the fire department, and,
8 when tents are to be used for fifty (50) or more persons, from each and every department having
9 jurisdiction over places of assembly.

10 (b) For the purposes of this section, the fire marshal shall have no jurisdiction over tents
11 on the property of one-(1) or two-(2) family private dwellings. Nothing contained in this section
12 shall prohibit the fire marshal from requiring a license for a tent smaller than three hundred fifty
13 square feet (350 sq. ft.) where other sections of the fire code deem it necessary, including, but not
14 limited to, use, occupancy, opening, exposure, an increase in occupancy of a commercial
15 establishment, and any other similar factors.

16 (c) The state fire marshal shall provide training to all assistant deputy fire marshals as
17 defined by § 23-28.2-9 as soon as practicable to ensure the consistent enforcement of the fire safety
18 code pursuant to § 23-28.2-4.

19 SECTION 10. Section 31-36-20 of the General Laws in Chapter 31-36 entitled "Motor Fuel
20 Tax" is hereby amended to read as follows:

21 [31-36-20. Disposition of proceeds.](#)(a) Notwithstanding any other provision of law to
22 the contrary, all moneys paid into the general treasury under the provisions of this chapter or chapter
23 37 of this title, and title 46 shall be applied to and held in a separate fund and be deposited in any
24 depositories that may be selected by the general treasurer to the credit of the fund, which fund shall
25 be known as the Intermodal Surface Transportation Fund; provided, that in fiscal year 2004 for the
26 months of July through April six and eighty-five hundredth cents (\$0.0685) per gallon of the tax
27 imposed and accruing for the liability under the provisions of § 31-36-7, less refunds and credits,
28 shall be transferred to the Rhode Island public transit authority as provided under § 39-18-21. For
29 the months of May and June in fiscal year 2004, the allocation shall be five and five hundredth
30 cents (\$0.0505). Thereafter, until fiscal year 2006, the allocation shall be six and twenty-five
31 hundredth cents (\$0.0625). For fiscal years 2006 through FY 2008, the allocation shall be seven
32 and twenty-five hundredth cents (\$0.0725); provided, that expenditures shall include the costs of
33 a market survey of non-transit users and a management study of the agency to include the
34 feasibility of moving the Authority into the Department of Transportation, both to be conducted

1 under the auspices of the state budget officer. The state budget officer shall hire necessary
2 consultants to perform the studies, and shall direct payment by the Authority. Both studies shall
3 be transmitted by the Budget Officer to the 2006 session of the General Assembly, with
4 comments from the Authority. For fiscal year 2009, the allocation shall be seven and seventy-
5 five hundredth cents (\$0.0775), of which one-half cent (\$0.005) shall be derived from the one
6 cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-11. For fiscal years
7 2010 and thereafter, the allocation shall be nine and seventy-five hundredth cents (\$0.0975), of
8 which of one-half cent (\$0.005) shall be derived from the one cent (\$0.01) per gallon environmental
9 protection fee pursuant to § 46-12.9-11. ~~One cent (\$0.01) per gallon shall be transferred to the~~
10 ~~Elderly/Disabled Transportation Program of the department of human services.~~ For fiscal years
11 2025 and thereafter, twenty-one percent (21%) of one cent (\$0.0021) per gallon shall be transferred
12 to the Elderly/Disabled Transportation Program of the department of human services, and seventy-
13 nine percent (79%) of one cent (\$0.0079) shall be directly transferred to the Rhode Island public
14 transit authority for the elderly/disabled transportation program. ~~and t~~The remaining cents per
15 gallon shall be available for general revenue as determined by the following schedule:

16 (i) For the fiscal year 2000, three and one-fourth cents (\$0.0325) shall be available for
17 general revenue.

18 (ii) For the fiscal year 2001, one and three-fourth cents (\$0.0175) shall be available for
19 general revenue.

20 (iii) For the fiscal year 2002, one-fourth cent (\$0.0025) shall be available for general
21 revenue.

22 (iv) For the fiscal year 2003, two and one-fourth cent (\$0.0225) shall be available for
23 general revenue.

24 (v) For the months of July through April in fiscal year 2004, one and four-tenths cents
25 (\$0.014) shall be available for general revenue. For the months of May through June in fiscal year
26 2004, three and two-tenths cents (\$0.032) shall be available for general revenue, and thereafter,
27 until fiscal year 2006, two cents (\$0.02) shall be available for general revenue. For fiscal year 2006
28 through fiscal year 2009 one cent (\$0.01) shall be available for general revenue.

29 (2) All deposits and transfers of funds made by the tax administrator under this section,
30 including those to the Rhode Island public transit authority, the department of human services, the
31 Rhode Island turnpike and bridge authority, and the general fund, shall be made within twenty-four
32 (24) hours of receipt or previous deposit of the funds in question.

33 (3) Commencing in fiscal year 2004, the Director of the Rhode Island Department of
34 Transportation is authorized to remit, on a monthly or less frequent basis as shall be determined by

1 the Director of the Rhode Island Department of Transportation, or his or her designee, or at the
2 election of the Director of the Rhode Island Department of Transportation, with the approval of the
3 Director of the Department of Administration, to an indenture trustee, administrator, or other third
4 party fiduciary, in an amount not to exceed two cents (\$0.02) per gallon of the gas tax imposed, in
5 order to satisfy debt service payments on aggregate bonds issued pursuant to a Joint Resolution and
6 Enactment Approving the Financing of Various Department of Transportation Projects adopted
7 during the 2003 session of the General Assembly, and approved by the Governor.

8 (4) Commencing in fiscal year 2015, three and one-half cents (\$0.035) shall be transferred
9 to the Rhode Island Turnpike and Bridge Authority to be used for maintenance, operations, capital
10 expenditures and debt service on any of its projects as defined in chapter 12 of title 24 in lieu of a
11 toll on the Sakonnet River Bridge. The Rhode Island turnpike and bridge authority is authorized to
12 remit to an indenture trustee, administrator, or other third-party fiduciary any or all of the foregoing
13 transfers in order to satisfy and/or secure its revenue bonds and notes and/or debt service payments
14 thereon, including, but not limited to, the bonds and notes issued pursuant to the Joint Resolution
15 set forth in Section 3 of Article 6 of Chapter 23 of the Public Laws of 2010. Notwithstanding any
16 other provision of said Joint Resolution, the Rhode Island turnpike and bridge authority is expressly
17 authorized to issue bonds and notes previously authorized under said Joint Resolution for the
18 purpose of financing all expenses incurred by it for the formerly authorized tolling of the Sakonnet
19 River Bridge and the termination thereof.

20 (b) Notwithstanding any other provision of law to the contrary, all other funds in the fund
21 shall be dedicated to the department of transportation, subject to annual appropriation by the general
22 assembly. The director of transportation shall submit to the general assembly, budget office and
23 office of the governor annually an accounting of all amounts deposited in and credited to the fund
24 together with a budget for proposed expenditures for the succeeding fiscal year in compliance with
25 §§ 35-3-1 and 35-3-4. On order of the director of transportation, the state controller is authorized
26 and directed to draw his or her orders upon the general treasurer for the payments of any sum or
27 portion of the sum that may be required from time to time upon receipt of properly authenticated
28 vouchers.

29 (c) At any time the amount of the fund is insufficient to fund the expenditures of the
30 department of transportation, not to exceed the amount authorized by the general assembly, the
31 general treasurer is authorized, with the approval of the governor and the director of administration,
32 in anticipation of the receipts of monies enumerated in this section to advance sums to the fund, for
33 the purposes specified in this section, any funds of the state not specifically held for any particular
34 purpose. However, all the advances made to the fund shall be returned to the general fund

1 immediately upon the receipt by the fund of proceeds resulting from the receipt of monies to the
2 extent of the advances.

3 SECTION 11. Section 44-1-34 of the General Laws in Chapter 44-1 entitled "State Tax
4 Officials" is hereby amended to read as follows:

5 **44-1-34. Tax administrator to prepare list of delinquent taxpayers — Notice — Public**
6 **inspection.**

7 (a) Notwithstanding any other provision of law, the tax administrator may, on a quarterly
8 basis,

9 (1) Prepare a list of the ~~one hundred (100)~~ delinquent taxpayers under chapter 44-30 who
10 owe ~~the largest amount~~ at least \$50,000 of state tax and whose taxes have been unpaid for a period
11 in excess of ninety (90) days following the date their tax was due.

12 (2) Prepare a list of the ~~one hundred (100)~~ delinquent taxpayers collectively under chapters
13 44-11, 44-12, 44-13, 44-14, 44-15, 44-17, 44-18, and 44-20, who owe ~~the largest amount~~ at least
14 \$50,000 of state tax and whose taxes have been unpaid for a period in excess of ninety (90) days
15 following the date their tax was due.

16 (3) Each list may contain the name and address of each delinquent taxpayer, the type of tax
17 levied, and the amount of the delinquency, including interest and penalty, as of the end of the
18 quarter. No taxpayer shall be included on such list if the tax assessment in question is the subject
19 of an appeal.

20 (b) The tax administrator shall not list any delinquent taxpayer until such time as he or she
21 gives the delinquent taxpayer thirty (30) days' notice of intent to publish the taxpayer's
22 delinquency. Said notice shall be sent to the taxpayer's last known address by regular and certified
23 mail. If during said thirty (30) day period the taxpayer makes satisfactory arrangement for payment
24 of the delinquent tax, the name of such taxpayer shall not be published as long as the taxpayer does
25 not default on any payment agreement entered into with the division of taxation.

26 (c) Any such list prepared by the tax division shall be available to the public for inspection
27 by any person and may be published by the tax administrator on the tax division website.

28 SECTION 12. Effective January 1, 2025, Sections 44-11-2, 44-11-2.3, 44-11-4.1, and 44-
29 11-11 of the General Laws in Chapter 44-11 entitled "Business Corporation Tax" is hereby
30 amended to read as follows:

31 **44-11-2. Imposition of Tax.**

32 (a) Each corporation shall annually pay to the state a tax equal to nine percent (9%) of net
33 income, as defined in § 44-11-11, qualified in § 44-11-12, and apportioned to this state as provided
34 in §§ 44-11-13 — 44-11-15, for the taxable year. For tax years beginning on or after January 1,

1 2015, each corporation shall annually pay to the state a tax equal to seven percent (7.0%) of net
2 income, as defined in § 44-11-13 — 44-11-15, for the taxable year.

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

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

8 (2) Its gross receipts derived from these activities during the taxable year amounted to at
9 least ninety percent (90%) of its total gross receipts derived from all of its activities during the year.

10 "Gross receipts" means all receipts, whether in the form of money, credits, or other valuable
11 consideration, received during the taxable year in connection with the conduct of the taxpayer's
12 activities.

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

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

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

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

26 (d) (1) A small business corporation having an election in effect under subchapter S, 26
27 U.S.C. § 1361 et seq., shall not be subject to the Rhode Island income tax on corporations, except
28 that the corporation shall be subject to the provisions of subsection (a), to the extent of the income
29 that is subjected to federal tax under subchapter S. Effective for tax years beginning on or after
30 January 1, 2015, a small business corporation having an election in effect under subchapter S, 26
31 U.S.C. § 1361 et seq., shall be subject to the minimum tax under § 44-11-2(e).

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

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

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

2 (e) Minimum tax. The tax imposed upon any corporation under this section, including a
3 small business corporation having an election in effect under subchapter S, 26 U.S.C. § 1361 et
4 seq., shall not be less than four hundred fifty dollars (\$450). For tax years beginning on or after
5 January 1, 2017, the tax imposed shall not be less than four hundred dollars (\$400). [For tax years
6 beginning on or after January 1, 2025, the tax imposed shall not be less than three hundred fifty
7 dollars \(\\$350.00\).](#)

8 **44-11-2.3. Pass-through entities - Election to pay state income tax at the entity level.**

9 (a) Definitions. As used in this section:

10 (1) "Election" means the annual election to be made by the pass-through entity by filing
11 the prescribed tax form and remitting the appropriate tax.

12 (2) "Net income" means the net ordinary income, net rental real estate income, other net
13 rental income, guaranteed payments, and other business income less specially allocated
14 depreciation and deductions allowed pursuant to § 179 of the United States Revenue Code (26
15 U.S.C. § 179), all of which would be reported on federal tax form schedules C and E. Net income
16 for purposes of this section does not include specially allocated investment income or any other
17 types of deductions.

18 (3) "Owner" means an individual who is a shareholder of an S Corporation; a partner in a
19 general partnership, a limited partnership, or a limited liability partnership; a member of a limited
20 liability company, a beneficiary of a trust; or a sole proprietor.

21 (4) "Pass-through entity" means a corporation that for the applicable tax year is treated as
22 an S Corporation under I.R.C. 1362(a) (26 U.S.C. § 1362(a)), or a general partnership, limited
23 partnership, limited liability partnership, trust, limited liability company or unincorporated sole
24 proprietorship that for the applicable tax year is not taxed as a corporation for federal tax purposes
25 under the state's regulations.

26 (5) "State tax credit" means the amount of tax paid by the pass-through entity at the entity
27 level that is passed through to an owner on a pro rata basis. [For tax years beginning on or after
28 January 1, 2025, "State tax credit" means ninety percent \(90%\) of the amount of tax paid by the
29 pass-through entity at the entity level that is passed through to an owner on a pro rata basis.](#)

30 (b) Elections.

31 (1) For tax years beginning on or after January 1, 2019, a pass-through entity may elect to
32 pay the state tax at the entity level at the rate of five and ninety-nine hundredths percent (5.99%).

33 (2) If a pass-through entity elects to pay an entity tax under this subsection, the entity shall
34 not have to comply with the provisions of § 44-11-2.2 regarding withholding on non-resident

1 owners. In that instance, the entity shall not have to comply with the provisions of § 44-11-2.2
2 regarding withholding on non-resident owners.

3 (c) Reporting.

4 (1) The pass-through entity shall report the pro rata share of the state income taxes paid by
5 the entity which sums will be allowed as a state tax credit for an owner on his or her personal
6 income tax return.

7 (2) The pass-through entity shall also report the pro rata share of the state income taxes
8 paid by the entity as an income (addition) modification to be reported by an owner on his or her
9 personal income tax returns.

10 (d) State tax credit shall be the amount of tax paid by the pass-through entity, at the entity
11 level, which is passed through to the owners, on a pro rata basis. For tax years beginning on or
12 after January 1, 2025, state tax credit shall be ninety percent (90%) of the amount of tax paid by
13 the pass-through entity, at the entity level, which is passed through to the owners, on a pro rata
14 basis.

15 (e) A similar type of tax imposed by another state on the owners' income paid at the state
16 entity level shall be deemed to be allowed as a credit for taxes paid to another jurisdiction in
17 accordance with the provisions of § 44-30-18.

18 (f) "Combined reporting" as set forth in § 44-11-4.1 shall not apply to reporting under this
19 section.

20 **44-11-4.1. Combined reporting.**

21 (a) For tax years beginning on or after January 1, 2015, each C corporation which is part
22 of an unitary business with one or more other corporations must file a return, in a manner prescribed
23 by the tax administrator, for the combined group containing the combined income, determined
24 under this section, of the combined group.

25 (b) An affiliated group of C corporations, as defined in section 1504 of the Internal Revenue
26 Code, may elect to be treated as a combined group with respect to the combined reporting
27 requirement imposed by § 44-11-4.1(a) for the taxable year in lieu of an unitary business group.
28 The election shall be upon the condition that all C corporations which at any time during the taxable
29 year have been members of the affiliated group consent to be included in such group. The filing of
30 a consolidated return for the combined group shall be considered as such consent. Such election
31 may not be revoked in less than five (5) years unless approved by the tax administrator.

32 (c) The use of a combined report does not disregard the separate identities of the taxpayer
33 members of the combined group. Each taxpayer member is responsible for tax based on its taxable
34 income or loss apportioned to this state.

1 (d) Members of a combined group shall exclude as a member and disregard the income and
2 apportionment factors of any corporation not incorporated in the United States (a “non US
3 corporation”) if the sales factors outside the United States is eighty percent (80%) or more. If a non
4 US corporation is includible as a member in the combined group, to the extent that such non US
5 corporation’s income is subject to the provisions of a federal income tax treaty, such income is not
6 includible in the combined group net income. Such member shall also not include in the combined
7 report any expenses or apportionment factors attributable to income that is subject to the provisions
8 of a federal income tax treaty. For purposes of this chapter, “federal income tax treaty” means a
9 comprehensive income tax treaty between the United States and a foreign jurisdiction, other than a
10 foreign jurisdiction which is defined as a tax haven; provided, however, that if the tax administrator
11 determines that a combined group member non US corporation is organized in a tax haven that has
12 a federal income treaty with the United States, its income subject to a federal income tax treaty,
13 and any expenses or apportionment factors attributable to such income, shall not be included in the
14 combined group net income or combined report if: (i) the transactions conducted between such non
15 US corporation and other members of the combined group are done on an arm’s length basis and
16 not with the principal purpose to avoid the payment of taxes due under this chapter; or (ii) the
17 member establishes that the inclusion of such net income in combined group net income is
18 unreasonable.

19 (e) Net operating losses. A tracing protocol shall apply to net operating losses created
20 before January 1, 2015. Such net operating losses shall be allowed to offset only the income of the
21 corporation that created the net operating loss; the net operating loss cannot be shared with other
22 members of the combined group. No deduction is allowable for a net operating loss sustained
23 during any taxable year in which a taxpayer was not subject to Rhode Island business corporation
24 tax. For net operating losses created in tax years beginning on or after January 1, 2015 such loss
25 allowed shall be the same as the net operating loss deduction allowed under section 172 of the
26 internal revenue code for the combined group, except that:

27 (1) Any net operating loss included in determining the deduction shall be adjusted to reflect
28 the inclusions and exclusions from entire net income required by § 44-11-11 (a) and § 44-11-11.1;

29 (2) The deduction shall not include any net operating loss sustained during any taxable year
30 in which the member was not subject to the tax imposed by this chapter; and

31 (3) [Limitation on 26 U.S.C. § 172 deduction.](#)

32 (i) The deduction shall not exceed the deduction for the taxable year allowable under
33 section 172 of the internal revenue code; provided, that the deduction for a taxable year may not be
34 carried back to any other taxable year for Rhode Island purposes but shall only be allowable on a

1 carry forward basis for the five (5) succeeding taxable years: and

2 (ii) For any taxable year beginning on or after January 1, 2025, the deduction shall not
3 exceed the deduction for the taxable year allowable under 26 U.S.C. § 172; provided, that the
4 deduction for a taxable year may not be carried back to any other taxable year for Rhode Island
5 purposes but shall only be allowable on a carry forward basis for the twenty (20) succeeding taxable
6 years.

7 (f) Tax credits and tax rate reduction.

8 (1) A tracing protocol shall apply to Rhode Island tax credits earned before tax years
9 beginning on or before January 1, 2015. Such Rhode Island tax credits shall be allowed to offset
10 only the tax liability of the corporation that earned the credits; the Rhode Island tax credits cannot
11 be shared with other members of the combined group. Rhode Island tax credits earned in tax years
12 beginning on or after January 1, 2015, may be applied to other members of the group.

13 (2) The tax rate reductions authorized under chapter 64.5 of title 42 (Jobs Development
14 Act) and chapter 64.14 of title 42 (I-195 Redevelopment Act of 2011) shall be allowed against the
15 net income of the entire combined group.

16 (g) The tax administrator shall prescribe and amend, from time to time, rules and
17 regulations as he or she may deem necessary in order that the tax liability of any group of
18 corporations filing as a combined group and each corporation in the combined group, liable to
19 taxation under this chapter, may be determined, computed, assessed, collected, and adjusted in a
20 manner as to clearly reflect the combined income of the combined group and the individual income
21 of each member of the combined group. Such rules and regulations, shall include but are not be
22 limited to, issues such as the inclusion or exclusion of a corporation in the combined group, the
23 characterization and sourcing of each member's income, and whether certain common activities
24 constitute the conduct of a unitary business.

25 (h) The tax administrator shall on or before March 15, 2018, based upon the actual tax
26 filings of companies under this act for a two year period, submit a report to the chairperson of the
27 house finance committee and the senate finance committee and the house fiscal advisor and the
28 senate fiscal advisor analyzing the policy and fiscal ramifications of the changes enacted to business
29 corporations tax statutes, as enacted in budget article 12 of the Fiscal Year 2015 appropriations act.
30 The report shall include but not be limited to the impact upon categories of business, size of
31 business and similar information as contained in § 44-11-45 [repealed], which required the original
32 report.

33 **44-11-11. "Net income" defined.**

34 (a)(1) "Net income" means, for any taxable year and for any corporate taxpayer, the taxable

1 income of the taxpayer for that taxable year under the laws of the United States, plus:

2 (i) Any interest not included in the taxable income;

3 (ii) Any specific exemptions;

4 (iii) The tax imposed by this chapter;

5 (iv) For any taxable year beginning on or after January 1, 2020, the amount of any Paycheck
6 Protection Program loan forgiven for federal income tax purposes as authorized by the Coronavirus
7 Aid, Relief, and Economic Security Act and/or the Consolidated Appropriations Act, 2021 and/or
8 any other subsequent federal stimulus relief packages enacted by law, to the extent that the amount
9 of the loan forgiven exceeds \$250,000; and minus:

10 (v) Interest on obligations of the United States or its possessions, and other interest exempt
11 from taxation by this state; ~~and~~

12 (vi) The federal net operating loss deduction~~-;~~ and

13 (vii) For any taxable year beginning on or after January 1, 2025, in the case of a taxpayer
14 that is licensed in accordance with chapters 28.6 and/or 28.11 of title 21, the amount equal to any
15 expenditure that is eligible to be claimed as a federal income tax deduction but is disallowed under
16 26 U.S.C. § 280E.

17 (2) All binding federal elections made by or on behalf of the taxpayer applicable either
18 directly or indirectly to the determination of taxable income shall be binding on the taxpayer except
19 where this chapter or its attendant regulations specifically modify or provide otherwise. Rhode
20 Island taxable income shall not include the “gross-up of dividends” required by the federal Internal
21 Revenue Code to be taken into taxable income in connection with the taxpayer’s election of the
22 foreign tax credit.

23 (b) A net operating loss deduction shall be allowed, which shall be the same as the net
24 operating loss deduction allowed under 26 U.S.C. § 172, except that:

25 (1) Any net operating loss included in determining the deduction shall be adjusted to reflect
26 the inclusions and exclusions from entire net income required by subsection (a) of this section and
27 § 44-11-11.1;

28 (2) The deduction shall not include any net operating loss sustained during any taxable year
29 in which the taxpayer was not subject to the tax imposed by this chapter; and

30 (3) Limitation on 26 U.S.C. § 172 deduction.

31 (i) The deduction shall not exceed the deduction for the taxable year allowable under 26
32 U.S.C. § 172; provided, that the deduction for a taxable year may not be carried back to any other
33 taxable year for Rhode Island purposes but shall only be allowable on a carry forward basis for the
34 five (5) succeeding taxable years~~-;~~ and

1 (ii) For any taxable year beginning on or after January 1, 2025, the deduction shall not
2 exceed the deduction for the taxable year allowable under 26 U.S.C. § 172; provided, that the
3 deduction for a taxable year may not be carried back to any other taxable year for Rhode Island
4 purposes but shall only be allowable on a carry forward basis for the twenty (20) succeeding taxable
5 years.

6 (c) “Domestic international sales corporations” (referred to as DISCs), for the purposes of
7 this chapter, will be treated as they are under federal income tax law and shall not pay the amount
8 of the tax computed under § 44-11-2(a). Any income to shareholders of DISCs is to be treated in
9 the same manner as it is treated under federal income tax law as it exists on December 31, 1984.

10 (d) A corporation that qualifies as a “foreign sales corporation” (FSC) under the provisions
11 of subchapter N, 26 U.S.C. § 861 et seq., and that has in effect for the entire taxable year a valid
12 election under federal law to be treated as a FSC, shall not pay the amount of the tax computed
13 under § 44-11-2(a). Any income to shareholders of FSCs is to be treated in the same manner as it
14 is treated under federal income tax law as it exists on January 1, 1985.

15 (e) For purposes of a corporation’s state tax liability, any deduction to income allowable
16 under 26 U.S.C. § 1400Z-2(c) may be claimed in the case of any investment held by the taxpayer
17 for at least seven years. The division of taxation shall promulgate, in its discretion, rules and
18 regulations relative to the accelerated application of deductions under 26 U.S.C. § 1400Z-2(c).

19 SECTION 13. Effective January 1, 2025, Section 44-18-30.1 of the General Laws in
20 Chapter 44-18 entitled "Sales and Use Taxes – Liability and Computation" is hereby amended to
21 read as follows:

22 **44-18-30.1. Application for certificate of exemption—Fees.**

23 ~~A fee of twenty five dollars (\$25.00) shall be paid by all~~ All organizations ~~applying for seeking a~~
24 ~~certificate of~~ exemption from the Rhode Island sales and use tax under § 44-18-30(5)(i) shall apply
25 for a certificate of exemption on forms prescribed by the tax administrator. The certificate of
26 exemption shall be valid for four (4) years from the date of issue. ~~All fees collected under this~~
27 ~~section shall be allocated to the tax administrator for enforcement and collection of all taxes. All~~
28 ~~certificates issued prior to the effective date of this section shall expire four (4) years from the~~
29 ~~effective date of this section.~~

30 SECTION 14. Effective September 1, 2024, Sections 44-20-12 and 44-20-13 of the
31 General Laws in Chapter 44-20 entitled “Cigarette and Other Tobacco Products Tax” are hereby
32 amended to read as follows:

33 **44-20-12. Tax imposed on cigarettes sold.**

34 A tax is imposed on all cigarettes sold or held for sale in the state. The payment of the tax

1 to be evidenced by stamps, which may be affixed only by licensed distributors to the packages
2 containing such cigarettes. Any cigarettes on which the proper amount of tax provided for in this
3 chapter has been paid, payment being evidenced by the stamp, is not subject to a further tax under
4 this chapter. The tax is at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred twenty-
5 five (225) mills for each cigarette.

6 **44-20-13. Tax imposed on unstamped cigarettes.**

7 A tax is imposed at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred
8 twenty-five (225) mills for each cigarette upon the storage or use within this state of any cigarettes
9 not stamped in accordance with the provisions of this chapter in the possession of any consumer
10 within this state.

11 SECTION 15. Effective September 1, 2024, Chapter 44-20 of the General Laws entitled
12 "Cigarette and Other Tobacco Products Tax" is hereby amended by adding thereto the following
13 section:

14 **44-20-12.7. Floor stock tax on cigarettes and stamps.**

15 (a) Each person engaging in the business of selling cigarettes at retail in this state shall pay
16 a tax or excise to the state for the privilege of engaging in that business during any part of the
17 calendar year 2024. In calendar year 2024, the tax shall be measured by the number of cigarettes
18 held by the person in this state at 12:01 a.m. on September 1, 2024, and is computed at the rate of
19 twelve and one half (12.5) mills for each cigarette on September 1, 2024.

20 (b) Each distributor licensed to do business in this state pursuant to this chapter shall pay a
21 tax or excise to the state for the privilege of engaging in that business during any part of the calendar
22 year 2024. The tax is measured by the number of stamps, whether affixed or to be affixed to
23 packages of cigarettes, as required by § 44-20-28. In calendar year 2024 the tax is measured by the
24 number of stamps, whether affixed or to be affixed, held by the distributor at 12:01 a.m. on
25 September 1, 2024, and is computed at the rate of twelve and one half (12.5) mills per cigarette in
26 the package to which the stamps are affixed or to be affixed.

27 (c) Each person subject to the payment of the tax imposed by this section shall, on or before
28 September 16, 2024, file a return, under oath or certified under the penalties of perjury, with the
29 tax administrator on forms furnished by him or her, showing the amount of cigarettes and the
30 number of stamps in that person's possession in this state at 12:01 a.m. on September 1, 2024, as
31 described in this section above, and the amount of tax due, and shall at the time of filing the return
32 pay the tax to the tax administrator. Failure to obtain forms shall not be an excuse for the failure
33 to make a return containing the information required by the tax administrator.

34 (d) The tax administrator may prescribe rules and regulations, not inconsistent with law,

1 [regarding the assessment and collection of the tax imposed by this section.](#)

2 SECTION 16. Effective October 1, 2024, the title of Chapter 44-20 of the General Laws
3 entitled "Cigarette and Other Tobacco Products Tax" is hereby amended to read as follows:

4 ~~CHAPTER 44-20~~

5 ~~Cigarette and Other Tobacco Products Tax~~

6 [CHAPTER 44-20](#)

7 [Cigarette, Other Tobacco Products, and Electronic Nicotine-Delivery System Products](#)

8 SECTION 17. Effective October 1, 2024, Sections 44-20-1, 44-20-2, 44-20-3, 44-20-4, 44-
9 20-4.1, 44-20-5, 44-20-8.2, 44-20-13.2, 44-20-15, 44-20-33, 44-20-35, 44-20-40, 44-20-40.1, 44-
10 20-43, 44-20-45, 44-20-47, and 44-20-51.1 of the General Laws in Chapter 44-20 entitled
11 "Cigarette and Other Tobacco Products Tax" are hereby amended to read as follows:

12 [44-20-1. Definitions.](#)

13 Whenever used in this chapter, unless the context requires otherwise:

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

15 (2) "Cigarettes" means and includes any cigarettes suitable for smoking in cigarette form,
16 and each sheet of cigarette rolling paper, including but not limited to, paper made into a hollow
17 cylinder or cone, made with paper or any other material, with or without a filter suitable for use in
18 making cigarettes;

19 (3) "Dealer" means any person whether located within or outside of this state, who sells or
20 distributes cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)
21 [products](#) to a consumer in this state;

22 (4) "Distributor" means any person:

23 (A) Whether located within or outside of this state, other than a dealer, who sells or
24 distributes cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)
25 [products](#) within or into this state. Such term shall not include any cigarette or other tobacco product
26 manufacturer, export warehouse proprietor, or importer with a valid permit under 26 U.S.C. § 5712,
27 if such person sells or distributes cigarettes and/or other tobacco products [and/or electronic](#)
28 [nicotine-delivery system products](#) in this state only to licensed distributors, or to an export
29 warehouse proprietor or another manufacturer with a valid permit under 26 U.S.C. § 5712;

30 (B) Selling cigarettes and/or other tobacco products [and/or electronic nicotine-delivery](#)
31 [system products](#) directly to consumers in this state by means of at least twenty-five (25) vending
32 machines;

33 (C) Engaged in this state in the business of manufacturing cigarettes and/or other tobacco
34 products [and/or electronic nicotine-delivery system products](#) or any person engaged in the business

1 of selling cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system](#)
2 [products](#) to dealers, or to other persons, for the purpose of resale only; provided, that seventy-five
3 percent (75%) of all cigarettes and/or other tobacco products [and/or electronic nicotine-delivery](#)
4 [system products](#) sold by that person in this state are sold to dealers or other persons for resale and
5 selling cigarettes and/or other tobacco products [and/or electronic nicotine-delivery system products](#)
6 directly to at least forty (40) dealers or other persons for resale; or

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

12 (5) [“E-liquid” and “e-liquid products” mean any liquid or substance placed in or sold for](#)
13 [use in an electronic nicotine-delivery system which generally utilizes a heating element that](#)
14 [aerosolizes, vaporizes or combusts a liquid or other substance containing nicotine or nicotine](#)
15 [derivative:](#)

16 (a) [whether the liquid or substance contains nicotine or a nicotine derivative; or,](#)

17 (b) [whether sold separately or sold in combination with a personal vaporizer, electronic](#)
18 [nicotine-delivery system, or an electronic inhaler.](#)

19 (6) [“Electronic nicotine-delivery system” means an electronic device that may be used to](#)
20 [simulate smoking in the delivery of nicotine or other substance to a person inhaling from the device,](#)
21 [and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic cigarillo,](#)
22 [electronic little cigars, electronic pipe, electronic hookah, “heat not burn products,” e-liquids, e-](#)
23 [liquid products, or any related device and any cartridge or other component of such device.](#)

24 (7) [“Electronic nicotine-delivery system products” means any combination of electronic](#)
25 [nicotine-delivery system and/or e-liquid and/or any derivative thereof, and/or any e-liquid](#)
26 [container. Electronic nicotine-delivery system products shall include hemp-derived consumable](#)
27 [CBD products as defined in § 2-26-3.](#)

28 (58) “Importer” means any person who imports into the United States, either directly or
29 indirectly, a finished cigarette or other tobacco product [and/or electronic nicotine-delivery system](#)
30 [product](#) for sale or distribution;

31 (69) “Licensed,” when used with reference to a manufacturer, importer, distributor or
32 dealer, means only those persons who hold a valid and current license issued under § 44-20-2 for
33 the type of business being engaged in. When the term “licensed” is used before a list of entities,
34 such as “licensed manufacturer, importer, wholesale dealer, or retailer dealer,” such term shall be

1 deemed to apply to each entity in such list;

2 ~~(7)~~10 “Manufacturer” means any person who manufactures, fabricates, assembles,
3 processes, or labels a finished cigarette and/or other tobacco products and/or electronic nicotine-
4 delivery system products;

5 ~~(8)~~11 “Other tobacco products” (OTP) means any cigars (excluding Little Cigars, as
6 defined in § 44-20.2-1, which are subject to cigarette tax), cheroots, stogies, smoking tobacco
7 (including granulated, plug cut, crimp cut, ready rubbed and any other kinds and forms of tobacco
8 suitable for smoking in a pipe or otherwise), chewing tobacco (including Cavendish, twist, plug,
9 scrap and any other kinds and forms of tobacco suitable for chewing), any and all forms of hookah,
10 shisha and “mu’assel” tobacco, snuff, and shall include any other articles or products made of or
11 containing tobacco, in whole or in part, or any tobacco substitute, except cigarettes;

12 ~~(9)~~12 “Person” means any individual, including an employee or agent, firm, fiduciary,
13 partnership, corporation, trust, or association, however formed;

14 ~~(10)~~13 “Pipe” means an apparatus made of any material used to burn or vaporize products
15 so that the smoke or vapors can be inhaled or ingested by the user;

16 ~~(11)~~14 “Place of business” means any location where cigarettes and/or other tobacco
17 products and/or electronic nicotine-delivery system products are sold, stored, or kept, including,
18 but not limited to; any storage room, attic, basement, garage or other facility immediately adjacent
19 to the location. It also includes any receptacle, hide, vessel, vehicle, airplane, train, or vending
20 machine;

21 ~~(12)~~15 “Sale” or “sell” means gifts, exchanges, and barter of cigarettes and/or other
22 tobacco products and/or electronic nicotine-delivery system products. The act of holding, storing,
23 or keeping cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
24 products at a place of business for any purpose shall be presumed to be holding the cigarettes and/or
25 other tobacco products and/or electronic nicotine-delivery system products for sale. Furthermore,
26 any sale of cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
27 products by the servants, employees, or agents of the licensed dealer during business hours at the
28 place of business shall be presumed to be a sale by the licensee;

29 ~~(13)~~16 “Stamp” means the impression, device, stamp, label, or print manufactured, printed,
30 or made as prescribed by the administrator to be affixed to packages of cigarettes, as evidence of
31 the payment of the tax provided by this chapter or to indicate that the cigarettes are intended for a
32 sale or distribution in this state that is exempt from state tax under the provisions of state law; and
33 also includes impressions made by metering machines authorized to be used under the provisions
34 of this chapter.

1 44-20-2. Manufacturer, importer, distributor, and dealer licenses required —

2 Licenses required.

3 (a) Each manufacturer engaging in the business of selling any cigarette and/or any tobacco
4 products and/or electronic nicotine-delivery system products in this state shall secure a license,
5 unless otherwise prohibited by federal law, from the administrator before engaging in that business,
6 or continuing to engage in it.

7 (b) Each person engaging in the business of selling cigarette and/or any tobacco products
8 and/or any electronic nicotine-delivery system products in this state, including any manufacturer,
9 importer, distributor or dealer, shall secure a license from the administrator before engaging in that
10 business, or continuing to engage in it. A separate application and license is required for each place
11 of business operated by a distributor, manufacturer, importer, or dealer; provided, that an operator
12 of vending machines for cigarette products is not required to obtain a distributor's license for each
13 machine. If the applicant for a license does not have a place of business in this state, the license
14 shall be issued for such applicant's principal place of business, wherever located. A licensee shall
15 notify the administrator within thirty (30) days in the event that it changes its principal place of
16 business. A separate license is required for each class of business if the applicant is engaged in
17 more than one of the activities required to be licensed by this section. No person shall maintain or
18 operate or cause to be operated a vending machine for cigarette products without procuring a
19 dealer's license for each machine.

20 (c) Effective October 1, 2024, the administrator shall implement a single license and
21 renewal application that allows for the licensure of retailers/dealers of cigarettes and/or any tobacco
22 products and/or any electronic nicotine-delivery system products and a separate single license and
23 renewal application that allows for the licensure of distributors, manufacturers, and importers of
24 cigarettes and/or any tobacco products and/or any electronic nicotine-delivery system products.

25 (d) Immediately following the enactment of this chapter, any electronic nicotine-delivery
26 system products distributor or dealer, licensed in good-standing by the department of health
27 pursuant to chapter 1 of title 23, shall be considered licensed for purposes of compliance with this
28 chapter until the renewal date for such license pursuant to chapter 20 of title 44 occurs; thereafter,
29 such distributors and dealers shall be required to comply with the license requirements in this
30 chapter.

31 44-20-3. Penalties for unlicensed business.

32 Any manufacturer, importer, distributor or dealer who sells, offers for sale, or possesses
33 with intent to sell, cigarettes and/or any other tobacco products and/or any electronic nicotine-
34 delivery system products, without a license as provided in § 44-20-2, shall be guilty of a

1 misdemeanor, and shall be fined not more than ten thousand dollars (\$10,000) for each offense, or
2 be imprisoned for a term not to exceed one (1) year, or be punished by both a fine and
3 imprisonment.

4 **44-20-4. Application for license — Display.**

5 All licenses are issued by the tax administrator upon approval of application, stating, on
6 forms prescribed by the tax administrator, the information he or she may require for the proper
7 administration of this chapter. Each application for ~~an~~ a manufacturer, importer's, or distributor's
8 license shall be accompanied by a fee of one thousand dollars (\$1,000); provided, that for a
9 distributor who does not affix stamps, the fee shall be one hundred dollars (\$100); each application
10 for a dealer's license shall be accompanied by ~~an~~ an application fee of twenty-five dollars (\$25.00).
11 Each issued license shall be prominently displayed on the premises within this state, if any, covered
12 by the license. In the instance of an application for a distributor's license, the administrator shall
13 require, in addition to other information as may be deemed necessary, the filing of affidavits from
14 three (3) cigarette manufacturers with national distribution stating that the manufacturer will supply
15 the distributor if the applicant is granted a license.

16 **44-20-4.1. License availability.**

17 (a) No license under this chapter may be granted, maintained or renewed if the applicant,
18 or any combination of persons owning directly or indirectly any interests in the applicant:

- 19 (1) Owes five hundred dollars (\$500) or more in delinquent taxes;
- 20 (2) Is delinquent in any tax filings for one month or more;
- 21 (3) Had a license under this chapter revoked by the administrator within the past two (2)
22 years;
- 23 (4) Has been convicted of a crime relating to cigarettes and/or other tobacco products;
- 24 (5) Is a cigarette manufacturer or importer that is neither: (i) A participating manufacturer
25 as defined in subsection II (jj) of the "Master Settlement Agreement" as defined in § 23-71-2; nor
26 (ii) In full compliance with chapter 20.2 of this title and § 23-71-3;
- 27 (6) Has imported, or caused to be imported, into the United States any cigarette, and/or
28 other tobacco product and/or electronic nicotine-delivery system products in violation of 19 U.S.C.
29 § 1681a or any other state or federal law; or
- 30 (7) Has imported, or caused to be imported into the United States, or manufactured for sale
31 or distribution in the United States any cigarette that does not fully comply with the Federal
32 Cigarette Labeling and Advertising Act (15 U.S.C. § 1331 et seq.).

33 (b)(1) No person shall apply for a new license or permit (as defined in § 44-19-1) or
34 renewal of a license or permit, and no license or permit shall be issued or renewed for any applicant,

1 or any combination of persons owning directly or indirectly any interests in the applicant, unless
2 all outstanding fines, fees, or other charges relating to any license or permit held by the applicant,
3 or any combination of persons owning directly or indirectly any interests in the applicant, as well
4 as any other tax obligations of the applicant, or any combination of persons owning directly or
5 indirectly any interests in the applicant have been paid.

6 (2) No license or permit shall be issued relating to a business until all prior licenses or
7 permits relating to that business or to that location have been officially terminated and all fines,
8 fees, or charges relating to the prior license or permit have been paid or otherwise resolved or the
9 administrator has found that the person applying for the new license or permit is not acting as an
10 agent for the prior licensee or permit holder who is subject to any such related fines, fees or charges
11 that are still due. Evidence of such agency status includes, but is not limited to, a direct familial
12 relationship and/or an employment, contractual, or other formal financial or business relationship
13 with the prior licensee or permit holder.

14 (3) No person shall apply for a new license or permit pertaining to a specific location in
15 order to evade payment of any fines, fees, or other charges relating to a prior license or permit.

16 (4) No new license or permit shall be issued for a business at a specific location for which
17 a license or permit already has been issued unless there is a bona fide, good-faith change in
18 ownership of the business at that location.

19 (5) No license or permit shall be issued, renewed, or maintained for any person, including
20 the owners of the business being licensed or having applied and received a permit, that has been
21 convicted of violating any criminal law relating to tobacco products, the payment of taxes, or fraud
22 or has been ordered to pay civil fines of more than twenty-five thousand dollars (\$25,000) dollars
23 for violations of any civil law relating to tobacco products, the payment of taxes, or fraud.

24 44-20-5. Expiration, ~~D~~duration, and renewal of manufacturer's, importer's,
25 distributor's and dealer's licenses —~~Renewal.~~

26 (a) Effective October 1, 2024 to add manufacturer and distributor: Any manufacturer,
27 importer, or distributor license and any license issued by the tax administrator authorizing a dealer
28 to sell cigarettes and/or other tobacco products and/or electronic nicotine-delivery system products
29 or a manufacturer to sell electronic nicotine-delivery system products in this state shall expire at
30 midnight on June 30 next succeeding the date of issuance unless (1) suspended or revoked by the
31 tax administrator, (2) the business with respect to which the license was issued changes ownership,
32 (3) the manufacturer, importer, distributor or dealer ceases to transact the business for which the
33 license was issued, or (4) after a period of time set by the administrator; provided such period of
34 time shall not be longer than three (3) years, in any of which cases the license shall expire and

1 terminate and the holder shall immediately return the license to the tax administrator.

2 (b) Every holder of a dealer's license shall annually, on or before February 1 of each year,
3 renew its license by filing an application for renewal along with a twenty-five dollar (\$25.00)
4 renewal fee. The renewal license is valid for the period July 1 of that calendar year through June
5 30 of the subsequent calendar year.

6 **44-20-8.2. Transactions only with licensed manufacturers, importers, distributors,**
7 **and dealers.**

8 A manufacturer or importer may sell or distribute cigarettes and/or other tobacco products
9 and/or electronic nicotine-delivery system products to a person located or doing business within
10 this state, only if such person is a licensed importer or distributor. An importer may obtain cigarettes
11 and/or other tobacco products and/or electronic nicotine-delivery system products only from a
12 licensed manufacturer. A distributor may sell or distribute cigarettes and/or other tobacco products
13 and/or electronic nicotine-delivery system products to a person located or doing business within
14 this state, only if such person is a licensed distributor or dealer. A distributor may obtain cigarettes
15 and/or other tobacco products and/or electronic nicotine-delivery system products only from a
16 licensed manufacturer, importer, or distributor. A dealer may obtain cigarettes and/or other tobacco
17 products and/or electronic nicotine-delivery system products only from a licensed distributor.

18 **44-20-13.2. Tax imposed on other tobacco products, smokeless tobacco, cigars, ~~and~~**
19 **pipe tobacco products, and electronic nicotine-delivery system products.**

20 (a) A tax is imposed on all other tobacco products, smokeless tobacco, cigars, ~~and~~ pipe
21 tobacco products, and electronic nicotine-delivery system products sold, or held for sale in the state
22 by any person, the payment of the tax to be accomplished according to a mechanism established by
23 the administrator, division of taxation, department of revenue. The tax imposed by this section shall
24 be as follows:

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

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

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

34 (4) Effective October 1, 2024, at the rate of eighty percent (80%) of the wholesale cost of

1 electronic nicotine-delivery system products as defined herein.

2 (i) Existing Inventory Floor Tax: For all electronic nicotine-delivery system products held
3 by licensed electronic nicotine-delivery system products retailers as of October 1, 2024: Each
4 person engaging in the business of selling electronic nicotine-delivery system products at retail in
5 this state shall pay a tax measured by the wholesale cost of electronic nicotine-delivery system
6 products held by the person in this state at 12:01 a.m. on October 1, 2024, and is computed at the
7 rate of eighty percent (80%) of the wholesale cost of electronic nicotine-delivery system products
8 on October 1, 2024. Each person subject to the payment of the tax imposed by this section shall,
9 on or before October 16, 2024, file a return, under oath or certified under the penalties of perjury,
10 with the administrator on forms furnished by him or her, showing wholesale cost of electronic
11 nicotine-delivery system products in that person's possession in this state at 12:01 a.m. on October
12 1, 2024, as described in this section, and the amount of tax due, and shall at the time of filing the
13 return pay the tax to the administrator. Failure to obtain forms shall not be an excuse for the failure
14 to make a return containing the information required by the administrator.

15 (ii) For all electronic nicotine-delivery system products sold by licensed electronic
16 nicotine-delivery system products distributors, manufacturers and/or importers in Rhode Island as
17 of October 1, 2024: any person engaging in the business of distributing at wholesale electronic
18 nicotine-delivery system products in this state shall pay a tax measured by the wholesale cost of
19 electronic nicotine-delivery system products computed at the rate of eighty percent (80%) of the
20 wholesale cost of electronic nicotine-delivery system products.

21 (iii) Exemptions. The provisions of this chapter shall not apply to any product used for
22 research purposes by a bona fide educational or governmental organization.

23 (b) Prior to October 1, 2024: Any dealer having in his or her possession any other tobacco
24 products with respect to the storage or use of which a tax is imposed by this section shall, within
25 five (5) days after coming into possession of the other tobacco products in this state, file a return
26 with the tax administrator in a form prescribed by the tax administrator. The return shall be
27 accompanied by a payment of the amount of the tax shown on the form to be due. Records required
28 under this section shall be preserved on the premises described in the relevant license in such a
29 manner as to ensure permanency and accessibility for inspection at reasonable hours by authorized
30 personnel of the administrator.

31 Effective October 1, 2024, all other tobacco products, and electronic nicotine delivery
32 system products sold at wholesale in Rhode Island must be sold by a Rhode Island licensed
33 distributor, manufacturer or importer and purchases of other tobacco products and/or electronic
34 nicotine delivery system products from an unlicensed distributor, manufacturer or importer are

1 prohibited. Any other tobacco products and/or electronic nicotine delivery system products
2 purchased and/or obtained from an unlicensed person shall be subject to the terms of this chapter
3 including but not limited to section 44-20-15 and shall be taxed pursuant to section 44-20-13.2.

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

5 **44-20-15. Confiscation of contraband cigarettes, other tobacco products, electronic**
6 **nicotine-delivery system products, and other property.**

7 (a) All cigarettes, ~~and~~ other tobacco products, and/or electronic nicotine-delivery system
8 products that are held for sale or distribution within the borders of this state in violation of the
9 requirements of this chapter or federal law are declared to be contraband goods and may be seized
10 by the tax administrator or his or her agents, or employees, or by any sheriff, or his or her deputy,
11 or any police officer when directed by the tax administrator to do so, without a warrant. All
12 contraband goods seized by the state under this chapter shall be destroyed.

13 (b) All fixtures, equipment, and all other materials and personal property on the premises
14 of any distributor or dealer who, with the intent to defraud the state, fails to keep or make any
15 record, return, report, or inventory; keeps or makes any false or fraudulent record, return, report, or
16 inventory required by this chapter; refuses to pay any tax imposed by this chapter; or attempts in
17 any manner to evade or defeat the requirements of this chapter shall be forfeited to the state.

18 **44-20-33. Sale of contraband cigarettes, ~~or~~ contraband other tobacco products or**
19 **contraband electronic nicotine-delivery system products prohibited.**

20 No distributor shall sell, and no other person shall sell, offer for sale, display for sale, or
21 possess with intent to sell any contraband other tobacco products without written record of the
22 payment of tax imposed by this chapter, or contraband electronic nicotine-delivery system products
23 without written record of the payment of tax imposed by this chapter or contraband cigarettes, the
24 packages or boxes of which do not bear stamps evidencing the payment of the tax imposed by this
25 chapter.

26 **44-20-35. Penalties for violations as to unstamped contraband cigarettes, ~~or~~**
27 **contraband other tobacco products or contraband electronic nicotine-delivery system**
28 **products.**

29 (a) Any person who violates any provision of §§ 44-20-33 and 44-20-34 shall be fined or
30 imprisoned, or both fined and imprisoned, as follows:

31 (1) For a first offense in a twenty-four-month (24) period, fined not more than ten (10)
32 times the retail value of the contraband cigarettes, contraband electronic nicotine-delivery system
33 products, and/or contraband other tobacco products, or be imprisoned not more than one (1) year,
34 or be both fined and imprisoned;

1 (2) For a second or subsequent offense in a twenty-four-month (24) period, fined not more
2 than twenty-five (25) times the retail value of the contraband cigarettes, [contraband electronic](#)
3 [nicotine-delivery system products](#), and/or contraband other tobacco products, or be imprisoned not
4 more than three (3) years, or be both fined and imprisoned.

5 (b) When determining the amount of a fine sought or imposed under this section, evidence
6 of mitigating factors, including history, severity, and intent shall be considered.

7 **44-20-40. Records — Investigation and inspection of books, premises and stock.**

8 (a) Each manufacturer, importer, distributor and dealer shall maintain copies of invoices or
9 equivalent documentation for, or itemized for, each of its facilities for each transaction (other than
10 a retail transaction with a consumer) involving the sale, purchase, transfer, consignment, or receipt
11 of cigarettes, [other tobacco products and electronic nicotine-delivery system products](#). The invoices
12 or documentation shall show the name and address of the other party and the quantity by brand
13 style of the cigarettes, [other tobacco products and electronic nicotine-delivery system products](#)
14 involved in the transaction. All records and invoices required under this section must be safely
15 preserved for three (3) years in a manner to insure permanency and accessibility for inspection by
16 the administrator or his or her authorized agents.

17 (b) Records required under this section shall be preserved on the premises described in the
18 relevant license in such a manner as to ensure permanency and accessibility for inspection at
19 reasonable hours by authorized personnel of the administrator. With the administrator's permission,
20 persons with multiple places of business may retain centralized records, but shall transmit
21 duplicates of the invoices or the equivalent documentation to each place of business within twenty-
22 four (24) hours upon the request of the administrator or his or her designee.

23 (c) The administrator or his or her authorized agents may examine the books, papers,
24 reports and records of any manufacturer, importer, distributor or dealer in this state for the purpose
25 of determining whether taxes imposed by this chapter have been fully paid, and may investigate
26 the stock of cigarettes, [other tobacco products and/or electronic nicotine-delivery system products](#)
27 in or upon any premises for the purpose of determining whether the provisions of this chapter are
28 being obeyed. The administrator in his or her sole discretion may share the records and reports
29 required by such sections with law enforcement officials of the federal government or other states.

30 **44-20-40.1. Inspections.**

31 (a) The administrator or his or her duly authorized agent shall have authority to enter and
32 inspect, without a warrant during normal business hours, and with a warrant during nonbusiness
33 hours, the facilities and records of any manufacturer, importer, distributor, or dealer.

34 (b) In any case where the administrator or his or her duly authorized agent, or any police

1 officer of this state, has knowledge or reasonable grounds to believe that any vehicle is transporting
2 cigarettes, ~~or~~ other tobacco products [or electronic nicotine-delivery system products](#) in violation of
3 this chapter, the administrator, such agent, or such police officer, is authorized to stop such vehicle
4 and to inspect the same for contraband cigarettes, ~~or~~ [contraband](#) other tobacco products [or](#)
5 [contraband electronic nicotine-delivery system products](#).

6 **44-20-43. Violations as to reports and records.**

7 Any person who fails to submit the reports required in this chapter or by the tax
8 administrator under this chapter, or who makes any incomplete, false, or fraudulent report, or who
9 refuses to permit the tax administrator or his or her authorized agent to examine any books, records,
10 papers, or stocks of cigarettes, ~~or~~ other tobacco products [or electronic nicotine-delivery system](#)
11 [products](#) as provided in this chapter, or who refuses to supply the tax administrator with any other
12 information which the tax administrator requests for the reasonable and proper enforcement of the
13 provisions of this chapter, shall be guilty of a misdemeanor punishable by imprisonment up to one
14 (1) year, or a fine of not more than five thousand dollars (\$5,000), or both, for the first offense, and
15 for each subsequent offense, shall be fined not more than ten thousand dollars (\$10,000), or be
16 imprisoned not more than five (5) years, or both.

17 **44-20-45. Importation of cigarettes, ~~and/or~~ other tobacco products, [and/or electronic](#)**
18 **[nicotine-delivery system products](#) with intent to evade tax.**

19 Any person, firm, corporation, club, or association of persons who or that orders any
20 cigarettes, ~~and/or~~ other tobacco products, [and/or electronic nicotine-delivery system products](#) for
21 another; or pools orders for cigarettes, ~~and/or~~ other tobacco products, [and/or electronic nicotine-](#)
22 [delivery system products](#) from any persons; or conspires with others for pooling orders; or receives
23 in this state any shipment of contraband cigarettes, ~~and/or~~ contraband other tobacco products,
24 [and/or electronic nicotine-delivery system products](#) on which the tax imposed by this chapter has
25 not been paid, for the purpose and intention of violating the provisions of this chapter or to avoid
26 payment of the tax imposed in this chapter, is guilty of a felony and shall be fined one hundred
27 thousand dollars (\$100,000) or five (5) times the retail value of the cigarettes, ~~other tobacco~~
28 [products, and/or electronic nicotine-delivery system products](#) involved, whichever is greater, or
29 imprisoned not more than fifteen (15) years, or both.

30 **44-20-47. Hearings by tax administrator.**

31 Any person aggrieved by any action under this chapter of the tax administrator or his or
32 her authorized agent for which a hearing is not elsewhere provided may apply to the tax
33 administrator, in writing, within thirty (30) days of the action for a hearing, stating the reasons why
34 the hearing should be granted and the manner of relief sought. The tax administrator shall notify

1 the applicant of the time and place fixed for the hearing. After the hearing, the tax administrator
2 may make the order in the premises as may appear to the tax administrator just and lawful and shall
3 furnish a copy of the order to the applicant. The tax administrator may, by notice in writing, at any
4 time, order a hearing on his or her own initiative and require the taxpayer or any other individual
5 whom the tax administrator believes to be in possession of information concerning any
6 manufacture, importation, or sale of cigarettes, [other tobacco products, and/or electronic nicotine-](#)
7 [delivery system products](#) to appear before the tax administrator or his or her authorized agent with
8 any specific books of account, papers, or other documents, for examination relative to the hearing.

9 **44-20-51.1. Civil penalties.**

10 (a) Whoever omits, neglects, or refuses to comply with any duty imposed upon him/her by
11 this chapter, or to do, or cause to be done, any of the things required by this chapter, or does
12 anything prohibited by this chapter, shall, in addition to any other penalty provided in this chapter,
13 be liable as follows:

14 (1) For a first offense in a twenty-four-month (24) period, a penalty of not more than ten
15 (10) times the retail value of the cigarettes, ~~and/or~~ other tobacco products [and/or electronic nicotine-](#)
16 [delivery system products](#) involved; and

17 (2) For a second or subsequent offense in a twenty-four-month (24) period, a penalty of
18 not more than twenty-five (25) times the retail value of the cigarettes, ~~and/or~~ other tobacco products
19 [and/or contraband electronic nicotine-delivery system products](#) involved.

20 (b) Whoever [omits, neglects, or refuses to comply with any duty imposed upon him/her by](#)
21 [this chapter, or to do, or cause to be done, any of the things required by this chapter, or does](#)
22 [anything prohibited by this chapter, fails to pay any tax imposed by this chapter at the time](#)
23 [prescribed by law or regulations,](#) shall, in addition to any other penalty provided in this chapter, be
24 liable for a penalty of one thousand dollars (\$1,000) or not more than five (5) times the tax due but
25 unpaid, whichever is greater.

26 (c) When determining the amount of a penalty sought or imposed under this section,
27 evidence of mitigating or aggravating factors, including history, severity, and intent, shall be
28 considered.

29 SECTION 18. Effective October 1, 2024, Chapter 44-20 of the General Laws entitled
30 "Cigarette and Other Tobacco Products Tax" is hereby amended by adding thereto the following
31 sections:

32 **44-20-60. Exemption of sales of certain electronic nicotine-delivery system products.**

33 [Notwithstanding any provision of the general or public laws to the contrary, the sale of](#)
34 [electronic nicotine-delivery system products are exempted from the taxes imposed by this chapter](#)

1 if they are subject to the taxes imposed by chapter 28.11 of title 21 and chapter 70 of this title.

2 **44-20-61. Product restrictions on electronic nicotine-delivery system products.**

3 (a) For purposes of this section, the following terms shall have the following meanings:

4 (1) “Characterizing flavor” means a distinguishable taste or aroma, other than the taste or
5 aroma of tobacco, distinguishable by an ordinary consumer, imparted either prior to, or during,
6 consumption of an electronic nicotine-delivery system product or component part thereof,
7 including, but not limited to, tastes or aromas relating to any fruit, mint, menthol, wintergreen,
8 chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, herb, or spice or which impart
9 a cooling or numbing sensation. The determination of whether an electronic nicotine-delivery
10 system product has a characterizing flavor shall not be based solely on the use of additives,
11 flavorings, or particular ingredients, but shall instead consider all aspects of a final product
12 including, but not limited to, taste, flavor and aroma, product labeling, and advertising statements.
13 A flavor shall be presumed to be a characterizing flavor if a dealer, manufacturer, or distributor has
14 made a statement or claim directed to consumers or the public about such flavor, whether expressed
15 or implied, that it has a distinguishable taste or aroma (other than the taste or aroma of tobacco).

16 (2) “Flavored electronic nicotine-delivery system product” means any electronic nicotine-
17 delivery system product that imparts a characterizing flavor.

18 (b) The sale, or offer for sale of, or the possession with intent to sell or to offer for sale,
19 flavored electronic nicotine-delivery system products to consumers within the State of Rhode
20 Island is hereby prohibited. Compassion centers and licensed cultivators registered with the State
21 of Rhode Island Department of Business Regulations- Office of Cannabis Regulation under chapter
22 28.6 of title 21 are exempt from this provision except as to products that contain, are made of, or
23 are derived from tobacco or nicotine, natural or synthetic.

24 **44-20-62. Disclosure of information-electronic nicotine-delivery system products**
25 **licensees.**

26 The department of health shall disclose to the tax administrator all information regarding
27 persons and entities who hold, or previously held, a license issued pursuant to § 23-1-56.

28 SECTION 19. Effective October 1, 2024, Section 44-20-6 of the General Laws in Chapter
29 44-20 entitled "Cigarette and Other Tobacco Products Tax" is hereby repealed.

30 ~~**44-20-6. Expiration and renewal of distributors' licenses.**~~

31 ~~Each distributor's license issued under the provisions of § 44-20-4 expires at midnight on~~
32 ~~May 31 next succeeding the date of issuance, unless sooner revoked by the tax administrator, as~~
33 ~~provided in § 44-20-8, or unless the business with respect to which the license was issued changes~~
34 ~~ownership, in either of which cases the holder of the license shall immediately return it to the tax~~

1 ~~administrator. The holder of each license may, annually, before the expiration date of the license~~
2 ~~then held by the licensee, renew his or her license for a further period of one year, on application~~
3 ~~accompanied by the fee prescribed in § 44-20-4.~~

4 SECTION 20. Effective October 1, 2024, Sections 44-20.1-3 of the General Laws in
5 Chapter 44-20.1 entitled "Delivery Sales of Cigarettes" is hereby amended to read as follows:

6 **44-20.1-3. Age Verification requirements.**

7 (a) No person, including but not limited to online retailers, shall mail, ship, or otherwise
8 deliver cigarettes, other tobacco products, or electronic nicotine delivery systems in connection
9 with a delivery sale unless such person prior to the first delivery sale to such consumer:

10 (1) Obtains from the prospective consumer a certification that includes:

11 (i) A reliable confirmation that the consumer is at least the legal minimum purchase age;

12 and

13 (ii) A statement signed by the prospective consumer in writing that certifies the prospective

14 consumer's address and that the consumer is at least ~~eighteen~~ twenty-one (~~18~~21) years of age. Such
15 statement shall also confirm:

16 (A) That the prospective consumer understands that signing another person's name to such
17 certification is illegal;

18 (B) That the sale of cigarettes to individuals under the legal minimum purchase age is
19 illegal;

20 (C) That the purchase of cigarettes by individuals under the legal minimum purchase age
21 is illegal under the laws of the state; and

22 (D) That the prospective consumer wants to receive mailings from a tobacco company;

23 (2) Makes a good faith effort to verify the information contained in the certification
24 provided by the prospective consumer pursuant to subsection (1) against a commercially available
25 database, or obtains a photocopy or other image of the valid, government-issued identification
26 stating the date of birth or age of the individual placing the order;

27 (3) Provides to the prospective consumer, via e-mail or other means, a notice that meets
28 the requirements of § 44-20.1-4; and

29 (4) In the case of an order for cigarettes pursuant to an advertisement on the Internet,
30 receives payment for the delivery sale from the prospective consumer by a credit or debit card that
31 has been issued in such consumer's name or by check.

32 (b) Persons accepting purchase orders for delivery sales may request that the prospective
33 consumers provide their e-mail addresses.

34 (c) The division of taxation, in consultation with the department of health, may promulgate

1 [rules and regulations pertaining to this section.](#)

2 SECTION 21. Effective January 1, 2025, Section 44-23-1 of the General Laws in Chapter
3 44-23 entitled "Estate and Transfer Taxes – Enforcement and Collection" is hereby amended to
4 read as follows:

5 **44-23-1. Statements filed by executors, administrators and heirs-at-law.**

6 (a) Every executor, administrator, and heir-at-law, within nine (9) months after the death
7 of the decedent, shall file with the tax administrator a statement under oath showing the full and
8 fair cash value of the estate, the amounts paid out from the estate for claims, expenses, charges, and
9 fees, and the statement shall also provide the names and addresses of all persons entitled to take
10 any share or interest of the estate as legatees or distributees of the estate.

11 (b) [For estates of decedents with a date of death prior to January 1, 2025,](#) ~~A~~ a fee of fifty
12 dollars (\$50.00) ~~is~~ [shall be](#) paid when filing any statement required by this section. All fees received
13 under this section are allocated to the tax administrator for enforcement and collection of taxes.

14 [\(c\) For estates of decedents with a date of death on or after January 1, 2025, no fee shall be](#)
15 [paid when filing any statement required by this section.](#)

16 SECTION 22. Effective January 1, 2025, Section 44-30-12 of the General Laws in Chapter
17 44-30 entitled "Personal Income Tax; Part II; Residents" is hereby amended to read as follows:

18 **44-30-12. Rhode Island income of a resident individual.**

19 (a) General. The Rhode Island income of a resident individual means his or her adjusted
20 gross income for federal income tax purposes, with the modifications specified in this section.

21 (b) Modifications increasing federal adjusted gross income. There shall be added to federal
22 adjusted gross income:

23 (1) Interest income on obligations of any state, or its political subdivisions, other than
24 Rhode Island or its political subdivisions;

25 (2) Interest or dividend income on obligations or securities of any authority, commission,
26 or instrumentality of the United States, but not of Rhode Island or its political subdivisions, to the
27 extent exempted by the laws of the United States from federal income tax but not from state income
28 taxes;

29 (3) The modification described in § 44-30-25(g);

30 (4)(i) The amount defined below of a nonqualified withdrawal made from an account in
31 the tuition savings program pursuant to § 16-57-6.1. For purposes of this section, a nonqualified
32 withdrawal is:

33 (A) A transfer or rollover to a qualified tuition program under Section 529 of the Internal
34 Revenue Code, 26 U.S.C. § 529, other than to the tuition savings program referred to in § 16-57-

1 6.1; and

2 (B) A withdrawal or distribution that is:

3 (I) Not applied on a timely basis to pay “qualified higher education expenses” as defined
4 in § 16-57-3(12) of the beneficiary of the account from which the withdrawal is made;

5 (II) Not made for a reason referred to in § 16-57-6.1(e); or

6 (III) Not made in other circumstances for which an exclusion from tax made applicable by
7 Section 529 of the Internal Revenue Code, 26 U.S.C. § 529, pertains if the transfer, rollover,
8 withdrawal, or distribution is made within two (2) taxable years following the taxable year for
9 which a contributions modification pursuant to subsection (c)(4) of this section is taken based on
10 contributions to any tuition savings program account by the person who is the participant of the
11 account at the time of the contribution, whether or not the person is the participant of the account
12 at the time of the transfer, rollover, withdrawal or distribution;

13 (ii) In the event of a nonqualified withdrawal under subsection (b)(4)(i)(A) or (b)(4)(i)(B)
14 of this section, there shall be added to the federal adjusted gross income of that person for the
15 taxable year of the withdrawal an amount equal to the lesser of:

16 (A) The amount equal to the nonqualified withdrawal reduced by the sum of any
17 administrative fee or penalty imposed under the tuition savings program in connection with the
18 nonqualified withdrawal plus the earnings portion thereof, if any, includible in computing the
19 person’s federal adjusted gross income for the taxable year; and

20 (B) The amount of the person’s contribution modification pursuant to subsection (c)(4) of
21 this section for the person’s taxable year of the withdrawal and the two (2) prior taxable years less
22 the amount of any nonqualified withdrawal for the two (2) prior taxable years included in
23 computing the person’s Rhode Island income by application of this subsection for those years. Any
24 amount added to federal adjusted gross income pursuant to this subdivision shall constitute Rhode
25 Island income for residents, nonresidents and part-year residents;

26 (5) The modification described in § 44-30-25.1(d)(3)(i);

27 (6) The amount equal to any unemployment compensation received but not included in
28 federal adjusted gross income;

29 (7) The amount equal to the deduction allowed for sales tax paid for a purchase of a
30 qualified motor vehicle as defined by the Internal Revenue Code § 164(a)(6); and

31 (8) For any taxable year beginning on or after January 1, 2020, the amount of any Paycheck
32 Protection Program loan forgiven for federal income tax purposes as authorized by the Coronavirus
33 Aid, Relief, and Economic Security Act and/or the Consolidated Appropriations Act, 2021 and/or
34 any other subsequent federal stimulus relief packages enacted by law, to the extent that the amount

1 of the loan forgiven exceeds \$250,000, including an individual's distributive share of the amount
2 of a pass-through entity's loan forgiveness in excess of \$250,000.

3 (c) Modifications reducing federal adjusted gross income. There shall be subtracted from
4 federal adjusted gross income:

5 (1) Any interest income on obligations of the United States and its possessions to the extent
6 includible in gross income for federal income tax purposes, and any interest or dividend income on
7 obligations, or securities of any authority, commission, or instrumentality of the United States to
8 the extent includible in gross income for federal income tax purposes but exempt from state income
9 taxes under the laws of the United States; provided, that the amount to be subtracted shall in any
10 case be reduced by any interest on indebtedness incurred or continued to purchase or carry
11 obligations or securities the income of which is exempt from Rhode Island personal income tax, to
12 the extent the interest has been deducted in determining federal adjusted gross income or taxable
13 income;

14 (2) A modification described in § 44-30-25(f) or § 44-30-1.1(c)(1);

15 (3) The amount of any withdrawal or distribution from the "tuition savings program"
16 referred to in § 16-57-6.1 that is included in federal adjusted gross income, other than a withdrawal
17 or distribution or portion of a withdrawal or distribution that is a nonqualified withdrawal;

18 (4) Contributions made to an account under the tuition savings program, including the
19 "contributions carryover" pursuant to subsection (c)(4)(iv) of this section, if any, subject to the
20 following limitations, restrictions and qualifications:

21 (i) The aggregate subtraction pursuant to this subdivision for any taxable year of the
22 taxpayer shall not exceed five hundred dollars (\$500) or one thousand dollars (\$1,000) if a joint
23 return;

24 (ii) The following shall not be considered contributions:

25 (A) Contributions made by any person to an account who is not a participant of the account
26 at the time the contribution is made;

27 (B) Transfers or rollovers to an account from any other tuition savings program account or
28 from any other "qualified tuition program" under section 529 of the Internal Revenue Code, 26
29 U.S.C. § 529; or

30 (C) A change of the beneficiary of the account;

31 (iii) The subtraction pursuant to this subdivision shall not reduce the taxpayer's federal
32 adjusted gross income to less than zero (0);

33 (iv) The contributions carryover to a taxable year for purpose of this subdivision is the
34 excess, if any, of the total amount of contributions actually made by the taxpayer to the tuition

1 savings program for all preceding taxable years for which this subsection is effective over the sum
2 of:

3 (A) The total of the subtractions under this subdivision allowable to the taxpayer for all
4 such preceding taxable years; and

5 (B) That part of any remaining contribution carryover at the end of the taxable year which
6 exceeds the amount of any nonqualified withdrawals during the year and the prior two (2) taxable
7 years not included in the addition provided for in this subdivision for those years. Any such part
8 shall be disregarded in computing the contributions carryover for any subsequent taxable year;

9 (v) For any taxable year for which a contributions carryover is applicable, the taxpayer
10 shall include a computation of the carryover with the taxpayer's Rhode Island personal income tax
11 return for that year, and if for any taxable year on which the carryover is based the taxpayer filed a
12 joint Rhode Island personal income tax return but filed a return on a basis other than jointly for a
13 subsequent taxable year, the computation shall reflect how the carryover is being allocated between
14 the prior joint filers;

15 (5) The modification described in § 44-30-25.1(d)(1);

16 (6) Amounts deemed taxable income to the taxpayer due to payment or provision of
17 insurance benefits to a dependent, including a domestic partner pursuant to chapter 12 of title 36 or
18 other coverage plan;

19 (7) Modification for organ transplantation.

20 (i) An individual may subtract up to ten thousand dollars (\$10,000) from federal adjusted
21 gross income if he or she, while living, donates one or more of his or her human organs to another
22 human being for human organ transplantation, except that for purposes of this subsection, "human
23 organ" means all or part of a liver, pancreas, kidney, intestine, lung, or bone marrow. A subtract
24 modification that is claimed hereunder may be claimed in the taxable year in which the human
25 organ transplantation occurs.

26 (ii) An individual may claim that subtract modification hereunder only once, and the
27 subtract modification may be claimed for only the following unreimbursed expenses that are
28 incurred by the claimant and related to the claimant's organ donation:

29 (A) Travel expenses.

30 (B) Lodging expenses.

31 (C) Lost wages.

32 (iii) The subtract modification hereunder may not be claimed by a part-time resident or a
33 nonresident of this state;

34 (8) Modification for taxable Social Security income.

1 (i) For tax years beginning on or after January 1, 2016:

2 (A) For a person who has attained the age used for calculating full or unreduced Social
3 Security retirement benefits who files a return as an unmarried individual, head of household, or
4 married filing separate whose federal adjusted gross income for the taxable year is less than eighty
5 thousand dollars (\$80,000); or

6 (B) A married individual filing jointly or individual filing qualifying widow(er) who has
7 attained the age used for calculating full or unreduced Social Security retirement benefits whose
8 joint federal adjusted gross income for the taxable year is less than one hundred thousand dollars
9 (\$100,000), an amount equal to the Social Security benefits includible in federal adjusted gross
10 income.

11 (ii) Adjustment for inflation. The dollar amount contained in subsections (c)(8)(i)(A) and
12 (c)(8)(i)(B) of this section shall be increased annually by an amount equal to:

13 (A) Such dollar amount contained in subsections (c)(8)(i)(A) and (c)(8)(i)(B) of this
14 section adjusted for inflation using a base tax year of 2000, multiplied by;

15 (B) The cost-of-living adjustment with a base year of 2000.

16 (iii) For the purposes of this section the cost-of-living adjustment for any calendar year is
17 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds
18 the consumer price index for the base year. The consumer price index for any calendar year is the
19 average of the consumer price index as of the close of the twelve-month (12) period ending on
20 August 31, of such calendar year.

21 (iv) For the purpose of this section the term “consumer price index” means the last
22 consumer price index for all urban consumers published by the department of labor. For the purpose
23 of this section the revision of the consumer price index which is most consistent with the consumer
24 price index for calendar year 1986 shall be used.

25 (v) If any increase determined under this section is not a multiple of fifty dollars (\$50.00),
26 such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a
27 married individual filing separate return, if any increase determined under this section is not a
28 multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple
29 of twenty-five dollars (\$25.00);

30 (9) Modification of taxable retirement income from certain pension plans or annuities.

31 (i) For tax years beginning on or after January 1, 2017, until the tax year beginning January
32 1, 2022, a modification shall be allowed for up to fifteen thousand dollars (\$15,000), and for tax
33 years beginning on or after January 1, 2023, [until the tax year beginning January 1, 2024](#), a
34 modification shall be allowed for up to twenty thousand dollars (\$20,000), [and for tax years](#)

1 [beginning on or after January 1, 2025, a modification shall be allowed for up to fifty thousand](#)
2 [dollars \(\\$50,000\)](#), of taxable pension and/or annuity income that is included in federal adjusted
3 gross income for the taxable year:

4 (A) For a person who has attained the age used for calculating full or unreduced Social
5 Security retirement benefits who files a return as an unmarried individual, head of household, or
6 married filing separate whose federal adjusted gross income for such taxable year is less than the
7 amount used for the modification contained in subsection (c)(8)(i)(A) of this section an amount not
8 to exceed \$15,000 for tax years beginning on or after January 1, 2017, until the tax year beginning
9 January 1, 2022, and an amount not to exceed twenty thousand dollars (\$20,000) for tax years
10 beginning on or after January 1, 2023, [until the tax year beginning January 1, 2024, and an amount](#)
11 [not to exceed fifty thousand dollars \(\\$50,000\) for tax years beginning on or after January 1, 2025,](#)
12 of taxable pension and/or annuity income includible in federal adjusted gross income; or

13 (B) For a married individual filing jointly or individual filing qualifying widow(er) who
14 has attained the age used for calculating full or unreduced Social Security retirement benefits whose
15 joint federal adjusted gross income for such taxable year is less than the amount used for the
16 modification contained in subsection (c)(8)(i)(B) of this section an amount not to exceed \$15,000
17 for tax years beginning on or after January 1, 2017, until the tax year beginning January 1, 2022,
18 and an amount not to exceed twenty thousand dollars (\$20,000) for tax years beginning on or after
19 January 1, 2023, [until the tax year beginning January 1, 2024, and an amount not to exceed fifty](#)
20 [thousand dollars \(\\$50,000\) for tax years beginning on or after January 1, 2025,](#) of taxable pension
21 and/or annuity income includible in federal adjusted gross income.

22 (ii) Adjustment for inflation. The dollar amount contained by reference in subsections
23 (c)(9)(i)(A) and (c)(9)(i)(B) of this section shall be increased annually for tax years beginning on
24 or after January 1, 2018, by an amount equal to:

25 (A) Such dollar amount contained by reference in subsections (c)(9)(i)(A) and (c)(9)(i)(B)
26 of this section adjusted for inflation using a base tax year of 2000, multiplied by;

27 (B) The cost-of-living adjustment with a base year of 2000.

28 (iii) For the purposes of this section, the cost-of-living adjustment for any calendar year is
29 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds
30 the consumer price index for the base year. The consumer price index for any calendar year is the
31 average of the consumer price index as of the close of the twelve-month (12) period ending on
32 August 31, of such calendar year.

33 (iv) For the purpose of this section, the term “consumer price index” means the last
34 consumer price index for all urban consumers published by the department of labor. For the purpose

1 of this section, the revision of the consumer price index which is most consistent with the consumer
2 price index for calendar year 1986 shall be used.

3 (v) If any increase determined under this section is not a multiple of fifty dollars (\$50.00),
4 such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a
5 married individual filing a separate return, if any increase determined under this section is not a
6 multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple
7 of twenty-five dollars (\$25.00).

8 (vi) For tax years beginning on or after January 1, 2022, the dollar amount contained by
9 reference in subsection (c)(9)(i)(A) shall be adjusted to equal the dollar amount contained in
10 subsection (c)(8)(i)(A), as adjusted for inflation, and the dollar amount contained by reference in
11 subsection (c)(9)(i)(B) shall be adjusted to equal the dollar amount contained in subsection
12 (c)(8)(i)(B), as adjusted for inflation;

13 (10) Modification for Rhode Island investment in opportunity zones. For purposes of a
14 taxpayer's state tax liability, in the case of any investment in a Rhode Island opportunity zone by
15 the taxpayer for at least seven (7) years, a modification to income shall be allowed for the
16 incremental difference between the benefit allowed under 26 U.S.C. § 1400Z-2(b)(2)(B)(iv) and
17 the federal benefit allowed under 26 U.S.C. § 1400Z-2(c);

18 (11) Modification for military service pensions.

19 (i) For purposes of a taxpayer's state tax liability, a modification to income shall be allowed
20 as follows:

21 (A) For the tax years beginning on January 1, 2023, a taxpayer may subtract from federal
22 adjusted gross income the taxpayer's military service pension benefits included in federal adjusted
23 gross income;

24 (ii) As used in this subsection, the term "military service" shall have the same meaning as
25 set forth in 20 C.F.R. § 212.2;

26 (iii) At no time shall the modification allowed under this subsection alone or in conjunction
27 with subsection (c)(9) exceed the amount of the military service pension received in the tax year
28 for which the modification is claimed; ~~and~~

29 (12) Any rebate issued to the taxpayer pursuant to § 44-30-103 to the extent included in
30 gross income for federal tax purposes; ~~and~~

31 (13) For tax years beginning on or after January 1, 2025, in the case of a taxpayer that is
32 licensed in accordance with chapters 28.6 and/or 28.11 of title 21, the amount equal to any
33 expenditure that is eligible to be claimed as a federal income tax deduction but is disallowed under
34 26 U.S.C. § 280E.

1 (d) Modification for Rhode Island fiduciary adjustment. There shall be added to, or
2 subtracted from, federal adjusted gross income (as the case may be) the taxpayer's share, as
3 beneficiary of an estate or trust, of the Rhode Island fiduciary adjustment determined under § 44-
4 30-17.

5 (e) Partners. The amounts of modifications required to be made under this section by a
6 partner, which relate to items of income or deduction of a partnership, shall be determined under §
7 44-30-15.

8 SECTION 23. Section 44-34.1-2 of the General Laws in Chapter 44-34.1 entitled "Motor
9 Vehicle and Trailer Excise Tax Elimination Act of 1998" is hereby amended to read as follows:

10 **44-34.1-2. City, town, and fire district reimbursement.**

11 (a) In fiscal years 2024 and thereafter, cities, towns, and fire districts shall receive
12 reimbursements, as set forth in this section, from state general revenues ~~equal to the amount of lost~~
13 ~~tax revenue~~ due to the phase out of the excise tax. ~~When the tax is phased out, cities, towns, and~~
14 ~~fire districts shall receive a permanent distribution of sales tax revenue pursuant to § 44-18-18 in~~
15 ~~an amount equal to any lost revenue resulting from the excise tax elimination.~~

16 (b)(1) In fiscal ~~year~~ years 2024 and thereafter, cities, towns, and fire districts shall receive
17 the following reimbursement amounts:

18	Barrington	\$ 5,894,822
19	Bristol	\$ 2,905,818
20	Burrillville	\$ 5,053,933
21	Central Falls	\$ 2,077,974
22	Charlestown	\$ 1,020,877
23	Coventry	\$ 5,872,396
24	Cranston	\$ 22,312,247
25	Cumberland	\$ 6,073,469
26	East Greenwich	\$ 2,417,332
27	East Providence	\$ 11,433,479
28	Exeter	\$ 2,241,381
29	Foster	\$ 1,652,251
30	Glocester	\$ 2,381,941
31	Hopkinton	\$ 1,629,259
32	Jamestown	\$ 622,793
33	Johnston	\$ 10,382,785
34	Lincoln	\$ 5,683,015

1	Little Compton	\$ 366,775
2	Middletown	\$ 1,976,448
3	Narragansett	\$ 1,831,251
4	Newport	\$ 2,223,671
5	New Shoreham	\$ 163,298
6	North Kingstown	\$ 5,378,818
7	North Providence	\$ 9,619,286
8	North Smithfield	\$ 4,398,531
9	Pawtucket	\$ 16,495,506
10	Portsmouth	\$ 2,414,242
11	Providence	\$ 34,131,596
12	Richmond	\$ 1,448,455
13	Scituate	\$ 1,977,127
14	Smithfield	\$ 7,098,694
15	South Kingstown	\$ 3,930,455
16	Tiverton	\$ 1,748,175
17	Warren	\$ 2,090,911
18	Warwick	\$ 25,246,254
19	Westerly	\$ 5,765,523
20	West Greenwich	\$ 1,331,725
21	West Warwick	\$ 5,673,744
22	Woonsocket	\$ 9,324,776
23	Lime Rock Fire District	\$ 133,933
24	Lincoln Fire District	\$ 208,994
25	Manville Fire District	\$ 64,862
26	Quinnville Fire District	\$ 13,483

27 (2) In fiscal year 2024, funds shall be distributed to the cities, towns, and fire districts as
28 follows:

- 29 (i) On August 1, 2023, twenty-five percent (25%) of the funds.
- 30 (ii) On November 1, 2023, twenty-five percent (25%) of the funds.
- 31 (iii) On February 1, 2024, twenty-five percent (25%) of the funds.
- 32 (iv) On May 1, 2024, twenty-five percent (25%) of the funds.

33 The funds shall be distributed to each city, town, and fire district in the same proportion as
34 distributed in fiscal year 2023.

1 (3) For the city of East Providence, the payment schedule is twenty-five percent (25%) on
2 November 1, 2023, twenty-five percent (25%) on February 1, 2024, twenty-five percent (25%) on
3 May 1, 2024, and twenty-five percent (25%) on August 1, 2024.

4 (4) On any of the payment dates specified in subsections (b)(2)(i) through (b)(2)(iv) or
5 (b)(3) of this section, the director of revenue is authorized to deduct previously made over-
6 payments or add supplemental payments as may be required to bring the reimbursements into full
7 compliance with the requirements of this chapter.

8 ~~(e) When the tax is phased out to August 1, of the following fiscal year the director of~~
9 ~~revenue shall calculate to the nearest thousandth of one cent (\$0.00001) the number of cents of~~
10 ~~sales tax received for the fiscal year ending June 30, of the year following the phase out equal to~~
11 ~~the amount of funds distributed to the cities, towns, and fire districts under this chapter during the~~
12 ~~fiscal year following the phase out and the percent of the total funds distributed in the fiscal year~~
13 ~~following the phase out received by each city, town, and fire district, calculated to the nearest one-~~
14 ~~hundredth of one percent (0.01%). The director of the department of revenue shall transmit those~~
15 ~~calculations to the governor, the speaker of the house, the president of the senate, the chairperson~~
16 ~~of the house finance committee, the chairperson of the senate finance committee, the house fiscal~~
17 ~~advisor, and the senate fiscal advisor. The number of cents, applied to the sales taxes received for~~
18 ~~the prior fiscal year, shall be the basis for determining the amount of sales tax to be distributed to~~
19 ~~the cities, towns, and fire districts under this chapter for the second fiscal year following the phase-~~
20 ~~out and each year thereafter. The cities, towns, and fire districts shall receive that amount of sales~~
21 ~~tax in the proportions calculated by the director of revenue as that received in the fiscal year~~
22 ~~following the phase out.~~

23 ~~(d)~~ (c) In fiscal years 2025 and thereafter, twenty-five percent (25%) of the funds shall be
24 distributed to the cities, towns, and fire districts on August 1, 2024, and every August 1 thereafter;
25 twenty-five percent (25%) shall be distributed on November 1, 2024, and every November 1
26 thereafter; twenty-five percent (25%) shall be distributed on February 1, 2025, and every February
27 1 thereafter; and twenty-five percent (25%) shall be distributed on May 1, 2025, and every May 1
28 thereafter.

29 ~~(e)~~ (d) For the city of East Providence, in fiscal years 2025 and thereafter, twenty-five
30 percent (25%) shall be distributed on November 1, 2024, and every November 1 thereafter, twenty-
31 five percent (25%) shall be distributed on February 1, 2025, and every February 1 thereafter;
32 twenty-five percent (25%) shall be distributed on May 1, 2025, and every May 1 thereafter; and
33 twenty-five percent (25%) of the funds shall be distributed on August 1, 2025, and every August 1
34 thereafter.

1 SECTION 24. Effective January 1, 2025, Sections 46-12-39.1, 46-12-40 and 46-12-41 of
2 the General Laws in Chapter 46-12 entitled "Water Pollution" is hereby amended to read as follows:

3 **46-12-39.1. No discharge awareness and education certificate decal—Required.**

4 (a) Definitions. As used in this section and in conjunction with this chapter, the following
5 terms shall be construed as follows:

6 (1) ~~"Certification agent" means a marina or boatyard which is capable of installing sewage~~
7 ~~disposal holding tanks and related equipment; a certified marine sewage pump-out facility,~~
8 ~~including a mobile facility; other established marine businesses, included, but not limited to, marine~~
9 ~~surveyors and mobile marine repair facilities, that are experienced in the evaluation, repair and/or~~
10 ~~installation of boat sewage systems; and local harbor masters and assistant harbor masters. "Marine~~
11 ~~sanitation device" means either a marine sanitation device-type I, a marine sanitation device-type~~
12 ~~II, or a marine sanitation device-type III with a holding tank and through-hull fitting that would~~
13 ~~allow sewage to be discharged overboard.~~

14 (b) ~~No person shall operate or moor for more than thirty (30) days, a boat in the waters of~~
15 ~~the state, that has a permanently installed marine toilet unless such boat displays in a prominent~~
16 ~~position an approved "no discharge certificate decal." At the time of registration, a boat owner shall~~
17 ~~be provided with educational material notifying them that, if the recipient boat has a marine~~
18 ~~sanitation device, the marine sanitation device must be properly secured in a manner that prevents~~
19 ~~overboard discharges when operating in Rhode Island waters consistent with R.I. Gen. Laws § 46-~~
20 ~~12-39.~~

21 (c) ~~Subsection 45-12-39.1(b) shall not apply to any vessel carrying a valid certificate of~~
22 ~~inspection issued by the U.S. Coast Guard pursuant to title 46 of the U.S. Code.~~

23 (d) ~~Two (2) no discharge certificate decals, differing in color, shall be made available by~~
24 ~~the department of environmental management for issuance to boats subject to the requirements of~~
25 ~~this section.~~

26 (1) ~~Decals of one color shall signify that the recipient boat has a marine toilet, in proper~~
27 ~~working order, which is either a marine sanitation device type I, a marine sanitation device type II,~~
28 ~~or a marine sanitation device type III with a holding tank and through hull fitting that would allow~~
29 ~~sewage to be discharged overboard, but the boat owner or operator had taken the steps necessary~~
30 ~~to prevent the discharge of sewage into the waters of the state.~~

31 (2) ~~Decals of the other color shall signify that the recipient boat either has a marine~~
32 ~~sanitation device type III with a holding tank and no through hull fitting that would allow sewage~~
33 ~~to be discharged overboard, or no marine toilet at all.~~

34 (e) ~~Certification shall remain in effect for forty eight (48) months after each certification,~~

1 ~~and no additional certification shall be required during that period.~~

2 ~~(f) The department of environmental management shall collect and deposit into a separate~~
3 ~~general revenue account a fee of ten dollars (\$10.00) for each certificate to defray the cost of~~
4 ~~implementation of this section.~~

5 ~~(g) Certificate decals may be obtained from any certification agent.~~

6 ~~(h) Before a certificate decal may be issued, a certification agent must visually inspect each~~
7 ~~permanently installed marine toilet on a boat, as well as any associated plumbing or holding tank~~
8 ~~fixtures, to ascertain whether the boat is in compliance with § 46-12-39. If necessary, the~~
9 ~~certification agent shall perform a color-dye flush test of each toilet to verify compliance.~~

10 ~~(i) For inspections conducted pursuant to this section, certification agents may collect and~~
11 ~~retain a fee, not to exceed twenty-five dollars (\$25.00) for each permanently installed marine toilet~~
12 ~~aboard each boat. This fee shall be in addition to the minimum ten-dollar (\$10.00) fee for each~~
13 ~~decal issued, which certification agents shall collect and forward to the department of~~
14 ~~environmental management pursuant to subsection (f) above.~~

15 **46-12-40. Penalty for violations.**

16 (a) Every person in violation of § 46-12-39 or owning, operating or causing to be operated,
17 upon the waters of the state, a boat in violation of the provisions of § 46-12-39 or aiding in so doing,
18 shall for the first offense be punished by a fine of not more than five hundred dollars (\$500), or be
19 imprisoned for not more than one year in the adult correctional institutions, or both such fine and
20 imprisonment, and for a second and each subsequent offense shall be fined not more than one
21 thousand dollars (\$1,000), or be imprisoned for not more than one year in the adult correctional
22 institutions, or both such fine and imprisonment, in the discretion of the court. If a municipality
23 assists in the prosecution of a violation of § 46-12-39 any fine imposed for that violation shall be
24 paid one-half (½) thereof to the general treasurer of the state and one-half (½) thereof to the
25 treasurer of the town or city where the offense occurred.

26 ~~(b) Every person in violation of § 46-12-39.1, or owning, operating or causing to be~~
27 ~~operated, upon the waters of the state, a boat in violation of the provisions of § 46-12-39.1, shall~~
28 ~~be guilty of a civil violation and subject to a fine of up to one hundred dollars (\$100). If a~~
29 ~~municipality assists in the prosecution of a violation of § 46-12-39.1, any fine imposed for that~~
30 ~~violation shall be paid one-half (½) thereof to the general treasurer of the state and one-half (½)~~
31 ~~thereof to the treasurer of the town or city where the offense occurred.~~

32 (eb) Notwithstanding any inconsistent provision of law, the municipal court shall have
33 concurrent jurisdiction with the district court to hear and adjudicate violations under this section.

34 **46-12-41. Enforcement.**

1 (a) The department of environmental management, harbor masters, assistant harbor masters,
2 police officers authorized to make arrests, and employees of the department of environmental
3 management authorized to enforce the provisions of chapter 22 of this title shall have the authority
4 to enforce the provisions of § 46-12-39 ~~and § 46-12-39.1~~. In the exercise of enforcing the provisions
5 of § 46-12-39 they shall have the authority to stop and board any vessel subject to this chapter,
6 regardless of whether the vessel is under way, making way, docked, or moored.

7 (b) Harbor masters and assistant harbor masters are authorized to make periodic color dye
8 flush tests of boats ~~subject to § 46-12-39.1~~, and may check ~~such~~ boats moored in their jurisdictions
9 for ~~no discharge certificate decals, as required pursuant to § 46-12-39.1~~ compliance with § 46-12-
10 39.

11 (c) Municipalities of the state may deny a mooring permit to any boat not in compliance
12 with § ~~46-12-39.1~~ 46-12-39.

13 SECTION 25. All sections shall take effect upon passage, except for Sections 14 and 15
14 which shall be effective September 1, 2024, and Sections 6, 16, 17, 18, 19, and 20, which shall be
15 effective October 1, 2024, and Sections 8, 9, 12, 13, 21, 22, and 24, which shall be effective on
16 January 1, 2025.

1 **ARTICLE 7**

2 **RELATING TO ECONOMIC DEVELOPMENT**

3 SECTION 1. Sections 42-64.16-2 and 42-64.16-3 of the General Laws in Chapter 64.16
4 entitled “The Innovate Rhode Island Small Business Program” are hereby amended to read as
5 follows:

6 **42-64.16-2. Establishment of matching funds program.**

7 (a) There is established the Rhode Island SBIR/STTR Matching Funds Program to be
8 administered by STAC. In order to foster job creation and economic development in the state,
9 STAC may provide grants to eligible businesses to match funds received by a business as a SBIR
10 or STTR Phase I or II award, and to encourage businesses to apply for further SBIR or STTR
11 awards, and commercialize their technology and research.

12 (b) **Eligibility.** In order to be eligible for a grant under this section, a business must satisfy
13 all of the following conditions:

14 (1) The business must be a for-profit, Rhode Island-based business with fifty (50) or fewer
15 employees. For the purposes of this section, Rhode Island-based business is one that has its
16 principal place of business and at least fifty-one percent (51%) of its employees residing in this
17 state.

18 (2) The business must have received an SBIR/STTR Phase I award from a participating
19 federal agency in response to a specific federal solicitation. To receive the full Phase I matching
20 grant, the business must also have submitted a final Phase I report, demonstrated that the sponsoring
21 agency has interest in the Phase II proposal, and submitted a Phase II proposal to the agency. To
22 receive the full Phase II matching grant, the business must also have submitted a final Phase II
23 report.

24 (3) The business must satisfy all federal SBIR/STTR requirements.

25 (4) The business shall not receive concurrent funding support from other sources that
26 duplicates the purpose of this section.

27 (5) For a Phase I and II matching grant, the business must certify that at least fifty-one
28 percent (51%) of the research described in the federal SBIR/STTR Phase I, II and any further
29 SBIR/STTR proposals and commercialization will be conducted in this state and that the business
30 will remain a Rhode Island-based business for the duration of the SBIR/STTR Phase I, II any
31 further SBIR/STTR projects and commercialization.

32 (6) For a Phase I and II matching grant, the business must demonstrate its ability to conduct
33 research in its SBIR/STTR Phase II proposal.

34 **(7) For a Phase III commercialization grant, the business must have completed their Phase**

1 II SBIR/STTR award and submitted a final Phase II report.

2 (8) For a Phase III commercialization grant, the business must certify that at least fifty-one
3 percent (51%) of the research described in the Phase III application and any other further
4 SBIR/STTR proposals and commercialization will be conducted in this state and that the business
5 will remain a Rhode Island-based business, as defined by Rhode Island General Law 42-64.16-
6 2(b)(1) for at least five (5) years following award of the Phase III grant.

7 (c) **Phase I and II Matching Grant.** STAC may award grants to match the funds received
8 by a business through a SBIR/STTR Phase I or II proposal up to a maximum of ~~one hundred fifty~~
9 ~~three hundred~~ thousand dollars (~~\$150~~300,000). Seventy-five percent (75%) of the total grant shall
10 be remitted to the business upon receipt of the SBIR/STTR Phase I or II award and application for
11 funds under this section. Twenty-five percent (25%) of the total grant shall be remitted to the
12 business upon submission by the business of the Phase II application to the funding agency and
13 acceptance of the Phase I or II report by the funding agency. A business may receive only one grant
14 under this section per year. A business may receive only one grant under this section with respect
15 to each federal proposal submission. Over its lifetime, a business may receive a maximum of six
16 (6) awards under this section.

17 (d) Phase III Commercialization Grant. STAC may award grants of up to \$500,000 to
18 an eligible business to support commercialization of the results achieved through SBIR/STTR
19 Phase I and Phase II funding. Grants shall be approved in consultation with the Rhode Island
20 Commerce Corporation. Twenty-five percent (25%) of the total grant funding shall be remitted to
21 the business upon award of the Phase III grant and execution of a grant agreement. Sixty-five
22 percent (65%) of the total grant funding shall be remitted to the business upon request for
23 reimbursement for eligible research and development expenses, as defined by STAC, in connection
24 with the project for which the business received the award. Ten percent (10%) of the total grant
25 funding shall be remitted to the business five (5) years following the date of award of the Phase III
26 grant, provided that the business has remained a Rhode Island-based business, as defined by Rhode
27 Island General Law 42-64.16-2(b)(1) for the duration of the grant period.

28 ~~(d)~~ **Application.** A business shall apply, under oath, to STAC for a grant under this
29 section on a form prescribed by STAC that includes at least all of the following:

30 (1) The name of the business, the form of business organization under which it is operated,
31 and the names and addresses of the principals or management of the business.

32 (2) For a Phase I or II matching grant, an acknowledgement of receipt of the Phase I or II
33 report and Phase II proposal by the relevant federal agency.

34 (3) For a Phase III commercialization grant, an acknowledgement of the terms of the grant

1 [and proof of eligibility, as defined in subsection \(b\) of this section.](#)

2 (~~3~~4) Any other information necessary for STAC to evaluate the application.

3 **42-64.16-3. Establishment of bioscience & engineering internship program.**

4 (a) There is hereby established the Innovate Rhode Island Bioscience & Engineering
5 Internship Program to be administered by STAC. In order to promote workforce development and
6 education in the bioscience and engineering fields and enhance the talent pipeline for Rhode Island
7 businesses engaged in the biosciences and engineering, STAC may reimburse eligible bioscience
8 and engineering companies for eligible internship stipends. The reimbursements shall be paid from
9 the Innovate Rhode Island Small Business Account established in this chapter.

10 (b) **Bioscience and engineering definitions.**

11 (1) **Bioscience definition.** For the purposes of this section, “bioscience” shall mean
12 advanced and applied sciences that expand the understanding of human physiology and have the
13 potential to lead to medical advances or therapeutic applications.

14 (2) **Engineering definition.** For the purposes of this section, “engineering” shall mean the
15 creative application of advanced mathematics and natural sciences to design or develop complex
16 structures, machines, processes, or systems.

17 (c) **Business eligibility.** In order to be eligible for reimbursement under this section, a
18 business must satisfy all of the following conditions:

19 (1) The business must be a for-profit, Rhode Island-based business with fifty (50) or fewer
20 employees. For the purposes of this section, a Rhode Island-based business is one that has its
21 principal place of business and at least fifty-one percent (51%) of its employees in this state.

22 (2) The business must be primarily engaged in a bioscience or engineering field and must
23 demonstrate its ability to conduct research in bioscience or engineering.

24 (3) The business must host the internship in Rhode Island.

25 (4) The business must offer interns a hands-on learning experience and at least one mentor
26 directly overseeing the internship.

27 (5) Any two or more related businesses that are commonly controlled by any person or
28 entity, directly or indirectly, are limited to reimbursement under this section available for one
29 business only.

30 (d) **Intern eligibility.** In order to be an eligible intern under this section, a prospective
31 intern must satisfy all of the following requirements:

32 (1) The prospective intern must be a Rhode Island resident and must attend a college or
33 university located in Rhode Island.

34 (2) For students enrolled in community college, the student must be enrolled in an

1 Associate's Degree or Certificate program or completed one within the past year; for students
2 enrolled in four-year college or university, the student must have or will have completed at least
3 sophomore year the semester before the internship, or have graduated within the past year; for
4 graduate students, the student must be enrolled in a Master's Degree program or received their
5 Master's Degree within the past year.

6 (3) The intern cannot be the spouse, child, grandchild, sibling, niece, nephew, or spouse of
7 a child, grandchild, sibling, niece, or nephew of any employee of the business.

8 (4) The intern cannot participate in more than one internship subsidized under this section
9 in the same calendar year.

10 (5) The intern cannot participate in more than two internships subsidized under this section,
11 over two calendar years, with the same business.

12 (e) **Reimbursement.** STAC may reimburse eligible companies for pay rates up to ~~twelve~~
13 ~~dollars (\$12) per hour~~ [the Rhode Island minimum wage, as defined in chapter 12-3 of title 28](#), for
14 a total reimbursement of no more than ~~three~~ [six](#) thousand [five hundred](#) dollars (\$~~3,06,500~~) per
15 eligible intern in a bioscience or engineering internship program. Businesses may seek
16 reimbursement for up to two (2) interns per calendar year. Interns shall be paid directly by the
17 eligible business. Eligible businesses may seek reimbursement under this section by providing
18 certification and proof of payment to STAC.

19 (f) **Business application.** A business shall apply, under oath, to STAC to qualify for
20 reimbursement under this section on a form prescribed by STAC that includes at least all of the
21 following:

22 (1) The name of the business, the form of business organization under which it is operated,
23 and the names and addresses of the principals or management of the business.

24 (2) Certification that the business meets the requirements for eligibility under this section.

25 (3) A description of the bioscience or engineering internship program that the business
26 intends to offer.

27 (4) Any other information necessary for STAC to evaluate the application.

28 (g) **Prospective intern application.** A prospective intern shall apply, under oath, to STAC
29 to qualify for an internship under this section on a form prescribed by STAC that includes at least
30 all of the following:

31 (1) The prospective intern's name, address, college or university, program of study, year
32 of study at the college or university, and degree of attainment.

33 (2) Certification that prospective intern meets the requirements for eligibility under this
34 section.

- 1 (3) Proof of Rhode Island residency.
- 2 (4) Proof of enrollment in a college or university in Rhode Island or proof of having
- 3 graduated from a college or university in Rhode Island within the past year.
- 4 (5) Resume and cover letter.
- 5 (6) Any other information necessary for STAC to evaluate the application.

6 (h) **Application process.** STAC may receive applications from businesses and prospective
7 interns throughout the calendar year and make determinations relating to eligibility under this
8 section. STAC may make available to eligible businesses the eligible intern applications. Eligible
9 businesses looking to host interns may review applications, interview candidates, and select and
10 hire interns according to their qualifications and the businesses' needs.

11 SECTION 2. Section 42-64.20-10 of the General Laws in Chapter 42-64.20 entitled
12 "Rebuild Rhode Island Tax Credit Act" is hereby amended to read as follows:

13 **42-64.20-10. Sunset.**

14 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
15 ~~2024.~~December 31, 2025.

16 SECTION 3. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled "Rhode
17 Island Tax Increment Financing" is hereby amended to read as follows:

18 **42-64.21-9. Sunset.**

19 The commerce corporation shall enter into no agreement under this chapter after ~~December~~
20 ~~31, 2024.~~December 31, 2025.

21 SECTION 4. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled "Tax
22 Stabilization Incentive" is hereby amended to read as follows:

23 **42-64.22-15. Sunset.**

24 The commerce corporation shall enter into no agreement under this chapter after ~~December~~
25 ~~31, 2024.~~December 31, 2025.

26 SECTION 5. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled "First
27 Wave Closing Fund Act" is hereby amended to read as follows:

28 **42-64.23-8. Sunset.**

29 No financing shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
30 ~~2024.~~December 31, 2025.

31 SECTION 6. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled "I-195
32 Redevelopment Project Fund Act" is hereby amended as follows:

33 **42-64.24-8. Sunset.**

34 No funding, credits, or incentives shall be authorized or authorized to be reserved pursuant

1 to this chapter after ~~December 31, 2024~~[December 31, 2025](#).

2 SECTION 7. Section 42-64.25-14 of the General Laws in Chapter 42-64.24 entitled “Small
3 Business Assistance Program Act” is hereby amended as follows:

4 [42-64.25-14. Sunset.](#)

5 No grants, funding, or incentives shall be authorized pursuant to this chapter after
6 ~~December 31, 2024~~[December 31, 2025](#).

7 SECTION 8. Section 42-64.26-12 of the General Laws in Chapter 42-64.26 entitled “Stay
8 Invested in RI Wavemaker Fellowships” is hereby amended to read as follows:

9 [42-64.26-12. Sunset.](#)

10 No incentives or credits shall be authorized pursuant to this chapter after ~~December 31,~~
11 ~~2024~~[December 31, 2025](#).

12 SECTION 9. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled “Main
13 Street Rhode Island Streetscape Improvement Fund” is hereby amended as follows:

14 [42-64.27-6. Sunset.](#)

15 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
16 ~~2024~~[December 31, 2025](#).

17 SECTION 10. Sections 42-64.28-2, 42-64.28-3, 42-64.28-4, 42-64.28-5, 42-64.28-6, 42-
18 64.28-7, 42-64.28-9, 42-64.28-10 of the General Laws in Chapter 64.28 entitled "Innovation
19 Initiative" are hereby amended to read as follows:

20 **42-64.28-2. Definitions.**

21 As used in this chapter:

22 (1) “Commerce corporation” means the Rhode Island commerce corporation established
23 pursuant to § 42-64-1 et seq.

24 [\(2\) “Employee-owned business” shall mean any entity that is a small business and:](#)

25 [\(i\) Is, in whole or in part, a workers’ cooperative as defined in § 7-6.2-2\(5\); or](#)

26 [\(ii\) Has an employee stock ownership plan, as defined in 26 U.S.C. § 4975\(e\)\(7\);](#)

27 ~~(23)~~ “Manufacturer” shall mean any entity that:

28 (i) Uses any premises within the state primarily for the purpose of transforming raw
29 materials into a finished product for trade through any or all of the following operations: adapting,
30 altering, finishing, making, processing, refining, metalworking, and ornamenting, but shall not
31 include fabricating processes incidental to warehousing or distribution of raw materials, such as
32 alteration of stock for the convenience of a customer; or

33 (ii) Is described in codes 31-33 of the North American Industry Classification system, as
34 revised from time to time.

1 ~~(34)~~ “Match” shall mean a funding match, or in kind services provided by a third party.

2 ~~(45)~~ “Small business” means a business that is resident in Rhode Island, has its business
3 facility located within the state, and employs five hundred (500) or fewer persons.

4 ~~(56)~~ “Small business manufacturer” shall mean a business that meets the definitions of
5 terms small business and manufacturer as defined herein.

6 ~~(67)~~ “Targeted industry” means any advanced, promising or otherwise prioritized industry
7 identified in the economic development vision and policy promulgated pursuant to § 42-64.17-1
8 or, until such time as any such economic development vision and policy is promulgated, as
9 identified by the commerce corporation.

10 **42-64.28-3. Programs established.**

11 (a) The Rhode Island commerce corporation shall establish a voucher program and an
12 innovation network program as provided under this chapter. The programs are subject to available
13 appropriations and such other funding as may be dedicated to the programs.

14 (b) There is established an account in the name of the “innovation initiative fund” (the
15 “fund”) under the control of the commerce corporation to fund the programs.

16 (1) The fund shall consist of:

17 (i) Money appropriated in the state budget to the fund;

18 (ii) Money made available to the fund through federal grants, programs, or private
19 contributions;

20 (iii) Application or other fees paid to the fund to process applications for awards under
21 this chapter; and

22 (iv) Any other money made available to the fund.

23 (c) **Voucher program.** The commerce corporation is authorized to develop and implement
24 an innovation voucher program to provide financing to small businesses to purchase research and
25 development support or other forms of technical assistance and services from Rhode Island
26 institutions of higher education and other providers and to fund research and development by and
27 for small business manufacturers.

28 (d) **Innovation network program.** The commerce corporation is authorized to provide
29 innovation grants to organizations, including nonprofit organizations, for-profit organizations,
30 universities, and co-working space operators that offer technical assistance, space on flexible terms,
31 and access to capital to businesses in advanced or targeted industries, or businesses that are
32 evaluating a transition to become employee-owned businesses, regardless of industry. The
33 commerce corporation shall only issue grants under this subsection when those grants are matched
34 by private-sector or nonprofit partners. The commerce corporation shall establish guidelines for

1 appropriate matching criteria under this section, including necessary matching ratios.

2 [\(e\) Invention incentive program. The commerce corporation is authorized to develop and](#)
3 [implement an invention incentive program to provide grants to small businesses and individuals to](#)
4 [reduce barriers to filing a patent application. The commerce corporation shall establish guidelines](#)
5 [for eligible recipients under this section, including industry, business size, and other criteria.](#)

6 **42-64.28-4. Eligible uses.**

7 (a) Vouchers available under this chapter shall be used for the benefit of small businesses
8 to access technical assistance and other services including, but not limited to: research,
9 technological development, product development, commercialization, market development,
10 technology exploration, and improved business practices that implement strategies to grow
11 business and create operational efficiencies.

12 (b) Vouchers available under this chapter shall be used to provide funding to finance
13 internal research and development by and for small business manufacturers, including, but not
14 limited to: research, technological development, product development, commercialization, market
15 development, technology exploration, and improved business practices that implement strategies
16 to grow business and create operational efficiencies. Subject to appropriation, the commerce
17 corporation shall reserve an amount not to exceed fifty percent (50%) of the voucher program's
18 annual appropriation to be made available in fiscal year 2018 for vouchers awarded to small
19 business manufacturers under this subsection.

20 (c) Matching fund awards shall be used for the benefit of small businesses in industries
21 designated from time to time by the corporation, including without limitation: life science and
22 healthcare, food and agriculture, clean technology and energy efficiency, and cyber security to pay
23 for and access technological assistance, to procure space on flexible terms, and to access capital
24 from organizations, including nonprofit organizations, for-profit organizations, universities, and
25 co-working space businesses. [Provided, however, that any business that is evaluating a transition](#)
26 [to become an employee-owned business, regardless of industry, shall be an eligible beneficiary of](#)
27 [a matching fund award.](#)

28 [\(d\) Grant awards through the invention incentive program shall be used in the form of](#)
29 [reimbursement for allowable expenses incurred, per regulations promulgated by the Commerce](#)
30 [Corporation, in connection with the submission of a patent application to the United States Patent](#)
31 [and Trademark Office. Reimbursement shall only occur following the submission of a patent](#)
32 [application by the eligible recipient. No more than one award per individual shall be allowed.](#)

33 **42-64.28-5. Qualification.**

34 (a) To qualify for a voucher, [for an invention incentive grant,](#) or for a matching fund award

1 under this chapter, a business [or individual](#) must make application to the commerce corporation,
2 and upon selection, shall enter into an agreement with the commerce corporation. The commerce
3 corporation shall have no obligation to issue any voucher, make any award, or grant any benefits
4 under this chapter.

5 **42-64.28-6. Voucher amounts and matching fund awards.**

6 (a) Voucher award amounts to a selected applicant shall be determined by the corporation,
7 to be in the minimum amount of five thousand dollars (\$5,000) and the maximum amount of fifty
8 thousand dollars (\$50,000), subject to appropriations or other available moneys in the fund.

9 (b) Matching fund awards shall be awarded to organizations in an amount approved by the
10 corporation, subject to appropriations or other available moneys in the fund.

11 [\(c\) Invention incentive grant amounts shall not exceed five thousand dollars \(\\$5,000\) per](#)
12 [awardee, subject to appropriations or other available moneys in the fund.](#)

13 **42-64.28-7. Rules and regulations.**

14 The commerce corporation is hereby authorized to promulgate such rules and regulations
15 as are necessary to fulfill the purposes of this chapter, including the criteria by which voucher,
16 [invention incentive grant](#), and matching fund applications will be judged, awards will be approved,
17 and vendors of services will be approved.

18 **42-64.28-9. Reporting requirements.**

19 The commerce corporation shall submit a report annually, no later than sixty (60) days
20 after the end of the fiscal year to the speaker of the house and the president of the senate detailing:
21 (1) the total amount of innovation vouchers, [invention incentive grants](#), and matching funds
22 awarded; (2) the number of innovation vouchers, [invention incentive grants](#), and matching fund
23 awards approved, (3) the amount of each voucher, [invention incentive grant](#), or matching fund
24 award and a description of services purchased; and (4) such other information as the commerce
25 corporation deems necessary.

26 **[42-64.28-10. Sunset.](#)**

27 No vouchers, grants, or incentives shall be authorized pursuant to this chapter after
28 ~~December 31, 2024~~[December 31, 2025](#).

29 SECTION 11. Section 42-64.31-4 of the General Laws in Chapter 42-64.31 entitled “High
30 School, College, and Employer Partnerships” is hereby amended as follows:

31 **[42-64.31-4. Sunset.](#)**

32 No grants shall be authorized pursuant to this chapter after ~~December 31, 2024~~[December](#)
33 [31, 2025](#).

34 SECTION 12. Section 42-64.32-6 of the General Laws in Chapter 42-64.32 entitled “Air

1 Service Development Fund” is hereby amended as follows:

2 [42-64.32-6. Sunset.](#)

3 No grants, credits, or incentives shall be authorized or authorized to be reserved pursuant
4 to this chapter after ~~December 31, 2024.~~[December 31, 2025.](#)

5 SECTION 13. Section 44-48.3-14 of the General Laws in Chapter 44-48.3 entitled “Rhode
6 Island New Qualified Jobs Incentive Act of 2015” is hereby amended as follows:

7 [44-48.3-14. Sunset.](#)

8 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
9 ~~2024.~~[December 31, 2025.](#)

10 SECTION 14. This act shall take effect upon passage.

1 **ARTICLE 8**

2 RELATING TO EDUCATION

3 SECTION 1. Sections 16-7.2-3 and 16-7.2-6 of the General Laws in Chapter 16-7.2 entitled
4 "The Education Equity and Property Tax Relief Act" are hereby amended to read as follows:

5 **16-7.2-3. Permanent foundation education aid established.**

6 (a) Beginning in the 2012 fiscal year, the following foundation education-aid formula shall
7 take effect. The foundation education aid for each district shall be the sum of the core instruction
8 amount in subdivision (a)(1) and the amount to support high-need students in subdivision (a)(2),
9 which shall be multiplied by the district state-share ratio calculated pursuant to § 16-7.2-4 to
10 determine the foundation aid.

11 (1) The core-instruction amount shall be an amount equal to a statewide, per-pupil core-
12 instruction amount as established by the department of elementary and secondary education,
13 derived from the average of northeast regional expenditure data for the states of Rhode Island,
14 Massachusetts, Connecticut, and New Hampshire from the National Center for Education Statistics
15 (NCES) that will adequately fund the student instructional needs as described in the basic education
16 program and multiplied by the district average daily membership as defined in § 16-7-22.
17 Expenditure data in the following categories: instruction and support services for students,
18 instruction, general administration, school administration, and other support services from the
19 National Public Education Financial Survey, as published by NCES, and enrollment data from the
20 Common Core of Data, also published by NCES, will be used when determining the core-
21 instruction amount. The core-instruction amount will be updated annually. For the purpose of
22 calculating this formula, school districts' resident average daily membership shall exclude charter
23 school and state-operated school students. Beginning in FY 2025, the increase in the core-
24 instruction amount shall not exceed the average five-year annual percentage change in the
25 consumer price index.

26 (2) The amount to support high-need students beyond the core-instruction amount shall be
27 determined by multiplying a student success factor of forty percent (40%) by the core instruction
28 per-pupil amount described in subdivision (a)(1) and applying that amount for each resident child
29 whose family income is at or below one hundred eighty-five percent (185%) of federal poverty
30 guidelines, hereinafter referred to as "poverty status." By October 1, 2022, as part of its budget
31 submission pursuant to § 35-3-4 relative to state fiscal year 2024 and thereafter, the department of
32 elementary and secondary education shall develop and utilize a poverty measure that in the
33 department's assessment most accurately serves as a proxy for the poverty status referenced in this
34 subsection and does not rely on the administration of school nutrition programs. The department

1 shall utilize this measure in calculations pursuant to this subsection related to the application of the
2 student success factor, in calculations pursuant to § 16-7.2-4 related to the calculation of the state
3 share ratio, and in the formulation of estimates pursuant to subsection (b) below. The department
4 may also include any recommendations which seek to mitigate any disruptions associated with the
5 implementation of this new poverty measure or improve the accuracy of its calculation. Beginning
6 with the FY 2024 calculation, students whose family income is at or below one hundred eighty-
7 five percent (185%) of federal poverty guidelines will be determined by participation in the
8 supplemental nutrition assistance program (SNAP). The number of students directly certified
9 through the department of human services shall be multiplied by a factor of 1.6.

10 (b) The department of elementary and secondary education shall provide an estimate of the
11 foundation education aid cost as part of its budget submission pursuant to § 35-3-4. The estimate
12 shall include the most recent data available as well as an adjustment for average daily membership
13 growth or decline based on the prior year experience.

14 (c) In addition, the department shall report updated figures based on the average daily
15 membership as of October 1 by December 1.

16 (d) Local education agencies may set aside a portion of funds received under subsection
17 (a) to expand learning opportunities such as after school and summer programs, full-day
18 kindergarten and/or multiple pathway programs, provided that the basic education program and all
19 other approved programs required in law are funded.

20 (e) The department of elementary and secondary education shall promulgate such
21 regulations as are necessary to implement fully the purposes of this chapter.

22 (f)(1) By October 1, 2023, as part of its budget submission pursuant to § 35-3-4 relative to
23 state fiscal year 2025, the department of elementary and secondary education shall evaluate the
24 number of students by district who qualify as multilingual learner (MLL) students and MLL
25 students whose family income is at or below one hundred eighty-five percent (185%) of federal
26 poverty guidelines. The submission shall also include segmentation of these populations by levels
27 as dictated by the WIDA multilingual learner assessment tool used as an objective benchmark for
28 English proficiency. The department shall also prepare and produce expense data sourced from the
29 uniform chart of accounts to recommend funding levels required to support students at the various
30 levels of proficiency as determined by the WIDA assessment tool. Utilizing this information, the
31 department shall recommend a funding solution to meet the needs of multilingual learners; this may
32 include but not be limited to inclusion of MLL needs within the core foundation formula amount
33 through one or multiple weights to distinguish different students of need or through categorical
34 means.

1 (2) By October 1, 2024, as part of its budget submission pursuant to § 35-3-4 relative to
2 state fiscal year 2026, the department of elementary and secondary education shall develop
3 alternatives to identify students whose family income is at or below one hundred eighty-five percent
4 (185%) of federal poverty guidelines through participation in state-administered programs,
5 including, but not limited to, the supplemental nutrition assistance program (SNAP), and RiteCare
6 and other programs that include the collection of required supporting documentation. The
7 department may also include any recommendations that seek to mitigate any disruptions associated
8 with implementation of this new poverty measure or improve the accuracy of its calculation.

9 (3) The department shall also report with its annual budget request information regarding
10 local contributions to education aid and compliance with §§ 16-7-23 and 16-7-24. The report shall
11 also compare these local contributions to state foundation education aid by community. The
12 department shall also report compliance to each city or town school committee and city or town
13 council.

14 **16-7.2-6. Categorical programs, state funded expenses.**

15 In addition to the foundation education aid provided pursuant to § 16-7.2-3, the permanent
16 foundation education-aid program shall provide direct state funding for:

17 (a) Excess costs associated with special education students. Excess costs are defined when
18 an individual special education student's cost shall be deemed to be "extraordinary." Extraordinary
19 costs are those educational costs that exceed the state-approved threshold based on an amount
20 above four times the core foundation amount (total of core-instruction amount plus student success
21 amount). The department of elementary and secondary education shall prorate the funds available
22 for distribution among those eligible school districts if the total approved costs for which school
23 districts are seeking reimbursement exceed the amount of funding appropriated in any fiscal year;
24 and the department of elementary and secondary education shall also collect data on those
25 educational costs that exceed the state-approved threshold based on an amount above two (2), three
26 (3), and five (5) times the core-foundation amount;

27 (b) Career and technical education costs to help meet initial investment requirements
28 needed to transform existing, or create new, comprehensive, career and technical education
29 programs and career pathways in critical and emerging industries and to help offset the higher-
30 than-average costs associated with facilities, equipment maintenance and repair, and supplies
31 necessary for maintaining the quality of highly specialized programs that are a priority for the state.
32 The department shall develop criteria for the purpose of allocating any and all career and technical
33 education funds as may be determined by the general assembly on an annual basis. The department
34 of elementary and secondary education shall prorate the funds available for distribution among

1 those eligible school districts if the total approved costs for which school districts are seeking
2 reimbursement exceed the amount of funding available in any fiscal year;

3 (c) Programs to increase access to voluntary, free, high-quality pre-kindergarten programs.
4 The department shall recommend criteria for the purpose of allocating any and all early childhood
5 program funds as may be determined by the general assembly;

6 (d) Central Falls, Davies, and the Met Center Stabilization Fund is established to ensure
7 that appropriate funding is available to support their students. Additional support for Central Falls
8 is needed due to concerns regarding the city's capacity to meet the local share of education costs.
9 This fund requires that education aid calculated pursuant to § 16-7.2-3 and funding for costs outside
10 the permanent foundation education-aid formula, including, but not limited to, transportation,
11 facility maintenance, and retiree health benefits shall be shared between the state and the city of
12 Central Falls. The fund shall be annually reviewed to determine the amount of the state and city
13 appropriation. The state's share of this fund may be supported through a reallocation of current
14 state appropriations to the Central Falls school district. At the end of the transition period defined
15 in § 16-7.2-7, the municipality will continue its contribution pursuant to § 16-7-24. Additional
16 support for the Davies and the Met Center is needed due to the costs associated with running a
17 stand-alone high school offering both academic and career and technical coursework. The
18 department shall recommend criteria for the purpose of allocating any and all stabilization funds as
19 may be determined by the general assembly;

20 (e) Excess costs associated with transporting students to out-of-district non-public schools.
21 This fund will provide state funding for the costs associated with transporting students to out-of-
22 district non-public schools, pursuant to chapter 21.1 of this title. The state will assume the costs of
23 non-public out-of-district transportation for those districts participating in the statewide system.
24 The department of elementary and secondary education shall prorate the funds available for
25 distribution among those eligible school districts if the total approved costs for which school
26 districts are seeking reimbursement exceed the amount of funding available in any fiscal year;

27 (f) Excess costs associated with transporting students within regional school districts. This
28 fund will provide direct state funding for the excess costs associated with transporting students
29 within regional school districts, established pursuant to chapter 3 of this title. This fund requires
30 that the state and regional school district share equally the student transportation costs net any
31 federal sources of revenue for these expenditures. The department of elementary and secondary
32 education shall prorate the funds available for distribution among those eligible school districts if
33 the total approved costs for which school districts are seeking reimbursement exceed the amount
34 of funding available in any fiscal year;

1 (g) Public school districts that are regionalized shall be eligible for a regionalization bonus
2 as set forth below:

3 (1) As used herein, the term “regionalized” shall be deemed to refer to a regional school
4 district established under the provisions of chapter 3 of this title, including the Chariho Regional
5 School district;

6 (2) For those districts that are regionalized as of July 1, 2010, the regionalization bonus
7 shall commence in FY 2012. For those districts that regionalize after July 1, 2010, the
8 regionalization bonus shall commence in the first fiscal year following the establishment of a
9 regionalized school district as set forth in chapter 3 of this title, including the Chariho Regional
10 School District;

11 (3) The regionalization bonus in the first fiscal year shall be two percent (2.0%) of the
12 state’s share of the foundation education aid for the regionalized district as calculated pursuant to
13 §§ 16-7.2-3 and 16-7.2-4 in that fiscal year;

14 (4) The regionalization bonus in the second fiscal year shall be one percent (1.0%) of the
15 state’s share of the foundation education aid for the regionalized district as calculated pursuant to
16 §§ 16-7.2-3 and 16-7.2-4 in that fiscal year;

17 (5) The regionalization bonus shall cease in the third fiscal year;

18 (6) The regionalization bonus for the Chariho regional school district shall be applied to
19 the state share of the permanent foundation education aid for the member towns; and

20 (7) The department of elementary and secondary education shall prorate the funds available
21 for distribution among those eligible regionalized school districts if the total, approved costs for
22 which regionalized school districts are seeking a regionalization bonus exceed the amount of
23 funding appropriated in any fiscal year;

24 (h) Additional state support for English learners (EL). The amount to support EL students
25 shall be determined by multiplying an EL factor of ~~fifteen percent (15%)~~ twenty-five percent (25%)
26 by the core-instruction per-pupil amount defined in § 16-7.2-3(a)(1) and applying that amount of
27 additional state support to EL students identified using widely adopted, independent standards and
28 assessments identified by the commissioner. All categorical funds distributed pursuant to this
29 subsection must be used to provide high-quality, research-based services to EL students and
30 managed in accordance with requirements set forth by the commissioner of elementary and
31 secondary education. The department of elementary and secondary education shall collect
32 performance reports from districts and approve the use of funds prior to expenditure. The
33 department of elementary and secondary education shall ensure the funds are aligned to activities
34 that are innovative and expansive and not utilized for activities the district is currently funding;

1 (i) State support for school resource officers. For purposes of this subsection, a school
2 resource officer (SRO) shall be defined as a career law enforcement officer with sworn authority
3 who is deployed by an employing police department or agency in a community-oriented policing
4 assignment to work in collaboration with one or more schools. School resource officers should have
5 completed at least forty (40) hours of specialized training in school policing, administered by an
6 accredited agency, before being assigned. Beginning in FY 2019, for a period of three (3) years,
7 school districts or municipalities that choose to employ school resource officers shall receive direct
8 state support for costs associated with employing such officers at public middle and high schools.
9 Districts or municipalities shall be reimbursed an amount equal to one-half (½) of the cost of
10 salaries and benefits for the qualifying positions. Funding will be provided for school resource
11 officer positions established on or after July 1, 2018, provided that:

12 (1) Each school resource officer shall be assigned to one school:

13 (i) Schools with enrollments below one thousand two hundred (1,200) students shall
14 require one school resource officer;

15 (ii) Schools with enrollments of one thousand two hundred (1,200) or more students shall
16 require two school resource officers;

17 (2) School resource officers hired in excess of the requirement noted above shall not be
18 eligible for reimbursement; and

19 (3) Schools that eliminate existing school resource officer positions and create new
20 positions under this provision shall not be eligible for reimbursement; and

21 (j) Categorical programs defined in subsections (a) through (g) shall be funded pursuant to
22 the transition plan in § 16-7.2-7.

23 SECTION 2. Sections 16-8-10 and 16-8-10.1 of the General Laws in Chapter 16-8 entitled
24 “Federal Aid” are hereby amended to read as follows:

25 **16-8-10. Mandatory school lunch programs.**

26 All public elementary and secondary schools shall be required to make ~~type-A~~ federally
27 reimbursable lunches available to students attending those schools through the USDA’s National
28 School Lunch Program (NSLP) in accordance with federal regulation as well as rules and
29 regulations adopted from time to time by the department of elementary and secondary education.
30 To the extent that federal, state, and other funds are available, free ~~and reduced-price type-A~~
31 reimbursable lunches shall be provided to all students from families that meet the current specific
32 criteria established by federal and state regulations to qualify for free or reduced-price meals. The
33 state of Rhode Island shall provide additional funds to public schools in an amount equal to the
34 difference between the federal reimbursement rate for a free lunch and the federal reimbursement

1 rate received for each student eligible for a reduced-price lunch and receiving lunch. The
2 requirement that ~~type-A reimbursable~~ lunches be provided shall apply to locally managed school
3 lunch programs, and school lunch programs administered directly by the department of elementary
4 and secondary education or by any other public agency whether using school facilities or a
5 commercial catering service. The department of elementary and secondary education is further
6 authorized to expand the school lunch program to the extent that federal, state, and/or local funds
7 are available by the utilization of one or more food preparation centers for delivery to participating
8 schools for the purpose of providing meals to students on a more economical basis than could be
9 provided by a community acting individually.

10 **16-8-10.1. Mandatory school breakfast programs.**

11 (a) All public elementary and secondary schools shall be required to ~~make-a~~ federally
12 reimbursable school breakfasts ~~program-~~available to students attending ~~the-those~~ schools through the
13 USDA's School Breakfast Program (SBP) in accordance with federal regulation as well as-~~The~~
14 ~~breakfast meal shall meet any-~~rules and regulations that are adopted ~~by the commissioner-~~ from time
15 to time by the department of elementary and secondary education. To the extent that federal, state,
16 and other funds are available, free reimbursable breakfasts shall be provided to all students from
17 families that meet the current specific criteria established by federal and state regulations to qualify
18 for free or reduced-price meals. The state of Rhode Island shall provide additional funds to public
19 schools in an amount equal to the difference between the federal reimbursement rate received for a
20 free breakfast and the federal reimbursement rate received for each student eligible for a reduced-
21 price breakfast and receiving breakfast.

22 (b) The state of Rhode Island shall provide school districts a per breakfast subsidy for each
23 breakfast served to students. The general assembly shall annually appropriate some sum and
24 distribute it based on each district's proportion of the number of breakfasts served in the prior
25 school year relative to the statewide total in the same year. This subsidy shall augment the nonprofit
26 school food service account and be used for expenses incurred in providing nutritious breakfast
27 meals to students.

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

1 of monies to the general treasurer and deposited to the general fund. Every hospital shall, on or
2 before May 25, 2023, make a return to the tax administrator containing the correct computation of
3 net patient-services revenue for the hospital fiscal year ending September 30, 2021, and the
4 licensing fee due upon that amount. All returns shall be signed by the hospital's authorized
5 representative, subject to the pains and penalties of perjury.

6 ~~(e)~~ (b) There is also imposed a hospital licensing fee described in subsections ~~(d)~~ (c)
7 through ~~(g)~~ (f) for state fiscal years 2024 and 2025 against net patient-services revenue of every
8 non-government owned hospital as defined herein for the hospital's first fiscal year ending on or
9 after January 1, 2022. The hospital licensing fee shall have three (3) tiers with differing fees based
10 on inpatient and outpatient net patient-services revenue. The executive office of health and human
11 services, in consultation with the tax administrator, shall identify the hospitals in each tier, subject
12 to the definitions in this section, by July 15, 2023, and shall notify each hospital of its tier by August
13 1, 2023.

14 ~~(d)~~ (c) Tier 1 is composed of hospitals that do not meet the description of either Tier 2 or
15 Tier 3.

16 (1) The inpatient hospital licensing fee for Tier 1 is equal to thirteen and twelve hundredths
17 percent (13.12%) of the inpatient net patient-services revenue derived from inpatient net patient-
18 services revenue of every Tier 1 hospital.

19 (2) The outpatient hospital licensing fee for Tier 1 is equal to thirteen and thirty hundredths
20 percent (13.30%) of the net patient-services revenue derived from outpatient net patient-services
21 revenue of every Tier 1 hospital.

22 ~~(e)~~ (d) Tier 2 is composed of high Medicaid/uninsured cost hospitals and independent
23 hospitals.

24 (1) The inpatient hospital licensing fee for Tier 2 is equal to two and sixty-three hundredths
25 percent (2.63%) of the inpatient net patient-services revenue derived from inpatient net patient-
26 services revenue of every Tier 2 hospital.

27 (2) The outpatient hospital licensing fee for Tier 2 is equal to two and sixty-six hundredths
28 percent (2.66%) of the outpatient net patient-services revenue derived from outpatient net patient-
29 services revenue of every Tier 2 hospital.

30 ~~(f)~~ (e) Tier 3 is composed of hospitals that are Medicare-designated low-volume hospitals
31 and rehabilitative hospitals.

32 (1) The inpatient hospital licensing fee for Tier 3 is equal to one and thirty-one hundredths
33 percent (1.31%) of the inpatient net patient-services revenue derived from inpatient net patient-
34 services revenue of every Tier 3 hospital.

1 (2) The outpatient hospital licensing fee for Tier 3 is equal to one and thirty-three
2 hundredths percent (1.33%) of the outpatient net patient-services revenue derived from outpatient
3 net patient-services revenue of every Tier 3 hospital.

4 ~~(e)~~ (f) There is also imposed a hospital licensing fee for state fiscal years 2024 and 2025
5 against state-government owned and operated hospitals in the state as defined herein. The hospital
6 licensing fee is equal to five and twenty-five hundredths percent (5.25%) of the net patient-services
7 revenue of every hospital for the hospital's first fiscal year ending on or after January 1, 2022.

8 ~~(h)~~ (g) The hospital licensing fee described in subsections ~~(e)~~ (b) through ~~(g)~~ (f) is subject
9 to U.S. Department of Health and Human Services approval of a request to waive the requirement
10 that healthcare-related taxes be imposed uniformly as contained in 42 C.F.R. § 433.68(d).

11 ~~(h)~~ (h) This hospital licensing fee shall be administered and collected by the tax
12 administrator, division of taxation within the department of revenue, and all the administration,
13 collection, and other provisions of chapter 51 of title 44 shall apply. Every hospital shall pay the
14 licensing fee to the tax administrator before June 30 of each fiscal year, and payments shall be made
15 by electronic transfer of monies to the tax administrator and deposited to the general fund. Every
16 hospital shall, on or before August 1, 2023, make a return to the tax administrator containing the
17 correct computation of inpatient and outpatient net patient-services revenue for the hospital fiscal
18 year ending in 2022, and the licensing fee due upon that amount. All returns shall be signed by the
19 hospital's authorized representative, subject to the pains and penalties of perjury.

20 ~~(h)~~ (i) For purposes of this section the following words and phrases have the following
21 meanings:

22 (1) "Gross patient-services revenue" means the gross revenue related to patient care
23 services.

24 (2) "High Medicaid/uninsured cost hospital" means a hospital for which the hospital's total
25 uncompensated care, as calculated pursuant to § 40-8.3-2(4), divided by the hospital's total net
26 patient-services revenues, is equal to six percent (6.0%) or greater.

27 (3) "Hospital" means the actual facilities and buildings in existence in Rhode Island,
28 licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on
29 that license, regardless of changes in licensure status pursuant to chapter 17.14 of this title (hospital
30 conversions) and § 23-17-6(b) (change in effective control), that provides short-term acute inpatient
31 and/or outpatient care to persons who require definitive diagnosis and treatment for injury, illness,
32 disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated Medicaid
33 managed care payment rates for a court-approved purchaser that acquires a hospital through
34 receivership, special mastership, or other similar state insolvency proceedings (which court-

1 approved purchaser is issued a hospital license after January 1, 2013) shall be based upon the newly
2 negotiated rates between the court-approved purchaser and the health plan, and such rates shall be
3 effective as of the date that the court-approved purchaser and the health plan execute the initial
4 agreement containing the newly negotiated rate. The rate-setting methodology for inpatient hospital
5 payments and outpatient hospital payments set forth in §§ 40-8-13.4(b) and 40-8-13.4(b)(2),
6 respectively, shall thereafter apply to negotiated increases for each annual twelve-month (12)
7 period as of July 1 following the completion of the first full year of the court-approved purchaser's
8 initial Medicaid managed care contract.

9 (4) "Independent hospitals" means a hospital not part of a multi-hospital system.

10 (5) "Inpatient net patient-services revenue" means the charges related to inpatient care
11 services less (i) Charges attributable to charity care; (ii) Bad debt expenses; and (iii) Contractual
12 allowances.

13 (6) "Medicare-designated low-volume hospital" means a hospital that qualifies under 42
14 C.F.R. 412.101(b)(2) for additional Medicare payments to qualifying hospitals for the higher
15 incremental costs associated with a low volume of discharges.

16 (7) "Net patient-services revenue" means the charges related to patient care services less
17 (i) Charges attributable to charity care; (ii) Bad debt expenses; and (iii) Contractual allowances.

18 (8) "Non-government owned hospitals" means a hospital not owned and operated by the
19 state of Rhode Island.

20 (9) "Outpatient net patient-services revenue" means the charges related to outpatient care
21 services less (i) Charges attributable to charity care; (ii) Bad debt expenses; and (iii) Contractual
22 allowances.

23 (10) "Rehabilitative hospital" means Rehabilitation Hospital Center licensed by the Rhode
24 Island department of health.

25 (11) "State-government owned and operated hospitals" means a hospital facility licensed
26 by the Rhode Island department of health, owned and operated by the state of Rhode Island.

27 ~~(j)~~ (j) The tax administrator in consultation with the executive office of health and human
28 services shall make and promulgate any rules, regulations, and procedures not inconsistent with
29 state law and fiscal procedures that he or she deems necessary for the proper administration of this
30 section and to carry out the provisions, policy, and purposes of this section.

31 ~~(k)~~ (k) The licensing fee imposed by subsection (a) shall apply to hospitals as defined herein
32 that are duly licensed on July 1, ~~2021~~ 2022, and shall be in addition to the inspection fee imposed
33 by § 23-17-38 and to any licensing fees previously imposed in accordance with this section.

34 ~~(m) The licensing fee imposed by subsection (b) shall apply to hospitals as defined herein~~

1 ~~that are duly licensed on July 1, 2022, and shall be in addition to the inspection fee imposed by §~~
2 ~~23-17-38 and to any licensing fees previously imposed in accordance with this section.~~

3 ~~(h)~~ (l) The licensing fees imposed by subsections ~~(e)~~ (b) through ~~(g)~~ (f) shall apply to
4 hospitals as defined herein that are duly licensed on July 1, 2023, and shall be in addition to the
5 inspection fee imposed by § 23-17-38 and to any licensing fees previously imposed in accordance
6 with this section.

7 SECTION 2. Section 40-8-19 of the General Laws in Chapter 40-8 entitled “Medical
8 Assistance” is hereby amended to read as follows:

9 **40-8-19. Rates of payment to nursing facilities.**

10 **(a) Rate reform.**

11 (1) The rates to be paid by the state to nursing facilities licensed pursuant to chapter 17 of
12 title 23, and certified to participate in Title XIX of the Social Security Act for services rendered to
13 Medicaid-eligible residents, shall be reasonable and adequate to meet the costs that must be
14 incurred by efficiently and economically operated facilities in accordance with 42 U.S.C. §
15 1396a(a)(13). The executive office of health and human services (“executive office”) shall
16 promulgate or modify the principles of reimbursement for nursing facilities in effect as of July 1,
17 2011, to be consistent with the provisions of this section and Title XIX, 42 U.S.C. § 1396 et seq.,
18 of the Social Security Act.

19 (2) The executive office shall review the current methodology for providing Medicaid
20 payments to nursing facilities, including other long-term-care services providers, and is authorized
21 to modify the principles of reimbursement to replace the current cost-based methodology rates with
22 rates based on a price-based methodology to be paid to all facilities with recognition of the acuity
23 of patients and the relative Medicaid occupancy, and to include the following elements to be
24 developed by the executive office:

25 (i) A direct-care rate adjusted for resident acuity;

26 (ii) An indirect-care and other direct-care rate comprised of a base per diem for all
27 facilities;

28 (iii) Revision of rates as necessary based on increases in direct and indirect costs beginning
29 October 2024 utilizing data from the most recent finalized year of facility cost report. The per diem
30 rate components deferred in subsections (a)(2)(i) and (a)(2)(ii) of this section shall be adjusted
31 accordingly to reflect changes in direct and indirect care costs since the previous rate review;

32 (iv) Application of a fair-rental value system;

33 (v) Application of a pass-through system; and

34 (vi) Adjustment of rates by the change in a recognized national nursing home inflation

1 index to be applied on October 1 of each year, beginning October 1, 2012. This adjustment will not
2 occur on October 1, 2013, October 1, 2014, or October 1, 2015, but will occur on April 1, 2015.
3 The adjustment of rates will also not occur on October 1, 2017, October 1, 2018, October 1, 2019,
4 and October 2022. Effective July 1, 2018, rates paid to nursing facilities from the rates approved
5 by the Centers for Medicare and Medicaid Services and in effect on October 1, 2017, both fee-for-
6 service and managed care, will be increased by one and one-half percent (1.5%) and further
7 increased by one percent (1%) on October 1, 2018, and further increased by one percent (1%) on
8 October 1, 2019. Effective October 1, 2022, rates paid to nursing facilities from the rates approved
9 by the Centers for Medicare and Medicaid Services and in effect on October 1, 2021, both fee-for-
10 service and managed care, will be increased by three percent (3%). In addition to the annual nursing
11 home inflation index adjustment, there shall be a base rate staffing adjustment of one-half percent
12 (0.5%) on October 1, 2021, one percent (1.0%) on October 1, 2022, and one and one-half percent
13 (1.5%) on October 1, 2023. The inflation index shall be applied without regard for the transition
14 factors in subsections (b)(1) and (b)(2). For purposes of October 1, 2016, adjustment only, any rate
15 increase that results from application of the inflation index to subsections (a)(2)(i) and (a)(2)(ii)
16 shall be dedicated to increase compensation for direct-care workers in the following manner: Not
17 less than 85% of this aggregate amount shall be expended to fund an increase in wages, benefits,
18 or related employer costs of direct-care staff of nursing homes. For purposes of this section, direct-
19 care staff shall include registered nurses (RNs), licensed practical nurses (LPNs), certified nursing
20 assistants (CNAs), certified medical technicians, housekeeping staff, laundry staff, dietary staff, or
21 other similar employees providing direct-care services; provided, however, that this definition of
22 direct-care staff shall not include: (i) RNs and LPNs who are classified as “exempt employees”
23 under the federal Fair Labor Standards Act (29 U.S.C. § 201 et seq.); or (ii) CNAs, certified medical
24 technicians, RNs, or LPNs who are contracted, or subcontracted, through a third-party vendor or
25 staffing agency. By July 31, 2017, nursing facilities shall submit to the secretary, or designee, a
26 certification that they have complied with the provisions of this subsection (a)(2)(vi) with respect
27 to the inflation index applied on October 1, 2016. Any facility that does not comply with the terms
28 of such certification shall be subjected to a clawback, paid by the nursing facility to the state, in the
29 amount of increased reimbursement subject to this provision that was not expended in compliance
30 with that certification.

31 (3) Commencing on October 1, 2021, eighty percent (80%) of any rate increase that results
32 from application of the inflation index to subsections (a)(2)(i) and (a)(2)(ii) of this section shall be
33 dedicated to increase compensation for all eligible direct-care workers in the following manner on
34 October 1, of each year.

1 (i) For purposes of this subsection, compensation increases shall include base salary or
2 hourly wage increases, benefits, other compensation, and associated payroll tax increases for
3 eligible direct-care workers. This application of the inflation index shall apply for Medicaid
4 reimbursement in nursing facilities for both managed care and fee-for-service. For purposes of this
5 subsection, direct-care staff shall include registered nurses (RNs), licensed practical nurses (LPNs),
6 certified nursing assistants (CNAs), certified medication technicians, licensed physical therapists,
7 licensed occupational therapists, licensed speech-language pathologists, mental health workers
8 who are also certified nurse assistants, physical therapist assistants, housekeeping staff, laundry
9 staff, dietary staff or other similar employees providing direct-care services; provided, however
10 that this definition of direct-care staff shall not include:

11 (A) RNs and LPNs who are classified as “exempt employees” under the federal Fair Labor
12 Standards Act (29 U.S.C. § 201 et seq.); or

13 (B) CNAs, certified medication technicians, RNs or LPNs who are contracted or
14 subcontracted through a third-party vendor or staffing agency.

15 (4)(i) By July 31, 2021, and July 31 of each year thereafter, nursing facilities shall submit
16 to the secretary or designee a certification that they have complied with the provisions of subsection
17 (a)(3) of this section with respect to the inflation index applied on October 1. The executive office
18 of health and human services (EOHHS) shall create the certification form nursing facilities must
19 complete with information on how each individual eligible employee’s compensation increased,
20 including information regarding hourly wages prior to the increase and after the compensation
21 increase, hours paid after the compensation increase, and associated increased payroll taxes. A
22 collective bargaining agreement can be used in lieu of the certification form for represented
23 employees. All data reported on the compliance form is subject to review and audit by EOHHS.
24 The audits may include field or desk audits, and facilities may be required to provide additional
25 supporting documents including, but not limited to, payroll records.

26 (ii) Any facility that does not comply with the terms of certification shall be subjected to a
27 clawback and twenty-five percent (25%) penalty of the unspent or impermissibly spent funds, paid
28 by the nursing facility to the state, in the amount of increased reimbursement subject to this
29 provision that was not expended in compliance with that certification.

30 (iii) In any calendar year where no inflationary index is applied, eighty percent (80%) of
31 the base rate staffing adjustment in that calendar year pursuant to subsection (a)(2)(vi) of this
32 section shall be dedicated to increase compensation for all eligible direct-care workers in the
33 manner referenced in subsections (a)(3)(i), (a)(3)(i)(A), and (a)(3)(i)(B) of this section.

34 (b) Transition to full implementation of rate reform. For no less than four (4) years after

1 the initial application of the price-based methodology described in subsection (a)(2) to payment
2 rates, the executive office of health and human services shall implement a transition plan to
3 moderate the impact of the rate reform on individual nursing facilities. The transition shall include
4 the following components:

5 (1) No nursing facility shall receive reimbursement for direct-care costs that is less than
6 the rate of reimbursement for direct-care costs received under the methodology in effect at the time
7 of passage of this act; for the year beginning October 1, 2017, the reimbursement for direct-care
8 costs under this provision will be phased out in twenty-five-percent (25%) increments each year
9 until October 1, 2021, when the reimbursement will no longer be in effect; and

10 (2) No facility shall lose or gain more than five dollars (\$5.00) in its total, per diem rate the
11 first year of the transition. An adjustment to the per diem loss or gain may be phased out by twenty-
12 five percent (25%) each year; except, however, for the years beginning October 1, 2015, there shall
13 be no adjustment to the per diem gain or loss, but the phase out shall resume thereafter; and

14 (3) The transition plan and/or period may be modified upon full implementation of facility
15 per diem rate increases for quality of care-related measures. Said modifications shall be submitted
16 in a report to the general assembly at least six (6) months prior to implementation.

17 (4) Notwithstanding any law to the contrary, for the twelve-month (12) period beginning
18 July 1, 2015, Medicaid payment rates for nursing facilities established pursuant to this section shall
19 not exceed ninety-eight percent (98%) of the rates in effect on April 1, 2015. Consistent with the
20 other provisions of this chapter, nothing in this provision shall require the executive office to restore
21 the rates to those in effect on April 1, 2015, at the end of this twelve-month (12) period.

22 SECTION 3. Sections 40-8.3-2 and 40-8.3-3 of the General Laws in Chapter 40-8.3 entitled
23 “Uncompensated Care” are hereby amended to read as follows:

24 **40-8.3-2. Definitions.**

25 As used in this chapter:

26 (1) “Base year” means, for the purpose of calculating a disproportionate share payment for
27 any fiscal year ending after September 30, ~~2022~~ 2023, the period from October 1, ~~2020~~ 2021,
28 through September 30, ~~2021~~ 2022, and for any fiscal year ending after September 30, ~~2023~~ 2024,
29 the period from October 1, ~~2021~~ 2022, through September 30, ~~2022~~ 2023.

30 (2) “Medicaid inpatient utilization rate for a hospital” means a fraction (expressed as a
31 percentage), the numerator of which is the hospital’s number of inpatient days during the base year
32 attributable to patients who were eligible for medical assistance during the base year and the
33 denominator of which is the total number of the hospital’s inpatient days in the base year.

34 (3) “Participating hospital” means any nongovernment and nonpsychiatric hospital that:

1 (i) Was licensed as a hospital in accordance with chapter 17 of title 23 during the base year
2 and shall mean the actual facilities and buildings in existence in Rhode Island, licensed pursuant to
3 § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on that license, regardless
4 of changes in licensure status pursuant to chapter 17.14 of title 23 (hospital conversions) and § 23-
5 17-6(b) (change in effective control), that provides short-term, acute inpatient and/or outpatient
6 care to persons who require definitive diagnosis and treatment for injury, illness, disabilities, or
7 pregnancy. Notwithstanding the preceding language, the negotiated Medicaid managed care
8 payment rates for a court-approved purchaser that acquires a hospital through receivership, special
9 mastership, or other similar state insolvency proceedings (which court-approved purchaser is issued
10 a hospital license after January 1, 2013), shall be based upon the newly negotiated rates between
11 the court-approved purchaser and the health plan, and the rates shall be effective as of the date that
12 the court-approved purchaser and the health plan execute the initial agreement containing the newly
13 negotiated rate. The rate-setting methodology for inpatient hospital payments and outpatient
14 hospital payments set forth in §§ 40-8-13.4(b)(1)(ii)(C) and 40-8-13.4(b)(2), respectively, shall
15 thereafter apply to negotiated increases for each annual twelve-month (12) period as of July 1
16 following the completion of the first full year of the court-approved purchaser's initial Medicaid
17 managed care contract;

18 (ii) Achieved a medical assistance inpatient utilization rate of at least one percent (1%)
19 during the base year; and

20 (iii) Continues to be licensed as a hospital in accordance with chapter 17 of title 23 during
21 the payment year.

22 (4) "Uncompensated-care costs" means, as to any hospital, the sum of: (i) The cost incurred
23 by the hospital during the base year for inpatient or outpatient services attributable to charity care
24 (free care and bad debts) for which the patient has no health insurance or other third-party coverage
25 less payments, if any, received directly from such patients; ~~and~~ (ii) The cost incurred by the hospital
26 during the base year for inpatient or outpatient services attributable to Medicaid beneficiaries less
27 any Medicaid reimbursement received therefor; ~~multiplied by the uncompensated care index; and~~
28 (iii) the sum of (4)(i) and 4(ii) shall be offset by the estimated hospital's commercial equivalent
29 rates state directed payment for the current SFY in which the disproportionate share hospital (DSH)
30 payment is made. The sum of (4)(i), (4)(ii), and (4)(iii) shall be multiplied by the uncompensated
31 care index.

32 (5) "Uncompensated-care index" means the annual percentage increase for hospitals
33 established pursuant to § 27-19-14 [repealed] for each year after the base year, up to and including
34 the payment year; provided, however, that the uncompensated-care index for the payment year

1 ending September 30, 2007, shall be deemed to be five and thirty-eight hundredths percent (5.38%),
2 and that the uncompensated-care index for the payment year ending September 30, 2008, shall be
3 deemed to be five and forty-seven hundredths percent (5.47%), and that the uncompensated-care
4 index for the payment year ending September 30, 2009, shall be deemed to be five and thirty-eight
5 hundredths percent (5.38%), and that the uncompensated-care index for the payment years ending
6 September 30, 2010, September 30, 2011, September 30, 2012, September 30, 2013, September
7 30, 2014, September 30, 2015, September 30, 2016, September 30, 2017, September 30, 2018,
8 September 30, 2019, September 30, 2020, September 30, 2021, September 30, 2022, September
9 30, 2023, ~~and~~ September 30, 2024, and September 30, 2025, shall be deemed to be five and thirty
10 hundredths percent (5.30%).

11 **40-8.3-3. Implementation**

12 ~~(a) For federal fiscal year 2022, commencing on October 1, 2021, and ending September~~
13 ~~30, 2022, the executive office of health and human services shall submit to the Secretary of the~~
14 ~~United States Department of Health and Human Services a state plan amendment to the Rhode~~
15 ~~Island Medicaid DSH Plan to provide:~~

16 ~~(1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of~~
17 ~~\$145.1 million, shall be allocated by the executive office of health and human services to the Pool~~
18 ~~D component of the DSH Plan; and~~

19 ~~(2) That the Pool D allotment shall be distributed among the participating hospitals in direct~~
20 ~~proportion to the individual participating hospital's uncompensated care costs for the base year,~~
21 ~~inflated by the uncompensated care index to the total uncompensated care costs for the base year~~
22 ~~inflated by the uncompensated care index for all participating hospitals. The disproportionate share~~
23 ~~payments shall be made on or before June 30, 2022, and are expressly conditioned upon approval~~
24 ~~on or before July 5, 2022, by the Secretary of the United States Department of Health and Human~~
25 ~~Services, or his or her authorized representative, of all Medicaid state plan amendments necessary~~
26 ~~to secure for the state the benefit of federal financial participation in federal fiscal year 2022 for~~
27 ~~the disproportionate share payments.~~

28 ~~(b)~~ (a) For federal fiscal year 2023, commencing on October 1, 2022, and ending
29 September 30, 2023, the executive office of health and human services shall submit to the Secretary
30 of the United States Department of Health and Human Services a state plan amendment to the
31 Rhode Island Medicaid DSH Plan to provide:

32 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of
33 \$159.0 million, shall be allocated by the executive office of health and human services to the Pool
34 D component of the DSH Plan; and

1 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
2 proportion to the individual participating hospital's uncompensated-care costs for the base year,
3 inflated by the uncompensated-care index to the total uncompensated-care costs for the base year
4 inflated by the uncompensated-care index for all participating hospitals. The disproportionate share
5 payments shall be made on or before June 15, 2023, and are expressly conditioned upon approval
6 on or before June 23, 2023, by the Secretary of the United States Department of Health and Human
7 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary
8 to secure for the state the benefit of federal financial participation in federal fiscal year 2023 for
9 the disproportionate share payments.

10 ~~(a)~~ (b) For federal fiscal year 2024, commencing on October 1, 2023, and ending
11 September 30, 2024, the executive office of health and human services shall submit to the Secretary
12 of the United States Department of Health and Human Services a state plan amendment to the
13 Rhode Island Medicaid DSH Plan to provide:

14 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of
15 \$14.8 ~~7~~ million, shall be allocated by the executive office of health and human services to the Pool
16 D component of the DSH Plan; and

17 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
18 proportion to the individual participating hospital's uncompensated-care costs for the base year,
19 inflated by the uncompensated-care index to the total uncompensated-care costs for the base year
20 inflated by the uncompensated-care index for all participating hospitals. The disproportionate share
21 payments shall be made on or before June ~~15~~ 30, 2024, and are expressly conditioned upon approval
22 on or before June 23, 2024, by the Secretary of the United States Department of Health and Human
23 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary
24 to secure for the state the benefit of federal financial participation in federal fiscal year 2024 for
25 the disproportionate share payments.

26 (c) For federal fiscal year 2025, commencing on October 1, 2024, and ending September
27 30, 2025, the executive office of health and human services shall submit to the Secretary of the
28 United States Department of Health and Human Services a state plan amendment to the Rhode
29 Island Medicaid DSH Plan to provide:

30 (1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of
31 \$14.7 million, shall be allocated by the executive office of health and human services to the Pool
32 D component of the DSH Plan; and

33 (2) That the Pool D allotment shall be distributed among the participating hospitals in direct
34 proportion to the individual participating hospital's uncompensated-care costs for the base year,

1 [inflated by the uncompensated-care index to the total uncompensated-care costs for the base year](#)
2 [inflated by the uncompensated-care index of all participating hospitals. The disproportionate share](#)
3 [payments shall be made on or before June 30, 2025, and are expressly conditioned upon approval](#)
4 [on or before June 23, 2025, by the Secretary of the United States Department of Health and Human](#)
5 [Services, or his or her authorized representative, of all Medicaid state plan amendments necessary](#)
6 [to secure for the state the benefit of federal financial participating in federal fiscal year 2025 for](#)
7 [the disproportionate share payments.](#)

8 (d) No provision is made pursuant to this chapter for disproportionate-share hospital
9 payments to participating hospitals for uncompensated-care costs related to graduate medical
10 education programs.

11 (e) The executive office of health and human services is directed, on at least a monthly
12 basis, to collect patient-level uninsured information, including, but not limited to, demographics,
13 services rendered, and reason for uninsured status from all hospitals licensed in Rhode Island.

14 SECTION 4. Section 40.1-8.5-8 of the General Laws in Chapter 40.1-8.5 entitled
15 “Community Mental Health Services” is hereby amended to read as follows:

16 **40.1-8.5-8. Certified community behavioral health clinics.**

17 (a) The executive office of health and human services is authorized and directed to submit
18 to the Secretary of the United States Department of Health and Human Services a state plan
19 amendment for the purposes of establishing Certified Community Behavioral Health Clinics in
20 accordance with Section 223 of the federal Protecting Access to Medicare Act of 2014.

21 (b) The executive office of health and human services shall amend its Title XIX State plan
22 pursuant to Title XIX [42 U.S.C. § 1396 et seq.] and Title XXI [42 U.S.C § 1397 et seq.] of the
23 Social Security Act as necessary to cover all required services for persons with mental health and
24 substance use disorders at a certified community behavioral health clinic through a monthly
25 bundled payment methodology that is specific to each organization’s anticipated costs and inclusive
26 of all required services within Section 223 of the federal Protecting Access to Medicare Act of
27 2014. Such certified community behavioral health clinics shall adhere to the federal model,
28 including payment structures and rates. [Any change in Federal requirements and/or guidance may](#)
29 [result in and necessitate the executive office of health and human services delaying the](#)
30 [implementation of such certified clinics.](#)

31 (c) A certified community behavioral health clinic means any licensed behavioral health
32 organization that meets the federal certification criteria of Section 223 of the Protecting Access to
33 Medicare Act of 2014. The department of behavioral healthcare, developmental disabilities and
34 hospitals shall define additional criteria to certify the clinics including, but not limited to the

1 provision of, these services:

- 2 (1) Outpatient mental health and substance use services;
- 3 (2) Twenty-four (24) hour mobile crisis response and hotline services;
- 4 (3) Screening, assessment, and diagnosis, including risk assessments;
- 5 (4) Person-centered treatment planning;
- 6 (5) Primary care screening and monitoring of key indicators of health risks;
- 7 (6) Targeted case management;
- 8 (7) Psychiatric rehabilitation services;
- 9 (8) Peer support and family supports;
- 10 (9) Medication-assisted treatment;
- 11 (10) Assertive community treatment; and
- 12 (11) Community-based mental health care for military service members and veterans.

13 (d) Subject to the approval from the United States Department of Health and Human
14 Services' Centers for Medicare and Medicaid Services, the certified community behavioral health
15 clinic model pursuant to this chapter shall be established by ~~February 1, 2024~~ July 1, 2024, and
16 include any enhanced Medicaid match for required services or populations served.

17 (e) By August 1, 2022, the executive office of health and human services will issue the
18 appropriate purchasing process and vehicle for organizations that want to participate in the Certified
19 Community Behavioral Health Clinic model program.

20 (f) The organizations will submit a detailed cost report developed by the department of
21 behavioral healthcare, developmental disabilities and hospitals with approval from the executive
22 office of health and human services, that includes the cost for the organization to provide the
23 required services.

24 (g) The department of behavioral healthcare, developmental disabilities and hospitals, in
25 coordination with the executive office of health and human services, will prepare an analysis of
26 proposals, determine how many behavioral health clinics can be certified in FY 2024 and the costs
27 for each one. Funding for the Certified Behavioral Health Clinics will be included in the FY 2024
28 budget recommended by the Governor.

29 (h) The executive office of health and human services shall apply for the federal Certified
30 Community Behavioral Health Clinics Demonstration Program if another round of funding
31 becomes available.

32 SECTION 5. Rhode Island Medicaid Reform Act of 2008 Resolution.

33 WHEREAS, the General Assembly enacted Chapter 12.4 of Title 42 entitled "The Rhode
34 Island Medicaid Reform Act of 2008"; and

1 WHEREAS, a legislative enactment is required pursuant to Rhode Island General Laws
2 section 42-12.4-1, et seq.; and

3 WHEREAS, Rhode Island General Laws section 42-7.2-5(3)(i) provides that the secretary
4 of the executive office of health and human Services is responsible for the review and coordination
5 of any Medicaid section 1115 demonstration waiver requests and renewals as well as any initiatives
6 and proposals requiring amendments to the Medicaid state plan or category II or III changes as
7 described in the demonstration, “with potential to affect the scope, amount, or duration of publicly-
8 funded health care services, provider payments or reimbursements, or access to or the availability
9 of benefits and services provided by Rhode Island general and public laws”; and

10 WHEREAS, in pursuit of a more cost-effective consumer choice system of care that is
11 fiscally sound and sustainable, the secretary requests legislative approval of the following proposals
12 to amend the demonstration; and

13 WHEREAS, implementation of adjustments may require amendments to the Rhode
14 Island’s Medicaid state plan and/or section 1115 waiver under the terms and conditions of the
15 demonstration. Further, adoption of new or amended rules, regulations and procedures may also
16 be required:

17 (a) *Nursing Facility Payment Technical Correction.* The executive office of health and
18 human services will clarify that the “other direct care” component of the nursing facility per diem
19 may be revised as necessary based on increases from the most recently finalized year of the cost
20 report used in the State’s rate review.

21 (b) *DSH Uncompensated Care Calculation.* The executive office of health and human
22 services proposes to seek approval from the federal centers for Medicare and Medicaid services to
23 evaluate the impact of the recently enacted hospital directed payments for payments as a percentage
24 of commercial equivalent rates in the calculation of base year uncompensated care used for
25 disproportionate share hospital payments.

26 (c) *Provider Reimbursement Rates.* The secretary of the executive office of health and
27 human services is authorized to pursue and implement any waiver amendments, state plan
28 amendments, and/or changes to the applicable department’s rules, regulations, and procedures
29 required to implement updates to Medicaid provider reimbursement rates consisting of rate
30 increases equal to one third (1/3) of the increases recommended in the Social and Human Service
31 Programs Review Final Report produced by the office of the health insurance commissioner
32 pursuant to Rhode Island General Laws section 42-14.5-3(t)(2)(x) and including any revisions to
33 these recommendations noted by the executive office of health and human services in its SFY 25
34 budget submission. except that one hundred (100) percent of the recommended rate increases for

1 Early Intervention shall be implemented in SFY 25, rather than one third of the increases. This
2 shall further include the recommendation that these rate updates shall be effective on October 1,
3 2024.

4 *(d) Federal Financing Opportunities.* The executive off health and human services
5 proposes that it shall review Medicaid requirements and opportunities under the U.S. Patient
6 Protection and Affordable Care Act of 2010 (PPACA) and various other recently enacted federal
7 laws and pursue any changes in the Rhode Island Medicaid program that promote, increase and
8 enhance service quality, access and cost-effectiveness that may require a Medicaid state plan
9 amendment or amendment under the terms and conditions of Rhode Island’s section 1115 waiver,
10 its successor, or any extension thereof. Any such actions by the executive office of health and
11 human services shall not have an adverse impact on beneficiaries or cause there to be an increase
12 in expenditures beyond the amount appropriated for state fiscal year 2025.

13 Now, therefore, be it:

14 RESOLVED, that the General Assembly hereby approves the proposals stated above in the
15 recitals; and be it further;

16 RESOLVED, that the secretary of the executive office of health and human services is
17 authorized to pursue and implement any waiver amendments, state plan amendments, and/or
18 changes to the applicable department’s rules, regulations and procedures approved herein and as
19 authorized by Rhode Island General Laws section 42-12.4; and be it further;

20 RESOLVED, that this Joint Resolution shall take effect on July 1, 2024.

21 SECTION 6. This article shall take effect upon passage, except for Section 6 which shall
22 take effect as of July 1, 2024.

1 certified copies of this resolution to the Governor, the Director of the Department of Corrections,
2 the Director of Administration, the State Budget Officer, and the Chair of the State Properties
3 Committee.

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

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ARTICLE 11

RELATING TO EFFECTIVE DATE

SECTION 1. This act shall take effect as of July 1, 2024, except as otherwise provided herein.

SECTION 2. This article shall take effect upon passage.

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