

2025 -- H 5076 SUBSTITUTE A AS AMENDED

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LC000670/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

**MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR THE FISCAL
YEAR ENDING JUNE 30, 2026**

Introduced By: Representative Marvin L. Abney

Date Introduced: January 16, 2025

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 2026
- 2 ARTICLE 2 RELATING TO STATE FUNDS
- 3 ARTICLE 3 RELATING TO GOVERNMENT REFORM AND REORGANIZATION
- 4 ARTICLE 4 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS
- 5 ARTICLE 5 RELATING TO TAXES AND FEES
- 6 ARTICLE 6 RELATING TO ECONOMIC DEVELOPMENT
- 7 ARTICLE 7 RELATING TO EDUCATION
- 8 ARTICLE 8 RELATING TO MEDICAL ASSISTANCE
- 9 ARTICLE 9 RELATING TO HOUSING
- 10 ARTICLE 10 RELATING TO HEALTH AND HUMAN SERVICES
- 11 ARTICLE 11 RELATING TO MOTOR VEHICLES AND TRANSPORTATION
- 12 ARTICLE 12 RELATING TO LEASES
- 13 ARTICLE 13 RELATING TO RELATING TO MAKING REVISED APPROPRIATIONS IN
- 14 SUPPORT OF FY 2025
- 15 ARTICLE 14 RELATING TO EFFECTIVE DATE

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1	ARTICLE 1 AS AMENDED		
2	RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2026		
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, 2026.		
6	The amounts identified for federal funds and restricted receipts shall be made available pursuant to		
7	§ 35-4-22 and chapter 41 of title 42. For the purposes and functions hereinafter mentioned, the state		
8	controller is hereby authorized and directed to draw the state controller’s orders upon the general		
9	treasurer for the payment of such sums or such portions thereof as may be required from time to		
10	time upon receipt by the state controller of properly authenticated vouchers.		
11	Administration		
12	Central Management		
13	General Revenues		4,359,358
14	Federal Funds		
15	Federal Funds		33,000,000
16	Restricted Receipts		193,701
17	Total - Central Management		37,553,059
18	Legal Services		
19	General Revenues		2,872,990
20	Accounts and Control		
21	General Revenues		5,804,845
22	Restricted Receipts - OPEB Board Administration		150,959
23	Restricted Receipts - Grants Management Administration		2,540,109
24	Total - Accounts and Control		8,495,913
25	Office of Management and Budget		
26	General Revenues		11,000,012
27	Federal Funds		
28	Federal Funds		151,689
29	Federal Funds – Capital Projects Fund		
30	CPF Administration		530,582

1	Federal Funds – State Fiscal Recovery Fund	
2	Pandemic Recovery Office	1,436,547
3	Restricted Receipts	300,000
4	Other Funds	1,242,011
5	Total - Office of Management and Budget	14,660,841
6	<i>Purchasing</i>	
7	General Revenues	4,008,986
8	Restricted Receipts	1,262,987
9	Other Funds	636,500
10	Total - Purchasing	5,908,473
11	<i>Human Resources</i>	
12	General Revenues	889,580
13	<i>Personnel Appeal Board</i>	
14	General Revenues	160,838
15	<i>Information Technology</i>	
16	General Revenues	1,838,147
17	Restricted Receipts	1,162,424
18	Total - Information Technology	3,000,571
19	<i>Library and Information Services</i>	
20	General Revenues	2,143,053
21	Federal Funds	1,617,500
22	Restricted Receipts	6,990
23	Total - Library and Information Services	3,767,543
24	<i>Planning</i>	
25	General Revenues	1,222,229
26	Federal Funds	3,050
27	Restricted Receipts	50,000
28	Other Funds	
29	Air Quality Modeling	24,000
30	Federal Highway - PL Systems Planning	3,821,438
31	State Transportation Planning Match	504,926
32	FTA - Metro Planning Grant	1,525,830
33	Total - Planning	7,151,473
34	<i>General</i>	

1	General Revenues	
2	Miscellaneous Grants/Payments	811,678
3	Torts Court Awards	1,750,000
4	Wrongful Conviction Awards	1,000,000
5	Resource Sharing and State Library Aid	12,095,022
6	Library Construction Aid	2,115,628
7	Restricted Receipts	1,113,557
8	Other Funds	
9	Rhode Island Capital Plan Funds	
10	Security Measures State Buildings	700,000
11	Cranston Street Armory	600,000
12	State House Renovations	1,759,000
13	Zambarano Buildings and Campus	4,500,000
14	Replacement of Fueling Tanks	430,000
15	Environmental Compliance	225,000
16	Big River Management Area	797,000
17	Shepard Building Upgrades	2,805,000
18	RI Convention Center Authority	2,800,000
19	Pastore Center Power Plant	2,000,000
20	DoIT Enterprise Operations Center	5,550,000
21	Cannon Building	150,000
22	Old State House	600,000
23	State Office Building	500,000
24	State Office Reorganization & Relocation	750,000
25	William Powers Building	2,500,000
26	Pastore Center Non-Hospital Buildings Asset Protection	7,750,000
27	Washington County Government Center	100,000
28	Chapin Health Laboratory	100,000
29	560 Jefferson Blvd Asset Protection	2,050,000
30	Arrigan Center	200,000
31	Civic Center	3,800,000
32	Veterans Auditorium	380,000
33	Pastore Center Hospital Buildings Asset Protection	1,000,000
34	Pastore Campus Infrastructure	15,000,000

1	Community Facilities Asset Protection	225,000
2	Medical Examiners - New Facility	50,000
3	Group Home Replacement & Rehabilitation	5,000,000
4	Expo Center	500,000
5	Group Homes Consolidation	5,350,000
6	Total - General	87,056,885
7	<i>Debt Service Payments</i>	
8	General Revenues	178,801,286
9	Other Funds	
10	Transportation Debt Service	32,982,697
11	Investment Receipts - Bond Funds	100,000
12	Total - Debt Service Payments	211,883,983
13	<i>Rhode Island Health Benefits Exchange</i>	
14	General Revenues	1,889,227
15	Federal Funds	10,758,473
16	Restricted Receipts	17,298,973
17	Total - Rhode Island Health Benefits Exchange	29,946,673
18	<i>Division of Equity, Diversity & Inclusion</i>	
19	General Revenues	2,308,469
20	Other Funds	108,978
21	Total - Division of Equity, Diversity & Inclusion	2,417,447
22	<i>Capital Asset Management and Maintenance</i>	
23	General Revenues	10,990,302
24	<i>Statewide Personnel and Operations</i>	
25	FEMA Contingency Reserve	
26	General Revenues	2,500,000
27	Primary Care Health Assessment State Cost	
28	General Revenues	750,000
29	Federal Funds	100,500
30	Restricted Receipts	44,575
31	Other Funds	477,295
32	Total - Statewide Personnel and Operations	3,872,370
33	Grand Total - Administration	430,628,941
34	Office of Energy Resources	

1	Federal Funds	31,554,214
2	Restricted Receipts	39,089,028
3	Other Funds	
4	National Electric Vehicle Infrastructure Formula Program	4,668,785
5	Rhode Island Capital Plan Funds	
6	Energy Efficiency Improvements	1,000,000
7	Grand Total – Office of Energy Resources	76,312,027
8	Business Regulation	
9	<i>Central Management</i>	
10	General Revenues	4,360,810
11	Restricted Receipts	39,014
12	Total - Central Management	4,399,824
13	<i>Banking Regulation</i>	
14	General Revenues	2,107,972
15	Restricted Receipts	50,000
16	Total - Banking Regulation	2,157,972
17	<i>Securities Regulation</i>	
18	General Revenues	1,000,863
19	<i>Insurance Regulation</i>	
20	General Revenues	5,125,539
21	Restricted Receipts	1,617,538
22	Total - Insurance Regulation	6,743,077
23	<i>Office of the Health Insurance Commissioner</i>	
24	General Revenues	3,107,152
25	Federal Funds	439,300
26	Restricted Receipts	603,592
27	Total - Office of the Health Insurance Commissioner	4,150,044
28	<i>Board of Accountancy</i>	
29	General Revenues	5,490
30	<i>Commercial Licensing and Gaming and Athletics Licensing</i>	
31	General Revenues	1,268,739
32	Restricted Receipts	1,045,581
33	Total - Commercial Licensing and Gaming and Athletics Licensing	2,314,320
34	<i>Building, Design and Fire Professionals</i>	

1	General Revenues	8,793,216
2	Federal Funds	346,788
3	Restricted Receipts	2,130,377
4	Other Funds	
5	Quonset Development Corporation	52,983
6	Rhode Island Capital Plan Funds	
7	Fire Academy Expansion	7,000,000
8	Total - Building, Design and Fire Professionals	18,323,364
9	Grand Total - Business Regulation	39,094,954
10	RI Cannabis Control Commission	
11	Restricted Receipts	7,303,563
12	Executive Office of Commerce	
13	<i>Central Management</i>	
14	General Revenues	2,369,982
15	<i>Quasi-Public Appropriations</i>	
16	General Revenues	
17	Rhode Island Commerce Corporation	8,506,041
18	Airport Impact Aid	1,010,036
19	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be	
20	distributed to each airport serving more than 1,000,000 passengers based upon its percentage of the	
21	total passengers served by all airports serving more than 1,000,000 passengers. Forty percent (40%)	
22	of the first \$1,000,000 shall be distributed based on the share of landings during calendar year 2025	
23	at North Central Airport, Newport-Middletown Airport, Block Island Airport, Quonset Airport,	
24	T.F. Green International Airport and Westerly Airport, respectively. The Rhode Island commerce	
25	corporation shall make an impact payment to the towns or cities in which the airport is located	
26	based on this calculation. Each community upon which any part of the above airports is located	
27	shall receive at least \$25,000.	
28	STAC Research Alliance	900,000
29	Innovative Matching Grants/Internships	1,000,000
30	I-195 Redevelopment District Commission	1,245,050
31	Polaris Manufacturing Grant	500,000
32	East Providence Waterfront Commission	50,000
33	Urban Ventures	140,000
34	Chafee Center at Bryant	476,200

1	Blackstone Valley Visitor Center	75,000
2	Industrial Recreational Building Authority Obligations	105,094
3	Other Funds	
4	Rhode Island Capital Plan Funds	
5	I-195 Redevelopment District Commission	700,000
6	I-195 Park Improvements	1,100,000
7	Quonset Infrastructure	2,500,000
8	PFAS Mitigation at Quonset Business Park	1,000,000
9	Total - Quasi-Public Appropriations	19,307,421
10	<i>Economic Development Initiatives Fund</i>	
11	General Revenues	
12	Rebuild RI Tax Credit Fund	10,085,000
13	Destination Marketing	1,400,000
14	RI Innovation Ecosystem	250,000
15	Federal Funds	20,000,000
16	Total - Economic Development Initiatives Fund	31,735,000
17	<i>Commerce Programs</i>	
18	General Revenues	
19	Wavemaker Fellowship	2,566,621
20	Air Service Development Fund	2,728,800
21	Main Street RI Streetscape Improvement Fund	125,000
22	Total - Commerce Programs	5,420,421
23	Grand Total - Executive Office of Commerce	58,832,824
24	Housing	
25	General Revenues	6,464,465
26	Provided that \$100,000 shall support Sojourner House's supportive housing and rapid	
27	rehousing activities.	
28	Federal Funds	15,596,037
29	Restricted Receipts	23,018,954
30	Grand Total - Housing	45,079,456
31	Labor and Training	
32	<i>Central Management</i>	
33	General Revenues	1,661,890
34	Restricted Receipts	488,494

1	Total - Central Management	2,150,384
2	<i>Workforce Development Services</i>	
3	General Revenues	878,758
4	Federal Funds	19,112,629
5	Total - Workforce Development Services	19,991,387
6	<i>Workforce Regulation and Safety</i>	
7	General Revenues	5,347,291
8	<i>Income Support</i>	
9	General Revenues	3,684,566
10	Federal Funds	22,883,898
11	Restricted Receipts	4,635,586
12	Other Funds	
13	Temporary Disability Insurance Fund	287,480,146
14	Employment Security Fund	249,200,000
15	Total - Income Support	567,884,196
16	<i>Injured Workers Services</i>	
17	Restricted Receipts	11,233,092
18	<i>Labor Relations Board</i>	
19	General Revenues	556,737
20	<i>Governor's Workforce Board</i>	
21	General Revenues	6,050,000
22	Provided that \$600,000 of these funds shall be used for enhanced training for direct care	
23	and support services staff to improve resident quality of care and address the changing health care	
24	needs of nursing facility residents due to higher acuity and increased cognitive impairments	
25	pursuant to § 23-17.5-36.	
26	Restricted Receipts	19,054,596
27	Provided that at least \$150,000 of these funds shall be used to provide hospitality industry	
28	workforce training grants including, but not limited to, certified food and alcohol safety training	
29	programs offered in multiple languages.	
30	Total - Governor's Workforce Board	25,104,596
31	Grand Total - Labor and Training	632,267,683
32	Department of Revenue	
33	<i>Director of Revenue</i>	
34	General Revenues	3,168,518

1	<i>Office of Revenue Analysis</i>	
2	General Revenues	1,173,041
3	<i>Lottery Division</i>	
4	Other Funds	448,042,227
5	<i>Municipal Finance</i>	
6	General Revenues	2,045,839
7	<i>Taxation</i>	
8	General Revenues	38,331,490
9	Restricted Receipts	4,660,479
10	Other Funds	
11	Motor Fuel Tax Evasion	175,000
12	Total - Taxation	43,166,969
13	<i>Registry of Motor Vehicles</i>	
14	General Revenues	35,374,576
15	Federal Funds	493,061
16	Restricted Receipts	5,429,330
17	Total - Registry of Motor Vehicles	41,296,967
18	<i>State Aid</i>	
19	General Revenues	
20	Distressed Communities Relief Fund	14,884,458
21	Payment in Lieu of Tax Exempt Properties	51,317,647
22	Motor Vehicle Excise Tax Payments	239,547,419
23	Property Revaluation Program	712,390
24	Tangible Tax Exemption Program	25,903,228
25	Restricted Receipts	995,120
26	Total - State Aid	333,360,262
27	<i>Collections</i>	
28	General Revenues	994,263
29	Grand Total - Revenue	873,248,086
30	Legislature	
31	General Revenues	58,734,623
32	Restricted Receipts	2,690,297
33	Grand Total - Legislature	61,424,920
34	Lieutenant Governor	

1	General Revenues	1,519,219
2	Secretary of State	
3	<i>Administration</i>	
4	General Revenues	5,975,167
5	Provided that \$100,000 be allocated to support the Rhode Island Council for the	
6	Humanities for grant making to civic and cultural organizations, and \$50,000 to support Rhode	
7	Island's participation in the We the People Civics Challenge.	
8	<i>Corporations</i>	
9	General Revenues	2,913,879
10	<i>State Archives</i>	
11	General Revenues	356,659
12	Restricted Receipts	404,790
13	Total - State Archives	761,449
14	<i>Elections and Civics</i>	
15	General Revenues	2,107,040
16	Federal Funds	2,000,000
17	Total - Elections and Civics	4,107,040
18	<i>State Library</i>	
19	General Revenues	668,263
20	Provided that \$125,000 be allocated to support the Rhode Island Historical Society and	
21	\$18,000 be allocated to support the Newport Historical Society, pursuant to §§ 29-2-1 and 29-2-2,	
22	and \$25,000 be allocated to support the Rhode Island Black Heritage Society.	
23	<i>Office of Public Information</i>	
24	General Revenues	840,724
25	Receipted Receipts	25,000
26	Total - Office of Public Information	865,724
27	Grand Total - Secretary of State	15,291,522
28	General Treasurer	
29	<i>Treasury</i>	
30	General Revenues	3,665,773
31	Federal Funds	365,134
32	Other Funds	
33	Temporary Disability Insurance Fund	246,415
34	Tuition Savings Program - Administration	388,916

1	Total - Treasury	4,666,238
2	<i>State Retirement System</i>	
3	Restricted Receipts	
4	Admin Expenses - State Retirement System	13,193,967
5	Retirement - Treasury Investment Operations	2,846,571
6	Defined Contribution - Administration	277,654
7	Total - State Retirement System	16,318,192
8	<i>Unclaimed Property</i>	
9	Restricted Receipts	3,338,043
10	<i>Crime Victim Compensation</i>	
11	General Revenues	934,450
12	Federal Funds	467,993
13	Restricted Receipts	250,000
14	Total - Crime Victim Compensation	1,652,443
15	Grand Total - General Treasurer	25,974,916
16	Board of Elections	
17	General Revenues	4,474,931
18	Rhode Island Ethics Commission	
19	General Revenues	2,419,632
20	Office of Governor	
21	General Revenues	
22	General Revenues	9,184,918
23	Contingency Fund	150,000
24	Grand Total - Office of Governor	9,334,918
25	Commission for Human Rights	
26	General Revenues	2,249,158
27	Federal Funds	523,529
28	Grand Total - Commission for Human Rights	2,772,687
29	Public Utilities Commission	
30	Federal Funds	753,555
31	Restricted Receipts	14,754,719
32	Grand Total - Public Utilities Commission	15,508,274
33	Executive Office of Health and Human Services	
34	<i>Central Management</i>	

1	General Revenues	32,413,726
2	Provided that of this amount, \$900,000 will be for Mobile Response and Stabilization	
3	Services for uninsured and underinsured child and youth and cover services and costs not otherwise	
4	reimbursed. Also \$500,000 is for Thundermist's Family Residency Program contingent upon	
5	receiving federal funds and \$150,000 will be for an Olmstead Plan Coordinator.	
6	All-Payer Claims Database	509,950
7	Health System Planning and Overtight	777,260
8	Medicaid Enterprise System	1,873,838
9	Medicaid Management Information System	6,064,700
10	Unified Health Infrastructure	22,368,654
11	Federal Funds	
12	Federal Funds	70,793,907
13	All-Payer Claims Database	10,212,239
14	Health System Planning and Oversight	153,750
15	Medicaid Enterprise System	12,364,541
16	Medicaid Management Information System	19,566,585
17	Unified Health Infrastructure Project	56,336,615
18	Federal Funds - State Fiscal Recovery Fund	
19	Certified Community Behavioral Health Clinics	205,295
20	Restricted Receipts	15,463,598
21	Total - Central Management	249,104,658
22	<i>Medical Assistance</i>	
23	General Revenues	
24	Managed Care	464,278,305
25	Hospitals	136,238,010
26	Nursing Facilities	204,266,507
27	Home and Community Based Services	125,703,952
28	Other Services	160,879,834
29	Pharmacy	100,069,654
30	Rhody Health	234,976,854
31	Federal Funds	
32	Managed Care	653,184,013
33	Hospitals	285,888,183
34	Nursing Facilities	273,055,474

1	Home and Community Based Services	168,075,434
2	Other Services	796,373,214
3	Pharmacy	4,130,346
4	Rhody Health	326,578,917
5	Other Programs	32,611,481
6	Restricted Receipts	11,021,948
7	Total - Medical Assistance	3,977,332,126
8	Grand Total – Executive Office of Health and Human Services	4,226,436,784
9	Children, Youth and Families	
10	<i>Central Management</i>	
11	General Revenues	17,937,159
12	The director of the department of children, youth and families shall provide to the speaker	
13	of the house and president of the senate at least every ninety (90) days beginning September 30,	
14	2025, a report on the process to maintain accreditation in accordance with § 42-72-5.3. The report	
15	shall, at minimum, provide data regarding recruitment and retention efforts, including maintaining	
16	a diverse workforce, documentation of newly filled and vacated positions, and progress in reducing	
17	worker caseloads.	
18	It shall also contain the number of filled full-time equivalent positions compared to the	
19	department’s authorization and disaggregated by job classification, and as compared to the staffing	
20	recommended in the October 1, 2020 accreditation plan that was funded beginning in the fiscal	
21	year 2022 budget. The report shall also include information on turnover assumptions, expressed	
22	as funded positions compared to filled and authorized.	
23	Federal Funds	15,237,654
24	Total - Central Management	33,174,813
25	<i>Children's Behavioral Health Services</i>	
26	General Revenues	7,109,636
27	Federal Funds	8,824,070
28	Total - Children's Behavioral Health Services	15,933,706
29	<i>Youth Development Services</i>	
30	General Revenues	25,678,366
31	Federal Funds	647,931
32	Restricted Receipts	1,500
33	Other Funds	
34	Rhode Island Capital Plan Funds	

1	Training School Asset Protection	250,000
2	Residential Treatment Facilities	11,000,000
3	Total - Youth Development Services	37,577,797
4	<i>Child Welfare</i>	
5	General Revenues	211,849,897
6	Federal Funds	93,910,710
7	Restricted Receipts	1,743,471
8	Total - Child Welfare	307,504,078
9	<i>Higher Education Incentive Grants</i>	
10	General Revenues	200,000
11	Provided that these funds and any unexpended or unencumbered previous years' funding	
12	are to be used exclusively to fund awards to eligible youth.	
13	Grand Total - Children, Youth and Families	394,390,394
14	Health	
15	<i>Central Management</i>	
16	General Revenues	
17	General Revenues	2,588,732
18	Of this amount, \$50,000 is to support the Gloria Gemma Breast Cancer Resource	
19	Foundation and the organization's new survivorship and well-being center in Lincoln, RI.	
20	Psychiatry Resource Network	750,000
21	Primary Care Training Sites Program	2,000,000
22	Provided that unexpended or unencumbered balances as of June 30, 2026 are hereby	
23	reappropriated to the following fiscal year.	
24	Federal Funds	4,884,431
25	Restricted Receipts	22,233,391
26	Provided that the disbursement of any indirect cost recoveries on federal grants budgeted	
27	in this line item that are derived from grants authorized under The Coronavirus Preparedness and	
28	Response Supplemental Appropriations Act (P.L. 116-123); The Families First Coronavirus	
29	Response Act (P.L. 116-127); The Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-	
30	136); The Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139); the	
31	Consolidated Appropriations Act, 2021 (P.L. 116-260); and the American Rescue Plan Act of 2021	
32	(P.L. 117-2), are hereby subject to the review and prior approval of the director of management and	
33	budget. No obligation or expenditure of these funds shall take place without such approval.	
34	Total - Central Management	32,456,554

1	<i>Community Health and Equity</i>	
2	General Revenues	2,051,358
3	Federal Funds	88,096,432
4	Restricted Receipts	67,695,968
5	Total - Community Health and Equity	157,843,758
6	<i>Environmental Health</i>	
7	General Revenues	6,836,896
8	Federal Funds	14,433,189
9	Restricted Receipts	1,104,785
10	Total - Environmental Health	22,374,870
11	<i>Health Laboratories</i>	
12	General Revenues	9,514,520
13	Federal Funds	2,666,663
14	Other Funds	
15	Rhode Island Capital Plan Funds	
16	Health Laboratories & Medical Examiner Equipment	400,000
17	New Health Laboratory Building	8,363,883
18	Total - Health Laboratories	20,945,066
19	<i>State Medical Examiners</i>	
20	General Revenues	4,521,784
21	Federal Funds	67,325
22	Total – State Medical Examiners	4,589,109
23	<i>Healthcare Quality and Safety</i>	
24	General Revenues	7,868,321
25	Federal Funds	6,746,561
26	Restricted Receipts	1,199,564
27	Total – Healthcare Quality and Safety	15,814,446
28	<i>Policy, Information and Communications</i>	
29	General Revenues	2,785,613
30	Provided that \$200,000 of this amount and its corresponding federal match is used for loan	
31	repayment assistance specifically for primary care physicians and pediatricians through the Health	
32	Professional Loan Repayment Program authorized by § 23-14.1.	
33	Federal Funds	5,593,898
34	Restricted Receipts	842,433

1	Total - Policy, Information and Communications	9,221,944
2	<i>Emergency Preparedness and Infectious Disease</i>	
3	General Revenues	1,907,851
4	Federal Funds	15,196,529
5	Total – Emergency Preparedness and Infectious Disease	17,104,380
6	<i>COVID-19</i>	
7	Federal Funds	15,176,647
8	Grand Total - Health	295,526,774
9	Human Services	
10	<i>Central Management</i>	
11	General Revenues	8,050,831
12	Of this amount, \$400,000 is to support the domestic violence prevention fund to provide	
13	direct services through the Coalition Against Domestic Violence, \$25,000 for the Center for	
14	Southeast Asians, \$450,000 to support Project Reach activities provided by the RI Alliance of Boys	
15	and Girls Clubs, \$300,000 is for outreach and supportive services through Day One, \$950,000 is	
16	for food collection and distribution through the Rhode Island Community Food Bank, \$500,000 for	
17	services provided to the homeless at Crossroads Rhode Island, \$600,000 for the Community Action	
18	Fund, \$250,000 is for the Institute for the Study and Practice of Nonviolence’s Reduction Strategy,	
19	\$200,000 to provide operational support to the United Way’s 211 system, \$125,000 is to support	
20	services provided to the immigrant and refugee population through Higher Ground International,	
21	\$50,000 is for services provided to refugees through the Refugee Dream Center and \$150,000 for	
22	the Substance Use and Mental Health Leadership Council of RI.	
23	The director of the department of human services shall provide to the speaker of the house,	
24	president of the senate, and chairs of the house and senate finance committees at least every sixty	
25	(60) days beginning August 1, 2022, a report on its progress in recruiting and retaining customer	
26	serving staff. The report shall include: documentation of newly filled and vacated positions,	
27	including lateral transfers, position titles, civil service information, including numbers of eligible	
28	and available candidates, plans for future testing and numbers of eligible and available candidates	
29	resulting from such testing, impacts on caseload backlogs and call center wait times, as well as	
30	other pertinent information as determined by the director.	
31	Federal Funds	8,064,314
32	Of this amount, \$3.0 million is to sustain Early Head Start and Head Start programs.	
33	Restricted Receipts	300,000
34	Total - Central Management	16,415,145

1	<i>Child Support Enforcement</i>	
2	General Revenues	4,390,046
3	Federal Funds	10,229,053
4	Restricted Receipts	3,816,099
5	Total - Child Support Enforcement	18,435,198
6	<i>Individual and Family Support</i>	
7	General Revenues	35,143,366
8	Federal Funds	128,579,088
9	Restricted Receipts	115,000
10	Other Funds	
11	Rhode Island Capital Plan Funds	
12	Blind Vending Facilities	165,000
13	Total - Individual and Family Support	164,002,454
14	<i>Office of Veterans Services</i>	
15	General Revenues	33,499,864
16	Of this amount, \$200,000 is to provide support services through veterans' organizations,	
17	\$50,000 is to support Operation Stand Down, and \$100,000 is to support the Veterans Services	
18	Officers (VSO) program through the Veterans of Foreign Wars.	
19	Federal Funds	15,752,830
20	Restricted Receipts	1,725,342
21	Other Funds	
22	Rhode Island Capital Plan Funds	
23	Veterans Home Asset Protection	665,000
24	Veterans Memorial Cemetery Asset Protection	300,000
25	Total - Office of Veterans Services	51,943,036
26	<i>Health Care Eligibility</i>	
27	General Revenues	10,511,087
28	Federal Funds	16,662,419
29	Total - Health Care Eligibility	27,173,506
30	<i>Supplemental Security Income Program</i>	
31	General Revenues	16,680,780
32	<i>Rhode Island Works</i>	
33	General Revenues	9,891,538
34	Federal Funds	109,225,738

1	Total - Rhode Island Works	119,117,276
2	<i>Other Programs</i>	
3	General Revenues	2,231,840
4	Federal Funds	382,432,873
5	Restricted Receipts	8,000
6	Total - Other Programs	384,672,713
7	<i>Office of Healthy Aging</i>	
8	General Revenues	15,623,340
9	Of this amount, \$325,000 is to provide elder services, including respite, through the	
10	Diocese of Providence; \$40,000 is for ombudsman services provided by the Alliance for Long	
11	Term Care in accordance with chapter 66.7 of title 42; and \$1,600,000 is for Senior Services	
12	Support and \$730,000 is for elderly nutrition, of which \$680,000 is for Meals on Wheels.	
13	Federal Funds	19,011,572
14	Restricted Receipt	46,200
15	Other Funds	
16	Intermodal Surface Transportation Fund	4,267,406
17	The Office shall reimburse the Rhode Island public transit authority for the elderly/disabled	
18	transportation program expenses no later than fifteen (15) days of the authority's submission of a	
19	request for payment.	
20	Total - Office of Healthy Aging	38,948,518
21	Grand Total - Human Services	837,388,626
22	Behavioral Healthcare, Developmental Disabilities and Hospitals	
23	<i>Central Management</i>	
24	General Revenues	8,058,892
25	Federal Funds	2,631,491
26	Restricted Receipts	559,071
27	Total - Central Management	11,249,454
28	<i>Services for the Developmentally Disabled</i>	
29	General Revenues	218,735,702
30	Provided that of this general revenue funding, an amount certified by the department shall	
31	be expended on certain community-based department of behavioral healthcare, developmental	
32	disabilities and hospitals (BHDDH) developmental disability private provider and self-directed	
33	consumer direct care service worker raises and associated payroll costs as authorized by BHDDH	
34	and to finance the new services rates implemented by BHDDH pursuant to the Consent Decree	

1 Addendum. Any increase for direct support staff and residential or other community-based setting
2 must first receive the approval of BHDDH.

3 Provided further that of this general revenue funding, \$928,200 shall be expended on a
4 Transformation Fund to be used for I/DD integrated day activities and supported employment
5 services, or which a total of \$650,000 shall be expended specifically on those who self-direct for
6 creation of regional service advisement models and pool of substitute staff. All unexpended or
7 unencumbered balances of this designation at the end of the fiscal year shall be reappropriated to
8 the ensuing fiscal year and made immediately available for the same purpose.

9 Federal Funds 286,950,145

10 Provided that of this federal funding, an amount certified by the department shall be
11 expended on certain community-based department of behavioral healthcare, developmental
12 disabilities and hospitals (BHDDH) developmental disability private provider and self-directed
13 consumer direct care service worker raises and associated payroll costs as authorized by BHDDH
14 and to finance the new services rates implemented by BHDDH pursuant to the Consent Decree
15 Addendum. Any increase for direct support staff and residential or other community-based setting
16 must first receive the approval of BHDDH.

17 Provided further that of this federal funding, \$371,800 shall be expended on a
18 Transformation Fund to be used for I/DD integrated day activities and supported employment
19 services. All unexpended or unencumbered balances of this designation at the end of the fiscal year
20 shall be reappropriated to the ensuing fiscal year and made immediately available for the same
21 purpose.

22 Restricted Receipts 1,300,866

23 Other Funds

24 Rhode Island Capital Plan Funds

25 DD Residential Support 100,000

26 Total - Services for the Developmentally Disabled 507,086,713

27 *Behavioral Healthcare Services*

28 General Revenues 4,817,486

29 Federal Funds

30 Federal Funds 32,467,553

31 Provided that \$250,000 from Social Services Block Grant funds is awarded to The
32 Providence Center to coordinate with Oasis Wellness and Recovery Center for its support and
33 services program offered to individuals with behavioral health issues.

34 Federal Funds – State Fiscal Recovery

1	9-8-8 Hotline	1,800,000
2	Restricted Receipts	5,416,046
3	Provided that \$450,000 from the opioid stewardship fund is distributed equally to the seven	
4	regional substance abuse prevention task forces to fund priorities determined by each Task Force.	
5	Total - Behavioral Healthcare Services	44,501,085
6	<i>Hospital and Community Rehabilitative Services</i>	
7	General Revenues	53,723,206
8	Federal Funds	61,515,889
9	Restricted Receipts	4,634,700
10	Other Funds	
11	Rhode Island Capital Plan Funds	
12	Hospital Equipment	300,000
13	Total - Hospital and Community Rehabilitative Services	120,173,795
14	<i>State of RI Psychiatric Hospital</i>	
15	General Revenues	33,443,552
16	Restricted Receipts	144,000
17	Other Funds	
18	Rhode Island Capital Plan Funds	
19	RISPH Equipment	100,000
20	Total - State of RI Psychiatric Hospital	33,687,552
21	Grand Total - Behavioral Healthcare,	
22	Developmental Disabilities and Hospitals	716,698,599
23	Office of the Child Advocate	
24	General Revenues	2,264,613
25	Commission on the Deaf and Hard of Hearing	
26	General Revenues	786,233
27	Restricted Receipts	142,921
28	Grand Total - Comm. On Deaf and Hard-of-Hearing	929,154
29	Governor's Commission on Disabilities	
30	General Revenues	
31	General Revenues	870,754
32	Livable Home Modification Grant Program	515,278
33	Provided that this will be used for home modification and accessibility enhancements to	
34	construct, retrofit, and/or renovate residences to allow individuals to remain in community settings.	

1	This will be in consultation with the executive office of health and human services. All unexpended	
2	or unencumbered balances, at the end of the fiscal year, shall be reappropriated to the ensuing fiscal	
3	year, and made immediately available for the same purpose.	
4	Federal Funds	340,067
5	Restricted Receipts	79,943
6	Grand Total - Governor's Commission on Disabilities	1,806,042
7	Office of the Mental Health Advocate	
8	General Revenues	1,117,164
9	Elementary and Secondary Education	
10	<i>Administration of the Comprehensive Education Strategy</i>	
11	General Revenues	34,222,798
12	Provided that \$90,000 be allocated to support the hospital school at Hasbro Children's	
13	Hospital pursuant to § 16-7-20; \$395,000 be allocated to support child opportunity zones through	
14	agreements with the department of elementary and secondary education to strengthen education,	
15	health and social services for students and their families as a strategy to accelerate student	
16	achievement; \$450,000 and 3.0 full-time equivalent positions be allocated to support a special	
17	education function to facilitate individualized education program (IEP) and 504 services; and	
18	further provided that \$130,000 be allocated to City Year for the Whole School Whole Child	
19	Program, which provides individualized support to at-risk students.	
20	Federal Funds	
21	Federal Funds	255,593,813
22	Provided that \$684,000 from the department's administrative share of Individuals with	
23	Disabilities Education Act funds be allocated to the Paul V. Sherlock Center on Disabilities to	
24	support the Rhode Island Vision Education and Services Program.	
25	Federal Funds – State Fiscal Recovery Fund	
26	Adult Education Providers	128,373
27	Restricted Receipts	
28	Restricted Receipts	1,724,551
29	HRIC Adult Education Grants	3,500,000
30	Total - Admin. of the Comprehensive Ed. Strategy	295,169,535
31	<i>Davies Career and Technical School</i>	
32	General Revenues	18,532,152
33	Federal Funds	924,285
34	Restricted Receipts	5,471,394

1	Other Funds	
2	Rhode Island Capital Plan Funds	
3	Davies School HVAC	50,000
4	Davies School Asset Protection	750,000
5	Davies School Healthcare Classroom Renovations	6,911,727
6	Davies School Wing Renovation	34,515,423
7	Total - Davies Career and Technical School	67,154,981
8	<i>RI School for the Deaf</i>	
9	General Revenues	8,809,938
10	Federal Funds	271,830
11	Restricted Receipts	1,097,000
12	Other Funds	
13	Rhode Island Capital Plan Funds	
14	School for the Deaf Asset Protection	100,000
15	Total - RI School for the Deaf	10,278,768
16	<i>Metropolitan Career and Technical School</i>	
17	General Revenues	12,966,926
18	Other Funds	
19	Rhode Island Capital Plan Funds	
20	MET School Asset Protection	250,000
21	Total - Metropolitan Career and Technical School	13,216,926
22	<i>Education Aid</i>	
23	General Revenues	1,272,230,353
24	Provided that the criteria for the allocation of early childhood funds shall prioritize pre-	
25	kindergarten seats and classrooms for four-year-olds whose family income is at or below one	
26	hundred eighty-five percent (185%) of federal poverty guidelines and who reside in communities	
27	with higher concentrations of low performing schools.	
28	Restricted Receipts	38,952,936
29	Total - Education Aid	1,311,183,289
30	<i>Central Falls School District</i>	
31	General Revenues	54,567,882
32	<i>School Construction Aid</i>	
33	General Revenues	
34	School Housing Aid	119,887,755

1	<i>Teachers' Retirement</i>	
2	General Revenues	137,991,006
3	Grand Total - Elementary and Secondary Education	2,009,450,142
4	Public Higher Education	
5	<i>Office of Postsecondary Commissioner</i>	
6	General Revenues	33,322,291
7	Provided that \$455,000 shall be allocated to Onward We Learn pursuant to § 16-70-5,	
8	\$75,000 shall be allocated to Best Buddies Rhode Island to support its programs for children with	
9	developmental and intellectual disabilities. It is also provided that \$7,367,460 shall be allocated to	
10	the Rhode Island promise scholarship program; \$151,410 shall be used to support Rhode Island's	
11	membership in the New England Board of Higher Education; \$5,476,723 shall be allocated to the	
12	Rhode Island hope scholarship program; and \$100,000 shall be allocated to the Rhode Island	
13	School for Progressive Education to support access to higher education opportunities for teachers	
14	of color.	
15	Federal Funds	
16	Federal Funds	5,582,208
17	Guaranty Agency Administration	60,000
18	Restricted Receipts	
19	Restricted Receipts	8,383,189
20	Tuition Savings Program - Scholarships and Grants	3,400,000
21	Other Funds	
22	Nursing Education Center - Operating	3,295,810
23	Rhode Island Capital Plan Funds	
24	WEC Expansion - Annex Site	1,220,000
25	Total - Office of Postsecondary Commissioner	55,263,498
26	<i>University of Rhode Island</i>	
27	General Revenues	
28	General Revenues	115,308,021
29	Provided that in order to leverage federal funding and support economic development,	
30	\$700,000 shall be allocated to the small business development center, \$125,000 shall be allocated	
31	to the Institute for Labor Studies & Research, \$50,000 shall be allocated to Special Olympics Rhode	
32	Island to support its mission of providing athletic opportunities for individuals with intellectual and	
33	developmental disabilities, and \$874,069 shall be used to support programming related to career	
34	readiness, career placement, internships, and work-based learning.	

1	Debt Service	31,526,482
2	RI State Forensics Laboratory	1,803,420
3	Other Funds	
4	University and College Funds	847,374,010
5	Debt - Dining Services	781,957
6	Debt - Education and General	5,076,811
7	Debt - Health Services	16,032
8	Debt - Housing Loan Funds	13,863,455
9	Debt - Memorial Union	758,853
10	Debt - Ryan Center	2,888,322
11	Debt - Parking Authority	889,077
12	URI Restricted Debt Service - Energy Conservation	536,169
13	URI Debt Service - Energy Conservation	1,956,906
14	Rhode Island Capital Plan Funds	
15	Asset Protection	14,606,536
16	Mechanical, Electric, and Plumbing Improvements	7,293,838
17	Fire Protection Academic Buildings	1,641,903
18	Bay Campus	8,146,722
19	Athletics Complex	33,942,707
20	Provided that total Rhode Island capital plan funds provide no more than 80.0 percent of	
21	the total project.	
22	Stormwater Management	4,252,678
23	PFAS Removal Water Treatment Plant	13,759,400
24	Campus Accessibility	2,300,000
25	Building Envelope Improvements	3,000,000
26	Total - University of Rhode Island	1,111,723,299
27	Notwithstanding the provisions of § 35-3-15, all unexpended or unencumbered balances as	
28	of June 30, 2026 relating to the university of Rhode Island are hereby reappropriated to fiscal year	
29	2027.	
30	<i>Rhode Island College</i>	
31	General Revenues	
32	General Revenues	70,714,722
33	Provided that \$464,377 shall be used to support programming related to career readiness,	
34	career placement, internships, and work-based learning.	

1	Debt Service	7,933,336
2	Rhode Island Vision Education and Services Program	1,800,000
3	Other Funds	
4	University and College Funds	120,309,539
5	Debt - Education and General	1,478,585
6	Debt - Student Union	212,200
7	Debt - G.O. Debt Service	1,585,353
8	Debt - Energy Conservation	762,375
9	Rhode Island Capital Plan Funds	
10	Asset Protection	5,950,000
11	Infrastructure Modernization	5,675,000
12	Total - Rhode Island College	216,421,110
13	Notwithstanding the provisions of § 35-3-15, all unexpended or unencumbered balances as	
14	of June 30, 2026, relating to Rhode Island college are hereby reappropriated to fiscal year 2027.	
15	<i>Community College of Rhode Island</i>	
16	General Revenues	
17	General Revenues	63,740,346
18	Provided that \$391,175 shall be used to support programming related to career readiness,	
19	career placement, internships, and work-based learning.	
20	Debt Service	1,097,898
21	Restricted Receipts	953,442
22	Other Funds	
23	University and College Funds	114,885,691
24	Rhode Island Capital Plan Funds	
25	Asset Protection	3,469,452
26	Data, Cabling, and Power Infrastructure	5,750,000
27	Flanagan Campus Renovations	3,200,000
28	CCRI Renovation and Modernization Phase I	15,000,000
29	CCRI Renovation and Modernization Phase II - IV	6,100,000
30	CCRI Accessibility Improvements	290,000
31	Total - Community College of RI	214,486,829
32	Notwithstanding the provisions of § 35-3-15, all unexpended or unencumbered balances as	
33	of June 30, 2026, relating to the community college of Rhode Island are hereby reappropriated to	
34	fiscal year 2027.	

1	Grand Total - Public Higher Education	1,597,894,736
2	RI State Council on the Arts	
3	General Revenues	
4	Operating Support	1,224,685
5	Grants	1,190,000
6	Provided that \$400,000 be provided to support the operational costs of WaterFire	
7	Providence art installations.	
8	Federal Funds	1,022,711
9	Restricted Receipts	115,058
10	Other Funds	
11	Art for Public Facilities	690,000
12	Grand Total - RI State Council on the Arts	4,242,454
13	RI Atomic Energy Commission	
14	General Revenues	1,278,282
15	Restricted Receipts	25,036
16	Other Funds	
17	URI Sponsored Research	361,177
18	Rhode Island Capital Plan Funds	
19	Asset Protection	50,000
20	Grand Total - RI Atomic Energy Commission	1,714,495
21	RI Historical Preservation and Heritage Commission	
22	General Revenues	1,969,751
23	Provided that \$30,000 support the operational costs of the Fort Adams Trust's restoration	
24	activities and that \$25,000 shall be allocated to Rhode Island Slave History Medallions.	
25	Federal Funds	822,451
26	Restricted Receipts	511,827
27	Other Funds	
28	RIDOT Project Review	144,602
29	Grand Total - RI Historical Preservation and Heritage Comm.	3,448,631
30	Attorney General	
31	<i>Criminal</i>	
32	General Revenues	23,147,524
33	Federal Funds	3,404,012
34	Restricted Receipts	2,096,085

1	Total - Criminal	28,647,621
2	<i>Civil</i>	
3	General Revenues	7,301,706
4	Federal Funds	100,000
5	Restricted Receipts	4,724,238
6	Total - Civil	12,125,944
7	<i>Bureau of Criminal Identification</i>	
8	General Revenues	2,440,742
9	Federal Funds	64,547
10	Restricted Receipts	1,329,498
11	Total - Bureau of Criminal Identification	3,834,787
12	<i>General</i>	
13	General Revenues	5,354,455
14	Other Funds	
15	Rhode Island Capital Plan Funds	
16	Building Renovations and Repairs	2,525,000
17	Total - General	7,879,455
18	Grand Total - Attorney General	52,487,807
19	Corrections	
20	<i>Central Management</i>	
21	General Revenues	24,875,748
22	<i>Parole Board</i>	
23	General Revenues	1,673,257
24	<i>Custody and Security</i>	
25	General Revenues	182,260,831
26	Federal Funds	1,371,846
27	Other Funds	
28	Rhode Island Capital Plan Funds	
29	Intake Service Center HVAC	27,818,335
30	Total - Custody and Security	211,451,012
31	<i>Institutional Support</i>	
32	General Revenues	40,099,600
33	Other Funds	
34	Rhode Island Capital Plan Funds	

1	Asset Protection	8,277,650
2	Correctional Facilities – Renovations	3,179,677
3	Total - Institutional Support	51,556,927
4	<i>Institutional Based Rehab/Population Management</i>	
5	General Revenues	15,027,101
6	Provided that \$1,050,000 be allocated to Crossroads Rhode Island for sex offender	
7	discharge planning.	
8	The director of the department of corrections shall provide to the speaker of the house and	
9	president of the senate at least every ninety (90) days beginning September 1, 2022, a report on	
10	efforts to modernize the correctional industries program. The report shall, at minimum, provide	
11	data on the past ninety (90) days regarding program participation; changes made in programming	
12	to more closely align with industry needs; new or terminated partnerships with employers,	
13	nonprofits, and advocacy groups; current program expenses and revenues; and the employment	
14	status of all persons on the day of discharge from department care who participated in the	
15	correctional industries program.	
16	Federal Funds	386,256
17	Restricted Receipts	1,300,000
18	Total - Institutional Based Rehab/Population Mgt.	16,713,357
19	<i>Healthcare Services</i>	
20	General Revenues	37,051,880
21	<i>Community Corrections</i>	
22	General Revenues	23,026,186
23	Restricted Receipts	3,091
24	Total - Community Corrections	23,029,277
25	Grand Total - Corrections	366,351,458
26	Judiciary	
27	<i>Supreme Court</i>	
28	General Revenues	
29	General Revenues	36,665,481
30	Provided however, that no more than \$1,430,073 in combined total shall be offset to the	
31	public defender’s office, the attorney general’s office, the department of corrections, the department	
32	of children, youth and families, and the department of public safety for square-footage occupancy	
33	costs in public courthouses and further provided that \$500,000 be allocated to the Rhode Island	
34	Coalition Against Domestic Violence for the domestic abuse court advocacy project pursuant to §	

1	12-29-7 and that \$90,000 be allocated to Rhode Island Legal Services, Inc. to provide housing and	
2	eviction defense to indigent individuals.	
3	Defense of Indigents	7,875,432
4	Federal Funds	205,395
5	Restricted Receipts	4,312,243
6	Other Funds	
7	Rhode Island Capital Plan Funds	
8	Judicial Complexes - HVAC	500,000
9	Judicial Complexes Asset Protection	1,500,000
10	Judicial Complexes Fan Coil Unit Replacements	500,000
11	Garrahy Courthouse Restoration	1,125,000
12	Total - Supreme Court	52,683,551
13	<i>Judicial Tenure and Discipline</i>	
14	General Revenues	188,686
15	<i>Superior Court</i>	
16	General Revenues	30,216,228
17	Restricted Receipts	325,000
18	Total - Superior Court	30,541,228
19	<i>Family Court</i>	
20	General Revenues	29,167,951
21	Federal Funds	5,392,549
22	Total - Family Court	34,560,500
23	<i>District Court</i>	
24	General Revenues	17,697,776
25	Federal Funds	696,951
26	Restricted Receipts	60,000
27	Total - District Court	18,454,727
28	<i>Traffic Tribunal</i>	
29	General Revenues	11,704,985
30	<i>Workers' Compensation Court</i>	
31	Restricted Receipts	11,090,756
32	Grand Total - Judiciary	159,224,433
33	Military Staff	
34	General Revenues	3,424,058

1	Federal Funds	28,982,412
2	Restricted Receipts	
3	RI Military Family Relief Fund	55,000
4	RING Counterdrug Program	11,000
5	Other Funds	
6	Rhode Island Capital Plan Funds	
7	Aviation Readiness Center	4,538,673
8	Asset Protection	2,564,675
9	Quonset Airport Runway Reconstruction	446,663
10	Counter-Drug Training Facility	1,025,250
11	Squadron Ops Facility (Air Guard)	600,000
12	Grand Total - Military Staff	41,647,731
13	Public Safety	
14	<i>Central Management</i>	
15	General Revenues	1,899,154
16	Provided that \$400,000 shall be allocated to support the Family Service of Rhode Island's	
17	GO Team program of on-scene support to children who are victims of violence and other traumas.	
18	Federal Funds	
19	Federal Funds	18,479,969
20	Federal Funds – State Fiscal Recovery Fund	
21	Support for Survivors of Domestic Violence	29,753
22	Restricted Receipts	738,584
23	Total - Central Management	21,147,460
24	<i>E-911 Emergency Telephone System</i>	
25	Restricted Receipts	10,730,138
26	<i>Security Services</i>	
27	General Revenues	33,685,555
28	<i>Municipal Police Training Academy</i>	
29	General Revenues	349,440
30	Federal Funds	417,455
31	Total - Municipal Police Training Academy	766,895
32	<i>State Police</i>	
33	General Revenues	96,907,970
34	Federal Funds	8,126,146

1	Restricted Receipts	2,845,158
2	Other Funds	
3	Airport Corporation Assistance	151,310
4	Road Construction Reimbursement	3,355,100
5	Weight and Measurement Reimbursement	402,401
6	Rhode Island Capital Plan Funds	
7	DPS Asset Protection	1,205,000
8	Southern Barracks	16,750,000
9	Training Academy Upgrades	1,550,000
10	Statewide Communications System Network	245,048
11	Total - State Police	131,538,133
12	Grand Total - Public Safety	197,868,181
13	Office of Public Defender	
14	General Revenues	18,178,679
15	Federal Funds	85,035
16	Grand Total - Office of Public Defender	18,263,714
17	Emergency Management Agency	
18	General Revenues	7,457,256
19	Federal Funds	34,906,616
20	Restricted Receipts	428,308
21	Other Funds	
22	Rhode Island Capital Plan Funds	
23	RI Statewide Communications Infrastructure	315,404
24	RI Statewide Communications Network Tower	550,000
25	Grand Total - Emergency Management Agency	43,657,584
26	Environmental Management	
27	<i>Office of the Director</i>	
28	General Revenues	9,446,875
29	Of this general revenue amount, \$180,000 is appropriated to the conservation districts and	
30	\$100,000 is appropriated to the Wildlife Rehabilitators Association of Rhode Island for a	
31	veterinarian at the Wildlife Clinic of Rhode Island.	
32	Federal Funds	354,975
33	Restricted Receipts	5,930,220
34	Total - Office of the Director	15,732,070

1	<i>Natural Resources</i>	
2	General Revenues	32,325,750
3	Provided that of this general revenue amount, \$150,000 is to be used for marine mammal	
4	response activities in conjunction with matching federal funds.	
5	Federal Funds	31,528,201
6	Restricted Receipts	6,185,022
7	Other Funds	
8	DOT Recreational Projects	762,000
9	Blackstone Bike Path Design	1,000,000
10	Rhode Island Capital Plan Funds	
11	Dam Repair	6,815,000
12	Fort Adams Rehabilitation	500,000
13	Port of Galilee	20,500,000
14	Newport Pier Upgrades	500,000
15	Recreation Facilities Asset Protection	750,000
16	Recreational Facilities Improvements	2,900,000
17	Natural Resources Office and Visitor's Center	1,836,709
18	Fish & Wildlife Maintenance Facilities	200,000
19	Marine Infrastructure/Pier Development	700,000
20	Total - Natural Resources	106,502,682
21	<i>Environmental Protection</i>	
22	General Revenues	16,607,743
23	Federal Funds	12,825,343
24	Restricted Receipts	12,660,382
25	Other Funds	
26	Transportation MOU	95,967
27	Total - Environmental Protection	42,189,435
28	Grand Total - Environmental Management	164,424,187
29	Coastal Resources Management Council	
30	General Revenues	3,904,812
31	Federal Funds	3,331,166
32	Restricted Receipts	624,768
33	Other Funds	
34	Rhode Island Capital Plan Funds	

1	South Coast Restoration Project	7,000,000
2	Grand Total - Coastal Resources Mgmt. Council	14,860,746
3	Transportation	
4	<i>Central Management</i>	
5	Federal Funds	13,777,360
6	Other Funds	
7	Gasoline Tax	9,004,830
8	Total - Central Management	22,782,190
9	<i>Management and Budget</i>	
10	Other Funds	
11	Gasoline Tax	3,839,065
12	<i>Infrastructure Engineering</i>	
13	Federal Funds	460,804,783
14	Restricted Receipts	6,066,037
15	Other Funds	
16	Gasoline Tax	88,272,135
17	Provided that of this amount, \$6,500,000 is appropriated to the Municipal Roads Grant	
18	Program known as RhodeRestore to provide funding to municipalities for the construction and	
19	maintenance of roads, sidewalks, and bridges. Provided that twenty-five percent (25%) of the funds	
20	shall be distributed equally to each city and town, and seventy-five percent (75%) shall be allocated	
21	proportionally based on each municipality's share of municipally maintained road miles, as	
22	determined by the most recent data available from the Rhode Island department of transportation.	
23	Provided further that each municipality is required to provide a sixty-seven percent (67%) match.	
24	Provided that of this amount, sufficient funds from the Rhode Island public transit	
25	authority's share of gasoline tax proceeds shall be allocated to the state paratransit program,	
26	including the expansion pilot program known as ride anywhere to ensure statewide paratransit	
27	services are maintained.	
28	Land Sale Revenue	6,239,422
29	Tolling Revenue	10,000,000
30	Rhode Island Capital Plan Funds	
31	Highway Improvement Program	115,617,814
32	Bike Path Asset Protection	400,000
33	RIPTA - Land and Buildings	6,905,927
34	RIPTA - Pawtucket/Central Falls Bus Hub Passenger Facility	1,500,000

1	RIPTA - Providence High-Capacity Transit Corridor Study	90,000
2	Total - Infrastructure Engineering	695,896,118
3	<i>Infrastructure Maintenance</i>	
4	Other Funds	
5	Gasoline Tax	41,781,096
6	The department of transportation will establish a municipal roadway database, which will	
7	include information concerning the name, condition, length, roadway infrastructure, and pedestrian	
8	features of each municipal roadway, updated annually by municipalities. The database will serve	
9	as a comprehensive and transparent list of municipal roadway conditions.	
10	Rhode Island Highway Maintenance Account	114,037,366
11	Rhode Island Capital Plan Funds	
12	Maintenance Capital Equipment Replacement	1,800,000
13	Maintenance Facilities Improvements	859,756
14	Welcome Center	150,000
15	Salt Storage Facilities	1,150,000
16	Train Station Asset Protection	500,000
17	Total - Infrastructure Maintenance	160,278,218
18	Grand Total - Transportation	882,795,591
19	Statewide Totals	
20	General Revenues	5,809,363,121
21	Federal Funds	5,108,485,986
22	Restricted Receipts	458,544,467
23	Other Funds	2,959,985,019
24	Statewide Grand Total	14,336,378,593

25 SECTION 2. Each line appearing in section 1 of this article shall constitute an
26 appropriation.

27 SECTION 3. Upon the transfer of any function of a department or agency to another
28 department or agency, the governor is hereby authorized by means of executive order to transfer or
29 reallocate, in whole or in part, the appropriations and the full-time equivalent limits affected
30 thereby; provided, however, in accordance with § 42-6-5, when the duties or administrative
31 functions of government are designated by law to be performed within a particular department or
32 agency, no transfer of duties or functions and no re-allocation, in whole or part, or appropriations
33 and full-time equivalent positions to any other department or agency shall be authorized.

34 SECTION 4. From the appropriation for contingency shall be paid such sums as may be

1 required at the discretion of the governor to fund expenditures for which appropriations may not
2 exist. Such contingency funds may also be used for expenditures in the several departments and
3 agencies where appropriations are insufficient, or where such requirements are due to unforeseen
4 conditions or are non-recurring items of an unusual nature. Said appropriations may also be used
5 for the payment of bills incurred due to emergencies or to any offense against public peace and
6 property, in accordance with the provisions of titles 11 and 45, as amended. All expenditures and
7 transfers from this account shall be approved by the governor.

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

18	Account	Expenditure Limit
19	State Assessed Fringe Benefit Internal Service Fund	37,255,808
20	Administration Central Utilities Internal Service Fund	30,366,642
21	State Central Mail Internal Service Fund	9,020,425
22	State Telecommunications Internal Service Fund	3,426,061
23	State Automotive Fleet Internal Service Fund	21,610,397
24	Surplus Property Internal Service Fund	44,789
25	Health Insurance Internal Service Fund	272,933,573
26	Other Post-Employment Benefits Fund	63,854,008
27	Capitol Police Internal Service Fund	1,659,403
28	Corrections Central Distribution Center Internal Service Fund	8,679,440
29	Correctional Industries Internal Service Fund	8,477,292
30	Secretary of State Record Center Internal Service Fund	1,231,684
31	Human Resources Internal Service Fund	18,711,878
32	DCAMM Facilities Internal Service Fund	40,492,965
33	Information Technology Internal Service Fund	70,587,805

34 SECTION 6. The director of the department of administration shall exercise his powers

1 under chapter 11 of title 42 to centralize state fleet operations under the department as it relates to
2 light and medium duty vehicle management, in accordance with best practices.

3 SECTION 7. Legislative Intent - The general assembly may provide a written "statement
4 of legislative intent" signed by the chairperson of the house finance committee and by the
5 chairperson of the senate finance committee to show the intended purpose of the appropriations
6 contained in section 1 of this article. The statement of legislative intent shall be kept on file in the
7 house finance committee and in the senate finance committee.

8 At least twenty (20) days prior to the issuance of a grant or the release of funds, which
9 grant or funds are listed on the legislative letter of intent, all department, agency, and corporation
10 directors shall notify in writing the chairperson of the house finance committee and the chairperson
11 of the senate finance committee of the approximate date when the funds are to be released or
12 granted.

13 SECTION 8. Appropriation of Temporary Disability Insurance Funds -- There is hereby
14 appropriated pursuant to §§ 28-39-5 and 28-39-8 all funds required to be disbursed for the benefit
15 payments from the temporary disability insurance fund and temporary disability insurance reserve
16 fund for the fiscal year ending June 30, 2026.

17 SECTION 9. Appropriation of Employment Security Funds -- There is hereby appropriated
18 pursuant to § 28-42-19 all funds required to be disbursed for benefit payments from the employment
19 security fund for the fiscal year ending June 30, 2026.

20 SECTION 10. Appropriation of Lottery Division Funds -- There is hereby appropriated to
21 the lottery division any funds required to be disbursed by the lottery division for the purposes of
22 paying commissions or transfers to the prize fund for the fiscal year ending June 30, 2026.

23 SECTION 11. Appropriation of CollegeBoundSaver Funds - There is hereby appropriated
24 to the office of the general treasurer designated funds received under the collegeboundsaver
25 program for transfer to the division of higher education assistance within the office of the
26 postsecondary commissioner to support student financial aid for the fiscal year ending June 30,
27 2026.

28 SECTION 12. Departments and agencies listed below may not exceed the number of full-
29 time equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do
30 not include limited period positions or, seasonal or intermittent positions whose scheduled period
31 of employment does not exceed twenty-six consecutive weeks or whose scheduled hours do not
32 exceed nine hundred and twenty-five (925) hours, excluding overtime, in a one-year period. Nor
33 do they include individuals engaged in training, the completion of which is a prerequisite of
34 employment. Provided, however, that the governor or designee, speaker of the house of

1 representatives or designee, and the president of the senate or designee may authorize an adjustment
2 to any limitation. Prior to the authorization, the state budget officer shall make a detailed written
3 recommendation to the governor, the speaker of the house, and the president of the senate. A copy
4 of the recommendation and authorization to adjust shall be transmitted to the chairman of the house
5 finance committee, senate finance committee, the house fiscal advisor, and the senate fiscal advisor.

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

9 **FY 2026 FTE POSITION AUTHORIZATION**

10	Departments and Agencies	Full-Time Equivalent
11	Administration	684.6
12	Provided that no more than 434.1 of the total authorization would be limited to positions	
13	that support internal service fund programs.	
14	Office of Energy Resources	17.0
15	Business Regulation	155.0
16	Rhode Island Cannabis Control Commission	26.0
17	Executive Office of Commerce	5.0
18	Housing	38.0
19	Labor and Training	461.7
20	Revenue	605.5
21	Legislature	298.5
22	Office of the Lieutenant Governor	8.0
23	Office of the Secretary of State	62.0
24	Office of the General Treasurer	92.0
25	Board of Elections	13.0
26	Rhode Island Ethics Commission	12.0
27	Office of the Governor	45.0
28	Commission for Human Rights	15.0
29	Public Utilities Commission	57.0
30	Executive Office of Health and Human Services	243.0
31	Children, Youth and Families	713.5
32	Health	572.6
33	Human Services	779.0
34	Office of Veterans Services	267.0

1	Office of Healthy Aging	33.0
2	Behavioral Healthcare, Developmental Disabilities and Hospitals	1,223.4
3	Provided that 18.0 of the total authorization would be limited to independent facilitators	
4	positions to comply with the Consent Decree Addendum.	
5	Office of the Child Advocate	13.0
6	Commission on the Deaf and Hard of Hearing	4.0
7	Governor's Commission on Disabilities	5.0
8	Office of the Mental Health Advocate	6.0
9	Elementary and Secondary Education	156.1
10	Provided that 3.0 of the total authorization would be available only for positions that are	
11	supported by the healthy environments advance learning grant at the school building authority.	
12	School for the Deaf	61.0
13	Davies Career and Technical School	125.0
14	Office of Postsecondary Commissioner	48.0
15	Provided that 1.0 of the total authorization would be available only for positions that are	
16	supported by third-party funds, 12.0 would be available only for positions at the state's higher	
17	education centers located in Woonsocket and Westerly, 10.0 would be available only for positions	
18	at the nursing education center, and 9.0 would be available for the longitudinal data systems	
19	program.	
20	University of Rhode Island	2,671.0
21	Provided that 378.8 of the total authorization would be available only for positions that are	
22	supported by third-party funds.	
23	Rhode Island College	949.2
24	Provided that 76.0 of the total authorization would be available only for positions that are	
25	supported by third-party funds.	
26	Community College of Rhode Island	849.1
27	Provided that 89.0 of the total authorization would be available only for positions that are	
28	supported by third-party funds.	
29	Rhode Island State Council on the Arts	10.0
30	RI Atomic Energy Commission	8.6
31	Historical Preservation and Heritage Commission	15.6
32	Office of the Attorney General	268.1
33	Corrections	1,461.0
34	Judicial	749.3

1	Military Staff	93.0
2	Emergency Management Agency	38.0
3	Public Safety	634.0
4	Office of the Public Defender	104.0
5	Environmental Management	439.0
6	Coastal Resources Management Council	32.0
7	Transportation	755.0
8	Total	15,921.8

9 No agency or department may employ contracted employee services where contract
10 employees would work under state employee supervisors without determination of need by the
11 director of administration acting upon positive recommendations by the budget officer and the
12 personnel administrator and fifteen (15) days after a public hearing.

13 Nor may any agency or department contract for services replacing work done by state
14 employees at that time without determination of need by the director of administration acting upon
15 the positive recommendations of the state budget officer and the personnel administrator and thirty
16 (30) days after a public hearing.

17 SECTION 13. The amounts reflected in this article include the appropriation of Rhode
18 Island capital plan funds for fiscal year 2026 and supersede appropriations provided for FY 2026
19 within Pub. L. 2024, ch. 117, art. 1, § 13.

20 The following amounts are hereby appropriated out of any money in the State’s Rhode
21 Island capital plan fund not otherwise appropriated to be expended during the fiscal years ending
22 June 30, 2027, June 30, 2028, June 30, 2029, and June 30, 2030. These amounts supersede
23 appropriations provided within Pub. L. 2024, ch. 117, art. 1, § 13.

24 For the purposes and functions hereinafter mentioned, the state controller is hereby
25 authorized and directed to draw the controller's orders upon the general treasurer for the payment
26 of such sums and such portions thereof as may be required by the controller upon receipt of properly
27 authenticated vouchers.

28		FY Ending	FY Ending	FY Ending	FY Ending
29	Project	06/30/2027	06/30/2028	06/30/2029	06/30/2030
30	DOA – Civic Center	1,250,000	1,075,000	1,500,000	1,475,000
31	DOA – DoIT Enterprise Operations Center	3,700,000	200,000	200,000	200,000
32	DOA – Group Homes Consolidation	4,325,000	4,426,000	5,450,000	5,650,000
33	DOA – Pastore Campus Infrastructure	15,000,000	15,000,000	10,000,000	20,000,000
34	DOA – Pastore Hospital Buildings				

1	Asset Protection	1,000,000	1,250,000	2,150,000	2,500,000
2	DOA – Pastore Center Power Plant	3,500,000	0	0	0
3	DOA – RI Convention Center Authority	2,825,000	2,500,000	2,000,000	2,000,000
4	DOA – Shepard Building Upgrades	3,920,000	3,785,000	3,785,000	4,540,000
5	DOA – State House Renovations	17,379,000	16,000,000	31,940,000	8,309,000
6	DOA – Veterans Auditorium	275,000	150,000	100,000	100,000
7	DOA – William Powers Building	2,350,000	1,850,000	1,700,000	200,000
8	DOA – Zambarano LTAC Hospital	23,804,439	24,427,656	24,155,740	26,065,740
9	DBR – Fire Academy Expansion	962,000	0	0	0
10	EOC – I-195 Redevelopment Commission	700,000	700,000	0	0
11	EOC – Quonset Infrastructure	2,500,000	0	0	0
12	SOS – Rhode Island Archives and History				
13	Center	4,500,000	0	0	0
14	DCYF – Residential Treatment Facilities	4,000,000	0	0	0
15	ELSEC – Davies School Wing Renovation	2,500,000	0	0	0
16	URI – Asset Protection	15,236,863	15,528,074	15,885,220	16,250,580
17	URI – Mechanical, Electric and Plumbing				
18	Improvements	4,542,055	2,350,000	0	0
19	URI – Building Envelope Improvements	3,000,000	3,000,000	3,000,000	3,000,000
20	URI – Campus Accessibility	1,700,000	1,000,000	1,000,000	1,000,000
21	URI – Athletics Complex	20,779,251	0	0	0
22	URI – Bay Campus Phase II	16,853,278	0	0	0
23	URI – PFAS Removal Water Treatment Plant	780,269	0	0	0
24	RIC – Asset Protection	6,500,000	6,632,000	6,850,000	6,850,000
25	RIC – Infrastructure Modernization	5,675,000	5,925,000	5,925,000	6,061,275
26	CCRI – Asset Protection	3,369,452	2,780,000	2,870,000	2,936,010
27	CCRI – Data, Cabling, and Power Infrastructure	5,250,885	4,150,000	2,394,000	0
28	CCRI – Flanagan Campus Renovations	3,600,505	2,500,000	584,000	0
29	CCRI – Renovation and Modernization Phase I	13,499,928	7,000,000	2,785,000	0
30	CCRI – Renovation and Modernization				
31	Phase II-IV	2,400,000	600,000	0	0
32	DOC – HVAC	4,976,281	0	0	0
33	DOC – Correctional Facilities - Renovations	7,419,248	0	0	0
34	Military Staff – Asset Protection	1,801,639	1,598,858	2,424,420	1,662,463

1	Military Staff – Aviation Readiness Center	7,603,990	0	0	0
2	DPS – Training Academy Upgrades	695,000	690,000	475,000	600,000
3	DEM – Dam Repair	6,651,030	6,015,000	1,015,000	1,015,000
4	DEM – Natural Resources Offices and				
5	Visitor's Center	1,836,709	0	0	0
6	DEM – Port of Galilee	17,413,820	1,500,000	1,500,000	1,500,000
7	DEM – Recreational Facilities Improvements	3,338,551	3,260,000	2,750,000	2,500,000
8	CRMC – Confined Aquatic Dredged				
9	Material Disposal Cells	11,380,000	0	0	0
10	DOT – Highway Improvement Program	44,200,000	22,200,000	22,200,000	22,200,000
11	DOT – Maintenance Capital Equipment				
12	Replacement	1,800,000	1,800,000	1,800,000	1,800,000
13	DOT – Salt Storage Facilities	1,150,000	1,500,000	1,500,000	1,500,000
14	DOT – RIPTA - Land and Buildings	7,558,492	3,162,119	3,162,119	812,500

15 SECTION 14. Reappropriation of Funding for Rhode Island capital plan fund projects.
16 Any unexpended and unencumbered funds from Rhode Island capital plan fund project
17 appropriations shall be reappropriated in the ensuing fiscal year and made available for the same
18 purpose. However, any such reappropriations are subject to final approval by the general assembly
19 as part of the supplemental appropriations act. Any unexpended funds of less than five hundred
20 dollars (\$500) shall be reappropriated at the discretion of the state budget officer.

21 SECTION 15. For the Fiscal Year ending June 30, 2026, the Rhode Island housing and
22 mortgage finance corporation shall provide from its resources such sums as appropriate in support
23 of the Neighborhood Opportunities Program. The corporation shall provide a report detailing the
24 amount of funding provided to this program, as well as information on the number of units of
25 housing provided as a result to the director of administration, the secretary of housing, the chair of
26 the house finance committee, the chair of the senate finance committee, and the state budget officer.

27 SECTION 16. Appropriation of Economic Activity Taxes in accordance with the city of
28 Pawtucket downtown redevelopment statute -- There is hereby appropriated for the fiscal year
29 ending June 30, 2026, all state economic activity taxes to be collected pursuant to § 45-33.4-4, as
30 amended (including, but not limited to, the amount of tax revenues certified by the commerce
31 corporation in accordance with § 45-33.4-1(13)), for the purposes of paying debt service on bonds,
32 funding debt service reserves; paying costs of infrastructure improvements in and around the
33 ballpark district, arts district, and the growth center district; funding future debt service on bonds;
34 and funding a redevelopment revolving fund established in accordance with § 45-33-1.

1 SECTION 17. The appropriations from federal funds contained in section 1 shall not be
2 construed to mean any federal funds or assistance appropriated, authorized, allocated or
3 apportioned to the State of Rhode Island from the state fiscal recovery fund and capital projects
4 fund enacted pursuant to the American Rescue Plan Act of 2021, P.L. 117-2 for fiscal year 2026
5 except for those instances specifically designated.

6 The State fiscal recovery fund and capital projects fund appropriations herein shall be made
7 in support of the following projects:

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

9 **Department of Administration (DOA)**

10 DOA- Pandemic Recovery Office. These funds shall be allocated to finance the pandemic
11 recovery office established within the department of administration.

12 **Executive Office of Health and Human Services (EOHHS)**

13 EOHHS - Certified Community Behavioral Clinics. These funds shall be allocated to a
14 program to support certified community behavioral health clinics to bolster behavioral health
15 supports, medical screening and monitoring, and social services to particularly vulnerable
16 populations in response to a rise in mental health needs during the public health emergency.

17 **Department of Behavioral Healthcare, Developmental Disabilities and Hospitals**
18 **(BHDDH)**

19 BHDDH – 9-8-8 Hotline. These funds shall be allocated for the creation and operation of
20 a 9-8-8 hotline to maintain compliance wit the National Suicide Hotline Designation Act of 2020
21 and the Federal Communications Commission-adopted rules to assure that all citizens receive a
22 consistent level of 9-8-8 and crisis behavioral health services.

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

24 RIDE - Adult Education Providers. These funds shall be directly distributed through the
25 office of adult education to nonprofit adult education providers to expand access to educational
26 programs and literary services.

27 **Department of Public Safety (DPS)**

28 DPS – Support for Survivors of Domestic Violence. These funds shall be allocated to invest
29 in the nonprofit community to provide additional housing, clinical and mental health services to
30 victims of domestic violence and sexual assault. This includes increased investments for therapy
31 and counseling, housing assistance, job training, relocation aid and case management.

32 **Federal Funds - Capital Projects Fund**

33 **Department of Administration (DOA)**

34 DOA - CPF Administration. These funds shall be allocated to the department of

1 administration to oversee the implementation of the capital projects fund award from the American
2 Rescue Plan Act.

3 SECTION 18. Reappropriation of Funding for State Fiscal Recovery Fund and Capital
4 Projects Fund. Notwithstanding any provision of general law, any unexpended and unencumbered
5 federal funds from the state fiscal recovery fund and capital projects fund shall be reappropriated
6 in the ensuing fiscal year and made available for the same purposes. However, any such
7 reappropriations are subject to final approval by the general assembly as part of the supplemental
8 appropriations act.

9 SECTION 19. The pandemic recovery office shall monitor the progress and performance
10 of all programs financed by the state fiscal recovery fund and the capital projects fund. On or before
11 October 31, 2023 through April 30, 2025, the office shall provide a report to the speaker of the
12 house and senate president, with copies to the chairpersons of the house and senate finance
13 committees, on a quarterly basis and biannually thereafter until and including October 31, 2026,
14 identifying programs that are at risk of significant underspending or noncompliance with federal or
15 state requirements. The report, at a minimum must include an assessment of how programs that are
16 at risk can be remedied. In the event that any state fiscal recovery fund program underspends its
17 appropriation or receives program income as defined by U.S. Treasury and would put the state at
18 risk of forfeiture of federal funds, the governor may propose to reclassify unspent funds or program
19 income from the at-risk program to other eligible uses as determined by U.S. Treasury. This
20 proposal shall be referred to the general assembly. For a state fiscal recovery fund program, if the
21 amount of the underspend or receipt of program income is less than or equal to one million dollars
22 (\$1,000,000) and less than or equal to twenty percent (20%) of its total appropriation, the
23 governor's proposed reclassification shall take effect immediately. For a state fiscal recovery fund
24 program, if the amount of the underspend or receipt of program income is greater than one million
25 dollars (\$1,000,000) or greater than twenty percent (20%) of its total appropriation, the governor's
26 proposed reclassification shall go into effect thirty (30) days after its referral to the general
27 assembly by the governor, unless rejected by formal action of the house and senate acting
28 concurrently within that time.

29 SECTION 20. Notwithstanding any general laws to the contrary, the Rhode Island student
30 loan authority shall transfer to the state controller by June 30, 2026, the sum of two million nine
31 hundred thousand dollars (\$2,900,000).

32 SECTION 21. Notwithstanding any general laws to the contrary, the state controller shall
33 transfer the sum of four million dollars (\$4,000,000) to the Low-Income Housing Tax Credit Fund
34 by June 30, 2026.

1 SECTION 22. Notwithstanding any general laws to the contrary, the state controller shall
2 transfer the sum of two million five hundred thousand dollars (\$2,500,000) to the housing resources
3 and homelessness restricted receipt account by June 30, 2026.

4 SECTION 23. The general assembly makes the following findings:

5 (1) Federal disbursements play a significant role in the financial management of Rhode
6 Island's overall budget and revenues;

7 (2) With pending federal legislative proposals, uncertainty exists regarding projected future
8 federal disbursements to Rhode Island;

9 (3) Potential federal tax actions, actions related to Medicare/Medicaid programs, and
10 actions related to grants could all pose significant state budget challenges in fiscal year 2026 and
11 thereafter;

12 (4) In order to be prepared to address these potential challenges, it is in the best interest of
13 the State to convene advisory working groups to inform any budget changes that may be
14 necessitated by federal actions; and

15 (5) It is further in the best interest of the State for the Office of Management and Budget,
16 in coordination with other state agencies, to develop options for consideration by the general
17 assembly;

18 Therefore, the general assembly respectfully requests the administration to convene an
19 advisory group, as set forth in Article 5, § 3, to assist in the review and analysis of federal tax
20 actions; to appoint an advisory group, as set forth in Article 8, § 8, to assist in the review and
21 analysis of federal actions related to Medicare/Medicaid; and to monitor the status of federal grants
22 and develop options for the general assembly to address federal funding changes, as set forth in
23 Article 3, § 7.

24 SECTION 24. This article shall take effect as of July 1, 2025, except as otherwise provided
25 herein.

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ARTICLE 2 AS AMENDED

RELATING TO STATE FUNDS

SECTION 1. Chapter 16-57 of the General Laws entitled "Rhode Island Higher Education Assistance Act [See Title 16 Chapter 97 — The Rhode Island Board of Education Act]" is hereby amended by adding thereto the following sections:

16-57-4.1. Dissolution of division of higher education assistance -- Transfer of functions.

(a) Effective July 1, 2025, the division of higher education assistance shall be dissolved. Upon said dissolution and date, all functions, powers, duties and authority of the division of higher education assistance shall transfer to the office of postsecondary commissioner.

(b) On July 1, 2025, the office of postsecondary commissioner shall assume all rights, responsibilities, duties, assets, liabilities and obligations of the dissolved division of higher education assistance, and the office of postsecondary commissioner shall be considered for all purposes the successor in interest to the division of higher education assistance.

(c) All contracts and agreements of whatsoever kind of the division of higher education assistance are hereby assigned, transferred to, and assumed by the office of postsecondary commissioner.

(d) Whenever in any general law, public law or rule or regulation reference is made to "the division of higher education assistance", the reference shall be deemed to refer to and mean "the office of postsecondary commissioner", which also may be referred to as the "office".

16-57-4.2. Tuition savings program fund.

There is hereby established a restricted receipt account in the general fund and housed in the office of postsecondary commissioner to be known as the "tuition savings program fund". The purpose of the fund is to receive and disburse scholarship funds pursuant to the provisions of this chapter.

SECTION 2. Sections 16-57-2, 16-57-3, 16-57-4, 16-57-6.1, 16-57-7, 16-57-8, 16-57-9, 16-57-10 and 16-57-12 of the General Laws in Chapter 16-57 entitled "Rhode Island Higher Education Assistance Act [See Title 16 Chapter 97 — The Rhode Island Board of Education Act]" are hereby amended to read as follows:

16-57-2. Findings.

1 The purpose of this chapter is to authorize a system of financial assistance, consisting of
2 loan guaranties, savings programs, and other aids, for qualified students, parents, and others
3 responsible for paying the costs of education to enable them to obtain an education beyond the high
4 school level by attending public or private educational institutions. The general assembly has found
5 and declares that it is in the public interest and essential to the welfare and well being of the
6 inhabitants of the state and to the proper growth and development of the state to foster and provide
7 financial assistance to qualified students, parents, and others responsible for paying the costs of
8 education in order to help prospective students to obtain an education beyond the high school level.
9 The general assembly has found that many inhabitants of the state who are fully qualified to enroll
10 in appropriate educational institutions for furthering their education beyond the high school level
11 lack the financial means and are unable, without financial assistance as authorized under this
12 chapter, to pay the cost of their education, with a consequent irreparable loss to the state of valuable
13 talents vital to its welfare. The general assembly also recognizes that educational institutions for
14 higher education are in need of appropriate additional means to provide financial assistance to
15 qualified students, parents, and others responsible for paying the costs of education. The general
16 assembly has determined that the establishment of a proper system of financial assistance,
17 containing eligibility opportunities for students and residents of this state and other states serves a
18 public purpose and is fully consistent with the long established policy of the state to encourage,
19 promote, and assist the education of the people of the state. The general assembly further finds that
20 higher education financial assistance needs of Rhode Islanders will be better served by transferring
21 all of the functions and programs of the [former](#) Rhode Island higher education assistance authority
22 to [and of](#) the Rhode Island division of higher education assistance [to the office of postsecondary](#)
23 [commissioner](#) and the office of the general treasurer.

24 **16-57-3. Definitions.**

25 As used in this chapter, the following words and terms have the following meanings unless
26 the context indicates another or different meaning or intent:

27 (1) “Authority” means the ~~governmental agency and public instrumentality previously~~
28 ~~authorized, created, and established pursuant to § 16-57-4~~ [commissioner of postsecondary](#)
29 [education](#).

30 (2) “Commissioner of postsecondary education” means the commissioner appointed by the
31 council on postsecondary education pursuant to § 16-59-6 or ~~his or her~~ [the commissioner's](#)
32 designee.

33 (3) “Eligible borrower” means a student, or the parent of a student, who is either a resident
34 of the state or who, under rules promulgated by the office, is qualified to make an eligible loan.

1 (4) “Eligible institution,” subject to further particular or more restrictive definition by
2 regulation of the office, means:

3 (i) An institution of higher learning;

4 (ii) A vocational school; or

5 (iii) With respect to students who are nationals of the United States, an institution outside
6 the United States that is comparable to an institution of higher education or to a vocational school
7 and that has been approved by the commissioner of postsecondary education for purposes of the
8 guaranteed student loan program.

9 (5) “Eligible loan” means a loan to a student or to the parent of a student insured or
10 guaranteed by the commissioner of postsecondary education, or by any other governmental or
11 private agency, corporation, or organization having a reinsurance or guaranty agreement with the
12 commissioner applicable to the student loan.

13 (6) “Guaranteed student loan program” means the program of federal student loan
14 insurance and reinsurance administered by the commissioner of postsecondary education.

15 (7) “Lender,” subject to further particular or more restrictive definition by regulation of the
16 office, means any governmental or private agency, corporation, organization, or institution
17 designated as an “eligible lender” by federal statute, regulation, or administrative ruling for the
18 purposes of the guaranteed student loan program.

19 (8) “Participant” means an individual, corporation, trust, or other “person” within the
20 meaning of § 529 of the Internal Revenue Code [26 U.S.C. § 529], who makes contributions to the
21 tuition savings program established pursuant to § 16-57-6.1 for purposes of paying qualified higher
22 education expenses on behalf of a beneficiary.

23 (9) “Participating institution” means an institution for higher education that agrees to
24 participate in a savings program or pre-paid tuition program established pursuant to this chapter.

25 (10) “Pre-paid tuition program” means a program administered by the division, in
26 conjunction with the executive director of the Rhode Island Student Loan Authority and the
27 commissioner of postsecondary education, that provides a means for qualified students, parents,
28 and others responsible for paying the costs of education to fix all or a portion of the direct cost of
29 attendance at participating institutions in one or more future years.

30 (11) “Program” means the tuition savings program established pursuant to § 16-57-6.1.

31 (12) “Qualified higher education expenses” means the costs of tuition, fees, books, supplies
32 and equipment required for enrollment or attendance at an institution of higher education, and other
33 education costs defined by federal law.

34 (13) “Secretary” means the United States secretary of education.

1 (14) “State” means the state of Rhode Island.

2 (15) “Student,” as used with reference to the guaranteed student loan program and the
3 parent loan program, means an individual who, under rules promulgated by the ~~division~~
4 commissioner of postsecondary education, is enrolled or accepted for enrollment at an eligible
5 institution and who is making suitable progress in ~~his or her~~ the student's education toward
6 obtaining a degree or other appropriate certification in accordance with standards acceptable to the
7 authority.

8 (16) “Tuition savings program” or “savings program” means a program approved and
9 administered by the general treasurer, in conjunction with the executive director of the Rhode Island
10 Student Loan Authority, and the commissioner of postsecondary education, designed to facilitate
11 and encourage savings by, or on behalf of, students, future students, and parents for the purpose of
12 paying the costs of attending institutions of higher education.

13 (17) “Council” means the council on postsecondary education established pursuant to § 16-
14 59-1.

15 (18) “Division” means the Rhode Island division of higher education assistance, the
16 division authorized, created, and established pursuant to § 16-57-4, and dissolved pursuant to the
17 provisions of § 16-57-4.1.

18 **16-57-4. ~~Creation~~ Authorization and powers.**

19 (a) ~~There is authorized, created, and established within the~~ The office of the commissioner
20 of postsecondary education, ~~a division of higher education assistance~~ is hereby granted and
21 authorized to use all of the powers set forth in this chapter for the purposes of guaranteeing eligible
22 loans to students in eligible institutions and to parents of those students and administering other
23 programs of postsecondary student financial assistance assigned by law to the ~~division~~
24 commissioner of postsecondary education.

25 (b) The exercise by the ~~division~~ commissioner of postsecondary education of the powers
26 conferred by this chapter shall be deemed and held to be the performance of an essential
27 governmental function of the state for public purposes. It is the intent of the general assembly by
28 the passage of this chapter to vest in the ~~office~~ commissioner all powers, authority, rights,
29 privileges, and titles that may be necessary to enable it to accomplish the purposes set forth in this
30 section and this chapter, and the powers granted by it shall be liberally construed in conformity
31 with these purposes.

32 ~~(c) The authority and its corporate existence shall be terminated on July 1, 2015, or upon~~
33 ~~approval by the U.S. Department of Education, whichever is later, and all its rights and properties~~
34 ~~shall pass to and be vested in the division of higher education assistance, except as otherwise~~

1 ~~provided in § 16-57-6.1, and except for any real property held by the authority, the legal title to~~
2 ~~which is hereby passed to and vested in (in trust for the state) the council on postsecondary~~
3 ~~education. The division shall continue until terminated by law or until the division shall cease~~
4 ~~entirely and continuously to conduct or be involved in any business in furtherance of its purposes;~~
5 ~~provided, that no termination shall take effect so long as the division shall have guaranties or other~~
6 ~~obligations outstanding, unless adequate provision shall have been made for the payment of the~~
7 ~~obligations pursuant to the documents securing them or to this law. Upon termination of the~~
8 ~~existence of the division, all its rights and properties shall pass to and be vested in the state. At no~~
9 ~~time shall the assets or other property of the division enure to the benefit of any person or other~~
10 ~~corporation or entity.~~

11 ~~(d)~~(c) Except as provided in § 16-57-6.1, effective July 1, ~~2015~~ 2025, or upon approval by
12 the U.S. Department of Education, whichever is later:

13 (i) All functions formerly administered by the Rhode Island higher education assistance
14 authority ~~are hereby transferred to the~~ and by Rhode Island division of higher education assistance
15 are hereby transferred to the office of postsecondary commissioner;

16 (ii) The ~~Rhode Island division of higher education assistance~~ office of postsecondary
17 commissioner shall assume all rights, duties, assets, liabilities, and obligations of the former Rhode
18 Island higher education assistance authority and the Rhode Island division of higher education
19 assistance. The office of postsecondary commissioner shall be considered to be the successor in
20 interest to both the Rhode Island higher education assistance authority and the Rhode Island
21 division of higher education assistance; and

22 (iii) All contracts and agreements of whatsoever kind of the Rhode Island higher education
23 assistance authority ~~are hereby assigned, transferred to, and assumed by~~ and by the Rhode Island
24 division of higher education assistance are hereby assigned, transferred to and assumed by office
25 of postsecondary commissioner.

26 ~~(e)~~(d) Upon the completion of the transfer, the ~~corporation known as the “Rhode Island~~
27 ~~higher education assistance authority”~~ Rhode Island division of higher education assistance shall
28 cease to exist. Whenever in any general law, ~~or~~ public law or rule or regulation reference is made
29 to the “Rhode Island higher education assistance authority,” ~~the reference shall be deemed to refer~~
30 ~~to and mean~~ or the “Rhode Island division of higher education assistance,” ~~which also may be~~
31 ~~referred to as the “division.”~~ the reference shall be deemed to refer to and mean the office of
32 postsecondary commissioner.

33 **16-57-6.1. Tuition savings program.**

34 (a) The general treasurer, in conjunction with ~~the division,~~ the state investment

1 commission, executive director of the Rhode Island student loan authority, and the commissioner
2 of postsecondary education, shall establish, in any form as he or she deems appropriate, a tuition
3 savings program to allow persons to save money for the sole purpose of meeting qualified higher
4 education expenses.

5 (b) All money received in connection with the tuition savings program shall be segregated
6 from all other funds into two (2) funds, a program fund and an administrative fund. No more than
7 two percent (2%) of money in the program fund may be transferred annually to the administrative
8 fund for the purpose of paying operating costs of administering the tuition savings program. Money
9 accrued by participants in the program fund may be used for payments to an eligible institution. All
10 proceeds from the tuition savings program shall be directed to the administrative fund, and to the
11 extent they exceed the operating costs of administering the tuition savings program, said excess
12 shall be used for financial aid-related activities in Rhode Island pursuant to § 16-56-6.

13 (c) The state investment commission shall invest money within the program fund in any
14 investments that are authorized by the general laws, including equities and fixed-income securities.
15 The composition of investments shall be determined by the state investment commission.

16 (d) A participant may at any time withdraw funds from the participant's account in the
17 tuition savings program in an amount up to the value of the account at the time the withdrawal is
18 implemented, less such administrative fee as may be levied by the treasurer in connection with the
19 withdrawal.

20 (e) Notwithstanding any of the foregoing provisions, no administrative fee may be levied
21 by the treasurer in the event that a participant requests withdrawal of funds from the participant's
22 account in the tuition savings program on account of, and within the meanings of § 529 of the
23 Internal Revenue Code [26 U.S.C. § 529]:

24 (1) The death of the beneficiary of the account;

25 (2) The disability of the beneficiary; or

26 (3) A scholarship, allowance, or payment received by the beneficiary to the extent that the
27 amount of the refund does not exceed the amount of the scholarship, allowance, or payment.

28 (f) In the event that a participant requests a withdrawal from an account in the tuition
29 savings program other than: (1) A withdrawal used for qualified higher education expenses of the
30 beneficiary of the account or (2): For a reason referred to in subdivision (e)(1), (e)(2), or (e)(3) of
31 this section, the treasurer shall impose a more than de minimis penalty on the earnings portion of
32 the withdrawal in accordance with § 529 of the Internal Revenue Code [26 U.S.C. § 529]; provided
33 that no penalty shall be imposed with respect to any such withdrawal, or any other withdrawal,
34 from any account in the tuition savings plan to which the tax made applicable by § 529 of the

1 Internal Revenue Code [26 U.S.C. § 529] is effective.

2 (g) [Deleted by P.L. 2015, ch. 141, art. 7, § 6.]

3 **16-57-7. Council on postsecondary education.**

4 ~~(a)~~ The council on postsecondary education established pursuant to § 16-59-1 shall retain
5 all authority formerly vested in the higher education assistance authority board of directors, except
6 as provided by § 16-57-6.1. Whenever in any general or public law reference is made to the “board
7 of directors of the higher education assistance authority,” the reference shall be deemed to refer to
8 and mean the “council on postsecondary education.” ~~The council on postsecondary education shall
9 be the employer of record for the division of higher education assistance.~~

10 ~~(b) No full-time employee shall, during the period of his or her employment by the division,
11 engage in any other private employment, profession, or business, except with the approval of the
12 commissioner of postsecondary education; provided, that the executive director shall not engage in
13 any other private employment, profession, or business, including, but not limited to, consulting.~~

14 **16-57-8. Designated agency.**

15 The ~~division established within the~~ office of the postsecondary commissioner is designated
16 the state agency to apply for, receive, accept, and disburse federal funds, and funds from other
17 public and private sources, made available to the state for use as reserves to guarantee student loans
18 or as administrative money to operate student loan programs, and is designated to administer any
19 statewide programs of student assistance that shall be established under federal law.

20 **16-57-9. Loans to minors — Loan obligations.**

21 (a) Any person qualifying for an eligible loan shall not be disqualified to receive a loan
22 guaranteed by the ~~division~~ office of the postsecondary commissioner by reason of ~~his or her~~ the
23 person being a minor. For the purpose of applying for, securing, receiving, and repaying a loan,
24 any person shall be deemed to have full legal capacity to act and shall have all the rights, powers,
25 privileges, and obligations of a person of full age with respect to a loan.

26 (b) No loan obligation incurred by any individual under the provisions of this chapter may
27 be expunged, reduced, or discharged in any proceeding, including any proceeding in federal
28 bankruptcy court. Any individual receiving a loan under the provisions of this chapter shall be
29 required to sign an affidavit acknowledging the loan and agreeing to this condition.

30 **16-57-10. Reserve funds.**

31 (a) To ensure the continued operation and solvency of the guaranteed student loan program,
32 the office of the postsecondary commissioner shall create and establish reserve funds, and may pay
33 into the funds any money appropriated and made available by the state or any other source for the
34 purpose of the funds, and any money collected by the ~~division~~ office as fees for the guaranty of

1 eligible loans.

2 (b) Furthermore, it is the intent of the general assembly that these funds eventually be used
3 to increase financial assistance to Rhode Island students in the form of scholarships and grants as
4 approved by the commissioner of postsecondary education and as directed by the U.S. Department
5 of Education and in accordance with federal statutes and regulations governing the use of funds in
6 the guaranty agency's operating fund pursuant to the provisions and restrictions of the 1998
7 reauthorization of the federal Higher Education Act.

8 (c) [Deleted by P.L. 2015, ch. 141, art. 7, § 6.]

9 **16-57-12. Credit of state.**

10 Guaranties made under the provisions of this chapter shall not constitute debts, liabilities,
11 or obligations of the state or of any political subdivision of the state other than the ~~division of higher~~
12 ~~education assistance~~ office of the postsecondary commissioner or a pledge of the faith and credit
13 of the state or any political subdivision other than the ~~division of higher education assistance~~ office
14 of the postsecondary commissioner, but shall be payable solely from the revenues or assets of
15 reserve funds set forth in § 16-57-10.

16 SECTION 3. Section 24-18-7 of the General Laws in Chapter 24-18 entitled "Municipal
17 Road and Bridge Revolving Fund" is hereby amended to read as follows:

18 **24-18-7. Procedure for project approval.**

19 (a) By September 1, 2013, the department shall promulgate rules and regulations
20 establishing the project evaluation criteria and the process through which a city or town may submit
21 an infrastructure plan. By December 31, 2013, the agency shall promulgate rules and regulations
22 to effectuate the provisions of this chapter which may include, without limitation, forms for
23 financial assistance applications, loan agreements, and other instruments. All rules and regulations
24 promulgated pursuant to this chapter shall be promulgated in accordance with the provisions of
25 chapter 35 of title 42.

26 (b) Cities and towns shall submit infrastructure plans to the department in accordance with
27 the department's rules and regulations promulgated pursuant to subsection (a) of this section.

28 (c) The department shall evaluate all submitted infrastructure plans and, in accordance with
29 the project evaluation criteria, identify all eligible projects, and after a public hearing, the
30 department shall finalize and provide the agency and statewide planning with a project priority list.
31 The agency shall not award financial assistance to any project not listed on the project priority list
32 other than as set forth in subsection (f) herein.

33 (d) The agency shall not obligate more than fifty percent (50%) of available funding in any
34 calendar year to any one city or town unless there are no other eligible projects on the project

1 priority list.

2 (e) Upon issuance of the project priority list, the agency shall award financial assistance to
3 cities and towns for approved projects. The agency may decline to award financial assistance to an
4 approved project that the agency determines will have a substantial adverse effect on the interests
5 of holders of bonds or other indebtedness of the agency or the interests of other participants in the
6 financial assistance program, or for good and sufficient cause affecting the finances of the agency.
7 All financial assistance shall be made pursuant to a loan agreement between the agency and the city
8 or town, acting by and through the officer or officers, board, committee, or other body authorized
9 by law, or otherwise its chief executive officer, according to terms and conditions as determined
10 by the agency, and each loan shall be evidenced and secured by the issue to the agency of city or
11 town obligations in fully marketable form in principal amount, bearing interest at the rate or rates
12 specified in the applicable loan agreement, and shall otherwise bear such terms and conditions as
13 authorized by this chapter and/or the loan agreement.

14 (f) Notwithstanding any other provision of this chapter, the agency may provide financial
15 assistance for an approved project without the necessity of the approved project being listed on a
16 project priority list if the financial assistance for the approved project is to provide match to other
17 state funding for the approved project.

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

20 **35-4-27. Indirect cost recoveries on restricted receipt accounts. [Effective January 1,**
21 **2025.]**

22 Indirect cost recoveries of fifteen percent (15%) ~~ten percent (10%)~~ of cash receipts shall
23 be transferred from all restricted receipt accounts, to be recorded as general revenues in the general
24 fund. However, there shall be no transfer from cash receipts with restrictions received exclusively:
25 (1) From contributions from nonprofit charitable organizations; (2) From the assessment of indirect
26 cost-recovery rates on federal grant funds; or (3) Through transfers from state agencies to the
27 department of administration for the payment of debt service. These indirect cost recoveries shall
28 be applied to all accounts, unless prohibited by federal law or regulation, court order, or court
29 settlement. The following restricted receipt accounts shall not be subject to the provisions of this
30 section:

31 Executive Office of Health and Human Services

32 ~~Organ Transplant Fund~~

33 HIV Care Grant Drug Rebates

34 Health System Transformation Project

1 Rhode Island Statewide Opioid Abatement Account
2 HCBS Support-ARPA
3 HCBS Admin Support-ARPA
4 Department of Human Services
5 [Organ Transplant Fund](#)
6 Veterans' home — Restricted account
7 Veterans' home — Resident benefits
8 Pharmaceutical Rebates Account
9 Demand Side Management Grants
10 Veteran's Cemetery Memorial Fund
11 Donations — New Veterans' Home Construction
12 Commodity Supplemental Food Program-Claims
13 Department of Health
14 Pandemic medications and equipment account
15 Miscellaneous Donations/Grants from Non-Profits
16 State Loan Repayment Match
17 Healthcare Information Technology
18 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
19 Eleanor Slater non-Medicaid third-party payor account
20 Hospital Medicare Part D Receipts
21 RICLAS Group Home Operations
22 Group Home Facility Improvement Fund
23 Commission on the Deaf and Hard of Hearing
24 Emergency and public communication access account
25 Department of Environmental Management
26 National heritage revolving fund
27 Environmental response fund II
28 Underground storage tanks registration fees
29 De Coppet Estate Fund
30 Rhode Island Historical Preservation and Heritage Commission
31 Historic preservation revolving loan fund
32 Historic Preservation loan fund — Interest revenue
33 Department of Public Safety
34 E-911 Uniform Emergency Telephone System

1	Forfeited property — Retained
2	Forfeitures — Federal
3	Forfeited property — Gambling
4	Donation — Polygraph and Law Enforcement Training
5	Rhode Island State Firefighter’s League Training Account
6	Fire Academy Training Fees Account
7	Attorney General
8	Forfeiture of property
9	Federal forfeitures
10	Attorney General multi-state account
11	Forfeited property — Gambling
12	Department of Administration
13	OER Reconciliation Funding
14	Health Insurance Market Integrity Fund
15	RI Health Benefits Exchange
16	Information Technology restricted receipt account
17	Restore and replacement — Insurance coverage
18	Convention Center Authority rental payments
19	Investment Receipts — TANS
20	OPEB System Restricted Receipt Account
21	Car Rental Tax/Surcharge-Warwick Share
22	Grants Management Administration
23	RGGI Executive Climate Change Coordinating Council Projects
24	Electric Vehicle Charging Stations Operating and Maintenance Account
25	<u>Office of Energy Resources</u>
26	<u>OER Reconciliation Funding</u>
27	<u>RGGI Executive Climate Change Coordinating Council Projects</u>
28	<u>Electric Vehicle Charging Stations Operating and Maintenance Account</u>
29	<u>Clean Transportation Programs</u>
30	Department of Housing
31	Housing Resources and Homelessness Restricted Receipt Account
32	Housing Production Fund
33	Low-Income Housing Tax Credit Fund
34	Department of Revenue

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

1 Davies Career and Technical School Local Education Aid Account
2 Davies — National School Breakfast & Lunch Program
3 School Construction Services
4 Office of the Postsecondary Commissioner
5 [Tuition Savings Program Fund](#)
6 Higher Education and Industry Center
7 IGT STEM Scholarships
8 Department of Labor and Training
9 Job Development Fund
10 Contractor Training Restricted Receipt Account
11 [Workers' Compensation Administrative Account](#)
12 Rhode Island Council on the Arts
13 Governors' Portrait Donation Fund
14 Statewide records management system account
15 SECTION 5. Section 35-6-1 of the General Laws in Chapter 35-6 entitled "Accounts and
16 Control" is hereby amended to read as follows:
17 **35-6-1. Controller — Duties in general.**
18 (a) Within the department of administration there shall be a controller who shall be
19 appointed by the director of administration pursuant to chapter 4 of title 36. The controller shall be
20 responsible for accounting and expenditure control and shall be required to:
21 (1) Administer a comprehensive accounting and recording system that will classify the
22 transactions of the state departments and agencies in accordance with the budget plan;
23 (2) Maintain control accounts for all supplies, materials, and equipment for all departments
24 and agencies except as otherwise provided by law;
25 (3) Prescribe a financial, accounting, and cost accounting system for state departments and
26 agencies;
27 (4) Identify federal grant-funding opportunities to support the governor's and general
28 assembly's major policy initiatives and provide technical assistance with the application process
29 and post-award grants management;
30 (5) Manage federal fiscal proposals and guidelines and serve as the state clearinghouse for
31 the application of federal grants;
32 (6) Pre-audit all state receipts and expenditures;
33 (7) Prepare financial statements required by the several departments and agencies, by the
34 governor, or by the general assembly;

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

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

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

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

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

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

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

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

26 **(c)** Upon issuance of the audited annual financial statement, the controller shall provide a
27 report of the differences between the preliminary financial report and the final report as contained
28 in the audited annual financial statement.

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

33 **(e)** Upon issuance of the audited financial statement, the controller shall transfer fifty
34 percent (50%) of all general revenues received in the completed fiscal year net of transfer to the

1 state budget reserve and cash stabilization account as required by § 35-3-20 in excess of those
2 estimates adopted for that year as contained in the final enacted budget to the employees' retirement
3 system of the state of Rhode Island as defined in § 36-8-2 and fifty percent (50%) to the
4 supplemental state budget reserve account as defined in § 35-3-20.2, except that excess revenues
5 from fiscal ~~year 2023~~ years 2023 and 2024 shall not be transferred to the supplemental state budget
6 reserve account.

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

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

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

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

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

20 (g) The controller shall oversee the office of risk management (§ 37-11-1 et seq.)

21 SECTION 6. Section 40.1-1-13 of the General Laws in Chapter 40.1-1 entitled
22 "Department of Behavioral Healthcare, Developmental Disabilities and Hospitals" is hereby
23 amended to read as follows:

24 **40.1-1-13. Powers and duties of the office.**

25 Notwithstanding any provision of the Rhode Island general laws to the contrary, the
26 department of behavioral healthcare, developmental disabilities and hospitals shall have the
27 following powers and duties:

28 (1) To establish and promulgate the overall plans, policies, objectives, and priorities for
29 state substance abuse education, prevention, and treatment; provided, however, that the director
30 shall obtain and consider input from all interested state departments and agencies prior to the
31 promulgation of any such plans or policies;

32 (2) Evaluate and monitor all state grants and contracts to local substance abuse service
33 providers;

34 (3) Develop, provide for, and coordinate the implementation of a comprehensive state plan

1 for substance abuse education, prevention, and treatment;

2 (4) Ensure the collection, analysis, and dissemination of information for planning and
3 evaluation of substance abuse services;

4 (5) Provide support, guidance, and technical assistance to individuals, local governments,
5 community service providers, public and private organizations in their substance abuse education,
6 prevention, and treatment activities;

7 (6) Confer with all interested department directors to coordinate the administration of state
8 programs and policies that directly affect substance abuse treatment and prevention;

9 (7) Seek and receive funds from the federal government and private sources in order to
10 further the purposes of this chapter;

11 (8) To act in conjunction with the executive office of health and human services as the
12 state's co-designated agency (42 U.S.C. § 300x-30(a)) for administering federal aid and for the
13 purposes of the calculation of the expenditures relative to the substance abuse block grant and
14 federal funding maintenance of effort. The department of behavioral healthcare, developmental
15 disabilities and hospitals, as the state's substance abuse authority, will have the sole responsibility
16 for the planning, policy and implementation efforts as it relates to the requirements set forth in
17 pertinent substance abuse laws and regulations including 42 U.S.C. § 300x-21 et seq.;

18 (9) Propose, review, and/or approve, as appropriate, proposals, policies, or plans involving
19 insurance and managed care systems for substance abuse services in Rhode Island;

20 (10) To enter into, in compliance with the provisions of chapter 2 of title 37, contractual
21 relationships and memoranda of agreement as necessary for the purposes of this chapter;

22 (11) To license facilities and programs for the care and treatment of substance abusers and
23 for the prevention of substance abuse, and provide the list of licensed chemical dependency
24 professionals (LCDP) and licensed chemical dependency clinical supervisors (LCDCS) (licensed
25 by the department of health pursuant to chapter 69 of title 5) for use by state agencies including,
26 but not limited to, the adjudication office of the department of transportation, the district court and
27 superior court and the division of probation and parole for referral of individuals requiring
28 substance use disorder treatment;

29 (12) To promulgate rules and regulations necessary to carry out the requirements of this
30 chapter;

31 (13) Perform other acts and exercise any other powers necessary or convenient to carry out
32 the intent and purposes of this chapter;

33 (14) To exercise the authority and responsibilities relating to education, prevention, and
34 treatment of substance abuse, as contained in, but not limited to, the following chapters: chapters

1 1.10, 10.1, and 28.2 of title 23; chapters 21.2 and 21.3 of title 16; chapter 50.1 of title 42 [repealed];
2 chapter 109 of title 42; chapter 69 of title 5; and § 35-4-18;

3 (15) To establish a Medicare Part D restricted-receipt account in the hospitals and
4 community rehabilitation services program [and the Rhode Island state psychiatric hospital program](#)
5 to receive and expend Medicare Part D reimbursements from pharmacy benefit providers consistent
6 with the purposes of this chapter;

7 (16) To establish a RICLAS group home operations restricted-receipt account in the
8 services for the developmentally disabled program to receive and expend rental income from
9 RICLAS group clients for group home-related expenditures, including food, utilities, community
10 activities, and the maintenance of group homes;

11 (17) To establish a non-Medicaid, third-party payor restricted-receipt account in the
12 hospitals and community rehabilitation services program to receive and expend reimbursement
13 from non-Medicaid, third-party payors to fund hospital patient services that are not Medicaid
14 eligible; and

15 (18) To certify any and all recovery housing facilities directly, or through a contracted
16 entity, as defined by department guidelines, which includes adherence to using National Alliance
17 for Recovery Residences (NARR) standards. In accordance with a schedule to be determined by
18 the department, all referrals from state agencies or state-funded facilities shall be to certified
19 houses, and only certified recovery housing facilities shall be eligible to receive state funding to
20 deliver recovery housing services. As of January 1, 2027, all recovery housing facilities shall be
21 registered with the department and shall adhere to the NARR certification process.

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

24 **42-11-2.5. Information technology restricted receipt account and large systems**
25 **initiatives fund.**

26 (a) All sums from the sale of any land and the buildings and improvements thereon, and
27 other real property, title to which is vested in the state, except as provided in § 37-7-15(b) through
28 (d), shall be transferred to an information technology restricted receipt account (ITRR account) that
29 is hereby established. This ITRR account shall consist of such sums from the sale of any land and
30 the buildings and improvements thereon, and other real property, title to which is vested in the state,
31 except as provided in § 37-7-15(b) through (d), as well as a share of first response surcharge
32 revenues collected under the provisions of § 39-21.1-14. This ITRR account may also consist of
33 such sums as the state may from time to time appropriate; as well as money received from the
34 disposal of information technology hardware, loan, interest, and service charge payments from

1 benefiting state agencies; as well as interest earnings, money received from the federal government,
2 gifts, bequests, donations, or otherwise from any public or private source. Any such funds shall be
3 exempt from the indirect cost recovery provisions of § 35-4-27.

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

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

11 (3) For all requests for proposals that are issued for information technology projects, a
12 corresponding information technology project manager shall be assigned.

13 (b) There is also hereby established a special fund to be known as the large systems
14 initiatives fund (LSI fund), separate and apart from the general fund of the state, to be administered
15 by the chief information officer within the department of administration for the purpose of
16 implementing and maintaining enterprise-wide software projects for executive branch departments.
17 The LSI fund shall consist of such sums as the state may from time to time directly appropriate to
18 the LSI fund, any accrued interest, and any funds collected pursuant to § 42-11-2.5(b)(1). After the
19 completion of any project, the chief digital officer shall inform the state controller of unexpended
20 sums previously transferred to the LSI Fund for that project and the state controller shall
21 subsequently transfer any such unexpended funds to the information technology restricted receipt
22 account. The state controller shall transfer any excess interest accrued in the LSI fund and any funds
23 collected pursuant to § 42-11-2.5(b)(1) to the ITRR account.

24 (1) The director of the department of administration may allocate and charge capitalized
25 costs, in accordance with statewide cost allocation plan, to agencies that benefit from initiatives
26 funded through the LSI Fund. The department of administration shall include as part of its budget
27 submission pursuant to § 35-3-4 an expected billing schedule for any capitalized costs that the
28 department intends to charge to agencies for the next ensuing fiscal year.

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

33 SECTION 8. Section 45-12-33 of the General Laws in Chapter 45-12 entitled
34 "Indebtedness of Towns and Cities" is hereby amended to read as follows:

1 **45-12-33. Borrowing for road and bridge, infrastructure, and school building**
2 **projects.**

3 (a)(1) In addition to other authority previously granted, during calendar year 2014 a city or
4 town may authorize the issuance of bonds, notes, or other evidences of indebtedness to evidence
5 loans from the municipal road and bridge revolving fund administered by the ~~Rhode Island clean~~
6 ~~water finance agency~~ Rhode Island infrastructure bank in accordance with chapter 18 of title 24.
7 Beginning July 1, 2025, and thereafter, a city or town may authorize the issuance of bonds, notes,
8 or other evidences of indebtedness to evidence loans from the municipal road and bridge revolving
9 fund administered by the Rhode Island infrastructure bank in accordance with chapter 18 of title
10 24 to provide a match to other state funding for an approved project from the municipal road and
11 bridge revolving fund.

12 (2) In addition to other authority previously granted, from July 1, 2015 to June 30, 2016, a
13 city or town may authorize the issuance of bonds, notes, or other evidences of indebtedness to
14 evidence loans from the efficient buildings fund administered by the Rhode Island ~~clean-water~~
15 ~~finance agency~~ infrastructure bank in accordance with chapter 12.2 of title 46 or the school building
16 authority capital fund administered by the Rhode Island health and educational building corporation
17 in accordance with chapter 38.2 of this title.

18 (b) These bonds, notes, or other evidences of indebtedness are subject to the maximum
19 aggregate indebtedness permitted to be issued by any city or town under § 45-12-2.

20 (c) The denominations, maturities, interest rates, methods of sale, and other terms,
21 conditions, and details of any bonds or notes issued under the provisions of this section may be
22 fixed by resolution of the city or town council authorizing them, or if no provision is made in the
23 resolution, by the treasurer or other officer authorized to issue the bonds, notes or evidences of
24 indebtedness; provided, that the payment of principal shall be by sufficient annual payments that
25 will extinguish the debt at maturity, the first of these annual payments to be made not later than
26 three (3) years, and the last payment not later than twenty (20) years after the date of the bonds.

27 The bonds, notes, or other evidences of indebtedness may be issued under this section by
28 any political subdivision without obtaining the approval of its electors, notwithstanding the
29 provisions of §§ 45-12-19 and 45-12-20 and notwithstanding any provision of its charter to the
30 contrary.

31 SECTION 9. Sections 46-23-18.5 and 46-23-18.6 of the General Laws in Chapter 46-23
32 entitled "Coastal Resources Management Council" are hereby amended to read as follows:

33 **46-23-18.5. Fees for disposal.**

34 The council is authorized to impose a fee of not less than ~~eleven dollars and sixty-five cents~~

1 ~~(\$11.65)~~ thirty-five dollars (\$35.00) per cubic yard for the disposal of dredge materials at the sites
2 established by the council pursuant to § 46-23-18.3, ~~with eleven dollars and sixty five cents~~
3 ~~(\$11.65) being deposited into the general fund.~~ The amount of the fee established by the council
4 pursuant to the section shall be reviewed by the council on an annual basis and revised as the council
5 deems necessary, but in no event shall the fee be set at an amount less than ~~eleven dollars and sixty~~
6 ~~five cents (\$11.65)~~ thirty-five dollars (\$35.00) per cubic yard of material.

7 **46-23-18.6. Coastal Resources Management Council Dredge Fund.**

8 There is hereby created a separate fund to be held by the coastal resources management
9 council to be known as the dredge fund. ~~Any amount~~ All amounts ~~charged above the eleven dollars~~
10 ~~and sixty five cents (\$11.65)~~ pursuant to § 46-23-18.5 must be deposited into the fund and shall
11 not be deposited into the general fund of the state, ~~but~~ and shall be kept by the general treasurer of
12 the state in a separate fund for the coastal resources management council, and shall be paid out by
13 the treasurer upon the order of the council, without the necessity of appropriation or re-
14 appropriation by the general assembly. Funds must be used to create additional dredging and
15 disposal options and for the management of said disposal options.

16 SECTION 10. This article shall take effect upon passage.

ARTICLE 3 AS AMENDED

RELATING TO GOVERNMENT REFORM AND REORGANIZATION

SECTION 1. Sections 2-26-3, 2-26-4, 2-26-5, 2-26-6, 2-26-7, 2-26-8, 2-26-9 and 2-26-10 of the General Laws in Chapter 2-26 entitled "Hemp Growth Act" are hereby amended to read as follows:

2-26-3. Definitions.

When used in this chapter, the following terms shall have the following meanings:

(1) "Applicant" means any person, firm, corporation, or other legal entity who or that, on his, her, or its own behalf, or on behalf of another, has applied for permission to engage in any act or activity that is regulated under the provisions of this chapter.

(2) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana sativa L. whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin regardless of cannabinoid content or cannabinoid potency including "marijuana" and "industrial hemp" or "industrial hemp products" which satisfy the requirements of this chapter.

(3) "Cannabidiol" or "CBD" means cannabidiol (CBD) derived from a hemp plant as defined in § 2-26-3, not including products derived from exempt cannabis plant material as defined in 21 C.F.R. § 1308.35.

(4) ~~"Department" means the office of cannabis regulation within the department of business regulation~~ "Cannabis control commission" or "commission" means the Rhode Island cannabis control commission established by § 21-28.11-4.

(5) "Division" means the division of agriculture in the department of environmental management.

(6) "Grower" means a person or entity who or that produces hemp for commercial purposes.

(7) "Handler" means a person or entity who or that produces or processes hemp or agricultural hemp seed into commodities or who manufactures hemp products.

(8) "Hemp" or "industrial hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of

not more than three-tenths percent (0.3%) on a dry weight or per volume basis regardless of moisture content, and which satisfies the requirements of this chapter.

(9) “Hemp-derived consumable CBD product” means any product meant for ingestion, including, but not limited to, concentrates, extracts, and cannabis-infused foods and products, which contains cannabidiol derived from a hemp plant as defined in this section, which shall only be sold to persons age twenty-one (21) or older, and which shall not include products derived from exempt cannabis plant material as defined in 21 C.F.R. § 1308.35.

(10) “Hemp products” or “industrial hemp products” means all products made from the plants, including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, hemp-derived consumable CBD products, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and seed certified for cultivation, which satisfy the requirements of this chapter.

(11) “Licensed CBD distributor” means a person licensed to distribute hemp-derived consumable CBD products pursuant to this chapter.

(12) “Licensed CBD retailer” means a person licensed to sell hemp-derived consumable CBD products pursuant to this chapter.

(13) “Cannabis office” or “office” means the cannabis office established by § 21-28.11-18.1.

~~(13)~~(14) “THC” means tetrahydrocannabinol, the principal psychoactive constituent of cannabis.

~~(14)~~(15) “THCA” means tetrahydrocannabinol acid.

2-26-4. Hemp an agricultural product.

Hemp is an agricultural product that may be grown as a crop, produced, possessed, distributed, sold at retail, and commercially traded pursuant to the provisions of this chapter. Hemp is subject to primary regulation by the ~~department~~ commission. The division may assist the ~~department~~ commission in the regulation of hemp growth and production.

2-26-5. Authority over licensing and sales.

(a) The ~~department~~ commission shall prescribe rules and regulations for the licensing and regulation of hemp growers, handlers, licensed CBD distributors, and licensed CBD retailers and persons employed by the applicant not inconsistent with law, to carry into effect the provision of this chapter and shall be responsible for the enforcement of the licensing.

(b) All growers, handlers, licensed CBD distributors, and licensed CBD retailers must have a hemp license issued by the ~~department~~ commission. All production, distribution, and retail sale of hemp-derived consumable CBD products must be consistent with any applicable state or local food processing and safety regulations, and the applicant shall be responsible to ensure its

1 compliance with the regulations and any applicable food safety licensing requirements, including,
2 but not limited to, those promulgated by the department of health.

3 (c) The application for a hemp license shall include, but not be limited to, the following:

4 (1)(i) The name and address of the applicant who will supervise, manage, or direct the
5 growing and handling of hemp and the names and addresses of any person or entity partnering or
6 providing consulting services regarding the growing or handling of hemp; and

7 (ii) The name and address of the applicant who will supervise, manage, or direct the
8 distribution or sale of hemp-derived consumable CBD products, and names and addresses of any
9 person or entity partnering or providing consulting services regarding the distribution or sale of
10 hemp-derived CBD products.

11 (2) A certificate of analysis that the seeds or plants obtained for cultivation are of a type
12 and variety that do not exceed the maximum concentration of delta-9 THC, as set forth in § 2-26-
13 3; any seeds that are obtained from a federal agency are presumed not to exceed the maximum
14 concentration and do not require a certificate of analysis.

15 (3)(i) The location of the facility, including the Global Positioning System location, and
16 other field reference information as may be required by the ~~department~~ commission with a tracking
17 program and security layout to ensure that all hemp grown is tracked and monitored from seed to
18 distribution outlets; and

19 (ii) The location of the facility and other information as may be required by the ~~department~~
20 commission as to where the distribution or sale of hemp-derived consumable CBD products will
21 occur.

22 (4) An explanation of the seed-to-sale tracking, cultivation method, extraction method, and
23 certificate of analysis or certificate of analysis for the standard hemp seeds or hemp product if
24 required by the ~~department~~ commission.

25 (5) Verification, prior to planting any seed, that the plant to be grown is of a type and
26 variety of hemp that will produce a delta-9 THC concentration of no more than three-tenths of one
27 percent (0.3%) on a dry-weight basis.

28 (6) Documentation that the licensee and/or its agents have entered into a purchase
29 agreement with a hemp handler, processor, distributor, or retailer.

30 (7) All applicants:

31 (i) Shall apply to the state police, attorney general, or local law enforcement for a National
32 Criminal Identification records check that shall include fingerprints submitted to the Federal
33 Bureau of Investigation. Upon the discovery of a disqualifying conviction defined in subsections
34 (c)(7)(iv) and (c)(7)(v), and in accordance with the rules promulgated by the ~~department~~

1 [commission](#), the state police shall inform the applicant, in writing, of the nature of the conviction,
2 and the state police shall notify the ~~department~~ [commission](#), in writing, without disclosing the
3 nature of the conviction, that a conviction has been found;

4 (ii) In those situations in which no conviction has been found, the state police shall inform
5 the applicant and the ~~department~~ [commission](#), in writing, of this fact;

6 (iii) All applicants shall be responsible for any expense associated with the criminal
7 background check with fingerprints.

8 (iv) Any applicant who has been convicted of any felony offense under chapter 28 of title
9 21, or any person who has been convicted of murder; manslaughter; first-degree sexual assault;
10 second-degree sexual assault; first-degree child molestation; second-degree child molestation;
11 kidnapping; first-degree arson; second-degree arson; mayhem; robbery; burglary; breaking and
12 entering; assault with a dangerous weapon; or any assault and battery punishable as a felony or
13 assault with intent to commit any offense punishable as a felony, shall, [subject to § 28-5.1-14](#), be
14 disqualified from holding any license or permit under this chapter. The ~~department~~ [commission](#)
15 shall notify any applicant, in writing, of a denial of a license pursuant to this subsection.

16 (v) For purposes of this section, “conviction” means, in addition to judgments of conviction
17 entered by a court subsequent to a finding of guilty, or plea of guilty, those instances where the
18 defendant has entered a plea of nolo contendere and has received a jail sentence or a suspended jail
19 sentence, or those instances wherein the defendant has entered into a deferred sentence agreement
20 with the Rhode Island attorney general and the period of deferment has not been completed.

21 (8) Any other information as set forth in rules and regulations as required by the ~~department~~
22 [commission](#).

23 (d) [Deleted by P.L. 2019, ch. 88, art. 15, § 1.]

24 (e) The ~~department~~ [commission](#) shall issue a hemp license to the grower or handler
25 applicant if he, she, or it meets the requirements of this chapter, upon the applicant paying a
26 licensure fee of two thousand five hundred dollars (\$2,500). The license shall be renewed every
27 two (2) years upon payment of a two thousand five hundred dollar (\$2,500) renewal fee. Any
28 licensee convicted of any disqualifying offense described in subsection (c)(7)(iv) shall, [subject to](#)
29 [§ 28-5.1-14](#), have his, her, or its license revoked. All license fees shall be directed to the ~~department~~
30 [commission](#) to help defray the cost of enforcement. The ~~department~~ [commission](#) shall collect a
31 nonrefundable application fee of two hundred fifty dollars (\$250) for each application to obtain a
32 license.

33 (f) Any grower or handler license applicant or license holder may also apply for and be
34 issued one (1) CBD distributor and/or one (1) CBD retailer license at no additional cost, provided

1 their grower or handler license is issued or renewed. CBD distributor and CBD retailer licenses
2 shall be renewed each year at no additional fee provided the applicant also holds or renews a grower
3 and/or handler license.

4 (g) For applicants who do not hold, renew, or receive a grower or handler license, CBD
5 distributor and CBD retailer licenses shall have a licensure fee of five hundred dollars (\$500). The
6 licenses shall be renewed each year upon approval by the ~~department~~ [commission](#) and payment of
7 a five hundred dollar (\$500) renewal fee.

8 [\(h\) The commission shall have the authority to temporarily suspend hemp applications and](#)
9 [issuance of new hemp licenses for a defined period if the commission determines that such action](#)
10 [is necessary to:](#)

11 [1. Conduct a study or evaluation of market conditions, supply and demand dynamics, or](#)
12 [regulatory impacts;](#)

13 [2. Ensure adequate oversight and compliance with existing licensees; and](#)

14 [3. Address any identified risks to public health, safety, or environmental welfare.](#)

15 [\(i\) During a suspension period, the commission may continue to process renewal](#)
16 [applications of existing licensees.](#)

17 **2-26-6. Rulemaking authority.**

18 (a) The ~~department~~ [commission](#) shall adopt rules to provide for the implementation of this
19 chapter, which shall include rules to require hemp to be tested during growth for THC levels and
20 to require inspection of hemp during sowing, growing season, harvest, storage, and processing.
21 Included in these rules should be a system requiring the licensee to submit crop samples to an
22 approved testing facility, as determined by the ~~department~~ [commission](#) for testing and verification
23 of compliance with the limits on delta-9 THC concentration.

24 (b) The ~~department~~ [commission](#) shall prescribe rules and regulations for all operational
25 requirements for licensed growers, handlers, CBD distributors, and retailers, and to ensure
26 consistency in manufactured products and appropriate packaging, labeling, and placement with
27 respect to retail sales not inconsistent with law, to carry in effect the provisions of this chapter.

28 (c) The ~~department~~ [commission](#) shall not adopt, under this or any other section, a rule that
29 would prohibit a person or entity to grow, distribute, or sell hemp based solely on the legal status
30 of hemp under federal law.

31 (d) The ~~department~~ [commission](#) may adopt rules and regulations based on federal law
32 provided those rules and regulations are designed to comply with federal guidance and mitigate
33 federal enforcement against the licenses issued under this chapter.

34 (e) [Deleted by P.L. 2020, ch. 1, § 2 and P.L. 2020, ch. 2, § 2.]

1 **2-26-7. Licensure.**

2 (a) Except as provided in this section, ~~beginning sixty (60) days after the effective date of~~
3 ~~this chapter~~, the ~~department~~ [commission](#) shall accept the application for licensure to cultivate hemp
4 submitted by the applicant.

5 (b) A person or entity, licensed by the ~~department~~ [commission](#) pursuant to this chapter,
6 shall allow hemp crops, throughout sowing, year-long growing seasons, harvest storage, and
7 processing, manufacturing, and retail facilities to be inspected and tested by and at the discretion
8 of the ~~department~~ [commission](#) and as required pursuant to any applicable state or local food
9 processing and safety regulations, including, but not limited to those, promulgated by the Rhode
10 Island department of health.

11 **2-26-8. Methods of extraction.**

12 (a) The ~~department~~ [commission](#) shall adopt rules regarding permissible methods of
13 extraction.

14 (b) No butane method of extraction shall be permitted by the ~~department~~ [commission](#).

15 **2-26-9. Research and educational growth by institutions of higher education.**

16 (a) The ~~department~~ [commission](#) is authorized to certify any higher educational institution
17 in Rhode Island to grow or handle, or assist in growing or handling, industrial hemp for the purpose
18 of agricultural or academic research where such higher educational institution submits the
19 following to the ~~department~~ [commission](#):

20 (1) The location where the higher educational institution intends to grow or cultivate the
21 industrial hemp;

22 (2) The higher educational institution's research plan; and

23 (3) The name of the employee of the higher educational institution who will supervise the
24 hemp growth, cultivation, and research.

25 (b) Growth for purposes of agricultural and educational research by a higher educational
26 institution shall not be subject to the licensing requirements set forth in § 2-26-5.

27 (c) The applicant is encouraged to partner with an institution of higher learning within the
28 state of Rhode Island to develop best practices for growing and handling hemp.

29 (d) The ~~department~~ [commission](#) shall maintain a list of each higher education institution
30 certified to grow or cultivate industrial hemp under this chapter.

31 **2-26-10. Enforcement of violations of chapter.**

32 (a) Notwithstanding any other provision of this chapter, if the ~~director of the department~~
33 [chairperson of the commission](#), or his or her designee, has cause to believe that a violation of any
34 provision of this chapter or any regulations promulgated hereunder has occurred by a licensee who

1 or that is under the ~~department's~~ commission's jurisdiction pursuant to this chapter, or that any
2 person or entity is conducting any activities requiring licensure by the ~~department~~ commission
3 under this chapter or the regulations promulgated hereunder without such licensure, the ~~director~~
4 chairperson, or his or her designee, may, in accordance with the requirements of the administrative
5 procedures act, chapter 35 of title 42:

- 6 (1) Revoke or suspend a license;
- 7 (2) Levy an administrative penalty in an amount established pursuant to regulations
8 promulgated by the ~~department~~ commission;
- 9 (3) Order the violator to cease and desist such actions;
- 10 (4) Require a licensee or person or entity conducting any activities requiring licensure
11 under this chapter to take such actions as are necessary to comply with this chapter and the
12 regulations promulgated thereunder; or
- 13 (5) Any combination of the above penalties.

14 (b) If the ~~director of the department~~ chairperson of the commission finds that public health,
15 safety, or welfare requires emergency action, and incorporates a finding to that effect in his or her
16 order, summary suspension of license and/or cease and desist may be ordered pending proceedings
17 for revocation or other action.

18 SECTION 2. Sections 5-43-1 and 5-43-2 of the General Laws in Chapter 5-43 entitled
19 "Instruction in Jiu-Jitsu or Karate" are hereby repealed.

20 **~~5-43-1. City and town licensing power.~~**

21 ~~The city and town councils of the several cities and towns may license schools and other~~
22 ~~institutions offering instruction in jiu jitsu and karate. The fee for this license shall not exceed~~
23 ~~twenty five dollars (\$25.00); provided, that nonprofit organizations and governmental agencies~~
24 ~~shall be exempt from paying that fee.~~

25 **~~5-43-2. Penalty for violations.~~**

26 ~~Any city or town issuing licenses under this chapter may impose a fine not in excess of~~
27 ~~twenty dollars (\$20.00) upon anyone convicted of offering instruction in jiu jitsu or karate without~~
28 ~~that license.~~

29 SECTION 3. Section 16-32-2 of the General Laws in Chapter 16-32 entitled "University
30 of Rhode Island [See Title 16 Chapter 97 — The Rhode Island Board of Education Act]" is hereby
31 amended to read as follows:

32 **16-32-2. Board of Trustees established.**

33 (a) There is hereby created a board of trustees for the university of Rhode Island, sometimes
34 referred to as the "board" or "board of trustees," which shall be and is constituted a public

1 corporation, empowered to sue and be sued in its own name; to borrow money; to compromise and
2 settle claims; to have a seal; and to make and execute contracts and other instruments necessary or
3 convenient to the exercise of its powers; and to exercise all the powers, in addition to those
4 specifically enumerated in this chapter, usually appertaining to public corporations entrusted with
5 control of postsecondary educational institutions and functions. Upon its organization, the board
6 shall be vested with the legal title to all property, real and personal, now owned by and/or under
7 the control or in the custody of the council on postsecondary education for the use of the university
8 of Rhode Island, including all its departments, divisions, and branches, sometimes referred to as
9 the property.

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

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

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

24 (2) The board is empowered to enter into collective bargaining agreements as appropriate
25 with its employees and all existing collective bargaining agreements in effect when the board is
26 established pursuant to § 16-32-2.2 shall be transferred from the council on postsecondary
27 education to the board.

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

34 (e) The board shall make rules and regulations pursuant to chapter 2 of title 37 to implement

1 its responsibilities as a public agency for procurement purposes as defined in § 37-2-7(16).

2 (1) Notwithstanding the provisions of § 37-2-22, small procurements made by the board
3 and the university shall not exceed an aggregate amount of fifty thousand dollars (\$50,000) for
4 construction and ten thousand dollars (\$10,000) for all other purchases, regardless of the source of
5 funding, and shall be made in accordance with small purchase regulations promulgated by the
6 board. These thresholds may be increased annually through an amendment to the small purchase
7 regulations promulgated by the board of trustees, to reflect the annual increase in the federal
8 Consumer Price Index published by the United States Department of Labor from the date of any
9 prior adjustment.

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

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

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

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

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

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

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

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

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

33 (i) The board shall adopt a process requiring every academic program at the university to
34 accept for credit the advanced placement subject test scores of students who obtain a three (3) or

1 better in any advanced placement course.

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

14 SECTION 4. Sections 21-28.11-4 and 21-28.11-10.1 of the General Laws in Chapter 21-
15 28.11 entitled "The Rhode Island Cannabis Act" are hereby amended to read as follows:

16 **21-28.11-4. Cannabis control commission.**

17 (a) **Establishment of commission.** There is hereby established an independent
18 commission known as the Rhode Island Cannabis Control Commission (commission). The purpose
19 of the commission is to oversee the regulation, licensing and control of adult use and medical
20 cannabis and upon transfer of powers pursuant to the provisions of § 21-28.11-10.1, to exercise
21 primary responsibility to oversee the regulation, licensing and control of all cannabis and marijuana
22 use to include medical marijuana.

23 (b) **Appointment of commissioners.** The Rhode Island Cannabis Control Commission
24 shall consist of three (3) voting commissioners as follows:

25 (1) The governor shall appoint, with the advice and consent of the senate, the three (3)
26 voting members of the commission. The speaker of the house shall, within thirty (30) days of the
27 effective date of this chapter, submit to the governor a list of three (3) individuals that the governor
28 shall give due consideration in appointing one individual from this list. The governor shall appoint
29 the other two (2) commissioners without regard to the list submitted by the speaker of the house.
30 The governor shall designate one of the members to serve as chairperson of the commission. Within
31 forty (40) days of the effective date of this chapter, the governor shall submit to the senate for
32 advice and consent the list of three (3) individuals for appointment to the commission along with
33 the governor's designation of chairperson.

34 (2) Prior to appointment to the commission, a background investigation shall be conducted

1 into the financial stability, integrity and responsibility of each appointee, including the appointee's
2 reputation for good character, and honesty. No commissioner or commissioner's spouse, or child
3 shall have any interest whatsoever in any entity regulated by the commission.

4 (c) **Commissioner requirements.** Each commissioner shall be a resident of the state within
5 ninety (90) days of appointment, and while serving on the commission, shall not:

6 (1) Hold, or be a candidate for, federal, state or local elected office;

7 (2) Hold an appointed office or other employment in a federal, state or local government;

8 or

9 (3) Serve as an official in a political party.

10 (d) **Term Limits.** Term limits on the initial commissioners shall be as follows: The
11 appointee chosen after consideration of the list provided to the governor by the speaker of the house
12 shall serve an initial term of three (3) years and shall be eligible for reappointment in accordance
13 with this section. Of the appointees chosen by the governor without regard to the list submitted by
14 the speaker of the house, one shall serve an initial term of two (2) years, and one shall serve an
15 initial term of one year and both shall be eligible for reappointment in accordance with this section.

16 (1) Each initial commissioner is eligible for reappointment for one six (6) year term or until
17 a successor is appointed. Each subsequent commissioner shall serve for a term of six (6) years or
18 until a successor is appointed. Every person appointed or reappointed to fill a vacancy on the
19 cannabis control commission shall be appointed in the manner established pursuant to this section.

20 (2) If a vacancy is created prior to the expiration of any commissioner's term, said vacancy
21 shall be filled in the manner established pursuant to this section. Any person appointed to fill said
22 vacancy shall complete the commissioner's unexpired term and shall then be eligible for
23 reappointment for one additional term pursuant to this section.

24 (e) **Compensation.** The chairperson of the commission shall devote their full time attention
25 to the duties of the commission. Upon confirmation, the chairperson shall become a state employee
26 and shall receive a salary as determined by the governor subject to appropriation by the general
27 assembly. The remaining commissioners shall not be state employees but shall receive a monthly
28 stipend as determined by the governor, subject to appropriation by the general assembly, and shall
29 devote sufficient time and attention to the commission to adequately perform their duties.

30 (f) **Records.** The commission shall keep a record of the proceedings of the commission
31 and the chair shall be the custodian and keeper of the records of all books, documents and papers
32 filed by the commission and of its minute book. The chair shall cause copies to be made of all
33 minutes and other records and documents of the commission and shall certify that such copies are
34 true copies and all persons dealing with the commission may rely upon such certification. These

1 records shall also be subject to the provisions of title 38, “public records.” The chair shall have and
2 exercise supervision and control over all the affairs of the commission. The chair shall preside at
3 all hearings at which the chair is present and shall designate a commissioner to act as chair in the
4 chair’s absence. To promote efficiency in administration, the chair shall make such division or re-
5 division of the work of the commission among the commissioners, as the chair deems expedient.

6 (g) **Conduct of hearings.** The commissioners shall, if so directed by the chair, participate
7 in the hearing and decision of any matter before the commission.

8 (1) For purposes of this section, “formal matter”, as so designated by the chair, shall include
9 all non-procedural matters to include, but not limited to, hearings subject to the provisions of
10 chapter 35 of title 42 (the “administrative procedures act”) and all decisions relative to the awarding
11 of a license or to the denial or revocation of licenses. A majority of the commissioners is required
12 to ~~hear and~~ approve all formal matters.

13 (2) For purposes of this section, “procedural matters”, as so designated by the chair, include
14 scheduling, inclusion of agenda items, administrative compliance decisions, ministerial matters,
15 routine clerical functions, and any other act delegated by the commission to be performed by an
16 employee of the commission or the cannabis office. Any procedural or administrative matter may
17 be heard, examined and investigated by a single commissioner or an employee of the commission
18 or the cannabis office as designated and assigned by the chair, with the concurrence of one other
19 commissioner. If designated by the commission or the cannabis office, the designated employee
20 shall make a report in writing relative to the hearing, examination and investigation of every
21 procedural or administrative matter. For the purposes of hearing, examining and investigating any
22 procedural or administrative matter, the designated employee shall have all of the powers conferred
23 upon a commissioner by this section. Any procedural or administrative decision made by a single
24 commissioner or designated employee may be appealed within ten (10) days of issuance of the
25 decision for a hearing before the full commission.

26 (3) The commission may designate a hearing officer to conduct hearings and make
27 recommendations of decision to the commission in contested cases consistent with chapter 35 of
28 title 42.

29 (h) **Ethics.** The provisions of chapter 14 of title 36, the state code of ethics, shall apply to
30 the commissioners and to employees operating under the jurisdiction of the commission to include,
31 but not limited to, personnel of the cannabis office; provided, however, that the commission may
32 promulgate an internal code of ethics for all members and employees that may be more restrictive
33 than the provisions of chapter 14 of title 36. A copy of any internal code of ethics adopted or as
34 amended shall be filed with the state ethics commission. The internal code may include provisions

1 reasonably necessary to carry out the purposes of this chapter.

2 (i) **Public body.** The cannabis control commission shall be a public body for the purposes
3 of chapter 46 of title 42 (the “open meetings act”).

4 (j) **Finance.** The commission shall, for the purposes of compliance with state finance law,
5 and subject to appropriation by the general assembly, operate as an independent state agency and
6 shall be subject to the laws applicable to agencies under the control of the governor; provided,
7 however, that the chairperson may identify any additional instructions or actions necessary for the
8 department of administration to manage fiscal operations in the state accounting system and meet
9 statewide and other governmental accounting and audit standards. The commission shall properly
10 classify the commission’s operating and capital expenditures, and shall not include any salaries of
11 employees in the commission’s capital expenditures. Unless otherwise exempted by law, the
12 commission shall participate in any other available state administrative services including, but not
13 limited to, the state payroll system, the state retirement system, and state purchases.

14 (k) **Prohibition on discrimination.** The commission and all personnel and employees
15 operating under the jurisdiction of the commission to include, but not limited to, personnel of the
16 cannabis office, shall not unlawfully discriminate by considering race, color, religion, sex, sexual
17 orientation, gender identity or expression, age, national origin, or disability in granting, denying,
18 or revoking a license, nor shall any person, corporation, or business firm which is licensed pursuant
19 to the provisions of this chapter unlawfully discriminate against or segregate any person based on
20 these grounds. All businesses licensed by the commission shall operate on a nondiscriminatory
21 basis, according to equal employment treatment and access to their services to all persons, unless
22 otherwise exempted by the laws of the state. Any licensee who fails to comply with this policy is
23 subject to any disciplinary action that is consistent with the legal authority and rules and regulations
24 of the commission. The commission shall cooperate with the state equal opportunity office to
25 prevent any person, corporation, or business firm from unlawfully discriminating because of race,
26 color, religion, sex, sexual orientation, gender identity or expression, age, national origin, or
27 disability or from participating in any practice which may have a disparate effect on any protected
28 class within the population. The state equal opportunity office shall monitor the equal employment
29 opportunity activities and affirmative action plans of the commission.

30 **21-28.11-10.1. Transitional period and transfer of authority.**

31 (a) To protect public health and public safety, upon the effective date of this chapter [May
32 25, 2022] until final issuance of the commission’s rules and regulations promulgated pursuant to
33 the provisions of this chapter, there shall exist a transitional period of regulatory and enforcement
34 authority regarding the production, possession, regulation, distribution, sale, and use of cannabis

1 relating to the sale by hybrid cannabis retailers of adult use cannabis pursuant to § 21-28.11-10.

2 (b) During the transitional period, the office of cannabis regulation shall prescribe such
3 forms, procedures, and requirements as necessary to facilitate the acquisition of hybrid retail and
4 cultivation licenses by compassion centers and cultivators licensed pursuant to chapter 28.6 of this
5 title.

6 (c) Such forms, procedures, and requirements shall be posted on the website of the office
7 of cannabis regulation no later than October 15, 2022, at which time an application period will
8 commence. Applications shall be received, reviewed, and approved on a rolling basis provided that
9 in no case shall an approved hybrid retailer begin adult use sales before December 1, 2022.

10 (d) The forms, procedures, and requirements prescribed by the office of cannabis regulation
11 shall incorporate, but shall not be limited to, the following:

12 (1) Requirements pertaining to the physical premises of hybrid retail licensees. Where
13 physically possible these shall include prospective licensee plans to physically separate marijuana
14 and marijuana products designated for adult use and medical sales, respectively, in inventory,
15 storage, and customer-facing floor and display areas; plans to physically separate sales areas for
16 adult use and medical sales, which may be provided by a temporary or semi-permanent physical
17 barrier; plans to provide and maintain a patient consultation area that will allow privacy for
18 confidential consultation with qualifying patients; and plans to prioritize patient and caregiver
19 identification verification and physical entry into retail areas in the event of capacity or other
20 constraints; however, if the premises of a hybrid retail licensee does not allow the licensee to meet
21 the requirements of this subsection or would cause undue hardship on the licensee, the office of
22 cannabis regulation may authorize the hybrid retail licensee to conduct adult use sales at an adjunct
23 location. In authorizing any such adjunct location, the office shall require, at a minimum, the
24 following:

25 (i) The adjunct location must be physically located within the same municipality and
26 geographic zone;

27 (ii) The adjunct location must comply with all municipal zoning requirements and obtain
28 municipal approval;

29 (iii) The approval of any adjunct location will not cause undue hardship upon another
30 licensed cannabis retailer; and

31 (iv) In the instance that an adjunct location is approved by the office, the hybrid cannabis
32 retailer shall not be permitted to engage in the sale of cannabis for adult use at more than one
33 premises.

34 (2) Requirements pertaining to inventory, product, and sales tracking. These shall include

1 prospective licensee submission of plans to electronically separate finished marijuana products
2 designated for medical or adult use sales in hybrid licensees' inventory and sales tracking systems.
3 If prospective hybrid licensees are conducting cultivation activities, they shall submit plans to
4 distinguish between sales of marijuana or finished marijuana products at wholesale based on
5 designation for medical or adult use sales.

6 (3) Requirements relating to the maintenance of medical marijuana program service levels.
7 These shall include prospective licensee submission of comprehensive policies and procedures
8 detailing plans to maintain a sufficient quantity and variety of medical marijuana products, and if
9 substitutions of medical marijuana products with adult use marijuana products are to be made, a
10 justification for such substitutions. Prospective hybrid licensees shall also be required to designate
11 an individual who will be primarily responsible for maintenance of medical marijuana program
12 service levels and ongoing compliance with existing program requirements, rules, and regulations.

13 (4) Requirements relating to operating plans, policies, and procedures. These shall include
14 prospective licensee submission, maintenance of, and adherence to a set of written standard
15 operating procedures that encompass both adult use and medical marijuana service lines. These
16 operating plans and procedures shall take the form of an updated operations manual as currently
17 required under medical marijuana program regulations and shall include, but not be limited to,
18 policies and procedures relating to the maintenance of medical marijuana program service levels
19 as defined in this section.

20 (5) Requirements relating to the advertising of cannabis and cannabis products by hybrid
21 cannabis retailers who have been permitted to sell adult use cannabis and hybrid cannabis
22 cultivators who have been permitted to cultivate adult use cannabis pursuant to the provisions of
23 this chapter.

24 (e) Notwithstanding the foregoing provisions of this section, all prospective and approved
25 applicants for hybrid cannabis retailer and cannabis cultivator licenses under this chapter shall
26 maintain compliance with the existing provisions of chapter 28.6 of this title and the regulations
27 promulgated thereunder until final issuance of the commission's rules and regulations, including,
28 but not limited to, existing restrictions and requirements related to financial disclosures; registration
29 of owners, managers, key persons, agents, and employees; product testing; packaging and labeling;
30 transportation; and home delivery.

31 (f) Forms, procedures, and requirements relating to this transitional period may be amended
32 by the office of cannabis regulation or the commission up until the final issuance of the
33 commission's regulations pursuant to the provisions of this chapter at which time the forms,
34 procedures, and requirements will be superseded by the commission's final rules and regulations.

1 (g) Upon final issuance of the commission’s rules and regulations, the following shall
2 occur:

3 (1) All powers, duties, and responsibilities of the department of business regulation and the
4 office of cannabis regulation with respect to the regulation, administration, and enforcement of the
5 provisions of chapter 28.6 of this title [and chapter 26 of title 2](#) shall be transferred to the commission
6 or as designated by the commission to the cannabis office.

7 (2) All powers, duties, and responsibilities of the department of environmental
8 management with respect to regulation, administration, and enforcement of chapter 28.6 of this title
9 shall be transferred to the commission or as designated by the commission to the cannabis office.

10 (3) All powers, duties, and responsibilities of the department of health with respect to
11 regulation, administration, and enforcement of chapter 28.6 of this title shall be transferred to the
12 commission or as designated by the commission to the cannabis office, except for the following:

13 (i) Administration of registry identification cards to qualified patients; and

14 (ii) Powers delegated to the department pursuant to this chapter or by rules and regulations
15 of the commission.

16 (4) There shall be established a “cannabis office” with the powers, duties, and
17 responsibilities authorized pursuant to § 21-28.11-18.1.

18 (5) All powers exercised by state agencies, departments, and offices pursuant to the
19 provisions of subsections (a) and (b) of this section relating to transitional period authority shall
20 cease.

21 (h) Upon final issuance of the commission’s rules and regulations, whenever the term
22 “office of cannabis regulation” appears in any general law or regulation, the term shall mean the
23 “cannabis office” as defined in this chapter.

24 SECTION 5. Section 28-30-18 of the General Laws in Chapter 28-30 entitled "Workers'
25 Compensation Court" is hereby amended to read as follows:

26 **28-30-18. Additional benefits payable to retired judges and their surviving spouses or**
27 **domestic partners.**

28 (a) All judges of the workers’ compensation court, or their surviving spouses or domestic
29 partners, who retire after January 1, 1970, and who receive a retirement allowance pursuant to the
30 provisions of this title, shall, on the first day of January next following the third anniversary date
31 of their retirement, receive a cost-of-living retirement adjustment in addition to his or her retirement
32 allowance in an amount equal to three percent (3%) of the original retirement allowance. In each
33 succeeding subsequent year during the month of January the retirement allowance shall be
34 increased an additional three percent (3%) of the original allowance, compounded annually from

1 the year the cost-of-living adjustment was first payable to be continued during the lifetime of that
2 judge or his or her surviving spouse or domestic partner. For the purpose of that computation, credit
3 shall be given for a full calendar year regardless of the effective date of the retirement allowance.

4 (b) Any judge who retired prior to January 31, 1980, shall be deemed for the purpose of
5 this section to have retired on January 1, 1980.

6 (c) For judges not eligible to retire as of September 30, 2009, and not eligible upon passage
7 of this article, and for their beneficiaries, the cost-of-living adjustment described in subsection (a)
8 above shall only apply to the first thirty-five thousand dollars (\$35,000) of retirement allowance,
9 indexed annually, and shall commence upon the third (3rd) anniversary of the date of retirement or
10 when the retiree reaches age sixty-five (65), whichever is later. The thirty-five thousand dollar
11 (\$35,000) limit shall increase annually by the percentage increase in the Consumer Price Index for
12 all Urban Consumers (CPI-U) as published by the United States Department of Labor Statistics
13 determined as of September 30 of the prior calendar year or three percent (3%), whichever is less.
14 The first thirty-five thousand dollars (\$35,000), as indexed, of retirement allowance shall be
15 multiplied by the percentage of increase in the Consumer Price Index for all Urban Consumers
16 (CPI-U) as published by the United States Department of Labor Statistics determined as of
17 September 30 of the prior calendar year or three percent (3%), whichever is less on the month
18 following the anniversary date of each succeeding year. For judges eligible to retire as of September
19 30, 2009, or eligible upon passage of this article, and for their beneficiaries, the provisions of this
20 subsection (c) shall not apply.

21 (d) This subsection (d) shall be effective for the period July 1, 2012, through June 30, 2015.

22 (1) Notwithstanding the prior paragraphs of this section, and subject to subsection (d)(2)
23 below, for all present and former justices, active and retired justices, and beneficiaries receiving
24 any retirement, disability or death allowance or benefit of any kind, whether provided for or on
25 behalf of justices engaged on or prior to December 31, 1989, as a noncontributory justice or
26 engaged after December 31, 1989, as a contributory justice, the annual benefit adjustment provided
27 in any calendar year under this section shall be equal to (A) multiplied by (B) where (A) is equal
28 to the percentage determined by subtracting five and one-half percent (5.5%) (the “subtrahend”)
29 from the five-year average investment return of the retirement system determined as of the last day
30 of the plan year preceding the calendar year in which the adjustment is granted, said percentage not
31 to exceed four percent (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser
32 of the justice’s retirement allowance or the first twenty-five thousand dollars (\$25,000) of
33 retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be indexed annually
34 in the same percentage as determined under (d)(1)(A) above. The “five-year average investment

1 return” shall mean the average of the investment return of the most recent five (5) plan years as
2 determined by the retirement board. Subject to subsection (d)(2) below, the benefit adjustment
3 provided by this paragraph shall commence upon the third (3rd) anniversary of the date of
4 retirement or the date on which the retiree reaches his or her Social Security retirement age,
5 whichever is later. In the event the retirement board adjusts the actuarially assumed rate of return
6 for the system, either upward or downward, the subtrahend shall be adjusted either upward or
7 downward in the same amount.

8 (2) Except as provided in subsection (d)(3), the benefit adjustments under this section for
9 any plan year shall be suspended in their entirety unless the funded ratio of the employees’
10 retirement system of Rhode Island, the judicial retirement benefits trust, and the state police
11 retirement benefits trust, calculated by the system’s actuary on an aggregate basis, exceeds eighty
12 percent (80%) in which event the benefit adjustment will be reinstated for all justices for such plan
13 year.

14 In determining whether a funding level under this subsection (d)(2) has been achieved, the
15 actuary shall calculate the funding percentage after taking into account the reinstatement of any
16 current or future benefit adjustment provided under this section.

17 (3) Notwithstanding subsection (d)(2), in each fifth plan year commencing after June 30,
18 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five
19 (5) plan years, a benefit adjustment shall be calculated and made in accordance with subsection
20 (d)(1) above until the funded ratio of the employees’ retirement system of Rhode Island, the judicial
21 retirement benefits trust, and the state police retirement benefits trust, calculated by the system’s
22 actuary on an aggregate basis, exceeds eighty percent (80%).

23 (4) Notwithstanding any other provision of this chapter, the provisions of this subsection
24 (d) shall become effective July 1, 2012, and shall apply to any benefit adjustment not granted on or
25 prior to June 30, 2012.

26 (e) This subsection (e) shall become effective July 1, 2015.

27 (1)(i) As soon as administratively reasonable following the enactment into law of this
28 subsection (e)(1)(i), a one-time benefit adjustment shall be provided to justices and/or beneficiaries
29 of justices who retired on or before June 30, 2012, in the amount of two percent (2%) of the lesser
30 of either the justice’s retirement allowance or the first twenty-five thousand dollars (\$25,000) of
31 the justice’s retirement allowance. This one-time benefit adjustment shall be provided without
32 regard to the retiree’s age or number of years since retirement.

33 (ii) Notwithstanding the prior subsections of this section, for all present and former justices,
34 active and retired justices, and beneficiaries receiving any retirement, disability or death allowance

1 or benefit of any kind, whether provided for or on behalf of justices engaged on or prior to
2 December 31, 1989, as a noncontributory justice or engaged after December 31, 1989, as a
3 contributory justice, the annual benefit adjustment provided in any calendar year under this section
4 for adjustments on and after January 1, 2016, and subject to subsection (e)(2) below, shall be equal
5 to (A) multiplied by (B):

6 (A) Shall equal the sum of fifty percent (50%) of (I) plus fifty percent (50%) of (II) where:

7 (I) Is equal to the percentage determined by subtracting five and one-half percent (5.5%)
8 (the “subtrahend”) from the five-year average investment return of the retirement system
9 determined as of the last day of the plan year preceding the calendar year in which the adjustment
10 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent
11 (0%). The “five-year average investment return” shall mean the average of the investment returns
12 of the most recent five (5) plan years as determined by the retirement board. In the event the
13 retirement board adjusts the actuarially assumed rate of return for the system, either upward or
14 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

15 (II) Is equal to the lesser of three percent (3%) or the percentage increase in the Consumer
16 Price Index for all Urban Consumers (CPI-U) as published by the United States Department of
17 Labor Statistics determined as of September 30 of the prior calendar year. In no event shall the sum
18 of (I) plus (II) exceed three and one-half percent (3.5%) or be less than zero percent (0%).

19 (B) Is equal to the lesser of either the justice’s retirement allowance or the first twenty-five
20 thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount to be
21 indexed annually in the same percentage as determined under subsection (e)(1)(ii)(A) above.

22 The benefit adjustments provided by this subsection (e)(1)(ii) shall be provided to all
23 retirees entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect,
24 and for all other retirees the benefit adjustments shall commence upon the third anniversary of the
25 date of retirement or the date on which the retiree reaches his or her Social Security retirement age,
26 whichever is later.

27 (2) Except as provided in subsection (e)(3), the benefit adjustments under subsection
28 (e)(1)(ii) for any plan year shall be suspended in their entirety unless the funded ratio of the
29 employees’ retirement system of Rhode Island, the judicial retirement benefits trust, and the state
30 police retirement benefits trust, calculated by the system’s actuary on an aggregate basis, exceeds
31 eighty percent (80%) in which event the benefit adjustment will be reinstated for all justices for
32 such plan year. [Effective July 1, 2024, the funded ratio of the employees’ retirement system of](#)
33 [Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust,](#)
34 [calculated by the system’s actuary on an aggregate basis, of exceeding eighty percent \(80%\) for the](#)

1 benefit adjustment to be reinstated for all members for such plan year shall be replaced with
2 seventy-five percent (75%).

3 In determining whether a funding level under this subsection (e)(2) has been achieved, the
4 actuary shall calculate the funding percentage after taking into account the reinstatement of any
5 current or future benefit adjustment provided under this section.

6 (3) Notwithstanding subsection (e)(2), in each fourth plan year commencing after June 30,
7 2012, commencing with the plan year ending June 30, 2016, and subsequently at intervals of four
8 plan years: (i) A benefit adjustment shall be calculated and made in accordance with subsection
9 (e)(1)(ii) above; and (ii) Effective for members and/or beneficiaries of members who retired on or
10 before June 30, 2015, the dollar amount in subsection (e)(1)(ii)(B) of twenty-five thousand eight
11 hundred and fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six
12 dollars (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the
13 judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the
14 system's actuary on an aggregate basis, exceeds eighty percent (80%). Effective July 1, 2024, the
15 funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits
16 trust, and the state police retirement benefits trust, calculated by the system's actuary on an
17 aggregate basis, of exceeding eighty percent (80%) shall be replaced with seventy-five percent
18 (75%).

19 (4) Effective for members and/or beneficiaries of members who have retired on or before
20 July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)
21 days following the enactment of the legislation implementing this provision, and a second one-time
22 stipend of five hundred dollars (\$500) in the same month of the following year. These stipends
23 shall be payable to all retired members or beneficiaries receiving a benefit as of the applicable
24 payment date and shall not be considered cost of living adjustments under the prior provisions of
25 this section.

26 SECTION 6. Section 28-42-51 of the General Laws in Chapter 28-42 entitled
27 "Employment Security — General Provisions" is hereby amended to read as follows:

28 **28-42-51. Additional functions and duties of director of administration.**

29 In addition to and/or in lieu of the sections enumerated in § 28-42-50, the director of
30 administration shall perform, at the department of labor and training, in the manner and to the extent
31 that the director may prescribe, the following functions and duties:

32 (1) Establish and maintain a current system of internal financial controls and checks
33 necessary to insure the proper handling of accounts in connection with the employment security
34 fund and the employment security administration account created by this chapter, by conducting a

1 continuous pre-audit or a continuous post-audit or by conducting a combination of both (pre-audit
2 or post-audit). The cost of these post-audit activities by the office of internal audit [and program](#)
3 [integrity](#) in the department of administration shall be reimbursed in full by the department;

4 (2) Establish and maintain any methods, procedures, and systems of accounting that may
5 be deemed necessary; those records and accounts to be considered, for all purposes, the official
6 records of the state and department;

7 (3) Prepare and furnish financial and any other reports that may be required; and

8 (4) Perform any other related functions and duties that may be required by chapters 42 —
9 44 of this title.

10 SECTION 7. Section 35-1.1-4 of the General Laws in Chapter 35-1.1 entitled "Office of
11 Management and Budget" is hereby amended to read as follows:

12 **35-1.1-4. Offices and functions assigned to the office of management and budget —**
13 **Powers and duties.**

14 (a) The offices assigned to the office of management and budget include the budget office,
15 the office of regulatory reform, the performance management office, and the office of internal audit
16 [and program integrity](#).

17 (b) The offices assigned to the office of management and budget shall:

18 (1) Exercise their respective powers and duties in accordance with their statutory authority
19 and the general policy established by the governor or by the director acting on behalf of the
20 governor or in accordance with the powers and authorities conferred upon the director by this
21 chapter;

22 (2) Provide such assistance or resources as may be requested or required by the governor
23 and/or the director;

24 (3) Provide such records and information as may be requested or required by the governor
25 and/or the director, to the extent allowed under the provisions of any applicable general or public
26 law, regulation, or agreement relating to the confidentiality, privacy, or disclosure of such records
27 or information; and

28 (c) Except as provided herein, no provision of this chapter or application thereof shall be
29 construed to limit or otherwise restrict the budget officer from fulfilling any statutory requirement
30 or complying with any valid rule or regulation.

31 [\(d\) The office of management and budget shall monitor the status of federal grants and](#)
32 [identify any impacts of federal funding rescission. In the event of federal funding termination,](#)
33 [agencies must provide the reported reason for termination, the types of activities funded by the](#)
34 [awards, and the number of full-time equivalent positions assigned to the awards to the office.](#)

1 (1) The office of management and budget, may coordinate with the governor's office, the
2 department of administration's division of purchases, the division of human resources, and the
3 office of accounts and control, to develop options for administrative action or general assembly
4 consideration that may be needed to address any federal funding changes.

5 (2) As soon as practicable after enactment of the federal budget for fiscal year 2026, but
6 no later than October 31, 2025, the office shall forward a report to the governor, speaker of the
7 house and president of the senate containing the findings, recommendations, and options to become
8 compliant with federal changes prior to the governor's budget submission pursuant to § 35-3-7.

9 SECTION 8. Section 35-3-24.1 of the General Laws in Chapter 35-3 entitled "State
10 Budget" is hereby amended to read as follows:

11 **35-3-24.1. Program performance measurement.**

12 (a) Beginning with the fiscal year ending June 30, 1997, the governor shall submit, as part
13 of each budget submitted to the general assembly pursuant to § 35-3-7, performance objectives for
14 each program in the budget for the ensuing fiscal year, estimated performance data for the fiscal
15 year in which the budget is submitted, and actual performance data for the preceding two (2)
16 completed fiscal years. Performance data shall include efforts at achieving equal opportunity hiring
17 goals as defined in the department's annual affirmative action plan. The governor shall, in addition,
18 recommend appropriate standards against which to measure program performance. Performance in
19 prior years may be used as a standard where appropriate. These performance standards shall be
20 stated in terms of results obtained.

21 (b) The governor may submit, in lieu of any part of the information required to be submitted
22 pursuant to subsection (a), an explanation of why the information cannot as a practical matter be
23 submitted.

24 (c)(1) The office of management and budget shall be responsible for managing and
25 collecting program performance measures on behalf of the governor. The office is authorized to
26 conduct performance reviews and audits of agencies to determine the manner and extent to which
27 executive branch agencies achieve intended objectives and outcomes.

28 (2) In order to collect performance measures from agencies, review performance, and
29 provide recommendations, the office of budget and management is authorized to coordinate with
30 the office of internal audit and program integrity regarding the findings and recommendations that
31 result from audits conducted by the office.

32 (3) In order to facilitate the office of management and budget's performance reviews,
33 agencies must generate and provide timely access to records, reports, analyses, audits, reviews,
34 documents, papers, recommendations, contractual deliverables, or other materials available relating

1 to agency programs and operations.

2 (4) In order to ensure alignment of executive branch agency operations with the state's
3 priorities, the office of management and budget may produce, with all necessary cooperation from
4 executive branch agencies, analyses and recommendations to improve program performance,
5 conduct evidence-based budgeting, and respond to sudden shifts in policy environments.

6 (5) In order to gain insight into performance or outcomes and inform policymaking and
7 program evaluation, the office of management and budget may lead, manage, and/or coordinate
8 interagency and cross-system collaboration or integration initiatives.

9 SECTION 9. Section 35-7-15 of the General Laws in Chapter 35-7 entitled "Post Audit of
10 Accounts" is hereby amended to read as follows:

11 **35-7-15. Audit of information security systems.**

12 (a) The general assembly recognizes that the security of government computer systems is
13 essential to ensuring the stability and integrity of vital information gathered and stored by the
14 government for the benefit of the citizenry and the breach of security over computer systems
15 presents a risk to the health, safety, and welfare of the public. It is the intent of the legislature to
16 ensure that government computer systems and information residing on these systems are protected
17 from unauthorized access, compromise, sabotage, hacking, viruses, destruction, illegal use, cyber
18 attack, or any other act that might jeopardize or harm the computer systems and the information
19 stored on them.

20 (b) In conjunction with the powers and duties outlined in this chapter, the office of internal
21 audit [and program integrity](#) may conduct reviews and assessments of the various government
22 computer systems and the security systems established to safeguard these computer systems.
23 Computer systems subject to this section shall include systems that pertain to federal, state, or local
24 programs, and quasi-governmental bodies, and the computer systems of any entity or program that
25 is subject to audit by the office of internal audit [and program integrity](#). The office of internal ~~audit's~~
26 [audit and program integrity's](#) review may include an assessment of system vulnerability, network
27 penetration, potential security breaches, and susceptibility to cyber attack and cyber fraud.

28 (c) The office of internal ~~audit's~~ [audit and program integrity's](#) findings shall be deemed
29 public records and available for public inspection; provided, however, in the event the review
30 indicates a computer system is vulnerable, or security over the system is otherwise deficient,
31 reasonably segregable portions of the findings shall be subject to public inspection after the
32 redaction of any information, the disclosure of which, would endanger the security of the system
33 or reveal the specific nature of the vulnerabilities found. Notwithstanding any other provision of
34 law to the contrary, the work papers developed in connection with the review of computer systems

1 and the security over those systems authorized by this section shall not be deemed public records
2 and are not subject to disclosure.

3 (d) In order to maintain the integrity of the computer system, the office of internal audit
4 [and program integrity](#) may procure the services of specialists in information security systems or
5 other contractors deemed necessary in conducting reviews under this section, and in procuring
6 those services shall be exempt from the requirements of the state purchasing law or regulation.

7 (e) Any outside contractor or vendor hired to provide services in the review of the security
8 of a computer system shall be bound by the confidentiality provisions of this section.

9 SECTION 10. The title of Chapter 35-7.1 of the General Laws entitled "The Office of
10 Internal Audit" is hereby amended to read as follows:

11 ~~CHAPTER 35-7.1~~

12 ~~The Office of Internal Audit~~

13 CHAPTER 35-7.1

14 THE OFFICE OF INTERNAL AUDIT AND PROGRAM INTEGRITY

15 SECTION 11. Sections 35-7.1-1, 35-7.1-2, 35-7.1-3, 35-7.1-4, 35-7.1-6, 35-7.1-8 and 35-
16 7.1-10 of the General Laws in Chapter 35-7.1 entitled "The Office of Internal Audit" are hereby
17 amended to read as follows:

18 **35-7.1-1. Establishment of office of internal audit.**

19 (a) There is hereby established within the office of management and budget an office of
20 internal audit [and program integrity](#). Within the office of internal audit [and program integrity](#), there
21 shall be a chief, appointed by the director of administration, who shall be the administrative head
22 of the office. The person so selected to be the chief shall be selected without regard to political
23 affiliation and with a demonstrated ability in the following areas: accounting, auditing, financial
24 analysis, investigation, management analysis, and public administration. The office of internal
25 audit [and program integrity](#) will report to the office of management and budget director. Any
26 reference in general law to the "bureau of audits" [or "office of internal audit"](#) shall mean the office
27 of internal audit [and program integrity](#).

28 [\(b\) The purpose of the office is to prevent and detect fraud, waste, abuse, and](#)
29 [mismanagement in the expenditure of public funds including:](#)

30 [\(1\) All state programs and operations;](#)

31 [\(2\) The procurement of any supplies, services, or construction by state agencies, bureaus,](#)
32 [divisions, sections, departments, offices, commissions, institutions, and activities of the state; and](#)

33 [\(3\) The procurement or expenditure of public funds by organizations or individuals.](#)

34 ~~(b)~~(c) The chief of the office of internal audit [and program integrity](#) shall not hold, or be a

1 candidate for, any elective or any other appointed public office while a chief. No current chief shall
2 hold a position in any political party or political committee, or, aside from voting, actively engage
3 in the political campaign of any candidate for public office that may cause a real or perceived
4 conflict of interest, or participate as a board member of any entity that receives state or federal
5 funding.

6 ~~(e)~~(d) No employee of the office of internal audit [and program integrity](#) shall hold, or be a
7 candidate for, any elective public office while an employee, nor shall he/she hold a position in any
8 political party or political committee or, aside from voting, actively engage in a political campaign
9 of any candidate for public office that may cause a real or perceived conflict of interest, or
10 participate as a board member of any not for profit entity that receives state or federal funding.

11 ~~(d)~~(e) ~~Purposes and scope.~~ The office of internal audit [and program integrity](#) is authorized
12 to conduct audits of any state department, state agency, or private entity that is a recipient of state
13 funding or state grants. In addition, the office of internal audit [and program integrity](#) is authorized,
14 but not limited to, evaluating the efficiency of operations and internal controls, preventing and
15 detecting fraud, waste, abuse, or mismanagement in the expenditure of public funds, whether
16 federal, state, or local, that are related to any and all state programs and operations as well as the
17 procurement of any goods, services, or construction, by public bodies. As deemed necessary or
18 expedient by the office of internal audit [and program integrity](#), audits may be made relative to the
19 financial affairs or the economy and efficiency of management of each department, agency or
20 public body. The office of internal audit [and program integrity](#) shall determine which such audits
21 shall be performed in accordance with a risk-based evaluation.

22 ~~(e)~~(f) “Public body” or “public bodies” under this chapter shall mean state agencies,
23 bureaus, divisions, departments, offices, commissions, boards, institutions, including the public
24 institutions of higher education, districts, authorities, quasi-agencies, or political subdivisions
25 created by the general assembly, or the governor. “Public body” shall also include any city and
26 town within the state of Rhode Island but municipal audits under this chapter shall only cover the
27 expenditure of state or federal funds distributed by the state. Audits and investigations of public
28 bodies may include the expenditures by nongovernmental agencies of federal, state, and local
29 public funds.

30 **35-7.1-2. Duties.**

31 (a) The chief of internal audit [and program integrity](#) shall supervise, coordinate, and/or
32 conduct audits, civil and administrative investigations, and inspections or oversight reviews, when
33 necessary, relating to expenditure of state or federal funds, or to any and all state programs and
34 operations, as well as the procurement of any supplies, services, or construction, by public bodies.

1 In the course of an audit or investigation, the office of internal audit [and program integrity](#) shall
2 review statutes and regulations of the public body and shall determine if such a public body is in
3 compliance and shall make recommendations concerning the efficiency of operations, and the
4 effect of such statutes or regulations on internal controls and the prevention and detection of fraud,
5 waste and abuse. The chief of internal audit [and program integrity](#) may recommend policies or
6 procedures that may strengthen internal controls, or assist in the prevention or detection of fraud,
7 waste, and abuse or mismanagement.

8 (b) The person, or persons, with legal authority for any public body may request the
9 assistance of the office of internal audit [and program integrity](#). Any such request must include the
10 scope of services requested and the work to be performed. In such events, the chief, with the
11 approval of the director of management and budget, may assign personnel to conduct, supervise,
12 or coordinate such activity as deemed necessary and appropriate to perform his/her duties in a
13 diligent and prudent manner. The expenses for any such assistance requested by the public body
14 shall be reimbursed by the public body to the office of internal audit [and program integrity](#). The
15 chief may recommend policies for the conduct, supervision, or coordination of the relationship,
16 between state and other state, local governmental agencies as well as federal governmental agencies
17 and nongovernmental entities with respect to all matters relating to the prevention and detection of
18 fraud, waste, abuse or mismanagement in or relating to any and all programs and activities of the
19 state of Rhode Island.

20 (c) When it is determined by the office of internal audit that an audit [and program integrity](#)
21 is necessary because there is sufficient evidence to believe that there may have been fiscal
22 impropriety, wrongdoing, or fiscal mismanagement by any agent, employee, board member, or
23 commissioner of any public body, the office of internal audit [and program integrity](#) may conduct a
24 forensic examination of such entity. All costs associated with the forensic examination shall be
25 paid, as deemed appropriate, either by the examined entity or by an appropriation by the general
26 assembly. Such costs shall include, but not be limited to, the following expenses:

27 (1) One hundred percent (100%) of the total salaries and benefits paid to the examining
28 personnel of the office of internal audit [and program integrity](#) engaged in those examinations;

29 (2) All costs associated with the procurement of a forensic consultant;

30 (3) All costs associated with a consultant that provides expertise pertinent to the examinee's
31 operations;

32 (4) All reasonable administrative and technology costs related to the forensic examination
33 process. Technology costs shall include the actual cost of software and hardware utilized in the
34 examination process and the cost of training examination personnel in the proper use of the software

1 and hardware.

2 (d) The chief of internal audit and program integrity, or their designee, may investigate
3 reports of any person who, either prior to, or at the time of, or subsequent to the application for
4 public assistance:

5 (1) Willfully makes a false statement or misrepresentation;

6 (2) Impersonates someone else;

7 (3) Willfully fails to disclose a material fact regarding eligibility or other fraudulent means;

8 or

9 (4) Secures, aids, or abets, or attempts to secure, aid, or abet, others in securing public
10 assistance (including Supplemental Nutrition Assistance Program (SNAP) or Medicaid) through
11 fraudulent actions.

12 (e) The chief of internal audit and program integrity, or their designee, is authorized to:

13 (1) Coordinate, conduct, and/or support investigations aimed at preventing and detecting,
14 fraud, waste, abuse, and mismanagement in public assistance programs;

15 (2) Coordinate and support state and local efforts to investigate and eliminate fraud in
16 public assistance programs;

17 (3) Work to recover both state and federal funds related to fraudulent activities.

18 (f) In the course of these investigations, the office of internal audit and program integrity
19 shall collaborate with local law enforcement agencies, the Rhode Island department of human
20 services, the Rhode Island state police, the Rhode Island attorney general, or other local, state, and
21 federal entities as needed to complete the investigations.

22 (g) The office shall identify methods to implement innovative technology and data sharing
23 in order to detect, analyze, and prevent fraud, waste, and abuse.

24 **35-7.1-3. Investigations or management advisory and consulting services upon**
25 **request of governor or general assembly.**

26 The office of internal audit and program integrity may, upon the written request of the
27 governor or of the general assembly, conduct audits, provide management advisory and consulting
28 services, or conduct investigations relative to the financial affairs or the economy and efficiency of
29 management, or both, of any public bodies as defined in § 35-7.1-1(e). The office of internal audit
30 and program integrity may, from time to time, make such investigations and additional reports to
31 the governor, the director of the department of administration, the director of the office of
32 management and budget, and the general assembly as deemed necessary or advisable.

33 **35-7.1-4. Management advisory and consulting services provided to public bodies.**

34 When requested in writing by a public body to the chief, the office of internal audit and

1 [program integrity](#) may provide management advisory or consulting services to the public body.
2 Any such request must include the scope of services requested and a schedule for the work to be
3 performed.

4 **35-7.1-6. ~~Inspection of records and papers~~ — Investigations Inspection of records,**
5 **papers, and witness testimony -- Investigations and subpoenas.**

6 (a) The chief, in carrying out the duties outlined in this chapter, shall have access to all
7 records, reports, audits, reviews, papers, books, documents, recommendations, correspondence,
8 including information relative to the purchase of goods or services or anticipated purchase of goods
9 or services, from any agent, contractor, or vendor by any public body, as defined in § 35-7.1-1(e),
10 and any other data and material that is maintained by or available to any public body regardless of
11 the media in which it is maintained which is in any way related to the programs and operations with
12 respect to public bodies.

13 (b) The chief may request information and records, cooperation, and assistance from any
14 state, or local governmental agency as may be necessary for carrying out his/her duties and
15 responsibilities. Upon receipt of such request, each person in charge of the public body shall furnish
16 to the chief, or his/her authorized agent or representative, such information and records, cooperation
17 and assistance, including information relative to the purchase of goods or services or anticipated
18 purchase of goods or services from any contractor or vendor by any public body, within ten (10)
19 business days of receipt of the chief's request. If the public body is unable to comply with the
20 request for records and/or information within (10) business days, the public body must notify the
21 chief, prior to the expiration of the ten (10) business days, in writing as to the reason, or reasons,
22 why the request cannot be fulfilled within this time and whether additional time is necessary.

23 (c) The chief may initiate and conduct audits, investigations, and compliance reviews and
24 shall prepare detailed findings, conclusions, and recommendations concerning the administration
25 of programs or operations, and internal controls over processes of public bodies.

26 (d) The chief shall have direct and prompt access to any public body, its agents, officers,
27 and employees when necessary for any purpose pertaining to the performance of his/her duties and
28 responsibilities under this chapter.

29 [\(e\) In furtherance of carrying out any of the duties of this chapter, the chief may request,](#)
30 [with the written approval of the director of the department of administration and through an](#)
31 [administrative subpoena, the attendance and testimony of witnesses and the production of books,](#)
32 [records, and other evidence relevant to an active fraud investigation as described in this chapter.](#)
33 [The subpoena shall specify the time, date, and place where the witness is to respond. Within twenty](#)
34 [\(20\) days after the service of the subpoena or at any time before the return date specified in the](#)

1 [subpoena, whichever period is shorter, the person served may file in a state superior court and serve](#)
2 [upon the unit and the attorney general a civil petition for an order of the court modifying or setting](#)
3 [aside the subpoena. The petition shall specify each ground upon which the petitioner is seeking](#)
4 [relief. If a person neglects or refuses to comply with any request to provide testimony or produce](#)
5 [books, records, and other evidence relevant to an investigation, the office of internal audit and](#)
6 [program integrity or the attorney general may petition the superior court for an order compelling](#)
7 [the person to answer the request. Books, records, and other evidence obtained through an](#)
8 [administrative subpoena that are not used in a court proceeding shall be destroyed as soon as](#)
9 [practicable.](#)

10 **35-7.1-8. Reports to the state police.**

11 In carrying out his/her duties and responsibilities, the chief shall report to the Rhode Island
12 state police whenever the chief has reasonable grounds to believe there has been a violation of
13 federal or state criminal law. The chief shall also refer findings to the state ethics commission, or
14 to any other federal, state, or local agency with an interest in said findings, in the discretion of the
15 chief. Any referrals made under this section shall not be made public by the office of internal audit
16 [and program integrity.](#)

17 **35-7.1-10. ~~Annual and interim reports~~ Audit and Annual reports.**

18 (a) The office of internal audit [and program integrity](#) shall prepare an annual report
19 summarizing the activities of the office of internal audit [and program integrity](#) for the prior fiscal
20 year. The office of internal audit [and program integrity](#) may also prepare interim performance
21 reports. These reports shall be presented to the director of management and budget. The annual
22 reports shall be posted on the office's website.

23 (b) The annual report shall include, but not be limited to: a general description of significant
24 problems in the areas of efficiencies, internal controls, fraud, waste, and abuse within programs
25 and operations within the jurisdiction of the office; a general description of the recommendations
26 for corrective actions made by the office during the reporting period with respect to significant
27 deficiencies in the areas of efficiencies, internal controls, fraud, waste, and abuse; the identification
28 of each significant recommendation described in previous annual reports on which corrective action
29 has not been completed; a summary of matters referred to prosecuting authorities; a summary of
30 any matters concerning the recovery of monies as a result of an audit finding or civil suit or a
31 referral to another agency for the purposes of such suit; a list of all audit reports completed by the
32 office during the reporting period; and a statement of recommendations of amendment to this
33 chapter or the rules, regulations, or procedures governing the office of internal audit [and program](#)
34 [integrity](#) that would improve the effectiveness or the operations of the office.

1 (c) The annual report of the office of internal audit [and program integrity](#) shall be made
2 public on the day of filing.

3 (d) [At the conclusion of each formal audit, the office of internal audit and program integrity](#)
4 [shall produce an audit report which contains, but is not limited to, the scope of the audit, findings,](#)
5 [and recommendations.](#) Within twenty (20) calendar days following the date of the issuance of the
6 management-response copy of the draft audit report, the head of the department, agency, public
7 body, or private entity audited shall respond, in writing, to each recommendation made in the audit
8 report. This response shall address the department's, agency's, or public body's or private entity's
9 plan of corrective action, the party responsible to implement the corrective action plan, and the
10 anticipated date to complete the implementation of the corrective action; and, if applicable, the
11 reasons for disagreement with any recommendation proposed in the audit report and justification
12 of management's acceptance of risk. The office of internal audit [and program integrity](#) may perform
13 follow-up procedures for the purpose of determining whether the department, agency, public body,
14 or private entity has implemented, in an efficient and effective manner, its plan of correction action
15 for the recommendations proposed in the audit report or addressed the risk discussed in the audit
16 report.

17 (e) Copies of each audit report, inclusive of management's responses noted in subsection
18 (d) shall be submitted to the chairpersons of the house finance committee, and the senate finance
19 committee and posted on the office's website.

20 SECTION 12. Chapter 35-7.1 of the General Laws entitled "The Office of Internal Audit"
21 is hereby amended by adding thereto the following section:

22 **35-7.1-11. Civil actions.**

23 [The chief of the office of internal audit and program integrity shall have the authority to](#)
24 [initiate civil recovery actions. In any case where the office of internal audit and program integrity](#)
25 [has discovered fraudulent acts and believes that civil recovery proceedings may be appropriate, the](#)
26 [chief may authorize the initiation of appropriate civil proceedings or refer the case to the](#)
27 [appropriate state agency for civil recovery.](#)

28 SECTION 13. Section 35-18-4 of the General Laws in Chapter 35-18 entitled "Public
29 Corporation Debt Management" is hereby amended to read as follows:

30 **35-18-4. Procedure.**

31 (a) A financing lease, guarantee, bond, or other obligation shall be deemed to have been
32 approved by the general assembly when the general assembly passes a ~~concurrent~~ [joint](#) resolution
33 of approval regarding the financing lease, guarantee, bond, or other obligation which the governor
34 or a public corporation, as the case may be, requests that the financing lease, guarantee, bond, or

1 other obligation be approved by the general assembly. These requests shall be transmitted to the
2 speaker of the house and the president of the senate with copies to the chairpersons of the respective
3 finance committees and fiscal advisors. The request for approval shall include:

4 (1) A full description of the essential public facility to which the financing lease, guarantee,
5 bond, or other obligation is related;

6 (2) An explanation as to why the facility is needed and how it will be paid off; and

7 (3) The maximum possible obligation of the state or of any public corporation under the
8 financing lease, guarantee, bond, or other obligation.

9 (b) The governor shall provide the general assembly with a timely explanation of any
10 certification made by him or her pursuant to this chapter in connection with any financing lease,
11 guarantee, bond, or other obligation. These explanations shall be transmitted to the speaker of the
12 house and the president of the senate with copies to the chairpersons of the respective finance
13 committees and fiscal advisors. The explanation shall also include:

14 (1) A full description of the essential public facility to which the financing lease, guarantee,
15 bond, or other obligation is related;

16 (2) An explanation as to why the facility is needed and how it will be paid off; and

17 (3) The maximum possible obligation of the state or of any public corporation under the
18 financing lease, guarantee, bond, or other obligation.

19 (c) The state shall not enter into any financing lease or guarantee relating to, nor shall any
20 public corporation issue any bond or other obligation in connection with, any essential public
21 facility unless the facility conforms to the description included in the request for approval or in the
22 explanation for certification submitted by the governor in connection with the financing lease,
23 guarantee, bond, or other obligation; nor shall the state's obligation in connection with the financing
24 lease, guarantee, bond, or other obligation exceed the amount set forth in the request for approval
25 or explanation of certification.

26 (d) Immediately following the first sale of each issue of bonds in connection with the
27 financing of an economic development project, the governor shall provide the general assembly
28 with copies of any offering statement for those bonds and his or her analysis of the benefits and
29 risks to the state of the project. These statements and analyses shall be transmitted to the speaker
30 of the house and the president of the senate, with copies to the chairpersons of the respective finance
31 committees and fiscal advisors.

32 SECTION 14. Chapter 36-4 of the General Laws entitled "Merit System" is hereby
33 amended by adding thereto the following section:

34 **36-4-15.1. Specialized information technology positions in state service.**

1 (a) For purposes of this section, "specialized information technology position" means a
2 technical or specialized job classification in state service under the supervision of the division of
3 enterprise technology strategy and services ("ETSS"), within the department of administration.
4 Such positions may include information technology leadership roles (i.e., chief information officer,
5 chief technology officer, chief information security officer, etc.) and any other information
6 technology positions which are supervisory, confidential, or managerial as defined by chapter 7 of
7 title 28 and the rules and regulations of the Rhode Island state labor relations board. There shall be
8 no more than fifteen (15) specialized information technology positions employed by the state in
9 any fiscal year.

10 (b) Notwithstanding the provisions of any general or special law or regulation to the
11 contrary, including the personnel rules adopted pursuant to § 36-4-8, the personnel administrator,
12 in their sole discretion, may modify, change or amend any official pay plan for employees in the
13 classified or unclassified service in order to create new job classifications, and/or modify the title,
14 content or pay grade of an existing job classification, for any new or existing specialized
15 information technology positions as defined above. All information technology job specifications
16 and corresponding pay grades, shall be reviewed annually to maintain accuracy and fluency with
17 emerging technologies, operating systems, and/or applications.

18 (c) The personnel administrator is hereby authorized to take whatever administrative action
19 is necessary to implement the changes to the official pay plans for specialized information
20 technology positions, as defined in this section, without conducting a public hearing or obtaining
21 the approval of the Governor prior to the implementation of any such action.

22 (d) Within thirty (30) days after any personnel action under this section, the personnel
23 administrator shall file a written report with the governor, the speaker of the house, the senate
24 president, and the chairpersons of the house and senate finance committees. This report shall
25 include:

26 (1) The title and paygrade of the position(s);

27 (2) The job description of the position(s); and

28 (3) The reason why the position(s) is/are necessary. The personnel administrator shall also
29 post the report on the division of human resources' website for at least one year.

30 (e) The provisions of this section shall not apply to any specialized information technology
31 position utilized by ETSS that is part of a collective bargaining unit established and certified by the
32 Rhode Island state labor relations board or which are eligible to be accreted into an existing
33 collective bargaining unit pursuant to chapter 7 of title 28 and the rules or regulations of the Rhode
34 Island state labor relations board.

1 (f) Except as authorized by chapter 7 of title 28 and the rules or regulations of the Rhode
2 Island state labor relations board, nothing shall permit the conversion of any/all information
3 technology positions in the classified, unclassified, or non-classified, covered by a collective
4 bargaining unit to any/all specialized information technology position utilized by ETSS.

5 (g) The authorization granted 36-4-15.1 to the personnel administrator to convert any/all
6 information technology positions to specialized information technology positions shall sunset on
7 December 31, 2026.

8 SECTION 15. Section 37-2-12 of the General Laws in Chapter 37-2 entitled "State
9 Purchases" is hereby amended to read as follows:

10 **37-2-12. Centralization of the procurement authority.**

11 (a) All rights, powers, duties, and authority relating to the procurement of supplies,
12 services, and construction, and the management, control, warehousing, sale, and disposal of
13 supplies, services, and construction now vested in or exercised by any state agency under the
14 several statutes relating thereto are hereby transferred to the chief purchasing officer as provided
15 in this chapter, subject to the provisions of § 37-2-54. A public agency does not have to utilize the
16 centralized purchasing of the state but the public agency, through its existing internal purchasing
17 function, shall adhere to the general principles, policies and practices set forth in this chapter.

18 (b) The chief purchasing officer, as defined in § 37-2-7(3)(i), may establish, charge, and
19 collect from state contractors, ~~listed on master price agreements, an statewide contract~~
20 administrative fee not to exceed one-third of one percent (0.33~~1~~%) of the total value of the annual
21 spend against a contract awarded to a state contractor. All ~~statewide~~ contract administrative fees
22 collected pursuant to this subsection shall be deposited into a restricted-receipt account within the
23 general fund designated as the "division of purchases administrative-fee account" and shall be used
24 for the purposes of implementing, maintaining, or operating technology for the submission and
25 processing of bids, online vendor registration, bid notification, and other costs related to state
26 procurement including staffing. On or before January 15, 2019, and annually thereafter on or before
27 January 15, the chief purchasing officer or designee shall file a report with the governor, the speaker
28 of the house, and the president of the senate detailing:

29 (i) The total amount of funds collected and deposited into the division of purchases
30 administrative-fee account for the most recently completed fiscal year;

31 (ii) The account balance as of the date of the report;

32 (iii) An itemization of all expenditures and other uses of said funds from said account for
33 the most recently completed fiscal year; and

34 (iv) An annual evaluation as to the appropriateness of the amount of the contract

1 administrative fee ~~on master price agreements.~~

2 (c) Subject to the approval of the director of the department of administration, the state
3 controller is authorized to offset any currently recorded outstanding liability on the part of
4 developmental disability organizations (DDOs) to repay previously authorized startup capital
5 advances against the proceeds from the sale of group homes within a fiscal year prior to any sale
6 proceeds being deposited into the information technology restricted receipt account established
7 pursuant to § 42-11-2.5(a).

8 SECTION 16. Section 42-7-8 of the General Laws in Chapter 42-7 entitled "Executive
9 Department" is hereby repealed.

10 ~~**42-7-8. American Recovery and Reinvestment Act administration expenses.**~~

11 ~~(a) There is hereby created restricted receipt accounts, within the office of the governor,~~
12 ~~for the office of economic recovery and reinvestment, and within the department of administration~~
13 ~~for the office of internal audit and the division of purchasing, to be known as ARRA administrative~~
14 ~~expense accounts. Payments from the accounts shall be limited to expenses for administrative~~
15 ~~oversight of American Recovery and Reinvestment Act (ARRA) funds. The governor's office of~~
16 ~~economic recovery and reinvestment is authorized by OMB memorandum 09-18 to receive up to~~
17 ~~one half percent (0.5%) of stimulus funding to cover oversight expenses.~~

18 ~~(b) All amounts deposited in the ARRA administration accounts shall be exempt from the~~
19 ~~indirect cost recovery provisions of § 35-4-27.~~

20 ~~(c) It is hereby provided, at the end of the American Recovery and Reinvestment Act~~
21 ~~oversight period, balances from the ARRA administrative accounts shall revert to general revenues.~~

22 SECTION 17. Section 42-11-2.9 of the General Laws in Chapter 42-11 entitled
23 "Department of Administration" is hereby amended to read as follows:

24 ~~**42-11-2.9. Division of capital asset management and maintenance established.**~~

25 (a) Establishment. Within the department of administration there shall be established the
26 division of capital asset management and maintenance ("DCAMM"). Any prior references to the
27 division of facilities management and/or capital projects, if any, shall now mean DCAMM. Within
28 the DCAMM there shall be a director of DCAMM who shall be in the classified service and shall
29 be appointed by the director of administration. The director of DCAMM shall have the following
30 responsibilities:

31 (1) Oversee, coordinate, and manage the operating budget, personnel, and functions of
32 DCAMM in carrying out the duties described below;

33 (2) Review agency capital-budget requests to ensure that the request is consistent with
34 strategic and master facility plans for the state of Rhode Island;

1 (3) Promulgate and adopt regulations necessary to carry out the purposes of this section.

2 (b) Purpose. The purpose of DCAMM shall be to manage and maintain state property and
3 state-owned facilities in a manner that meets the highest standards of health, safety, security,
4 accessibility, energy efficiency, and comfort for citizens and state employees and ensures
5 appropriate and timely investments are made for state property and facility maintenance.

6 (c) Duties and responsibilities of DCAMM. DCAMM shall have the following duties and
7 responsibilities:

8 (1) To oversee all new construction and rehabilitation projects on state property, not
9 including property otherwise assigned outside of the executive department by Rhode Island general
10 laws or under the control and supervision of the judicial branch;

11 (2) To assist the department of administration in fulfilling any and all capital-asset and
12 maintenance-related statutory duties assigned to the department under chapter 8 of title 37 (public
13 buildings) or any other provision of law, including, but not limited to, the following statutory duties
14 provided in § 42-11-2:

15 (i) To maintain, equip, and keep in repair the statehouse, state office buildings, and other
16 premises, owned or rented by the state, for the use of any department or agency, excepting those
17 buildings, the control of which is vested by law in some other agency;

18 (ii) To provide for the periodic inspection, appraisal, or inventory of all state buildings and
19 property, real and personal;

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

21 (iv) To issue regulations to govern the protection and custody of the property of the state;

22 (v) To assign office and storage space, and to rent and lease land and buildings, for the use
23 of the several state departments and agencies in the manner provided by law;

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

26 (3) To generally manage, oversee, protect, and care for the state's properties and facilities,
27 not otherwise assigned by Rhode Island general laws, including, but not limited to, the following
28 duties:

29 (i) Space management, procurement, usage, and/or leasing of private or public space;

30 (ii) Care, maintenance, cleaning, and contracting for such services as necessary for state
31 property;

32 (iii) Capital equipment replacement;

33 (iv) Security of state property and facilities unless otherwise provided by law;

34 (v) Ensuring Americans with Disabilities Act (ADA) compliance;

1 (vi) Responding to facilities emergencies;

2 (vii) Managing traffic flow on state property;

3 (viii) Grounds keeping/landscaping/snow-removal services;

4 (ix) Maintenance and protection of artwork and historic artifacts;

5 (x) On or before August 31, 2022, and each April 1 thereafter to submit to the division of

6 municipal finance a comprehensive list of all real property owned by the state as of the preceding

7 December 31 to facilitate the purposes of § 45-13-5.1. The comprehensive list and all other

8 information provided shall be in a format prescribed by the division of municipal finance. The

9 division of municipal finance shall subsequently provide to DCAMM a certified list of all

10 properties eligible under § 45-13-5.1 for identification in the statewide database established under

11 subsection (d) of this section. Any changes to the comprehensive list of all real property owned by

12 the state after the list has been supplied to the division of municipal finance shall require notification

13 to the division of municipal finance within thirty (30) days;

14 (4) To manage and oversee state fleet operations.

15 (d)(1) All state agencies shall participate in a statewide database and/or information system

16 for capital assets, that shall be established and maintained by DCAMM.

17 (2) Beginning January 1, 2023, all state agencies, departments, boards, commissions,

18 corporations, authorities, quasi-state agencies, councils, or other political subdivisions that utilize

19 real property shall provide DCAMM any information, documentary and otherwise, that may be

20 necessary or desirable to facilitate the purposes of subsection (c)(3)(x) of this section by March 1

21 annually, or subsection (d)(1) of this section as required by DCAMM. The administrative head of

22 each submitting entity shall attest to the accuracy and completeness of the information in writing.

23 (e) Offices and boards assigned to DCAMM. DCAMM shall oversee the following boards,

24 offices, and functions:

25 (1) Office of planning, design, and construction (PDC);

26 (2) Office of facilities management and maintenance (OFMM);

27 (3) [Deleted by P.L. 2018, ch. 47, art. 3, § 7.]

28 (4) [Deleted by P.L. 2018, ch. 47, art. 3, § 7.]

29 ~~(5) Office of risk management (§ 37-11-1 et seq.);~~

30 ~~(6)~~ (5) [Deleted by P.L. 2018, ch. 47, art. 3, § 7.]

31 ~~(7)~~ (6) Office of state fleet operations (§ 42-11-2.4(d)).

32 (f) The boards, offices, and functions assigned to DCAMM shall:

33 (1) Exercise their respective powers and duties in accordance with their statutory authority

34 and the general policy established by the director of DCAMM or in accordance with the powers

1 and authorities conferred upon the director of DCAMM by this section;

2 (2) Provide such assistance or resources as may be requested or required by the director of
3 DCAMM or the director of administration;

4 (3) Provide such records and information as may be requested or required by the director
5 of DCAMM or the director of administration; and

6 (4) Except as provided herein, no provision of this chapter or application thereof shall be
7 construed to limit or otherwise restrict the offices stated above from fulfilling any statutory
8 requirement or complying with any valid rule or regulation.

9 SECTION 18. Section 42-13-2 of the General Laws in Chapter 42-13 entitled "Department
10 of Transportation" is hereby amended to read as follows:

11 **42-13-2. Organization and functions of the department.**

12 (a) The department shall be organized in accordance with a project management-based
13 program and shall utilize an asset management system.

14 (1) A project management-based program manages the delivery of the department's
15 portfolio of transportation improvement projects from project conception to the project completion.

16 Project management activities include:

17 (i) Managing and reporting on the delivery status of portfolio projects;

18 (ii) Developing overall workload and budget for the portfolio;

19 (iii) Developing and implementing the tools to estimate the resources necessary to deliver
20 the projects; and

21 (iv) Developing and implementing processes and tools to improve the management of the
22 projects.

23 (2) Asset management is the process used for managing transportation infrastructure by
24 improving decision making for resource allocation. Asset management activities include a systemic
25 process based on economic, engineering, and business principles which includes the following
26 functions:

27 (i) Completing a comprehensive inventory of system assets;

28 (ii) Monitoring system performance; and

29 (iii) Performing analysis utilizing accurate data for managing various assets within the
30 transportation network.

31 (b) The director of transportation shall appoint a chief operating officer to oversee the day-
32 to-day operations of the department.

33 (c) The department shall be organized into such divisions as are described in this section
34 and such other divisions, subdivisions, and agencies as the director shall find are necessary to carry

1 out the responsibilities of the department, including: division of finance; division of planning;
2 division of project management; division of operations and maintenance; office of civil rights;
3 office of safety; office of external affairs; office of legal; office of personnel; office of information
4 services.

5 (d) The director may assign such other responsibilities as he or she shall find appropriate
6 and may reassign functions other than as set out in this section if he or she finds the reassignment
7 necessary to the proper and efficient functioning of the department or of the state's transportation
8 system.

9 (e) The department shall submit a report annually no later than March 31 to the speaker of
10 the house, the president of the senate, and the house and senate fiscal advisors concerning the status
11 of the ten-year (10) transportation plan.

12 (f) Any functions, duties, and staff relating to the Rhode Island department of
13 transportation's external audit section shall be transferred to the Rhode Island department of
14 administration's office of internal audit [and program integrity](#), or its successor, upon passage [Feb.
15 11, 2016].

16 (1) The chief of the office of internal audit [and program integrity](#), or its successor, who
17 shall be the administrative head of the office of internal audit [and program integrity](#), or its successor,
18 shall supervise, coordinate, and/or conduct audits, civil and administrative investigations, and
19 inspections or oversight reviews, when necessary, relating to programs and operations listed in §
20 42-13-2.

21 (2) The office of internal ~~audit's~~ [audit and program integrity's](#) (or its successor's)
22 authorization shall include, but not be limited to, evaluating the efficiency of operations and internal
23 controls, preventing and detecting fraud, waste, abuse or mismanagement in the expenditure of
24 public funds, whether state, federal or those revenues collected by the use of tolls and related to
25 any and all transportation-related programs and operations as well as the procurement of any
26 supplies, services, or construction, by the department of transportation or related institutions of the
27 department of transportation. Investigations may include the expenditures by nongovernmental
28 agencies of federal, state, and local public funds. As deemed necessary or expedient by the office
29 of internal audit [and program integrity](#), or its successor, audits may be made relative to the financial
30 affairs or the economy and efficiency of management of the department of transportation or related
31 institutions.

32 SECTION 19. Section 42-28-22 of the General Laws in Chapter 42-28 entitled "State
33 Police" is hereby amended to read as follows:

34 **42-28-22. Retirement of members.**

1 (a) Whenever any member of the state police hired prior to July 1, 2007, has served for
2 twenty (20) years, the member may retire therefrom or they may be retired by the superintendent
3 with the approval of the governor, and in either event a sum equal to one-half (½) of the whole
4 salary for the position from which the member retired determined on the date the member receives
5 their first retirement payment shall be paid the member during life.

6 (b) For purposes of this section, the term “*whole salary*” means:

7 (1) For each member who retired prior to July 1, 1966, “*whole salary*” means the base
8 salary for the position from which the member retired as the base salary for that position was
9 determined on July 31, 1972;

10 (2) For each member who retired between July 1, 1966, and June 30, 1973, “*whole salary*”
11 means the base salary for the position from which the member retired as the base salary,
12 implemented by the longevity increment, for that position was determined on July 31, 1972, or on
13 the date of the member’s retirement, whichever is greater;

14 (3) For each member who retired or who retires after July 1, 1973, “*whole salary*” means
15 the base salary, implemented by the longevity increment, holiday pay, and clothing allowance, for
16 the position from which the member retired or retires.

17 (c)(1) Any member who retired prior to July 1, 1977, shall receive a benefits payment
18 adjustment equal to three percent (3%) of the member’s original retirement, as determined in
19 subsection (b) of this section, in addition to the member’s original retirement allowance. In each
20 succeeding year thereafter during the month of January, the retirement allowance shall be increased
21 an additional three percent (3%) of the original retirement allowance, not compounded, to be
22 continued until January 1, 1991. For the purposes of the computation, credit shall be given for a
23 full calendar year regardless of the effective date of the service retirement allowance. For purposes
24 of this subsection, the benefits payment adjustment shall be computed from January 1, 1971, or the
25 date of retirement, whichever is later in time.

26 (2) Any member of the state police who retires pursuant to the provisions of this chapter
27 on or after January 1, 1977, shall on the first day of January, next following the third anniversary
28 date of the retirement receive a benefits payment adjustment, in addition to their retirement
29 allowance, in an amount equal to three percent (3%) of the original retirement allowance. In each
30 succeeding year thereafter during the month of January, the retirement allowance shall be increased
31 an additional three percent (3%) of the original retirement allowance, not compounded, to be
32 continued until January 1, 1991. For the purposes of the computation, credit shall be given for a
33 full calendar year regardless of the effective date of the service retirement allowance.

34 (3) Any retired member of the state police who is receiving a benefit payment adjustment

1 pursuant to subdivisions (1) and (2) of this section shall beginning January 1, 1991, and ending
2 June 30, 2012, receive a benefits payment adjustment equal to fifteen hundred dollars (\$1,500).

3 (d) The benefits payment adjustment as provided in this section shall apply to and be in
4 addition to the retirement benefits under the provisions of § 42-28-5, and to the injury and death
5 benefits under the provisions of § 42-28-21.

6 (e)(1) Any member who retires after July 1, 1972, and is eligible to retire prior to July 1,
7 2012, and who has served beyond twenty (20) years shall be allowed an additional amount equal
8 to three percent (3%) for each completed year served after twenty (20) years, but in no event shall
9 the original retirement allowance exceed sixty-five percent (65%) of the member's whole salary as
10 defined in subsection (b) hereof or sixty-five percent (65%) of the member's salary as defined in
11 subsection (b) hereof in the member's twenty-fifth (25th) year whichever is less.

12 (2) Each member who retired prior to July 1, 1975, shall be entitled to all retirement
13 benefits as set forth above or shall be paid benefits as set forth in subdivision (b)(1) with "whole
14 salary" meaning the base salary for the position from which the member retired as the base salary
15 for the position was determined on July 1, 1975, whichever is greater.

16 (f)(1) Any member who retires, has served as a member for twenty (20) years or more, and
17 who served for a period of six (6) months or more of active duty in the armed service of the United
18 States or in the merchant marine service of the United States as defined in § 2 of chapter 1721 of
19 the Public Laws, 1946, may purchase credit for such service up to a maximum of two (2) years;
20 provided that any member who has served at least six (6) months or more in any one year shall be
21 allowed to purchase one year for such service and any member who has served a fraction of less
22 than six (6) months in the member's total service shall be allowed to purchase six (6) months' credit
23 for such service.

24 (2) The cost to purchase these credits shall be ten percent (10%) of the member's first year
25 salary as a state policeman multiplied by the number of years and/or fraction thereof of such armed
26 service up to a maximum of two (2) years. The purchase price shall be paid into the general fund.
27 For members hired on or after July 1, 1989, the purchase price shall be paid into a restricted revenue
28 account entitled "state police retirement benefits" and shall be held in trust.

29 (3) There will be no interest charge provided the member makes such purchase during their
30 twentieth (20th) year or within five (5) years from May 18, 1981, whichever is later, but will be
31 charged regular rate of interest as defined in § 36-8-1 as amended to date of purchase from the date
32 of the member's twentieth (20th) year of state service or five (5) years from May 18, 1981,
33 whichever is later.

34 (4) Any member who is granted a leave of absence without pay for illness, injury, or any

1 other reason may receive credit therefor by making the full actuarial cost as defined in § 36-8-
2 1(10); provided the employee returns to state service for at least one year upon completion of the
3 leave.

4 (5) In no event shall the original retirement allowance exceed sixty-five percent (65%) of
5 the member's whole salary as defined in subsection (b) hereof or sixty-five percent (65%) of the
6 member's salary as defined in subsection (b) hereof in the member's twenty-fifth (25th) year,
7 whichever is less.

8 (6) Notwithstanding any other provision of law, no more than five (5) years of service
9 credit may be purchased by a member of the system. The five (5) year limit shall not apply to any
10 purchases made prior to January 1, 1995. A member who has purchased more than five (5) years
11 of service credits before January 1, 1995, shall be permitted to apply those purchases towards the
12 member's service retirement. However, no further purchase will be permitted. Repayment in
13 accordance with applicable law and regulation of any contribution previously withdrawn from the
14 system shall not be deemed a purchase of service credit.

15 (g) The provisions of this section shall not apply to civilian employees in the Rhode Island
16 state police; and, further, from and after April 28, 1937, chapters 8 — 10, inclusive, of title 36 shall
17 not be construed to apply to the members of the Rhode Island state police, except as provided by
18 §§ 36-8-3, 36-10-1.1, 42-28-22.1, and 42-28-22.2, and § 36-8-1(5) and (8)(a) effective July 1, 2012.

19 (h) Any member of the state police other than the superintendent of state police, who is
20 hired prior to July 1, 2007, and who has served for twenty-five (25) years or who has attained the
21 age of sixty-two (62) years, whichever shall first occur, shall retire therefrom.

22 (i)(1) Any member of the state police, other than the superintendent, who is hired on or
23 after July 1, 2007, and who has served for twenty-five (25) years, may retire therefrom or the
24 member may be retired by the superintendent with the approval of the governor, and shall be
25 entitled to a retirement allowance of fifty percent (50%) of the member's "whole salary" as defined
26 in subsection (b) hereof.

27 (2) Any member of the state police who is hired on or after July 1, 2007, may serve up to
28 a maximum of thirty (30) years, and shall be allowed an additional amount equal to three percent
29 (3.0%) for each completed year served after twenty-five (25) years, but in no event shall the original
30 retirement allowance exceed sixty-five percent (65%) of his or her "whole salary" as defined in
31 subsection (b) hereof.

32 (j) Effective July 1, 2012, any other provision of this section notwithstanding:

33 (1) Any member of the state police, other than the superintendent of state police, who is
34 not eligible to retire on or prior to June 30, 2012, may retire at any time subsequent to the date the

member's retirement allowance equals or exceeds fifty percent (50%) of average compensation as defined in § 36-8-1(5)(a), provided that a member shall retire upon the first to occur of:

(i) The date the member's retirement allowance equals sixty-five percent (65%); or

(ii) The later of the attainment of age sixty-two (62) or completion of five (5) years of service; provided however, any current member as of June 30, 2012, who has not accrued fifty percent (50%) upon attaining the age of sixty-two (62) shall retire upon accruing fifty percent (50%); and upon retirement a member shall receive a retirement allowance which shall equal:

(A) For members hired prior to July 1, 2007, the sum of (i), (ii), and (iii) where:

(i) is calculated as the member's years of total service before July 1, 2012, multiplied by two and one-half percent (2.5%) of average compensation for a member's first twenty (20) total years,

(ii) is calculated as the member's years of total service before July 1, 2012, in excess of twenty (20) years not to exceed twenty-five (25) years multiplied by three percent (3%) of average compensation, and

(iii) is the member's years of total service on or after July 1, 2012, multiplied by two percent (2%) of average compensation as defined in § 36-8-1(5)~~(a)~~(b).

(B) For members hired on or after July 1, 2007, the member's retirement allowance shall be calculated as the member's years of total contributory service multiplied by two percent (2%) of average compensation.

(C) Any member of the state police who is eligible to retire on or prior to June 30, 2012, shall retire with a retirement allowance calculated in accordance with paragraph (a) and (e) above except that whole salary shall be defined as final compensation where compensation for purposes of this section and § 42-28-22.1 includes base salary, longevity, and holiday pay.

(D) Notwithstanding the preceding provisions, in no event shall a member's final compensation be lower than their final compensation determined as of June 30, 2012.

(2) In no event shall a member's original retirement allowance under any provisions of this section exceed sixty-five percent (65%) of their average compensation.

(3) For each member who retires on or after July 1, 2012, except as provided in paragraph (j)(1)(C) above, compensation and average compensation shall be defined in accordance with § 36-8-1(5)(a) and (8), provided that for a member whose regular work period exceeds one hundred forty-seven (147) hours over a twenty-four-day (24) period at any time during the four-year (4) period immediately prior to the member's retirement, that member shall have up to four hundred (400) hours of their pay for regularly scheduled work earned during this period shall be included as "compensation" and/or "average compensation" for purposes of this section and § 42-28-22.1.

1 (4) This subsection (4) shall be effective for the period July 1, 2012, through June 30, 2015.

2 (i) Notwithstanding the prior paragraphs of this section, and subject to paragraph (4)(ii)
3 below, for all present and former members, active and retired members, and beneficiaries receiving
4 any retirement, disability or death allowance or benefit of any kind, whether for or on behalf of a
5 non-contributory member or contributory member, the annual benefit adjustment provided in any
6 calendar year under this section shall be equal to (A) multiplied by (B) where (A) is equal to the
7 percentage determined by subtracting five and one-half percent (5.5%) (the “subtrahend”) from the
8 Five-Year Average Investment Return of the retirement system determined as of the last day of the
9 plan year preceding the calendar year in which the adjustment is granted, said percentage not to
10 exceed four percent (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser
11 of the member’s retirement allowance or the first twenty-five thousand dollars (\$25,000) of
12 retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be indexed annually
13 in the same percentage as determined under (4)(i)(A) above. The “Five-Year Average Investment
14 Return” shall mean the average of the investment returns for the most recent five (5) plan years as
15 determined by the retirement board. Subject to paragraph (4)(ii) below, the benefit adjustment
16 provided by this paragraph shall commence upon the third (3rd) anniversary of the date of
17 retirement or the date on which the retiree reaches age fifty-five (55), whichever is later. In the
18 event the retirement board adjusts the actuarially assumed rate of return for the system, either
19 upward or downward, the subtrahend shall be adjusted either upward or downward in the same
20 amount.

21 (ii) Except as provided in paragraph (4)(iii), the benefit adjustments under this section for
22 any plan year shall be suspended in their entirety unless the funded ratio of the employees’
23 retirement system of Rhode Island, the judicial retirement benefits trust, and the state police
24 retirement benefits trust, calculated by the system’s actuary on an aggregate basis, exceeds eighty
25 percent (80%) in which event the benefit adjustment will be reinstated for all members for such
26 plan year.

27 In determining whether a funding level under this paragraph (4)(ii) has been achieved, the
28 actuary shall calculate the funding percentage after taking into account the reinstatement of any
29 current or future benefit adjustment provided under this section.

30 (iii) Notwithstanding paragraph (4)(ii), in each fifth plan year commencing after June 30,
31 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five
32 (5) plan years, a benefit adjustment shall be calculated and made in accordance with paragraph
33 (4)(i) above until the funded ratio of the employees’ retirement system of Rhode Island, the judicial
34 retirement benefits trust, and the state police retirement benefits trust, calculated by the system’s

1 actuary on an aggregate basis, exceeds eighty percent (80%).

2 (iv) The provisions of this paragraph (j)(4) shall become effective July 1, 2012, and shall
3 apply to any benefit adjustment not granted on or prior to June 30, 2012.

4 (v) The cost-of-living adjustment as provided in this paragraph (j)(4) shall apply to and be
5 in addition to the retirement benefits under the provisions of § 42-28-5 and to the injury and death
6 benefits under the provisions of § 42-28-21.

7 (5) This subsection (5) shall become effective July 1, 2015.

8 (i)(A) As soon as administratively reasonable following the enactment into law of this
9 paragraph (5)(i)(A), a one-time benefit adjustment shall be provided to members and/or
10 beneficiaries of members who retired on or before June 30, 2012, in the amount of two percent
11 (2%) of the lesser of either the member's retirement allowance or the first twenty-five thousand
12 dollars (\$25,000) of the member's retirement allowance. This one-time benefit adjustment shall be
13 provided without regard to the retiree's age or number of years since retirement.

14 (B) Notwithstanding the prior subsections of this section, for all present and former
15 members, active and retired members, and beneficiaries receiving any retirement, disability or
16 death allowance or benefit of any kind, the annual benefit adjustment provided in any calendar year
17 under this section for adjustments on and after January 1, 2016, and subject to subsection (5)(ii)
18 below, shall be equal to (I) multiplied by (II):

19 (I) shall equal the sum of fifty percent (50%) of (1) plus fifty percent (50%) of (2) where:

20 (1) is equal to the percentage determined by subtracting five and one-half percent (5.5%)
21 (the "subtrahend") from the five-year average investment return of the retirement system
22 determined as of the last day of the plan year preceding the calendar year in which the adjustment
23 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent
24 (0%). The "five-year average investment return" shall mean the average of the investment returns
25 of the most recent five (5) plan years as determined by the retirement board. In the event the
26 retirement board adjusts the actuarially assumed rate of return for the system, either upward or
27 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

28 (2) is equal to the lesser of three percent (3%) or the percentage increase in the Consumer
29 Price Index for All Urban Consumers (CPI-U) as published by the U.S. Department of Labor
30 Statistics determined as of September 30 of the prior calendar year.

31 In no event shall the sum of (1) plus (2) exceed three and one-half percent (3.5%) or be
32 less than zero percent (0%).

33 (II) is equal to the lesser of either the member's retirement allowance or the first twenty-
34 five thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount

1 to be indexed annually in the same percentage as determined under subsection (5)(i)(B)(I) above.
2 The benefit adjustments provided by this subsection (5)(i)(B) shall be provided to all retirees
3 entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect, and for all
4 other retirees the benefit adjustments shall commence upon the third anniversary of the date of
5 retirement or the date on which the retiree reaches their Social Security retirement age, whichever
6 is later.

7 (ii) Except as provided in subsection (5)(iii), the benefit adjustments under subsection
8 (5)(i)(B) for any plan year shall be suspended in their entirety unless the funded ratio of the
9 employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state
10 police retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds
11 eighty percent (80%) in which event the benefit adjustment will be reinstated for all members for
12 such plan year. Effective July 1, 2024, the funded ratio of the employees' retirement system of
13 Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust,
14 calculated by the system's actuary on an aggregate basis, of exceeding eighty percent (80%) for the
15 benefit adjustment to be reinstated for all members for such plan year shall be replaced with
16 seventy-five percent (75%).

17 In determining whether a funding level under this subsection (5)(ii) has been achieved, the
18 actuary shall calculate the funding percentage after taking into account the reinstatement of any
19 current or future benefit adjustment provided under this section.

20 (iii) Notwithstanding subsection (5)(ii), in each fourth plan year commencing after June
21 30, 2012, commencing with the plan year ending June 30, 2016, and subsequently at intervals of
22 four plan years: (i) A benefit adjustment shall be calculated and made in accordance with paragraph
23 (5)(i)(B) above; and (ii) Effective for members and/or beneficiaries of members who retired on or
24 before June 30, 2015, the dollar amount in subsection (5)(i)(B)(II) of twenty-five thousand eight
25 hundred and fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six
26 dollars (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the
27 judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the
28 system's actuary on an aggregate basis, exceeds eighty percent (80%). Effective July 1, 2024, the
29 funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits
30 trust, and the state police retirement benefits trust, calculated by the system's actuary on an
31 aggregate basis, of exceeding eighty percent (80%) shall be replaced with seventy-five percent
32 (75%).

33 (iv) Effective for members and/or beneficiaries of members who have retired on or before
34 July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)

1 days following the enactment of the legislation implementing this provision, and a second one-time
2 stipend of five hundred dollars (\$500) in the same month of the following year. These stipends
3 shall be payable to all retired members or beneficiaries receiving a benefit as of the applicable
4 payment date and shall not be considered cost of living adjustments under the prior provisions of
5 this section.

6 (6) Any member with contributory service on or after July 1, 2012, who has completed at
7 least five (5) years of contributory service but who has not retired in accordance with (j)(1) above,
8 shall be eligible to retire upon the attainment of member's Social Security retirement age as defined
9 in § 36-8-1(20).

10 (7) In no event shall a member's retirement allowance be less than the member's retirement
11 allowance calculated as of June 30, 2012, based on the member's years of total service and whole
12 salary as of June 30, 2012.

13 (k) In calculating the retirement benefit for any member, the term base salary as used in
14 subdivision (b)(3) or average compensation as used in paragraph (j) shall not be affected by a
15 deferral of salary plan or a reduced salary plan implemented to avoid shutdowns or layoffs or to
16 effect cost savings. Basic salary shall remain for retirement calculation that which it would have
17 been but for the salary deferral or salary reduction due to a plan implemented to avoid shutdowns
18 or layoffs or to effect cost savings.

19 SECTION 20. Section 42-64-38 of the General Laws in Chapter 42-64 entitled "Rhode
20 Island Commerce Corporation" is hereby amended to read as follows:

21 **42-64-38. Audit of the corporation.**

22 (a) Commencing July 1, 2014, and every five (5) years thereafter, the corporation shall be
23 subject to a performance audit, conducted in compliance with the generally accepted governmental
24 auditing standards, by the office of internal audit [and program integrity](#) or a certified public
25 accounting firm qualified in performance audits.

26 (b) If the audit is not directly performed by his or her office, the selection of the auditor
27 and the scope of the audit shall be subject to the approval of the chief of the office of internal audit
28 [and program integrity](#).

29 (c) The audit shall be conducted in conformance with § 35-7-3(b) through (d) [repealed].

30 (d) The results of the audit shall be made public upon completion, posted on the websites
31 of the office of internal audit [and program integrity](#) and the corporation.

32 (e) The corporation shall be responsible for all costs associated with the audit.

33 SECTION 21. Sections 42-140-3, 42-140-7 and 42-140-8 of the General Laws in Chapter
34 42-140 entitled "Rhode Island Energy Resources Act" are hereby amended to read as follows:

1 **42-140-3. Purposes.**

2 The purposes of the office shall be to:

3 (1) Develop and put into effect plans and programs to promote, encourage, and assist the
4 provision of energy resources for Rhode Island in a manner that enhances economic well-being,
5 social equity, and environmental quality;

6 (2) Monitor, forecast, and report on energy use, energy prices, and energy demand and
7 supply forecasts, and make findings and recommendations with regard to energy supply diversity,
8 reliability, and procurement, including least-cost procurement;

9 (3) Develop and to put into effect plans and programs to promote, encourage, and assist
10 the efficient and productive use of energy resources in Rhode Island, and to coordinate energy
11 programs for natural gas, electricity, and heating oil to maximize the aggregate benefits of
12 conservation and efficiency of investments;

13 (4) Monitor and report technological developments that may result in new and/or improved
14 sources of energy supply, increased energy efficiency, and reduced environmental impacts from
15 energy supply, transmission, and distribution;

16 (5) Administer the programs, duties, and responsibilities heretofore exercised by the state
17 energy office, except as these may be assigned by executive order or the general laws to other
18 departments and agencies of state government;

19 (6) Develop, recommend, and, as appropriate, implement integrated and/or comprehensive
20 strategies, including at regional and federal levels, to secure Rhode Island's interest in energy
21 resources, their supply and efficient use, and as necessary to interact with persons, private sector,
22 nonprofit, regional, federal entities and departments and agencies of other states to effectuate this
23 purpose;

24 (7) Cooperate with agencies, departments, corporations, and entities of the state and of
25 political subdivisions of the state in achieving its purposes;

26 (8) Cooperate with and assist the state planning council and the division of state planning
27 in developing, maintaining, and implementing state guide plan elements pertaining to energy and
28 renewable energy;

29 (9) Coordinate the energy efficiency, ~~renewable energy~~, least-cost procurement, and
30 systems reliability plans and programs with the energy efficiency and resources management
31 council; ~~and the renewable energy coordinating board;~~

32 (10) Participate in, monitor implementation of, and provide technical assistance for the
33 low-income home energy assistance program enhancement plan established pursuant to § 39-1-
34 27.12;

(11) Participate in and monitor the distributed generation standard contracts program pursuant to chapter 26.2 of title 39;

(12) Coordinate opportunities with and enter into contracts and/or agreements with the commerce corporation associated with the energy efficiency, least-cost procurement, system reliability, and renewable energy fund programs;

(13) Provide support and information to the division of planning and the state planning council in the development of a ten-year (10) Rhode Island Energy Guide Plan, which shall be reviewed and amended if necessary every five (5) years;

~~(14) Provide funding support if necessary to the renewable energy coordinating board and/or the advisory council to carry out the objectives pursuant to chapter 140.3 of this title [repealed];~~

~~(15)~~ Advise and provide technical assistance to state and federally funded energy programs to support:

(i) The federal low-income home energy assistance program which provides heating assistance to eligible low-income persons and any state funded or privately funded heating assistance program of a similar nature assigned to it for administration;

(ii) The weatherization assistance program which offers home weatherization grants and heating system upgrades to eligible persons of low-income;

(iii) The emergency fuel program which provides oil deliveries to families experiencing a heating emergency;

(iv) The energy conservation program, which offers service and programs to all sectors;

(v) [Deleted by P.L. 2008, ch. 228, § 2, and P.L. 2008, ch. 422, § 2.]

~~(16)~~(15) Advise the commerce corporation in the development of standards and rules for the solicitation and award of renewable energy program investment funds in accordance with § 42-64-13.2;

~~(17)~~(16) Develop, recommend, and evaluate energy programs for state facilities and operations in order to achieve and demonstrate the benefits of energy-efficiency, diversification of energy supplies, energy conservation, and demand management; and

~~(18)~~(17) Advise the governor and the general assembly with regard to energy resources and all matters relevant to achieving the purposes of the office.

42-140-7. Conduct of activities.

~~(a)~~ To the extent reasonable and practical, the conduct of activities under the provisions of this chapter shall be open and inclusive. ~~the commissioner and the council shall seek in addressing the purposes of the office to involve the research and analytic capacities of institutions of higher~~

1 ~~education within the state, industry, advocacy groups, and regional entities, and shall seek input~~
2 ~~from stakeholders including, but not limited to, residential and commercial energy users.~~

3 ~~(b) The commissioner shall transmit any unencumbered funds from the renewable energy~~
4 ~~program under chapter 2 of title 39 to the commerce corporation to be administered in accordance~~
5 ~~with the provisions of § 39-2-1.2.~~

6 **42-140-8. Annual report.**

7 The commissioner shall report annually, on or before June 30 ~~March 1~~ of each year, to the
8 governor, the president of the senate, and the speaker of the house with regard to the status of
9 energy supplies, markets, and conditions, the effectiveness of energy programs, and the activities
10 of the office. ~~including the council, and such other matters related to energy as the commissioner~~
11 ~~or the council may deem appropriate.~~

12 SECTION 22. Chapter 42-140 of the General Laws entitled "Rhode Island Energy
13 Resources Act" is hereby amended by adding thereto the following section:

14 **42-140-12. Clean transportation programs.**

15 There is established a restricted receipt account within the general fund of the state, to be
16 known as the "clean transportation programs", to be administered by the office of energy resources.
17 The purpose of the account is to receive and expend funds for clean transportation programs,
18 including but not limited to electric vehicle rebate, electric bicycle rebate and other programs.

19 SECTION 23. Section 42-155-7 of the General Laws in Chapter 42-155 entitled "Quasi-
20 Public Corporations Accountability and Transparency Act" is hereby amended to read as follows:

21 **42-155-7. Audit of quasi-public corporations.**

22 (a) Commencing January 1, 2015, and every five (5) years thereafter, each quasi-public
23 corporation shall be subject to a performance audit, conducted in compliance with the generally
24 acceptable governmental auditing standards or the standards for the professional practice of internal
25 auditing, by the chief of the office of internal audit and program integrity. The chief, in
26 collaboration with the quasi-public corporation, shall determine the scope of the audit. To assist in
27 the performance of an audit, the chief, in collaboration with the quasi-public corporation, may
28 procure the services of a certified public accounting firm, which shall be a subcontractor of the
29 office of internal audit and program integrity, and shall be under the direct supervision of the office
30 of internal audit and program integrity. The chief of the office of internal audit and program
31 integrity shall establish a rotating schedule identifying the year in which each quasi-public
32 corporation shall be audited. The schedule shall be posted on the website of the office of internal
33 audit and program integrity.

34 (b) The audit shall be conducted in conformance with chapter 7 of title 35 ("Post Audit of

1 Accounts”).

2 (c) Each quasi-public corporation shall be responsible for costs associated with its own
3 audit. The chief and each quasi-public corporation shall agree upon reasonable costs for the audit,
4 not to exceed seventy-five thousand dollars (\$75,000), that shall be remitted to the office of internal
5 audit [and program integrity](#).

6 (d) The results of the audit shall be made public upon completion and posted on the
7 websites of the office of internal audit [and program integrity](#) and the quasi-public corporation.

8 (e) For purposes of this section, a performance audit shall mean an independent
9 examination of a program, function, operation, or the management systems and procedures of a
10 governmental or nonprofit entity to assess whether the entity is achieving economy, efficiency, and
11 effectiveness in the employment of all available resources.

12 SECTION 24. Section 42-157-6 of the General Laws in Chapter 42-157 entitled "Rhode
13 Island Health Benefit Exchange" is hereby amended to read as follows:

14 **42-157-6. Audit.**

15 (a) Annually, the exchange shall cause to have a financial and/or performance audit of its
16 functions and operations performed in compliance with the generally accepted governmental
17 auditing standards and conducted by the state office of internal audit [and program integrity](#) or a
18 certified public accounting firm qualified in performance audits.

19 (b) If the audit is not directly performed by the state office of internal audit [and program](#)
20 [integrity](#), the selection of the auditor and the scope of the audit shall be subject to the approval of
21 the state office of internal audit [and program integrity](#).

22 (c) The results of the audit shall be made public upon completion, posted on the
23 department’s website and otherwise made available for public inspection.

24 SECTION 25. The title of Chapter 42-165 of the General Laws entitled "Rhode Island
25 Longitudinal Data System Act" is hereby amended to read as follows:

26 ~~CHAPTER 42-165~~

27 ~~Rhode Island Longitudinal Data System Act~~

28 CHAPTER 42-165

29 RHODE ISLAND INTEGRATED DATA SYSTEM ACT

30 SECTION 26. Sections 42-165-1, 42-165-2, 42-165-3, 42-165-4, 42-165-5, 42-165-6 and
31 42-165-7 of the General Laws in Chapter 42-165 entitled "Rhode Island Longitudinal Data System
32 Act" are hereby amended to read as follows:

33 **42-165-1. ~~Rhode Island longitudinal data system act.~~ Rhode Island integrated data**
34 **system act.**

1 This chapter shall be known and may be cited as the “Rhode Island ~~Longitudinal~~ Integrated
2 Data System Act.”

3 **42-165-2. Findings.**

4 (a) **Purpose.** The Rhode Island ~~Longitudinal~~ Integrated Data System (~~RILDS~~RIIDS)
5 “DATA RI” is Rhode Island’s statewide ~~longitudinal~~ integrated data system that integrates and
6 links individual or unit-level data. The purpose of the ~~RILDS~~RIIDS is to connect federated data
7 across sectors and over time to support research aligned with the state’s priorities; inform
8 policymaking and program evaluation; and improve the well-being of all Rhode Islanders.

9 (b) The general assembly finds and declares that:

10 (1) The state is committed to maintaining a longitudinal data system that the public,
11 researchers, and policymakers can use to analyze and assess Rhode Islanders’ aggregate progress
12 from early learning programs through postsecondary education and into employment; and

13 (2) A national collaborative effort among federal and state policymakers, state officials,
14 and national education organizations has defined the essential components of a statewide
15 longitudinal data system; and

16 (3) The RI Longitudinal Data System (RILDS)~~DataHUB~~ is the state education and
17 workforce longitudinal data system, aligned to the U.S. Department of Education’s Statewide
18 Longitudinal Data System (SLDS) grant program and the U.S. Department of Labor’s Workforce
19 Data Quality Initiative grant program.

20 (4) The Ecosystem is the state’s health and human services integrated data system focused
21 on improving the outcomes of these related programs and starting from the base of the Medicaid
22 program.

23 (5) The Ecosystem, the RILDS and individual programs can be connected in a federated
24 manner that enables programs to retain control of their data but also allows secure sharing of data
25 when there is an approved data analysis project.

26 (6) Unified governance across the Ecosystem and RILDS will allow more efficient and
27 secure operation of the state’s data infrastructure.

28 **42-165-3. Definitions.**

29 For the purpose of this chapter, the following terms shall have the following meanings
30 unless the context clearly requires otherwise:

31 (1) “Participating agency” means the Rhode Island department of education, the office of
32 the postsecondary commissioner, the Rhode Island department of labor and training, executive
33 office of health and human services, and any agency that has executed a memorandum of
34 understanding for recurring participation in the Rhode Island longitudinal data system.

(2) “Rhode Island Longitudinal Data System” (RILDS) formerly known as the RI DataHUB operated by DataSpark, is the current statewide longitudinal data system ~~and will be~~ located for budgetary purposes in the office of the postsecondary commissioner.

(3) The “Ecosystem” is the executive office of health and human services integrated data system. ~~“Rhode Island Longitudinal Data System Center” (Center) is comprised of the current entity known as DataSpark and whatever other resources as necessary to accomplish the powers and duties prescribed herein.~~

(4) “State and federal privacy laws” means all applicable state and federal privacy laws and accompanying regulations, including but not limited to the federal Family Educational Rights and Privacy Act and its accompanying regulations (“FERPA”), Health Insurance Portability and Accountability Act (“HIPAA”), R.I. Gen. Laws § 28-42-38, 20 C.F.R. § 603.1 et seq., and any other privacy measures that apply to the personally identifiable information that is used by the center and/or becomes part of the RILDS, the Ecosystem or RIIDS hereunder.

(5) ~~“Statewide Rhode Island~~ integrated data system” ~~or “integrated data system” or “RIIDS”~~ means ~~an~~ the state individual-, family- or unit-level data system that links and integrates records from state datasets from all major education, economic, health, human service, labor, and public safety programs including the RILDS, the Ecosystem and any other data repositories accepted by the RIIDS governing board.

(6) “Statewide longitudinal data system” or “longitudinal data system” or “SLDS” means an individual- or unit-level data system that links and integrates records from state datasets including but not limited to early childhood and prekindergarten, through elementary, secondary, and postsecondary education, and into the workforce from participating agencies and entities.

42-165-4. Creation.

(a) The ~~RILDS RIIDS~~ “DATA RI” is hereby established ~~within the office of the postsecondary commissioner~~ and is granted and authorized to use all the powers set forth in this chapter.

(b) **Functions.** The ~~RILDS RIIDS~~ “DATA RI” shall:

(1) Transmit, store, enable access to, permit the use, and dispose of linked data and information in accordance with the National Institute of Standards and Technology (NIST) Cybersecurity Framework and associated NIST 800-53 security controls commensurate with data sensitivity level and in accordance with all applicable state and privacy laws and state security policies;

(2) Serve as a central repository of the state’s inter-agency, longitudinal, linked and individual data;

- 1 (3) Enable the integration, linkage, and management of information;
- 2 (4) Report on and provide public access to aggregate data to, among other things, address
- 3 inequities in access, opportunities, and outcomes and improve student and educator decision-
- 4 making;
- 5 (5) Provide clarity to university and other researchers on the process to request data and
- 6 what data is available to request; ~~and~~
- 7 (6) Nothing in this chapter shall negate or otherwise adversely affect the validity and legal
- 8 enforceability of any existing data sharing and/or research agreements executed between and
- 9 among the state’s participating agencies and the state’s ~~statewide longitudinal data system~~ [RILDS](#)
- 10 [or Ecosystem](#); and
- 11 [\(7\) Nothing in this section and chapter shall negate or overrule the right of an agency,](#)
- 12 [institution or entity that has provided and/or transferred data to the RIIDS, RILDS, or the](#)
- 13 [Ecosystem to determine the use of and access to its data.](#)

14 **42-165-5. Governing board.**

15 (a) **Composition of board.** The ~~RIIDS~~ [RIIDS “DATA RI”](#) will be governed by the Rhode

16 Island ~~longitudinal~~ [Integrated](#) data system governing board (the board).

17 (1) The board shall be composed of:

18 (i) The director of the department of administration or designee ~~who serves as one co-chair~~;

19 (ii) The directors of any participating agencies as described in § 42-165-3 and § 42-165-6,

20 or their designee;

21 (iii) The director of the office of management and budget or designee;

22 (iv) The chief digital officer or designee;

23 (v) The director of the center, as set forth in § 42-165-7;

24 (vi) The secretary of health and human services or designee [who serves as one co-chair](#);

25 and

26 (vii) The commissioner of postsecondary education [or designee](#) who serves as one co-chair.

27 (2) The board shall be overseen by two co-chairs. ~~As The co-chairs co-chair, the director~~

28 ~~of administration or designee~~ shall be responsible for overseeing and directing the policy duties

29 and responsibilities of the board. ~~The other co-chair shall be the commissioner of postsecondary~~

30 ~~education who shall be responsible for~~ [and](#) overseeing, supervising, and directing the operational

31 duties of the center and its personnel.

32 (b) **Powers and duties.** The board shall:

33 (1) In consultation with the center [and the Ecosystem](#), and in accordance with federal and

34 state privacy law, approve policies regarding how data requests from state and local agencies, the

1 Rhode Island general assembly, universities, third-party researchers, and the public will be
2 managed;

3 (2) In consultation with the center [and the Ecosystem](#), approve policies regarding the
4 publishing of reports and other information that should be available to public stakeholders;

5 (3) Approve standards implemented by the center [and the Ecosystem](#) for the security,
6 privacy, access to, and confidentiality of data, including policies to comply with the Family
7 Educational Rights and Privacy Act, Health Insurance Portability and Accountability Act, R.I. Gen.
8 Laws § 28-42-38, 20 C.F.R. § 603.1 et seq., and any other privacy measures, as required by law,
9 state policy, or the board;

10 (4) Perform other functions that are necessary to ensure the successful continuation,
11 management, and expansion of the ~~RILDS~~ [RIIDS](#);

12 (5) Establish a data governance committee to work with the center [and Ecosystem](#) on an
13 ongoing basis to among other responsibilities, approve data requests;

14 (6) Oversee and collaborate with the data governance committee, [the Ecosystem](#) and the
15 center as set forth in § 42-165-7; ~~and~~

16 (7) ~~By November 1, 2023, provide a plan to the governor, the house, and the senate on how~~
17 ~~to establish a statewide integrated data system. The plan should consider elements such as:~~

18 ~~(i) The role an IDS can play in improving the operation of programs; reducing fraud, waste,~~
19 ~~and abuse; and establishing a state culture of program evaluation;~~

20 ~~(ii) Providing state agencies with evaluation services and providing state analysts access to~~
21 ~~data based on their role;~~

22 ~~(iii) Providing researchers with access to state data;~~

23 ~~(iv) The importance of data privacy and security;~~

24 ~~(v) The importance of public transparency and the role of the state transparency portal;~~

25 ~~(vi) The creation of a state chief data officer;~~

26 ~~(vii) Sustainable funding and governance for the IDS;~~

27 ~~(viii) The role of data federation; and~~

28 ~~(ix) The timeline for implementing the IDS.~~

29 [Serve as the single governing board for the RILDS and the Ecosystem;](#)

30 [\(8\) Set the strategic direction for RIIDS to ensure it:](#)

31 [\(i\) Improves transparency and public accessibility of data, including increasing the](#)
32 [availability of dashboards, plain language summaries; public data catalogs of research and reports;](#)

33 [\(ii\) Enhances data availability for internal state use, ensuring data is accessible to state](#)
34 [analysts to conduct broad analysis of state programs, thereby improving the state’s understanding](#)

1 of the operation and impact of its programs; and

2 (iii) Improves data availability for external researchers. Data shall be made available to
3 researchers to the greatest extent possible limited to allow evidence-based improvements to state
4 programs; and

5 (9) The center or the Ecosystem is considered to be an agent of the executive state agency
6 sharing government information for a particular data project and is an authorized receiver of
7 government information under the statutory or administrative law that governs the government
8 information. Interagency data sharing under this chapter does not constitute a disclosure or release
9 under any statutory or administrative law that governs the government information.

10 **42-165-6. Participating agencies.**

11 (a) Participating agencies shall transfer data, as applicable, to the ~~RILDS~~ RIIDS's in
12 accordance with the data security policies as approved by the board, and pursuant to the
13 requirements of state and federal privacy laws and policies.

14 (b) Any agencies providing data on a recurring basis to the RILDS shall provide a
15 representative to the board and be governed in the same manner as the initial agencies and entities
16 and shall be subject to applicable board policies.

17 (c) All Rhode Island state agencies shall:

18 (1) Participate in the RIIDS to the extent practical;

19 (2) Identify datasets of greatest value for policy analysis efforts and investigate the
20 feasibility of making them available for the federated data system and other internal policy analysis
21 efforts; and

22 (3) Share data to the greatest extent possible as practical and permissible under law.

23 **42-165-7. The Rhode Island longitudinal data system center.**

24 (a) **Purpose.** The purpose of the center is to manage and operate the RILDS and conduct
25 research and evaluate programs regarding federal, state, and local programs and policies. The center
26 shall be managed by an executive director (hereafter the “director”) responsible for the daily
27 management and operations of the center. The director will also be responsible for interfacing and
28 collaborating between the board and the data governance committee, as well as external
29 communications and agreements. The director shall be a non-classified employee of the council on
30 postsecondary education under the supervision of and subject to the authority of the commissioner
31 of postsecondary education.

32 (b) **Powers and duties.** The duties of the center shall be to:

33 (1) Act as an authorized representative, research partner, and business associate of the
34 state’s agencies, including those responsible for education and workforce, under and in accordance

1 with the requirements of applicable federal and state statutes and/or state and federal privacy laws
2 and state security policies;

3 (2) Enter into memoranda of understanding with state agencies, nonprofits, universities,
4 subnational governments, and other entities for the purposes of data sharing and analysis;

5 (3) Coordinate with participating agencies and other entities to ensure the integrity and
6 quality of data being collected, including implementing the data quality and metadata policies
7 approved by the board;

8 (4) Advance research and allow policymakers to explore critical research policy questions
9 and to measure investments in education and workforce development;

10 (5) In consultation with the board, identify the state's critical research and policy questions;

11 (6) Provide analysis and reports that assist with evaluating programs and measuring
12 investments, subject to the policies approved by the board;

13 (7) Implement policies and procedures approved by the board that govern the security,
14 privacy, access to, and confidentiality of the data, in accordance with relevant federal and state
15 privacy laws;

16 (8) Ensure that information contained in and available through the RILDS is kept secure,
17 and that individual privacy is protected, and maintain insurance coverage;

18 (9) Respond to approved research data requests in accordance with the policies and
19 procedures approved by the board;

20 (10) Enter into contracts or other agreements with appropriate entities, including but not
21 limited to universities, and federal, state, and local agencies, to the extent necessary to carry out its
22 duties and responsibilities only if such contracts or agreements incorporate adequate protections
23 with respect to the privacy and security of any information to be shared, and are approved, in
24 writing, by the applicable agency whose data or information is to be shared, and are allowable
25 under applicable state and federal privacy laws; and

26 (11) Maintain staff necessary to carry out the above duties as provided for in the state
27 budget. Staff at the center shall be non-classified employees of the council on postsecondary
28 education, under the supervision of and subject to the authority of the commissioner of
29 postsecondary education. The non-SLDS activity of the center shall also be under the supervision
30 and authority of the commissioner of postsecondary education and the council on postsecondary
31 education. The council on postsecondary education, its office of the postsecondary commissioner,
32 and its employees shall be included under the limitation of damages for tort liability for the State
33 set out in § 9-31-1 et seq., for all actions involving the center regarding the RILDS and/or SLDS
34 and for any other activity of the center regarding its receipt, storage, sharing, and transmission of

1 data as part of its non-SLDS operations and activities.

2 (12) The council on postsecondary education shall be the employer of public record for the
3 Center.

4 (c) **Funding.** Appropriations made pursuant to this chapter shall be used exclusively for
5 the development and operation of RILDS, [RIIDS or the Ecosystem](#).

6 (1) The board and the center may implement a data request fee policy to compensate for
7 excessive use of the data system, to recover costs that would otherwise typically be borne by the
8 requesting data researcher, or both. A data request fee policy implemented pursuant to this section
9 shall be reviewed and approved by the board, revised periodically, and made publicly available and
10 posted in a prominent location on the ~~RILDS's~~ [RIIDS's](#) internet website.

11 (2) The center may receive funding for its operation of the RILDS from the following
12 sources:

13 (i) State appropriations;

14 (ii) Federal grants;

15 (iii) User fees; and

16 (iv) Any other grants or contributions from public agencies or other entities.

17 (3) There is hereby established a restricted receipt account in the general fund of the state
18 and housed in the budget of the office of postsecondary commissioner entitled “longitudinal data
19 system — non-federal grants.” The express purpose of this account is to record receipts and
20 expenditures of the program herein described and established within this chapter.

21 SECTION 27. Section 44-1-14 of the General Laws in Chapter 44-1 entitled "State Tax
22 Officials" is hereby amended to read as follows:

23 **44-1-14. Disclosure of information to tax officials of federal government or other**
24 **states, or to other persons.**

25 Notwithstanding any other provision of law:

26 (1) The tax administrator may make available: (i) To the taxing officials of any other states
27 or of the federal government for tax purposes only, any information that the administrator may
28 consider proper contained in tax reports or returns or any audit or the report of any investigation
29 made with respect to them, filed pursuant to the tax laws of this state; provided, that other states or
30 the federal government grant like privileges to the taxing officials of this state; and/or (ii) To an
31 officer or employee of the office of internal audit [and program integrity](#) of the Rhode Island
32 department of administration, any information that the administrator may consider proper contained
33 in tax reports or returns or any audit or the report of any investigation made with respect to them,
34 filed pursuant to the tax laws of this state, to whom disclosure is necessary for the purposes of fraud

1 detection and prevention in any state or federal program.

2 (2) The tax administrator shall not permit any federal return or federal return information

3 to be inspected by, or disclosed to, an individual who is the chief executive officer of the state or

4 any person other than:

5 (i) To another employee of the tax division for the purpose of, and only to the extent

6 necessary in, the administration of the state tax laws for which the tax division is responsible;

7 (ii) To another officer or employee of the state to whom the disclosure is necessary in

8 connection with processing, storage, and transmission of those returns and return information and

9 solely for purposes of state tax administration;

10 (iii) To another person for the purpose of, but only to the extent necessary in, the

11 programming, maintenance, repair, testing, and procurement of equipment used in processing or

12 transmission of those returns and return information; or

13 (iv) To a legal representative of the tax division, personally and directly engaged in, and

14 solely for use in, preparation for a civil or criminal proceeding (or investigation which may result

15 in a proceeding) before a state administrative body, grand jury, or court in a matter involving state

16 tax administration, but only if:

17 (A) The taxpayer is or may be a party to the proceeding;

18 (B) The treatment of an item reflected on the return is or may be related to the resolution

19 of an issue in the proceeding or investigation; or

20 (C) The return or return information relates, or may relate, to a transactional relationship

21 between a person who is or may be a party to the proceeding and the taxpayer that affects or may

22 affect the resolution of an issue in a proceeding or investigation.

23 SECTION 28. This article shall take effect upon passage, except Section 15, which shall

24 take effect on January 1, 2026.

ARTICLE 4 AS AMENDED

RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS

SECTION 1. This article shall serve as the joint resolutions required pursuant to Rhode Island General Law § 35-18-1, et seq.

SECTION 2. Section 3, Article 4 of Chapter 162 of the 2021 Public Laws is hereby amended to read as follows:

Section 3. University of Rhode Island – Combined Health & Counseling Center – Auxiliary Enterprise

WHEREAS, The University of Rhode Island board of trustees and the university have a long-standing commitment to the health and wellness of their students; and

WHEREAS, The university has a desire to create a one-stop center to address the physical, emotional, and mental health of its students; and

WHEREAS, The University of Rhode Island board of trustees and the University of Rhode Island are proposing a project which involves the construction of a new Combined Health & Counseling Center to meet the ongoing and growing health needs of their students; and

WHEREAS, The university engaged a qualified architectural firm, which has completed ~~an advanced planning study~~ schematic design for this new building; and

WHEREAS, The Rhode Island Public Corporation Debt Management Act requires the general assembly to provide its consent to the issuance or incurring by the state of Rhode Island and other public agencies of certain obligations including financing guarantees or other agreements; and

WHEREAS, The design and construction associated with this work of an auxiliary enterprise building will be financed through the Rhode Island health and educational building corporation (~~RIHEBC~~) revenue bonds, with an expected term of thirty (30) years; and

WHEREAS, The total project costs associated with completion of the project through the proposed financing method is ~~twenty-nine million dollars (\$29,000,000)~~ thirty-three million six hundred thousand dollars (\$33,600,000), including the cost of issuance. Debt service payments would be supported by revenues derived from student fees associated with the respective auxiliary enterprises of the University of Rhode Island occupying said facility. Total debt service on the bonds is not expected to exceed ~~sixty-three million three hundred thousand dollars (\$63,300,000)~~

1 seventy-eight million dollars (\$78,000,000) in the aggregate based on an average interest rate of
2 six and one half ~~(6%)~~ percent (6.5%); now, therefore be it

3 RESOLVED, That this general assembly hereby approves financing in an amount not to
4 exceed ~~twenty-nine million dollars (\$29,000,000)~~ thirty-three million six hundred thousand dollars
5 (\$33,600,000) for the combined health & counseling center project for the auxiliary enterprise
6 building on the University of Rhode Island campus; and be it further

7 RESOLVED, That, this joint resolution shall take effect upon passage.

8 SECTION 3. Section 2, Article 4 of Chapter 162 of the 2021 Public Laws is hereby
9 amended to read as follows:

10 Section 2. University of Rhode Island – Memorial Union – Auxiliary Enterprise

11 WHEREAS, The University of Rhode Island board of trustees and the university have a
12 long-standing commitment to the overall development of their students; and

13 WHEREAS, The university believes that the memorial union celebrates life at URI and
14 acts as the nexus for campus community, student engagement, and leadership. It is an intersection
15 connecting the academic core of campus and the campus's socially active residential community.
16 The student union at the university is an integral part of the educational ecosystem that shapes the
17 student experience; and

18 WHEREAS, The University of Rhode Island board of trustees and the University of Rhode
19 Island are proposing a project that involves the renovation and expansion of the memorial union to
20 meet the ongoing and growing needs of their students; and

21 WHEREAS, The university engaged a qualified architectural firm, which has completed
22 an advanced planning study for this renovation; and

23 WHEREAS, The Rhode Island Public Corporation Debt Management Act requires the
24 general assembly to provide its consent to the issuance or incurring by the state of Rhode Island
25 and other public agencies of certain obligations including financing guarantees or other agreements;
26 and

27 WHEREAS, The design and construction associated with this work of an auxiliary
28 enterprise building will be financed through the Rhode Island health and educational building
29 corporation ~~(RIHEBC)~~ revenue bonds, with an expected term of thirty (30) years; and

30 WHEREAS, The total project costs associated with completion of the project through the
31 proposed financing method is ~~fifty-seven million six hundred thousand dollars (\$57,600,000);~~ one
32 hundred eighteen million dollars (\$118,000,000), including the cost of issuance. Debt service
33 payments would be supported by revenues derived from student fees and retail lease payments
34 associated with the respective auxiliary enterprises of the University of Rhode Island occupying

1 said facility. Total debt service on the bonds is not expected to exceed ~~one hundred twenty five~~
2 ~~million six hundred thousand dollars (\$125,600,000)~~ two hundred seventy-two million dollars
3 (\$272,000,000) in the aggregate based on an average interest rate of six and one half ~~(6%)~~ percent
4 (6.5%); now, therefore be it

5 RESOLVED, That this General Assembly hereby approves financing in an amount not to
6 exceed ~~is fifty seven million six hundred thousand dollars (\$57,600,000)~~ one hundred eighteen
7 million dollars (\$118,000,000) for the Memorial Union project for the auxiliary enterprise building
8 on the University of Rhode Island campus; and be it further

9 RESOLVED, That this joint resolution shall take effect upon passage.

10 SECTION 4. *Confined Aquatic Dredged Material Disposal Cells.*

11 WHEREAS, Over the past several years the Army Corps of Engineers has approached the
12 Coastal Resources Management Council to act as the local sponsor to the federal action of
13 maintaining the depths of the Providence River and Harbor Shipping Channel; and

14 WHEREAS, The Providence River and Shipping Channel was last maintained in 2003;
15 and

16 WHEREAS, The project will include dredging and removal of sediments not suitable for
17 ocean disposal, and thus will require the construction of a new Confined Aquatic Disposal (CAD)
18 Cell to dispose and sequester those sediments; and

19 WHEREAS, CAD cells are constructed in aquatic environments to reduce the
20 environmental risk from sediments not suitable for ocean disposal by storing these sediments in a
21 depression in the bottom of the aquatic system; and

22 WHEREAS, CAD cells offer a major economic value, as a significant cost of disposing
23 dredged materials is in the transportation of the dredged material to a disposal location; and

24 WHEREAS, Having CAD cells located in the same general area from a dredging operation
25 saves local port operators millions of dollars over the 20-year life of those cells; and

26 WHEREAS, The Coastal Resources Management Council seeks to build additional
27 capacity in the CAD Cells beyond that required only for this specific project, in order to account
28 for the many port, maritime, and marina and boatyard facilities that also have the need to dredge
29 material at their facilities, which may not be suitable for ocean disposal, thereby saving these
30 entities significant cost, in both sediment testing and transportation of the material to other
31 locations, due to the fact that the existing CAD cells in the river have reached their useful design
32 life; and

33 WHEREAS, With the approval by the voters of the 2016 Rhode Island Port Infrastructure
34 Bond referendum, the need to maintain the viability of port and maritime operations, the state's

1 marine trades industry, and the increase economic value of ProvPort, increased disposal capacities
2 from new CAD cells are needed; and

3 WHEREAS, The Army Corps of Engineers expects to begin maintenance of the
4 Providence River and Harbor Shipping Channel in the fall of 2027, the total cost share of the non-
5 federal sponsor is required by August 2026; and

6 WHEREAS, The state share associated with this project is estimated to be thirty five
7 million dollars (\$35.0 million), with six hundred and twenty thousand dollars (\$620,000) derived
8 from the Coastal Resources Management Council Dredge Fund, financing from the issuance of
9 debt as described herein, and the remainder from other sources of capital funds. The total financing
10 obligation of the State of Rhode Island would be approximately twenty-three million dollars (\$23.0
11 million), with twenty-two million eight hundred thousand dollars (\$22.8 million) deposited in the
12 project fund and two hundred thousand dollars (\$200,000) allocated to pay the associated costs of
13 financing. Total payments on the State's obligation over twenty (20) years on the twenty-three
14 million dollars (\$23.0 million) issuance are projected to be thirty-six million nine hundred thousand
15 dollars (\$36.9 million) assuming an average interest rate of five percent (5.0%). A minimum of
16 eleven million and six hundred thousand dollars (\$11.6 million) of the total principal and interest
17 payments is expected to be financed from an increase in fees charged to marine operators to deposit
18 their dredged materials into CAD cells, with general revenue appropriations used to supplement
19 fee revenues. General revenue appropriations shall finance principal and interest payments in any
20 fiscal year that fee revenues are insufficient; and

21 RESOLVED, That this General Assembly hereby approves financing in an amount not to
22 exceed twenty-three million dollars (\$23.0 million) for the provision of funds for the Confined
23 Aquatic Disposal Cells project, including two hundred thousand dollars (\$200,000) to pay costs of
24 financing; and be it further

25 RESOLVED, That this joint resolution shall take effect upon passage.

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

ARTICLE 5 AS AMENDED

RELATING TO TAXES AND FEES

SECTION 1. Sections 42-63.1-2 and 42-63.1-3 of the General Laws in Chapter 42-63.1 entitled "Tourism and Development" are hereby amended to read as follows:

42-63.1-2. Definitions. [Effective January 30, 2025.]

For the purposes of this chapter:

(1) "Consideration" means the monetary charge for the use of space devoted to transient lodging accommodations.

(2) "Corporation" means the Rhode Island commerce corporation.

(3) "District" means the regional tourism districts set forth in § 42-63.1-5.

(4) "Hosting platform" means any electronic or operating system in which a person or entity provides a means through which an owner may offer a residential unit for "tourist or transient" use. This service is usually, though not necessarily, provided through an online or web-based system which generally allows an owner to advertise the residential unit through a hosted website and provides a means for a person or entity to arrange, or otherwise facilitate reservations for, tourist or transient use in exchange for payment, whether the person or entity pays rent directly to the owner or to the hosting platform. All hosting platforms are required to collect and remit the tax owed under this section.

(5) "Hotel" means any facility offering a minimum of one (1) room for which the public may, for a consideration, obtain transient lodging accommodations. The term "hotel" shall include hotels, motels, tourist homes, tourist camps, lodging houses, and inns. The term "hotel" shall also include houses, condominiums, or other residential dwelling units, regardless of the number of rooms, which are used and/or advertised for rent for occupancy. The term "hotel" shall not include schools, hospitals, sanitariums, nursing homes, and chronic care centers.

(6) "Occupancy" means a person, firm, or corporation's use of space for transient lodging accommodations not to exceed thirty (30) days. Excluded from "occupancy" is the use of space for which the occupant has a written lease for the space, which lease covers a rental period of twelve (12) months or more. Furthermore, any house, condominium, or other residential dwelling rented, for which the occupant has a documented arrangement for the space covering a rental period of more than thirty (30) consecutive days or for one calendar month is excluded from the definition

1 of occupancy.

2 (7) “Owner” means any person who owns real property and is the owner of record. Owner
3 shall also include a lessee where the lessee is offering a residential unit for “tourist or transient”
4 use.

5 (8) “Residential unit” means a room or rooms, including a condominium or a room or a
6 dwelling unit that forms part of a single, joint, or shared tenant arrangement, in any building, or
7 portion thereof, which is designed, built, rented, leased, let, or hired out to be occupied for non-
8 commercial use.

9 (9) “Tax” means the hotel tax [and whole home short-term rental tax](#) imposed by § 44-18-
10 36.1(a) [and \(d\)](#).

11 (10) “Tourist or transient” means any use of a residential unit for occupancy for less than
12 a thirty (30) consecutive day term of tenancy, or occupancy for less than thirty (30) consecutive
13 days of a residential unit leased or owned by a business entity, whether on a short-term or long-
14 term basis, including any occupancy by employees or guests of a business entity for less than thirty
15 (30) consecutive days where payment for the residential unit is contracted for or paid by the
16 business entity.

17 (11) “Tour operator” means a person that derives a majority of their or its revenue by
18 providing tour operator packages.

19 (12) “Tour operator packages” means travel packages that include the services of a tour
20 guide and where the itinerary encompasses five (5) or more consecutive days.

21 **42-63.1-3. Distribution of tax.**

22 (a) For returns and tax payments received on or before December 31, 2015, except as
23 provided in § 42-63.1-12, the proceeds of the hotel tax, excluding the portion of the hotel tax
24 collected from residential units offered for tourist or transient use through a hosting platform, shall
25 be distributed as follows by the division of taxation and the city of Newport:

26 (1) Forty-seven percent (47%) of the tax generated by the hotels in the district, except as
27 otherwise provided in this chapter, shall be given to the regional tourism district wherein the hotel
28 is located; provided, however, that from the tax generated by the hotels in the city of Warwick,
29 thirty-one percent (31%) of the tax shall be given to the Warwick regional tourism district
30 established in § 42-63.1-5(a)(5) and sixteen percent (16%) of the tax shall be given to the Greater
31 Providence-Warwick Convention and Visitors’ Bureau established in § 42-63.1-11; and provided
32 further, that from the tax generated by the hotels in the city of Providence, sixteen percent (16%)
33 of that tax shall be given to the Greater Providence-Warwick Convention and Visitors’ Bureau
34 established by § 42-63.1-11, and thirty-one percent (31%) of that tax shall be given to the

1 Convention Authority of the city of Providence established pursuant to the provisions of chapter
2 84 of the public laws of January, 1980; provided, however, that the receipts attributable to the
3 district as defined in § 42-63.1-5(a)(7) shall be deposited as general revenues, and that the receipts
4 attributable to the district as defined in § 42-63.1-5(a)(8) shall be given to the Rhode Island
5 commerce corporation as established in chapter 64 of this title.

6 (2) Twenty-five percent (25%) of the hotel tax shall be given to the city or town where the
7 hotel that generated the tax is physically located, to be used for whatever purpose the city or town
8 decides.

9 (3) Twenty-one percent (21%) of the hotel tax shall be given to the Rhode Island commerce
10 corporation established in chapter 64 of this title, and seven percent (7%) to the Greater Providence-
11 Warwick Convention and Visitors' Bureau.

12 (b) For returns and tax payments received after December 31, 2015, except as provided in
13 § 42-63.1-12, the proceeds of the hotel tax, excluding the portion of the hotel tax collected from
14 residential units offered for tourist or transient use through a hosting platform, shall be distributed
15 as follows by the division of taxation and the city of Newport:

16 (1) For the tax generated by the hotels in the Aquidneck Island district, as defined in § 42-
17 63.1-5, forty-two percent (42%) of the tax shall be given to the Aquidneck Island district, twenty-
18 five percent (25%) of the tax shall be given to the city or town where the hotel that generated the
19 tax is physically located, five percent (5%) of the tax shall be given to the Greater Providence-
20 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-eight percent
21 (28%) of the tax shall be given to the Rhode Island commerce corporation established in chapter
22 64 of this title.

23 (2) For the tax generated by the hotels in the Providence district as defined in § 42-63.1-5,
24 twenty eight percent (28%) of the tax shall be given to the Providence district, twenty-five percent
25 (25%) of the tax shall be given to the city or town where the hotel that generated the tax is physically
26 located, twenty-three percent (23%) of the tax shall be given to the Greater Providence-Warwick
27 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-four percent (24%) of the
28 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

29 (3) For the tax generated by the hotels in the Warwick district as defined in § 42-63.1-5,
30 twenty-eight percent (28%) of the tax shall be given to the Warwick District, twenty-five percent
31 (25%) of the tax shall be given to the city or town where the hotel that generated the tax is physically
32 located, twenty-three percent (23%) of the tax shall be given to the Greater Providence-Warwick
33 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-four percent (24%) of the
34 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

1 (4) For the tax generated by the hotels in the Statewide district, as defined in § 42-63.1-5,
2 twenty-five percent (25%) of the tax shall be given to the city or town where the hotel that generated
3 the tax is physically located, five percent (5%) of the tax shall be given to the Greater Providence-
4 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and seventy percent (70%)
5 of the tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this
6 title.

7 (5) With respect to the tax generated by hotels in districts other than those set forth in
8 subsections (b)(1) through (b)(4) of this section, forty-two percent (42%) of the tax shall be given
9 to the regional tourism district, as defined in § 42-63.1-5, wherein the hotel is located, twenty-five
10 percent (25%) of the tax shall be given to the city or town where the hotel that generated the tax is
11 physically located, five percent (5%) of the tax shall be given to the Greater Providence-Warwick
12 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-eight percent (28%) of
13 the tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this
14 title.

15 (c) For returns and tax payments received before July 1, 2019, the proceeds of the hotel tax
16 collected from residential units offered for tourist or transient use through a hosting platform shall
17 be distributed as follows by the division of taxation and the city of Newport: twenty-five percent
18 (25%) of the tax shall be given to the city or town where the residential unit that generated the tax
19 is physically located, and seventy-five percent (75%) of the tax shall be given to the Rhode Island
20 commerce corporation established in chapter 64 of this title.

21 (d) The Rhode Island commerce corporation shall be required in each fiscal year to spend
22 on the promotion and marketing of Rhode Island as a destination for tourists or businesses an
23 amount of money of no less than the total proceeds of the hotel tax it receives pursuant to this
24 chapter for the fiscal year.

25 (e) Notwithstanding the foregoing provisions of this section, for returns and tax payments
26 received on or after July 1, 2016, and on or before June 30, 2017, except as provided in § 42-63.1-
27 12, the proceeds of the hotel tax, excluding the portion of the hotel tax collected from residential
28 units offered for tourist or transient use through a hosting platform, shall be distributed in
29 accordance with the distribution percentages established in subsections (a)(1) through (a)(3) of this
30 section by the division of taxation and the city of Newport.

31 (f) For returns and tax payments received on or after July 1, 2018, except as provided in §
32 42-63.1-12, the proceeds of the hotel tax, excluding the portion of the hotel tax collected from
33 residential units offered for tourist or transient use through a hosting platform, shall be distributed
34 as follows by the division of taxation and the city of Newport:

1 (1) For the tax generated by the hotels in the Aquidneck Island district, as defined in § 42-
2 63.1-5, forty-five percent (45%) of the tax shall be given to the Aquidneck Island district, twenty-
3 five percent (25%) of the tax shall be given to the city or town where the hotel that generated the
4 tax is physically located, five percent (5%) of the tax shall be given to the Greater Providence-
5 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-five percent
6 (25%) of the tax shall be given to the Rhode Island commerce corporation established in chapter
7 64 of this title.

8 (2) For the tax generated by the hotels in the Providence district as defined in § 42-63.1-5,
9 thirty percent (30%) of the tax shall be given to the Providence district, twenty-five percent (25%)
10 of the tax shall be given to the city or town where the hotel that generated the tax is physically
11 located, twenty-four percent (24%) of the tax shall be given to the Greater Providence-Warwick
12 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-one percent (21%) of the
13 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

14 (3) For the tax generated by the hotels in the Warwick district as defined in § 42-63.1-5,
15 thirty percent (30%) of the tax shall be given to the Warwick District, twenty-five percent (25%)
16 of the tax shall be given to the city or town where the hotel that generated the tax is physically
17 located, twenty-four percent (24%) of the tax shall be given to the Greater Providence-Warwick
18 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-one percent (21%) of the
19 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

20 (4) For the tax generated by the hotels in the Statewide district, as defined in § 42-63.1-5,
21 twenty-five percent (25%) of the tax shall be given to the city or town where the hotel that generated
22 the tax is physically located, five percent (5%) of the tax shall be given to the Greater Providence-
23 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and seventy percent (70%)
24 of the tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this
25 title.

26 (5) With respect to the tax generated by hotels in districts other than those set forth in
27 subsections (f)(1) through (f)(4) of this section, forty-five percent (45%) of the tax shall be given
28 to the regional tourism district, as defined in § 42-63.1-5, wherein the hotel is located, twenty-five
29 percent (25%) of the tax shall be given to the city or town where the hotel that generated the tax is
30 physically located, five percent (5%) of the tax shall be given to the Greater Providence-Warwick
31 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-five (25%) of the tax shall
32 be given to the Rhode Island commerce corporation established in chapter 64 of this title.

33 (g) For returns and tax payments received on or after July 1, 2019, except as provided in §
34 42-63.1-12, the proceeds of the hotel tax, including the portion of the hotel tax collected from

1 residential units offered for tourist or transient use through a hosting platform [except as provided](#)
2 [in subsection \(h\) of this section](#), shall be distributed as follows by the division of taxation and the
3 city of Newport:

4 (1) For the tax generated in the Aquidneck Island district, as defined in § 42-63.1-5, forty-
5 five percent (45%) of the tax shall be given to the Aquidneck Island district, twenty-five percent
6 (25%) of the tax shall be given to the city or town where the hotel or residential unit that generated
7 the tax is physically located, five percent (5%) of the tax shall be given to the Greater Providence-
8 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-five percent
9 (25%) of the tax shall be given to the Rhode Island commerce corporation established in chapter
10 64 of this title.

11 (2) For the tax generated in the Providence district as defined in § 42-63.1-5, thirty percent
12 (30%) of the tax shall be given to the Providence district, twenty-five percent (25%) of the tax shall
13 be given to the city or town where the hotel or residential unit that generated the tax is physically
14 located, twenty-four percent (24%) of the tax shall be given to the Greater Providence-Warwick
15 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-one percent (21%) of the
16 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

17 (3) For the tax generated in the Warwick district as defined in § 42-63.1-5, thirty percent
18 (30%) of the tax shall be given to the Warwick District, twenty-five percent (25%) of the tax shall
19 be given to the city or town where the hotel or residential unit that generated the tax is physically
20 located, twenty-four percent (24%) of the tax shall be given to the Greater Providence-Warwick
21 Convention and Visitors Bureau established in § 42-63.1-11, and twenty-one percent (21%) of the
22 tax shall be given to the Rhode Island commerce corporation established in chapter 64 of this title.

23 (4) For the tax generated in the Statewide district, as defined in § 42-63.1-5, twenty-five
24 percent (25%) of the tax shall be given to the city or town where the hotel or residential unit that
25 generated the tax is physically located, five percent (5%) of the tax shall be given to the Greater
26 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and seventy
27 percent (70%) of the tax shall be given to the Rhode Island commerce corporation established in
28 chapter 64 of this title.

29 (5) With respect to the tax generated in districts other than those set forth in subsections
30 (g)(1) through (g)(4) of this section, forty-five percent (45%) of the tax shall be given to the regional
31 tourism district, as defined in § 42-63.1-5, wherein the hotel or residential unit is located, twenty-
32 five percent (25%) of the tax shall be given to the city or town where the hotel or residential unit
33 that generated the tax is physically located, five percent (5%) of the tax shall be given to the Greater
34 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-five

1 percent (25%) of the tax shall be given to the Rhode Island commerce corporation established in
2 chapter 64 of this title.

3 (h) Distribution of whole home short-term rental tax. For returns and tax payments received
4 after December 31, 2025, the proceeds of the whole home short-term rental tax established in § 44-
5 18-36.1(d) shall be distributed as follows by the division of taxation and the city of Newport: fifty
6 percent (50%) of the tax shall be deposited into the Housing Resources and Homelessness restricted
7 receipt account, established pursuant to § 42-128-2(3), twenty-five percent (25%) shall be given to
8 the regional tourism district, as defined in § 42-63.1-5, wherein the residential unit is located, and
9 twenty-five percent (25%) shall be given to the city or town where the residential unit that generated
10 the tax is physically located.

11 SECTION 2. Chapter 42-64.11 of the General Laws entitled "Jobs Growth Act" is hereby
12 amended by adding thereto the following section:

13 **42-64.11-7. Sunset.**

14 No modifications shall be allowed, no applications shall be certified, and no taxpayers
15 certified prior to January 1, 2026, shall pay the tax under this chapter for tax years beginning on or
16 after January 1, 2026.

17 SECTION 3. Section 42-142-2 of the General Laws in Chapter 42-142 entitled
18 "Department of Revenue" is hereby amended to read as follows:

19 **42-142-2. Powers and duties of the department.**

20 (a) The department of revenue shall have the following powers and duties:

21 (1) To operate a division of taxation;

22 (2) To operate a division of motor vehicles;

23 (3) To operate a division of state lottery;

24 (4) To operate an office of revenue analysis;

25 (5) To operate a division of property valuation; and

26 (6) To operate a central collections unit; and

27 (7) To convene, in consultation with the governor, an advisory working group to assist in
28 the review and analysis of potential impacts of any adopted federal tax actions. The working group
29 shall develop options for administrative action or general assembly consideration that may be
30 needed to address any federal funding changes that impact Rhode Island revenues.

31 (b) The advisory working group may include, but not be limited to, the state tax
32 administrator, chief of revenue analysis, director of management and budget, as well as designees
33 from the following: state agencies, businesses, healthcare, public sector unions, and advocates.

34 (c) As soon as practicable after the enactment of the federal budget for fiscal year 2026,

1 but no later than October 31, 2025, the advisory working group shall forward a report to the
2 governor, speaker of the house, and president of the senate containing the findings,
3 recommendations and options for consideration to become compliant with federal changes prior to
4 the governor's budget submittal.

5 SECTION 4. Section 44-11-11 of the General Laws in Chapter 44-11 entitled "Business
6 Corporation Tax" is hereby amended to read as follows:

7 **44-11-11. "Net income" defined. [Effective January 1, 2025.]**

8 (a)(1) "Net income" means, for any taxable year and for any corporate taxpayer, the taxable
9 income of the taxpayer for that taxable year under the laws of the United States, plus:

10 (i) Any interest not included in the taxable income;

11 (ii) Any specific exemptions;

12 (iii) The tax imposed by this chapter;

13 (iv) For any taxable year beginning on or after January 1, 2020, the amount of any Paycheck
14 Protection Program loan forgiven for federal income tax purposes as authorized by the Coronavirus
15 Aid, Relief, and Economic Security Act and/or the Consolidated Appropriations Act, 2021 and/or
16 any other subsequent federal stimulus relief packages enacted by law, to the extent that the amount
17 of the loan forgiven exceeds \$250,000; and minus:

18 (v) Interest on obligations of the United States or its possessions, and other interest exempt
19 from taxation by this state;

20 (vi) The federal net operating loss deduction; ~~and~~

21 (vii) For any taxable year beginning on or after January 1, 2025, in the case of a taxpayer
22 that is licensed in accordance with chapters 28.6 and/or 28.11 of title 21, the amount equal to any
23 expenditure that is eligible to be claimed as a federal income tax deduction but is disallowed under
24 26 U.S.C. § 280E; and

25 (viii) For the taxable year beginning on or before January 1, 2025, the amount of any
26 income, deduction or allowance that would be subject to federal income tax but for the
27 Congressional enactment of the One Big Beautiful Bill Act or any other similar Congressional
28 enactment. The enactment of the One Big Beautiful Bill Act or any other similar Congressional
29 enactment and any Internal Revenue Service changes to forms, regulations, and/or processing
30 which go into effect during the current tax year or within six (6) months of the beginning of the
31 next tax year shall be deemed grounds for the promulgation of emergency rules and regulations
32 under § 42-35-2.10 to effectuate the purpose of preserving the Rhode Island tax base under Rhode
33 Island law with respect to the One Big Beautiful Bill Act or any other similar Congressional
34 enactment.

1 (2) All binding federal elections made by or on behalf of the taxpayer applicable either
2 directly or indirectly to the determination of taxable income shall be binding on the taxpayer except
3 where this chapter or its attendant regulations specifically modify or provide otherwise. Rhode
4 Island taxable income shall not include the “gross-up of dividends” required by the federal Internal
5 Revenue Code to be taken into taxable income in connection with the taxpayer’s election of the
6 foreign tax credit.

7 (b) A net operating loss deduction shall be allowed, which shall be the same as the net
8 operating loss deduction allowed under 26 U.S.C. § 172, except that:

9 (1) Any net operating loss included in determining the deduction shall be adjusted to reflect
10 the inclusions and exclusions from entire net income required by subsection (a) of this section and
11 § 44-11-11.1;

12 (2) The deduction shall not include any net operating loss sustained during any taxable year
13 in which the taxpayer was not subject to the tax imposed by this chapter; and

14 (3) Limitation on 26 U.S.C. § 172 deduction.

15 (i) The deduction shall not exceed the deduction for the taxable year allowable under 26
16 U.S.C. § 172; provided, that the deduction for a taxable year may not be carried back to any other
17 taxable year for Rhode Island purposes but shall only be allowable on a carry forward basis for the
18 five (5) succeeding taxable years; and

19 (ii) For any taxable year beginning on or after January 1, 2025, the deduction shall not
20 exceed the deduction for the taxable year allowable under 26 U.S.C. § 172; provided that, the
21 deduction for a taxable year may not be carried back to any other taxable year for Rhode Island
22 purposes, but shall only be allowable on a carry forward basis for the twenty (20) succeeding
23 taxable years.

24 (c) “Domestic international sales corporations” (referred to as DISCs), for the purposes of
25 this chapter, will be treated as they are under federal income tax law and shall not pay the amount
26 of the tax computed under § 44-11-2(a). Any income to shareholders of DISCs is to be treated in
27 the same manner as it is treated under federal income tax law as it exists on December 31, 1984.

28 (d) A corporation that qualifies as a “foreign sales corporation” (FSC) under the provisions
29 of subchapter N, 26 U.S.C. § 861 et seq., and that has in effect for the entire taxable year a valid
30 election under federal law to be treated as a FSC, shall not pay the amount of the tax computed
31 under § 44-11-2(a). Any income to shareholders of FSCs is to be treated in the same manner as it
32 is treated under federal income tax law as it exists on January 1, 1985.

33 (e) For purposes of a corporation’s state tax liability, any deduction to income allowable
34 under 26 U.S.C. § 1400Z-2(c) may be claimed in the case of any investment held by the taxpayer

1 for at least seven years. The division of taxation shall promulgate, in its discretion, rules and
2 regulations relative to the accelerated application of deductions under 26 U.S.C. § 1400Z-2(c).

3 SECTION 5. Section 44-30-12 of the General Laws in Chapter 44-30 entitled "Personal
4 Income Tax" is hereby amended to read as follows:

5 **44-30-12. Rhode Island income of a resident individual. [Effective January 1, 2025.]**

6 (a) **General.** The Rhode Island income of a resident individual means the individual's
7 adjusted gross income for federal income tax purposes, with the modifications specified in this
8 section.

9 (b) **Modifications increasing federal adjusted gross income.** There shall be added to
10 federal adjusted gross income:

11 (1) Interest income on obligations of any state, or its political subdivisions, other than
12 Rhode Island or its political subdivisions;

13 (2) Interest or dividend income on obligations or securities of any authority, commission,
14 or instrumentality of the United States, but not of Rhode Island or its political subdivisions, to the
15 extent exempted by the laws of the United States from federal income tax but not from state income
16 taxes;

17 (3) The modification described in § 44-30-25(g);

18 (4)(i) The amount defined below of a nonqualified withdrawal made from an account in
19 the tuition savings program pursuant to § 16-57-6.1. For purposes of this section, a nonqualified
20 withdrawal is:

21 (A) A transfer or rollover to a qualified tuition program under Section 529 of the Internal
22 Revenue Code, 26 U.S.C. § 529, other than to the tuition savings program referred to in § 16-57-
23 6.1; and

24 (B) A withdrawal or distribution that is:

25 (I) Not applied on a timely basis to pay "qualified higher education expenses" as defined
26 in § 16-57-3(12) of the beneficiary of the account from which the withdrawal is made;

27 (II) Not made for a reason referred to in § 16-57-6.1(e); or

28 (III) Not made in other circumstances for which an exclusion from tax made applicable by
29 Section 529 of the Internal Revenue Code, 26 U.S.C. § 529, pertains if the transfer, rollover,
30 withdrawal, or distribution is made within two (2) taxable years following the taxable year for
31 which a contributions modification pursuant to subsection (c)(4) of this section is taken based on
32 contributions to any tuition savings program account by the person who is the participant of the
33 account at the time of the contribution, whether or not the person is the participant of the account
34 at the time of the transfer, rollover, withdrawal, or distribution;

1 (ii) In the event of a nonqualified withdrawal under subsection (b)(4)(i)(A) or (b)(4)(i)(B)
2 of this section, there shall be added to the federal adjusted gross income of that person for the
3 taxable year of the withdrawal an amount equal to the lesser of:

4 (A) The amount equal to the nonqualified withdrawal reduced by the sum of any
5 administrative fee or penalty imposed under the tuition savings program in connection with the
6 nonqualified withdrawal plus the earnings portion thereof, if any, includible in computing the
7 person's federal adjusted gross income for the taxable year; and

8 (B) The amount of the person's contribution modification pursuant to subsection (c)(4) of
9 this section for the person's taxable year of the withdrawal and the two (2) prior taxable years less
10 the amount of any nonqualified withdrawal for the two (2) prior taxable years included in
11 computing the person's Rhode Island income by application of this subsection for those years. Any
12 amount added to federal adjusted gross income pursuant to this subdivision shall constitute Rhode
13 Island income for residents, nonresidents, and part-year residents;

14 (5) The modification described in § 44-30-25.1(d)(3)(i);

15 (6) The amount equal to any unemployment compensation received but not included in
16 federal adjusted gross income;

17 (7) The amount equal to the deduction allowed for sales tax paid for a purchase of a
18 qualified motor vehicle as defined by the Internal Revenue Code § 164(a)(6); ~~and~~

19 (8) For any taxable year beginning on or after January 1, 2020, the amount of any Paycheck
20 Protection Program loan forgiven for federal income tax purposes as authorized by the Coronavirus
21 Aid, Relief, and Economic Security Act and/or the Consolidated Appropriations Act, 2021 and/or
22 any other subsequent federal stimulus relief packages enacted by law, to the extent that the amount
23 of the loan forgiven exceeds \$250,000, including an individual's distributive share of the amount
24 of a pass-through entity's loan forgiveness in excess of \$250,000; and

25 (9) For the taxable year beginning on or before January 1, 2025, the amount of any income,
26 deduction or allowance that would be subject to federal income tax but for the Congressional
27 enactment of the One Big Beautiful Bill Act or any other similar Congressional enactment. The
28 enactment of the One Big Beautiful Bill Act or any other similar Congressional enactment and any
29 Internal Revenue Service changes to forms, regulations, and/or processing which go into effect
30 during the current tax year or within six (6) months of the beginning of the next tax year shall be
31 deemed grounds for the promulgation of emergency rules and regulations under § 42-35-2.10 to
32 effectuate the purpose of preserving the Rhode Island tax base under Rhode Island law with respect
33 to the One Big Beautiful Bill Act or any other similar Congressional enactment.

34 (c) **Modifications reducing federal adjusted gross income.** There shall be subtracted

1 from federal adjusted gross income:

2 (1) Any interest income on obligations of the United States and its possessions to the extent

3 includible in gross income for federal income tax purposes, and any interest or dividend income on

4 obligations, or securities of any authority, commission, or instrumentality of the United States to

5 the extent includible in gross income for federal income tax purposes but exempt from state income

6 taxes under the laws of the United States; provided, that the amount to be subtracted shall in any

7 case be reduced by any interest on indebtedness incurred or continued to purchase or carry

8 obligations or securities the income of which is exempt from Rhode Island personal income tax, to

9 the extent the interest has been deducted in determining federal adjusted gross income or taxable

10 income;

11 (2) A modification described in § 44-30-25(f) or § 44-30-1.1(c)(1);

12 (3) The amount of any withdrawal or distribution from the “tuition savings program”

13 referred to in § 16-57-6.1 that is included in federal adjusted gross income, other than a withdrawal

14 or distribution or portion of a withdrawal or distribution that is a nonqualified withdrawal;

15 (4) Contributions made to an account under the tuition savings program, including the

16 “contributions carryover” pursuant to subsection (c)(4)(iv) of this section, if any, subject to the

17 following limitations, restrictions, and qualifications:

18 (i) The aggregate subtraction pursuant to this subdivision for any taxable year of the

19 taxpayer shall not exceed five hundred dollars (\$500) or one thousand dollars (\$1,000) if a joint

20 return;

21 (ii) The following shall not be considered contributions:

22 (A) Contributions made by any person to an account who is not a participant of the account

23 at the time the contribution is made;

24 (B) Transfers or rollovers to an account from any other tuition savings program account or

25 from any other “qualified tuition program” under section 529 of the Internal Revenue Code, 26

26 U.S.C. § 529; or

27 (C) A change of the beneficiary of the account;

28 (iii) The subtraction pursuant to this subdivision shall not reduce the taxpayer’s federal

29 adjusted gross income to less than zero (0);

30 (iv) The contributions carryover to a taxable year for purpose of this subdivision is the

31 excess, if any, of the total amount of contributions actually made by the taxpayer to the tuition

32 savings program for all preceding taxable years for which this subsection is effective over the sum

33 of:

34 (A) The total of the subtractions under this subdivision allowable to the taxpayer for all

1 such preceding taxable years; and

2 (B) That part of any remaining contribution carryover at the end of the taxable year which

3 exceeds the amount of any nonqualified withdrawals during the year and the prior two (2) taxable

4 years not included in the addition provided for in this subdivision for those years. Any such part

5 shall be disregarded in computing the contributions carryover for any subsequent taxable year;

6 (v) For any taxable year for which a contributions carryover is applicable, the taxpayer

7 shall include a computation of the carryover with the taxpayer's Rhode Island personal income tax

8 return for that year, and if for any taxable year on which the carryover is based the taxpayer filed a

9 joint Rhode Island personal income tax return but filed a return on a basis other than jointly for a

10 subsequent taxable year, the computation shall reflect how the carryover is being allocated between

11 the prior joint filers;

12 (5) The modification described in § 44-30-25.1(d)(1);

13 (6) Amounts deemed taxable income to the taxpayer due to payment or provision of

14 insurance benefits to a dependent, including a domestic partner pursuant to chapter 12 of title 36 or

15 other coverage plan;

16 **(7) Modification for organ transplantation.**

17 (i) An individual may subtract up to ten thousand dollars (\$10,000) from federal adjusted

18 gross income if the individual, while living, donates one or more of their human organs to another

19 human being for human organ transplantation, except that for purposes of this subsection, "human

20 organ" means all or part of a liver, pancreas, kidney, intestine, lung, or bone marrow. A subtract

21 modification that is claimed hereunder may be claimed in the taxable year in which the human

22 organ transplantation occurs.

23 (ii) An individual may claim that subtract modification hereunder only once, and the

24 subtract modification may be claimed for only the following unreimbursed expenses that are

25 incurred by the claimant and related to the claimant's organ donation:

26 (A) Travel expenses.

27 (B) Lodging expenses.

28 (C) Lost wages.

29 (iii) The subtract modification hereunder may not be claimed by a part-time resident or a

30 nonresident of this state;

31 **(8) Modification for taxable Social Security income.**

32 (i) For tax years beginning on or after January 1, 2016:

33 (A) For a person who has attained the age used for calculating full or unreduced Social

34 Security retirement benefits who files a return as an unmarried individual, head of household, or

1 married filing separate whose federal adjusted gross income for the taxable year is less than eighty
2 thousand dollars (\$80,000); or

3 (B) A married individual filing jointly or individual filing qualifying widow(er) who has
4 attained the age used for calculating full or unreduced Social Security retirement benefits whose
5 joint federal adjusted gross income for the taxable year is less than one hundred thousand dollars
6 (\$100,000), an amount equal to the Social Security benefits includible in federal adjusted gross
7 income.

8 (ii) Adjustment for inflation. The dollar amount contained in subsections (c)(8)(i)(A) and
9 (c)(8)(i)(B) of this section shall be increased annually by an amount equal to:

10 (A) Such dollar amount contained in subsections (c)(8)(i)(A) and (c)(8)(i)(B) of this section
11 adjusted for inflation using a base tax year of 2000, multiplied by;

12 (B) The cost-of-living adjustment with a base year of 2000.

13 (iii) For the purposes of this section the cost-of-living adjustment for any calendar year is
14 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds
15 the consumer price index for the base year. The consumer price index for any calendar year is the
16 average of the consumer price index as of the close of the twelve-month (12) period ending on
17 August 31, of such calendar year.

18 (iv) For the purpose of this section the term “consumer price index” means the last
19 consumer price index for all urban consumers published by the department of labor. For the purpose
20 of this section the revision of the consumer price index which is most consistent with the consumer
21 price index for calendar year 1986 shall be used.

22 (v) If any increase determined under this section is not a multiple of fifty dollars (\$50.00),
23 such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a
24 married individual filing separate return, if any increase determined under this section is not a
25 multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple
26 of twenty-five dollars (\$25.00);

27 **(9) Modification of taxable retirement income from certain pension plans or**
28 **annuities.**

29 (i) For tax years beginning on or after January 1, 2017, until the tax year beginning January
30 1, 2022, a modification shall be allowed for up to fifteen thousand dollars (\$15,000), and for tax
31 years beginning on or after January 1, 2023, until the tax year beginning January 1, 2024, a
32 modification shall be allowed for up to twenty thousand dollars (\$20,000), and for tax years
33 beginning on or after January 1, 2025, a modification shall be allowed for up to fifty thousand
34 dollars (\$50,000), of taxable pension and/or annuity income that is included in federal adjusted

1 gross income for the taxable year:

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 such taxable year is less than the
5 amount used for the modification contained in subsection (c)(8)(i)(A) of this section an amount not
6 to exceed \$15,000 for tax years beginning on or after January 1, 2017, until the tax year beginning
7 January 1, 2022, and an amount not to exceed twenty thousand dollars (\$20,000) for tax years
8 beginning on or after January 1, 2023, until the tax year beginning January 1, 2024, and an amount
9 not to exceed fifty thousand dollars (\$50,000) for tax years beginning on or after January 1, 2025,
10 of taxable pension and/or annuity income includible in federal adjusted gross income; or

11 (B) For a married individual filing jointly or individual filing qualifying widow(er) who
12 has attained the age used for calculating full or unreduced Social Security retirement benefits whose
13 joint federal adjusted gross income for such taxable year is less than the amount used for the
14 modification contained in subsection (c)(8)(i)(B) of this section an amount not to exceed \$15,000
15 for tax years beginning on or after January 1, 2017, until the tax year beginning January 1, 2022,
16 and an amount not to exceed twenty thousand dollars (\$20,000) for tax years beginning on or after
17 January 1, 2023, until the tax year beginning January 1, 2024, and an amount not to exceed fifty
18 thousand dollars (\$50,000) for tax years beginning on or after January 1, 2025, of taxable pension
19 and/or annuity income includible in federal adjusted gross income.

20 (ii) Adjustment for inflation. The dollar amount contained by reference in subsections
21 (c)(9)(i)(A) and (c)(9)(i)(B) of this section shall be increased annually for tax years beginning on
22 or after January 1, 2018, by an amount equal to:

23 (A) Such dollar amount contained by reference in subsections (c)(9)(i)(A) and (c)(9)(i)(B)
24 of this section adjusted for inflation using a base tax year of 2000, multiplied by;

25 (B) The cost-of-living adjustment with a base year of 2000.

26 (iii) For the purposes of this section, the cost-of-living adjustment for any calendar year is
27 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds
28 the consumer price index for the base year. The consumer price index for any calendar year is the
29 average of the consumer price index as of the close of the twelve-month (12) period ending on
30 August 31, of such calendar year.

31 (iv) For the purpose of this section, the term “consumer price index” means the last
32 consumer price index for all urban consumers published by the department of labor. For the purpose
33 of this section, the revision of the consumer price index which is most consistent with the consumer
34 price index for calendar year 1986 shall be used.

1 (v) If any increase determined under this section is not a multiple of fifty dollars (\$50.00),
2 such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a
3 married individual filing a separate return, if any increase determined under this section is not a
4 multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple
5 of twenty-five dollars (\$25.00).

6 (vi) For tax years beginning on or after January 1, 2022, the dollar amount contained by
7 reference in subsection (c)(9)(i)(A) shall be adjusted to equal the dollar amount contained in
8 subsection (c)(8)(i)(A), as adjusted for inflation, and the dollar amount contained by reference in
9 subsection(c)(9)(i)(B) shall be adjusted to equal the dollar amount contained in subsection
10 (c)(8)(i)(B), as adjusted for inflation;

11 (10) **Modification for Rhode Island investment in opportunity zones.** For purposes of
12 a taxpayer's state tax liability, in the case of any investment in a Rhode Island opportunity zone by
13 the taxpayer for at least seven (7) years, a modification to income shall be allowed for the
14 incremental difference between the benefit allowed under 26 U.S.C. § 1400Z-2(b)(2)(B)(iv) and
15 the federal benefit allowed under 26 U.S.C. § 1400Z-2(c);

16 (11) **Modification for military service pensions.**

17 (i) For purposes of a taxpayer's state tax liability, a modification to income shall be allowed
18 as follows:

19 (A) For the tax years beginning on January 1, 2023, a taxpayer may subtract from federal
20 adjusted gross income the taxpayer's military service pension benefits included in federal adjusted
21 gross income;

22 (ii) As used in this subsection, the term "military service" shall have the same meaning as
23 set forth in 20 C.F.R. § 212.2;

24 (iii) At no time shall the modification allowed under this subsection alone or in conjunction
25 with subsection (c)(9) exceed the amount of the military service pension received in the tax year
26 for which the modification is claimed;

27 (12) Any rebate issued to the taxpayer pursuant to § 44-30-103 to the extent included in
28 gross income for federal tax purposes; and

29 (13) For tax years beginning on or after January 1, 2025, in the case of a taxpayer that is
30 licensed in accordance with chapters 28.6 and/or 28.11 of title 21, the amount equal to any
31 expenditure that is eligible to be claimed as a federal income tax deduction but is disallowed under
32 26 U.S.C. § 280E.

33 (d) **Modification for Rhode Island fiduciary adjustment.** There shall be added to, or
34 subtracted from, federal adjusted gross income (as the case may be) the taxpayer's share, as

beneficiary of an estate or trust, of the Rhode Island fiduciary adjustment determined under § 44-30-17.

(e) **Partners.** The amounts of modifications required to be made under this section by a partner, which relate to items of income or deduction of a partnership, shall be determined under § 44-30-15.

SECTION 6. Section 44-18-7.3 of the General Laws in Chapter 44-18 entitled "Sales and Use Taxes — Liability and Computation" is hereby amended to read as follows:

44-18-7.3. Services defined.

(a) "Services" means all activities engaged in for other persons for a fee, retainer, commission, or other monetary charge, which activities involve the performance of a service in this state as distinguished from selling property.

(b) The following businesses and services performed in this state, along with the applicable 2017 North American Industrial Classification System (NAICS) codes, are included in the definition of services:

(1) Taxicab and limousine services including but not limited to:

(i) Taxicab services including taxi dispatchers (485310); and

(ii) Limousine services (485320).

(2) Other road transportation service including but not limited to:

(i) Charter bus service (485510);

(ii) "Transportation network companies" (TNC) defined as an entity that uses a digital network to connect transportation network company riders to transportation network operators who provide prearranged rides. Any TNC operating in this state is a retailer as provided in § 44-18-15 and is required to file a business application and registration form and obtain a permit to make sales at retail with the tax administrator, to charge, collect, and remit Rhode Island sales and use tax; and

(iii) All other transit and ground passenger transportation (485999).

(3) Pet care services (812910) except veterinary and testing laboratories services.

(4)(i) "Room reseller" or "reseller" means any person, except a tour operator as defined in § 42-63.1-2, having any right, permission, license, or other authority from or through a hotel as defined in § 42-63.1-2, to reserve, or arrange the transfer of occupancy of, accommodations the reservation or transfer of which is subject to this chapter, such that the occupant pays all or a portion of the rental and other fees to the room reseller or reseller. Room reseller or reseller shall include, but not be limited to, sellers of travel packages as defined in this section. Notwithstanding the provisions of any other law, where said reservation or transfer of occupancy is done using a room reseller or reseller, the application of the sales and use tax under §§ 44-18-18 and 44-18-20, and

1 the hotel tax under § 44-18-36.1 shall be as follows: The room reseller or reseller is required to
2 register with, and shall collect and pay to, the tax administrator the sales and use and hotel taxes,
3 with said taxes being calculated upon the amount of rental and other fees paid by the occupant to
4 the room reseller or reseller, less the amount of any rental and other fees paid by the room reseller
5 or reseller to the hotel. The hotel shall collect and pay to the tax administrator said taxes upon the
6 amount of rental and other fees paid to the hotel by the room reseller or reseller and/or the occupant.
7 No assessment shall be made by the tax administrator against a hotel because of an incorrect
8 remittance of the taxes under this chapter by a room reseller or reseller. No assessment shall be
9 made by the tax administrator against a room reseller or reseller because of an incorrect remittance
10 of the taxes under this chapter by a hotel. If the hotel has paid the taxes imposed under this chapter,
11 the occupant and/or room reseller or reseller, as applicable, shall reimburse the hotel for said taxes.
12 If the room reseller or reseller has paid said taxes, the occupant shall reimburse the room reseller
13 or reseller for said taxes. Each hotel and room reseller or reseller shall add and collect, from the
14 occupant or the room reseller or the reseller, the full amount of the taxes imposed on the rental and
15 other fees. When added to the rental and other fees, the taxes shall be a debt owed by the occupant
16 to the hotel or room reseller or reseller, as applicable, and shall be recoverable at law in the same
17 manner as other debts. The amount of the taxes collected by the hotel and/or room reseller or
18 reseller from the occupant under this chapter shall be stated and charged separately from the rental
19 and other fees, and shall be shown separately on all records thereof, whether made at the time the
20 transfer of occupancy occurs, or on any evidence of the transfer issued or used by the hotel or the
21 room reseller or the reseller. A room reseller or reseller shall not be required to disclose to the
22 occupant the amount of tax charged by the hotel; provided, however, the room reseller or reseller
23 shall represent to the occupant that the separately stated taxes charged by the room reseller or
24 reseller include taxes charged by the hotel. No person shall operate a hotel in this state, or act as a
25 room reseller or reseller for any hotel in the state, unless the tax administrator has issued a permit
26 pursuant to § 44-19-1.

27 (ii) "Travel package" means a room, or rooms, bundled with one or more other, separate
28 components of travel such as air transportation, car rental, or similar items, which travel package
29 is charged to the customer or occupant for a single, retail price. When the room occupancy is
30 bundled for a single consideration, with other property, services, amusement charges, or any other
31 items, the separate sale of which would not otherwise be subject to tax under this chapter, the entire
32 single consideration shall be treated as the rental or other fees for room occupancy subject to tax
33 under this chapter; provided, however, that where the amount of the rental, or other fees for room
34 occupancy is stated separately from the price of such other property, services, amusement charges,

1 or other items, on any sales slip, invoice, receipt, or other statement given the occupant, and such
2 rental and other fees are determined by the tax administrator to be reasonable in relation to the
3 value of such other property, services, amusement charges, or other items, only such separately
4 stated rental and other fees will be subject to tax under this chapter. The value of the transfer of any
5 room, or rooms, bundled as part of a travel package may be determined by the tax administrator
6 from the room reseller's and/or reseller's and/or hotel's books and records that are kept in the
7 regular course of business.

8 (5) Investigation, Guard, and Armored Car Services (561611, 561612 & 561613).

9 [\(6\) "Parking services" \(812930\) means the act of offering a parking space in or on a parking](#)
10 [facility for purposes of occupancy by a patron in exchange for a parking fee for a duration of less](#)
11 [than one month.](#)

12 (c) All services as defined herein are required to file a business application and registration
13 form and obtain a permit to make sales at retail with the tax administrator, to charge, collect, and
14 remit Rhode Island sales and use tax.

15 (d) The tax administrator is authorized to promulgate rules and regulations in accordance
16 with the provisions of chapter 35 of title 42 to carry out the provisions, policies, and purposes of
17 this chapter.

18 SECTION 7. Section 44-18-36.1 of the General Laws in Chapter 44-18 entitled "Sales and
19 Use Taxes — Liability and Computation" is hereby amended to read as follows:

20 **44-18-36.1. ~~Hotel tax~~ Hotel tax and whole home short-term rental tax.**

21 (a) There is imposed a hotel tax of five percent (5%) upon the total consideration charged
22 for occupancy of any space furnished by any hotel, travel packages, or room reseller or reseller as
23 defined in § 44-18-7.3(b) in this state. A house, condominium, or other resident dwelling shall be
24 exempt from the five percent (5%) hotel tax under this subsection if the house, condominium, or
25 other resident dwelling is rented in its entirety. The hotel tax is in addition to any sales tax imposed.
26 This hotel tax is administered and collected by the division of taxation and unless provided to the
27 contrary in this chapter, all the administration, collection, and other provisions of chapters 18 and
28 19 of this title apply. Nothing in this chapter shall be construed to limit the powers of the convention
29 authority of the city of Providence established pursuant to the provisions of chapter 84 of the public
30 laws of 1980, except that distribution of hotel tax receipts shall be made pursuant to chapter 63.1
31 of title 42 rather than chapter 84 of the public laws of 1980.

32 (b) There is hereby levied and imposed, upon the total consideration charged for occupancy
33 of any space furnished by any hotel in this state, in addition to all other taxes and fees now imposed
34 by law, a local hotel tax at a rate of one percent (1%) [through December 31, 2025, and two percent](#)

1 (2%) for tax periods beginning on or after January 1, 2026. The local hotel tax shall be administered
2 and collected in accordance with subsection (a).

3 (c) All sums received by the division of taxation from the local hotel tax, penalties or
4 forfeitures, interest, costs of suit and fines shall be distributed at least quarterly, credited and paid
5 by the state treasurer to the city or town where the space for occupancy that is furnished by the
6 hotel is located. Unless provided to the contrary in this chapter, all of the administration, collection,
7 and other provisions of chapters 18 and 19 of this title shall apply.

8 (d) There is hereby levied and imposed, upon the total consideration charged for
9 occupancy, as defined in § 42-63.1-2(6), of a house, condominium, or other resident dwelling in
10 this state rented in its entirety furnished by any room reseller or reseller as defined in § 44-18-7.3(b)
11 or any other taxpayer, in addition to all other taxes and fees now imposed by law, a whole home
12 short-term rental tax at a rate of five percent (5%). The whole home short-term rental tax shall be
13 administered, collected, and distributed in accordance with subsection (a).

14 ~~(d)(e)~~ Notwithstanding the provisions of subsection (a) of this section, the city of Newport
15 shall have the authority to collect from hotels located in the city of Newport the tax imposed by
16 ~~subsection (a)~~ subsections (a) and (b) of this section. The city of Newport shall also have the
17 authority to collect the tax imposed by subsection (d) of this section with respect to a house,
18 condominium, or other resident dwelling rented in its entirety located in the city of Newport.

19 (1) Within ten (10) days of collection of the ~~tax~~ taxes, the city of Newport shall distribute
20 the ~~tax~~ taxes imposed by subsections (a) and (d) of this section as provided in § 42-63.1-3. No later
21 than the first day of March and the first day of September in each year in which the ~~tax is~~ taxes are
22 collected, the city of Newport shall submit to the division of taxation a report of the ~~tax~~ taxes
23 collected and distributed during the six (6) month period ending thirty (30) days prior to the
24 reporting date.

25 (2) The city of Newport shall have the same authority as the division of taxation to recover
26 delinquent hotel and/or whole home short-term rental taxes pursuant to chapter 44-19, and the
27 amount of any hotel and/or whole home short-term rental tax, penalty and interest imposed by the
28 city of Newport until collected constitutes a lien on the real property of the taxpayer.

29 SECTION 8. Section 44-20-1 of the General Laws in Chapter 44-20 entitled "Cigarette,
30 Other Tobacco Products, and Electronic Nicotine-Delivery System Products" is hereby amended
31 to read as follows:

32 **44-20-1. Definitions. [Effective January 1, 2025.]**

33 Whenever used in this chapter, unless the context requires otherwise:

34 (1) "Administrator" means the tax administrator.

1 (2) “Cigarettes” means and includes any cigarettes suitable for smoking in cigarette form,
2 “heat not burn products,” and each sheet of cigarette rolling paper, including but not limited to,
3 paper made into a hollow cylinder or cone, made with paper or any other material, with or without
4 a filter suitable for use in making cigarettes.

5 (3) “Dealer” means any person whether located within or outside of this state, who sells or
6 distributes cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
7 products to a consumer in this state.

8 (4) “Distributor” means any person:

9 (i) Whether located within or outside of this state, other than a dealer, who sells or
10 distributes cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
11 products within or into this state. Such term shall not include any cigarette or other tobacco product
12 manufacturer, export warehouse proprietor, or importer with a valid permit under 26 U.S.C. § 5712,
13 if such person sells or distributes cigarettes and/or other tobacco products and/or electronic
14 nicotine-delivery system products in this state only to licensed distributors, or to an export
15 warehouse proprietor or another manufacturer with a valid permit under 26 U.S.C. § 5712;

16 (ii) Selling cigarettes and/or other tobacco products and/or electronic nicotine-delivery
17 system products directly to purchasers in this state by means of at least twenty-five (25) vending
18 machines;

19 (iii) Engaged in this state in the business of manufacturing cigarettes and/or other tobacco
20 products and/or electronic nicotine-delivery system products or any person engaged in the business
21 of selling cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
22 products to dealers, or to other persons, for the purpose of resale only; provided, that seventy-five
23 percent (75%) of all cigarettes and/or other tobacco products and/or electronic nicotine-delivery
24 system products sold by that person in this state are sold to dealers or other persons for resale and
25 selling cigarettes and/or other tobacco products and/or electronic nicotine-delivery system products
26 directly to at least forty (40) dealers or other persons for resale; or

27 (iv) Maintaining one or more regular places of business in this state for that purpose;
28 provided, that seventy-five percent (75%) of the sold cigarettes and/or other tobacco products
29 and/or electronic nicotine-delivery system products are purchased directly from the manufacturer
30 and selling cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
31 products directly to at least forty (40) dealers or other persons for resale.

32 (5) “Electronic nicotine-delivery system” means an electronic device that may be used to
33 simulate smoking in the delivery of nicotine or other substance to a person inhaling from the device,
34 and includes, but is not limited to, an electronic cigarette, electronic cigar, electronic cigarillo,

1 electronic little cigars, electronic pipe, electronic hookah, e-liquids, e-liquid products, or any related
2 device and any cartridge or other component of such device.

3 (6) “Electronic nicotine-delivery system products” means any combination of electronic
4 nicotine-delivery system and/or e-liquid and/or any derivative thereof, and/or any e-liquid
5 container. Electronic nicotine-delivery system products shall include hemp-derived consumable
6 CBD products as defined in § 2-26-3.

7 (7) “E-liquid” and “e-liquid products” mean any liquid or substance placed in or sold for
8 use in an electronic nicotine-delivery system that generally utilizes a heating element that
9 aerosolizes, vaporizes, or combusts a liquid or other substance containing nicotine or nicotine
10 derivative:

11 (i) Whether the liquid or substance contains nicotine or a nicotine derivative; or

12 (ii) Whether sold separately or sold in combination with a personal vaporizer, electronic
13 nicotine-delivery system, or an electronic inhaler.

14 (8) “Importer” means any person who imports into the United States, either directly or
15 indirectly, a finished cigarette or other tobacco product and/or electronic nicotine-delivery system
16 product for sale or distribution.

17 (9) “Licensed,” when used with reference to a manufacturer, importer, distributor, or
18 dealer, means only those persons who hold a valid and current license issued under § 44-20-2 for
19 the type of business being engaged in. When the term “licensed” is used before a list of entities,
20 such as “licensed manufacturer, importer, wholesale dealer, or retailer dealer,” such term shall be
21 deemed to apply to each entity in such list.

22 (10) “Manufacturer” means any person who manufactures, fabricates, assembles,
23 processes, or labels a finished cigarette and/or other tobacco products and/or electronic nicotine-
24 delivery system products.

25 (11) “Other tobacco products” (OTP) means any products that are made from or derived
26 from tobacco or that contain nicotine, whether natural or artificial, including, but not limited to,
27 cigars (excluding Little Cigars, as defined in § 44-20.2-1, which are subject to cigarette tax),
28 cheroots, stogies, smoking tobacco (including granulated, plug cut, crimp cut, ready rubbed and
29 any other kinds and forms of tobacco suitable for smoking in a pipe or otherwise), chewing tobacco
30 (including Cavendish, twist, plug, scrap and any other kinds and forms of tobacco suitable for
31 chewing), any and all forms of hookah, shisha and “mu’assel” tobacco, snuff, and shall include any
32 other articles or products made of, derived from, or containing tobacco or nicotine, in whole or in
33 part, or any tobacco or nicotine substitute, except cigarettes and electronic nicotine-delivery system
34 products. Other tobacco products shall not mean any product that has been approved by the United

1 States Food and Drug Administration for the sale of or use as a tobacco or nicotine cessation
2 product or for other medical purposes and is marketed and sold or prescribed exclusively for that
3 approved purpose.

4 (12) "Person" means any individual, including an employee or agent, firm, fiduciary,
5 partnership, corporation, trust, or association, however formed.

6 (13) "Pipe" means an apparatus made of any material used to burn or vaporize products so
7 that the smoke or vapors can be inhaled or ingested by the user.

8 (14) "Place of business" means any location where cigarettes and/or other tobacco products
9 and/or electronic nicotine-delivery system products are sold, stored, or kept, including, but not
10 limited to; any storage room, attic, basement, garage or other facility immediately adjacent to the
11 location. It also includes any receptacle, hide, vessel, vehicle, airplane, train, or vending machine.

12 (15) "Sale" or "sell" means gifts, exchanges, and barter of cigarettes and/or other tobacco
13 products and/or electronic nicotine-delivery system products. The act of holding, storing, or
14 keeping cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
15 products at a place of business for any purpose shall be presumed to be holding the cigarettes and/or
16 other tobacco products and/or electronic nicotine-delivery system products for sale. Furthermore,
17 any sale of cigarettes and/or other tobacco products and/or electronic nicotine-delivery system
18 products by the servants, employees, or agents of the licensed dealer during business hours at the
19 place of business shall be presumed to be a sale by the licensee.

20 (16) "Stamp" means the impression, device, stamp, label, or print manufactured, printed,
21 or made as prescribed by the administrator to be affixed to packages of cigarettes, as evidence of
22 the payment of the tax provided by this chapter or to indicate that the cigarettes are intended for a
23 sale or distribution in this state that is exempt from state tax under the provisions of state law; and
24 also includes impressions made by metering machines authorized to be used under the provisions
25 of this chapter.

26 SECTION 9. Section 44-20-13.2 of the General Laws in Chapter 44-20 entitled "Cigarette,
27 Other Tobacco Products, and Electronic Nicotine-Delivery System Products" is hereby amended
28 to read as follows:

29 **44-20-13.2. Tax imposed on other tobacco products, smokeless tobacco, cigars, pipe**
30 **tobacco products, and electronic nicotine-delivery products.[Effective January 1, 2025.]**

31 (a) A tax is imposed on all other tobacco products, smokeless tobacco, cigars, pipe tobacco
32 products, and electronic nicotine-delivery system products sold, or held for sale in the state by any
33 person, the payment of the tax to be accomplished according to a mechanism established by the
34 administrator, division of taxation, department of revenue. The tax imposed by this section shall be

1 as follows:

2 (1) For all other tobacco products, smokeless tobacco, cigars, and pipe tobacco products,
3 at the rate of eighty percent (80%) of the wholesale cost of other tobacco products, cigars, pipe
4 tobacco products, and smokeless tobacco other than snuff.

5 (2) Notwithstanding the eighty percent (80%) rate in subsection (a)(1) of this section, in
6 the case of cigars, the tax shall not exceed fifty cents (\$.50) for each cigar.

7 (3) At the rate of one dollar (\$1.00) per ounce of snuff, and a proportionate tax at the like
8 rate on all fractional parts of an ounce thereof. Such tax shall be computed based on the net weight
9 as listed by the manufacturer; provided, however, that any product listed by the manufacturer as
10 having a net weight of less than 1.2 ounces shall be taxed as if the product has a net weight of 1.2
11 ounces.

12 (4) Effective January 1, 2025:

13 (i) For electronic nicotine-delivery system products that are prefilled, sealed by the
14 manufacturer, and not refillable, at the rate of fifty cents per milliliter (\$0.50/mL) of the e-liquid
15 and/or e-liquid products contained therein; and

16 (ii) For any other electronic nicotine-delivery system products, at the rate of ten percent
17 (10%) of the wholesale cost of such products, whether or not sold at wholesale, and if not sold,
18 then at the same rate upon the use by the wholesaler.

19 (iii) Existing Inventory Floor Tax. For all electronic nicotine-delivery system products held
20 by licensed electronic nicotine-delivery system products retailers as of January 1, 2025: Each
21 person engaging in the business of selling electronic nicotine-delivery system products at retail in
22 this state shall pay a tax measured by the volume of e-liquid and/or e-liquid products contained in
23 electronic nicotine-delivery system products that are prefilled, sealed by the manufacturer, and not
24 refillable and the wholesale cost of all other electronic nicotine-delivery system products held by
25 the person in this state at 12:01 a.m. on January 1, 2025, and is computed for electronic nicotine-
26 delivery system products that are prefilled, sealed by the manufacturer, and not refillable, at the
27 rate of fifty cents per milliliter (\$0.50/mL) of the e-liquid and/or e-liquid products contained therein
28 and for any other electronic nicotine-delivery system products at the rate of ten percent (10%) of
29 the wholesale cost of such products on January 1, 2025. Each person subject to the payment of the
30 tax imposed by this section shall, on or before January 16, 2025, file a return, under oath or certified
31 under the penalties of perjury, with the administrator on forms furnished by the administrator,
32 showing the volume of e-liquid and/or e-liquid products contained in electronic nicotine-delivery
33 system products which are prefilled, sealed by the manufacturer, and not refillable and the
34 wholesale cost of all other electronic nicotine-delivery system products in that person's possession

1 in this state at 12:01 a.m. on January 1, 2025, as described in this section, and the amount of tax
2 due, and shall at the time of filing the return pay the tax to the administrator. Failure to obtain forms
3 shall not be an excuse for the failure to make a return containing the information required by the
4 administrator.

5 (iv) For all electronic nicotine-delivery system products sold by licensed electronic
6 nicotine-delivery system products distributors, manufacturers, and/or importers in Rhode Island as
7 of January 1, 2025: Any person engaging in the business of distributing at wholesale electronic
8 nicotine-delivery system products in this state shall pay a tax measured by the volume of e-liquid
9 and/or e-liquid products contained in electronic nicotine-delivery system products that are prefilled,
10 sealed by the manufacturer, and not refillable computed at the rate of fifty cents per milliliter
11 (\$0.50/mL) of the e-liquid and/or e-liquid products contained therein and for all other electronic
12 nicotine-delivery system products at the rate of ten percent (10%) of the wholesale cost of such
13 products.

14 (b)(1) Prior to January 1, 2025, any dealer having in the dealer's possession any other
15 tobacco products with respect to the storage or use of which a tax is imposed by this section shall,
16 within five (5) days after coming into possession of the other tobacco products in this state, file a
17 return with the tax administrator in a form prescribed by the tax administrator. The return shall be
18 accompanied by a payment of the amount of the tax shown on the form to be due. Records required
19 under this section shall be preserved on the premises described in the relevant license in such a
20 manner as to ensure permanency and accessibility for inspection at reasonable hours by authorized
21 personnel of the administrator.

22 (2) Effective January 1, 2025, all other tobacco products, except for cigars, and electronic
23 nicotine-delivery system products sold at wholesale in Rhode Island must be sold by a Rhode Island
24 licensed distributor, manufacturer, or importer, and purchases of other tobacco products, except for
25 cigars, and/or electronic nicotine-delivery system products, from an unlicensed distributor,
26 manufacturer, or importer are prohibited. Any other tobacco products, except for cigars, and/or
27 electronic nicotine-delivery system products purchased and/or obtained from an unlicensed person
28 shall be subject to the terms of this chapter including, but not limited to, § 44-20-15 and shall be
29 taxed pursuant to this section.

30 (3) Effective January 1, 2025, any dealer having in the dealer's possession any cigars with
31 respect to the storage or use of which a tax is imposed by this section shall, within five (5) days
32 after coming into possession of cigars in this state, file a return with the tax administrator in a form
33 prescribed by the tax administrator. The return shall be accompanied by a payment of the amount
34 of the tax shown on the form to be due. Records required under this section shall be preserved on

the premises described in the relevant license in such a manner as to ensure permanency and accessibility for inspection at reasonable hours by authorized personnel of the administrator.

(c) Existing Inventory Floor Tax.

(1) For all nicotine products defined in § 44-20-1 as other tobacco products but not previously taxed as other tobacco products held by licensed retailers as of October 1, 2025: Each person engaging in the business of selling nicotine products at retail in this state shall pay a tax at the rate of eighty percent (80%) of the wholesale cost of such products on October 1, 2025. Each person subject to the payment of the tax imposed by this section shall, on or before October 16, 2025, file a return, under oath or certified under the penalties of perjury, with the administrator on forms furnished by the administrator, showing the wholesale cost of all nicotine products not previously taxed as other tobacco products in that person's possession in this state at 12:01 a.m. on October 1, 2025, as described in this section, and the amount of tax due, and shall at the time of filing the return pay the tax to the administrator. Failure to obtain forms shall not be an excuse for the failure to make a return containing the information required by the administrator.

(2) For all nicotine products defined in § 44-20-1 as other tobacco products but not previously taxed as other tobacco products held by licensed distributors, manufacturers, and/or importers in Rhode Island as of October 1, 2025: Each person engaging in the business of distributing at wholesale nicotine products defined in § 44-20-1 as other tobacco products but not previously taxed as other tobacco products in this state shall pay a tax at the rate of eighty percent (80%) of the wholesale cost of such products on October 1, 2025. Each person subject to the payment of the tax imposed by this section shall, on or before October 16, 2025, file a return, under oath or certified under the penalties of perjury, with the administrator on forms furnished by the administrator, showing the wholesale cost of all nicotine products not previously taxed as other tobacco products in that person's possession in this state at 12:01 a.m. on October 1, 2025, as described in this section, and the amount of tax due, and shall at the time of filing the return pay the tax to the administrator. Failure to obtain forms shall not be an excuse for the failure to make a return containing the information required by the administrator.

~~(e)~~(d) The proceeds collected are paid into the general fund.

SECTION 10. Section 44-25-1 of the General Laws in Chapter 44-25 entitled "Real Estate Conveyance Tax" is hereby amended to read as follows:

44-25-1. Tax imposed — Payment — Burden.

(a) There is imposed, on each deed, instrument, or writing by which any lands, tenements, or other realty sold is granted, assigned, transferred, or conveyed, to, or vested in, the purchaser or purchasers, or any other person or persons, by his, her, or their direction, or on any grant,

1 assignment, transfer, or conveyance or such vesting, by such persons that has the effect of making
2 any real estate company an acquired real estate company, when the consideration paid exceeds one
3 hundred dollars (\$100), a tax at the rate of ~~two dollars and thirty cents (\$2.30)~~ three dollars and
4 seventy-five cents (\$3.75) for each five hundred dollars (\$500), or fractional part of it, that is paid
5 for the purchase of property or the interest in an acquired real estate company (inclusive of the
6 value of any lien or encumbrance remaining at the time the sale, grant, assignment, transfer, or
7 conveyance or vesting occurs, or in the case of an interest in an acquired real estate company, a
8 percentage of the value of such lien or encumbrance equivalent to the percentage interest in the
9 acquired real estate company being granted, assigned, transferred, conveyed, or vested). The tax is
10 payable at the time of making, the execution, delivery, acceptance, or presentation for recording of
11 any instrument affecting such transfer, grant, assignment, transfer, conveyance, or vesting. In the
12 absence of an agreement to the contrary, the tax shall be paid by the grantor, assignor, transferor,
13 or person making the conveyance or vesting.

14 (b) In addition to the tax imposed by subsection (a), there is imposed, on each deed,
15 instrument, or writing by which any residential real property sold is granted, assigned, transferred,
16 or conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his,
17 her, or their direction, or on any grant, assignment, transfer, or conveyance or such vesting, by such
18 persons that has the effect of making any real estate company an acquired real estate company,
19 when the consideration paid exceeds eight hundred thousand dollars (\$800,000), a tax at the rate of
20 ~~two dollars and thirty cents (\$2.30)~~ three dollars and seventy-five cents (\$3.75) for each five
21 hundred dollars (\$500), or fractional part of it, of the consideration in excess of eight hundred
22 thousand dollars (\$800,000) that is paid for the purchase of residential real property or the interest
23 in an acquired real estate company (inclusive of the value of any lien or encumbrance remaining at
24 the time the sale, grant, assignment, transfer, or conveyance or vesting occurs, or in the case of an
25 interest in an acquired real estate company, a percentage of the value of such lien or encumbrance
26 equivalent to the percentage interest in the acquired real estate company being granted, assigned,
27 transferred, conveyed, or vested). The tax imposed by this subsection shall be paid at the same time
28 and in the same manner as the tax imposed by subsection (a) For tax years beginning on or after
29 January 1, 2026, the threshold of eight hundred thousand dollars (\$800,000) provided pursuant to
30 this section shall be adjusted by the percentage increase in the Consumer Price Index for all Urban
31 Consumers (CPI-U) as published by the United States Department of Labor Statistics determined
32 as of September 30 of the prior calendar years. Said adjustment shall be compounded annually and
33 shall be rounded up to the nearest five-dollar (\$5.00) increment. In no event shall the threshold in
34 any tax year be less than the prior tax year.

1 (c) In the event no consideration is actually paid for the lands, tenements, or realty, the
2 instrument or interest in an acquired real estate company of conveyance shall contain a statement
3 to the effect that the consideration is such that no documentary stamps are required.

4 (d) The tax shall be distributed as follows:

5 (1) With respect to the tax imposed by subsection (a): the tax administrator shall contribute
6 to the distressed community relief program the sum of ~~thirty cents (\$.30)~~ fifty cents (\$.50) per ~~two~~
7 ~~dollars and thirty cents (\$2.30)~~ three dollars and seventy-five cents (\$3.75) of the face value of the
8 stamps to be distributed pursuant to § 45-13-12, and to the housing resources and homelessness
9 restricted receipt account established pursuant to § 42-128-2 the sum of ~~thirty cents (\$.30)~~ fifty
10 cents (\$.50) per ~~two dollars and thirty cents (\$2.30)~~ three dollars and seventy-five cents (\$3.75) of
11 the face value of the stamps. The state shall retain ~~sixty cents (\$.60)~~ ninety-five cents (\$.95) for
12 state use. The balance of the tax shall be retained by the municipality collecting the tax.

13 (2) With respect to the tax imposed by subsection (b): the tax administrator shall contribute
14 ~~the entire tax to the housing production fund established~~ to the housing production fund the sum of
15 two dollars and fifty cents (\$2.50) per three dollars and seventy-five cents (\$3.75) to be distributed
16 pursuant to § 42-128-2.1, and to the housing resources and homelessness restricted receipt account
17 the sum of one dollar and twenty-five cents (\$1.25) to be distributed pursuant to § 42-128-2.

18 (3) Notwithstanding the above, in the case of the tax on the grant, transfer, assignment, or
19 conveyance or vesting with respect to an acquired real estate company, the tax shall be collected
20 by the tax administrator and shall be distributed to the municipality where the real estate owned by
21 the acquired real estate company is located; provided, however, in the case of any such tax collected
22 by the tax administrator, if the acquired real estate company owns property located in more than
23 one municipality, the proceeds of the tax shall be allocated amongst said municipalities in the
24 proportion the assessed value of said real estate in each such municipality bears to the total of the
25 assessed values of all of the real estate owned by the acquired real estate company in Rhode Island.
26 Provided, however, in fiscal years 2004 and 2005, from the proceeds of this tax, the tax
27 administrator shall deposit as general revenues the sum of ninety cents (\$.90) per two dollars and
28 thirty cents (\$2.30) of the face value of the stamps. The balance of the tax on the purchase of
29 property shall be retained by the municipality collecting the tax. The balance of the tax on the
30 transfer with respect to an acquired real estate company, shall be collected by the tax administrator
31 and shall be distributed to the municipality where the property for which interest is sold is
32 physically located. Provided, however, that in the case of any tax collected by the tax administrator
33 with respect to an acquired real estate company where the acquired real estate company owns
34 property located in more than one municipality, the proceeds of the tax shall be allocated amongst

1 the municipalities in proportion that the assessed value in any such municipality bears to the
2 assessed values of all of the real estate owned by the acquired real estate company in Rhode Island.

3 (e) For purposes of this section, the term “acquired real estate company” means a real estate
4 company that has undergone a change in ownership interest if (1) The change does not affect the
5 continuity of the operations of the company; and (2) The change, whether alone or together with
6 prior changes has the effect of granting, transferring, assigning, or conveying or vesting,
7 transferring directly or indirectly, 50% or more of the total ownership in the company within a
8 period of three (3) years. For purposes of the foregoing subsection (e)(2), a grant, transfer,
9 assignment, or conveyance or vesting, shall be deemed to have occurred within a period of three
10 (3) years of another grant(s), transfer(s), assignment(s), or conveyance(s) or vesting(s) if during the
11 period the granting, transferring, assigning, or conveying party provides the receiving party a
12 legally binding document granting, transferring, assigning, or conveying or vesting the realty or a
13 commitment or option enforceable at a future date to execute the grant, transfer, assignment, or
14 conveyance or vesting.

15 (f) A real estate company is a corporation, limited liability company, partnership, or other
16 legal entity that meets any of the following:

17 (1) Is primarily engaged in the business of holding, selling, or leasing real estate, where
18 90% or more of the ownership of the real estate is held by 35 or fewer persons and which company
19 either (i) derives 60% or more of its annual gross receipts from the ownership or disposition of real
20 estate; or (ii) owns real estate the value of which comprises 90% or more of the value of the entity’s
21 entire tangible asset holdings exclusive of tangible assets that are fairly transferrable and actively
22 traded on an established market; or

23 (2) Ninety percent or more of the ownership interest in such entity is held by 35 or fewer
24 persons and the entity owns as 90% or more of the fair market value of its assets a direct or indirect
25 interest in a real estate company. An indirect ownership interest is an interest in an entity 90% or
26 more of which is held by 35 or fewer persons and the purpose of the entity is the ownership of a
27 real estate company.

28 (g) In the case of a grant, assignment, transfer, or conveyance or vesting that results in a
29 real estate company becoming an acquired real estate company, the grantor, assignor, transferor, or
30 person making the conveyance or causing the vesting, shall file or cause to be filed with the division
31 of taxation, at least five (5) days prior to the grant, transfer, assignment, or conveyance or vesting,
32 notification of the proposed grant, transfer, assignment, or conveyance or vesting, the price, terms
33 and conditions thereof, and the character and location of all of the real estate assets held by the real
34 estate company and shall remit the tax imposed and owed pursuant to subsection (a). Any such

1 grant, transfer, assignment, or conveyance or vesting which results in a real estate company
2 becoming an acquired real estate company shall be fraudulent and void as against the state unless
3 the entity notifies the tax administrator in writing of the grant, transfer, assignment, or conveyance
4 or vesting as herein required in subsection (g) and has paid the tax as required in subsection (a).
5 Upon the payment of the tax by the transferor, the tax administrator shall issue a certificate of the
6 payment of the tax which certificate shall be recordable in the land evidence records in each
7 municipality in which such real estate company owns real estate. Where the real estate company
8 has assets other than interests in real estate located in Rhode Island, the tax shall be based upon the
9 assessed value of each parcel of property located in each municipality in the state of Rhode Island.

10 SECTION 11. Section 44-31-2 of the General Laws in Chapter 44-31 entitled "Investment
11 Tax Credit" is hereby amended to read as follows:

12 **44-31-2. Specialized investment tax credit.**

13 (a) A certified building owner, as provided in chapter 64.7 of title 42, may be allowed a
14 specialized investment tax credit against the tax imposed by chapters 11, 14, 17 and 30 of this title.

15 (b) The taxpayer may claim credit for the rehabilitation and reconstruction costs of a
16 certified building, which has been substantially rehabilitated. Once substantial rehabilitation is
17 established by the taxpayer, the taxpayer may claim credit for all rehabilitation and reconstruction
18 costs incurred with respect to the certified building within five (5) years from the date of final
19 designation of the certified building by the council pursuant to § 42-64.7-6.

20 (c) The credit shall be ten percent (10%) of the rehabilitation and reconstruction costs of
21 the certified building. The credit shall be allowable in the year the substantially rehabilitated
22 certified building is first placed into service, which is the year in which, under the taxpayer's
23 depreciation practice, the period for depreciation with respect to such property begins, or the year
24 in which the property is placed in a condition or state of readiness and availability for its specifically
25 assigned function, whichever is earlier.

26 (d) The credit shall not offset any tax liability in taxable years other than the year or years
27 in which the taxpayer qualifies for the credit. The credit shall not reduce the tax below the
28 minimum. Amounts of unused credit for this taxpayer may be carried over and offset against this
29 taxpayer's tax for a period not to exceed the following seven (7) taxable years.

30 (e) In the case of a corporation, this credit is only allowed against the tax of that of a
31 corporation included in a consolidated return that qualifies for the credit and not against the tax of
32 other corporations that may join in the filing of a consolidated tax return.

33 (f) Sunset. No credits shall be allowed under this section for tax years beginning on or after
34 January 1, 2026. Credits allowed for tax years ending on or before December 31, 2025, may be

1 [carried forward into tax years beginning on or after January 1, 2026, in accordance with subsection](#)
2 [\(d\) of this section.](#)

3 SECTION 12. Sections 44-31.2-5 and 44-31-.2-6 of the General Laws in Chapter 44-31.2
4 entitled "Motion Picture Production Tax Credits" are hereby amended to read as follows:

5 **44-31.2-5. Motion picture production company tax credit.**

6 (a) A motion picture production company shall be allowed a credit to be computed as
7 provided in this chapter against a tax imposed by chapters 11, 14, 17, and 30 of this title. The
8 amount of the credit shall be thirty percent (30%) of the state-certified production costs incurred
9 directly attributable to activity within the state, provided:

10 (1) That the primary locations are within the state of Rhode Island and the total production
11 budget as defined herein is a minimum of one hundred thousand dollars (\$100,000); or

12 (2) The motion picture production incurs and pays a minimum of ten million dollars
13 (\$10,000,000) in state-certified production costs within a twelve-month (12) period.

14 The credit shall be earned in the taxable year in which production in Rhode Island is
15 completed, as determined by the film office in final certification pursuant to § 44-31.2-6(c).

16 (b) For the purposes of this section: "total production budget" means and includes the
17 motion picture production company's pre-production, production, and post-production costs
18 incurred for the production activities of the motion picture production company in Rhode Island in
19 connection with the production of a state-certified production. The budget shall not include costs
20 associated with the promotion or marketing of the film, video, or television product.

21 (c) Notwithstanding subsection (a) of this section, the credit shall not exceed seven million
22 dollars (\$7,000,000) and shall be allowed against the tax for the taxable period in which the credit
23 is earned and can be carried forward for not more than three (3) succeeding tax years. Pursuant to
24 rules promulgated by the tax administrator, the administrator may issue a waiver of the seven
25 million dollars (\$7,000,000) tax credit cap for any feature-length film or television series up to the
26 remaining funds available pursuant to section (e) of this section.

27 (d) Credits allowed to a motion picture production company, which is a subchapter S
28 corporation, partnership, or a limited liability company that is taxed as a partnership, shall be passed
29 through respectively to persons designated as partners, members, or owners on a pro rata basis or
30 pursuant to an executed agreement among such persons designated as subchapter S corporation
31 shareholders, partners, or members documenting an alternate distribution method without regard to
32 their sharing of other tax or economic attributes of such entity.

33 (e) No more than fifteen million dollars (\$15,000,000) in total may be issued for any tax
34 year beginning after December 31, 2007, for motion picture tax credits pursuant to this chapter

1 and/or musical and theatrical production tax credits pursuant to chapter 31.3 of this title. After
2 December 31, 2019, no more than twenty million dollars (\$20,000,000) in total may be issued for
3 any tax year for motion picture tax credits pursuant to this chapter and/or musical and theater
4 production tax credits pursuant to chapter 31.3 of this title. Said credits shall be equally available
5 to motion picture productions and musical and theatrical productions. No specific amount shall be
6 set aside for either type of production.

7 (f) Exclusively for tax year 2022 [and tax year 2023](#), the total amount of motion picture tax
8 credits issued pursuant to this section and/or musical and theatrical production tax credits pursuant
9 to chapter 31.3 of this title shall not exceed ~~thirty million dollars (\$30,000,000)~~ [thirty-five million](#)
10 [dollars \(\\$35,000,000\)](#).

11 (g) Exclusively for ~~tax year 2023 and~~ tax year 2024, the total amount of motion picture tax
12 credits issued pursuant to this section and/or musical and theatrical production tax credits pursuant
13 to chapter 31.3 of this title shall not exceed forty million dollars (\$40,000,000).

14 **44-31.2-6. Certification and administration.**

15 (a) Initial certification of a production. The applicant shall properly prepare, sign, and
16 submit to the film office an application for initial certification of the Rhode Island production. The
17 application shall include such information and data as the film office deems necessary for the proper
18 evaluation and administration of the application, including, but not limited to, any information
19 about the motion picture production company, and a specific Rhode Island motion picture. The film
20 office shall review the completed application and determine whether it meets the requisite criteria
21 and qualifications for the initial certification for the production. If the initial certification is granted,
22 the film office shall issue a notice of initial certification of the motion picture production to the
23 motion picture production company and to the tax administrator. The notice shall state that, after
24 appropriate review, the initial application meets the appropriate criteria for conditional eligibility.
25 The notice of initial certification will provide a unique identification number for the production
26 [based on the estimated completion date of the production](#) and is only a statement of conditional
27 eligibility for the production and, as such, does not grant or convey any Rhode Island tax benefits.
28 [The motion picture production company is responsible for notifying the film office and the Rhode](#)
29 [Island division of taxation if it does not expect to complete its production within the same calendar](#)
30 [year of its estimated completion date. If the motion picture production company does not expect to](#)
31 [complete its production within the same calendar year of its estimated completion date, it shall](#)
32 [notify both the film office and the Rhode Island division of taxation immediately upon learning of](#)
33 [the reason for the change in completion date.](#)

34 (b) Final certification of a production. Upon completion of the Rhode Island production

1 activities, the applicant shall request a certificate of good standing from the Rhode Island division
2 of taxation. The certificates shall verify to the film office the motion picture production company's
3 compliance with the requirements of § 44-31.2-2(11). The applicant shall properly prepare, sign,
4 and submit to the film office an application for final certification of the production and which must
5 include the certificate of good standing from the division of taxation. In addition, the application
6 shall contain such information and data as the film office determines is necessary for the proper
7 evaluation and administration, including, but not limited to, any information about the motion
8 picture production company, its investors, and information about the production previously granted
9 initial certification. The final application shall also contain a cost report and an "accountant's
10 certification." The film office and tax administrator may rely without independent investigation,
11 upon the accountant's certification, in the form of an opinion, confirming the accuracy of the
12 information included in the cost report. Upon review of a duly completed and filed application, the
13 film office will make a determination pertaining to the final certification of the production. Within
14 ninety (90) days after the division of taxation's receipt of the motion picture production company
15 final certification and cost report, the division of taxation shall issue a certification of the amount
16 of credit for which the motion picture production company qualifies under § 44-31.2-5. To claim
17 the tax credit, the division of taxation's certification as to the amount of the tax credit shall be
18 attached to all state tax returns on which the credit is claimed.

19 (c) Final certification and credits. Upon determination that the motion picture production
20 company qualifies for final certification, the film office shall issue a letter to the production
21 company indicating "certificate of completion of a state-certified production." A motion picture
22 production company is prohibited from using state funds, state loans, or state guaranteed loans to
23 qualify for the motion picture tax credit. All documents that are issued by the film office pursuant
24 to this section shall reference the identification number that was issued to the production as part of
25 its initial certification.

26 (d) The director of the Rhode Island council on the arts, in consultation as needed with the
27 tax administrator, shall promulgate such rules and regulations as are necessary to carry out the
28 intent and purposes of this chapter in accordance with the general guidelines provided herein for
29 the certification of the production and the resultant production credit.

30 (e) The tax administrator of the division of taxation, in consultation with the director of the
31 Rhode Island film and television office, shall promulgate the rules and regulations as are necessary
32 to carry out the intent and purposes of this chapter in accordance with the general guidelines for
33 the tax credit provided herein.

34 (f) Any motion picture production company applying for the credit shall be required to

1 reimburse the division of taxation for any audits required in relation to granting the credit.

2 SECTION 13. Sections 44-32-1, 44-32-2 and 44-32-3 of the General Laws in Chapter 44-
3 32 entitled "Elective Deduction for Research and Development Facilities" are hereby amended to
4 read as follows:

5 **44-32-1. Elective deduction against allocated entire net income.**

6 (a) General. Except as provided in subsection (c) of this section, at the election of a taxpayer
7 who is subject to the income tax imposed by chapters 11 or 30 of this title, there shall be deducted
8 from the portion of its entire net income allocated within the state the items prescribed in subsection
9 (b) of this section, in lieu of depreciation or investment tax credit.

10 (b) One-year write-off of new research and development facilities.

11 (1) Expenditures paid or incurred during the taxable year for the construction,
12 reconstruction, erection or acquisition of any new, not used, property as described in subsection (c)
13 of this section, which is used or to be used for purposes of research and development in the
14 experimental or laboratory sense. The purposes are not deemed to include the ordinary testing or
15 inspection of materials or products for quality control, efficiency surveys, management studies,
16 consumer surveys, advertising, promotion, or research in connection with literary, historical, or
17 similar projects. The deduction shall be allowed only on condition that the entire net income for
18 the taxable year and all succeeding taxable years is computed without the deduction of any
19 expenditures and without any deduction for depreciation of the property, except to the extent that
20 its basis may be attributable to factors other than the expenditures, (expenditures and depreciation
21 deducted for federal income tax purposes shall be added to the entire net income allocated to Rhode
22 Island), or in case a deduction is allowable pursuant to this subdivision for only a part of the
23 expenditures, on condition that any deduction allowed for federal income tax purposes on account
24 of the expenditures or on account of depreciation of the property is proportionately reduced in
25 computing the entire net income for the taxable year and all succeeding taxable years. Concerning
26 property that is used or to be used for research and development only in part, or during only part of
27 its useful life, a proportionate part of the expenditures shall be deductible. If all or part of the
28 expenditures concerning any property has been deducted as provided in this section, and the
29 property is used for purposes other than research and development to a greater extent than originally
30 reported, the taxpayer shall report the use in its report for the first taxable year during which it
31 occurs, and the tax administrator may recompute the tax for the year or years for which the
32 deduction was allowed, and may assess any additional tax resulting from the recomputation as a
33 current tax, within three (3) years of the reporting of the change to the tax administrator. Any
34 change in use of the property in whole or in part from that, which originally qualified the property

1 for the deduction, requires a recomputation. The tax administrator has the authority to promulgate
2 regulations to prevent the avoidance of tax liability.

3 (2) The deduction shall be allowed only where an election for amortization of air or water
4 pollution control facilities has not been exercised in respect to the same property.

5 (3) The tax as a result of recomputation of a prior year's deduction is due as an additional
6 tax for the year the property ceases to qualify.

7 (c) Property covered by deductions. The deductions shall be allowed only with respect to
8 tangible property which is new, not used, is depreciable pursuant to 26 U.S.C. § 167, was acquired
9 by purchase as defined in 26 U.S.C. § 179(d), has a situs in this state, and is used in the taxpayer's
10 trade or business. For the taxable years beginning on or after July 1, 1974, a taxpayer is not allowed
11 a deduction under this section with respect to tangible property leased by it to any other person or
12 corporation or leased from any other person or corporation. For purposes of the preceding sentence,
13 any contract or agreement to lease or rent or for a license to use the property is considered a lease,
14 unless the contract or agreement is treated for federal income tax purposes as an installment
15 purchase rather than a lease. With respect to property that the taxpayer uses itself for purposes other
16 than leasing for part of a taxable year and leases for a part of a taxable year, the taxpayer shall be
17 allowed a deduction under this section in proportion to the part of the year it uses the property.

18 (d) Entire net income. "Entire net income", as used in this section, means net income
19 allocated to this state.

20 (e) Carry-over of excess deductions. If the deductions allowable for any taxable year
21 pursuant to this section exceed the portion of the taxpayer's entire net income allocated to this state
22 for that year, the excess may be carried over to the following taxable year or years, not to exceed
23 three (3) years, and may be deducted from the portion of the taxpayer's entire net income allocated
24 to this state for that year or years.

25 (f) Gain or loss on sale or disposition of property. In any taxable year when property is sold
26 or disposed of before the end of its useful life, with respect to which a deduction has been allowed
27 pursuant to subsection (b) of this section, the gain or loss on this entering into the computation of
28 federal taxable income is disregarded in computing the entire net income, and there is added to or
29 subtracted from the portion of the entire net income allocated within the state the gain or loss upon
30 the sale or other disposition. In computing the gain or loss, the basis of the property sold or disposed
31 of is adjusted to reflect the deduction allowed with respect to the property pursuant to subsection
32 (b) of this section; provided, that no loss is recognized for the purpose of this subsection with
33 respect to a sale or other disposition of property to a person whose acquisition of this property is
34 not a purchase as defined in 26 U.S.C. § 179(d).

1 (g) Investment credit not allowed on research and development property. No investment
2 credit under chapter 31 of this title shall be allowed on the research and development property for
3 which accelerated write-off is adopted under this section.

4 (h) Consolidated returns. The research and development deduction shall only be allowed
5 against the entire net income of the corporation included in a consolidated return and shall not be
6 allowed against the entire net income of other corporations that may join in the filing of a
7 consolidated state tax return.

8 [\(i\) Sunset. No deductions shall be allowed under this section for tax years beginning on or](#)
9 [after January 1, 2026. Deductions allowed for tax years ending on or before December 31, 2025,](#)
10 [may be carried forward into tax years beginning on or after January 1, 2026, in accordance with](#)
11 [subsection \(e\) of this section.](#)

12 **44-32-2. Credit for research and development property acquired, constructed, or**
13 **reconstructed or erected after July 1, 1994.**

14 (a) A taxpayer shall be allowed a credit against the tax imposed by chapters 11, 17, or 30
15 of this title. The amount of the credit shall be ten percent (10%) of the cost or other basis for federal
16 income tax purposes of tangible personal property, and other tangible property, including buildings
17 and structural components of buildings, described in subsection (b) of this section; acquired,
18 constructed or reconstructed, or erected after July 1, 1994.

19 (b) A credit shall be allowed under this section with respect to tangible personal property
20 and other tangible property, including buildings and structural components of buildings which are:
21 depreciable pursuant to 26 U.S.C. § 167 or recovery property with respect to which a deduction is
22 allowable under 26 U.S.C. § 168, have a useful life of three (3) years or more, are acquired by
23 purchase as defined in 26 U.S.C. § 179(d), have a situs in this state and are used principally for
24 purposes of research and development in the experimental or laboratory sense which shall also
25 include property used by property and casualty insurance companies for research and development
26 into methods and ways of preventing or reducing losses from fire and other perils. The credit shall
27 be allowable in the year the property is first placed in service by the taxpayer, which is the year in
28 which, under the taxpayer's depreciation practice, the period for depreciation with respect to the
29 property begins, or the year in which the property is placed in a condition or state of readiness and
30 availability for a specifically assigned function, whichever is earlier. These purposes shall not be
31 deemed to include the ordinary testing or inspection of materials or products for quality control,
32 efficiency surveys, management studies, consumer surveys, advertising, promotions, or research in
33 connection with literary, historical or similar projects.

34 (c) A taxpayer shall not be allowed a credit under this section with respect to any property

1 described in subsections (a) and (b) of this section, if a deduction is taken for the property under §
2 44-32-1.

3 (d) A taxpayer shall not be allowed a credit under this section with respect to tangible
4 personal property and other tangible property, including buildings and structural components of
5 buildings, which it leases to any other person or corporation. For purposes of the preceding
6 sentence, any contract or agreement to lease or rent or for a license to use the property is considered
7 a lease.

8 (e) The credit allowed under this section for any taxable year does not reduce the tax due
9 for that year, in the case of corporations, to less than the minimum fixed by § 44-11-2(e). If the
10 amount of credit allowable under this section for any taxable year is less than the amount of credit
11 available to the taxpayer, any amount of credit not credited in that taxable year may be carried over
12 to the following year or years, up to a maximum of seven (7) years, and may be credited against
13 the taxpayer's tax for the following year or years. For purposes of chapter 30 of this title, if the
14 credit allowed under this section for any taxable year exceeds the taxpayer's tax for that year, the
15 amount of credit not credited in that taxable year may be carried over to the following year or years,
16 up to a maximum of seven (7) years, and may be credited against the taxpayer's tax for the
17 following year or years.

18 (f)(1) With respect to property which is depreciable pursuant to 26 U.S.C. § 167 and which
19 is disposed of or ceases to be in qualified use prior to the end of the taxable year in which the credit
20 is to be taken, the amount of the credit is that portion of the credit provided for in this section which
21 represents the ratio which the months of qualified use bear to the months of useful life. If property
22 on which credit has been taken is disposed of or ceases to be in qualified use prior to the end of its
23 useful life, the difference between the credit taken and the credit allowed for actual use must be
24 added back in the year of disposition. If the property is disposed of or ceases to be in qualified use
25 after it has been in qualified use for more than twelve (12) consecutive years, it is not necessary to
26 add back the credit as provided in this subdivision. The amount of credit allowed for actual use is
27 determined by multiplying the original credit by the ratio which the months of qualified use bear
28 to the months of useful life. For purposes of this subdivision, "useful life of property" is the same
29 as the taxpayer uses for depreciation purposes when computing his federal income tax liability.

30 (2) Except with respect to that property to which subdivision (3) of this subsection applies,
31 with respect to three (3) year property, as defined in 26 U.S.C. § 168(c), which is disposed of or
32 ceases to be in qualified use prior to the end of the taxable year in which the credit is to be taken,
33 the amount of the credit shall be that portion of the credit provided for in this section which
34 represents the ratio which the months of qualified use bear to thirty-six (36). If property on which

1 credit has been taken is disposed of or ceases to be in qualified use prior to the end of thirty-six
2 (36) months, the difference between the credit taken and the credit allowed for actual use must be
3 added back in the year of disposition. The amount of credit allowed for actual use is determined by
4 multiplying the original credit by the ratio that the months of qualified use bear to thirty-six (36).

5 (3) With respect to any recovery property to which 26 U.S.C. § 168 applies, which is a
6 building or a structural component of a building and which is disposed of or ceases to be in qualified
7 use prior to the end of the taxable year in which the credit is to be taken, the amount of the credit
8 is that portion of the credit provided for in this section which represents the ratio which the months
9 of qualified use bear to the total number of months over which the taxpayer chooses to deduct the
10 property under 26 U.S.C. § 168. If property on which credit has been taken is disposed of or ceases
11 to be in qualified use prior to the end of the period over which the taxpayer chooses to deduct the
12 property under 26 U.S.C. § 168, the difference between the credit taken and the credit allowed for
13 actual use must be added back in the year of disposition. If the property is disposed of or ceases to
14 be in qualified use after it has been in qualified use for more than twelve (12) consecutive years, it
15 is not necessary to add back the credit as provided in this subdivision. The amount of credit allowed
16 for actual use is determined by multiplying the original credit by the ratio that the months of
17 qualified use bear to the total number of months over which the taxpayer chooses to deduct the
18 property under 26 U.S.C. § 168.

19 (g) No deduction for research and development facilities under § 44-32-1 shall be allowed
20 for research and development property for which the credit is allowed under this section.

21 (h) No investment tax credit under § 44-31-1 shall be allowed for research and development
22 property for which the credit is allowed under this section.

23 (i) The investment tax credit allowed by § 44-31-1 shall be taken into account before the
24 credit allowed under this section.

25 (j) The credit allowed under this section only allowed against the tax of that corporation
26 included in a consolidated return that qualifies for the credit and not against the tax of other
27 corporations that may join in the filing of a consolidated return.

28 (k) In the event that the taxpayer is a partnership, joint venture or small business
29 corporation, the credit shall be divided in the same manner as income.

30 (l) Sunset. No credits shall be allowed under this section for tax years beginning on or after
31 January 1, 2026. Credits allowed for tax years ending on or before December 31, 2025, may be
32 carried forward into tax years beginning on or after January 1, 2026, in accordance with subsection
33 (e) of this section.

34 **44-32-3. Credit for qualified research expenses.**

1 (a) A taxpayer shall be allowed a credit against the tax imposed by chapters 11, 17 or 30
2 of this title. The amount of the credit shall be five percent (5%)(and in the case of amounts paid or
3 accrued after January 1, 1998, twenty-two and one-half percent (22.5%) for the first twenty-five
4 thousand dollars (\$25,000) worth of credit and sixteen and nine-tenths percent (16.9%) for the
5 amount of credit above twenty-five thousand dollars (\$25,000)) of the excess, if any, of:

6 (1) The qualified research expenses for the taxable year, over

7 (2) The base period research expenses.

8 (b)(1) “Qualified research expenses” and “base period research expenses” have the same
9 meaning as defined in 26 U.S.C. § 41; provided, that the expenses have been incurred in this state
10 after July 1, 1994.

11 (2) Notwithstanding the provisions of subdivision (1) of this subsection, “qualified research
12 expenses” also includes amounts expended for research by property and casualty insurance
13 companies into methods and ways of preventing or reducing losses from fire and other perils.

14 (c) The credit allowed under this section for any taxable year shall not reduce the tax due
15 for that year by more than fifty percent (50%) of the tax liability that would be payable, and in the
16 case of corporations, to less than the minimum fixed by § 44-11-2(e). If the amount of credit
17 allowable under this section for any taxable year is less than the amount of credit available to the
18 taxpayer any amount of credit not credited in that taxable year may be carried over to the following
19 year or years, up to a maximum of seven (7) years, and may be credited against the taxpayer’s tax
20 for that year or years. For purposes of chapter 30 of this title, if the credit allowed under this section
21 for any taxable year exceeds the taxpayer’s tax for that year, the amount of credit not credited in
22 that taxable year may be carried over to the following year or years, up to a maximum of seven (7)
23 years, and may be credited against the taxpayer’s tax for that year or years. For purposes of
24 determining the order in which carry-overs are taken into consideration, the credit allowed by § 44-
25 32-2 is taken into account before the credit allowed under this section.

26 (d) For tax years beginning on or after January 1, 2026, the credit allowed under this section
27 for any taxable year shall not reduce the tax due for that year by more than fifty percent (50%) of
28 the tax liability that would be payable, and in the case of corporations, to less than the minimum
29 fixed by § 44-11-2(e). If the amount of credit allowable under this section for any taxable year is
30 less than the amount of credit available to the taxpayer any amount of credit not credited in that
31 taxable year may be carried over to the following year or years, up to a maximum of fifteen (15)
32 years, and may be credited against the taxpayer’s tax for that year or years. For purposes of chapter
33 30 of this title, if the credit allowed under this section for any taxable year exceeds the taxpayer’s
34 tax for that year, the amount of credit not credited in that taxable year may be carried over to the

1 following year or years, up to a maximum of fifteen (15) years, and may be credited against the
2 taxpayer's tax for that year or years. For purposes of determining the order in which carry-overs
3 are taken into consideration, the credit allowed by § 44-32-2 is taken into account before the credit
4 allowed under this section.

5 ~~(d)~~(e) The investment tax credit allowed by § 44-31-1 shall be taken into account before
6 the credit allowed under this section.

7 ~~(e)~~(f) The credit allowed under this section shall only be allowed against the tax of that
8 corporation included in a consolidated return that qualifies for the credit and not against the tax of
9 other corporations that may join in the filing of a consolidated return.

10 ~~(f)~~(g) In the event the taxpayer is a partnership, joint venture or small business corporation,
11 the credit is divided in the same manner as income.

12 SECTION 14. Chapter 44-39.1 of the General Laws entitled "Employment Tax Credit" is
13 hereby amended by adding thereto the following section:

14 **44-39.1-5. Sunset.**

15 No credits shall be allowed under this chapter for tax years beginning on or after January
16 1, 2026.

17 SECTION 15. Sections 44-43-2 and 44-43-3 of the General Laws in Chapter 44-43 entitled
18 "Tax Incentives for Capital Investment in Small Businesses" are hereby amended to read as follows:

19 **44-43-2. Deduction or modification.**

20 (a) In the year in which a taxpayer first makes a qualifying investment in a certified venture
21 capital partnership or the year in which an entrepreneur first makes an investment in a qualifying
22 entity, the taxpayer or the entrepreneur shall be allowed:

23 (1) A deduction for purposes of computing net income or net worth in accordance with
24 chapter 11 of this title; or

25 (2) A deduction from gross earnings for purposes of computing the public service
26 corporation tax in accordance with chapter 13 of this title; or

27 (3) A deduction for the purposes of computing net income in accordance with chapter 14
28 of this title; or

29 (4) A deduction for the purposes of computing gross premiums in accordance with chapter
30 17 of this title; or

31 (5) A modification reducing federal adjusted gross income in accordance with chapter 30
32 of this title.

33 (b) The deduction or modification shall be in an amount equal to the taxpayer's qualifying
34 investment in a certified venture capital partnership or an entrepreneur's investment in a qualifying

business entity and shall be measured at the year end of the certified venture capital partnership, the year end of the qualifying business entity, or the year end of the investing taxpayer, whichever comes first.

[\(c\) Sunset. No deductions or modifications shall be allowed under this section for tax years beginning on or after January 1, 2026.](#)

44-43-3. Wage credit.

(a) There shall be allocated among the entrepreneurs of a qualifying business entity (based on the ratio of each entrepreneur's interest in the entity to the total interest held by all entrepreneurs) with respect to each entity on an annual basis commencing with the calendar year in which the entity first qualified as a qualifying business entity a credit against the tax imposed by chapter 30 of this title. The credit shall be equal to three percent (3%) of the wages (as defined in 26 U.S.C. § 3121(a)) in excess of fifty thousand dollars (\$50,000) paid during each calendar year to employees of the entity; provided, that there shall be excluded from the amount on which the credit is based any wages:

(1) Paid to any owner of the entity;

(2) Paid more than five (5) years after the entity commenced business or five (5) years after the purchase of the business entity by new owners, whichever occurs later; or

(3) Paid to employees who are not principally employed in Rhode Island and whose wages are not subject to withholding pursuant to chapter 30 of this title.

(b) The credit authorized by this section shall cease in the taxable year next following after the taxable year in which the average annual gross revenue of the business entity equals or exceeds one million five hundred thousand dollars (\$1,500,000).

[\(c\) Sunset. No credits shall be allowed under this section for tax years beginning on or after January 1, 2026.](#)

SECTION 16. Chapter 44-53 of the General Laws entitled "Levy and Distrainment" is hereby amended by adding thereto the following section:

44-53-18. Financial institution data match system for state tax collection purposes.

[\(a\) Definitions. As used in this section:](#)

[\(1\) "Division" means the Rhode Island department of revenue, division of taxation.](#)

[\(2\) "Financial institution" means any bank, savings and loan association, federal or state credit union, trust company, consumer lender, international banking facility, financial institution holding company, benefit association, insurance company, safe deposit company, or any entity authorized by the taxpayer to buy, sell, transfer, store, and/or trade monetary assets or its equivalent, including, but not limited to, virtual currency, and any party affiliated with the financial institution.](#)

1 A financial institution includes any person or entity authorized or required to participate in a
2 financial institution data match system or program for child support enforcement purposes under
3 federal or state law.

4 (b) Financial institution data match system for state tax collection purposes.

5 (1) To assist the tax administrator in the collection of debts, the division shall develop and
6 operate a financial institution data match system for the purpose of identifying and seizing the non-
7 exempt assets of delinquent taxpayers as identified by the tax administrator. The tax administrator
8 is authorized to designate a third party to develop and operate this system. Any third party
9 designated by the tax administrator to develop and operate a financial data match system must keep
10 all information it obtains from both the division and the financial institution confidential, and any
11 employee, agent or representative of that third party is prohibited from disclosing that information
12 to anyone other than the division or the financial institution.

13 (2) Each financial institution doing business in the state shall, in conjunction with the tax
14 administrator or the tax administrator's authorized designee, develop and operate a data match
15 system to facilitate the identification and seizure of non-exempt financial assets of delinquent
16 taxpayers identified by the tax administrator or the tax administrator's authorized designee. If a
17 financial institution has a data match system developed or used to administer the child support
18 enforcement programs of this state, and if that system is approved by the tax administrator or the
19 tax administrator's authorized designee, the financial institution may use that system to comply
20 with the provisions of this section.

21 (c) Each financial institution must provide identifying information at least each calendar
22 quarter to the division for each delinquent taxpayer identified by the division who or that maintains
23 an account at the institution. The identifying information must include the delinquent taxpayer's
24 name, address, and social security number or other taxpayer identification number, and all account
25 numbers and balances in each account.

26 (d) A financial institution that complies with this section will not be liable under state law
27 to any person for the disclosure of information to the tax administrator or the tax administrator's
28 authorized designee, or any other action taken in good faith to comply with this section.

29 (e) Both the financial institution furnishing a report to the tax administrator under this
30 section and the tax administrator's authorized designee are prohibited from disclosing to the
31 delinquent taxpayer that the name of the delinquent taxpayer has been received from or furnished
32 to the tax administrator, unless authorized in writing by the tax administrator to do so. A violation
33 of this subsection will result in the imposition of a civil penalty equal to the greater of one thousand
34 dollars (\$1,000) or the amount in the account of the person to whom the disclosure was made for

1 each instance of unauthorized disclosure by the financial institution or the tax administrator's
2 authorized designee under subsection (b)(1). That civil penalty can be assessed and collected under
3 this title as if that penalty were tax.

4 (f) A financial institution may disclose to its depositors or account holders that the division
5 has the authority to request certain identifying information on certain depositors or account holders
6 under the financial institution data match system for state tax collection purposes.

7 (g) This section does not prevent the division from encumbering a delinquent taxpayer's
8 account with a financial institution by any other remedy available for the enforcement of tax
9 collection activities.

10 SECTION 17. Sections 45-24-31 and 45-24-37 of the General Laws in Chapter 45-24
11 entitled "Zoning Ordinances" are hereby amended to read as follows:

12 **45-24-31. Definitions.**

13 Where words or terms used in this chapter are defined in § 45-22.2-4 or § 45-23-32, they
14 have the meanings stated in that section. In addition, the following words have the following
15 meanings. Additional words and phrases may be used in developing local ordinances under this
16 chapter; however, the words and phrases defined in this section are controlling in all local
17 ordinances created under this chapter:

18 (1) Abutter. One whose property abuts, that is, adjoins at a border, boundary, or point with
19 no intervening land.

20 (2) Accessory dwelling unit (ADU). A residential living unit on the same lot where the
21 principal use is a legally established single-family dwelling unit or multi-family dwelling unit. An
22 ADU provides complete independent living facilities for one or more persons. It may take various
23 forms including, but not limited to: a detached unit; a unit that is part of an accessory structure,
24 such as a detached garage; or a unit that is part of an expanded or remodeled primary dwelling.

25 (3) Accessory use. A use of land or of a building, or portion thereof, customarily incidental
26 and subordinate to the principal use of the land or building. An accessory use may be restricted to
27 the same lot as the principal use. An accessory use shall not be permitted without the principal use
28 to which it is related.

29 (4) Adaptive reuse. "Adaptive reuse," as defined in § 42-64.22-2.

30 (5) Aggrieved party. An aggrieved party, for purposes of this chapter, shall be:

31 (i) Any person, or persons, or entity, or entities, who or that can demonstrate that his, her,
32 or its property will be injured by a decision of any officer or agency responsible for administering
33 the zoning ordinance of a city or town; or

34 (ii) Anyone requiring notice pursuant to this chapter.

1 (6) Agricultural land. “Agricultural land,” as defined in § 45-22.2-4.

2 (7) Airport hazard area. “Airport hazard area,” as defined in § 1-3-2.

3 (8) Applicant. An owner, or authorized agent of the owner, submitting an application or
4 appealing an action of any official, board, or agency.

5 (9) Application. The completed form, or forms, and all accompanying documents, exhibits,
6 and fees required of an applicant by an approving authority for development review, approval, or
7 permitting purposes.

8 (10) Buffer. Land that is maintained in either a natural or landscaped state, and is used to
9 screen or mitigate the impacts of development on surrounding areas, properties, or rights-of-way.

10 (11) Building. Any structure used or intended for supporting or sheltering any use or
11 occupancy.

12 (12) Building envelope. The three-dimensional space within which a structure is permitted
13 to be built on a lot and that is defined by regulations governing building setbacks, maximum height,
14 and bulk; by other regulations; or by any combination thereof.

15 (13) Building height. For a vacant parcel of land, building height shall be measured from
16 the average, existing-grade elevation where the foundation of the structure is proposed. For an
17 existing structure, building height shall be measured from average grade taken from the outermost
18 four (4) corners of the existing foundation. In all cases, building height shall be measured to the top
19 of the highest point of the existing or proposed roof or structure. This distance shall exclude spires,
20 chimneys, flag poles, and the like. For any property or structure located in a special flood hazard
21 area, as shown on the official FEMA Flood Insurance Rate Maps (FIRMs), or depicted on the
22 Rhode Island coastal resources management council (CRMC) suggested design elevation three foot
23 (3') sea level rise (CRMC SDE 3 SLR) map as being inundated during a one-hundred-year (100)
24 storm, the greater of the following amounts, expressed in feet, shall be excluded from the building
25 height calculation:

26 (i) The base flood elevation on the FEMA FIRM plus up to five feet (5') of any utilized or
27 proposed freeboard, less the average existing grade elevation; or

28 (ii) The suggested design elevation as depicted on the CRMC SDE 3 SLR map during a
29 one-hundred-year (100) storm, less the average existing grade elevation. CRMC shall reevaluate
30 the appropriate suggested design elevation map for the exclusion every ten (10) years, or as
31 otherwise necessary.

32 (14) Cluster. A site-planning technique that concentrates buildings in specific areas on the
33 site to allow the remaining land to be used for recreation, common open space, and/or preservation
34 of environmentally, historically, culturally, or other sensitive features and/or structures. The

1 techniques used to concentrate buildings shall be specified in the ordinance and may include, but
2 are not limited to, reduction in lot areas, setback requirements, and/or bulk requirements, with the
3 resultant open land being devoted by deed restrictions for one or more uses. Under cluster
4 development, there is no increase in the number of lots that would be permitted under conventional
5 development except where ordinance provisions include incentive bonuses for certain types or
6 conditions of development.

7 (15) Common ownership. Either:

8 (i) Ownership by one or more individuals or entities in any form of ownership of two (2)
9 or more contiguous lots; or

10 (ii) Ownership by any association (ownership may also include a municipality) of one or
11 more lots under specific development techniques.

12 (16) Community residence. A home or residential facility where children and/or adults
13 reside in a family setting and may or may not receive supervised care. This does not include halfway
14 houses or substance-use-disorder-treatment facilities. This does include, but is not limited to, the
15 following:

16 (i) Whenever six (6) or fewer children or adults with intellectual and/or developmental
17 disability reside in any type of residence in the community, as licensed by the state pursuant to
18 chapter 24 of title 40.1. All requirements pertaining to local zoning are waived for these community
19 residences;

20 (ii) A group home providing care or supervision, or both, to not more than eight (8) persons
21 with disabilities, and licensed by the state pursuant to chapter 24 of title 40.1;

22 (iii) A residence for children providing care or supervision, or both, to not more than eight
23 (8) children, including those of the caregiver, and licensed by the state pursuant to chapter 72.1 of
24 title 42;

25 (iv) A community transitional residence providing care or assistance, or both, to no more
26 than six (6) unrelated persons or no more than three (3) families, not to exceed a total of eight (8)
27 persons, requiring temporary financial assistance, and/or to persons who are victims of crimes,
28 abuse, or neglect, and who are expected to reside in that residence not less than sixty (60) days nor
29 more than two (2) years. Residents will have access to, and use of, all common areas, including
30 eating areas and living rooms, and will receive appropriate social services for the purpose of
31 fostering independence, self-sufficiency, and eventual transition to a permanent living situation.

32 (17) Comprehensive plan. The comprehensive plan adopted and approved pursuant to
33 chapter 22.2 of this title and to which any zoning adopted pursuant to this chapter shall be in
34 compliance.

1 (18) Day care — Daycare center. Any other daycare center that is not a family daycare
2 home.

3 (19) Day care — Family daycare home. Any home, other than the individual’s home, in
4 which day care in lieu of parental care or supervision is offered at the same time to six (6) or less
5 individuals who are not relatives of the caregiver, but may not contain more than a total of eight
6 (8) individuals receiving day care.

7 (20) Density, residential. The number of dwelling units per unit of land.

8 (21) Development. The construction, reconstruction, conversion, structural alteration,
9 relocation, or enlargement of any structure; any mining, excavation, landfill, or land disturbance;
10 or any change in use, or alteration or extension of the use, of land.

11 (22) Development plan review. See §§ 45-23-32 and 45-23-50.

12 (23) District. See “zoning use district.”

13 (24) Drainage system. A system for the removal of water from land by drains, grading, or
14 other appropriate means. These techniques may include runoff controls to minimize erosion and
15 sedimentation during and after construction or development; the means for preserving surface and
16 groundwaters; and the prevention and/or alleviation of flooding.

17 (25) Dwelling unit. A structure, or portion of a structure, providing complete, independent
18 living facilities for one or more persons, including permanent provisions for living, sleeping, eating,
19 cooking, and sanitation, and containing a separate means of ingress and egress.

20 (26) Extractive industry. The extraction of minerals, including: solids, such as coal and
21 ores; liquids, such as crude petroleum; and gases, such as natural gases. The term also includes
22 quarrying; well operation; milling, such as crushing, screening, washing, and flotation; and other
23 preparation customarily done at the extraction site or as a part of the extractive activity.

24 (27) Family member. A person, or persons, related by blood, marriage, or other legal
25 means, including, but not limited to, a child, parent, spouse, mother-in-law, father-in-law,
26 grandparents, grandchildren, domestic partner, sibling, care recipient, or member of the household.

27 (28) Floating zone. An unmapped zoning district adopted within the ordinance that is
28 established on the zoning map only when an application for development, meeting the zone
29 requirements, is approved.

30 (29) Floodplains, or Flood hazard area. As defined in § 45-22.2-4.

31 (30) Freeboard. A factor of safety expressed in feet above the base flood elevation of a
32 flood hazard area for purposes of floodplain management. Freeboard compensates for the many
33 unknown factors that could contribute to flood heights, such as wave action, bridge openings, and
34 the hydrological effect of urbanization of the watershed.

1 (31) Groundwater. “Groundwater” and associated terms, as defined in § 46-13.1-3.

2 (32) Halfway house. A residential facility for adults or children who have been
3 institutionalized for criminal conduct and who require a group setting to facilitate the transition to
4 a functional member of society.

5 (33) Hardship. See § 45-24-41.

6 (34) Historic district or historic site. As defined in § 45-22.2-4.

7 (35) Home occupation. Any activity customarily carried out for gain by a resident,
8 conducted as an accessory use in the resident’s dwelling unit. [For the purposes of this chapter,](#)
9 [home occupation does not include remote work activities as defined in § 45-24-37.](#)

10 (36) Household. One or more persons living together in a single-dwelling unit, with
11 common access to, and common use of, all living and eating areas and all areas and facilities for
12 the preparation and storage of food within the dwelling unit. The term “household unit” is
13 synonymous with the term “dwelling unit” for determining the number of units allowed within any
14 structure on any lot in a zoning district. An individual household shall consist of any one of the
15 following:

16 (i) A family, which may also include servants and employees living with the family; or

17 (ii) A person or group of unrelated persons living together. The maximum number may be
18 set by local ordinance, but this maximum shall not be less than one person per bedroom and shall
19 not exceed five (5) unrelated persons per dwelling. The maximum number shall not apply to
20 NARR-certified recovery residences.

21 (37) Incentive zoning. The process whereby the local authority may grant additional
22 development capacity in exchange for the developer’s provision of a public benefit or amenity as
23 specified in local ordinances.

24 (38) Infrastructure. Facilities and services needed to sustain residential, commercial,
25 industrial, institutional, and other activities.

26 (39) Land development project. As defined in § 45-23-32.

27 (40) Lot. Either:

28 (i) The basic development unit for determination of lot area, depth, and other dimensional
29 regulations; or

30 (ii) A parcel of land whose boundaries have been established by some legal instrument,
31 such as a recorded deed or recorded map, and that is recognized as a separate legal entity for
32 purposes of transfer of title.

33 (41) Lot area. The total area within the boundaries of a lot, excluding any street right-of-
34 way, usually reported in acres or square feet.

1 (42) Lot area, minimum. The smallest land area established by the local zoning ordinance
2 upon which a use, building, or structure may be located in a particular zoning district.

3 (43) Lot building coverage. That portion of the lot that is, or may be, covered by buildings
4 and accessory buildings.

5 (44) Lot depth. The distance measured from the front lot line to the rear lot line. For lots
6 where the front and rear lot lines are not parallel, the lot depth is an average of the depth.

7 (45) Lot frontage. That portion of a lot abutting a street. A zoning ordinance shall specify
8 how noncontiguous frontage will be considered with regard to minimum frontage requirements.

9 (46) Lot line. A line of record, bounding a lot, that divides one lot from another lot or from
10 a public or private street or any other public or private space and shall include:

11 (i) Front: the lot line separating a lot from a street right-of-way. A zoning ordinance shall
12 specify the method to be used to determine the front lot line on lots fronting on more than one
13 street, for example, corner and through lots;

14 (ii) Rear: the lot line opposite and most distant from the front lot line, or in the case of
15 triangular or otherwise irregularly shaped lots, an assumed line at least ten feet (10') in length
16 entirely within the lot, parallel to and at a maximum distance from, the front lot line; and

17 (iii) Side: any lot line other than a front or rear lot line. On a corner lot, a side lot line may
18 be a street lot line, depending on requirements of the local zoning ordinance.

19 (47) Lot size, minimum. Shall have the same meaning as “minimum lot area” defined
20 herein.

21 (48) Lot, through. A lot that fronts upon two (2) parallel streets, or that fronts upon two (2)
22 streets that do not intersect at the boundaries of the lot.

23 (49) Lot width. The horizontal distance between the side lines of a lot measured at right
24 angles to its depth along a straight line parallel to the front lot line at the minimum front setback
25 line.

26 (50) Manufactured home. As used in this section, a manufactured home shall have the same
27 definition as in 42 U.S.C. § 5402, meaning a structure, transportable in one or more sections, which,
28 in the traveling mode, is eight (8) body feet or more in width or forty (40) body feet or more in
29 length, or, when erected on site, is three hundred twenty (320) or more square feet, and which is
30 built on a permanent chassis and designed to be used as a dwelling with a permanent foundation
31 connected to the required utilities, and includes the plumbing, heating, air-conditioning, and
32 electrical systems contained therein; except that such term shall include any structure that meets all
33 the requirements of this definition except the size requirements and with respect to which the
34 manufacturer voluntarily files a certification required by the United States Secretary of Housing

1 and Urban Development and complies with the standards established under chapter 70 of Title 42
2 of the United States Code; and except that such term shall not include any self-propelled
3 recreational vehicle.

4 (51) Mere inconvenience. See § 45-24-41.

5 (52) Mixed use. A mixture of land uses within a single development, building, or tract.

6 (53) Modification. Permission granted and administered by the zoning enforcement officer
7 of the city or town, and pursuant to the provisions of this chapter to grant a dimensional variance
8 other than lot area requirements from the zoning ordinance to a limited degree as determined by
9 the zoning ordinance of the city or town, but not to exceed twenty-five percent (25%) of each of
10 the applicable dimensional requirements.

11 (54) Nonconformance. A building, structure, or parcel of land, or use thereof, lawfully
12 existing at the time of the adoption or amendment of a zoning ordinance and not in conformity with
13 the provisions of that ordinance or amendment. Nonconformance is of only two (2) types:

14 (i) Nonconforming by use: a lawfully established use of land, building, or structure that is
15 not a permitted use in that zoning district. A building or structure containing more dwelling units
16 than are permitted by the use regulations of a zoning ordinance is nonconformity by use; or

17 (ii) Nonconforming by dimension: a building, structure, or parcel of land not in compliance
18 with the dimensional regulations of the zoning ordinance. Dimensional regulations include all
19 regulations of the zoning ordinance, other than those pertaining to the permitted uses. A building
20 or structure containing more dwelling units than are permitted by the use regulations of a zoning
21 ordinance is nonconforming by use; a building or structure containing a permitted number of
22 dwelling units by the use regulations of the zoning ordinance, but not meeting the lot area per
23 dwelling unit regulations, is nonconforming by dimension.

24 (55) Overlay district. A district established in a zoning ordinance that is superimposed on
25 one or more districts or parts of districts. The standards and requirements associated with an overlay
26 district may be more or less restrictive than those in the underlying districts consistent with other
27 applicable state and federal laws.

28 (56) Performance standards. A set of criteria or limits relating to elements that a particular
29 use or process must either meet or may not exceed.

30 (57) Permitted use. A use by right that is specifically authorized in a particular zoning
31 district.

32 (58) Planned development. A “land development project,” as defined in subsection (39),
33 and developed according to plan as a single entity and containing one or more structures or uses
34 with appurtenant common areas.

- 1 (59) Plant agriculture. The growing of plants for food or fiber, to sell or consume.
- 2 (60) Preapplication conference. A review meeting of a proposed development held between
3 applicants and reviewing agencies as permitted by law and municipal ordinance, before formal
4 submission of an application for a permit or for development approval.
- 5 (61) Setback line or lines. A line, or lines, parallel to a lot line at the minimum distance of
6 the required setback for the zoning district in which the lot is located that establishes the area within
7 which the principal structure must be erected or placed.
- 8 (62) Site plan. The development plan for one or more lots on which is shown the existing
9 and/or the proposed conditions of the lot.
- 10 (63) Slope of land. The grade, pitch, rise, or incline of the topographic landform or surface
11 of the ground.
- 12 (64) Special use. A regulated use that is permitted pursuant to the special-use permit issued
13 by the authorized governmental entity, pursuant to § 45-24-42. Formerly referred to as a special
14 exception.
- 15 (65) Structure. A combination of materials to form a construction for use, occupancy, or
16 ornamentation, whether installed on, above, or below the surface of land or water.
- 17 (66) Substandard lot of record. Any lot lawfully existing at the time of adoption or
18 amendment of a zoning ordinance and not in conformance with the dimensional or area provisions
19 of that ordinance.
- 20 (67) Use. The purpose or activity for which land or buildings are designed, arranged, or
21 intended, or for which land or buildings are occupied or maintained.
- 22 (68) Variance. Permission to depart from the literal requirements of a zoning ordinance.
23 An authorization for the construction or maintenance of a building or structure, or for the
24 establishment or maintenance of a use of land, that is prohibited by a zoning ordinance. There are
25 only two (2) categories of variance, a use variance or a dimensional variance.
- 26 (i) Use variance. Permission to depart from the use requirements of a zoning ordinance
27 where the applicant for the requested variance has shown by evidence upon the record that the
28 subject land or structure cannot yield any beneficial use if it is to conform to the provisions of the
29 zoning ordinance.
- 30 (ii) Dimensional variance. Permission to depart from the dimensional requirements of a
31 zoning ordinance under the applicable standards set forth in § 45-24-41.
- 32 (69) Waters. As defined in § 46-12-1(23).
- 33 (70) Wetland, coastal. As defined in § 45-22.2-4.
- 34 (71) Wetland, freshwater. As defined in § 2-1-20.

1 (72) Zoning certificate. A document signed by the zoning enforcement officer, as required
2 in the zoning ordinance, that acknowledges that a use, structure, building, or lot either complies
3 with, or is legally nonconforming to, the provisions of the municipal zoning ordinance or is an
4 authorized variance or modification therefrom.

5 (73) Zoning map. The map, or maps, that are a part of the zoning ordinance and that
6 delineate the boundaries of all mapped zoning districts within the physical boundary of the city or
7 town.

8 (74) Zoning ordinance. An ordinance enacted by the legislative body of the city or town
9 pursuant to this chapter and in the manner providing for the adoption of ordinances in the city or
10 town's legislative or home rule charter, if any, that establish regulations and standards relating to
11 the nature and extent of uses of land and structures; that is consistent with the comprehensive plan
12 of the city or town as defined in chapter 22.2 of this title; that includes a zoning map; and that
13 complies with the provisions of this chapter.

14 (75) Zoning use district. The basic unit in zoning, either mapped or unmapped, to which a
15 uniform set of regulations applies, or a uniform set of regulations for a specified use. Zoning use
16 districts include, but are not limited to: agricultural, commercial, industrial, institutional, open
17 space, and residential. Each district may include sub-districts. Districts may be combined.

18 **45-24-37. General provisions — Permitted uses.**

19 (a) The zoning ordinance shall provide a listing of all land uses and/or performance
20 standards for uses that are permitted within the zoning use districts of the municipality. The
21 ordinance may provide for a procedure under which a proposed land use that is not specifically
22 listed may be presented by the property owner to the zoning board of review or to a local official
23 or agency charged with administration and enforcement of the ordinance for an evaluation and
24 determination of whether the proposed use is of a similar type, character, and intensity as a listed
25 permitted use. Upon such determination, the proposed use may be considered to be a permitted use.

26 (b) Notwithstanding any other provision of this chapter, the following uses are permitted
27 uses within all residential zoning use districts of a municipality and all industrial and commercial
28 zoning use districts except where residential use is prohibited for public health or safety reasons:

29 (1) Households;

30 (2) Community residences; ~~and~~

31 (3) Family daycare homes; and

32 (4) Remote work, defined as a work flexibility arrangement under which a W-2 employee
33 or full-time contractor routinely performs the duties and responsibilities of such employee's
34 position from an approved worksite other than the location from which the employee would

1 otherwise work.

2 (i) Remote work shall not include any activities that:

3 (A) Relate to the sale of unlawful goods and services;

4 (B) Generate on-street parking or a substantial increase in traffic through the residential
5 area;

6 (C) Occur outside of the residential dwelling;

7 (D) Occur in the yard; or

8 (E) Are visible from the street.

9 (c) Any time a building or other structure used for residential purposes, or a portion of a
10 building containing residential units, is rendered uninhabitable by virtue of a casualty such as fire
11 or flood, the owner of the property is allowed to park, temporarily, mobile and manufactured home,
12 or homes, as the need may be, elsewhere upon the land, for use and occupancy of the former
13 occupants for a period of up to twelve (12) months, or until the building or structure is rehabilitated
14 and otherwise made fit for occupancy. The property owner, or a properly designated agent of the
15 owner, is only allowed to cause the mobile and manufactured home, or homes, to remain
16 temporarily upon the land by making timely application to the local building official for the
17 purposes of obtaining the necessary permits to repair or rebuild the structure.

18 (d) Notwithstanding any other provision of this chapter, appropriate access for people with
19 disabilities to residential structures is allowed as a reasonable accommodation for any person(s)
20 residing, or intending to reside, in the residential structure.

21 (e) Notwithstanding any other provision of this chapter, an accessory dwelling unit
22 (“ADU”) that meets the requirements of §§ 45-24-31 and 45-24-73(a) shall be a permitted use in
23 all residential zoning districts. An ADU that meets the requirements of §§ 45-24-31 and 45-24-
24 73(a) shall be permitted through an administrative building permit process only.

25 (f) When used in this section the terms “people with disabilities” or “member, or members,
26 with disabilities” means a person(s) who has a physical or mental impairment that substantially
27 limits one or more major life activities, as defined in 42-87-1(5).

28 (g) Notwithstanding any other provisions of this chapter, plant agriculture is a permitted
29 use within all zoning districts of a municipality, including all industrial and commercial zoning
30 districts, except where prohibited for public health or safety reasons or the protection of wildlife
31 habitat.

32 (h) Adaptive reuse. Notwithstanding any other provisions of this chapter, adaptive reuse
33 for the conversion of any commercial building, including offices, schools, religious facilities,
34 medical buildings, and malls into residential units or mixed-use developments which include the

1 development of at least fifty percent (50%) of the existing gross floor area into residential units,
2 shall be a permitted use and allowed by specific and objective provisions of a zoning ordinance,
3 except where such is prohibited by environmental land use restrictions recorded on the property by
4 the state of Rhode Island department of environmental management or the United States
5 Environmental Protection Agency preventing the conversion to residential use.

6 (1) The specific zoning ordinance provisions for adaptive reuse shall exempt adaptive reuse
7 developments from off-street parking requirements of over one space per dwelling unit.

8 (2) **Density.**

9 (i) For projects that meet the following criteria, zoning ordinances shall allow for high
10 density development and shall not limit the density to less than fifteen (15) dwelling units per acre:

11 (A) Where the project is limited to the existing footprint, except that the footprint is allowed
12 to be expanded to accommodate upgrades related to the building and fire codes and utilities; and

13 (B) The development includes at least twenty percent (20%) low- and moderate-income
14 housing; and

15 (C) The development has access to public sewer and water service or has access to adequate
16 private water, such as a well and and/or wastewater treatment system(s) approved by the relevant
17 state agency for the entire development as applicable.

18 (ii) For all other adaptive reuse projects, the residential density permitted in the converted
19 structure shall be the maximum allowed that otherwise meets all standards of minimum housing
20 and has access to public sewer and water service or has access to adequate private water, such as a
21 well, and wastewater treatment system(s) approved by the relevant state agency for the entire
22 development, as applicable. The density proposed shall be determined to meet all public health and
23 safety standards.

24 (3) Notwithstanding any other provisions of this chapter, for adaptive reuse projects,
25 existing building setbacks shall remain and shall be considered legal nonconforming, but no
26 additional encroachments shall be permitted into any nonconforming setback, unless otherwise
27 allowed by zoning ordinance or relief is granted by the applicable authority.

28 (4) For adaptive reuse projects, notwithstanding any other provisions of this chapter, the
29 height of the existing structure, if it exceeds the maximum height of the zoning district, may remain
30 and shall be considered legal nonconforming, and any rooftop construction shall be included within
31 the height exemption.

32 (i) Notwithstanding any other provisions of this chapter, all towns and cities may allow
33 manufactured homes that comply with § 23-27.3-109.1.3 as a type of single-family home on any
34 lot zoned for single-family use. Such home shall comply with all dimensional requirements of a

1 single-family home in the district or seek relief for the same under the provisions of this chapter.

2 SECTION 18. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
3 adding thereto the following chapter:

4 CHAPTER 72

5 NON-OWNER OCCUPIED PROPERTY TAX ACT

6 **44-72-1. Short title.**

7 This chapter shall be known and may be cited as the "Non-Owner Occupied Property Tax
8 Act".

9 **44-72-2. Purpose.**

10 (a) The state funds cities and towns pursuant to chapter 13 of title 45.

11 (b) There is a compelling state interest in protecting the tax base of its cities and towns.

12 (c) There are numerous non-owner occupied residential properties throughout the cities
13 and towns of Rhode Island assessed at values over one million dollars (\$1,000,000).

14 (d) The existence of such properties within a city or town has an impact on the value of
15 real property within the cities and towns and the tax base within these cities and towns.

16 (e) Non-owner occupied properties sometimes place a greater demand on essential state,
17 city or town services such as police and fire protection than do occupied properties comparably
18 assessed for real estate tax purposes.

19 (f) The residents of non-owner occupied properties are not vested with a motive to maintain
20 such properties.

21 (g) The owners of non-owner occupied properties do not always contribute a fair share of
22 the costs of providing the foregoing essential state, city or town services financed in part by real
23 estate tax revenues, which revenues are solely based on the assessed value of properties.

24 (h) Some properties are deliberately left vacant by their owners in the hope that real estate
25 values will increase, thereby enabling the owners to sell these properties at a substantial profit
26 without making any of the necessary repairs or improvements to the property.

27 (i) The non-owner occupation of such property whether for profit speculation, tax benefit,
28 or any other purposes is the making use of that property and as such, is a privilege incident to the
29 ownership of the property.

30 (j) Owners of non-owner occupied properties must be encouraged to use the properties in
31 a positive manner to stop the spread of deterioration, to increase the stock of viable real estate
32 within a city or town, and to maintain real estate values within communities.

33 (k) Owners of non-owner occupied properties must be required, through a state's power to
34 tax, to pay a fair share of the cost of providing certain essential state services to protect the public

1 health, safety, and welfare.

2 (l) For all of the reasons stated within this section, the purpose of this chapter is to impose
3 a statewide tax upon non-owner occupied residential property assessed at a value of one million
4 dollars (\$1,000,000) or more.

5 **44-72-3. Definitions.**

6 The following words and phrases as used in this chapter have the following meanings:

7 (1) “Administrator” means the tax administrator within the department of revenue.

8 (2) “Assessed value” means the assessed value of the real estate as of December 31 of the
9 corresponding taxable year in accordance with § 44-5-12.

10 (3) “Non-owner occupied” means that the residential property does not serve as the owner’s
11 primary residence and is not occupied by the owner of the property for a majority of days during a
12 given taxable year.

13 (4) “Non-owner occupied tax” means the assessment imposed upon the non-owner
14 occupied residential property assessed at one million dollars (\$1,000,000) or more pursuant to this
15 chapter and as adjusted pursuant to § 44-72-6.

16 (5) “Person” means any individual, corporation, company, association, partnership, joint
17 stock association, and the legal successor thereof or any other entity or group organization against
18 which a tax may be assessed.

19 (6) “Taxable year” means July 1 through June 30.

20 **44-72-4. Imposition and proceeds of tax.**

21 (a) For taxable years beginning on or after July 1, 2026, a tax is imposed upon the privilege
22 of utilizing property as non-owner occupied residential property within the state during any taxable
23 year. The non-owner occupied tax shall be in addition to any other taxes authorized by the general
24 or public laws.

25 (b) With respect to the tax imposed, by this chapter, the tax administrator shall contribute
26 the entire tax to the low-income housing tax credit fund established pursuant to § 44-71-11.

27 **44-72-5. Exemptions.**

28 This chapter does not supersede any applicable exemption in the general or public laws.
29 In no case shall this chapter apply to, or any tax therefrom be assessed against, any properties or
30 buildings that are rented or were rented for a period of more than one hundred and eighty three
31 (183) days during the prior taxable year and subject to the provisions of chapter 18 of title 34 or
32 any properties or buildings that are rented or were rented and are subject to tax pursuant to chapter
33 18 of title 44.

34 **44-72-6. Rate of tax.**

1 The tax authorized by this chapter shall be measured by the assessed value of the real estate
2 at the rate of two dollars and fifty cents (\$2.50) for each five hundred dollars (\$500) or fractional
3 part of the assessed value in excess of one million dollars (\$1,000,000). For tax years beginning on
4 or after July 1, 2027, the assessed value threshold of one million dollars (\$1,000,000) provided
5 pursuant to this section shall be adjusted by the percentage increase in the Consumer Price Index
6 for all Urban Consumers (CPI-U) as published by the United States Department of Labor Statistics
7 determined as of September 30 of the prior calendar years. Said adjustment shall be compounded
8 annually and shall be rounded up to the nearest five-dollar (\$5.00) increment. In no event shall the
9 assessed value threshold in any tax year be less than the prior tax year.

10 **44-72-7. Returns.**

11 (a) The tax imposed by this chapter shall be due and payable in four (4) equal installments.
12 The first installment shall be paid on or before September 15 of the taxable year, the second
13 installment shall be paid on or before December 15 of the taxable year, the third installment shall
14 be paid on or before March 15 of the taxable year, and the fourth installment shall be paid on or
15 before June 15 of the taxable year.

16 (b) The tax administrator is authorized to adopt rules, pursuant to this chapter, relative to
17 the form of the return and the data that it shall contain for the correct computation of the imposed
18 tax. All returns shall be signed by the taxpayer or by its authorized representative, subject to the
19 pains and penalties of perjury. If a return shows an overpayment of the tax due, the tax administrator
20 shall refund or credit the overpayment to the taxpayer.

21 (c) The tax administrator, for good cause shown, may extend the time within which a
22 taxpayer is required to file a return. If the return is filed during the period of extension, no penalty
23 or late filing charge shall be imposed for failure to file the return at the time required by this chapter;
24 however, the taxpayer shall be liable for interest as prescribed in this chapter. Failure to file the
25 return during the period for the extension shall void the extension.

26 **44-72-8. Set-off for delinquent payment of tax.**

27 If a taxpayer shall fail to pay a tax within thirty (30) days of its due date, the tax
28 administrator may request any agency of state government making payments to the taxpayer to set-
29 off the amount of the delinquency against any payment due the taxpayer from the agency of state
30 government and remit the sum to the tax administrator. Upon receipt of the set-off request from the
31 tax administrator, any agency of state government is authorized and empowered to set-off the
32 amount of the delinquency against any payment or amounts due the taxpayer. The amount of set-
33 off shall be credited against the tax due from the taxpayer.

34 **44-72-9. Tax on available information – Interest on delinquencies – Penalties –**

1 **Collection powers.**

2 If any taxpayer shall fail to file a return within the time required by this chapter, or shall
3 file an insufficient or incorrect return, or shall not pay the tax imposed by this chapter when it is
4 due, the tax administrator shall assess the tax upon the information as may be available, which shall
5 be payable upon demand and shall bear interest at the annual rate provided by § 44-1-7, from the
6 date when the tax should have been paid. If any part of the tax not paid is due to negligence or
7 intentional disregard of the provisions of this chapter, a penalty of ten percent (10%) of the amount
8 of the determination shall be added to the tax. The tax administrator shall collect the tax with
9 interest in the same manner and with the same powers as are prescribed for collection of taxes in
10 this title.

11 **44-72-10. Claims for refund - Hearing upon denial.**

12 (a) Any taxpayer subject to the provisions of this chapter, may file a claim for refund with
13 the tax administrator at any time within two (2) years after the tax has been paid. If the tax
14 administrator determines that the tax has been overpaid, the administrator shall make a refund with
15 interest from the date of overpayment.

16 (b) Any taxpayer whose claim for refund has been denied may, within thirty (30) days from
17 the date of the mailing by the administrator of the notice of the decision, request a hearing and the
18 administrator shall, as soon as practicable, set a time and place for the hearing and shall notify the
19 taxpayer.

20 **44-72-11. Hearing by tax administrator on application.**

21 Any taxpayer aggrieved by the action of the tax administrator in determining the amount
22 of any tax or penalty imposed under the provisions of this chapter may apply to the tax
23 administrator, within thirty (30) days after the notice of the action is mailed to the taxpayer, for a
24 hearing relative to the tax or penalty. The tax administrator shall fix a time and place for the hearing
25 and shall so notify the taxpayer. Upon the hearing, the tax administrator shall correct manifest
26 errors, if any, disclosed at the hearing and thereupon assess and collect the amount lawfully due
27 together with any penalty or interest thereon.

28 **44-72-12. Appeals.**

29 (a) In any appeal from the imposition of the tax set forth in this chapter, the tax
30 administrator shall find in favor of an appellant who shows that the property assessed:

31 (1) Was actively occupied by the owner during the taxable year for more than six (6)
32 months; or

33 (2) Was exempt pursuant to the general laws or public laws from the imposition of the tax
34 set forth in this chapter.

1 (b) Appeals from administrative orders or decisions made pursuant to any provisions of
2 this chapter shall be to the sixth division district court pursuant to chapter 8 of title 8. The taxpayer's
3 right to appeal under this section shall be expressly made conditional upon prepayment of all taxes,
4 interest, and penalties unless the taxpayer moves for and is granted an exemption from the
5 prepayment requirement pursuant to § 8-8-26. If the court, after appeal, holds that the taxpayer is
6 entitled to a refund, the taxpayer shall also be paid interest on the amount at the rate provided in §
7 44-1-7.1.

8 **44-72-13. Taxpayer records.**

9 Every taxpayer shall:

10 (1) Keep records as may be necessary to determine the amount of its liability under this
11 chapter, including, but not limited to: rental agreements, payments for rent, bank statements for
12 payment of residential expenses, utility bills, and any other records establishing residency or non-
13 residency.

14 (2) Preserve those records for the period of three (3) years following the date of filing of
15 any return required by this chapter, or until any litigation or prosecution under this chapter is finally
16 determined.

17 (3) Make those records available for inspection by the administrator or authorized agents,
18 upon demand, at reasonable times during regular business hours.

19 **44-72-14. Rules and regulations.**

20 The tax administrator is authorized to make and promulgate rules, regulations, and
21 procedures not inconsistent with state law and fiscal procedures as the administrator deems
22 necessary for the proper administration of this chapter and to carry out the provisions, policies, and
23 purposes of this chapter.

24 **44-72-15. Severability.**

25 If any provision of this chapter or the application of this chapter to any person or
26 circumstances is held invalid, that invalidity shall not affect other provisions or applications of the
27 chapter that can be given effect without the invalid provision or application, and to this end the
28 provisions of this chapter are declared to be severable. It is declared to be the legislative intent that
29 this chapter would have been adopted had those provisions not been included or that person,
30 circumstance, or time period been expressly excluded from its coverage.

31 SECTION 19. Sections 3, 4, 5, 12 and 16 through 18 shall take effect upon passage.
32 Sections 1, 6 and 8 through 10 shall take effect on October 1, 2025. Sections 2, 7, 11 and 13 through
33 15 shall take effect on January 1, 2026.

ARTICLE 6 AS AMENDED

RELATING TO ECONOMIC DEVELOPMENT

SECTION 1. Sections 5-23-2 and 5-23-6 of the General Laws in Chapter 5-23 entitled "Holiday Business" are hereby amended to read as follows:

5-23-2. Licenses for holiday business.

(a) A retail establishment may be open on any day of the year except as specifically prohibited herein. A retail establishment shall not be open on ~~a holiday unless licensed by the appropriate town council pursuant to this section. The city or town council of any city or town shall grant holiday licenses for the sale by retail establishments. No license shall be issued on~~ December 25 of any year or on Thanksgiving Day, except ~~to~~:

(1) Pharmacies licensed under chapter 19.1 of this title; provided, however, that no drug (as defined in § 5-19.1-2) or controlled substance (as defined in § 5-19.1-2) requiring a prescription (as defined in § 5-19.1-2) shall be dispensed or sold unless a licensed pharmacist-in-charge (as defined in § 5-19.1-2) is available on the premises;

(2) Retail establishments that principally sell food products as defined in § 44-18-30(9) and that employ fewer than six (6) employees per shift at any one location;

(3) Retail establishments principally engaged in the sale of cut flowers, floral products, plants, shrubs, trees, fertilizers, seeds, bulbs, and garden accessories;

~~(4) Retail establishments principally engaged in the sale and/or rental of video cassette tapes; and~~

~~(5)~~(4) Retail establishments principally engaged in the preparation or sale of bakery products.

~~(b) Retail establishments licensed pursuant to this section may be permitted to open for business during holidays on their normal business working hours.~~

~~(c) Retail establishments licensed pursuant to this section shall be exempt from the provisions of chapter 1 of title 25, entitled "Holidays and Days of Special Observance," and those establishments may sell any and all items sold in the ordinary course of business with the exception of alcoholic beverages.~~

~~(d)~~ All employees engaged in work during Sundays or holidays pursuant to the provisions of this section shall receive from their employer no less than time and a half for the work so

1 performed and shall be guaranteed at least a minimum of four (4) hours employment; except those
2 employees referred to in § 28-12-4.3(a)(4), provided that the work performed by the employee is
3 strictly voluntary and refusal to work for any retail establishment on a Sunday or holiday is not a
4 ground for discrimination, dismissal, or discharge or any other penalty upon the employee. ~~The city~~
5 ~~or town council may fix and cause to be paid into the city or town treasury for each license issued~~
6 ~~pursuant to this section a fee not to exceed the sum of one hundred dollars (\$100) and may fix the~~
7 ~~time or times when the license granted terminates; provided, that the city or town council shall not~~
8 ~~charge a licensing fee to any charitable, benevolent, educational, philanthropic, humane, patriotic,~~
9 ~~social service, civic, fraternal, police, fire, labor, or religious organization that is not operated for~~
10 ~~profit.~~

11 ~~(e) Retail establishments engaged principally in the preparation or sale of bakery products~~
12 ~~and pharmacies shall be licensed prior to the sale of those products in accordance with this section;~~
13 ~~provided, that the time and one half and voluntary work provisions do not apply.~~

14 ~~(f)~~(c) Each city or town council shall fix, limit, and specify those rules, regulations, and
15 conditions relating to the granting, holding, and exercising those licenses as it deems necessary or
16 advisable and as are not inconsistent with law, and may suspend or revoke any license granted by
17 it for more than two (2) violations of those rules, regulations, and conditions during a calendar year.

18 ~~(g)~~(d) Each city or town shall grant Class A licenses authorizing retail establishments that
19 sell alcoholic beverages for consumption off of the premises within its jurisdiction to sell on
20 Sundays, alcoholic beverages in accordance with the terms of this chapter and that of title 3;
21 provided that it shall not permit such sale prior to the hour of twelve noon (12:00 p.m.) or on
22 Christmas day, if Christmas shall occur on a Sunday; provided, further, that no employee shall be
23 required to work and refusal to work on a Sunday shall not be the grounds for discrimination,
24 dismissal, discharge, deduction of hours, or any other penalty.

25 5-23-6. Enforcement — Penalties.

26 (a) Upon complaint filed with the director of labor and training by any employee or any
27 consumer, or if a minor, by his or her parent or guardian, or by the lawful collective bargaining
28 representative of an employee, that a ~~licensee under this chapter~~ person, firm, or corporation has
29 violated the terms of § 5-23-2, the director shall cause the complaint to be investigated, and if
30 satisfied that a probable violation has occurred, shall issue a complaint against the ~~licensee~~ person,
31 firm, or corporation with a notice for a hearing. The hearing shall be held before a hearing officer
32 of the department of labor and training. If the director concludes on the basis of the hearing record
33 that a violation has occurred, he or she shall issue a cease and desist order to the ~~licensee~~ person,
34 firm, or corporation, or he or she shall refer the complaint to the attorney general for appropriate

1 action as provided in subsection (c) of this section. The director shall issue regulations in
2 conformity with law and preserving the rights of due process of all parties to implement the
3 provisions of this subsection.

4 (b) Every ~~licensed or unlicensed~~ person, firm, or corporation, including its officers and
5 officials, who or that violates ~~any of the provisions of his, her, or its license or~~ the provisions of
6 this chapter, except as set forth in subsection (a) of this section, shall be fined not exceeding five
7 hundred dollars (\$500) for the first offense and not exceeding one thousand dollars (\$1,000) for
8 each additional offense.

9 (c) Except as otherwise provided in subsections (a) and (b) of this section, suit for violation
10 of the provisions of this chapter, praying for criminal or civil injunctive or other relief, may be
11 instituted in the superior court by any city or town or by the attorney general.

12 (d) The penalty for opening and operating a business on December 25th of any year or on
13 Thanksgiving Day, unless excepted, is, in addition to subsection (b) of this section, a fine not
14 exceeding thirty percent (30%) of the sales or proceeds for that day.

15 SECTION 2. Sections 5-23-3, 5-23-4 and 5-23-5 of the General Laws in Chapter 5-23
16 entitled "Holiday Business" are hereby repealed.

17 ~~5-23-3. Works of necessity for which license not required.~~

18 ~~A license is not required for the sale upon a holiday of gasoline, oil, grease, automotive~~
19 ~~parts, automotive servicing, or automotive accessories, or for the conducting on that day by any~~
20 ~~farmers' cooperative association of a wholesale auction market of fruit, vegetables, and farm~~
21 ~~products, all of which are declared to be works of necessity.~~

22 ~~5-23-4. Terms and conditions of license — Revocation.~~

23 ~~Any city or town council in each case of granting the license shall fix, limit, and specify in~~
24 ~~the license the hours of the day during which the licensee or licensees may operate and may make~~
25 ~~those rules, regulations, and conditions relative to the granting, holding, and exercising those~~
26 ~~licenses that it deems necessary or advisable and that are not inconsistent with law, and may at any~~
27 ~~time at its pleasure suspend or revoke the license that it granted. The license shall be displayed in~~
28 ~~a conspicuous place on the premises licensed.~~

29 ~~5-23-5. Place of operation — Delivery carts.~~

30 ~~The license shall not authorize any sale, rental, or operation at any place not specified in~~
31 ~~the license. The license is deemed to include permission to deliver by means of or sell from any~~
32 ~~cart or other vehicle, ice, milk, or newspapers; provided the number of carts or vehicles to be used~~
33 ~~for that purpose shall be specified in the license and there shall be displayed on each cart or vehicle~~
34 ~~while in that use any evidence that the city or town council prescribes that it is being used pursuant~~

1 ~~to that license.~~

2 SECTION 3. Section 5-50-4 of the General Laws in Chapter 5-50 entitled "Health Clubs"
3 is hereby amended to read as follows:

4 5-50-4. Contract contents — Notice to buyer of right to cancel contract — Right of contract
5 cancellation — Refund.

6 (a) A copy of every health club contract shall be delivered to the buyer at the time the
7 contract is signed.

8 (b)(1) All health club contracts must be in writing signed by the buyer; must designate the
9 date on which the buyer actually signs the contract; and must contain a statement of the buyer's
10 rights that substantially complies with this section.

11 (2) The statement must appear in the contract under the conspicuous caption "BUYER'S
12 RIGHT TO CANCEL," and read as follows:

13 "If you wish to cancel this contract, you may cancel in person, by electronic mail or by
14 mail to the seller. You must give notice, in writing, that you do not wish to be bound by the contract.
15 This notice must be delivered, electronically transmitted, or mailed before midnight of the tenth
16 (10th) business day after the date of the contract so entered into. All cancellations must be delivered,
17 electronically transmitted, or mailed to: (Insert name, electronic mail address, and mailing address
18 of health club)."

19 (3) Proof of in-person cancellation shall be effectuated by writing "cancellation" and the
20 date of cancellation across the contract.

21 (4) The buyer shall receive a copy of the contract.

22 (5) The signature of the person employed by the health club who registers the cancellation
23 must also appear on the contract.

24 (c) Every contract for health club services shall provide that the contract may be cancelled
25 before midnight of the tenth (10th) day after the date of the contract so entered into. The notice of
26 the buyer's cancellation of his or her contract shall be in writing and shall be made in person or by
27 electronic mail to the seller at an electronic mail address that shall be specified in the contract or
28 by mail to the seller at the address specified in the contract.

29 (d) Every contract for health club services shall provide clearly and conspicuously, in
30 writing, that after the expiration of the ten-day (10) period for cancellation as provided in subsection

31 (b)(2):

32 (1) The buyer shall be relieved from any and all obligations under the contract, and shall
33 be entitled to a refund of any prepaid membership under the contract if:

34 (i) A buyer relocates further than fifteen (15) miles from a comparable health club facility

1 operated by the seller;

2 (ii) If a health club facility relocates further than fifteen (15) miles from its current location,

3 or the seller does not maintain a health club service within a fifteen (15) mile radius from its current

4 location; or

5 (iii) If the health club services or facilities are not available to the buyer because the seller

6 fails to open a planned health club or location, permanently discontinues operation of the health

7 club or location, or substantially changes the operation;

8 (2) If a buyer becomes significantly physically or medically disabled for a period in excess

9 of three (3) months during the membership term, he or she has the option:

10 (i) To be relieved of liability for payment on that portion of the contract term for which the

11 purchaser is disabled and receive a full refund of any prepaid membership on the contract; or

12 (ii) To extend the duration of the contract at no additional cost for a period equal to the

13 duration of the disability. The health club may require that a doctor's certificate be submitted as

14 verification of the disability;

15 (3) In the event of the buyer's death, his or her estate shall be relieved of any further

16 obligation for payment under the contract and shall be entitled to a refund for any prepaid

17 membership for the unused portion of the contract. The health club may require verification of

18 death;

19 (4) In the event of a sale of health club ownership, the contract is voidable at the option of

20 the buyer.

21 (e) A health club contract that does not comply with the provisions of this chapter is

22 voidable at the option of the buyer.

23 (f) Upon cancellation pursuant to this section, the buyer shall be free of any and all

24 obligations under the contract, and any prepaid monies pursuant to this contract shall be refunded

25 within fifteen (15) business days of receipt of the notice of cancellation. The right of cancellation

26 shall not be affected by the terms of the contract and may not be waived or surrendered.

27 (g) Notice of the buyer's right to cancel and the method of cancellation under this section

28 shall also be posted clearly and conspicuously on the premises of the health club.

29 SECTION 4. Section 5-78-2 of the General Laws in Chapter 5-78 entitled "Dating

30 Services" is hereby amended to read as follows:

31 5-78-2. Contract requirements.

32 (a) Each contract for social referral services shall provide that such contract may be

33 cancelled at any time up until midnight of the third (3rd) business day after the date of receipt by

34 the buyer of a copy of the written contract, by written notice, delivered by [electronic mail to the](#)

1 [seller at an electronic mail address that shall be specified in the contract or by](#) certified or registered
2 United States mail to the seller at an address that shall be specified in the contract.

3 (b)(1) In every contract for social referral services, the seller shall furnish to the buyer a
4 fully completed copy of the contract at the time of its execution, which shows the date of the
5 transaction and contains the name, [electronic mail address](#), and address of the seller, and in the
6 immediate proximity to the space reserved in the contract for the signature of the buyer and in not
7 less than ten-point (10) boldface type, a statement in substantially the following form:

8 “You, the buyer, may cancel this contract at any time prior to midnight of the third business
9 day after your receipt of this contract. See the attached notice of cancellation for an explanation of
10 this right.”

11 (2) At the time the buyer signs the social referral services contract, a statement captioned
12 "Notice of Cancellation" shall be contained in the contract and shall contain, in not less than ten-
13 point (10) boldface type, the following information and statements:

14 “Notice of Cancellation”

15 “ _____ (Date of Transaction)

16 You may cancel this contract, without any penalty or obligation, at any time prior to
17 midnight of the third business day after your receipt of this contract by mailing this signed and
18 dated notice of cancellation by certified or registered United States mail to the seller at the following
19 address: _____. [You may also cancel this contract, without any penalty](#)
20 [or obligation, at any time prior to midnight of the third business day after your receipt of this](#)
21 [contract by electronically transmitting this contract by electronic mail to the seller at the following](#)
22 [electronic mail address: _____](#). If you cancel,
23 any payments made by you under the contract will be returned within ten (10) business days
24 following receipt by the seller of your cancellation notice.”

25 (3) All moneys paid pursuant to any contract for social referral services shall be refunded
26 within ten (10) business days of receipt of the notice of cancellation.

27 (c) The consumer’s right of rescission shall not be waived, sold, or abrogated in any way
28 or manner.

29 SECTION 5. Sections 42-64.20-5 and 42-64.20-10 of the General Laws in Chapter 42-
30 64.20 entitled "Rebuild Rhode Island Tax Credit" are hereby amended to read as follows:

31 42-64.20-5. Tax credits.

32 (a) An applicant meeting the requirements of this chapter may be allowed a credit as set
33 forth hereinafter against taxes imposed upon such person under applicable provisions of title 44 of
34 the general laws for a qualified development project.

1 (b) To be eligible as a qualified development project entitled to tax credits, an applicant's
2 chief executive officer or equivalent officer shall demonstrate to the commerce corporation, at the
3 time of application, that:

4 (1) The applicant has committed a capital investment or owner equity of not less than
5 twenty percent (20%) of the total project cost;

6 (2) There is a project financing gap in which after taking into account all available private
7 and public funding sources, the project is not likely to be accomplished by private enterprise
8 without the tax credits described in this chapter; and

9 (3) The project fulfills the state's policy and planning objectives and priorities in that:

10 (i) The applicant will, at the discretion of the commerce corporation, obtain a tax
11 stabilization agreement from the municipality in which the real estate project is located on such
12 terms as the commerce corporation deems acceptable;

13 (ii) It (A) Is a commercial development consisting of at least 25,000 square feet occupied
14 by at least one business employing at least 25 full-time employees after construction or such
15 additional full-time employees as the commerce corporation may determine; (B) Is a multi-family
16 residential development in a new, adaptive reuse, certified historic structure, or recognized
17 historical structure consisting of at least 20,000 square feet and having at least 20 residential units
18 in a hope community; or (C) Is a mixed-use development in a new, adaptive reuse, certified historic
19 structure, or recognized historical structure consisting of at least 25,000 square feet occupied by at
20 least one business, subject to further definition through rules and regulations promulgated by the
21 commerce corporation; and

22 (iii) Involves a total project cost of not less than \$5,000,000, except for a qualified
23 development project located in a hope community or redevelopment area designated under § 45-
24 32-4 in which event the commerce corporation shall have the discretion to modify the minimum
25 project cost requirement.

26 (4) Until July 1, 2025, pursuant to P. L. 2022 ch. 271 and P. L. 2022 ch. 272, for
27 construction projects in excess of ten million dollars (\$10,000,000), all construction workers shall
28 be paid in accordance with the wages and benefits required pursuant to chapter 13 of title 37 with
29 all contractors and subcontractors required to file certified payrolls on a monthly basis for all work
30 completed in the preceding month on a uniform form prescribed by the director of labor and
31 training. Failure to follow the requirements pursuant to chapter 13 of title 37 shall constitute a
32 material violation and a material breach of the agreement with the state. The commerce corporation,
33 in consultation with the director of labor and training and the tax administrator, shall promulgate
34 such rules and regulations as are necessary to implement the enforcement of this subsection. The

1 provisions of this subsection shall expire and sunset on July 1, 2025.

2 (5) Notwithstanding any general or special law or rule or regulation to the contrary, for
3 construction projects awarded a tax credit agreement on or after July 1, 2025, and involving a
4 budget of direct hard construction costs (as defined in § 44-33.6-2) in excess of twenty-five million
5 dollars (\$25,000,000), all construction workers shall be paid in accordance with the wages and
6 benefits required pursuant to chapter 13 of title 37 with all contractors and subcontractors required
7 to file certified payrolls on a monthly basis for all work completed in the preceding month on a
8 uniform form prescribed by the director of labor and training. Failure to follow the requirements
9 pursuant to chapter 13 of title 37 shall constitute a material violation and a material breach of the
10 agreement with the state. The commerce corporation, in consultation with the director of labor and
11 training and the tax administrator, shall promulgate such rules and regulations as are necessary to
12 implement the enforcement of this subsection.

13 (c) The commerce corporation shall develop separate, streamlined application processes
14 for the issuance of rebuild RI tax credits for each of the following:

- 15 (1) Qualified development projects that involve certified historic structures;
16 (2) Qualified development projects that involve recognized historical structures;
17 (3) Qualified development projects that involve at least one manufacturer; and
18 (4) Qualified development projects that include affordable housing or workforce housing.

19 (d) Applications made for a historic structure or recognized historic structure tax credit
20 under chapter 33.6 of title 44 shall be considered for tax credits under this chapter. The division of
21 taxation, at the expense of the commerce corporation, shall provide communications from the
22 commerce corporation to those who have applied for and are in the queue awaiting the offer of tax
23 credits pursuant to chapter 33.6 of title 44 regarding their potential eligibility for the rebuild RI tax
24 credit program.

25 (e) Applicants (1) Who have received the notice referenced in subsection (d) above and
26 who may be eligible for a tax credit pursuant to chapter 33.6 of title 44; (2) Whose application
27 involves a certified historic structure or recognized historical structure; or (3) Whose project is
28 occupied by at least one manufacturer shall be exempt from the requirements of subsections
29 (b)(3)(ii) and (b)(3)(iii). The following procedure shall apply to such applicants:

30 (i) The division of taxation shall remain responsible for determining the eligibility of an
31 applicant for tax credits awarded under chapter 33.6 of title 44;

32 (ii) The commerce corporation shall retain sole authority for determining the eligibility of
33 an applicant for tax credits awarded under this chapter; ~~and~~

34 (iii) The commerce corporation shall not award in excess of fifteen percent (15%) of the

1 annual amount authorized in any fiscal year to applicants seeking tax credits pursuant to this
2 subsection (e); and

3 (iv) No tax credits shall be awarded under this chapter unless the commerce corporation
4 receives confirmation from the department of labor and training that there has been compliance
5 with the prevailing wage requirements set forth in subsection (b) of this section.

6 (f) Maximum project credit.

7 (1) For qualified development projects, the maximum tax credit allowed under this chapter
8 shall be the lesser of (i) Thirty percent (30%) of the total project cost; or (ii) The amount needed to
9 close a project financing gap (after taking into account all other private and public funding sources
10 available to the project), as determined by the commerce corporation.

11 (2) The credit allowed pursuant to this chapter, inclusive of any sales and use tax
12 exemptions allowed pursuant to this chapter, shall not exceed fifteen million dollars (\$15,000,000)
13 for any qualified development project under this chapter; except as provided in subsection (f)(3) of
14 this section; provided however, any qualified development project that exceeds the project cap upon
15 passage of this act shall be deemed not to exceed the cap, shall not be reduced, nor shall it be further
16 increased. No building or qualified development project to be completed in phases or in multiple
17 projects shall exceed the maximum project credit of fifteen million dollars (\$15,000,000) for all
18 phases or projects involved in the rehabilitation of the building. Provided, however, that for
19 purposes of this subsection and no more than once in a given fiscal year, the commerce corporation
20 may consider the development of land and buildings by a developer on the "I-195 land" as defined
21 in § 42-64.24-3(6) as a separate, qualified development project from a qualified development
22 project by a tenant or owner of a commercial condominium or similar legal interest including
23 leasehold improvement, fit out, and capital investment. Such qualified development project by a
24 tenant or owner of a commercial condominium or similar legal interest on the I-195 land may be
25 exempted from subsection (f)(1)(i) of this section.

26 (3) The credit allowed pursuant to this chapter, inclusive of any sales and use tax
27 exemptions allowed pursuant to this chapter, shall not exceed twenty-five million dollars
28 (\$25,000,000) for the project for which the I-195 redevelopment district was authorized to enter
29 into a purchase and sale agreement for parcels 42 and P4 on December 19, 2018, provided that
30 project is approved for credits pursuant to this chapter by the commerce corporation.

31 (4) For qualified development projects involving the development of housing and mixed
32 use projects involving housing which are restricted to require at least twenty percent (20%) of the
33 housing units being affordable housing or workforce housing development for residents making no
34 more than between eighty percent (80%) and one hundred twenty percent (120%) of the area

median income (AMI) shall be allowed sales and use tax exemptions of up to thirty percent (30%) of the maximum project credit in addition to the maximum project credit of fifteen million dollars (\$15,000,000) pursuant to this chapter. Any sales and use tax exemptions allowed in addition to the maximum project credit shall be for purchases made by June 30, 2028.

(g) Credits available under this chapter shall not exceed twenty percent (20%) of the project cost, provided, however, that the applicant shall be eligible for additional tax credits of not more than ten percent (10%) of the project cost, if the qualified development project meets any of the following criteria or other additional criteria determined by the commerce corporation from time to time in response to evolving economic or market conditions:

(1) The project includes adaptive reuse or development of a recognized historical structure;

(2) The project is undertaken by or for a targeted industry;

(3) The project is located in a transit-oriented development area;

(4) The project includes residential development of which at least twenty percent (20%) of the residential units are designated as affordable housing or workforce housing;

(5) The project includes the adaptive reuse of property subject to the requirements of the industrial property remediation and reuse act, § 23-19.14-1 et seq.; or

(6) The project includes commercial facilities constructed in accordance with the minimum environmental and sustainability standards, as certified by the commerce corporation pursuant to Leadership in Energy and Environmental Design or other equivalent standards.

(h) Maximum aggregate credits. The aggregate sum authorized pursuant to this chapter, inclusive of any sales and use tax exemptions allowed pursuant to this chapter, shall not exceed two hundred twenty-five million dollars (\$225,000,000), excluding any tax credits allowed pursuant to subsection (f)(3) of this section.

(i) Tax credits shall not be allowed under this chapter prior to the taxable year in which the project is placed in service.

(j) The amount of a tax credit allowed under this chapter shall be allowable to the taxpayer in up to five, annual increments; no more than thirty percent (30%) and no less than fifteen percent (15%) of the total credits allowed to a taxpayer under this chapter may be allowable for any taxable year.

(k) If the portion of the tax credit allowed under this chapter exceeds the taxpayer's total tax liability for the year in which the relevant portion of the credit is allowed, the amount that exceeds the taxpayer's tax liability may be carried forward for credit against the taxes imposed for the succeeding four (4) years, or until the full credit is used, whichever occurs first. Credits allowed to a partnership, a limited liability company taxed as a partnership, or multiple owners of property

1 shall be passed through to the persons designated as partners, members, or owners respectively pro
2 rata or pursuant to an executed agreement among persons designated as partners, members, or
3 owners documenting an alternate distribution method without regard to their sharing of other tax
4 or economic attributes of such entity.

5 (l) The commerce corporation, in consultation with the division of taxation, shall establish,
6 by regulation, the process for the assignment, transfer, or conveyance of tax credits.

7 (m) For purposes of this chapter, any assignment or sales proceeds received by the taxpayer
8 for its assignment or sale of the tax credits allowed pursuant to this section shall be exempt from
9 taxation under title 44. If a tax credit is subsequently revoked or adjusted, the seller's tax calculation
10 for the year of revocation or adjustment shall be increased by the total amount of the sales proceeds,
11 without proration, as a modification under chapter 30 of title 44. In the event that the seller is not a
12 natural person, the seller's tax calculation under chapter 11, 13, 14, or 17 of title 44, as applicable,
13 for the year of revocation, or adjustment, shall be increased by including the total amount of the
14 sales proceeds without proration.

15 (n) The tax credit allowed under this chapter may be used as a credit against corporate
16 income taxes imposed under chapter 11, 13, 14, or 17 of title 44, or may be used as a credit against
17 personal income taxes imposed under chapter 30 of title 44 for owners of pass-through entities such
18 as a partnership, a limited liability company taxed as a partnership, or multiple owners of property.

19 (o) In the case of a corporation, this credit is only allowed against the tax of a corporation
20 included in a consolidated return that qualifies for the credit and not against the tax of other
21 corporations that may join in the filing of a consolidated tax return.

22 (p) Upon request of a taxpayer and subject to annual appropriation, the state shall redeem
23 this credit, in whole or in part, for ninety percent (90%) of the value of the tax credit. The division
24 of taxation, in consultation with the commerce corporation, shall establish by regulation a
25 redemption process for tax credits.

26 (q) Projects eligible to receive a tax credit under this chapter may, at the discretion of the
27 commerce corporation, be exempt from sales and use taxes imposed on the purchase of the
28 following classes of personal property only to the extent utilized directly and exclusively in the
29 project: (1) Furniture, fixtures, and equipment, except automobiles, trucks, or other motor vehicles;
30 or (2) Other materials, including construction materials and supplies, that are depreciable and have
31 a useful life of one year or more and are essential to the project.

32 (r) The commerce corporation shall promulgate rules and regulations for the administration
33 and certification of additional tax credit under subsection (g), including criteria for the eligibility,
34 evaluation, prioritization, and approval of projects that qualify for such additional tax credit.

(s) The commerce corporation shall not have any obligation to make any award or grant any benefits under this chapter.

42-64.20-10. Sunset.

No credits shall be authorized to be reserved pursuant to this chapter after December 31, ~~2025~~ 2026.

SECTION 6. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled "Rhode Island Tax Increment Financing" is hereby amended to read as follows:

42-64.21-9. Sunset.

The commerce corporation shall enter into no agreement under this chapter after December 31, ~~2025~~ 2026.

SECTION 7. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled "Tax Stabilization Incentive" is hereby amended to read as follows:

42-64.22-15. Sunset.

The commerce corporation shall enter into no agreement under this chapter after December 31, ~~2025~~ 2026.

SECTION 8. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled "First Wave Closing Fund" is hereby amended to read as follows:

42-64.23-8. Sunset.

No financing shall be authorized to be reserved pursuant to this chapter after December 31, ~~2025~~ 2026.

SECTION 9. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled "I-195 Redevelopment Project Fund" is hereby amended to read as follows:

42-64.24-8. Sunset.

No funding, credits, or incentives shall be authorized or authorized to be reserved pursuant to this chapter after December 31, ~~2025~~ 2026.

SECTION 10. Section 42-64.25-14 of the General Laws in Chapter 42-64.25 entitled "Small Business Assistance Program" is hereby amended to read as follows:

42-64.25-14. Sunset.

No grants, funding, or incentives shall be authorized pursuant to this chapter after December 31, ~~2025~~ 2028.

SECTION 11. Section 42-64.26-3 of the General Laws in Chapter 42-64.26 entitled "Stay Invested in RI Wavemaker Fellowships" is hereby amended to read as follows:

42-64.26-3. Definitions.

As used in this chapter:

1 (1) “Applicant” means an eligible graduate who applies for a tax credit for education loan
2 repayment expenses under this chapter.

3 (2) “Award” means a tax credit awarded by the commerce corporation to an applicant as
4 provided under this chapter.

5 (3) “Commerce corporation” means the Rhode Island commerce corporation established
6 pursuant to chapter 64 of this title.

7 (4) “Eligibility period” means a term of up to four (4) consecutive service periods
8 beginning with the date that an eligible graduate receives initial notice of award under this chapter
9 and expiring at the conclusion of the fourth service period after such date specified.

10 (5) “Eligibility requirements” means the following qualifications or criteria required for an
11 applicant to claim an award under this chapter:

12 (i) That the applicant shall have graduated from an accredited two-year (2), four-year (4),
13 or graduate postsecondary institution of higher learning with an associate’s, bachelor’s, graduate,
14 or post-graduate degree and at which the applicant incurred education loan repayment expenses;

15 (ii) That the applicant shall be a full-time employee with a Rhode Island-based employer
16 located in this state throughout the eligibility period, whose employment is:

17 (A) For work in one or more of the following covered fields: life, natural or environmental
18 sciences; computer, information or software technology; advanced mathematics or finance;
19 engineering; industrial design or other commercially related design field; or medicine or medical
20 device technology;

21 (B) As a teacher; or

22 (C) As a healthcare applicant.

23 (6) “Eligible expenses” or “education loan repayment expenses” means annual higher
24 education loan repayment expenses, including, without limitation, principal, interest and fees, as
25 may be applicable, incurred by an eligible graduate and which the eligible graduate is obligated to
26 repay for attendance at a postsecondary institution of higher learning.

27 (7) “Eligible graduate” means an individual who meets the eligibility requirements under
28 this chapter.

29 (8) “Full-time employee” means:

30 (i) A person who is employed by a business for consideration for a minimum of at least
31 thirty-five (35) hours per week, or who renders any other standard of service generally accepted by
32 custom or practice as full-time employment, or who is employed by a professional employer
33 organization pursuant to an employee leasing agreement between the business and the professional
34 employer organization for a minimum of thirty-five (35) hours per week, or who renders any other

1 standard of service generally accepted by custom or practice as full-time employment, and whose
2 wages are subject to withholding; or

3 (ii) A healthcare applicant, as defined pursuant to the provisions of this section, who works
4 or professionally provides healthcare services for a minimum of thirty-five (35) hours per week as
5 a sole proprietor, as a partner in a healthcare service partnership, or as a member in a single member
6 limited liability company ("LLC") to include any healthcare applicant who has completed an
7 application pursuant to the provisions of § 42-64.26-5 on or after July 1, 2022.

8 (9) "Fund" refers to the "Stay Invested in RI Wavemaker Fellowship Fund" established
9 pursuant to § 42-64.26-4(a).

10 (10) "Healthcare applicant" means any applicant who meets the eligibility requirements
11 and works as a full-time employee or in a capacity as defined in subsection 8(ii) of this section, as
12 a high-demand healthcare practitioner or mental health professional, including, but not limited to,
13 clinical social workers and mental health counselors licensed by the department of health, and as
14 defined in regulations to be promulgated by the commerce corporation, in consultation with the
15 executive office of health and human services, pursuant to chapter 35 of this title.

16 (11) "Primary care" means healthcare services that cover a range of prevention, wellness,
17 and treatment for common illnesses and injuries. Primary care includes patients making an initial
18 approach to a healthcare professional for treatment as well as long-term relationships established
19 between a patient and a healthcare professional and may include family medicine or medical care,
20 general internal medicine or medical care, and general medical practice.

21 (12) "Rhode Island-based employer" means: (i) An employer having a principal place of
22 business or at least fifty-one percent (51%) of its employees located in this state; or (ii) An employer
23 registered to conduct business in this state that reported Rhode Island tax liability in the previous
24 tax year.

25 (13) "Service period" means a twelve-month (12) period beginning on the date that an
26 eligible graduate receives initial notice of award under this chapter.

27 (14) "Student loan" means a loan to an individual by a public authority or private lender to
28 assist the individual to pay for tuition, books, and living expenses in order to attend a postsecondary
29 institution of higher learning.

30 (15) "Taxpayer" means an applicant who receives a tax credit under this chapter.

31 (16) "Teacher" shall have the meaning prescribed to it in rules and regulations to be
32 promulgated by the commerce corporation in consultation with the Rhode Island department of
33 elementary and secondary education.

34 SECTION 12. Section 42-64.26-12 of the General Laws in Chapter 42-64.26 entitled "Stay

1 Invested in RI Wavemaker Fellowships" is hereby amended to read as follows:

2 42-64.26-12. Sunset.

3 No incentives or credits shall be authorized pursuant to this chapter after December 31,
4 ~~2025~~ 2026.

5 SECTION 13. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled "Main
6 Street Rhode Island Streetscape Improvement Fund" is hereby amended to read as follows:

7 42-64.27-6. Sunset.

8 No incentives shall be authorized pursuant to this chapter after December 31, ~~2025~~ 2026.

9 SECTION 14. Section 42-64.28-10 of the General Laws in Chapter 42-64.28 entitled
10 "Innovation Initiative" is hereby amended to read as follows:

11 42-64.28-10. Sunset.

12 No vouchers, grants, or incentives shall be authorized pursuant to this chapter after
13 December 31, ~~2025~~ 2026.

14 SECTION 15. Section 44-33.6-3 of the General Laws in Chapter 44-33.6 entitled "Historic
15 Preservation Tax Credits 2013" is hereby amended to read as follows:

16 **44-33.6-3. Tax credit.**

17 (a) Subject to the maximum credit provisions set forth in subsections (c) and (d) below,
18 any person, firm, partnership, trust, estate, limited liability company, corporation (whether for
19 profit or nonprofit) or other business entity that incurs qualified rehabilitation expenditures for the
20 substantial rehabilitation of a certified historic structure, provided the rehabilitation meets standards
21 consistent with the standards of the Secretary of the United States Department of the Interior for
22 rehabilitation as certified by the commission and said person, firm, partnership, trust, estate, limited
23 liability company, corporation or other business entity is not a social club as defined in § 44-33.6-
24 2, shall be entitled to a credit against the taxes imposed on such person or entity pursuant to chapter
25 11, 12, 13, 14, 17, or 30 of this title in an amount equal to the following:

26 (1) Twenty percent (20%) of the qualified rehabilitation expenditures; or

27 (2) Twenty-five percent (25%) of the qualified rehabilitation expenditures provided that
28 either:

29 (i) At least twenty-five percent (25%) of the total rentable area of the certified historic
30 structure will be made available for a trade or business; or

31 (ii) The entire rentable area located on the first floor of the certified historic structure will
32 be made available for a trade or business.

33 (b) Tax credits allowed pursuant to this chapter shall be allowed for the taxable year in
34 which such certified historic structure or an identifiable portion of the structure is placed in service

1 provided that the substantial rehabilitation test is met for such year.

2 (c) Maximum project credit. The credit allowed pursuant to this chapter shall not exceed
3 five million dollars (\$5,000,000) for any certified rehabilitation project under this chapter. No
4 building to be completed in phases or in multiple projects shall exceed the maximum project credit
5 of five million dollars (\$5,000,000) for all phases or projects involved in the rehabilitation of such
6 building.

7 (d) Maximum aggregate credits. The aggregate credits authorized to be reserved pursuant
8 to this chapter shall not exceed sums estimated to be available in the historic preservation tax credit
9 trust fund pursuant to this chapter.

10 (e) Subject to the exception provided in subsection (g) of this section, if the amount of the
11 tax credit exceeds the taxpayer's total tax liability for the year in which the substantially
12 rehabilitated property is placed in service, the amount that exceeds the taxpayer's tax liability may
13 be carried forward for credit against the taxes imposed for the succeeding ten (10) years, or until
14 the full credit is used, whichever occurs first for the tax credits. Credits allowed to a partnership, a
15 limited liability company taxed as a partnership, or multiple owners of property shall be passed
16 through to the persons designated as partners, members, or owners respectively pro rata or pursuant
17 to an executed agreement among such persons designated as partners, members, or owners
18 documenting an alternate distribution method without regard to their sharing of other tax or
19 economic attributes of such entity. Credits may be allocated to partners, members, or owners that
20 are exempt from taxation under section 501(c)(3), section (c)(4) or section 501(c)(6) of the U.S.
21 Code and these partners, members, or owners must be treated as taxpayers for purposes of this
22 section.

23 (f) If the taxpayer has not claimed the tax credits in whole or part, taxpayers eligible for
24 the tax credits may assign, transfer, or convey the credits, in whole or in part, by sale or otherwise
25 to any individual or entity, including, but not limited to, condominium owners in the event the
26 certified historic structure is converted into condominiums and assignees of the credits that have
27 not claimed the tax credits in whole or part may assign, transfer, or convey the credits, in whole or
28 in part, by sale or otherwise to any individual or entity. The assignee of the tax credits may use
29 acquired credits to offset up to one hundred percent (100%) of the tax liabilities otherwise imposed
30 pursuant to chapter 11, 12, 13 (other than the tax imposed under § 44-13-13), 14, 17, or 30 of this
31 title. The assignee may apply the tax credit against taxes imposed on the assignee until the end of
32 the tenth calendar year after the year in which the substantially rehabilitated property is placed in
33 service or until the full credit assigned is used, whichever occurs first. Fiscal year assignees may
34 claim the credit until the expiration of the fiscal year that ends within the tenth year after the year

1 in which the substantially rehabilitated property is placed in service. The assignor shall perfect the
2 transfer by notifying the state of Rhode Island division of taxation, in writing, within thirty (30)
3 calendar days following the effective date of the transfer and shall provide any information as may
4 be required by the division of taxation to administer and carry out the provisions of this section.

5 For purposes of this chapter, any assignment or sales proceeds received by the taxpayer for
6 its assignment or sale of the tax credits allowed pursuant to this section shall be exempt from this
7 title. If a tax credit is subsequently recaptured under this chapter, revoked, or adjusted, the seller's
8 tax calculation for the year of revocation, recapture, or adjustment shall be increased by the total
9 amount of the sales proceeds, without proration, as a modification under chapter 30 of this title. In
10 the event that the seller is not a natural person, the seller's tax calculation under chapter 11, 12, 13
11 (other than with respect to the tax imposed under § 44-13-13), 14, 17, or 30 of this title, as
12 applicable, for the year of revocation, recapture, or adjustment, shall be increased by including the
13 total amount of the sales proceeds without proration.

14 (g) Credits allowed to partners, members, or owners that are exempt from taxation under
15 section 501(c)(3), section (c)(4) or section 501(c)(6) of the U.S. Code, and only said credits, shall
16 be fully refundable.

17 (h) Substantial rehabilitation of property that either:

18 (1) Is exempt from real property tax;

19 (2) Is a social club; or

20 (3) Consists of a single-family home or a property that contains less than three (3)
21 residential apartments or condominiums shall be ineligible for the tax credits authorized under this
22 chapter; provided, however, a scattered site development with five (5) or more residential units in
23 the aggregate (which may include single-family homes) shall be eligible for tax credit. In the event
24 a certified historic structure undergoes a substantial rehabilitation pursuant to this chapter and
25 within twenty-four (24) months after issuance of a certificate of completed work the property
26 becomes exempt from real property tax, the taxpayer's tax for the year shall be increased by the
27 total amount of credit actually used against the tax.

28 (i) In the case of a corporation, this credit is only allowed against the tax of a corporation
29 included in a consolidated return that qualifies for the credit and not against the tax of other
30 corporations that may join in the filing of a consolidated tax return.

31 (j) For construction projects awarded a tax credit agreement on or after July 1, 2025, and
32 involving a budget of direct hard construction costs (as defined in § 44-33.6-2) in excess of ~~ten~~
33 ~~million dollars (\$10,000,000)~~ twenty-five million dollars (\$25,000,000), all construction workers
34 shall be paid in accordance with the wages and benefits required pursuant to chapter 13 of title 37

1 and all contractors and subcontractors shall file certified payrolls on a monthly basis for all work
2 completed in the preceding month on a uniform form prescribed by the director of labor and
3 training. Failure to follow the requirements pursuant to chapter 13 of title 37 shall constitute a
4 material violation and a material breach of the agreement with the state. The tax administrator, in
5 consultation with the director of labor and training, shall promulgate such rules and regulations as
6 are necessary to implement the enforcement of this subsection.

7 (k) No tax credits shall be awarded under this chapter unless the division of taxation
8 receives confirmation from the department of labor and training that there has been compliance
9 with the prevailing wage requirements set forth in subsection (j) of this section.

10 SECTION 16. Section 44-48.3-14 of the General Laws in Chapter 44-48.3 entitled "Rhode
11 Island New Qualified Jobs Incentive Act 2015" is hereby amended to read as follows:

12 44-48.3-14. Sunset.

13 No credits shall be authorized to be reserved pursuant to this chapter after December 31,
14 ~~2025~~ 2026.

15 SECTION 17. All sections of this article shall take effect upon passage, except Section 1
16 and Section 2, which shall take effect on January 1, 2026.

ARTICLE 7 AS AMENDED

RELATING TO EDUCATION

SECTION 1. Section 16-7-22 of the General Laws in Chapter 16-7 entitled "Foundation Level School Support [See Title 16 Chapter 97 — The Rhode Island Board of Education Act]" is hereby amended to read as follows:

16-7-22. Determination of average daily membership.

Each community shall be paid pursuant to the provisions of § 16-7-17 an amount based upon the following provisions:

(1) On or before September 1 of each year the average daily membership of each city and town for the reference year shall be determined by the commissioner of elementary and secondary education from data supplied by the school committee in each community in the following manner: The aggregate number of days of membership of all pupils enrolled full time in grade twelve (12) and below, except that pupils below grade one who are not full time shall be counted on a full-time equivalent basis: (i) Increased by the aggregate number of days of membership of pupils residing in the particular city or town whose tuition in schools approved by the department of elementary and secondary education in other cities and towns is paid by the particular city or town; and (ii) Decreased by the aggregate number of days of membership of nonresident pupils enrolled in the public schools of the particular city or town ~~and further decreased by the aggregate number of days of membership equal to the number of group home beds calculated for the purposes of reimbursement pursuant to § 16-64-1.1;~~ and (iii) Decreased further, in the case of a city or town that is a member of a regional school district during the first year of operation of the regional school district by the aggregate number of days of membership of pupils residing in the city or town who would have attended the public schools in the regional school district if the regional school district had been operating during the previous year, divided by the number of days during which the schools were officially in session during the reference year. The resulting figures shall be the average daily membership for the city or town for the reference year. For purposes of calculating the permanent foundation education aid as described in § 16-7.2-3(1) and (2), the average daily membership for school districts shall exclude charter school and state school students, and beginning in school year 2014-2015, include an estimate to ensure that districts converting from a half-day to a full-day kindergarten program pursuant to § 16-99-4 are credited on a full-time basis

beginning in the first year of enrollment and are funded notwithstanding the transition plan pursuant to § 16-7.2-7.

(2) The average daily membership of pupils attending public schools shall apply for the purposes of determining the percentage of the state's share under the provisions of §§ 16-7-16(3), 16-7-16(10), 16-7-18, 16-7-19, 16-7-20, 16-7-21, and 16-7.2-4.

(3) In the case of regional school districts, the aggregate number of days of membership by which each city or town is decreased in subsection (1)(iii) of this section, divided by the number of days during which the schools attended by the pupils were officially in session, shall determine the average daily membership for the regional school district during the first year of operation. After the first year of operation, the average daily membership of each regional school district, except the Chariho regional high school district, shall be determined by the commissioner of elementary and secondary education from data supplied by the school committee of each regional school district for the reference year in the manner provided in subsection (1) of this section.

~~(4) For all fiscal years beginning after June 30, 2024, notwithstanding subsection (1)(ii) above, the decrease for group home beds shall not apply to residential facility "beds" located or associated with the CRAFT program pursuant to § 16-64-1.1.~~

SECTION 2. Sections 16-7.2-3 and 16-7.2-5 of the General Laws in Chapter 16-7.2 entitled "The Education Equity and Property Tax Relief Act" are hereby amended to read as follows:

16-7.2-3. Permanent foundation education aid established.

(a) Beginning in the 2012 fiscal year, the following foundation education-aid formula shall take effect. The foundation education aid for each district shall be the sum of the core instruction amount in subsection (a)(1) of this section and the amount to support high-need students in subsection (a)(2) of this section, which shall be multiplied by the district state-share ratio calculated pursuant to § 16-7.2-4 to determine the foundation aid.

(1) The core instruction amount shall be an amount equal to a statewide, per-pupil core instruction amount as established by the department of elementary and secondary education, derived from the average of northeast regional expenditure data for the states of Rhode Island, Massachusetts, Connecticut, and New Hampshire from the National Center for Education Statistics (NCES) that will adequately fund the student instructional needs as described in the basic education program and multiplied by the district average daily membership as defined in § 16-7-22. Expenditure data in the following categories: instruction and support services for students, instruction, general administration, school administration, and other support services from the National Public Education Financial Survey, as published by NCES, and enrollment data from the Common Core of Data, also published by NCES, will be used when determining the core

1 instruction amount. The core instruction amount will be updated annually. For the purpose of
2 calculating this formula, school districts' resident average daily membership shall exclude charter
3 school and state-operated school students.

4 (2) The amount to support high-need students beyond the core instruction amount shall be
5 determined by:

6 (i) Multiplying a student success factor of forty percent (40%) by the core instruction per-
7 pupil amount described in subsection (a)(1) of this section and applying that amount for each
8 resident child whose family income is at or below one hundred eighty-five percent (185%) of
9 federal poverty guidelines, hereinafter referred to as "poverty status." By October 1, 2022, as part
10 of its budget submission pursuant to § 35-3-4 relative to state fiscal year 2024 and thereafter, the
11 department of elementary and secondary education shall develop and utilize a poverty measure that
12 in the department's assessment most accurately serves as a proxy for the poverty status referenced
13 in this subsection and does not rely on the administration of school nutrition programs. The
14 department shall utilize this measure in calculations pursuant to this subsection related to the
15 application of the student success factor, in calculations pursuant to § 16-7.2-4 related to the
16 calculation of the state share ratio, and in the formulation of estimates pursuant to subsection (b)
17 below. The department may also include any recommendations which seek to mitigate any
18 disruptions associated with the implementation of this new poverty measure or improve the
19 accuracy of its calculation. Beginning with the FY 2024 calculation, students whose family income
20 is at or below one hundred eighty-five percent (185%) of federal poverty guidelines will be
21 determined by participation in the supplemental nutrition assistance program (SNAP). The number
22 of students directly certified through the department of human services shall be multiplied by a
23 factor of 1.6; and

24 (ii) Multiplying a multilingual learner (MLL) factor of twenty percent (20%) by the core
25 instruction per-pupil amount described in subsection (a)(1) of this section, applying that amount
26 for each resident child identified in the three lowest proficiency categories using widely adopted,
27 independent standards and assessments in accordance with subsection (f)(1) of this section and as
28 identified by the commissioner and defined by regulations of the council on elementary and
29 secondary education. Local education agencies shall report annually to the department of
30 elementary and secondary education by September 1, outlining the planned and prior year use of
31 all funding pursuant to this subsection to provide services to MLL students in accordance with
32 requirements set forth by the commissioner of elementary and secondary education. The
33 department shall review the use of funds to ensure consistency with established best practices.

34 (b) The department of elementary and secondary education shall provide an estimate of the

1 foundation education aid cost as part of its budget submission pursuant to § 35-3-4. The estimate
2 shall include the most recent data available as well as an adjustment for average daily membership
3 growth or decline based on the prior year experience.

4 (c) In addition, the department shall report updated figures based on the average daily
5 membership as of October 1 by December 1.

6 (d) Local education agencies may set aside a portion of funds received under subsection
7 (a) to expand learning opportunities such as after school and summer programs, full-day
8 kindergarten and/or multiple pathway programs, provided that the basic education program and all
9 other approved programs required in law are funded.

10 (e) The department of elementary and secondary education shall promulgate such
11 regulations as are necessary to implement fully the purposes of this chapter.

12 (f)(1) By October 1, 2023, as part of its budget submission pursuant to § 35-3-4 relative to
13 state fiscal year 2025, the department of elementary and secondary education shall evaluate the
14 number of students by district who qualify as multilingual learner (MLL) students and MLL
15 students whose family income is at or below one hundred eighty-five percent (185%) of federal
16 poverty guidelines. The submission shall also include segmentation of these populations by levels
17 as dictated by the WIDA multilingual learner assessment tool used as an objective benchmark for
18 English proficiency. The department shall also prepare and produce expense data sourced from the
19 uniform chart of accounts to recommend funding levels required to support students at the various
20 levels of proficiency as determined by the WIDA assessment tool. Utilizing this information, the
21 department shall recommend a funding solution to meet the needs of multilingual learners; this may
22 include but not be limited to inclusion of MLL needs within the core foundation formula amount
23 through one or multiple weights to distinguish different students of need or through categorical
24 means.

25 (2) By October 1, 2024, as part of its budget submission pursuant to § 35-3-4 relative to
26 state fiscal year 2026, the department of elementary and secondary education shall develop
27 alternatives to identify students whose family income is at or below one hundred eighty-five percent
28 (185%) of federal poverty guidelines through participation in state-administered programs,
29 including, but not limited to, the supplemental nutrition assistance program (SNAP), and RItCare
30 and other programs that include the collection of required supporting documentation. The
31 department may also include any recommendations that seek to mitigate any disruptions associated
32 with implementation of this new poverty measure or improve the accuracy of its calculation.

33 (3) The department shall also report with its annual budget request information regarding
34 local contributions to education aid and compliance with §§ 16-7-23 and 16-7-24. The report shall

1 also compare these local contributions to state foundation education aid by community. The
2 department shall also report compliance to each city or town school committee and city or town
3 council.

4 (4) By October 1, 2025, as part of its budget submission pursuant to § 35-3-4 relative to
5 state fiscal year 2027, the department of elementary and secondary education shall submit a report
6 developed in coordination with the department of administration and the Rhode Island longitudinal
7 data system within the office of the postsecondary commissioner. The report shall provide an
8 overview of the process for matching the department of human services program participation data
9 to the department of elementary and secondary education student enrollment records for use in the
10 education funding formula and recommend methods to ensure consistency and accuracy in future
11 matching processes.

12 (5) As part of its FY 2027 budget submission, the department shall also submit an estimate
13 of foundation education aid that uses expanded direct certification with Medicaid matching in
14 consultation with the Rhode Island longitudinal data system and the executive office of health and
15 human services to identify students whose family income is at or below one hundred eighty-five
16 percent (185%) of federal poverty guidelines, in addition to an estimate under the current law
17 poverty determination.

18 (6) By December 31, 2025, the department of elementary and secondary education shall
19 also develop and submit a report to the governor, speaker of the house, and senate president on
20 current and recommended processes to ensure the consistency and validity of submitted high-cost
21 special education data from local education agencies.

22 **16-7.2-5. Charter public schools, the William M. Davies, Jr. Career and Technical**
23 **High School, and the Metropolitan Regional Career and Technical Center.**

24 (a) Charter public schools, as defined in chapter 77 of this title, the William M. Davies, Jr.
25 Career and Technical High School (Davies), and the Metropolitan Regional Career and Technical
26 Center (the Met Center) shall be funded pursuant to § 16-7.2-3. If the October 1 actual enrollment
27 data for any charter public school shows a ten percent (10%) or greater change from the prior year
28 enrollment that is used as the reference year average daily membership, the last six (6) monthly
29 payments to the charter public school will be adjusted to reflect actual enrollment. The state share
30 of the permanent foundation education aid shall be paid by the state directly to the charter public
31 schools, Davies, and the Met Center pursuant to § 16-7.2-9 and shall be calculated using the state-
32 share ratio of the district of residence of the student as set forth in § 16-7.2-4. The department of
33 elementary and secondary education shall provide the general assembly with the calculation of the
34 state share of permanent foundation education aid for charter public schools delineated by school

1 district.

2 (b) The local share of education funding shall be paid to the charter public school, Davies,
3 and the Met Center by the district of residence of the student and shall be the local, per-pupil cost
4 calculated by dividing the local appropriation to education from property taxes, net of debt service,
5 and capital projects, as defined in the uniform chart of accounts by the average daily membership
6 for each city and town, pursuant to § 16-7-22, for the reference year.

7 (c) Beginning in FY 2017, there shall be a reduction to the local per-pupil funding paid by
8 the district of residence to charter public schools, Davies, and the Met Center. This reduction shall
9 be equal to the greater (i) Of seven percent (7%) of the local, per-pupil funding of the district of
10 residence pursuant to subsection (b) or (ii) The per-pupil value of the district's costs for non-public
11 textbooks, transportation for non-public students, retiree health benefits, out-of-district special-
12 education tuition and transportation, services for students age eighteen (18) to twenty-one (21)
13 years old, pre-school screening and intervention, and career and technical education, tuition and
14 transportation costs, debt service and rental costs minus the average expenses incurred by charter
15 schools for those same categories of expenses as reported in the uniform chart of accounts for the
16 prior preceding fiscal year pursuant to § 16-7-16(11) and verified by the department of elementary
17 and secondary education. In the case where audited financials result in a change in the calculation
18 after the first tuition payment is made, the remaining payments shall be based on the most recent
19 audited data. For those districts whose greater reduction occurs under the calculation of (ii), there
20 shall be an additional reduction to payments to mayoral academies with teachers who do not
21 participate in the state teacher's retirement system under chapter 8 of title 36 equal to the per-pupil
22 value of teacher retirement costs attributable to unfunded liability as calculated by the state's
23 actuary for the prior preceding fiscal year. Notwithstanding the foregoing, beginning with FY 2026,
24 the reduction to the local per-pupil funding shall not exceed fourteen percent (14%).

25 (d) Local district payments to charter public schools, Davies, and the Met Center for each
26 district's students enrolled in these schools shall be made on a quarterly basis in July, October,
27 January, and April; however, the first local-district payment shall be made by August 15, instead
28 of July. Failure of the community to make the local-district payment for its student(s) enrolled in a
29 charter public school, Davies, and/or the Met Center may result in the withholding of state
30 education aid pursuant to § 16-7-31.

31 (e) Beginning in FY 2017, school districts with charter public school, Davies, and the Met
32 Center enrollment, that, combined, comprise five percent (5%) or more of the average daily
33 membership as defined in § 16-7-22, shall receive additional aid for a period of three (3) years. Aid
34 in FY 2017 shall be equal to the number of charter public school, open-enrollment schools, Davies,

1 or the Met Center students as of the reference year as defined in § 16-7-16 times a per-pupil amount
2 of one hundred seventy-five dollars (\$175). Aid in FY 2018 shall be equal to the number of charter
3 public school, open-enrollment schools, Davies, or the Met Center students as of the reference year
4 as defined in § 16-7-16 times a per-pupil amount of one hundred dollars (\$100). Aid in FY 2019
5 shall be equal to the number of charter public school, open-enrollment schools, Davies, or the Met
6 Center students as of the reference year as defined in § 16-7-16 times a per-pupil amount of fifty
7 dollars (\$50.00). The additional aid shall be used to offset the adjusted fixed costs retained by the
8 districts of residence.

9 (f) [Deleted by P.L. 2023, ch. 79, art. 8, § 2.]

10 SECTION 3. Section 16-64-1.1 of the General Laws in Chapter 16-64 entitled "Residence
11 of Children for School Purposes" is hereby amended to read as follows:

12 **16-64-1.1. Payment and reimbursement for educational costs of children placed in**
13 **foster care, group homes, or other residential facility by a Rhode Island state agency.**

14 (a) Children placed in foster care by a Rhode Island-licensed child-placing agency or a
15 Rhode Island governmental agency shall be entitled to the same free, appropriate public education
16 provided to all other residents of the city or town where the child is placed. The city or town shall
17 pay the cost of the education of the child during the time the child is in foster care in the city or
18 town.

19 (b) Children placed by the department of children, youth and families (DCYF) in a group
20 home or other residential facility that does not include the delivery of educational services are to
21 be educated by the community in which the group home or other residential facility is located, and
22 those children shall be entitled to the same free, appropriate public education provided to all other
23 residents of the city or town where the child is placed. For purposes of payment and reimbursement
24 for educational costs under this chapter, the term "group home or other residential facility" shall
25 not include independent-living programs [or the Children's Residential and Family Treatment](#)
26 [\(CRAFT\) program located on the East Providence campus of Bradley Hospital](#). Each city and town
27 that contains one or more group homes or other residential facilities that do not include delivery of
28 educational services will receive funds as part of state aid to education in accordance with the
29 following provisions:

30 (1) On December 31 of each year, the DCYF shall provide the department of elementary
31 and secondary education with a precise count of how many group home or other residential facility
32 "beds" exist in each Rhode Island city or town, counting only those "beds" in facilities that do not
33 include the delivery of educational services. The number of "beds" in each group home or other
34 residential facility shall be equal to the maximum number of children who may be placed in that

1 group home or other residential facility on any given night according to the applicable licensure
2 standards of the DCYF.

3 (2) ~~For the fiscal year beginning July 1, 2007, if the number of beds certified by DCYF for~~
4 ~~a school district by December 31, 2007, is greater than the number certified March 14, 2007, upon~~
5 ~~which the education aid for FY 2008 was appropriated, the education aid for that district will be~~
6 ~~increased by the number of increased beds multiplied by fifteen thousand dollars (\$15,000).~~
7 ~~Notwithstanding the provisions of this section or any law to the contrary, the education aid for all~~
8 ~~group home or other residential facility "beds" located or associated with the Children's Residential~~
9 ~~and Family Treatment (CRAFT) program located on the East Providence campus of Bradley~~
10 ~~Hospital shall be twenty two thousand dollars (\$22,000) per bed. The Department of Elementary~~
11 ~~and Secondary Education shall include the additional aid in equal payments in March, April, May,~~
12 ~~and June, and the Governor's budget recommendations pursuant to § 35-3-8 shall include the~~
13 ~~amounts required to provide the increased aid.~~

14 For all fiscal years beginning after June 30, 2016, education aid for each school district
15 shall include seventeen thousand dollars (\$17,000) for each bed certified by DCYF by the preceding
16 December 31. ~~Notwithstanding the provisions of this section or any law to the contrary, the~~
17 ~~education aid for all group home or other residential facility "beds" located or associated with the~~
18 ~~Children's Residential and Family Treatment (CRAFT) program located on the East Providence~~
19 ~~campus of Bradley Hospital shall be twenty six thousand dollars (\$26,000) per bed.~~ For all fiscal
20 years beginning after June 30, 2008, whenever the number of beds certified by DCYF for a school
21 district by December 31 is greater than the number certified the prior December 31 upon which the
22 education aid for that fiscal year was appropriated, the education aid for that district as enacted by
23 the assembly during the prior legislative session for that fiscal year will be increased by the number
24 of increased beds multiplied by the amount per bed authorized for that fiscal year. The Department
25 of Elementary and Secondary Education shall include the additional aid in equal payments in
26 March, April, May, and June, and the Governor's budget recommendations pursuant to § 35-3-8
27 shall include the amounts required to provide the increased aid.

28 (c) Children placed by DCYF in a residential-treatment program, group home, or other
29 residential facility, whether or not located in the state of Rhode Island, which includes the delivery
30 of educational services provided by that facility (excluding facilities where students are taught on
31 grounds for periods of time by teaching staff provided by the school district in which the facility is
32 located), shall have the cost of their education paid for as provided for in subsection (d) and § 16-
33 64-1.2. The city or town determined to be responsible to DCYF for a per-pupil special-education
34 cost pursuant to § 16-64-1.2 shall pay its share of the cost of educational services to DCYF or to

1 the facility providing educational services.

2 (d) Children placed by DCYF in group homes, child-caring facilities, community
3 residences, or other residential facilities shall have the entire cost of their education paid for by
4 DCYF if:

5 (1) The facility is operated by the state of Rhode Island or the facility has a contract with
6 DCYF to fund a pre-determined number of placements or part of the facility's program;

7 (2) The facility is state licensed; and

8 (3) The facility operates an approved, on-grounds educational program, whether or not the
9 child attends the on-grounds program.

10 (e) Notwithstanding the foregoing or any other law, effective June 30, 2025, neither the
11 East Providence public schools nor the city of East Providence shall be responsible to provide any
12 educational or related services or instruction or have any financial responsibility for any student
13 attending the CRAFT program unless East Providence is that student's district of origin. The school
14 district of origin shall be responsible to provide any pay for such services and instruction consistent
15 with applicable state law and regulation. For purposes of this section, "school district of origin"
16 means the school district in which the student was last registered to attend prior to admission to the
17 CRAFT program. The East Providence school district shall not be paid reimbursement as provided
18 in this statute for such students.

19 SECTION 4. This article shall take effect upon passage.

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ARTICLE 8 AS AMENDED

RELATING TO MEDICAL ASSISTANCE

SECTION 1. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled "Licensing of Healthcare Facilities" is hereby amended to read as follows:

23-17-38.1. Hospitals — Licensing fee.

~~(a) There is imposed a hospital licensing fee for state fiscal year 2023 against each hospital in the state. The hospital licensing fee is equal to five and forty two hundredths percent (5.42%) of the net patient services revenue of every hospital for the hospital's first fiscal year ending on or after January 1, 2021, except that the license fee for all hospitals located in Washington County, Rhode Island shall be discounted by thirty seven percent (37%). The discount for Washington County hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human Services of a state plan amendment submitted by the executive office of health and human services for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This licensing fee shall be administered and collected by the tax administrator, division of taxation within the department of revenue, and all the administration, collection, and other provisions of chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before June 30, 2023, and payments shall be made by electronic transfer of monies to the general treasurer and deposited to the general fund. Every hospital shall, on or before May 25, 2023, make a return to the tax administrator containing the correct computation of net patient services revenue for the hospital fiscal year ending September 30, 2021, and the licensing fee due upon that amount. All returns shall be signed by the hospital's authorized representative, subject to the pains and penalties of perjury.~~

~~(b)~~(a) There is ~~also~~ imposed a hospital licensing fee described in subsections (c) through (f) for state fiscal years 2024 and 2025 against net patient-services revenue of every non-government owned hospital as defined herein for the hospital's first fiscal year ending on or after January 1, 2022. The hospital licensing fee shall have three (3) tiers with differing fees based on inpatient and outpatient net patient-services revenue. The executive office of health and human services, in consultation with the tax administrator, shall identify the hospitals in each tier, subject to the definitions in this section, by July 15, 2023, and shall notify each hospital of its tier by August 1, 2023.

1 **(b) There is also imposed a hospital licensing fee described in subsections (c) through (f)**
2 **for state fiscal year 2026 against net patient-services revenue of every non-government owned**
3 **hospital as defined herein for the hospital's first fiscal year ending on or after January 1, 2023. The**
4 **hospital licensing fee shall have three (3) tiers with differing fees based on inpatient and outpatient**
5 **net patient-services revenue. The executive office of health and human services, in consultation**
6 **with the tax administrator, shall identify the hospitals in each tier, subject to the definitions in this**
7 **section, by July 15, 2025, and shall notify each hospital of its assigned tier by August 1, 2025.**

8 (c) Tier 1 is composed of hospitals that do not meet the description of either Tier 2 or Tier
9 3.

10 (1) The inpatient hospital licensing fee for Tier 1 is equal to thirteen and twelve hundredths
11 percent (13.12%) of the inpatient net patient-services revenue derived from inpatient net patient-
12 services revenue of every Tier 1 hospital.

13 (2) The outpatient hospital licensing fee for Tier 1 is equal to thirteen and thirty hundredths
14 percent (13.30%) of the net patient-services revenue derived from outpatient net patient-services
15 revenue of every Tier 1 hospital.

16 (d) Tier 2 is composed of high Medicaid/uninsured cost hospitals and independent
17 hospitals.

18 (1) The inpatient hospital licensing fee for Tier 2 is equal to two and sixty-three hundredths
19 percent (2.63%) of the inpatient net patient-services revenue derived from inpatient net patient-
20 services revenue of every Tier 2 hospital.

21 (2) The outpatient hospital licensing fee for Tier 2 is equal to two and sixty-six hundredths
22 percent (2.66%) of the outpatient net patient-services revenue derived from outpatient net patient-
23 services revenue of every Tier 2 hospital.

24 (e) Tier 3 is composed of hospitals that are Medicare-designated low-volume hospitals and
25 rehabilitative hospitals.

26 (1) The inpatient hospital licensing fee for Tier 3 is equal to one and thirty-one hundredths
27 percent (1.31%) of the inpatient net patient-services revenue derived from inpatient net patient-
28 services revenue of every Tier 3 hospital.

29 (2) The outpatient hospital licensing fee for Tier 3 is equal to one and thirty-three
30 hundredths percent (1.33%) of the outpatient net patient-services revenue derived from outpatient
31 net patient-services revenue of every Tier 3 hospital.

32 (f) There is also imposed a hospital licensing fee for state fiscal year 2024 against state-
33 government owned and operated hospitals in the state as defined herein. The hospital licensing fee
34 is equal to five and twenty-five hundredths percent (5.25%) of the net patient-services revenue of

1 every hospital for the hospital's first fiscal year ending on or after January 1, 2022. There is also
2 imposed a hospital licensing fee for state fiscal ~~year~~ years 2025 and 2026 against state-government
3 owned and operated hospitals in the state as defined herein equal to five and twenty-five hundredths
4 percent (5.25%) of the net patient-services revenue of every hospital for the hospital's first fiscal
5 year ending on or after January 1, 2023.

6 (g) The hospital licensing fee described in subsections (b) through (f) is subject to U.S.
7 Department of Health and Human Services approval of a request to waive the requirement that
8 healthcare-related taxes be imposed uniformly as contained in 42 C.F.R. § 433.68(d).

9 (h) This hospital licensing fee shall be administered and collected by the tax administrator,
10 division of taxation within the department of revenue, and all the administration, collection, and
11 other provisions of chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to
12 the tax administrator before ~~June 30~~ June 25 of each fiscal year, and payments shall be made by
13 electronic transfer of monies to the tax administrator and deposited to the general fund. Every
14 hospital shall, on or before August 1, ~~2023~~ of each fiscal year, make a return to the tax administrator
15 containing the correct computation of inpatient and outpatient net patient-services revenue for the
16 hospital ~~fiscal year ending in 2022~~ data referenced in subsection (a) and or (b), and the licensing
17 fee due upon that amount. All returns shall be signed by the hospital's authorized representative,
18 subject to the pains and penalties of perjury.

19 (i) For purposes of this section the following words and phrases have the following
20 meanings:

21 (1) "Gross patient-services revenue" means the gross revenue related to patient care
22 services.

23 (2) "High Medicaid/uninsured cost hospital" means a hospital for which the hospital's total
24 uncompensated care, as calculated pursuant to § 40-8.3-2(4), divided by the hospital's total net
25 patient-services revenues, is equal to six percent (6.0%) or greater.

26 (3) "Hospital" means the actual facilities and buildings in existence in Rhode Island,
27 licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on
28 that license, regardless of changes in licensure status pursuant to chapter 17.14 of this title (hospital
29 conversions) and § 23-17-6(b) (change in effective control), that provides short-term acute inpatient
30 and/or outpatient care to persons who require definitive diagnosis and treatment for injury, illness,
31 disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated Medicaid
32 managed care payment rates for a court-approved purchaser that acquires a hospital through
33 receivership, special mastership, or other similar state insolvency proceedings (which court-
34 approved purchaser is issued a hospital license after January 1, 2013) shall be based upon the newly

1 negotiated rates between the court-approved purchaser and the health plan, and such rates shall be
2 effective as of the date that the court-approved purchaser and the health plan execute the initial
3 agreement containing the newly negotiated rate. The rate-setting methodology for inpatient hospital
4 payments and outpatient hospital payments set forth in §§ 40-8-13.4(b) and 40-8-13.4(b)(2),
5 respectively, shall thereafter apply to negotiated increases for each annual twelve-month (12)
6 period as of July 1 following the completion of the first full year of the court-approved purchaser's
7 initial Medicaid managed care contract.

8 (4) "Independent hospitals" means a hospital not part of a multi-hospital system.

9 (5) "Inpatient net patient-services revenue" means the charges related to inpatient care
10 services less (i) Charges attributable to charity care; (ii) Bad debt expenses; and (iii) Contractual
11 allowances.

12 (6) "Medicare-designated low-volume hospital" means a hospital that qualifies under 42
13 C.F.R. 412.101(b)(2) for additional Medicare payments to qualifying hospitals for the higher
14 incremental costs associated with a low volume of discharges.

15 (7) "Net patient-services revenue" means the charges related to patient care services less
16 (i) Charges attributable to charity care; (ii) Bad debt expenses; and (iii) Contractual allowances.

17 (8) "Non-government owned hospitals" means a hospital not owned and operated by the
18 state of Rhode Island.

19 (9) "Outpatient net patient-services revenue" means the charges related to outpatient care
20 services less (i) Charges attributable to charity care; (ii) Bad debt expenses; and (iii) Contractual
21 allowances.

22 (10) "Rehabilitative hospital" means Rehabilitation Hospital Center licensed by the Rhode
23 Island department of health.

24 (11) "State-government owned and operated hospitals" means a hospital facility licensed
25 by the Rhode Island department of health, owned and operated by the state of Rhode Island.

26 (j) The tax administrator in consultation with the executive office of health and human
27 services shall make and promulgate any rules, regulations, and procedures not inconsistent with
28 state law and fiscal procedures that he or she deems necessary for the proper administration of this
29 section and to carry out the provisions, policy, and purposes of this section.

30 (k) The licensing fee imposed by ~~subsection~~ subsections (a) through (f) shall apply to
31 hospitals as defined herein that are duly licensed on July 1, ~~2022~~ 2024, and shall be in addition to
32 the inspection fee imposed by § 23-17-38 and to any licensing fees previously imposed in
33 accordance with this section.

34 ~~(l) The licensing fees imposed by subsections (b) through (f) shall apply to hospitals as~~

~~defined herein that are duly licensed on July 1, 2023, and shall be in addition to the inspection fee imposed by § 23-17-38 and to any licensing fees previously imposed in accordance with this section.~~

SECTION 2. Section 35-17-1 of the General Laws in Chapter 35-17 entitled "Medical Assistance and Public Assistance Caseload Estimating Conferences" is hereby amended to read as follows:

35-17-1. Purpose and membership.

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

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

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

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

(e) The department of human services shall provide monthly data to the members of the caseload estimating conference by the fifteenth day of the following month. Monthly data shall include, but is not limited to, actual caseloads and expenditures for the following case assistance programs: Rhode Island Works, SSI state program, general public assistance, and child care. For individuals eligible to receive the payment under § 40-6-27(a)(1)(vi) [repealed], the report shall include the number of individuals enrolled in a managed care plan receiving long-term care services and supports and the number receiving fee-for-service benefits. The executive office of health and human services shall report relevant caseload information and expenditures for the following medical assistance categories: hospitals, long-term care, managed care, pharmacy, and other medical services. In the category of managed care, caseload information and expenditures for the following populations shall be separately identified and reported: children with disabilities, children in foster care, and children receiving adoption assistance and RIte Share enrollees under § 40-8.4-12(j). The information shall include the number of Medicaid recipients whose estate may

1 be subject to a recovery and the anticipated amount to be collected from those subject to recovery,
2 the total recoveries collected each month and number of estates attached to the collections and each
3 month, the number of open cases and the number of cases that have been open longer than three
4 months. The executive office will also report separately the amount that the Medicaid expenditures
5 have been reduced by third-party liability payments to providers, supplemental income verification
6 tools, the department of administration's office of internal audit and program integrity unit, and
7 recoveries from ABLE accounts.

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 twenty-fifth day of the following month. Monthly data shall include, but is not
11 limited to, actual caseloads and expenditures for the private community developmental disabilities
12 services program. Information shall include, but not be limited to: the number of cases and
13 expenditures from the beginning of the fiscal year at the beginning of the prior month; cases added
14 and denied during the prior month; expenditures made; and the number of cases and expenditures
15 at the end of the month. The information concerning cases added and denied shall include summary
16 information and profiles of the service-demand request for eligible adults meeting the state statutory
17 definition for services from the division of developmental disabilities as determined by the division,
18 including age, Medicaid eligibility and agency selection placement with a list of the services
19 provided, and the reasons for the determinations of ineligibility for those cases denied. The
20 department shall also provide, monthly, the number of individuals in a shared-living arrangement
21 and how many may have returned to a twenty-four-hour (24) residential placement in that month.
22 The department shall also report, monthly, any and all information for the consent decree that has
23 been submitted to the federal court as well as the number of unduplicated individuals employed;
24 the place of employment; and the number of hours working. The department shall also provide the
25 amount of funding allocated to individuals above the assigned resource levels; the number of
26 individuals and the assigned resource level; and the reasons for the approved additional resources.
27 The department will also collect and forward to the house fiscal advisor, the senate fiscal advisor,
28 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 3. Section 40-6-9.1 of the General Laws in Chapter 40-6 entitled "Public
15 Assistance Act" is hereby amended to read as follows:

16 **40-6-9.1. Data matching — Healthcare coverages.**

17 (a) For purposes of this section, the term "medical assistance program" shall mean medical
18 assistance provided in whole or in part by the ~~department of human services~~ [executive office of](#)
19 [health and human services](#) pursuant to chapters ~~5-1~~, 8, 8.4 of this title, 12.3 of title 42 and/or Title
20 XIX or XXI of the federal Social Security Act, as amended, 42 U.S.C. § 1396 et seq. and 42 U.S.C.
21 § 1397aa et seq., respectively. Any references to the ~~department~~ [office](#) shall be to the ~~department~~
22 ~~of human services~~ [executive office of health and human services](#).

23 (b) In furtherance of the assignment of rights to medical support to the ~~department of~~
24 ~~human services~~ [executive office of health and human services](#) under § 40-6-9(b), (c), (d), and (e),
25 and in order to determine the availability of other sources of healthcare insurance or coverage for
26 beneficiaries of the medical assistance program, and to determine potential third-party liability for
27 medical assistance paid out by the ~~department~~ [office](#), all health insurers, health-maintenance
28 organizations, including managed care organizations, and third-party administrators, self-insured
29 plans, pharmacy benefit managers (PBM), and other parties that are by statute, contract, or
30 agreement, legally responsible for payment of a claim for a healthcare item of service doing
31 business in the state of Rhode Island shall permit and participate in data matching with the
32 ~~department of human services~~ [executive office of health and human services](#), as provided in this
33 section, to assist the ~~department~~ [office](#) to identify medical assistance program applicants,
34 beneficiaries, and/or persons responsible for providing medical support for applicants and

1 beneficiaries who may also have healthcare insurance or coverage in addition to that provided, or
2 to be provided, by the medical assistance program and to determine any third-party liability in
3 accordance with this section.

4 The ~~department~~ office shall take all reasonable measures to determine the legal liability of
5 all third parties (including health insurers, self-insured plans, group health plans (as defined in §
6 607(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. § 1167(1)]), service
7 benefit plans, health-maintenance organizations, managed care organizations, pharmacy benefit
8 managers, or other parties that are, by statute, contract, or agreement, legally responsible for
9 payment of a claim for a healthcare item or service), to pay for care and services on behalf of a
10 medical assistance recipient, including collecting sufficient information to enable the ~~department~~
11 office to pursue claims against such third parties.

12 In any case where such a legal liability is found to exist and medical assistance has been
13 made available on behalf of the individual (beneficiary), the ~~department~~ office shall seek
14 reimbursement for the assistance to the extent of the legal liability and in accordance with the
15 assignment described in § 40-6-9.

16 To the extent that payment has been made by the ~~department~~ office for medical assistance
17 to a beneficiary in any case where a third party has a legal liability to make payment for the
18 assistance, and to the extent that payment has been made by the ~~department~~ office for medical
19 assistance for healthcare items or services furnished to an individual, the ~~department~~ office (state)
20 is considered to have acquired the rights of the individual to payment by any other party for the
21 healthcare items or services in accordance with § 40-6-9.

22 Any health insurer (including a group health plan, as defined in § 607(1) of the Employee
23 Retirement Income Security Act of 1974 [29 U.S.C. § 1167(1)], a self-insured plan, a service-
24 benefit plan, a managed care organization, a pharmacy benefit manager, or other party that is, by
25 statute, contract, or agreement, legally responsible for payment of a claim for a healthcare item or
26 service), in enrolling an individual, or in making any payments for benefits to the individual or on
27 the individual's behalf, is prohibited from taking into account that the individual is eligible for, or
28 is provided, medical assistance under a plan under 42 U.S.C. § 1396 et seq. for this state, or any
29 other state.

30 (c) All health insurers or liable third parties, including, but not limited to, health-
31 maintenance organizations, third-party administrators, nonprofit medical-service corporations,
32 nonprofit hospital-service corporations, subject to the provisions of chapters 18, 19, 20, and 41 of
33 title 27, as well as, self-insured plans, group health plans (as defined in § 607(1) of the Employee
34 Retirement Income Security Act of 1974 [29 U.S.C. § 1167(1)]), service-benefit plans, managed

1 care organizations, pharmacy benefit managers, or other parties that are, by statute, contract, or
2 agreement, legally responsible for payment of a claim for a healthcare item or service) doing
3 business in this state shall:

4 (1) Provide member information within fourteen (14) calendar days of the request to the
5 ~~department~~ [office](#) to enable the medical assistance program to identify medical assistance program
6 recipients, applicants and/or persons responsible for providing medical support for those recipients
7 and applicants who are, or could be, enrollees or beneficiaries under any individual or group health
8 insurance contract, plan, or policy available or in force and effect in the state;

9 (2) With respect to individuals who are eligible for, or are provided, medical assistance by
10 the ~~department~~ [office](#), upon the request of the ~~department~~ [office](#), provide member information
11 within fourteen (14) calendar days of the request to determine during what period the individual or
12 his or her spouse or dependents may be (or may have been) covered by a health insurer and the
13 nature of the coverage that is, or was provided by the health insurer (including the name, address,
14 and identifying number of the plan);

15 (3) Accept the state's right of recovery and the assignment to the state of any right of an
16 individual or other entity to payment from the party for an item or service for which payment has
17 been made by the ~~department~~ [office](#);

18 (4) Respond to any inquiry by the ~~department~~ [office](#) regarding a claim for payment for any
19 healthcare item or service that is submitted not later than three (3) years after the date of the
20 provision of the healthcare item or service; and

21 (5) Agree not to deny a claim submitted by the state based solely on procedural reasons,
22 such as on the basis of the date of submission of the claim, the type or format of the claim form,
23 [failure to obtain a prior authorization](#), or a failure to present proper documentation at the point-of-
24 sale that is the basis of the claim, if—

25 (i) The claim is submitted by the state within the three-year (3) period beginning on the
26 date on which the item or service was furnished; and

27 (ii) Any action by the state to enforce its rights with respect to the claim is commenced
28 within six (6) years of the state's submission of such claim.

29 [\(6\) Agree to respond to any inquiry regarding claims within sixty \(60\) business days after](#)
30 [receipt of the written documentation by the Medicaid recipient.](#)

31 [\(7\) Agree to not deny a claim for failure to obtain prior authorization for an item or service.](#)
32 [In the case of a responsible third party that requires prior authorization for an item or service](#)
33 [furnished to an individual eligible to receive medical assistance under the state Medicaid program,](#)
34 [the third-party health insurer shall accept authorization provided by state medical assistance](#)

1 program that the item or service is covered by Medicaid as if that authorization is a prior
2 authorization made by the third-party health insurer for the item or service.

3 (d) This information shall be made available by these insurers and health-maintenance
4 organizations and used by the ~~department of human services~~ executive office of health and human
5 services only for the purposes of, and to the extent necessary for, identifying these persons,
6 determining the scope and terms of coverage, and ascertaining third-party liability. The ~~department~~
7 ~~of human services~~ executive office of health and human services shall provide information to the
8 health insurers, including health insurers, self-insured plans, group health plans (as defined in §
9 607(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. § 1167(1)]), service-
10 benefit plans, managed care organizations, pharmacy benefit managers, or other parties that are, by
11 statute, contract, or agreement, legally responsible for payment of a claim for a healthcare item or
12 service) only for the purposes described herein.

13 (e) No health insurer, health-maintenance organization, or third-party administrator that
14 provides, or makes arrangements to provide, information pursuant to this section shall be liable in
15 any civil or criminal action or proceeding brought by beneficiaries or members on account of this
16 action for the purposes of violating confidentiality obligations under the law.

17 (f) The ~~department~~ office shall submit any appropriate and necessary state plan provisions.

18 (g) The ~~department of human services~~ executive office of health and human services is
19 authorized and directed to promulgate regulations necessary to ensure the effectiveness of this
20 section.

21 SECTION 4. Section 40-8-19 of the General Laws in Chapter 40-8 entitled "Medical
22 Assistance" is hereby amended to read as follows:

23 **40-8-19. Rates of payment to nursing facilities.**

24 (a) **Rate reform.**

25 (1) The rates to be paid by the state to nursing facilities licensed pursuant to chapter 17 of
26 title 23, and certified to participate in Title XIX of the Social Security Act for services rendered to
27 Medicaid-eligible residents, shall be reasonable and adequate to meet the costs that must be
28 incurred by efficiently and economically operated facilities in accordance with 42 U.S.C. §
29 1396a(a)(13). The executive office of health and human services ("executive office") shall
30 promulgate or modify the principles of reimbursement for nursing facilities in effect as of July 1,
31 2011, to be consistent with the provisions of this section and Title XIX, 42 U.S.C. § 1396 et seq.,
32 of the Social Security Act.

33 (2) The executive office shall review the current methodology for providing Medicaid
34 payments to nursing facilities, including other long-term care services providers, and is authorized

1 to modify the principles of reimbursement to replace the current cost-based methodology rates with
2 rates based on a price-based methodology to be paid to all facilities with recognition of the acuity
3 of patients and the relative Medicaid occupancy, and to include the following elements to be
4 developed by the executive office:

5 (i) A direct-care rate adjusted for resident acuity;
6 (ii) An indirect-care and other direct-care rate comprised of a base per diem for all facilities;
7 (iii) Revision of rates as necessary based on increases in direct and indirect costs beginning
8 October 2024 utilizing data from the most recent finalized year of facility cost report. The per diem
9 rate components deferred in subsections (a)(2)(i) and (a)(2)(ii) of this section shall be adjusted
10 accordingly to reflect changes in direct and indirect care costs since the previous rate review;

11 (iv) Application of a fair-rental value system;

12 (v) Application of a pass-through system; and

13 (vi) Adjustment of rates by the change in a recognized national nursing home inflation
14 index to be applied on October 1 of each year, beginning October 1, 2012. This adjustment will not
15 occur on October 1, 2013, October 1, 2014, or October 1, 2015, but will occur on April 1, 2015.
16 The adjustment of rates will also not occur on October 1, 2017, October 1, 2018, October 1, 2019,
17 and October 2022. Effective July 1, 2018, rates paid to nursing facilities from the rates approved
18 by the Centers for Medicare and Medicaid Services and in effect on October 1, 2017, both fee-for-
19 service and managed care, will be increased by one and one-half percent (1.5%) and further
20 increased by one percent (1%) on October 1, 2018, and further increased by one percent (1%) on
21 October 1, 2019. Effective October 1, 2022, rates paid to nursing facilities from the rates approved
22 by the Centers for Medicare and Medicaid Services and in effect on October 1, 2021, both fee-for-
23 service and managed care, will be increased by three percent (3%). In addition to the annual nursing
24 home inflation index adjustment, there shall be a base rate staffing adjustment of one-half percent
25 (0.5%) on October 1, 2021, one percent (1.0%) on October 1, 2022, and one and one-half percent
26 (1.5%) on October 1, 2023. For the twelve (12) month period beginning October 1, 2025, rates paid
27 to nursing facilities from the rates approved by the Centers for Medicare and Medicaid Services
28 and in effect on October 1, 2024, both fee-for-service and managed care, will be increased by two
29 and three-tenths percent (2.3%) There shall also be a base rate staffing adjustment of three percent
30 (3%) effective October 1, 2025. Not less than one hundred percent (100%) of this base-rate staffing
31 adjustment shall be expended by each nursing facility to increase compensation, wages, benefits,
32 and related employer costs, for eligible direct-care staff, including the cost of hiring additional
33 eligible direct-care positions, as defined in subsection (a)(2)(vi). The inflation index shall be
34 applied without regard for the transition factors in subsections (b)(1) and (b)(2). For purposes of

1 October 1, 2016, adjustment only, any rate increase that results from application of the inflation
2 index to subsections (a)(2)(i) and (a)(2)(ii) shall be dedicated to increase compensation for direct-
3 care workers in the following manner: Not less than 85% of this aggregate amount shall be
4 expended to fund an increase in wages, benefits, or related employer costs of direct-care staff of
5 nursing homes. For purposes of this section, direct-care staff shall include registered nurses (RNs),
6 licensed practical nurses (LPNs), certified nursing assistants (CNAs), certified medical technicians,
7 housekeeping staff, laundry staff, dietary staff, or other similar employees providing direct-care
8 services; provided, however, that this definition of direct-care staff shall not include: (i) RNs and
9 LPNs who are classified as “exempt employees” under the federal Fair Labor Standards Act (29
10 U.S.C. § 201 et seq.); or (ii) CNAs, certified medical technicians, RNs, or LPNs who are contracted,
11 or subcontracted, through a third-party vendor or staffing agency. By July 31, 2017, nursing
12 facilities shall submit to the secretary, or designee, a certification that they have complied with the
13 provisions of this subsection (a)(2)(vi) with respect to the inflation index applied on October 1,
14 2016. Any facility that does not comply with the terms of such certification shall be subjected to a
15 clawback, paid by the nursing facility to the state, in the amount of increased reimbursement subject
16 to this provision that was not expended in compliance with that certification.

17 (3) Commencing on October 1, 2021, eighty percent (80%) of any rate increase that results
18 from application of the inflation index to subsections (a)(2)(i) and (a)(2)(ii) of this section shall be
19 dedicated to increase compensation for all eligible direct-care workers in the following manner on
20 October 1, of each year.

21 (i) For purposes of this subsection, compensation increases shall include base salary or
22 hourly wage increases, benefits, other compensation, and associated payroll tax increases for
23 eligible direct-care workers. This application of the inflation index shall apply for Medicaid
24 reimbursement in nursing facilities for both managed care and fee-for-service. For purposes of this
25 subsection, direct-care staff shall include registered nurses (RNs), licensed practical nurses (LPNs),
26 certified nursing assistants (CNAs), certified medication technicians, licensed physical therapists,
27 licensed occupational therapists, licensed speech-language pathologists, mental health workers
28 who are also certified nurse assistants, physical therapist assistants, social worker, or any nurse aide
29 with a valid license, even if it is probationary, housekeeping staff, laundry staff, dietary staff, or
30 other similar employees providing direct-care services; provided, however that this definition of
31 direct-care staff shall not include:

32 (A) RNs and LPNs who are classified as “exempt employees” under the federal Fair Labor
33 Standards Act (29 U.S.C. § 201 et seq.); or

34 (B) CNAs, certified medication technicians, RNs, or LPNs who are contracted or

1 subcontracted through a third-party vendor or staffing agency.

2 (4)(i) By July 31, 2021, and July 31 of each year thereafter, nursing facilities shall submit
3 to the secretary or designee a certification that they have complied with the provisions of subsection
4 (a)(3) of this section with respect to the inflation index applied on October 1. The executive office
5 of health and human services (EOHHS) shall create the certification form nursing facilities must
6 complete with information on how each individual eligible employee's compensation increased,
7 including information regarding hourly wages prior to the increase and after the compensation
8 increase, hours paid after the compensation increase, and associated increased payroll taxes. A
9 collective bargaining agreement can be used in lieu of the certification form for represented
10 employees. All data reported on the compliance form is subject to review and audit by EOHHS.
11 The audits may include field or desk audits, and facilities may be required to provide additional
12 supporting documents including, but not limited to, payroll records.

13 (ii) Any facility that does not comply with the terms of certification shall be subjected to a
14 clawback and twenty-five percent (25%) penalty of the unspent or impermissibly spent funds, paid
15 by the nursing facility to the state, in the amount of increased reimbursement subject to this
16 provision that was not expended in compliance with that certification.

17 (iii) In any calendar year where no inflationary index is applied, eighty percent (80%) of
18 the base rate staffing adjustment in that calendar year pursuant to subsection (a)(2)(vi) of this
19 section shall be dedicated to increase compensation for all eligible direct-care workers in the
20 manner referenced in subsections (a)(3)(i), (a)(3)(i)(A), and (a)(3)(i)(B) of this section.

21 (b) **Transition to full implementation of rate reform.** For no less than four (4) years after
22 the initial application of the price-based methodology described in subsection (a)(2) to payment
23 rates, the executive office of health and human services shall implement a transition plan to
24 moderate the impact of the rate reform on individual nursing facilities. The transition shall include
25 the following components:

26 (1) No nursing facility shall receive reimbursement for direct-care costs that is less than
27 the rate of reimbursement for direct-care costs received under the methodology in effect at the time
28 of passage of this act; for the year beginning October 1, 2017, the reimbursement for direct-care
29 costs under this provision will be phased out in twenty-five-percent (25%) increments each year
30 until October 1, 2021, when the reimbursement will no longer be in effect; and

31 (2) No facility shall lose or gain more than five dollars (\$5.00) in its total, per diem rate the
32 first year of the transition. An adjustment to the per diem loss or gain may be phased out by twenty-
33 five percent (25%) each year; except, however, for the years beginning October 1, 2015, there shall
34 be no adjustment to the per diem gain or loss, but the phase out shall resume thereafter; and

(3) The transition plan and/or period may be modified upon full implementation of facility per diem rate increases for quality of care-related measures. Said modifications shall be submitted in a report to the general assembly at least six (6) months prior to implementation.

(4) Notwithstanding any law to the contrary, for the twelve-month (12) period beginning July 1, 2015, Medicaid payment rates for nursing facilities established pursuant to this section shall not exceed ninety-eight percent (98%) of the rates in effect on April 1, 2015. Consistent with the other provisions of this chapter, nothing in this provision shall require the executive office to restore the rates to those in effect on April 1, 2015, at the end of this twelve-month (12) period.

SECTION 5. Sections 40-8.3-2 and 40-8.3-3 of the General Laws in Chapter 40-8.3 entitled "Uncompensated Care" are hereby amended to read as follows:

40-8.3-2. Definitions.

As used in this chapter:

(1) "Base year" means, for the purpose of calculating a disproportionate share payment for any fiscal year ending after September 30, ~~2023~~ 2024, the period from October 1, ~~2021~~ 2022, through September 30, ~~2022~~ 2023, and for any fiscal year ending after September 30, ~~2024~~ 2025, the period from October 1, ~~2022~~ 2023, through September 30, ~~2023~~ 2024.

(2) "Medicaid inpatient utilization rate for a hospital" means a fraction (expressed as a percentage), the numerator of which is the hospital's number of inpatient days during the base year attributable to patients who were eligible for medical assistance during the base year and the denominator of which is the total number of the hospital's inpatient days in the base year.

(3) "Participating hospital" means any ~~nongovernment and~~ nonpsychiatric hospital that:

(i) Was licensed as a hospital in accordance with chapter 17 of title 23 during the base year and shall mean the actual facilities and buildings in existence in Rhode Island, licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on that license, regardless of changes in licensure status pursuant to chapter 17.14 of title 23 (hospital conversions) and § 23-17-6(b) (change in effective control), that provides ~~short-term~~, acute inpatient and/or outpatient care to persons who require definitive diagnosis and treatment for injury, illness, disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated Medicaid managed care payment rates for a court-approved purchaser that acquires a hospital through receivership, special mastership, or other similar state insolvency proceedings (which court-approved purchaser is issued a hospital license after January 1, 2013), shall be based upon the newly negotiated rates between the court-approved purchaser and the health plan, and the rates shall be effective as of the date that the court-approved purchaser and the health plan execute the initial agreement containing the newly negotiated rate. The rate-setting methodology for inpatient hospital payments and outpatient

1 hospital payments set forth in §§ 40-8-13.4(b)(1)(ii)(C) and 40-8-13.4(b)(2), respectively, shall
2 thereafter apply to negotiated increases for each annual twelve-month (12) period as of July 1
3 following the completion of the first full year of the court-approved purchaser's initial Medicaid
4 managed care contract;

5 (ii) Achieved a medical assistance inpatient utilization rate of at least one percent (1%)
6 during the base year; and

7 (iii) Continues to be licensed as a hospital in accordance with chapter 17 of title 23 during
8 the payment year.

9 (4) "Uncompensated-care costs" means, as to any hospital, the sum of: (i) The cost incurred
10 by the hospital during the base year for inpatient or outpatient services attributable to charity care
11 (free care and bad debts) for which the patient has no health insurance or other third-party coverage
12 less payments, if any, received directly from such patients; (ii) The cost incurred by the hospital
13 during the base year for inpatient or outpatient services attributable to Medicaid beneficiaries less
14 any Medicaid reimbursement received therefor; and (iii) the sum of subsections (4)(i) and (4)(ii) of
15 this section shall be offset by the estimated hospital's commercial equivalent rates state directed
16 payment for the current SFY in which the disproportionate share hospital (DSH) payment is made.
17 The sum of subsections (4)(i), (4)(ii), and (4)(iii) of this section shall be multiplied by the
18 uncompensated care index.

19 (5) "Uncompensated-care index" means the annual percentage increase for hospitals
20 established pursuant to § 27-19-14 [repealed] for each year after the base year, up to and including
21 the payment year; provided, however, that the uncompensated-care index for the payment year
22 ending September 30, 2007, shall be deemed to be five and thirty-eight hundredths percent (5.38%),
23 and that the uncompensated-care index for the payment year ending September 30, 2008, shall be
24 deemed to be five and forty-seven hundredths percent (5.47%), and that the uncompensated-care
25 index for the payment year ending September 30, 2009, shall be deemed to be five and thirty-eight
26 hundredths percent (5.38%), and that the uncompensated-care index for the payment years ending
27 September 30, 2010, September 30, 2011, September 30, 2012, September 30, 2013, September
28 30, 2014, September 30, 2015, September 30, 2016, September 30, 2017, September 30, 2018,
29 September 30, 2019, September 30, 2020, September 30, 2021, September 30, 2022, September
30 30, 2023, September 30, 2024, ~~and~~ September 30, 2025, and September 30, 2026, shall be deemed
31 to be five and thirty hundredths percent (5.30%).

32 **40-8.3-3. Implementation.**

33 ~~(a) For federal fiscal year 2023, commencing on October 1, 2022, and ending September~~
34 ~~30, 2023, the executive office of health and human services shall submit to the Secretary of the~~

~~United States Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid DSH Plan to provide:~~

~~(1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of \$159.0 million, shall be allocated by the executive office of health and human services to the Pool D component of the DSH Plan; and~~

~~(2) That the Pool D allotment shall be distributed among the participating hospitals in direct proportion to the individual participating hospital's uncompensated care costs for the base year, inflated by the uncompensated care index to the total uncompensated care costs for the base year inflated by the uncompensated care index for all participating hospitals. The disproportionate share payments shall be made on or before June 15, 2023, and are expressly conditioned upon approval on or before June 23, 2023, by the Secretary of the United States Department of Health and Human Services, or his or her authorized representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of federal financial participation in federal fiscal year 2023 for the disproportionate share payments.~~

~~(b)~~(a) For federal fiscal year 2024, commencing on October 1, 2023, and ending September 30, 2024, the executive office of health and human services shall submit to the Secretary of the United States Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid DSH Plan to provide:

(1) That the DSH Plan to all participating hospitals, not to exceed an aggregate limit of \$14.8 million, shall be allocated by the executive office of health and human services to the Pool D component of the DSH Plan; and

(2) That the Pool D allotment shall be distributed among the participating hospitals in direct proportion to the individual participating hospital's uncompensated-care costs for the base year, inflated by the uncompensated-care index to the total uncompensated-care costs for the base year inflated by the uncompensated-care index for all participating hospitals. The disproportionate share payments shall be made on or before June 30, 2024, and are expressly conditioned upon approval on or before June 23, 2024, by the Secretary of the United States Department of Health and Human Services, or his or her authorized representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of federal financial participation in federal fiscal year 2024 for the disproportionate share payments.

~~(e)~~(b) For federal fiscal year 2025, commencing on October 1, 2024, and ending September 30, 2025, the executive office of health and human services shall submit to the Secretary of the United States Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid DSH plan to provide:

(1) The creation of Pool C which allots no more than ~~nineteen million nine hundred thousand dollars (\$19,900,000)~~ twelve million nine hundred thousand dollars (\$12,900,000) to Medicaid eligible government-owned hospitals;

(2) That the DSH plan to all participating hospitals, not to exceed an aggregate limit of ~~\$34.7~~ \$27.7 million, shall be allocated by the executive office of health and human services to the Pool C and D components of the DSH plan;

(3) That the Pool D allotment shall be distributed among the participating hospitals in direct proportion to the individual participating hospital's uncompensated-care costs for the base year, inflated by the uncompensated-care index to the total uncompensated-care costs for the base year inflated by the uncompensated-care index of all participating hospitals. The disproportionate share payments shall be made on or before June 30, 2025, and are expressly conditioned upon approval on or before June 23, 2025, by the Secretary of the United States Department of Health and Human Services, or their authorized representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of federal financial participation in federal fiscal year 2025 for the disproportionate share payments; and

(4) That the Pool C allotment shall be distributed among the participating hospitals in direct proportion to the individual participating hospital's uncompensated-care costs for the base year, inflated by the uncompensated-care index to the total uncompensated-care cost for the base year inflated by the uncompensated-care index of all participating hospitals. The disproportionate share payments shall be made on or before June 30, 2025, and are expressly conditioned upon approval on or before June 23, 2025, by the Secretary of the United States Department of Health and Human Services, or their authorized representative, of all Medicaid state plan amendments necessary to secure for the state the benefit of federal financial participation in federal fiscal year 2025 for the disproportionate share payments.

(c) For federal fiscal year 2026, commencing on October 1, 2025, and ending September 30, 2026, the executive office of health and human services shall submit to the Secretary of the United States Department of Health and Human Services a state plan amendment to the Rhode Island Medicaid DSH plan to provide:

(1) That the DSH plan to all participating hospitals, not to exceed an aggregate limit of \$13.9 million, shall be allocated by the executive office of health and human services to the Pool C and D components of the DSH plan. Pool C shall not exceed an aggregate limit of \$12.9 million. Pool D shall not exceed an aggregate limit of \$1.0 million.

(2) That the Pool C allotment shall be distributed among the participating hospitals in direct 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 cost 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, 2026, and are expressly conditioned upon approval
4 on or before June 23, 2026, by the Secretary of the United States Department of Health and Human
5 Services, or their authorized representative, of all Medicaid state plan amendments necessary to
6 secure for the state the benefit of federal financial participation in federal fiscal year 2026 for the
7 disproportionate share payments; and

8 (3) That the Pool D allotment shall be distributed among the participating hospitals in direct
9 proportion to the individual participating hospital's uncompensated-care costs for the base year,
10 inflated by the uncompensated-care index to the total uncompensated-care costs for the base year
11 inflated by the uncompensated-care index of all participating hospitals. The disproportionate share
12 payments shall be made on or before June 30, 2026, and are expressly conditioned upon approval
13 on or before June 23, 2026, by the Secretary of the United States Department of Health and Human
14 Services, or their authorized representative, of all Medicaid state plan amendments necessary to
15 secure for the state the benefit of federal financial participation in federal fiscal year 2026 for the
16 disproportionate share payments.

17 (d) No provision is made pursuant to this chapter for disproportionate-share hospital
18 payments to participating hospitals for uncompensated-care costs related to graduate medical
19 education programs.

20 (e) The executive office of health and human services is directed, on at least a monthly
21 basis, to collect patient-level uninsured information, including, but not limited to, demographics,
22 services rendered, and reason for uninsured status from all hospitals licensed in Rhode Island.

23 (f) [Deleted by P.L. 2019, ch. 88, art. 13, § 6.]

24 SECTION 6. Section 40-8.9-9 of the General Laws in Chapter 40-8.9 entitled "Medical
25 Assistance — Long-Term Care Service and Finance Reform" is hereby amended to read as follows:

26 **40-8.9-9. Long-term-care rebalancing system reform goal.**

27 (a) Notwithstanding any other provision of state law, the executive office of health and
28 human services is authorized and directed to apply for, and obtain, any necessary waiver(s), waiver
29 amendment(s), and/or state-plan amendments from the Secretary of the United States Department
30 of Health and Human Services, and to promulgate rules necessary to adopt an affirmative plan of
31 program design and implementation that addresses the goal of allocating a minimum of fifty percent
32 (50%) of Medicaid long-term-care funding for persons aged sixty-five (65) and over and adults
33 with disabilities, in addition to services for persons with developmental disabilities, to home- and
34 community-based care; provided, further, the executive office shall report annually as part of its

1 budget submission, the percentage distribution between institutional care and home- and
2 community-based care by population and shall report current and projected waiting lists for long-
3 term-care and home- and community-based care services. The executive office is further authorized
4 and directed to prioritize investments in home- and community-based care and to maintain the
5 integrity and financial viability of all current long-term-care services while pursuing this goal.

6 (b) The reformed long-term-care system rebalancing goal is person-centered and
7 encourages individual self-determination, family involvement, interagency collaboration, and
8 individual choice through the provision of highly specialized and individually tailored home-based
9 services. Additionally, individuals with severe behavioral, physical, or developmental disabilities
10 must have the opportunity to live safe and healthful lives through access to a wide range of
11 supportive services in an array of community-based settings, regardless of the complexity of their
12 medical condition, the severity of their disability, or the challenges of their behavior. Delivery of
13 services and supports in less-costly and less-restrictive community settings will enable children,
14 adolescents, and adults to be able to curtail, delay, or avoid lengthy stays in long-term-care
15 institutions, such as behavioral health residential-treatment facilities, long-term-care hospitals,
16 intermediate-care facilities, and/or skilled nursing facilities.

17 (c) Pursuant to federal authority procured under § 42-7.2-16, the executive office of health
18 and human services is directed and authorized to adopt a tiered set of criteria to be used to determine
19 eligibility for services. The criteria shall be developed in collaboration with the state's health and
20 human services departments and, to the extent feasible, any consumer group, advisory board, or
21 other entity designated for these purposes, and shall encompass eligibility determinations for long-
22 term-care services in nursing facilities, hospitals, and intermediate-care facilities for persons with
23 intellectual disabilities, as well as home- and community-based alternatives, and shall provide a
24 common standard of income eligibility for both institutional and home- and community-based care.
25 The executive office is authorized to adopt clinical and/or functional criteria for admission to a
26 nursing facility, hospital, or intermediate-care facility for persons with intellectual disabilities that
27 are more stringent than those employed for access to home- and community-based services. The
28 executive office is also authorized to promulgate rules that define the frequency of re-assessments
29 for services provided for under this section. Levels of care may be applied in accordance with the
30 following:

31 (1) The executive office shall continue to apply the level-of-care criteria in effect on April
32 1, 2021, for any recipient determined eligible for and receiving Medicaid-funded long-term services
33 and supports in a nursing facility, hospital, or intermediate-care facility for persons with intellectual
34 disabilities on or before that date, unless:

1 (i) The recipient transitions to home- and community-based services because he or she
2 would no longer meet the level-of-care criteria in effect on April 1, 2021; or

3 (ii) The recipient chooses home- and community-based services over the nursing facility,
4 hospital, or intermediate-care facility for persons with intellectual disabilities. For the purposes of
5 this section, a failed community placement, as defined in regulations promulgated by the executive
6 office, shall be considered a condition of clinical eligibility for the highest level of care. The
7 executive office shall confer with the long-term-care ombudsperson with respect to the
8 determination of a failed placement under the ombudsperson's jurisdiction. Should any Medicaid
9 recipient eligible for a nursing facility, hospital, or intermediate-care facility for persons with
10 intellectual disabilities as of April 1, 2021, receive a determination of a failed community
11 placement, the recipient shall have access to the highest level of care; furthermore, a recipient who
12 has experienced a failed community placement shall be transitioned back into his or her former
13 nursing home, hospital, or intermediate-care facility for persons with intellectual disabilities
14 whenever possible. Additionally, residents shall only be moved from a nursing home, hospital, or
15 intermediate-care facility for persons with intellectual disabilities in a manner consistent with
16 applicable state and federal laws.

17 (2) Any Medicaid recipient eligible for the highest level of care who voluntarily leaves a
18 nursing home, hospital, or intermediate-care facility for persons with intellectual disabilities shall
19 not be subject to any wait list for home- and community-based services.

20 (3) No nursing home, hospital, or intermediate-care facility for persons with intellectual
21 disabilities shall be denied payment for services rendered to a Medicaid recipient on the grounds
22 that the recipient does not meet level-of-care criteria unless and until the executive office has:

23 (i) Performed an individual assessment of the recipient at issue and provided written notice
24 to the nursing home, hospital, or intermediate-care facility for persons with intellectual disabilities
25 that the recipient does not meet level-of-care criteria; and

26 (ii) The recipient has either appealed that level-of-care determination and been
27 unsuccessful, or any appeal period available to the recipient regarding that level-of-care
28 determination has expired.

29 (d) The executive office is further authorized to consolidate all home- and community-
30 based services currently provided pursuant to 42 U.S.C. § 1396n into a single system of home- and
31 community-based services that include options for consumer direction and shared living. The
32 resulting single home- and community-based services system shall replace and supersede all 42
33 U.S.C. § 1396n programs when fully implemented. Notwithstanding the foregoing, the resulting
34 single program home- and community-based services system shall include the continued funding

1 of assisted-living services at any assisted-living facility financed by the Rhode Island housing and
2 mortgage finance corporation prior to January 1, 2006, and shall be in accordance with chapter 66.8
3 of title 42 as long as assisted-living services are a covered Medicaid benefit.

4 (e) The executive office is authorized to promulgate rules that permit certain optional
5 services including, but not limited to, homemaker services, home modifications, respite, and
6 physical therapy evaluations to be offered to persons at risk for Medicaid-funded long-term care
7 subject to availability of state-appropriated funding for these purposes.

8 (f) To promote the expansion of home- and community-based service capacity, the
9 executive office is authorized to pursue payment methodology reforms that increase access to
10 homemaker, personal care (home health aide), assisted living, adult supportive-care homes, and
11 adult day services, as follows:

12 (1) Development of revised or new Medicaid certification standards that increase access to
13 service specialization and scheduling accommodations by using payment strategies designed to
14 achieve specific quality and health outcomes.

15 (2) Development of Medicaid certification standards for state-authorized providers of adult
16 day services, excluding providers of services authorized under § 40.1-24-1(3), assisted living, and
17 adult supportive care (as defined under chapter 17.24 of title 23) that establish for each, an acuity-
18 based, tiered service and payment methodology tied to: licensure authority; level of beneficiary
19 needs; the scope of services and supports provided; and specific quality and outcome measures.

20 The standards for adult day services for persons eligible for Medicaid-funded long-term
21 services may differ from those who do not meet the clinical/functional criteria set forth in § 40-
22 8.10-3.

23 (3) As the state's Medicaid program seeks to assist more beneficiaries requiring long-term
24 services and supports in home- and community-based settings, the demand for home-care workers
25 has increased, and wages for these workers has not kept pace with neighboring states, leading to
26 high turnover and vacancy rates in the state's home-care industry, the executive office shall institute
27 a one-time increase in the base-payment rates for FY 2019, as described below, for home-care
28 service providers to promote increased access to and an adequate supply of highly trained home-
29 healthcare professionals, in amount to be determined by the appropriations process, for the purpose
30 of raising wages for personal care attendants and home health aides to be implemented by such
31 providers.

32 (i) A prospective base adjustment, effective not later than July 1, 2018, of ten percent (10%)
33 of the current base rate for home-care providers, home nursing care providers, and hospice
34 providers contracted with the executive office of health and human services and its subordinate

1 agencies to deliver Medicaid fee-for-service personal care attendant services.

2 (ii) A prospective base adjustment, effective not later than July 1, 2018, of twenty percent
3 (20%) of the current base rate for home-care providers, home nursing care providers, and hospice
4 providers contracted with the executive office of health and human services and its subordinate
5 agencies to deliver Medicaid fee-for-service skilled nursing and therapeutic services and hospice
6 care.

7 (iii) Effective upon passage of this section, hospice provider reimbursement, exclusively
8 for room and board expenses for individuals residing in a skilled nursing facility, shall revert to the
9 rate methodology in effect on June 30, 2018, and these room and board expenses shall be exempted
10 from any and all annual rate increases to hospice providers as provided for in this section.

11 (iv) On the first of July in each year, beginning on July 1, 2019, the executive office of
12 health and human services will initiate an annual inflation increase to the base rate for home-care
13 providers, home nursing care providers, and hospice providers contracted with the executive office
14 and its subordinate agencies to deliver Medicaid fee-for-service personal care attendant services,
15 skilled nursing and therapeutic services and hospice care. The base rate increase shall be a
16 percentage amount equal to the New England Consumer Price Index card as determined by the
17 United States Department of Labor for medical care and for compliance with all federal and state
18 laws, regulations, and rules, and all national accreditation program requirements, except as of July
19 1, 2025, and thereafter, when no annual inflation increase shall occur for these rates.

20 (g) As the state's Medicaid program seeks to assist more beneficiaries requiring long-term
21 services and supports in home- and community-based settings, the demand for home-care workers
22 has increased, and wages for these workers has not kept pace with neighboring states, leading to
23 high turnover and vacancy rates in the state's home-care industry. To promote increased access to
24 and an adequate supply of direct-care workers, the executive office shall institute a payment
25 methodology change, in Medicaid fee-for-service and managed care, for FY 2022, that shall be
26 passed through directly to the direct-care workers' wages who are employed by home nursing care
27 and home-care providers licensed by the Rhode Island department of health, as described below:

28 (1) Effective July 1, 2021, increase the existing shift differential modifier by \$0.19 per
29 fifteen (15) minutes for personal care and combined personal care/homemaker.

30 (i) Employers must pass on one hundred percent (100%) of the shift differential modifier
31 increase per fifteen-minute (15) unit of service to the CNAs who rendered such services. This
32 compensation shall be provided in addition to the rate of compensation that the employee was
33 receiving as of June 30, 2021. For an employee hired after June 30, 2021, the agency shall use not
34 less than the lowest compensation paid to an employee of similar functions and duties as of June

1 30, 2021, as the base compensation to which the increase is applied.

2 (ii) Employers must provide to EOHHS an annual compliance statement showing wages
3 as of June 30, 2021, amounts received from the increases outlined herein, and compliance with this
4 section by July 1, 2022. EOHHS may adopt any additional necessary regulations and processes to
5 oversee this subsection.

6 (2) Effective January 1, 2022, establish a new behavioral healthcare enhancement of \$0.39
7 per fifteen (15) minutes for personal care, combined personal care/homemaker, and homemaker
8 only for providers who have at least thirty percent (30%) of their direct-care workers (which
9 includes certified nursing assistants (CNA) and homemakers) certified in behavioral healthcare
10 training.

11 (i) Employers must pass on one hundred percent (100%) of the behavioral healthcare
12 enhancement per fifteen (15) minute unit of service rendered by only those CNAs and homemakers
13 who have completed the thirty (30) hour behavioral health certificate training program offered by
14 Rhode Island College, or a training program that is prospectively determined to be compliant per
15 EOHHS, to those CNAs and homemakers. This compensation shall be provided in addition to the
16 rate of compensation that the employee was receiving as of December 31, 2021. For an employee
17 hired after December 31, 2021, the agency shall use not less than the lowest compensation paid to
18 an employee of similar functions and duties as of December 31, 2021, as the base compensation to
19 which the increase is applied.

20 (ii) By January 1, 2023, employers must provide to EOHHS an annual compliance
21 statement showing wages as of December 31, 2021, amounts received from the increases outlined
22 herein, and compliance with this section, including which behavioral healthcare training programs
23 were utilized. EOHHS may adopt any additional necessary regulations and processes to oversee
24 this subsection.

25 (h) The executive office shall implement a long-term-care-options counseling program to
26 provide individuals, or their representatives, or both, with long-term-care consultations that shall
27 include, at a minimum, information about: long-term-care options, sources, and methods of both
28 public and private payment for long-term-care services and an assessment of an individual's
29 functional capabilities and opportunities for maximizing independence. Each individual admitted
30 to, or seeking admission to, a long-term-care facility, regardless of the payment source, shall be
31 informed by the facility of the availability of the long-term-care-options counseling program and
32 shall be provided with long-term-care-options consultation if they so request. Each individual who
33 applies for Medicaid long-term-care services shall be provided with a long-term-care consultation.

34 (i) The executive office shall implement, no later than January 1, 2024, a statewide network

1 and rate methodology for conflict-free case management for individuals receiving Medicaid-funded
2 home and community-based services. The executive office shall coordinate implementation with
3 the state's health and human services departments and divisions authorized to deliver Medicaid-
4 funded home and community-based service programs, including the department of behavioral
5 healthcare, developmental disabilities and hospitals; the department of human services; and the
6 office of healthy aging. It is in the best interest of the Rhode Islanders eligible to receive Medicaid
7 home and community-based services under this chapter, title 40.1, title 42, or any other general
8 laws to provide equitable access to conflict-free case management that shall include person-
9 centered planning, service arranging, and quality monitoring in the amount, duration, and scope
10 required by federal law and regulations. It is necessary to ensure that there is a robust network of
11 qualified conflict-free case management entities with the capacity to serve all participants on a
12 statewide basis and in a manner that promotes choice, self-reliance, and community integration.
13 The executive office, as the designated single state Medicaid authority and agency responsible for
14 coordinating policy and planning for health and human services under § 42-7.2-1 et seq., is directed
15 to establish a statewide conflict-free case management network under the management of the
16 executive office and to seek any Medicaid waivers, state plan amendments, and changes in rules,
17 regulations, and procedures that may be necessary to ensure that recipients of Medicaid home and
18 community-based services have access to conflict-free case management in a timely manner and in
19 accordance with the federal requirements that must be met to preserve financial participation.

20 (j) The executive office is also authorized, subject to availability of appropriation of
21 funding, and federal, Medicaid-matching funds, to pay for certain services and supports necessary
22 to transition or divert beneficiaries from institutional or restrictive settings and optimize their health
23 and safety when receiving care in a home or the community. The secretary is authorized to obtain
24 any state plan or waiver authorities required to maximize the federal funds available to support
25 expanded access to home- and community-transition and stabilization services; provided, however,
26 payments shall not exceed an annual or per-person amount.

27 (k) To ensure persons with long-term-care needs who remain living at home have adequate
28 resources to deal with housing maintenance and unanticipated housing-related costs, the secretary
29 is authorized to develop higher resource eligibility limits for persons or obtain any state plan or
30 waiver authorities necessary to change the financial eligibility criteria for long-term services and
31 supports to enable beneficiaries receiving home and community waiver services to have the
32 resources to continue living in their own homes or rental units or other home-based settings.

33 (l) The executive office shall implement, no later than January 1, 2016, the following home-
34 and community-based service and payment reforms:

1 (1) [Deleted by P.L. 2021, ch. 162, art. 12, § 6.]

2 (2) Adult day services level of need criteria and acuity-based, tiered-payment
3 methodology; and

4 (3) Payment reforms that encourage home- and community-based providers to provide the
5 specialized services and accommodations beneficiaries need to avoid or delay institutional care.

6 (m) The secretary is authorized to seek any Medicaid section 1115 waiver or state-plan
7 amendments and take any administrative actions necessary to ensure timely adoption of any new
8 or amended rules, regulations, policies, or procedures and any system enhancements or changes,
9 for which appropriations have been authorized, that are necessary to facilitate implementation of
10 the requirements of this section by the dates established. The secretary shall reserve the discretion
11 to exercise the authority established under §§ 42-7.2-5(6)(v) and 42-7.2-6.1, in consultation with
12 the governor, to meet the legislative directives established herein.

13 SECTION 7. Sections 40-8.10-2, 40-8.10-3 and 40-8.10-4 of the General Laws in Chapter
14 40-8.10 entitled "Long-Term Care Service Reform for Medicaid Eligible Individuals" are hereby
15 amended to read as follows:

16 **40-8.10-2. Definitions.**

17 As used in this chapter:

18 (1) "Core services" mean homemaker services, environmental modifications (home
19 accessibility adaptations, special medical equipment (minor assistive devices), meals on wheels
20 (home delivered meals), personal emergency response (PERS), licensed practical nurse services,
21 community transition services, residential supports, day supports, supported employment,
22 supported living arrangements, private duty nursing, supports for consumer direction (supports
23 facilitation), participant directed goods and services, case management, senior companion services,
24 assisted living, personal care assistance services and respite.

25 ~~(2) "Preventive services" mean homemaker services, minor environmental modifications,~~
26 ~~physical therapy evaluation and services, and respite services.~~

27 **40-8.10-3. Levels of care.**

28 (a) The secretary of the executive office of health and human services shall coordinate
29 responsibilities for long-term-care assessment in accordance with the provisions of this chapter.
30 Importance shall be placed upon the proper and consistent determination of levels of care across
31 the state departments for each long-term-care setting, including behavioral health residential
32 treatment facilities, long-term-care hospitals, intermediate-care facilities, and/or skilled nursing
33 facilities. Specialized plans of care that meet the needs of the individual Medicaid recipients shall
34 be coordinated and consistent across all state departments. The development of care plans shall be

1 person-centered and shall support individual self-determination, family involvement, when
2 appropriate, individual choice, and interdepartmental collaboration.

3 (b) Levels of care for long-term-care institutions (behavioral health residential treatment
4 facilities, long-term-care hospitals, intermediate-care facilities and/or skilled nursing facilities), for
5 which alternative community-based services and supports are available, shall be established
6 pursuant to § 40-8.9-9. The structure of the ~~three (3)~~ two (2) levels of care is as follows:

7 (1) Highest level of care. Individuals who are determined, based on medical need, to require
8 the institutional level of care will have the choice to receive services in a long-term-care institution
9 or in a home- and community-based setting.

10 (2) High level of care. Individuals who are determined, based on medical need, to benefit
11 from home- and community-based services.

12 ~~(3) Preventive level of care. Individuals who do not presently need an institutional level of~~
13 ~~care but who need services targeted at preventing admission, re-admissions, or reducing lengths of~~
14 ~~stay in an institution.~~

15 (c) Determinations of levels of care and the provision of long-term-care health services
16 shall be determined in accordance with this section and shall be in accordance with the applicable
17 provisions of § 40-8.9-9.

18 **40-8.10-4. Long-term care assessment and coordination.**

19 (a) The executive office of health and human services shall implement a long-term-care-
20 options counseling program to provide individuals or their representative, or both, with long-term-
21 care consultations that shall include, at a minimum, information about long-term-care options,
22 sources and methods of both public and private payment for long-term-care services; information
23 on caregiver support services, including respite care; and an assessment of an individual's
24 functional capabilities and opportunities for maximizing independence. Each individual admitted
25 to or seeking admission to a long-term-care facility, regardless of the payment source, shall be
26 informed by the facility of the availability of the long-term-care-options counseling program and
27 shall be provided with a long-term-care-options consultation, if he or she so requests. Each
28 individual who applies for Medicaid long-term-care services shall be provided with a long-term-
29 care consultation.

30 (b) Core ~~and preventative~~ home- and community-based services defined and delineated in
31 § 40-8.10-2 shall be provided only to those individuals who meet one of the levels of care provided
32 for in this chapter. Other long-term-care services authorized by the federal government, such as
33 medication management, may also be provided to Medicaid-eligible recipients who have
34 established the requisite need.

1 (c) The assessments for individuals conducted in accordance with this section shall serve
2 as the basis for individual budgets for those medical assistance recipients eligible to receive services
3 utilizing a self-directed delivery system.

4 (d) Nothing in this section shall prohibit the secretary of the executive office of health and
5 human services, or the directors of that office's departments from utilizing community agencies or
6 contractors when appropriate to perform assessment functions outlined in this chapter.

7 SECTION 8. Section 42-7.2-5 of the General Laws in Chapter 42-7.2 entitled "Office of
8 Health and Human Services" is hereby amended to read as follows:

9 **42-7.2-5. Duties of the secretary.**

10 The secretary shall be subject to the direction and supervision of the governor for the
11 oversight, coordination, and cohesive direction of state-administered health and human services
12 and in ensuring the laws are faithfully executed, notwithstanding any law to the contrary. In this
13 capacity, the secretary of the executive office of health and human services (EOHHS) shall be
14 authorized to:

15 (1) Coordinate the administration and financing of healthcare benefits, human services, and
16 programs including those authorized by the state's Medicaid section 1115 demonstration waiver
17 and, as applicable, the Medicaid state plan under Title XIX of the U.S. Social Security Act.
18 However, nothing in this section shall be construed as transferring to the secretary the powers,
19 duties, or functions conferred upon the departments by Rhode Island public and general laws for
20 the administration of federal/state programs financed in whole or in part with Medicaid funds or
21 the administrative responsibility for the preparation and submission of any state plans, state plan
22 amendments, or authorized federal waiver applications, once approved by the secretary.

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

25 (3)(i) Review and ensure the coordination of the state's Medicaid section 1115
26 demonstration waiver requests and renewals as well as any initiatives and proposals requiring
27 amendments to the Medicaid state plan or formal amendment changes, as described in the special
28 terms and conditions of the state's Medicaid section 1115 demonstration waiver with the potential
29 to affect the scope, amount, or duration of publicly funded healthcare services, provider payments
30 or reimbursements, or access to or the availability of benefits and services as provided by Rhode
31 Island general and public laws. The secretary shall consider whether any such changes are legally
32 and fiscally sound and consistent with the state's policy and budget priorities. The secretary shall
33 also assess whether a proposed change is capable of obtaining the necessary approvals from federal
34 officials and achieving the expected positive consumer outcomes. Department directors shall,

1 within the timelines specified, provide any information and resources the secretary deems necessary
2 in order to perform the reviews authorized in this section.

3 (ii) Direct the development and implementation of any Medicaid policies, procedures, or
4 systems that may be required to assure successful operation of the state's health and human services
5 integrated eligibility system and coordination with HealthSource RI, the state's health insurance
6 marketplace.

7 (iii) Beginning in 2015, conduct on a biennial basis a comprehensive review of the
8 Medicaid eligibility criteria for one or more of the populations covered under the state plan or a
9 waiver to ensure consistency with federal and state laws and policies, coordinate and align systems,
10 and identify areas for improving quality assurance, fair and equitable access to services, and
11 opportunities for additional financial participation.

12 (iv) Implement service organization and delivery reforms that facilitate service integration,
13 increase value, and improve quality and health outcomes.

14 (4) Beginning in 2020, prepare and submit to the governor, the chairpersons of the house
15 and senate finance committees, the caseload estimating conference, and to the joint legislative
16 committee for health-care oversight, by no later than September 15 of each year, a comprehensive
17 overview of all Medicaid expenditures outcomes, administrative costs, and utilization rates. The
18 overview shall include, but not be limited to, the following information:

19 (i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;

20 (ii) Expenditures, outcomes, and utilization rates by population and sub-population served
21 (e.g., families with children, persons with disabilities, children in foster care, children receiving
22 adoption assistance, adults ages nineteen (19) to sixty-four (64), and elders);

23 (iii) Expenditures, outcomes, and utilization rates by each state department or other
24 municipal or public entity receiving federal reimbursement under Titles XIX and XXI of the Social
25 Security Act, as amended;

26 (iv) Expenditures, outcomes, and utilization rates by type of service and/or service
27 provider;

28 (v) Expenditures by mandatory population receiving mandatory services and, reported
29 separately, optional services, as well as optional populations receiving mandatory services and,
30 reported separately, optional services for each state agency receiving Title XIX and XXI funds; and

31 (vi) Information submitted to the Centers for Medicare & Medicaid Services for the
32 mandatory annual state reporting of the Core Set of Children's Health Care Quality Measures for
33 Medicaid and Children's Health Insurance Program, behavioral health measures on the Core Set of
34 Adult Health Care Quality Measures for Medicaid and the Core Sets of Health Home Quality

Measures for Medicaid to ensure compliance with the Bipartisan Budget Act of 2018, Pub. L. No. 115-123.

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

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

(6) Ensure continued progress toward improving the quality, the economy, the accountability, and the efficiency of state-administered health and human services. In this capacity, the secretary shall:

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

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

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

(iv) Improve the coordination and efficiency of health and human services legal functions by centralizing adjudicative and legal services and overseeing their timely and judicious administration;

(v) Facilitate the rebalancing of the long-term system by creating an assessment and coordination organization or unit for the expressed purpose of developing and implementing procedures EOHHS-wide that ensure that the appropriate publicly funded health services are provided at the right time and in the most appropriate and least restrictive setting;

(vi) Strengthen health and human services program integrity, quality control and collections, and recovery activities by consolidating functions within the office in a single unit that ensures all affected parties pay their fair share of the cost of services and are aware of alternative

1 financing;

2 (vii) Assure protective services are available to vulnerable elders and adults with

3 developmental and other disabilities by reorganizing existing services, establishing new services

4 where gaps exist, and centralizing administrative responsibility for oversight of all related

5 initiatives and programs.

6 (7) Prepare and integrate comprehensive budgets for the health and human services

7 departments and any other functions and duties assigned to the office. The budgets shall be

8 submitted to the state budget office by the secretary, for consideration by the governor, on behalf

9 of the state's health and human services agencies in accordance with the provisions set forth in §

10 35-3-4.

11 (8) Utilize objective data to evaluate health and human services policy goals, resource use

12 and outcome evaluation and to perform short and long-term policy planning and development.

13 (9) Establishment of an integrated approach to interdepartmental information and data

14 management that complements and furthers the goals of the unified health infrastructure project

15 initiative and that will facilitate the transition to a consumer-centered integrated system of state-

16 administered health and human services.

17 (10) At the direction of the governor or the general assembly, conduct independent reviews

18 of state-administered health and human services programs, policies and related agency actions and

19 activities and assist the department directors in identifying strategies to address any issues or areas

20 of concern that may emerge thereof. The department directors shall provide any information and

21 assistance deemed necessary by the secretary when undertaking such independent reviews.

22 (11) Provide regular and timely reports to the governor and make recommendations with

23 respect to the state's health and human services agenda.

24 (12) Employ such personnel and contract for such consulting services as may be required

25 to perform the powers and duties lawfully conferred upon the secretary.

26 (13) Assume responsibility for complying with the provisions of any general or public law

27 or regulation related to the disclosure, confidentiality, and privacy of any information or records,

28 in the possession or under the control of the executive office or the departments assigned to the

29 executive office, that may be developed or acquired or transferred at the direction of the governor

30 or the secretary for purposes directly connected with the secretary's duties set forth herein.

31 (14) Hold the director of each health and human services department accountable for their

32 administrative, fiscal, and program actions in the conduct of the respective powers and duties of

33 their agencies.

34 (15) Identify opportunities for inclusion with the EOHHS' October 1, 2023 budget

1 ,submission, to remove fixed eligibility thresholds for programs under its purview by establishing
2 sliding scale decreases in benefits commensurate with income increases up to four hundred fifty
3 percent (450%) of the federal poverty level. These shall include but not be limited to, medical
4 assistance, childcare assistance, and food assistance.

5 (16) The secretary shall convene, in consultation with the governor, an advisory working
6 group to assist in the review and analysis of potential impacts of any adopted federal actions related
7 to Medicaid programs. The working group shall develop options for administrative action or
8 general assembly consideration that may be needed to address any federal funding changes that
9 impact Rhode Island's Medicaid programs.

10 (i) The advisory working group may include, but not be limited to, the secretary of health
11 and human services, director of management and budget, and designees from the following: state
12 agencies, businesses, healthcare, public sector unions, and advocates.

13 (ii) As soon as practicable after the enactment federal budget for fiscal year 2026, but no
14 later than October 31, 2025, the advisory working group shall forward a report to the governor,
15 speaker of the house, and president of the senate containing the findings, recommendations and
16 options for consideration to become compliant with federal changes prior to the governor's budget
17 submission pursuant to § 35-3-7.

18 SECTION 9. Sections 42-14.5-2.1 and 42-14.5-3 of the General Laws in Chapter 42-14.5
19 entitled "The Rhode Island Health Care Reform Act of 2004 — Health Insurance Oversight" are
20 hereby amended to read as follows:

21 **42-14.5-2.1. Definitions.**

22 As used in this chapter:

23 (1) "Accountability standards" means measures including service processes, client and
24 population outcomes, practice standard compliance and fiscal integrity of social and human service
25 providers on the individual contractual level and service type for all state contracts of the state or
26 any subdivision or agency to include, but not limited to, the department of children, youth and
27 families (DCYF), the department of behavioral healthcare, developmental disabilities and hospitals
28 (BHDDH), the department of human services (DHS), the department of health (DOH), and
29 Medicaid. This may include mandatory reporting, consolidated, standardized reporting, audits
30 regardless of organizational tax status, and accountability dashboards of aforementioned state
31 departments or subdivisions that are regularly shared with the public.

32 (2) "Executive Office of Health and Human Services (EOHHS)" means the department
33 that serves as "principal agency of the executive branch of state government" (§ 42-7.2-2)
34 responsible for managing the departments and offices of: health (RIDOH), human services (DHS),

1 healthy aging (OHA), veterans services (VETS), children, youth and families (DCYF), and
2 behavioral healthcare, developmental disabilities and hospitals (BHDDH). EOHHS is also
3 designated as the single state agency with authority to administer the Medicaid program in Rhode
4 Island.

5 (3) "Primary care services" means, for the purposes of reporting required under § 42-14.5-
6 3(t), professional services rendered by primary care providers at a primary care site of care,
7 including care management services performed in the context of team-based primary care.

8 ~~(3)~~(4) "Rate review" means the process of reviewing and reporting of specific trending
9 factors that influence the cost of service that informs rate setting.

10 ~~(4)~~(5) "Rate setting" means the process of establishing rates for social and human service
11 programs that are based on a thorough rate review process.

12 ~~(5)~~(6) "Social and human service program" means a social, mental health, developmental
13 disability, child welfare, juvenile justice, prevention services, habilitative, rehabilitative, substance
14 use disorder treatment, residential care, adult or adolescent day services, vocational, employment
15 and training, or aging service program or accommodations purchased by the state.

16 ~~(6)~~(7) "Social and human service provider" means a provider of social and human service
17 programs pursuant to a contract with the state or any subdivision or agency to include, but not be
18 limited to, the department of children, youth and families (DCYF), the department of behavioral
19 healthcare, developmental disabilities and hospitals (BHDDH), the department of human services
20 (DHS), the department of health (DOH), and Medicaid.

21 ~~(7)~~(8) "State government and the provider network" refers to the contractual relationship
22 between a state agency or subdivision of a state agency and private companies the state contracts
23 with to provide the network of mandated and discretionary social and human services.

24 **42-14.5-3. Powers and duties.**

25 The health insurance commissioner shall have the following powers and duties:

26 (a) To conduct quarterly public meetings throughout the state, separate and distinct from
27 rate hearings pursuant to § 42-62-13, regarding the rates, services, and operations of insurers
28 licensed to provide health insurance in the state; the effects of such rates, services, and operations
29 on consumers, medical care providers, patients, and the market environment in which the insurers
30 operate; and efforts to bring new health insurers into the Rhode Island market. Notice of not less
31 than ten (10) days of the hearing(s) shall go to the general assembly, the governor, the Rhode Island
32 Medical Society, the Hospital Association of Rhode Island, the director of health, the attorney
33 general, and the chambers of commerce. Public notice shall be posted on the department's website
34 and given in the newspaper of general circulation, and to any entity in writing requesting notice.

1 (b) To make recommendations to the governor and the house of representatives and senate
2 finance committees regarding healthcare insurance and the regulations, rates, services,
3 administrative expenses, reserve requirements, and operations of insurers providing health
4 insurance in the state, and to prepare or comment on, upon the request of the governor or
5 chairpersons of the house or senate finance committees, draft legislation to improve the regulation
6 of health insurance. In making the recommendations, the commissioner shall recognize that it is
7 the intent of the legislature that the maximum disclosure be provided regarding the reasonableness
8 of individual administrative expenditures as well as total administrative costs. The commissioner
9 shall make recommendations on the levels of reserves, including consideration of: targeted reserve
10 levels; trends in the increase or decrease of reserve levels; and insurer plans for distributing excess
11 reserves.

12 (c) To establish a consumer/business/labor/medical advisory council to obtain information
13 and present concerns of consumers, business, and medical providers affected by health insurance
14 decisions. The council shall develop proposals to allow the market for small business health
15 insurance to be affordable and fairer. The council shall be involved in the planning and conduct of
16 the quarterly public meetings in accordance with subsection (a). The advisory council shall develop
17 measures to inform small businesses of an insurance complaint process to ensure that small
18 businesses that experience rate increases in a given year may request and receive a formal review
19 by the department. The advisory council shall assess views of the health provider community
20 relative to insurance rates of reimbursement, billing, and reimbursement procedures, and the
21 insurers' role in promoting efficient and high-quality health care. The advisory council shall issue
22 an annual report of findings and recommendations to the governor and the general assembly and
23 present its findings at hearings before the house and senate finance committees. The advisory
24 council is to be diverse in interests and shall include representatives of community consumer
25 organizations; small businesses, other than those involved in the sale of insurance products; and
26 hospital, medical, and other health provider organizations. Such representatives shall be nominated
27 by their respective organizations. The advisory council shall be co-chaired by the health insurance
28 commissioner and a community consumer organization or small business member to be elected by
29 the full advisory council.

30 (d) To establish and provide guidance and assistance to a subcommittee ("the professional-
31 provider-health-plan work group") of the advisory council created pursuant to subsection (c),
32 composed of healthcare providers and Rhode Island licensed health plans. This subcommittee shall
33 include in its annual report and presentation before the house and senate finance committees the
34 following information:

- 1 (1) A method whereby health plans shall disclose to contracted providers the fee schedules
2 used to provide payment to those providers for services rendered to covered patients;
- 3 (2) A standardized provider application and credentials verification process, for the
4 purpose of verifying professional qualifications of participating healthcare providers;
- 5 (3) The uniform health plan claim form utilized by participating providers;
- 6 (4) Methods for health maintenance organizations, as defined by § 27-41-2, and nonprofit
7 hospital or medical service corporations, as defined by chapters 19 and 20 of title 27, to make
8 facility-specific data and other medical service-specific data available in reasonably consistent
9 formats to patients regarding quality and costs. This information would help consumers make
10 informed choices regarding the facilities and clinicians or physician practices at which to seek care.
11 Among the items considered would be the unique health services and other public goods provided
12 by facilities and clinicians or physician practices in establishing the most appropriate cost
13 comparisons;
- 14 (5) All activities related to contractual disclosure to participating providers of the
15 mechanisms for resolving health plan/provider disputes;
- 16 (6) The uniform process being utilized for confirming, in real time, patient insurance
17 enrollment status, benefits coverage, including copays and deductibles;
- 18 (7) Information related to temporary credentialing of providers seeking to participate in the
19 plan's network and the impact of the activity on health plan accreditation;
- 20 (8) The feasibility of regular contract renegotiations between plans and the providers in
21 their networks; and
- 22 (9) Efforts conducted related to reviewing impact of silent PPOs on physician practices.
- 23 (e) To enforce the provisions of title 27 and title 42 as set forth in § 42-14-5(d).
- 24 (f) To provide analysis of the Rhode Island affordable health plan reinsurance fund. The
25 fund shall be used to effectuate the provisions of §§ 27-18.5-9 and 27-50-17.
- 26 (g) To analyze the impact of changing the rating guidelines and/or merging the individual
27 health insurance market, as defined in chapter 18.5 of title 27, and the small-employer health
28 insurance market, as defined in chapter 50 of title 27, in accordance with the following:
- 29 (1) The analysis shall forecast the likely rate increases required to effect the changes
30 recommended pursuant to the preceding subsection (g) in the direct-pay market and small-employer
31 health insurance market over the next five (5) years, based on the current rating structure and
32 current products.
- 33 (2) The analysis shall include examining the impact of merging the individual and small-
34 employer markets on premiums charged to individuals and small-employer groups.

1 (3) The analysis shall include examining the impact on rates in each of the individual and
2 small-employer health insurance markets and the number of insureds in the context of possible
3 changes to the rating guidelines used for small-employer groups, including: community rating
4 principles; expanding small-employer rate bonds beyond the current range; increasing the employer
5 group size in the small-group market; and/or adding rating factors for broker and/or tobacco use.

6 (4) The analysis shall include examining the adequacy of current statutory and regulatory
7 oversight of the rating process and factors employed by the participants in the proposed, new
8 merged market.

9 (5) The analysis shall include assessment of possible reinsurance mechanisms and/or
10 federal high-risk pool structures and funding to support the health insurance market in Rhode Island
11 by reducing the risk of adverse selection and the incremental insurance premiums charged for this
12 risk, and/or by making health insurance affordable for a selected at-risk population.

13 (6) The health insurance commissioner shall work with an insurance market merger task
14 force to assist with the analysis. The task force shall be chaired by the health insurance
15 commissioner and shall include, but not be limited to, representatives of the general assembly, the
16 business community, small-employer carriers as defined in § 27-50-3, carriers offering coverage in
17 the individual market in Rhode Island, health insurance brokers, and members of the general public.

18 (7) For the purposes of conducting this analysis, the commissioner may contract with an
19 outside organization with expertise in fiscal analysis of the private insurance market. In conducting
20 its study, the organization shall, to the extent possible, obtain and use actual health plan data. Said
21 data shall be subject to state and federal laws and regulations governing confidentiality of health
22 care and proprietary information.

23 (8) The task force shall meet as necessary and include its findings in the annual report, and
24 the commissioner shall include the information in the annual presentation before the house and
25 senate finance committees.

26 (h) To establish and convene a workgroup representing healthcare providers and health
27 insurers for the purpose of coordinating the development of processes, guidelines, and standards to
28 streamline healthcare administration that are to be adopted by payors and providers of healthcare
29 services operating in the state. This workgroup shall include representatives with expertise who
30 would contribute to the streamlining of healthcare administration and who are selected from
31 hospitals, physician practices, community behavioral health organizations, each health insurer, and
32 other affected entities. The workgroup shall also include at least one designee each from the Rhode
33 Island Medical Society, Rhode Island Council of Community Mental Health Organizations, the
34 Rhode Island Health Center Association, and the Hospital Association of Rhode Island. In any year

1 that the workgroup meets and submits recommendations to the office of the health insurance
2 commissioner, the office of the health insurance commissioner shall submit such recommendations
3 to the health and human services committees of the Rhode Island house of representatives and the
4 Rhode Island senate prior to the implementation of any such recommendations and subsequently
5 shall submit a report to the general assembly by June 30, 2024. The report shall include the
6 recommendations the commissioner may implement, with supporting rationale. The workgroup
7 shall consider and make recommendations for:

8 (1) Establishing a consistent standard for electronic eligibility and coverage verification.

9 Such standard shall:

10 (i) Include standards for eligibility inquiry and response and, wherever possible, be
11 consistent with the standards adopted by nationally recognized organizations, such as the Centers
12 for Medicare & Medicaid Services;

13 (ii) Enable providers and payors to exchange eligibility requests and responses on a system-
14 to-system basis or using a payor-supported web browser;

15 (iii) Provide reasonably detailed information on a consumer's eligibility for healthcare
16 coverage; scope of benefits; limitations and exclusions provided under that coverage; cost-sharing
17 requirements for specific services at the specific time of the inquiry; current deductible amounts;
18 accumulated or limited benefits; out-of-pocket maximums; any maximum policy amounts; and
19 other information required for the provider to collect the patient's portion of the bill;

20 (iv) Reflect the necessary limitations imposed on payors by the originator of the eligibility
21 and benefits information;

22 (v) Recommend a standard or common process to protect all providers from the costs of
23 services to patients who are ineligible for insurance coverage in circumstances where a payor
24 provides eligibility verification based on best information available to the payor at the date of the
25 request of eligibility.

26 (2) Developing implementation guidelines and promoting adoption of the guidelines for:

27 (i) The use of the National Correct Coding Initiative code-edit policy by payors and
28 providers in the state;

29 (ii) Publishing any variations from codes and mutually exclusive codes by payors in a
30 manner that makes for simple retrieval and implementation by providers;

31 (iii) Use of Health Insurance Portability and Accountability Act standard group codes,
32 reason codes, and remark codes by payors in electronic remittances sent to providers;

33 (iv) Uniformity in the processing of claims by payors; and the processing of corrections to
34 claims by providers and payors;

1 (v) A standard payor-denial review process for providers when they request a
2 reconsideration of a denial of a claim that results from differences in clinical edits where no single,
3 common-standards body or process exists and multiple conflicting sources are in use by payors and
4 providers.

5 (vi) Nothing in this section, nor in the guidelines developed, shall inhibit an individual
6 payor's ability to employ, and not disclose to providers, temporary code edits for the purpose of
7 detecting and deterring fraudulent billing activities. The guidelines shall require that each payor
8 disclose to the provider its adjudication decision on a claim that was denied or adjusted based on
9 the application of such edits and that the provider have access to the payor's review and appeal
10 process to challenge the payor's adjudication decision.

11 (vii) Nothing in this subsection shall be construed to modify the rights or obligations of
12 payors or providers with respect to procedures relating to the investigation, reporting, appeal, or
13 prosecution under applicable law of potentially fraudulent billing activities.

14 (3) Developing and promoting widespread adoption by payors and providers of guidelines
15 to:

16 (i) Ensure payors do not automatically deny claims for services when extenuating
17 circumstances make it impossible for the provider to obtain a preauthorization before services are
18 performed or notify a payor within an appropriate standardized timeline of a patient's admission;

19 (ii) Require payors to use common and consistent processes and time frames when
20 responding to provider requests for medical management approvals. Whenever possible, such time
21 frames shall be consistent with those established by leading national organizations and be based
22 upon the acuity of the patient's need for care or treatment. For the purposes of this section, medical
23 management includes prior authorization of services, preauthorization of services, precertification
24 of services, post-service review, medical-necessity review, and benefits advisory;

25 (iii) Develop, maintain, and promote widespread adoption of a single, common website
26 where providers can obtain payors' preauthorization, benefits advisory, and preadmission
27 requirements;

28 (iv) Establish guidelines for payors to develop and maintain a website that providers can
29 use to request a preauthorization, including a prospective clinical necessity review; receive an
30 authorization number; and transmit an admission notification;

31 (v) Develop and implement the use of programs that implement selective prior
32 authorization requirements, based on stratification of healthcare providers' performance and
33 adherence to evidence-based medicine with the input of contracted healthcare providers and/or
34 provider organizations. Such criteria shall be transparent and easily accessible to contracted

1 providers. Such selective prior authorization programs shall be available when healthcare providers
2 participate directly with the insurer in risk-based payment contracts and may be available to
3 providers who do not participate in risk-based contracts;

4 (vi) Require the review of medical services, including behavioral health services, and
5 prescription drugs, subject to prior authorization on at least an annual basis, with the input of
6 contracted healthcare providers and/or provider organizations. Any changes to the list of medical
7 services, including behavioral health services, and prescription drugs requiring prior authorization,
8 shall be shared via provider-accessible websites;

9 (vii) Improve communication channels between health plans, healthcare providers, and
10 patients by:

11 (A) Requiring transparency and easy accessibility of prior authorization requirements,
12 criteria, rationale, and program changes to contracted healthcare providers and patients/health plan
13 enrollees which may be satisfied by posting to provider-accessible and member-accessible
14 websites; and

15 (B) Supporting:

16 (I) Timely submission by healthcare providers of the complete information necessary to
17 make a prior authorization determination, as early in the process as possible; and

18 (II) Timely notification of prior authorization determinations by health plans to impacted
19 health plan enrollees, and healthcare providers, including, but not limited to, ordering providers,
20 and/or rendering providers, and dispensing pharmacists which may be satisfied by posting to
21 provider-accessible websites or similar electronic portals or services;

22 (viii) Increase and strengthen continuity of patient care by:

23 (A) Defining protections for continuity of care during a transition period for patients
24 undergoing an active course of treatment, when there is a formulary or treatment coverage change
25 or change of health plan that may disrupt their current course of treatment and when the treating
26 physician determines that a transition may place the patient at risk; and for prescription medication
27 by allowing a grace period of coverage to allow consideration of referred health plan options or
28 establishment of medical necessity of the current course of treatment;

29 (B) Requiring continuity of care for medical services, including behavioral health services,
30 and prescription medications for patients on appropriate, chronic, stable therapy through
31 minimizing repetitive prior authorization requirements; and which for prescription medication shall
32 be allowed only on an annual review, with exception for labeled limitation, to establish continued
33 benefit of treatment; and

34 (C) Requiring communication between healthcare providers, health plans, and patients to

1 facilitate continuity of care and minimize disruptions in needed treatment which may be satisfied
2 by posting to provider-accessible websites or similar electronic portals or services;

3 (D) Continuity of care for formulary or drug coverage shall distinguish between FDA
4 designated interchangeable products and proprietary or marketed versions of a medication;

5 (ix) Encourage healthcare providers and/or provider organizations and health plans to
6 accelerate use of electronic prior authorization technology, including adoption of national standards
7 where applicable; and

8 (x) For the purposes of subsections (h)(3)(v) through (h)(3)(x) of this section, the
9 workgroup meeting may be conducted in part or whole through electronic methods.

10 (4) To provide a report to the house and senate, on or before January 1, 2017, with
11 recommendations for establishing guidelines and regulations for systems that give patients
12 electronic access to their claims information, particularly to information regarding their obligations
13 to pay for received medical services, pursuant to 45 C.F.R. § 164.524.

14 (5) No provision of this subsection (h) shall preclude the ongoing work of the office of
15 health insurance commissioner's administrative simplification task force, which includes meetings
16 with key stakeholders in order to improve, and provide recommendations regarding, the prior
17 authorization process.

18 (i) To issue an anti-cancer medication report. Not later than June 30, 2014, and annually
19 thereafter, the office of the health insurance commissioner (OHIC) shall provide the senate
20 committee on health and human services, and the house committee on corporations, with: (1)
21 Information on the availability in the commercial market of coverage for anti-cancer medication
22 options; (2) For the state employee's health benefit plan, the costs of various cancer-treatment
23 options; (3) The changes in drug prices over the prior thirty-six (36) months; and (4) Member
24 utilization and cost-sharing expense.

25 (j) To monitor the adequacy of each health plan's compliance with the provisions of the
26 federal Mental Health Parity Act, including a review of related claims processing and
27 reimbursement procedures. Findings, recommendations, and assessments shall be made available
28 to the public.

29 (k) To monitor the transition from fee-for-service and toward global and other alternative
30 payment methodologies for the payment for healthcare services. Alternative payment
31 methodologies should be assessed for their likelihood to promote access to affordable health
32 insurance, health outcomes, and performance.

33 (l) To report annually, no later than July 1, 2014, then biannually thereafter, on hospital
34 payment variation, including findings and recommendations, subject to available resources.

1 (m) Notwithstanding any provision of the general or public laws or regulation to the
2 contrary, provide a report with findings and recommendations to the president of the senate and the
3 speaker of the house, on or before April 1, 2014, including, but not limited to, the following
4 information:

5 (1) The impact of the current, mandated healthcare benefits as defined in §§ 27-18-48.1,
6 27-18-60, 27-18-62, 27-18-64, similar provisions in chapters 19, 20 and 41 of title 27, and §§ 27-
7 18-3(c), 27-38.2-1 et seq., or others as determined by the commissioner, on the cost of health
8 insurance for fully insured employers, subject to available resources;

9 (2) Current provider and insurer mandates that are unnecessary and/or duplicative due to
10 the existing standards of care and/or delivery of services in the healthcare system;

11 (3) A state-by-state comparison of health insurance mandates and the extent to which
12 Rhode Island mandates exceed other states benefits; and

13 (4) Recommendations for amendments to existing mandated benefits based on the findings
14 in (m)(1), (m)(2), and (m)(3) above.

15 (n) On or before July 1, 2014, the office of the health insurance commissioner, in
16 collaboration with the director of health and lieutenant governor's office, shall submit a report to
17 the general assembly and the governor to inform the design of accountable care organizations
18 (ACOs) in Rhode Island as unique structures for comprehensive healthcare delivery and value-
19 based payment arrangements, that shall include, but not be limited to:

20 (1) Utilization review;

21 (2) Contracting; and

22 (3) Licensing and regulation.

23 (o) On or before February 3, 2015, the office of the health insurance commissioner shall
24 submit a report to the general assembly and the governor that describes, analyzes, and proposes
25 recommendations to improve compliance of insurers with the provisions of § 27-18-76 with regard
26 to patients with mental health and substance use disorders.

27 (p) To work to ensure the health insurance coverage of behavioral health care under the
28 same terms and conditions as other health care, and to integrate behavioral health parity
29 requirements into the office of the health insurance commissioner insurance oversight and
30 healthcare transformation efforts.

31 (q) To work with other state agencies to seek delivery system improvements that enhance
32 access to a continuum of mental health and substance use disorder treatment in the state; and
33 integrate that treatment with primary and other medical care to the fullest extent possible.

34 (r) To direct insurers toward policies and practices that address the behavioral health needs

1 of the public and greater integration of physical and behavioral healthcare delivery.

2 (s) The office of the health insurance commissioner shall conduct an analysis of the impact
3 of the provisions of § 27-38.2-1(i) on health insurance premiums and access in Rhode Island and
4 submit a report of its findings to the general assembly on or before June 1, 2023.

5 (t) To undertake the analyses, reports, and studies contained in this section:

6 (1) The office shall hire the necessary staff and prepare a request for proposal for a qualified
7 and competent firm or firms to undertake the following analyses, reports, and studies:

8 (i) The firm shall undertake a comprehensive review of all social and human service
9 programs having a contract with or licensed by the state or any subdivision of the department of
10 children, youth and families (DCYF), the department of behavioral healthcare, developmental
11 disabilities and hospitals (BHDDH), the department of human services (DHS), the department of
12 health (DOH), and Medicaid for the purposes of:

13 (A) Establishing a baseline of the eligibility factors for receiving services;

14 (B) Establishing a baseline of the service offering through each agency for those
15 determined eligible;

16 (C) Establishing a baseline understanding of reimbursement rates for all social and human
17 service programs including rates currently being paid, the date of the last increase, and a proposed
18 model that the state may use to conduct future studies and analyses;

19 (D) Ensuring accurate and adequate reimbursement to social and human service providers
20 that facilitate the availability of high-quality services to individuals receiving home and
21 community-based long-term services and supports provided by social and human service providers;

22 (E) Ensuring the general assembly is provided accurate financial projections on social and
23 human service program costs, demand for services, and workforce needs to ensure access to entitled
24 beneficiaries and services;

25 (F) Establishing a baseline and determining the relationship between state government and
26 the provider network including functions, responsibilities, and duties;

27 (G) Determining a set of measures and accountability standards to be used by EOHHS and
28 the general assembly to measure the outcomes of the provision of services including budgetary
29 reporting requirements, transparency portals, and other methods; and

30 (H) Reporting the findings of human services analyses and reports to the speaker of the
31 house, senate president, chairs of the house and senate finance committees, chairs of the house and
32 senate health and human services committees, and the governor.

33 (2) The analyses, reports, and studies required pursuant to this section shall be
34 accomplished and published as follows and shall provide:

1 (i) An assessment and detailed reporting on all social and human service program rates to
2 be completed by January 1, 2023, including rates currently being paid and the date of the last
3 increase;

4 (ii) An assessment and detailed reporting on eligibility standards and processes of all
5 mandatory and discretionary social and human service programs to be completed by January 1,
6 2023;

7 (iii) An assessment and detailed reporting on utilization trends from the period of January
8 1, 2017, through December 31, 2021, for social and human service programs to be completed by
9 January 1, 2023;

10 (iv) An assessment and detailed reporting on the structure of the state government as it
11 relates to the provision of services by social and human service providers including eligibility and
12 functions of the provider network to be completed by January 1, 2023;

13 (v) An assessment and detailed reporting on accountability standards for services for social
14 and human service programs to be completed by January 1, 2023;

15 (vi) An assessment and detailed reporting by April 1, 2023, on all professional licensed
16 and unlicensed personnel requirements for established rates for social and human service programs
17 pursuant to a contract or established fee schedule;

18 (vii) An assessment and reporting on access to social and human service programs, to
19 include any wait lists and length of time on wait lists, in each service category by April 1, 2023;

20 (viii) An assessment and reporting of national and regional Medicaid rates in comparison
21 to Rhode Island social and human service provider rates by April 1, 2023;

22 (ix) An assessment and reporting on usual and customary rates paid by private insurers and
23 private pay for similar social and human service providers, both nationally and regionally, by April
24 1, 2023; ~~and~~

25 (x) Completion of the development of an assessment and review process that includes the
26 following components: eligibility; scope of services; relationship of social and human service
27 provider and the state; national and regional rate comparisons and accountability standards that
28 result in recommended rate adjustments; and this process shall be completed by September 1, 2023,
29 and conducted biennially hereafter. The biennial rate setting shall be consistent with payment
30 requirements established in § 1902(a)(30)(A) of the Social Security Act, 42 U.S.C. §
31 1396a(a)(30)(A), and all federal and state law, regulations, and quality and safety standards. The
32 results and findings of this process shall be transparent, and public meetings shall be conducted to
33 allow providers, recipients, and other interested parties an opportunity to ask questions and provide
34 comment beginning in September 2023 and biennially thereafter; and

1 (xi) On or before September 1, 2026, the office shall publish and submit to the general
2 assembly and the governor a one-time report making and justifying recommendations for
3 adjustments to primary care services reimbursement and financing. The report shall include
4 consideration of Medicaid, Medicare, commercial, and alternative contracted payments.

5 (3) In fulfillment of the responsibilities defined in subsection (t), the office of the health
6 insurance commissioner shall consult with the Executive Office of Health and Human Services.

7 (u) Annually, each department (namely, EOHHS, DCYF, DOH, DHS, and BHDDH) shall
8 include the corresponding components of the assessment and review (i.e., eligibility; scope of
9 services; relationship of social and human service provider and the state; and national and regional
10 rate comparisons and accountability standards including any changes or substantive issues between
11 biennial reviews) including the recommended rates from the most recent assessment and review
12 with their annual budget submission to the office of management and budget and provide a detailed
13 explanation and impact statement if any rate variances exist between submitted recommended
14 budget and the corresponding recommended rate from the most recent assessment and review
15 process starting October 1, 2023, and biennially thereafter.

16 (v) The general assembly shall appropriate adequate funding as it deems necessary to
17 undertake the analyses, reports, and studies contained in this section relating to the powers and
18 duties of the office of the health insurance commissioner.

19 SECTION 10. Rhode Island Medicaid Reform Act of 2008 Resolution.

20 WHEREAS, The General Assembly enacted Chapter 12.4 of Title 42 entitled “The Rhode
21 Island Medicaid Reform Act of 2008”; and

22 WHEREAS, A legislative enactment is required pursuant to Rhode Island General Laws
23 section 42-12.4-1, et seq.; and

24 WHEREAS, Rhode Island General Laws section 42-7.2-5(3)(i) provides that the secretary
25 of the executive office of health and human Services is responsible for the review and coordination
26 of any Medicaid section 1115 demonstration waiver requests and renewals as well as any initiatives
27 and proposals requiring amendments to the Medicaid state plan or category II or III changes as
28 described in the demonstration, “with potential to affect the scope, amount, or duration of publicly-
29 funded health care services, provider payments or reimbursements, or access to or the availability
30 of benefits and services provided by Rhode Island general and public laws”; and

31 WHEREAS, In pursuit of a more cost-effective consumer choice system of care that is
32 fiscally sound and sustainable, the secretary requests legislative approval of the following proposals
33 to amend the demonstration; and

34 WHEREAS, Implementation of adjustments may require amendments to the Rhode

1 Island's Medicaid state plan and/or section 1115 waiver under the terms and conditions of the
2 demonstration. Further, adoption of new or amended rules, regulations and procedures may also be
3 required:

4 (a) Nursing Facility Rate Increase Alignment with State Revenue Growth. The executive
5 office of health and human services will pursue and implement any state plan amendments needed
6 to limit rate increases for nursing facilities in SFY 2026 to the anticipated rate of growth of state
7 tax revenue, estimated to be 2.3 percent.

8 (b) Home Care Rates. The secretary of the executive office of health and human services
9 will pursue and implement any state plan amendments needed to eliminate annual rate increases
10 for home care services.

11 (c) Establishment of interprofessional consultation program. The secretary of the executive
12 office of health and human services will pursue and implement any state plan amendments needed
13 to establish an interprofessional consultation program in Medicaid effective October 1, 2025.

14 (d) Long-term Behavioral Healthcare Beds. The secretary of the executive office of health
15 and human services will pursue and implement any state plan amendments needed to establish a
16 rate methodology in support of long-term care behavioral health inpatient units for non-
17 governmental owned hospitals.

18 (e) Mobile Response and Stabilization Services (MRSS). The secretary of the executive
19 office of health and human services will pursue and implement any state plan amendments needed
20 to establish a rate of methodology for twenty-four-hour mobile response and stabilization services
21 for children and youth ages two through twenty-one. This program shall convert the existing pilot
22 Mobile Response and Stabilization Services program into a Medicaid-covered benefit to establish
23 MRSS as the state-sanctioned crisis system for children's behavioral health that adheres to
24 nationally recognized fidelity standard. The request for a state plan amendment shall be submitted
25 no later than October 1, 2025, for a start date no later than October 1, 2026.

26 (f) 340 B Program. The secretary of the executive office of health and human services ~~will~~
27 ~~pursue and implement any state plan or 1115 waiver amendments needed to effectuate a 340 B~~
28 ~~program~~ is authorized to pursue and implement any state plan or 1115 waiver amendments that
29 may be needed, and to make any changes to the department's rules, regulations, and procedures that
30 may be needed, to prohibit discrimination against 340B covered entities for drugs reimbursed by
31 the Medicaid program.

32 The following terms have the following meanings:

33 (1) "340B drug" means a drug that has been subject to any offer for reduced prices by a
34 manufacturer pursuant to 42 U.S.C. § 256b and is purchased by a covered entity as defined in 42

1 U.S.C. § 256b(a)(4);

2 (2) “340B-contract pharmacy” means a pharmacy, as defined in § 5-19.1-2, that dispenses
3 340B drugs on behalf of a 340B-covered entity;

4 (3) "340B covered entity" means an entity participating or authorized to participate in the
5 federal 340B drug discount program on behalf of a 340B-covered entity under contract;

6 (4) "Medicaid" means the Rhode Island Medicaid program;

7 (5) "Pharmaceutical manufacturer" means any person or entity that manufactures,
8 distributes, or sells prescription drugs, directly or through another person or entity, in this state;

9 (6) "Pharmacy benefit manager” or “PBMs" means an entity doing business in the state
10 that contracts to administer or manage prescription-drug benefits on behalf of Medicaid that
11 provides prescription-drug benefits to Medicaid members;

12 The executive office will prohibit certain discriminatory actions [by Medicaid, including](#)
13 [managed care organizations or PMBs contracted with Medicaid](#), related to reimbursement of 340B
14 covered entities and 340B contract pharmacies as follows:

15 (a) With respect to reimbursement to a 340B covered entity for 340B drugs, ~~a health~~
16 ~~insurer, pharmacy benefit manager, manufacturer, other third party payor, or its agent~~ [Medicaid, a](#)
17 [managed care organization contracted with Medicaid, a PBM contracted with Medicaid, a Medicaid](#)
18 [managed care organization or an agent of any of the above](#) shall not do any of the following:

19 (1) ~~Reimburse~~ [Establish a lower reimbursement rate for](#) a 340B covered entity or contract
20 pharmacy for 340B drugs ~~at a rate lower than that paid~~ [the established reimbursement rate](#) for the
21 same drug or service ~~to~~ [for](#) a non- 340B pharmacy; [based solely on the pharmacy's or the drug's](#)
22 [340B status.](#)

23 (2) Impose fees, chargebacks, adjustments, or conditions on reimbursement to 340B
24 covered entity, that differs from such terms or conditions applied to a non-340B entity, based on
25 340B status and participation in the federal 340B drug discount program set forth in 42 U.S.C. §
26 256b including, without limitation, any of the following:

27 (3) Deny or limit participation in standard or preferred pharmacy networks based on 340B
28 status;

29 ~~(4) Impose requirements relating to the frequency or scope of audits of inventory~~
30 ~~management systems inconsistent with the federal 340B drug pricing program;~~

31 ~~(5) Require submission of claims level data or documentation that identifies 340B drugs~~
32 ~~as a condition of reimbursement or pricing, unless it is required by the Centers for Medicare and~~
33 ~~Medicaid Services;~~

34 ~~(6) Require a 340B covered entity to reverse, resubmit, or clarify a claim after the initial~~

~~adjudication unless these actions are in the normal course of pharmacy business and not related to 340B drug pricing;~~

~~(7)~~(4) Interfere with, or limit, a 340B covered entity's choice to use a contract pharmacy for drug distribution or dispensing;

~~(8) Include any other provision in a contract between a health insurer, pharmacy benefit manager, manufacturer, or other third-party payor and a 340B covered entity that differ from the terms and conditions applied to entities that are not 340B covered entities, that discriminates against the 340B covered entity or prevents or interferes with an individual's choice to receive a prescription drug from a 340B covered entity, including the administration of such drugs in person or via direct delivery, mail, or other form of shipment, or create a restriction or additional charge on a patient who chooses to receive drugs from a 340B covered entity;~~

~~(9)~~(5) Place a restriction or additional charge on a patient who chooses to receive 340B drugs from a 340B covered entity if such restriction or additional charge differs from the terms and conditions applied where patients choose to receive drugs that are not 340B drugs from an entity that is not a 340B covered entity or from a pharmacy that is not a 340B contract pharmacy;

~~(10)~~(6) Exclude any 340B covered entity from a health insurer, pharmacy benefit manager, or other third-party payor network or refuse to contract with a 340B covered entity for reasons other than those that apply equally to a non-340B entity;

~~(11)~~(7) Impose any other restrictions, requirements, practices, or policies that are not imposed on a non- 340B entity;

(b) Nothing in this section is intended to limit Medicaid fee-for-service or managed care program's or pharmacy benefit manager's ability to use preferred pharmacies or develop preferred networks so long as participation is not based on an entity's status as a 340B covered entity and participation in the network is subject to the same terms and conditions as a non-340B covered entity;

(c) Annually on or before April 1, each 340B covered entity participating in the federal 340B drug pricing program established by 42 U.S.C. §256b shall submit to the office of the Governor, the Speaker of the House of Representatives, the President of the Senate, and Auditor General a report detailing the 340B covered entity's participation in the program during the previous calendar year, which report shall be posted on the state Auditor General's website and which shall contain at least the following information:

(1) the aggregated acquisition cost for all prescription drugs that the 340B covered entity obtained through the 340B program during the previous calendar year;

(2) the aggregated payment amount that the 340B covered entity received for drugs, under

1 the 340B program and dispensed or administered to patients enrolled in commercial and Medicare
2 Supplemental plans;

3 (3) the aggregated payment amount that the 340B covered entity made:

4 (i) to contract pharmacies to dispense drugs to its patients under the 340B program during
5 the previous calendar year;

6 (ii) to any other outside vendor for managing, administering, or facilitating any aspect of
7 the 340B covered entity's drug program during the previous calendar year; and

8 (iii) for all other expenses related to administering the 340B program, including staffing,
9 operational, and administrative expenses, during the previous calendar year;

10 (4) The names of all vendors, including split billing vendors, and contract pharmacies, with
11 which the 340B covered entity contracted to provide services associated with the covered entity's
12 340B program participation during the previous calendar year;

13 (5) The number of claims for all prescription drugs the 340B covered entity obtained
14 through the 340B program during the previous calendar year, including the total number of claims
15 and the number of claims reported by commercial and Medicare Supplemental plans; ~~and be it~~
16 ~~further.~~

17 (g) Primary Care Rates. The secretary of the executive office of health and human services
18 is authorized to pursue and implement any waiver amendments, state plan amendments, and/or
19 changes to the department's rules, regulations, and procedures to set Medicaid reimbursement rates
20 for primary care services, as defined by the executive office, equal to one hundred percent (100%)
21 of the Medicare reimbursement rates for primary care services [in effect as of October 1, 2025](#). The
22 reimbursement rates will be annually updated to reflect one hundred percent (100%) of the
23 Medicare reimbursement rates for primary care.

24 (h) Medicare Savings Programs. The secretary of the executive office of health and human
25 services is authorized to pursue and implement any waiver amendments, state plan amendments,
26 and/or changes to the applicable department's rules, regulations, and procedures required to
27 implement income disregards for the Qualified Medicare Savings Program to increase eligibility
28 up to one hundred and twenty-five percent (125%) of federal poverty and the Qualified Individual
29 Medicare Savings Program up to one hundred and sixty-eight percent (168%) of federal poverty
30 effective January 1, 2026. Premium payments for the Qualified Individuals will be one hundred
31 percent (100%) federally funded up to the amount of the federal allotment and the Secretary shall
32 discontinue enrollment in the Qualified Individual program when the Part B premiums meet the
33 federal allotment.

34 (i) Prior Authorization Pilot Program. The secretary of the executive office of health and

1 human services will pursue and implement any state plan or 1115 waiver amendments needed to
2 effectuate a prior authorization pilot program. The executive office of health and human services
3 will conduct a three-year pilot within Medicaid fee-for-service and managed care program, that
4 eliminates prior authorization requirements for any service, treatment, or procedure ordered by a
5 primary care provider in the normal course of providing primary care treatment, which shall take
6 effect on October 1, 2025, and sunset on October 1, 2028.

7 For purposes of the pilot program, a primary care provider means a provider within the
8 practice type of family medicine, geriatric medicine, internal medicine, obstetrics and gynecology,
9 or pediatrics with the following professional credentials: a doctor of medicine or doctor of
10 osteopathic medicine, a nurse practitioner, or a physician assistant, and who is credentialed with
11 Medicaid fee-for-service or managed care organization. Prior authorization means the pre-service
12 assessment for purposes of utilization review that a Primary Care Provider is required by Medicaid
13 fee-for-service or managed care organization to undergo before a covered healthcare service is
14 approved for a patient.

15 The executive office of health and human services will provide an annual report to the
16 Speaker of the House, the Senate President, the Office of the Governor and the Office of the Health
17 Insurance Commissioner that includes recommendations on the further simplification and reduction
18 of administrative burdens related to the utilization of prior authorizations in primary care and data
19 and analytics demonstrating the impact the pilot program is having on utilization ~~and patient, cost,~~
20 quality and access to care.

21 RESOLVED, That EOHHS will conduct a three (3) year pilot within Medicaid fee-for-
22 service and managed care program, that eliminates Prior Authorization requirements for any
23 service, treatment, or procedure ordered by a Primary Care Provider in the normal course of
24 providing primary care treatment, ~~which~~ however, this provision shall not apply to any
25 pharmaceutical drugs and/or pharmaceutical products, and shall take effect on October I, 2025, and
26 sunset on October 1, 2028; and be it further

27 RESOLVED, That for purposes of this pilot a "Primary Care Provider" means a provider
28 within the practice type of family medicine, geriatric medicine, internal medicine, obstetrics and
29 gynecology, or pediatrics with the following professional credentials: a doctor of medicine or
30 doctor of osteopathic medicine, a nurse practitioner, or a physician assistant, and who is
31 credentialed with Medicaid fee-for-service or managed care organization; and be it further

32 RESOLVED, That for purposes of this pilot "Prior Authorization" means the pre-service
33 assessment for purposes of utilization review that a Primary Care Provider is required by Medicaid
34 fee-for-service or managed care organization to undergo before a covered healthcare service is

1 approved for a patient; and be it further

2 RESOLVED, That EOHHS will provide an annual report to the Speaker of the House, the
3 Senate President, the Office of the Governor and the Office of the Health Insurance Commissioner
4 that includes recommendations on the further simplification and reduction of administrative
5 burdens related to the utilization of prior authorizations in primary care and data and analytics
6 demonstrating the impact the pilot program is having on utilization ~~and patient care~~, cost, quality
7 and access to care; and be it further

8 RESOLVED, That the General Assembly hereby approves the above-referenced Medicaid
9 pilot proposals; and be it further

10 RESOLVED, That the Secretary of the EOHHS is hereby ordered and directed to pursue
11 and implement any state plan or 1115 waiver amendments needed to effectuate this pilot program.

12 Now, therefore, be it:

13 RESOLVED, That the General Assembly hereby approves the above-referenced proposals;
14 and be it further;

15 RESOLVED, That the secretary of the executive office of health and human services is
16 authorized to pursue and implement any waiver amendments, state plan amendments, and/or
17 changes to the applicable department's rules, regulations and procedures approved herein and as
18 authorized by Rhode Island General Laws section 42-12.4; and be it further;

19 RESOLVED, That this Joint Resolution shall take effect on July 1, 2025.

20 SECTION 11. This article shall take effect upon passage, except Section 10 which shall
21 take effect as of July 1, 2025.

ARTICLE 9 AS AMENDED

RELATING TO HOUSING

SECTION 1. Sections 23-24.6-6, 23-24.6-15 and 23-24.6-20 of the General Laws in Chapter 23-24.6 entitled "Lead Poisoning Prevention Act" are hereby amended to read as follows:

23-24.6-6. Interagency coordinating council on environmental lead.

(a) There is established an interagency coordinating council on environmental lead within the department of health consisting of ~~six (6)~~ five (5) members.

(b) The purpose of the council shall be as follows:

(1) To coordinate the activities of its member agencies with respect to: (i) environmental lead policy; (ii) the development of educational materials; (iii) drafting regulations which have as their purpose reducing or preventing lead poisoning; and (iv) enforcement of laws, regulations, and ordinances pertaining to lead poisoning and lead poisoning prevention.

(2) To recommend the adoption of policies with regard to the detection and elimination of the hazards to the public posed by exposure to lead in the environment;

(3) To recommend the adoption of policies with regard to the screening and treatment of individuals suffering from elevated exposures to environmental lead; and

(4) To report on or before March 1 of each year to the governor, speaker of the house and the president of the senate on both the progress of the comprehensive environmental lead program and recommendations for any needed changes in legislation, which report shall at a minimum: (i) provide by city and town, the incidence and levels of lead poisoning; (ii) describe educational programs; (iii) summarize regulations adopted pursuant to the provisions of this chapter and chapter 128.1 of title 42, and state the number of enforcement actions pursuant to this chapter initiated, the number completed or closed due to successful remediation of lead hazards, the number completed or closed for other reasons (which reasons shall be explained), and the number that remain open (including information on how long such actions have been open and the reasons they have not been completed).

(c) The members of the council shall be as follows:

(1) There shall be ~~five (5)~~ four (4) ex officio members: the director, the director of environmental management, the director of human services, and the attorney general, ~~and the executive director of the housing resources commission or their designees.~~

1 (2) There shall be one local government official, who shall have knowledge of lead hazard
2 reduction programs at the local level, appointed by the president of the Rhode Island League of
3 Cities and Towns.

4 (3) [Deleted by P.L. 2002, ch. 187, § 2 and by P.L. 2002, ch. 188, § 2.]

5 (d) The members shall elect from among their members a chairperson, a vice chairperson,
6 and secretary.

7 (e) The council shall meet at the call of the chairperson, but not less than quarterly. The
8 director shall provide any meeting and hearing rooms and secretarial staff that the council may
9 require.

10 **23-24.6-15. Inspections of rental property.**

11 (a) The director shall, ~~in conjunction with the housing resources commission,~~ promulgate
12 regulations permitting state inspectors to conduct such lead inspections as may be appropriate in
13 response to any complaint to the department ~~or the housing resources commission,~~ by an occupant
14 or the parent or guardian of any child under the age of six (6) years who is an occupant renting or
15 leasing a dwelling, dwelling unit, or premises of the existence of a lead exposure hazard for a child
16 under the age of six (6) years in that dwelling, dwelling unit, or premises. These regulations will
17 allow for response to the complaints to be prioritized based upon the age of the structure and the
18 nature and degree of hazard present.

19 (b) Whenever a comprehensive environmental lead inspection has been performed either
20 pursuant to a complaint or otherwise, the owner and/or any real estate agent or property manager
21 involved in renting or leasing the dwelling, dwelling unit, or premises shall provide the results of
22 the inspection to occupants pursuant to regulations promulgated by the department, as follows:

23 (1) Those persons occupying the dwelling, dwelling unit, or premises at the time the
24 inspection is performed shall be notified of the results within five (5) business days after the owner
25 receives the results;

26 (2) All persons who are prospective occupants shall be notified of the inspection results if
27 a significant lead hazard exists, before any lease is signed or before occupancy begins in cases
28 where no lease is signed;

29 (3) This notice provision terminates with the performance of the necessary lead reduction
30 actions required to reach at least the "lead safe" level. The department shall provide the owner with
31 a certification of lead reduction for the dwelling.

32 (c) Failure to provide inspection results and/or educational materials pursuant to this
33 chapter shall subject the lessor or his or her agent to a civil penalty of not less than one hundred
34 dollars (\$100) nor more than five hundred dollars (\$500) for each violation.

1 **23-24.6-20. Licensure of environmental lead inspectors and lead contractors,**
2 **supervisors, and workers.**

3 (a) The department shall provide for the certification of training programs for
4 environmental lead inspectors and for lead contractors, supervisors, workers, and other persons
5 engaged in environmental lead-hazard reduction pursuant to the provisions of this chapter. The
6 department shall establish standards and specifications for training courses including, at a
7 minimum, the required length of different training programs, mandatory topics of instruction, and
8 required qualifications for training programs and instructors. Hands on instruction shall be a
9 component of the required training.

10 (b) The department shall establish procedures and issue regulations requiring the licensure
11 of environmental lead inspectors, lead contractors, supervisors, workers, and other persons engaged
12 in environmental lead inspection and/or hazard reduction pursuant to the provisions of this chapter.
13 These regulations:

14 (1) Shall prescribe the requirements for licensure and the conditions and restrictions
15 governing the renewal, revocation, and suspension of licenses. Requirements for licensure and for
16 renewal of licensure shall include, but not be limited to, the following:

17 (i) Compliance with the lead-hazard reduction regulations in § 23-24.6-17; and

18 (ii) Required training of environmental lead inspectors and of lead contractors, supervisors,
19 workers, and other persons engaged in environmental lead-hazard reduction in subjects including,
20 but not limited to, safe work practices, instruction in health risks, precautionary measures,
21 protective equipment, and other practices, including practices to prevent contamination of the
22 residential premises, ambient discharges and ground contamination, respiratory protection, new
23 lead-hazard reduction techniques and technologies, applicable federal and state regulation, and
24 hands-on instruction for equipment and techniques to be used; a minimum of twenty (20) hours of
25 training shall be required as a condition of licensure for workers; additional hours of training shall
26 be required for supervisors and contractors; a refresher training course shall also be required;

27 (2) May provide for Rhode Island to reciprocally license persons certified and/or licensed
28 by other states with comparable requirements.

29 (c) No person shall enter into, engage in, or conduct comprehensive environmental lead
30 inspections or environmental lead-hazard reduction activities covered by department regulations
31 without having successfully completed a certified training program and without having been
32 licensed by the department. Each trained and licensed person shall be issued a photo identity card.

33 (d) The department shall, ~~in conjunction with the housing resources commission,~~ develop
34 and periodically update lists of all licensed inspectors, contractors, supervisors, workers', and other

1 persons who perform environmental lead-hazard reduction in Rhode Island and make those lists
2 available to interested parties and the public.

3 (e)(1) The department shall enforce the provisions of this section as appropriate and shall
4 have all necessary powers for enforcement.

5 (2) The department may revoke, suspend, cancel, or deny any license, at any time, in
6 accordance with chapter 35 of title 42 if it believes that the terms or conditions of these are being
7 violated, or that the holder of, or applicant for, license has violated any regulation of the department
8 or any other state law or regulation. Any person aggrieved by a determination by the department to
9 issue, deny, revoke, or suspend any license may request an adjudicatory hearing.

10 (3) When any person violates the terms or conditions of any license issued under this
11 section or any state law or regulation, the director shall have the power by written notice to order
12 the violator to cease and desist immediately. The department may file a written complaint with the
13 district court in the jurisdiction in which the violation occurred. Punishment by an administrative
14 fine pursuant to § 23-24.6-27 may be in addition to the suspension of any license.

15 (4) Any state inspector may issue an immediate cease-work order to any person who
16 violates the terms or conditions of any license issued under this section, or any provision of this
17 chapter, or any regulation or order issued under this chapter, if the violation will endanger or
18 materially impair the health or well-being of any occupant, any environmental lead inspector, or
19 any contractor, supervisor, worker, or other person engaged in environmental lead-hazard
20 reduction.

21 (f) Nothing in this section shall be construed to limit the authority of the department of
22 health, the department of labor and training, or the department of environmental management under
23 the provisions of any other law.

24 SECTION 2. Chapter 40-17 of the General Laws entitled "Support of Homeless" is hereby
25 repealed in its entirety.

26 **CHAPTER 40-17**

27 **Support of Homeless**

28 **40-17-1. Legislative findings.**

29 ~~The general assembly hereby finds that there exists in this state undetermined numbers of~~
30 ~~homeless persons, many of whom suffer from chronic mental illness and disability, and that this~~
31 ~~condition exists among families and among individuals of all age groups without regard to ethnic~~
32 ~~or racial heritage or sex. The existence of this condition is declared to be detrimental to the health,~~
33 ~~safety, and welfare of the homeless individuals themselves and to the state.~~

34 **40-17-2. Agency established.**

1 ~~(a) There is hereby created a permanent council to be called the "interagency council on~~
2 ~~homelessness" consisting of eighteen (18) members and two (2) ex-officio members:~~

3 ~~(1) One of whom shall be the chief of the office of housing and community development,~~
4 ~~or his or her designee, who shall chair the interagency council on homelessness;~~

5 ~~(2) One of whom shall be the director of the department of administration, or his or her~~
6 ~~designee;~~

7 ~~(3) One of whom shall be the chair of the housing resources commission, or his or her~~
8 ~~designee;~~

9 ~~(4) One of whom shall be the director of the department of human services, or his or her~~
10 ~~designee;~~

11 ~~(5) One of whom shall be the director of the department of health, or his or her designee;~~

12 ~~(6) One of whom shall be the director of the department of children, youth and families, or~~
13 ~~his or her designee;~~

14 ~~(7) One of whom shall be the director of the office of healthy aging, or his or her designee;~~

15 ~~(8) One of whom shall be the director of behavioral healthcare, developmental disabilities~~
16 ~~and hospitals, or his or her designee;~~

17 ~~(9) One of whom shall be director of the department of labor and training, or his or her~~
18 ~~designee;~~

19 ~~(10) One of whom shall be the director of the department of corrections, or his or her~~
20 ~~designee;~~

21 ~~(11) One of whom shall be the commissioner of the department of elementary and~~
22 ~~secondary education, or his or her designee;~~

23 ~~(12) One of whom shall be the director of the Rhode Island housing and mortgage finance~~
24 ~~corporation, or his or her designee;~~

25 ~~(13) One of whom shall be the director of the emergency management agency, or his or~~
26 ~~her designee;~~

27 ~~(14) One of whom shall be a representative from the Rhode Island office of veterans~~
28 ~~services, or his or her designee;~~

29 ~~(15) One of whom shall be the public defender, or his or her designee;~~

30 ~~(16) One of whom shall be the Medicaid director within the department of human services,~~
31 ~~or his or her designee;~~

32 ~~(17) One of whom shall be the secretary of the executive office of health and human~~
33 ~~services, or his or her designee;~~

34 ~~(18) One of whom shall be the lieutenant governor, or his or her designee;~~

1 ~~(19) One of whom shall be an ex-officio member who shall be from the Providence~~
2 ~~Veterans Administration Medical Center who specializes in health care for homeless veterans; and~~

3 ~~(20) One of whom shall be an ex-officio member who shall be the chair, or his or her~~
4 ~~designee, of the interagency council on homelessness advisory council as described in this chapter~~
5 ~~herein.~~

6 ~~(b) Forthwith upon the effective date of this chapter, the members of the commission shall~~
7 ~~meet at the call of the chair and organize. Vacancies in the commission shall be filled in like manner~~
8 ~~as the original appointment.~~

9 ~~(c) The department of administration is hereby directed to provide suitable quarters and~~
10 ~~staff for the commission.~~

11 ~~(d) All departments and agencies of the state shall furnish advice and information,~~
12 ~~documentary, and otherwise to the commission and its agents as is deemed necessary or desirable~~
13 ~~by the commission to facilitate the purposes of this chapter.~~

14 **40-17-3. Duties and responsibilities of council.**

15 The duties and responsibilities of the council shall be:

16 ~~(1) To participate in the process of developing a strategic plan to end homelessness aligned~~
17 ~~with the federal strategic plan to end homelessness that will serve to reduce the number of homeless~~
18 ~~individuals and families in Rhode Island;~~

19 ~~(2) To coordinate services for the homeless among state agencies and instrumentalities,~~
20 ~~community based organizations, faith based organizations, volunteer organizations, advocacy~~
21 ~~groups, and businesses;~~

22 ~~(3) To coordinate services not specifically for the homeless, but from which the homeless~~
23 ~~may benefit, among state agencies and instrumentalities, community based organizations, faith-~~
24 ~~based organizations, volunteer organizations, advocacy groups, and businesses; and~~

25 ~~(4) To identify and seek to remedy gaps in services, specifically in the area of making~~
26 ~~provisions for the availability, use, and permanent funding stream for permanent supportive~~
27 ~~housing.~~

28 **40-17-4. Meeting and reporting requirements.**

29 Meeting and reporting requirements are as follows:

30 ~~(1) The council shall meet regularly;~~

31 ~~(2) The council, in conjunction with the housing resources commission, shall provide the~~
32 ~~strategic plan and specific recommendations to prevent and end homelessness to the governor,~~
33 ~~senate president, speaker of the house, the senate committee on housing and municipal government,~~
34 ~~and the house corporations committee by February 1, 2012;~~

1 ~~(3) The council shall provide a report on funding available during calendar year 2011 for~~
2 ~~services, facilities, programs, or otherwise for people who are homeless. Said report shall be~~
3 ~~provided to the senate president, speaker of the house, senate fiscal advisor, and house fiscal advisor~~
4 ~~by January 31, 2012;~~

5 ~~(4) The council shall report annually to the governor and the general assembly, no later~~
6 ~~than March 2013, and annually thereafter, on the progress made in achieving the goals and~~
7 ~~objectives set forth in the strategic plan; on the current number of homeless individuals, families,~~
8 ~~and children; and any other pertinent information.~~

9 **40-17-5. Advisory council established.**

10 ~~(a) There is hereby created a permanent advisory council to the interagency council on~~
11 ~~homelessness containing representation of advocates; service providers; members of the veteran~~
12 ~~community, including housing providers and a current or former homeless veteran; current and/or~~
13 ~~former members of the homeless community; as well as representatives specifically affiliated with~~
14 ~~youth homelessness. All new members shall be chosen and approved by majority vote of the~~
15 ~~members present at an official meeting. At no time shall there be less than three (3) representatives~~
16 ~~of the homeless community, current or former. The chair shall be elected by a majority of the~~
17 ~~members.~~

18 ~~(b) The purpose of the council is to inform the interagency council on homelessness on the~~
19 ~~current status and issues facing the homeless throughout Rhode Island.~~

20 SECTION 3. Sections 42-55-4, 42-55-5.4 and 42-55-24.1 of the General Laws in Chapter
21 42-55 entitled "Rhode Island Housing and Mortgage Finance Corporation" are hereby amended to
22 read as follows:

23 **42-55-4. Creation of corporation — Composition — Personnel — Compensation.**

24 (a) There is authorized the creation and establishment of a public corporation of the state,
25 having a distinct legal existence from the state and not constituting a department of the state
26 government, with the politic and corporate powers as are set forth in this chapter to be known as
27 the "Rhode Island housing and mortgage finance corporation" to carry out the provisions of this
28 chapter. The corporation is constituted a public instrumentality exercising public and essential
29 governmental functions, and the exercise by the corporation of the powers conferred by this chapter
30 shall be deemed and held to be the performance of an essential governmental function of the state.
31 It is the intent of the general assembly by the passage of this chapter to authorize the incorporation
32 of a public corporation and instrumentality and agency of the state for the purpose of carrying on
33 the activities authorized by this chapter, and to vest the corporation with all of the powers, authority,
34 rights, privileges, and titles that may be necessary to enable it to accomplish these purposes. This

1 chapter shall be liberally construed in conformity with the purpose expressed.

2 (b) The powers of the corporation shall be vested in seven (7) commissioners consisting of
3 the secretary of housing, who shall serve as chair of the corporation, or the secretary's designee; the
4 director of administration, or the director's designee; the general treasurer, or the general treasurer's
5 designee; ~~the director of business regulation, or the director's designee;~~ and four (4) members to be
6 appointed by the governor with the advice and consent of the senate who shall among them be
7 experienced in all aspects of housing design, development, finance, management, and state and
8 municipal finance. On or before July 1, 1973, the governor shall appoint one member to serve until
9 the first day of July, 1974, and until his or her successor is appointed and qualified, one member to
10 serve until the first day of July, 1975, and until his or her successor is appointed and qualified, one
11 member to serve until the first day of July, 1976, and until his or her successor is appointed and
12 qualified, one member to serve until the first day of July, 1977, and until his or her successor is
13 appointed and qualified. During the month of June, 1974, and during the month of June annually
14 thereafter, the governor shall appoint a member to succeed the member whose term will then next
15 expire to serve for a term of four (4) years commencing on the first day of July then next following
16 and until his or her successor is appointed and qualified. A vacancy in the office of a commissioner,
17 other than by expiration, shall be filled in like manner as an original appointment, but only for the
18 unexpired portion of the term. If a vacancy occurs when the senate is not in session, the governor
19 shall appoint a person to fill the vacancy, but only until the senate shall next convene and give its
20 advice and consent to a new appointment. A member shall be eligible to succeed him or herself.
21 ~~The governor shall designate a member of the corporation to serve as chairperson.~~ Any member of
22 the corporation may be removed by the governor for misfeasance, malfeasance, or willful neglect
23 of duty.

24 (c) The commissioners shall elect from among their number a vice-chairperson annually
25 and those other officers as they may determine. Meetings shall be held at the call of the chairperson
26 or whenever two (2) commissioners so request. Four (4) commissioners of the corporation shall
27 constitute a quorum and any action taken by the corporation under the provisions of this chapter
28 may be authorized by resolution approved by a majority but not less than three (3) of the
29 commissioners present at any regular or special meeting. No vacancy in the membership of the
30 corporation shall impair the right of a quorum to exercise all of the rights and perform all of the
31 duties of the corporation.

32 (d) Commissioners shall receive no compensation for the performance of their duties, but
33 each commissioner shall be reimbursed for the commissioner's reasonable expenses incurred in
34 carrying out the commissioner's duties under this chapter.

1 (e) Notwithstanding the provisions of any other law, no officer or employee of the state
2 shall be deemed to have forfeited or shall forfeit his or her office or employment by reason of his
3 or her acceptance of membership of the corporation or his or her service to the corporation.

4 (f) The commissioners shall employ an executive director who shall also be the secretary
5 and who shall administer, manage, and direct the affairs and business of the corporation, subject to
6 the policies, control, and direction of the commissioners. The commissioners may employ technical
7 experts and other officers, agents, and employees, permanent and temporary, and fix their
8 qualifications, duties, and compensation. These employed persons shall not be subject to the
9 provisions of the classified service. The commissioners may delegate to one or more of their agents
10 or employees those administrative duties they may deem proper.

11 (g) The secretary shall keep a record of the proceedings of the corporation and shall be
12 custodian of all books, documents, and papers filed with the corporation and of its minute book and
13 seal. The secretary, or the secretary's designee, or the designee of the board of commissioners, shall
14 have authority to cause to be made copies of all minutes and other records and documents of the
15 corporation and to give certificates under the seal of the corporation to the effect that the copies are
16 true copies and all persons dealing with the corporation may rely upon the certificates.

17 (h) Before entering into his or her duties, each commissioner of the corporation shall
18 execute a surety bond in the penal sum of fifty thousand dollars (\$50,000) and the executive director
19 shall execute a surety bond in the penal sum of one hundred thousand dollars (\$100,000) or, in lieu
20 of this, the chairperson of the corporation shall execute a blanket bond covering each commissioner,
21 the executive director and the employees or other officers of the corporation, each surety bond to
22 be conditioned upon the faithful performance of the duties of the office or offices covered, to be
23 executed by a surety company authorized to transact business in this state as surety and to be
24 approved by the attorney general and filed in the office of the secretary of state. The cost of each
25 bond shall be paid by the corporation.

26 (i) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of
27 interest for a director, officer, or employee of any financial institution, investment banking firm,
28 brokerage firm, commercial bank or trust company, architecture firm, insurance company, or any
29 other firm, person, or corporation to serve as a member of the corporation. If any commissioner,
30 officer, or employee of the corporation shall be interested either directly or indirectly, or shall be a
31 director, officer, or employee of or have an ownership interest in any firm or corporation interested
32 directly or indirectly in any contract with the corporation, including any loan to any housing
33 sponsor or healthcare sponsor, that interest shall be disclosed to the corporation and shall be set
34 forth in the minutes of the corporation and the commissioner, officer, or employee having an

1 interest therein shall not participate on behalf of the corporation in the authorization of this contract.

2 **42-55-5.4. Renewable energy in housing developments.**

3 On or before July 1, 2009, the corporation shall establish, in appropriate housing
4 development programs it administers, criteria for priority consideration of housing development
5 proposals which include renewable energy features which are demonstrated to be cost-effective
6 and can be implemented in a reasonable period of time. [Effective January 1 2026, the executive
7 office of housing, in collaboration with the corporation, shall develop criteria.](#)

8 **42-55-24.1. Allocation of tax credits.**

9 The corporation shall be the sole and exclusive agent for the allocation of all federal tax
10 credits for low-income housing under 26 U.S.C. § 42. The corporation shall have all of the powers
11 necessary to effectuate those allocations, including without limitation, the power to adopt rules,
12 regulations, and policies regarding those allocations. [Notwithstanding the foregoing and any other
13 provision of law, effective January 1, 2026, the qualified allocation plan required by 26 U.S.C. §
14 42 shall be developed by the executive office of housing in consultation with the corporation.](#)

15 SECTION 4. Section 42-55-22.3 of the General Laws in Chapter 42-55 entitled "Rhode
16 Island Housing and Mortgage Finance Corporation" is hereby repealed.

17 ~~**42-55-22.3. Emergency housing assistance.**~~

18 ~~The department of human services shall administer the emergency housing assistance~~
19 ~~program in accordance with the Rhode Island housing and mortgage finance corporation rules and~~
20 ~~regulations and contracts with community action program agencies, as those rules and regulations~~
21 ~~may be currently in force and effect. In so far as the board of directors may authorize funds for the~~
22 ~~support of this program, the receipt of those funds shall be deposited as general revenues and~~
23 ~~appropriated to the department of human services for the support of the program.~~

24 SECTION 5. Chapter 42-64.34 of the General Laws entitled "The Department of Housing"
25 is hereby repealed in its entirety.

26 ~~CHAPTER 42-64.34~~

27 ~~The Department of Housing~~

28 ~~**42-64.34-1. Department established.**~~

29 ~~Effective January 1, 2023, there is hereby established within the executive branch of the~~
30 ~~state government a department of housing. The head of the department shall be the secretary of~~
31 ~~housing, who shall be appointed by the governor with the advice and consent of the senate. The~~
32 ~~position of secretary is hereby created in the unclassified service. The secretary shall hold office at~~
33 ~~the pleasure of the governor. Before entering upon the discharge of duties, the secretary shall take~~
34 ~~an oath to faithfully execute the duties of the office. 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 April 15, 2025, and annually thereafter. This report shall include, but not be limited to, the~~
22 ~~following:~~

23 ~~(A) The total number of housing units in the state with per community counts;~~

24 ~~(B) Every three (3) years, beginning in 2026 and contingent upon funding for data~~
25 ~~collection, an assessment of the suitability of existing housing stock in meeting accessibility needs~~
26 ~~of residents;~~

27 ~~(C) The occupancy and vacancy rate of the units referenced in subsection (a)(4)(iv)(A);~~

28 ~~(D) 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 ~~(E) The number of net new units in development and number of units completed in the~~
31 ~~previous calendar year;~~

32 ~~(F) 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 ~~(G) Every three (3) years, beginning in 2026, a projection of the number of units required~~
2 ~~to meet estimated population growth and based upon household formation rates;~~

3 ~~(H) A comparison of regional and other similarly situated state funding sources that support~~
4 ~~housing development including a percentage of private, federal, and public support;~~

5 ~~(I) A reporting of unit types by number of bedrooms for rental properties including an~~
6 ~~accounting of all:~~

7 ~~(I) Single family units;~~

8 ~~(II) Accessory dwelling units;~~

9 ~~(III) Two family (2) units;~~

10 ~~(IV) Three family (3) units;~~

11 ~~(V) Multi-unit sufficiently delineated units;~~

12 ~~(VI) Mixed use sufficiently delineated units; and~~

13 ~~(VII) Occupancy and vacancy rates for the prior three (3) years;~~

14 ~~(J) A reporting of unit types by ownership including an accounting of all:~~

15 ~~(I) Single family units;~~

16 ~~(II) Accessory dwelling units;~~

17 ~~(III) Two family (2) units;~~

18 ~~(IV) Three family (3) units;~~

19 ~~(V) Multi-unit sufficiently delineated units;~~

20 ~~(VI) Mixed use sufficiently delineated units; and~~

21 ~~(VII) Occupancy and vacancy rates for the prior three (3) years;~~

22 ~~(K) A reporting of the number of applications submitted or filed for each community~~
23 ~~according to unit type and an accounting of action taken with respect to each application to include,~~
24 ~~approved, denied, appealed, approved upon appeal, and if approved, the justification for each~~
25 ~~appeal approval;~~

26 ~~(L) A reporting of permits for each community according to affordability level that were~~
27 ~~sought, approved, denied, appealed, approved upon appeal, and if approved, the justification for~~
28 ~~each approval;~~

29 ~~(M) A reporting of affordability that shall include the following:~~

30 ~~(I) The percent and number of units of extremely low , very low , low , moderate , fair-~~
31 ~~market rate, and above moderate income; including the average and median costs of those units;~~

32 ~~(II) The percent and number of units of extremely low , very low , low , and moderate-~~
33 ~~income housing units by municipality required to satisfy the ten percent (10%) requirement~~
34 ~~pursuant to chapter 24 of title 45; including the average and median costs of those units;~~

1 ~~(III) The percent and number of units for the affordability levels above moderate income~~
2 ~~housing, including a comparison to fair market rent; including the average and median costs of~~
3 ~~those units;~~
4 ~~(IV) The percentage of cost burden by municipality with population equivalent;~~
5 ~~(V) The percentage and number of home financing sources, including all private, federal,~~
6 ~~state, or other public support;~~
7 ~~(VI) The disparities in mortgage loan financing by race and ethnicity based on Home~~
8 ~~Mortgage Disclosure Act data by available geographies;~~
9 ~~(VII) The annual median gross rent growth for each of the previous five (5) years by~~
10 ~~municipality; and~~
11 ~~(VIII) The annual growth in median owner-occupied home values for each of the previous~~
12 ~~five (5) years by municipality;~~
13 ~~(N) A reporting of municipal healthy housing stock by unit type and number of bedrooms~~
14 ~~and providing an assessment of the state's existing housing stock and enumerating any risks to the~~
15 ~~public health from that housing stock, including, but not limited to: the presence of lead, mold, safe~~
16 ~~drinking water, disease vectors (insects and vermin), and other conditions that are an identifiable~~
17 ~~health detriment. Additionally, the report shall provide the percentage of the prevalence of health~~
18 ~~risks by age of the stock for each community by unit type and number of bedrooms; and~~
19 ~~(O) A recommendation shall be included with the report required under this section that~~
20 ~~shall provide consideration to any and all populations, ethnicities, income levels, and other relevant~~
21 ~~demographic criteria determined by the secretary, and with regard to any and all of the criteria~~
22 ~~enumerated elsewhere in the report separately or in combination, provide recommendations to~~
23 ~~resolve any issues that provide an impediment to the development of housing, including specific~~
24 ~~data and evidence in support of the recommendation. All data and methodologies used to present~~
25 ~~evidence are subject to review and approval of the chief of revenue analysis, and that approval shall~~
26 ~~include an attestation of approval by the chief to be included in the report;~~
27 ~~(P) Municipal governments shall provide the department of housing's requested data~~
28 ~~relevant to this report on or before February 15, 2025, and annually thereafter;~~
29 ~~(v) Have direct oversight over the office of housing and community development (OHCD);~~
30 ~~(vi) On or before November 1, 2022, and on or before December 31, 2024, develop a~~
31 ~~housing organizational plan to be provided to the general assembly that includes a review, analysis,~~
32 ~~and assessment of functions related to housing of all state departments, quasi-public agencies,~~
33 ~~boards, and commissions. Provided, further, the secretary, with the input from each department,~~
34 ~~agency, board, and commission, shall include in the plan comprehensive options, including the~~

~~advantages and disadvantages of each option and recommendations relating to the functions and structure of the department of housing, including suggested statutory revisions;~~

~~(vii) Establish rules and regulations as set forth in § 45-24-77.~~

~~**42-64.34-2. Powers and duties.**~~

~~(a) The department of housing shall be the state's lead agency for housing, homelessness, and community development in the state of Rhode Island.~~

~~(b) The secretary of housing shall have the following powers and duties:~~

~~(1) All powers and duties pursuant to this chapter;~~

~~(2) To supervise the work of the department of housing and to act as its chief administrative officer;~~

~~(3) To coordinate the administration and financing of various departments or offices within the department of housing;~~

~~(4) To serve as the governor's chief advisor and liaison to federal policymakers on housing, homelessness, and community development as well as the principal point of contact on any such related matters;~~

~~(5) To coordinate the housing, homelessness, and community development programs of the state of Rhode Island and its departments, agencies, commissions, corporations, and subdivisions;~~

~~(6) To employ such personnel and contracts for such consulting services as may be required to perform the powers and duties conferred upon the secretary of housing;~~

~~(7) To oversee and direct the administration of funds that may be appropriated from time to time to the department of housing; and~~

~~(8) Creation of a written guide for consumers relating to the rights and duties of landlords and tenants pursuant to chapter 18 of title 34, which the secretary shall update at minimum on an biennial basis. The guide shall be posted on the website of the department of housing and shall be published in both English and Spanish.~~

~~(c) In addition to such other powers as may otherwise be delegated elsewhere to the department of housing, the department is hereby expressly authorized, by and through the secretary of housing:~~

~~(1) To purchase, receive, lease, or otherwise acquire, own, hold, improve, use, and otherwise deal in and with, real or personal property, or any interest in real or personal property, wherever situated;~~

~~(2) To accept any gifts or grants or loans of funds or property or financial or other aid in any form from the federal government or any agency or instrumentality of the federal government;~~

1 ~~or from the state or any agency or instrumentality of the state, or from any other source and to~~
2 ~~comply, subject to the provisions of this chapter, with the terms and conditions of the gifts, grants,~~
3 ~~or loans;~~

4 ~~(3) Subject to the provisions of § 37-2-1 et seq., to negotiate and to enter into contracts,~~
5 ~~agreements, and cooperative agreements with agencies and political subdivisions of the state, not~~
6 ~~for profit corporations, for profit corporations, and other partnerships, associations, and persons~~
7 ~~for any lawful purpose necessary and desirable to effectuate the purposes of the department of~~
8 ~~housing; and~~

9 ~~(4) To carry out this chapter and perform the duties of the general laws and public laws~~
10 ~~insofar as those provisions relate to any regulatory areas within the jurisdiction of the department~~
11 ~~of housing.~~

12 **42-64.34-3. Rules and regulations.**

13 ~~The secretary of housing may promulgate such rules and regulations in accordance with~~
14 ~~the provisions of chapter 35 of this title as are necessary and proper to carry out the duties assigned~~
15 ~~to the secretary or to the department of housing by this title or any other provision of law.~~

16 **42-64.34-4. Severability.**

17 ~~If any provision of this chapter or the application thereof to any person or circumstance is~~
18 ~~held invalid, such invalidity shall not affect other provisions or applications of the chapter; which~~
19 ~~can be given effect without the invalid provision or application, and to this end the provisions of~~
20 ~~this chapter are declared to be severable.~~

21 SECTION 6. Sections 42-128-1, 42-128-2, 42-128-2.1, 42-128-3, 42-128-6, 42-128-7, 42-
22 128-8.1, 42-128-11, 42-128-13, 42-128-14 and 42-128-17 of the General Laws in Chapter 42-128
23 entitled "Rhode Island Housing Resources Act of 1998" are hereby amended to read as follows:

24 **42-128-1. Findings.**

25 (a) Rhode Island has an older housing stock that contributes invaluablely to community
26 character, and in order to maintain the stability of neighborhoods and to sustain health communities,
27 it is necessary to have programs for housing and community development and revitalization.

28 (b) Rhode Island has an active private sector that is engaged in supplying housing.

29 (c) Rhode Island has an active nonprofit housing sector, which can, if provided adequate
30 support, assist low and moderate income persons and works to improve conditions in
31 neighborhoods and communities.

32 (d) Housing that is not adequately maintained is a source of blight in communities and a
33 cause of public health problems. Public health and safety are impaired by poor housing conditions;
34 poisoning from lead paint and respiratory disease (asthma) are significant housing-related health

1 problems in Rhode Island.

2 (e) There is an increasing need for supported living arrangements for the elderly and a
3 continuing need for supported living arrangements for persons who are disabled and/or homeless.

4 (f) Fair housing, and the potential of unequal treatment of individuals based on race,
5 ethnicity, age, disability, and family, must be given continuing attention.

6 (g) Housing costs consume a disproportionate share of income for many Rhode Islanders;
7 housing affordability is a continuing problem, especially for first-time home buyers and lower and
8 moderate income renters; the high cost of housing adversely affects the expansion of Rhode Island's
9 economy. Housing affordability and availability affect conditions of homelessness. The high cost
10 of housing and the lack of affordable, decent housing for low income households is a source of
11 hardship for very low income persons and families in Rhode Island.

12 ~~(h) The Rhode Island housing and mortgage finance corporation, which has provided more~~
13 ~~than two decades of assistance in addressing issues of both the affordability of home ownership~~
14 ~~and rental housing and the preservation of the housing stock for low and moderate income persons,~~
15 ~~is facing future funding shortfalls and must either increase revenues or reduce programs in order to~~
16 ~~remain viable.~~

17 ~~(h)~~(h) The federal government has been reducing its commitment to housing since 1981,
18 and there is no indication that earlier levels of federal support for housing will be restored.

19 ~~(i)~~(i) Public housing authorities, which rely on federal support that is being reconsidered,
20 have been and continue to be an important housing resource for low income families and the
21 elderly.

22 ~~(k) Rhode Island, unlike most other states, does not have an agency or department of state~~
23 ~~government with comprehensive responsibility for housing.~~

24 ~~(j)~~(j) It is necessary and desirable in order to protect that public health and to promote the
25 public welfare, to establish ~~a housing resources agency and a housing resources commission~~ an
26 executive office of housing and an advisory council on housing and homelessness for the purposes
27 of advising the executive office of housing on improving housing conditions, promoting housing
28 affordability, engaging in community development activities, preventing and ending homelessness,
29 and assisting the urban, suburban, and rural communities of the state.

30 **42-128-2. Rhode Island housing resources agency created Rhode Island housing**
31 **resources and homelessness restricted receipt account created.**

32 ~~There is created within the executive department a housing resources agency with the~~
33 ~~following purposes, organization, and powers:~~

34 ~~(1) Purposes.~~

1 ~~(i) To provide coherence to the housing programs of the state of Rhode Island and its~~
2 ~~departments, agencies, commissions, corporations, and subdivisions.~~

3 ~~(ii) To provide for the integration and coordination of the activities of the Rhode Island~~
4 ~~housing and mortgage finance corporation and the Rhode Island housing resources commission.~~

5 ~~(2) Coordinating committee — Created — Purposes and powers.~~

6 ~~(i) The coordinating committee of the housing resources agency shall be comprised of the~~
7 ~~chairperson of the Rhode Island housing and mortgage finance corporation; the chairperson of the~~
8 ~~Rhode Island housing resources commission; the director of the department of administration, or~~
9 ~~the designee of the director; and the executive director of the Rhode Island housing and mortgage~~
10 ~~finance corporation. The chairperson of the Rhode Island housing resources commission shall be~~
11 ~~chairperson of the coordinating committee.~~

12 ~~(ii) The coordinating committee:~~

13 ~~(A) Shall develop and implement, with the approval of the Rhode Island housing and~~
14 ~~mortgage finance corporation and the Rhode Island housing resources commission, a memorandum~~
15 ~~of agreement describing the fiscal and operational relationship between the Rhode Island housing~~
16 ~~and mortgage finance corporation and the Rhode Island housing resources commission and shall~~
17 ~~define which programs of federal assistance will be applied for on behalf of the state by the Rhode~~
18 ~~Island housing and mortgage finance corporation and the Rhode Island housing resources~~
19 ~~commission.~~

20 ~~(B) Is authorized and empowered to negotiate and to enter into contracts and cooperative~~
21 ~~agreements with agencies and political subdivisions of the state, not for profit corporations, for-~~
22 ~~profit corporations, and other partnerships, associations, and persons for any lawful purpose~~
23 ~~necessary and desirable to effect the purposes of this chapter, subject to the provisions of chapter 2~~
24 ~~of title 37 as applicable.~~

25 ~~(3)~~ There is hereby established a restricted receipt account within the general fund of the
26 state known as the Housing Resources and Homelessness restricted receipt account. Funds from
27 this account shall be administered by the ~~department~~ executive office of housing ~~through the~~
28 ~~housing resources commission until such time as subsection (4) of this section takes effect~~ and shall
29 be used to provide for housing and homelessness initiatives including housing production, lead
30 hazard abatement, housing rental subsidy, housing retention assistance, and homelessness services
31 and prevention assistance with priority to veterans. The executive office of housing will consider
32 input from the advisory council on housing and homelessness on the use of the restricted receipt
33 funds.

34 ~~(4) Effective December 31, 2024, or after fulfillment of the reporting requirements~~

1 ~~established under § 42-64.34-1(vi), whichever is later, the restricted receipt account established~~
2 ~~under subsection (3) of this section shall be administered by the department of housing in~~
3 ~~consultation with the housing resources commission. Funds in this account will be used in~~
4 ~~accordance with the uses established in subsection (3) of this section.~~

5 **42-128-2.1. Housing Production Fund.**

6 (a) There is hereby established a restricted receipt account within the general fund of the
7 state, to be known as the housing production fund. Funds from this account shall be administered
8 by the ~~Rhode Island housing and mortgage finance corporation, subject to~~ executive office of
9 housing. The executive office of housing will adopt program and reporting guidelines, and consider
10 the input of the advisory council on housing and homelessness, ~~adopted by the coordinating~~
11 ~~committee of the Rhode Island housing resources commission~~ for housing production initiatives,
12 including:

13 (1) Financial assistance by loan, grant, or otherwise, for the planning, production, or
14 preservation of affordable housing in Rhode Island for households earning not more than eighty
15 percent (80%) of area median income; and

16 (2) Technical and financial assistance for cities and towns to support increased local
17 housing production, including by reducing regulatory barriers and through the housing incentives
18 for municipalities program.

19 (b) In administering the housing production fund, the ~~Rhode Island housing and mortgage~~
20 ~~finance corporation~~ executive office of housing shall give priority to households either exiting
21 homelessness or earning not more than thirty percent (30%) of area median income.

22 **42-128-3. Rhode Island Housing and Mortgage Finance Corporation.**

23 The Rhode Island housing and mortgage finance corporation established by chapter 55 of
24 this title shall remain an independent corporation and shall serve as the housing finance and
25 development ~~division of the Rhode Island housing resources agency~~ entity for the state.

26 ~~**42-128-6. Commission Membership and terms Officers Expenses**~~
27 ~~**Meetings Rhode Island advisory council on housing and homelessness -- Membership and**~~
28 ~~**terms -- Officers -- Meetings.**~~

29 (a) There hereby is created the advisory council on housing and homelessness which shall
30 have the powers and duties set forth in this chapter.

31 ~~(a)(1)~~(b) Membership. The ~~commission~~ advisory council on housing and homelessness
32 shall have ~~twenty-eight (28)~~ up to twenty (20) members ~~as follows: the directors of the departments~~
33 ~~of administration, business regulation, healthy aging, health, human services, behavioral~~
34 ~~healthcare, developmental disabilities and hospitals, the chairperson of the Rhode Island housing~~

1 ~~and mortgage finance corporation, and the attorney general, shall be ex officio members; the~~
2 ~~president of the Rhode Island Bankers Association, or the designee of the president; the president~~
3 ~~of the Rhode Island Mortgage Banker's Association, or the designee of the president; the president~~
4 ~~of the Rhode Island Realtors Association, or the designee of the president; the executive director~~
5 ~~of the Rhode Island Housing Network; the executive director of the Rhode Island Coalition for the~~
6 ~~Homeless; the president of the Rhode Island Association of Executive Directors for Housing, or~~
7 ~~the designee of the president; the executive director of operation stand down; and thirteen (13)~~
8 ~~members~~ appointed by the governor who have knowledge of, and have a demonstrated interest in,
9 housing issues as they affect low- and moderate-income people, ~~appointed by the governor with~~
10 ~~the advice and consent of the senate; one of whom shall be the chairperson, one of whom shall be~~
11 ~~the representative of the homeless; one of whom shall be a representative of a community~~
12 ~~development corporation; one of whom shall be the representative of an agency addressing lead~~
13 ~~poisoning issues; one of whom shall be a local planner; one of whom shall be a local building~~
14 ~~official; one of whom shall be a representative of fair housing interests; one of whom shall be~~
15 ~~representative of an agency advocating the interest of racial minorities; one of whom shall be a~~
16 ~~representative of the Rhode Island Builders Association; one of whom shall be a representative of~~
17 ~~a Rhode Island city or town with a population below twenty-five thousand (25,000) people~~
18 ~~according to data from the United States Census Bureau; one of whom shall be a representative of~~
19 ~~a community development intermediary that provides financing and technical assistance to housing~~
20 ~~nonprofits; one of whom shall be a nonprofit developer; and one of whom shall be a senior housing~~
21 ~~advocate~~ and people experiencing homelessness. The members will collectively represent a broad
22 and diverse range of perspectives including, but not limited to, people with lived experience of
23 homelessness, tenants, landlords, nonprofit developers, for-profit developers, homelessness
24 services providers, public housing authorities, representatives of municipalities, builders, building
25 officials, fair housing interests, and community development intermediaries.

26 ~~(2)(1)~~ (1) The terms of appointed members shall be three (3) years, ~~except for the original~~
27 ~~appointments, the term of four (4) of whom shall be one year and the term of four (4) of whom~~
28 ~~shall be two (2) years; no~~ No member may serve more than two (2) successive terms.

29 ~~(b)(c)~~ (c) Officers. The governor shall appoint the chairperson of the ~~commission, who shall~~
30 ~~not be an ex officio member, with the advice and consent of the senate~~ council. The ~~commission~~
31 council shall elect annually a vice-chairperson, who shall be empowered to preside at meetings in
32 the absence of the chairperson, ~~and a secretary.~~

33 ~~(e)(d)~~ (d) Expenses. The members of the commission shall serve without compensation, but
34 shall be reimbursed for their reasonable actual expenses necessarily incurred in the performance of

1 their duties.

2 ~~(d)~~(e) Meetings. Meetings of the ~~commission~~ council shall be held ~~upon the call of the~~
3 ~~chairperson, or five (5) members of the commission, or according to a schedule that may be~~
4 ~~annually established by the commission; provided, however, that the commission shall meet at least~~
5 ~~once quarterly~~ at least quarterly, or more frequently upon the request of the secretary of housing.

6 A majority of members of the ~~commission~~ council, not including vacancies, shall constitute a
7 quorum, and no vacancy in the membership of the ~~commission~~ council shall impair the right of a
8 quorum to exercise all the rights and perform all of the duties of the ~~commission~~ council.

9 **42-128-7. General powers Powers and duties of the advisory council on housing and**
10 **homelessness.**

11 ~~The commission shall have the following powers, together with all powers incidental to or~~
12 ~~necessary for the performance of those set forth in this chapter:~~

13 ~~(1) To sue and be sued.~~

14 ~~(2) To negotiate and to enter into contracts, agreements, and cooperative agreements with~~
15 ~~agencies and political subdivisions of the state, not for profit corporations, for profit corporations,~~
16 ~~and other partnerships, associations, and persons for any lawful purpose necessary and desirable to~~
17 ~~effect the purposes of this chapter.~~

18 ~~(3) To adopt bylaws and rules for the management of its affairs and for the exercise of its~~
19 ~~powers and duties, and to establish the committees, workgroups, and advisory bodies that from~~
20 ~~time to time may be deemed necessary.~~

21 ~~(4) To receive and accept grants or loans as may be made by the federal government, and~~
22 ~~grants, donations, contributions, and payments from other public and private sources.~~

23 ~~(5) To grant or loan funds to agencies and political subdivisions of the state or to private~~
24 ~~groups to effect the purposes of this chapter; provided that, in each funding round, there must be a~~
25 ~~material award that benefits a Rhode Island city or town with a population below twenty five~~
26 ~~thousand (25,000) people according to data from the United States Census Bureau.~~

27 ~~(6) To secure the cooperation and assistance of the United States and any of its agencies,~~
28 ~~and of the agencies and political subdivisions of this state in the work of the commission.~~

29 ~~(7) To establish, charge, and collect fees and payments for its services.~~

30 (a) The advisory council on housing and homelessness shall have the power and duty:

31 (1) To consider and make recommendations on all matters submitted to the council by the
32 executive office of housing, the interagency council on housing production and preservation, or the
33 interagency council on homelessness.

34 (2) To advise and make recommendations to the executive office of housing on the

1 preparation and promulgation of guidelines, rules and regulations.

2 (3) To advise on the development of state housing and homelessness strategic plans and
3 review updates on progress in achieving the goals of the strategic plans.

4 (4) To assemble subcommittees or task forces, at the request of the secretary of the
5 executive office of housing, to review emerging or priority needs and make relevant
6 recommendations to the executive office of housing, the interagency council on housing production
7 and preservation, or the interagency council on homelessness.

8 **42-128-8.1. Housing production and rehabilitation.**

9 (a) **Short title.** This section shall be known and may be cited as the "Comprehensive
10 Housing Production and Rehabilitation Act of 2004."

11 (b) **Findings.** The general assembly finds and declares that:

12 (1) The state must maintain a comprehensive housing strategy applicable to all cities and
13 towns that addresses the housing needs of different populations including, but not limited to,
14 workers and their families who earn less than one hundred twenty percent (120%) of median
15 income, older citizens, students attending institutions of higher education, low- and very-low
16 income individuals and families, and vulnerable populations including, but not limited to, persons
17 with disabilities, homeless individuals and families, and individuals released from correctional
18 institutions.

19 (2) Efforts and programs to increase the production of housing must be sensitive to the
20 distinctive characteristics of cities and towns, neighborhoods, and areas and the need to manage
21 growth and to pace and phase development, especially in high-growth areas.

22 (3) The state in partnership with local communities must remove barriers to housing
23 development and update and maintain zoning and building regulations to facilitate the construction,
24 rehabilitation of properties and retrofitting of buildings for use as safe affordable housing.

25 (4) Creative funding mechanisms are needed at the local and state levels that provide
26 additional resources for housing development, because there is an inadequate amount of federal
27 and state subsidies to support the affordable housing needs of Rhode Island's current and projected
28 population.

29 (5) Innovative community planning tools, including, but not limited to, density bonuses
30 and permitted accessory dwelling units, are needed to offset escalating land costs and project
31 financing costs that contribute to the overall cost of housing and tend to restrict the development
32 and preservation of housing affordable to very-low income, low-income, and moderate-income
33 persons.

34 (6) The gap between the annual increase in personal income and the annual increase in the

1 median sales price of a single-family home is growing, therefore, the construction, rehabilitation
2 and maintenance of affordable, multi-family housing needs to increase to provide more rental
3 housing options to individuals and families, especially those who are unable to afford
4 homeownership of a single-family home.

5 (7) The state needs to foster the formation of cooperative partnerships between
6 communities and institutions of higher education to significantly increase the amount of residential
7 housing options for students.

8 (8) The production of housing for older citizens as well as urban populations must keep
9 pace with the next twenty-year (20) projected increases in those populations of the state.

10 (9) Efforts must be made to balance the needs of Rhode Island residents with the ability of
11 the residents of surrounding states to enter into Rhode Island's housing market with much higher
12 annual incomes at their disposal.

13 (c) **Strategic plan.** The ~~commission~~ executive office of housing, in conjunction with the
14 statewide planning program, shall develop ~~by July 1, 2006~~ every five (5) years, a five-year (5)
15 strategic plan for housing, which plan shall be adopted as an element of the state guide plan, and
16 which shall include quantified goals, measurable intermediate steps toward the accomplishment of
17 the goals, implementation activities, and standards for the production and/or rehabilitation of year-
18 round housing to meet the housing needs including, but not limited to, the following:

19 (1) Older Rhode Islanders, including senior citizens, appropriate, affordable housing
20 options;

21 (2) Workers, housing affordable at their income level;

22 (3) Students, dormitory, student housing and other residential options;

23 (4) Low-income and very-low income households, rental housing;

24 (5) Persons with disabilities, appropriate housing; and

25 (6) Vulnerable individuals and families, permanent housing, single-room occupancy units,
26 transitional housing and shelters.

27 (d) As used in this section and for the purposes of the preparation of affordable housing
28 plans as specified in chapter 22.2 of title 45, words and terms shall have the meaning set forth in
29 chapter 22.2 of title 45, chapter 53 of title 45, and/or § 42-11-10, unless this section provides a
30 different meaning or unless the context indicates a different meaning or intent.

31 (1) "Affordable housing" means residential housing that has a sales price or rental amount
32 that is within the means of a household that is of moderate income or less. In the case of dwelling
33 units for sale, housing that is affordable means housing in which principal, interest, taxes, which
34 may be adjusted by state and local programs for property tax relief, and insurance constitute no

1 more than thirty percent (30%) of the gross household income for a household with less than one
2 hundred and twenty percent (120%) of area median income, adjusted for family size. Provided,
3 however, that exclusively for the residents of New Shoreham, their affordable housing eligibility
4 standards shall include households whose adjusted gross income is less than one hundred forty
5 percent (140%) of their residents' median income, adjusted for family size. In the case of dwelling
6 units for rent, housing that is affordable means housing for which the rent, heat, and utilities other
7 than telephone constitute no more than thirty percent (30%) of the gross annual household income
8 for a household with eighty percent (80%) or less of area median income, adjusted for family size.

9 (i) Affordable housing shall include all types of year-round housing, including, but not
10 limited to: manufactured housing; housing originally constructed for workers and their families;
11 accessory dwelling units; housing ~~accepting~~ utilizing rental vouchers and/or tenant-based
12 certificates under Section 8 of the United States Housing Act of 1937, as amended; and assisted
13 living housing, where the sales or rental amount of such housing, adjusted for any federal, state, or
14 municipal government subsidy, is less than or equal to thirty percent (30%) of the gross household
15 income of the low and/or moderate income occupants of the housing.

16 (ii) Mobile and manufactured homes shall be included as affordable housing if such home
17 constitutes a primary residence of the occupant or occupants; and such home is located within a
18 community owned by the residents or the land containing the home is owned by the occupant or
19 occupants; and such home was constructed after June 15, 1976; and such home complies with the
20 Manufactured Home Construction and Safety Standards of the United States Department of
21 Housing and Urban Development.

22 (iii) In that New Shoreham has reached its ten percent (10%) low- and moderate-income
23 housing goal, and for so long as they maintain at least ten percent (10%) of their year-round housing
24 stock as low- and moderate-income housing as defined in § 45-53-3(5)(ii), and inasmuch as there
25 are provable economic impacts related to the municipalities' substantial offshore location,
26 residential housing units produced for sale in which principal, interest, taxes, which may be
27 adjusted by state and local programs for property tax relief, and insurance constitute no more than
28 thirty percent (30%) of the gross household income for a household with less than one hundred
29 forty percent (140%) of the area median income, adjusted for family size, shall be counted towards
30 the municipalities' low- and moderate-income housing inventory as defined in § 45-53-3(9).

31 (2) "Affordable housing plan" means a plan prepared and adopted by a town or city either
32 to meet the requirements of chapter 53 of title 45 or to meet the requirements of § 45-22.2-10(f),
33 which require that comprehensive plans and the elements thereof be revised to conform with
34 amendments to the state guide plan.

(3) "Approved affordable housing plan" means an affordable housing plan that has been reviewed and approved in accordance with § 45-22.2-9.

(4) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted gross income is more than eighty percent (80%) but less than one hundred twenty percent (120%) of the area median income, adjusted for family size.

(5) "Seasonal housing" means housing that is intended to be occupied during limited portions of the year.

(6) "Year-round housing" means housing that is intended to be occupied by people as their usual residence and/or vacant units that are intended by their owner for occupancy at all times of the year; occupied rooms or suites of rooms in hotels are year-round housing only when occupied by permanent residents as their usual place of residence.

(e) The strategic plan shall be updated and/or amended as necessary, but not less than once every five (5) years.

(f) Upon the adoption of the strategic plan as an element of the state guide plan, towns and cities shall bring their comprehensive plans into conformity with its requirements, in accordance with the timetable set forth in § 45-22.2-10(f); provided, however, that any town that has adopted an affordable housing plan in order to comply with the provisions of chapter 53 of title 45, which has been approved for consistency pursuant to § 45-22.2-9, shall be deemed to satisfy the requirements of the strategic plan for low- and moderate-income housing until such time as the town must complete its next required comprehensive community plan update.

(g) **Guidelines.** The ~~commission~~ executive office of housing shall advise the state planning council and the state planning council, with the approval of the secretary of housing, shall promulgate and adopt ~~not later~~ no less than ~~July 1, 2006~~ every five (5) years, guidelines for higher density development, including, but not limited to: (1) Inclusionary zoning provisions for low- and moderate-income housing with appropriate density bonuses and other subsidies that make the development financially feasible; and (2) Mixed-use development that includes residential development, which guidelines shall take into account infrastructure availability; soil type and land capacity; environmental protection; water supply protection; and agricultural, open space, historical preservation, and community development pattern constraints.

(h) The statewide planning program shall maintain a geographic information system map that identifies, to the extent feasible, areas throughout the state suitable for higher density residential development consistent with the guidelines adopted pursuant to subsection (g).

42-128-11. ~~Executive director~~—~~Employees~~ Administrative support.

The ~~governor shall appoint from qualified candidates, with the advice of the coordinating~~

1 ~~committee, an executive director, who shall not be subject to the provisions of chapter 4 of title 36,~~
2 ~~and who shall serve as the state housing commissioner and may also serve in the executive office~~
3 ~~of commerce as the deputy secretary of housing. The commission shall also cause to be employed~~
4 ~~staff and technical and professional consultants as may be required to carry out the powers and~~
5 ~~duties set forth in this chapter. All staff, including the executive director, may be secured through~~
6 ~~a memorandum of agreement with the Rhode Island housing and mortgage finance corporation, or~~
7 ~~any other agency or political subdivision of the state with the approval of the relevant agency or~~
8 ~~political subdivision, as provided for in § 42-128-2(2)(ii). Any person who is in the civil service~~
9 ~~and is transferred to the commission may retain civil service status~~ executive office of housing shall
10 provide administrative support and staffing for the advisory council on housing and homelessness
11 to carry out its responsibilities.

12 **42-128-13. Open meetings law.**

13 The ~~housing resources agency, the coordinating committee, and the housing resources~~
14 ~~commission~~ advisory council on housing and homelessness and any committee, council, or
15 advisory body created by the ~~commission~~ council shall conform to the provisions of chapter 46 of
16 this title.

17 **42-128-14. Public records law.**

18 The ~~housing resources agency, the coordinating committee, and the housing resources~~
19 ~~commission~~ advisory council on housing homelessness and any committee, council, or advisory
20 body created by the ~~commission~~ council shall conform to the provisions of chapter 2 of title 38.

21 **42-128-17. Severability and liberal construction.**

22 If any provision of this chapter or the application of any provision to any person or
23 circumstance is held invalid, the invalidity shall not affect other provisions or applications of the
24 chapter, which can be given effect without the invalid provision or application, and to this end the
25 provisions of this chapter are declared to be severable. The provisions of this chapter shall be
26 construed liberally in order to accomplish the purposes of the chapter, and where any specific power
27 is given to the ~~commission~~ executive office of housing or the advisory council on housing and
28 homelessness, the statement shall not be deemed to exclude or impair any power otherwise in this
29 chapter conferred upon the ~~commission~~ executive office of housing or the advisory council on
30 housing and homelessness.

31 SECTION 7. Sections 42-128-4, 42-128-5, 42-128-8, 42-128-9, 42-128-10, 42-128-12, 42-
32 128-15 and 42-128-16 of the General Laws in Chapter 42-128 entitled "Rhode Island Housing
33 Resources Act of 1998" are hereby repealed.

34 **42-128-4. Rhode Island housing resources commission.**

1 ~~The Rhode Island housing resources commission shall be an agency within the executive~~
2 ~~department with responsibility for developing plans, policies, standards, and programs and~~
3 ~~providing technical assistance for housing.~~

4 **42-128-5. Purposes.**

5 ~~The purposes of the commission shall be:~~

6 ~~(1) To develop and promulgate state policies, and plans, for housing and housing~~
7 ~~production and performance measures for housing programs established pursuant to state law.~~

8 ~~(2) To coordinate activities among state agencies and political subdivisions pertaining to~~
9 ~~housing.~~

10 ~~(3) To promote the stability of and quality of life in communities and neighborhoods.~~

11 ~~(4) To provide opportunities for safe, sanitary, decent, adequate, and affordable housing in~~
12 ~~Rhode Island.~~

13 ~~(5) To encourage public private partnerships that foster the production, rehabilitation,~~
14 ~~development, maintenance, and improvement of housing and housing conditions, especially for~~
15 ~~low and moderate income people.~~

16 ~~(6) To foster and support nonprofit organizations, including community development~~
17 ~~corporations, and their associations and intermediaries, that are engaged in providing housing-~~
18 ~~related services.~~

19 ~~(7) To encourage and support partnerships between institutions of higher education and~~
20 ~~neighborhoods to develop and retain quality, healthy housing and sustainable communities.~~

21 ~~(8) To facilitate private for profit production and rehabilitation of housing for diverse~~
22 ~~populations and income groups.~~

23 ~~(9) To provide, facilitate, and/or support the provisions of technical assistance.~~

24 **42-128-8. Powers and duties.**

25 ~~In order to provide housing opportunities for all Rhode Islanders, to maintain the quality~~
26 ~~of housing in Rhode Island, and to coordinate and make effective the housing responsibilities of~~
27 ~~the agencies and subdivisions of the state, the commission shall have the following powers and~~
28 ~~duties:~~

29 ~~(1) Policy, planning, and coordination of state housing functions. The commission shall~~
30 ~~have the power and duty:~~

31 ~~(i) To prepare and adopt the state's plans for housing; provided, however, that this provision~~
32 ~~shall not be interpreted to contravene the prerogative of the state planning council to adopt a state~~
33 ~~guide plan for housing.~~

34 ~~(ii) To prepare, adopt, and issue the state's housing policy.~~

1 ~~(iii) To conduct research on and make reports regarding housing issues in the state.~~

2 ~~(iv) To advise the governor and general assembly on housing issues and to coordinate~~

3 ~~housing activities among government agencies and agencies created by state law or providing~~

4 ~~housing services under government programs.~~

5 ~~(2) Establish, implement, and monitor state performance measures and guidelines for~~

6 ~~housing programs. The commission shall have the power and the duty:~~

7 ~~(i) To promulgate performance measures and guidelines for housing programs conducted~~

8 ~~under state law.~~

9 ~~(ii) To monitor and evaluate housing responsibilities established by state law, and to~~

10 ~~establish a process for annual reporting on the outcomes of the programs and investments of the~~

11 ~~state in housing for low and moderate income people.~~

12 ~~(iii) To hear and resolve disputes pertaining to housing issues.~~

13 ~~(3) Administer the programs pertaining to housing resources that may be assigned by state~~

14 ~~law. The commission shall have the power and duty to administer programs for housing, housing~~

15 ~~services, and community development, including, but not limited to, programs pertaining to:~~

16 ~~(i) Abandoned properties and the remediation of blighting conditions.~~

17 ~~(ii) Lead abatement and to manage a lead hazard abatement program in cooperation with~~

18 ~~the Rhode Island housing and mortgage finance corporation.~~

19 ~~(iii) Services for the homeless.~~

20 ~~(iv) Rental assistance.~~

21 ~~(v) Community development.~~

22 ~~(vi) Outreach, education and technical assistance services.~~

23 ~~(vii) Assistance, including financial support, to nonprofit organizations and community~~

24 ~~development corporations.~~

25 ~~(viii) Tax credits that assist in the provision of housing or foster community development~~

26 ~~or that result in support to nonprofit organizations performing functions to accomplish the purposes~~

27 ~~of this chapter.~~

28 ~~(ix) The Supportive Services Program, the purpose of which is to help prevent and end~~

29 ~~homelessness among those who have experienced long term homelessness and for whom certain~~

30 ~~services in addition to housing are essential. State funding for this program may leverage other~~

31 ~~resources for the purpose of providing supportive services. Services provided pursuant to this~~

32 ~~subsection may include, but not be limited to: assistance with budgeting and paying rent; access to~~

33 ~~employment; encouraging tenant involvement in facility management and policies; medication~~

34 ~~monitoring and management; daily living skills related to food, housekeeping, and socialization;~~

1 ~~counseling to support self-identified goals; referrals to mainstream health, mental health, and~~
2 ~~treatment programs; and conflict resolution.~~

3 ~~In the administration of the programs in this subsection, the commission shall award, in~~
4 ~~each funding round, a material award that benefits a Rhode Island city or town with a population~~
5 ~~below twenty-five thousand (25,000) people according to data from the United States Census~~
6 ~~Bureau.~~

7 **42-128-9. Offices within the commission.**

8 ~~There shall be, as a minimum, the following offices within the commission: the office of~~
9 ~~policy and planning, the office of housing program performance and evaluation, the office of~~
10 ~~homelessness services and emergency assistance, and the office of community development,~~
11 ~~programs and technical assistance. The commission may establish by rule such other offices,~~
12 ~~operating entities, and committees as it may deem appropriate.~~

13 **42-128-10. Appropriations.**

14 ~~The general assembly shall annually appropriate any sums it may deem necessary to enable~~
15 ~~the commission to carry out its assigned purposes; and the state controller is authorized and directed~~
16 ~~to draw his or her orders upon the general treasurer for the payment of any sums appropriated or so~~
17 ~~much as may be from time to time required, upon receipt by him or her of proper vouchers approved~~
18 ~~by the chairperson or the executive director.~~

19 **42-128-12. Coordination with other state agencies.**

20 ~~State agencies, departments, authorities, corporations, boards, commissions, and political~~
21 ~~subdivisions shall cooperate with the commission in the conduct of its activities, and specifically:~~
22 ~~the Rhode Island historical preservation and heritage commission shall advise the commission on~~
23 ~~issues of historical preservation standards as they pertain to housing and the use of historical~~
24 ~~preservation programs to improve housing and to enhance community character; the statewide~~
25 ~~planning program, created pursuant to § 42-11-10, shall advise the commission on issues of~~
26 ~~planning in general and land use controls and shall revise the state guide plan, as necessary, to~~
27 ~~achieve consistency with official state plans and policies for housing adopted by the commission,~~
28 ~~and the department of business regulation shall advise the commission on issues of business~~
29 ~~regulation affecting housing, shall review its regulations and practices to determine any~~
30 ~~amendments, changes, or additions that might be appropriate to advance the purposes of this~~
31 ~~chapter, and shall designate an official within the department to serve as liaison to, and the contact~~
32 ~~person for, the commission on issues related to housing.~~

33 **42-128-15. Administrative procedures act.**

34 ~~The commission may adopt any rules, including measurable standards, in accordance with~~

1 ~~the provisions of chapter 35 of this title that may be necessary to the purposes of this chapter.~~

2 ~~**42-128-16. Annual report.**~~

3 ~~The commission shall submit for each calendar year by March 1 of the next year a report~~
4 ~~to the governor and the general assembly on its activities and its findings and recommendations~~
5 ~~regarding housing issues, which report by census tract, shall include the number and dollar amount~~
6 ~~of its programs and an assessment of health related housing issues, including the incidence of lead~~
7 ~~poisoning.~~

8 SECTION 8. Sections 42-128.1-4, 42-128.1-5, 42-128.1-6, 42-128.1-7, 42-128.1-8, 42-
9 128.1-9 and 42-128.1-13 of the General Laws in Chapter 42-128.1 entitled "Lead Hazard
10 Mitigation" are hereby amended to read as follows:

11 **42-128.1-4. Definitions.**

12 The following definitions shall apply in the interpretation and enforcement of this chapter:

13 (1) "At-risk occupant" means a person under six (6) years of age, or a pregnant woman,
14 who has been a legal inhabitant in a dwelling unit for at least thirty (30) days; provided, however,
15 that a guest of any age shall not be considered an occupant for the purposes of this chapter.

16 (2) "Designated person" means either: (i) A property owner, or the agent of the property
17 owner, who has completed a ~~housing resources commission~~ department of health approved
18 awareness seminar on lead hazards and their control; or (ii) A person trained and certified as either
19 a lead hazard mitigation inspector, an environmental lead inspector, or a lead hazard inspection
20 technician.

21 (3) "Dwelling" or "dwelling unit" means an enclosed space used for living and sleeping by
22 human occupants as a place of residence, including, but not limited to: a house, an apartment, or
23 condominium, but, for the purpose of this chapter, shall not include hotels or "temporary housing."

24 (4) "Elderly housing" means a federal, state, or local program that is specifically designed
25 and operated to assist elderly persons, sixty-two (62) years of age, or older, as set forth in a
26 regulatory agreement or zoning ordinance.

27 (5) "Environmental lead-poisoning level" means a confirmed, venous blood lead level as
28 defined pursuant to § 23-24.6-4.

29 (6) "Lead abated" means a dwelling and premises that are lead free or lead safe, as those
30 terms are defined in chapter 24.6 of title 23.

31 (7) "Lead free" means that a dwelling, dwelling unit, or premises contains no lead, or
32 contains lead in amounts less than the maximum-acceptable environmental lead levels established
33 by regulation by the Rhode Island department of health.

34 (8) "Lead hazard mitigation compliance" means an independent clearance inspection and

1 certificate, as specified in this subsection (8), undertaken to determine whether the lead hazard
2 mitigation measures have been completed. Said inspection shall be valid for two (2) years, or until
3 the next turnover of the dwelling unit, whichever period is longer. The requirements for a clearance
4 review inspection shall be met either by an independent clearance inspection or a visual inspection
5 as set forth in this subsection (8):

6 (i) An "independent clearance inspection" means an inspection performed by a person who
7 is not the property owner or an employee of the property owner and who is authorized by the
8 ~~housing-resources-commission~~ department of health to conduct independent clearance inspections,
9 which shall include: (A) A visual inspection to determine that the lead hazard controls have been
10 met, and (B) Dust testing in accordance with rules established by the department of health and
11 consistent with federal standards. A certificate of conformance shall be issued by the person who
12 conducted the inspection on the passage of the visual inspection and the required dust testing. An
13 independent clearance inspection shall be required at unit turnover or once in a twenty-four-month
14 (24) period, whichever period is the longer. If the tenancy of an occupant is two (2) years or greater,
15 the certificate of conformance shall be maintained by a visual inspection as set forth in subsection
16 (8)(ii) of this section.

17 (ii) A "visual inspection" means a visual inspection by a property owner or designated
18 person to determine that the lead hazard controls have been met. If the designated person concluded
19 that the lead hazard controls specified in this chapter have been met, the designated person may
20 complete an Affidavit of Completion of Visual Inspection. The affidavit shall be valid upon its
21 being notarized within thirty (30) days after the completion of the visual inspection and shall set
22 forth:

23 (A) The date and location that the designated person took the lead-hazard-control
24 awareness seminar;

25 (B) The date and findings of the lead hazard evaluation;

26 (C) The date and description of the lead hazard control measures undertaken;

27 (D) The date of the visual inspection; and

28 (E) The name and signature of the designated person and date of the Affidavit of
29 Completion of Visual Inspection.

30 An Affidavit of Completion of Visual Inspection shall be valid for two (2) years after the
31 date it was notarized, or until unit turnover, whichever time period is the longer, and shall be kept
32 by the property owner for a minimum of five (5) years.

33 (iii) Presumptive compliance. A property owner of ten (10) or more dwelling units shall be
34 eligible to obtain a certificate of presumptive compliance from the ~~housing-resources-commission~~

1 [department of health](#) provided that the following conditions are met: (A) The dwelling units were
2 constructed after 1960 or after 1950 on federally owned or leased lands; (B) There are no major,
3 outstanding minimum-housing violations on the premises; (C) The property owner has no history
4 of repeated lead poisonings; and (D) Independent clearance inspections have been conducted on at
5 least five percent (5%) of the dwelling units, not less than two (2) dwelling units and at least ninety
6 percent (90%) of the independent clearance inspections were passed. "Repeated lead poisoning,"
7 for purposes of this paragraph, shall mean a lead poisoning rate of less than one-half percent (.5%)
8 per dwelling-unit year, with dwelling-unit years being calculated by multiplying the number of
9 dwelling units owned by the property owner by the number of years of ownership since 1992. Major
10 minimum housing violations shall be defined by rule by the ~~housing-resources-commission~~
11 [department of health](#). The ~~housing-resources-commission~~ [department of health](#) shall not arbitrarily
12 withhold its approval of applications for presumptive compliance. A certificate of presumptive
13 compliance shall be deemed to be satisfactory for purposes of demonstrating compliance with the
14 requirements of this chapter. If a unit qualifies for a presumptive compliance certificate, by itself
15 having passed an independent clearance inspection at least once, that unit's compliance may be
16 maintained by a visual inspection as set forth in this chapter.

17 (9) "Lead hazard mitigation inspector" means either a person approved by the ~~housing~~
18 ~~resources-commission~~ [department of health](#) to perform independent clearance inspections under
19 this chapter or inspections required by 24 C.F.R., Part 35, Subpart M [24 C.F.R. § 35.1200 et seq.],
20 or approved by the department of health to conduct inspections pursuant to chapter 24.6 of title 23.

21 Lead hazard mitigation inspectors performing independent clearance inspections shall not
22 have any interest, financial or otherwise, direct or indirect, or engage in any business or
23 employment with regards to:

- 24 (i) The dwelling unit that is the subject of an independent clearance inspection; or
25 (ii) The contractor performing lead hazard control work in the dwelling unit; or
26 (iii) The laboratory that is used to analyze environmental lead samples for the independent
27 clearance inspection unless the lead hazard mitigation inspector discloses the inspector's
28 relationship with the laboratory to the person requesting the inspection and on the inspection report.

29 Employees of public agencies and quasi-public agencies that hold a financial interest in the
30 property may perform independent clearance inspections.

31 (10) "Lead hazard mitigation standards" means standards adopted by the ~~housing-resources~~
32 ~~commission~~ [department of health](#) for a dwelling unit and associated common areas that provide
33 for:

- 34 (i) A continuing and ongoing responsibility for lead hazard control that includes: (A)

1 Repair of deteriorated paint; (B) Correction of dust-generating conditions, such as friction or impact
2 areas; (C) Provision of cleanable surfaces to eliminate harmful dust loading; (D) Correction of soil
3 lead hazards; (E) Safe work practices;

4 (ii) At unit turnover: (A) The provision of information on lead hazards and their avoidance
5 and control to tenants; (B) Documentation of lead hazard mitigation compliance; (C) An explicit
6 process for notification by tenants to property owners of instances of deterioration in conditions
7 effecting lead hazards; and

8 (iii) Maintenance of "lead hazard control." "Lead hazard control" means those portions of
9 the lead hazard mitigation standard pertaining to repair of deteriorating paint; correction of dust-
10 generating conditions; provision of cleanable surfaces; and correction of soil lead hazards that can
11 be identified by visual inspection as provided for in subsection (8)(ii) or through inspections
12 conducted in accordance with chapter 24.2 of title 45, "Minimum Housing Standards," and chapter
13 24.3 of title 45, "Housing Maintenance and Occupancy Code."

14 (11) "Lead poisoned" means a confirmed venous blood lead level established by the
15 department of health pursuant to § 23-24.6-4(3).

16 (12) "Lead safe" means that a dwelling, dwelling unit, or premises has undergone
17 sufficient, lead-hazard reduction to ensure that no significant, environment lead hazard is present
18 and includes, but is not limited to, covering and encapsulation and is evidenced by a lead-safe
19 certificate issued by the department of health.

20 (13) "Property owner" means any person who, alone or jointly or severally with others:

21 (i) Shall have legal title to any dwelling, dwelling unit, or structure, with or without
22 accompanying actual possession of it; or

23 (ii) Shall have charge, care, or control of any dwelling, dwelling unit, or structure as owner
24 or agent of the owner, or an executor, administrator, trustee, or guardian of the estate of the owner.
25 Any person representing the actual owner shall be bound to comply with the provisions of this
26 chapter, and of rules and regulations adopted pursuant to this chapter, to the same extent as if that
27 person were the owner.

28 (iii) Notwithstanding the foregoing, no holder of a mortgage or other lien holder who, in
29 enforcing a security interest, acquires title by foreclosure or deed in lieu of foreclosure shall be
30 considered a property owner for purposes of this chapter, if the holder transfers the title within one
31 year after the date the title is acquired; provided, however, if the mortgagee or lien holder,
32 subsequent to acquiring title, is notified of a lead hazard under chapter 24.6 of title 23 or § 42-
33 128.1-8(a)(5), then and in that event, the mortgagee or lien holder shall take any steps to reduce the
34 lead hazard that shall be required under the provisions of chapter 24.6 of title 23 or this chapter, as

1 applicable.

2 (14) "Temporary housing" means any seasonal place of residence that is rented for no more
3 than one hundred (100) days per calendar year to the same tenant, where no lease renewal or
4 extension can occur, and any emergency shelter intended for night-to-night accommodation.

5 (15) "Tenant turnover" means the time at which all existing occupants vacate a unit and all
6 new occupants move into the unit.

7 ~~42-128.1-5. Housing resources commission — Powers and duties with respect to lead~~
8 ~~hazard mitigation~~ **Department of health -- Powers and duties with respect to lead hazard**
9 **mitigation.**

10 (a) General powers and duties. The ~~housing resources commission~~ [department of health](#)
11 shall implement and put into full force and effect the powers, duties, and responsibilities assigned
12 to it by this chapter, and shall serve as the lead state agency for lead hazard mitigation, planning,
13 education, technical assistance, and coordination of state projects and state financial assistance to
14 property owners for lead hazard mitigation.

15 (b) Regulatory guidelines. In developing and promulgating rules and regulations as
16 provided for in this chapter, the ~~housing resources commission~~ [department of health](#) shall consider,
17 among other things: (1) the effect on efforts to reduce the incidence of lead poisoning, (2) the ease
18 and cost of implementation, (3) the impact on the ability to conduct real estate transactions fairly
19 and expeditiously, (4) consistency with federal standards, such that the differences between basic
20 federal standards and Rhode Island standards for lead hazard mitigation are, to the extent
21 practicable, minimized, and (5) the direction of effort to locations and housing types, which due to
22 age, condition, and prior history of lead poisoning are more likely to be the location of lead
23 poisoning. Said regulations shall include a definition of "turnover" of a dwelling unit and a means
24 for tenants to voluntarily notify property owners of the legal tenancy of an "at-risk" occupant.

25 (c) Comprehensive strategic plan. In order to establish clear goals for increasing the
26 availability of housing in which lead hazards have been mitigated, to provide performance
27 measures by which to assess progress toward achieving the purposes of this chapter, and to facilitate
28 coordination among state agencies and political subdivisions with responsibilities for housing and
29 housing quality for lead poisoning reduction and for the availability of insurance coverage
30 described in this chapter, the housing resources commission ~~established by chapter 128 of this title~~
31 shall adopt by April 1, 2003, a four-year (4), comprehensive strategic plan for reducing the
32 incidence of childhood lead poisoning, for increasing the supply of lead-safe housing, and for
33 assuring that pre-1978 in rental housing throughout the state lead hazards have been mitigated.
34 [Effective July 1, 2025, the department of health will assume responsibility for the comprehensive](#)

1 [strategic plan.](#)

2 (1) Plan elements. The plan as a minimum shall include elements pertaining to:

3 (i) Educating people with regard to lead hazards and how they can be avoided, mitigated,
4 and/or abated;

5 (ii) Programs to assist low and moderate income owners of property to eliminate lead
6 hazards and to achieve lead-safe conditions;

7 (iii) Coordination of the enforcement of laws pertaining to lead hazard control, mitigation,
8 and abatement including the Lead Poisoning Prevention Act, chapter 24.6 of title 23, and minimum
9 housing codes and standards;

10 (iv) Coordination of efforts with local governments and other agencies to improve housing
11 conditions;

12 (v) Financing lead abatement efforts in Rhode Island, including, but not limited to,
13 assistance to low and moderate income property owners, education and outreach, and enforcement
14 by state and local officials;

15 (vi) An assessment of the availability of insurance for lead hazard liability, which shall be
16 designed and implemented in cooperation with the department of business regulation.

17 (2) Implementation program. The comprehensive strategic plan shall include an
18 implementation program, which shall include performance measurers and a program of specific
19 activities that are proposed to be undertaken to accomplish the purposes of this chapter and to
20 achieve goals and elements set forth by the plan. The implementation program shall be updated
21 annually according to a schedule set forth in the plan.

22 (3) Reporting. The ~~commission~~ [department of health](#) shall report annually to the governor
23 and the general assembly, no later than March of each year, on the progress made in achieving the
24 goals and objectives set forth in the plan, which report may be integrated with or issued in
25 conjunction with the report of the council on environmental lead submitted pursuant to § 23-24.6-
26 6.

27 **42-128.1-6. Education.**

28 (a) In order to achieve the purposes of this chapter, a statewide, multifaceted, ongoing
29 educational program designed to meet the needs of tenants, property owners, realtors and real estate
30 agents, insurers and insurance agents, local building officials, and health providers and caregivers
31 is hereby established.

32 (b) The governor, in conjunction with the department of health ~~and the housing resources~~
33 ~~commission~~, shall sponsor a series of public service announcements on radio, television, and print
34 media about the nature of lead hazards, the importance of lead hazard control and mitigation, and

1 the purposes and responsibilities set forth in this chapter. In developing and coordinating this public
2 information initiative the sponsors shall seek the participation and involvement of private industry
3 organizations, including those involved in real estate, insurance, mortgage banking, and pediatrics.

4 (c) ~~Within sixty (60) days after the regulations set forth in § 42-128.1-7 for lead hazard~~
5 ~~control and mitigation go into effect, the housing resources commission in conjunction with the~~
6 The department of health shall:

7 (1) Create culturally and linguistically appropriate material outlining the rights and
8 responsibilities of parties affected by this chapter;

9 (2) Establish guidelines and a trainer's manual for a not more than three (3) hours lead
10 hazard control awareness seminar for rental property owners or designated persons, which shall be
11 forwarded to all public and private colleges and universities in Rhode Island, to other professional
12 training facilities, and to professional associations and community organizations with a training
13 capacity, with the stipulation this seminar be offered for a maximum fee of fifty dollars (\$50.00)
14 per participant. The ~~housing resources commission~~ department of health shall approve the
15 proposals to offer the seminar from institutions, provided those proposals are consistent with the
16 guidelines. An electronic version of this awareness seminar shall be created and approved by the
17 ~~housing resources commission~~ department of health for computer internet access. Said awareness
18 seminar shall also be produced and made available in both VHS and DVD format for rental or
19 purchase at a reasonable cost not to exceed five dollars (\$5.00) for the rental version and fifteen
20 dollars (\$15.00) for the purchased version. Said seminar shall be available to tenants, property
21 owners, and other interested parties.

22 (3) Adopt rules for the dissemination of information about the requirements of this chapter
23 to all prospective owners of pre-1978 dwellings during the real estate transaction, settlement, or
24 closing;

25 (4) Solicit requests, to the extent that these partnerships are not already established, to enter
26 into ongoing, funded partnerships, to provide specific counseling information services to tenants
27 and affected parties on their rights and responsibilities with regard to lead hazards and lead
28 poisoning.

29 (d) The department of business regulation shall, with regard to its responsibilities for the
30 profession of real estate brokers and salespersons, adopt rules, with the concurrence of ~~the housing~~
31 ~~resources commission and~~ the department of health which shall be effective not later than June 30,
32 2004: (1) requiring proof of reasonable familiarity with the knowledge of duties and responsibilities
33 under the provisions of the Lead Poisoning Prevention Act, chapter 24.6 of title 23, and this chapter,
34 for the licensure or renewal of licenses of real estate brokers and salespersons in accordance with

§ 5-20.5-6 after July 1, 2004; and (2) providing, pursuant to § 5-20.5-18, an educational program for real estate brokers and salespersons regarding such duties and responsibilities.

(e) The ~~housing resources commission, in conjunction with the department of health,~~ [department of health](#) is hereby authorized to develop, offer, engage in, contract for, and/or provide any other educational or informational programs that they may deem necessary to accomplish the purposes of this chapter, including, but not limited to: programs to assist families to find housing that is lead free, lead safe, or lead hazard mitigated or abated; and to train lead hazard mitigation inspectors and local building officials and persons engaged in renovating and/or improving housing about controlling or mitigating lead hazards in pre-1978 housing. Said programs shall provide information about lead hazard mitigation requirements at retail hardware and paint stores and home-improvement centers, including, as a minimum, signs of sufficient size with large enough lettering to be easily seen and read, which contains the following language:

WARNING

Use of abrasive material (sandpaper, steel wool, drill disks and pads, etc.) in your home to remove paint may increase the risk of childhood lead poisoning. For more information please contact the Rhode Island ~~housing resources commission or~~ department of health.

42-128.1-7. Lead hazard mitigation rules.

The housing resources commission shall adopt, no later than April 1, 2003, rules:

(1) For housing constructed prior to 1978, which require property owners to certify at the time of transfer that the dwelling and/or premises meet the requirements for lead hazard mitigation or lead hazard abatement, or that the party or parties acquiring the property are notified of the potential lead hazards, and at the time of rental of units that the requirements for meeting the appropriate standards have been met;

(2) For a lead hazard mitigation standard;

(3) For any training, certification, or licensing necessary to carry out the provisions of this chapter;

(4) For a process to receive, investigate, and decide whether the correction of a lead hazard, pursuant to § 42-128.1-8(a)(3) and (d) was satisfactory. These rules shall establish an expeditious procedure to determine whether the allegation of unsatisfactory correction has merit. The process may be integrated with or make use of the technical assistance service provided for in § 42-128.1-13; ~~and~~

(5) For a process to grant a variance to § 42-128.1-8(a)(3), (a)(5), and (b), where there exists a hardship as to financing lead hazard mitigation, or where materials, personnel, or weather delays the mitigation completion; [and](#)

1 (6) Effective July 1, 2025, the department of health will assume responsibility for § 42-
2 128.1-7. The rules promulgated pursuant to this section shall remain in full force and effect and
3 shall be enforced by the department of health until such time as the rules are properly transferred
4 to the department of health's title within the Rhode Island code of regulations.

5 **42-128.1-8. Duties of property owners of pre-1978 rental dwellings.**

6 (a) Property owners of pre-1978 rental dwellings, which have not been made lead safe or
7 have not been lead hazard abated shall comply with all the following requirements:

8 (1) Learn about lead hazards by taking a lead hazard awareness seminar, himself or herself
9 or through a designated person;

10 (2) Evaluate the dwelling unit and premises for lead hazards consistent with the
11 requirements for a lead hazard control evaluation;

12 (3) Correct identified lead hazards by meeting and maintaining the lead hazard mitigation
13 standard;

14 (4) Provide tenants: (i) Basic information about lead hazard control; (ii) A copy of the
15 independent clearance inspection; and (iii) Information about how to give notice of deteriorating
16 conditions;

17 (5) Correct lead hazards within thirty (30) days after notification from the tenant of a
18 dwelling unit with an at-risk occupant, or as provided for by § 34-18-22.

19 (b) New property owners of a pre-1978 rental dwelling that is occupied by an at-risk
20 occupant shall have up to sixty (60) days to meet requirements for lead hazard mitigation, if those
21 requirements were not met by the previous owner at the time of transfer, provided that the new
22 property owner has the property visually inspected within thirty (30) business days after assuming
23 ownership to determine conformity with the lead hazard control standard.

24 (c) The requirements for lead hazard mitigation shall apply to the first change in ownership
25 or tenancy after November 1, 2005; provided further, that unless requested and agreed to by an at-
26 risk occupant, meeting the lead hazard mitigation standard shall not be construed to authorize a
27 property owner to compel or cause a person, who is in tenancy on January 1, 2004, and remains in
28 tenancy continuously thereafter, to vacate a rental unit temporarily or otherwise.

29 (d) If the tenant receives no response to the notification to the property owner of
30 deteriorating conditions affecting lead hazards, if the response is in the tenant's opinion
31 unsatisfactory, or if the remedy performed is in the tenant's opinion unsatisfactory, the tenant may
32 request a review of the matter by the ~~housing resources commission~~ department of health. After its
33 review of the matter, the ~~housing resources commission~~ department of health shall either send
34 notice to the property owner in which notice shall be issued in a manner substantially similar to a

1 notice of violation issued by the director pursuant to the Housing Maintenance Code, chapter 24.3
2 of title 45, or promptly inform the tenant of the reasons why the notice is not being issued.

3 (e) Notwithstanding the foregoing, the provisions of this chapter shall not apply to common
4 areas in condominium complexes that are owned and operated by condominium associations, or to
5 pre-1978 rental dwelling units that are:

6 (1) Lead-safe or lead free;

7 (2) Temporary housing; or

8 (3) Elderly housing.

9 (4) [Deleted by P.L. 2023, ch. 103, § 1 and P.L. 2023, ch. 104, § 1.]

10 (f) The department of health shall report to the legislature annually on the number of
11 children who are lead poisoned in any of the exempted dwelling units as referred to in subsection
12 (e) of this section.

13 (g) Nothing contained herein shall be construed to prevent an owner who is seeking to
14 obtain lead liability insurance coverage in the policy from complying with the provisions of this
15 chapter, by securing and maintaining a valid and in force letter of compliance or conformance in
16 force.

17 **42-128.1-9. Insurance coverage.**

18 (a) The department of business regulation shall, by January 1, 2003, establish a uniform
19 policy with regard to exclusion for lead poisoning and shall adopt any rules and requirements that
20 may be necessary to assure the availability of insurance coverage for losses and damages caused
21 by lead poisoning, in accordance with the provisions of this chapter, which policy and rules shall
22 apply to liability coverage available to property owners. The department of business regulation
23 shall have the authority and is empowered, consistent with the requirements of chapter 35 of this
24 title, to promulgate rules and regulations, which shall enable it to compile and analyze data and to
25 make determinations with regard to the availability of and rates for lead liability coverage.

26 (b) Except as otherwise provided by this chapter, no insurance company licensed or
27 permitted by the department of business regulation to provide liability coverage to rental property
28 owners shall exclude, after October 31, 2005, coverage for losses or damages caused by lead
29 poisoning. The department of business regulation shall not permit, authorize, or approve any
30 exclusion for lead poisoning, except as specifically provided for by this chapter, that was not in
31 effect as of January 1, 2000, and all previously approved exclusions shall terminate October 31,
32 2005. As of November 1, 2005, coverage for lead poisoning shall be included in the policy or
33 offered by endorsement, as set forth in this section.

34 (c) All insurers issuing commercial lines insurance policies and personal lines insurance

1 policies covering pre-1978 rental housing in compliance with: (i) the requirements of this chapter
2 for lead hazard mitigation; (ii) with the requirements of chapter 24.6 of title 23 for lead safe
3 housing, within the state of Rhode Island; or (iii) relying on a valid certificate of compliance or
4 conformance shall, effective November 1, 2005, include in the policy coverage for liability for
5 injury, damage, or death resulting from occurrences of lead poisoning in an amount equal to and
6 no less than the underlying policy limits for personal injury/bodily injury coverage provided under
7 the policy so issued to a residential rental property owner. The property owner shall, if requested
8 by the insurer, present to the insurance company, either: (1) proof of certificate of compliance of
9 an independent clearance inspection and of any affidavit of visual inspection required to maintain
10 the validity of the independent clearance inspection; (2) proof of meeting the mitigation standard
11 in the form of a clearance exam showing that lead hazards are mitigated; or (3) proof of abatement.
12 This proof shall be prima facie evidence of compliance with the requirements of this chapter. In
13 any subsequent renewal, the insurer may require any continuing proof whenever the certificate is
14 expiring, has expired, or is otherwise invalidated.

15 (d) For residential rental properties that have not been brought into compliance with the
16 requirements for lead hazard mitigation pursuant to this chapter or for lead hazard reduction
17 pursuant to chapter 24.6 of title 23 or that do not have a valid certificate of compliance or
18 conformance, effective November 1, 2005, for residential rental property owners who own or
19 owned a substantial legal or equitable interest in one property and have had no more than one un-
20 remediated dwelling unit at which a child was poisoned prior to November 1, 2005, and for
21 residential property owners who own or owned more than one property and have had no more than
22 two (2) un-remediated dwelling units at which a child was poisoned prior to November 1, 2005, an
23 insurance company, which provides liability insurance to a residential rental property owner, shall
24 either offer lead liability coverage for bodily injury, which shall be equal to the underlying limits
25 of liability coverage for the property, by endorsement, or shall assist the insured in placing lead
26 liability coverage through the program commonly known as the Rhode Island FAIR Plan either
27 directly or through one of the insurance company's agents or brokers, and the Rhode Island FAIR
28 Plan shall make available liability coverage for damages caused by lead poisoning to the class of
29 property owners described in this subsection. If the insured seeks lead liability coverage with the
30 FAIR Plan, the FAIR Plan may use reasonable underwriting guidelines, as approved by the
31 department of business regulation, to underwrite the property. Any property owner who fails to
32 remediate a property, after a notice of violation subsequent to October 31, 2005, and any property
33 that is not remediated after notice of a violation subsequent to October 31, 2005, shall not be eligible
34 to receive an offer of coverage and shall be subject to cancellation and nonrenewal of that coverage

1 if the property is not found to be in compliance with the lead law within ninety (90) days of the
2 date of issuance of the notice by the director, ~~or the housing resources commission~~, as applicable.

3 (e) Rates for lead poisoning liability coverage, as specified in subsections (c) and (d) of
4 this section, shall be approved by the department of business regulation, notwithstanding any limits
5 on rate approval authority established by the provisions of chapter 65 of title 27 and subject to the
6 provisions of §§ 27-44-6 and 27-44-7, using the following standards:

7 (1) That they are not excessive, inadequate, or unfairly discriminatory;

8 (2) That consideration is given to:

9 (i) Past and prospective loss experience within the state of Rhode Island;

10 (ii) A reasonable margin for profits and contingencies;

11 (iii) Past and prospective expenses specifically applicable to the state of Rhode Island:

12 (iv) Any other data, including data compiled in other states, especially regarding
13 experience data for lead liability coverage, that the department may deem necessary; and

14 (v) Past history of the owner with regard to lead poisoning or any associated violations.

15 (f) The department of business regulation shall have the authority and is empowered,
16 consistent with the requirements of chapter 35 of this title, to promulgate rules and regulations to
17 enable it to compile and analyze data and to make determinations with regard to the availability of
18 and rates for lead liability coverage. In order to effect the purposes of this section insurers shall file,
19 on or before October 1, 2004, the proposed language of endorsements for lead liability coverage
20 and the proposed rates for that coverage with the department.

21 (g) All endorsements, rates, forms, and rules for lead liability coverage approved by the
22 department of business regulation to be effective on or after July 1, 2004, are hereby extended to
23 be effective November 1, 2005. Prior to November 1, 2005, insurers and advisory organizations
24 shall continue to utilize all endorsements, rates, forms, and rules in effect on June 30, 2004, for lead
25 liability coverage. The department shall not approve any new endorsements, rates, forms, or rules
26 for lead liability coverage in pre-1978 residential rental properties unless the filings are submitted
27 in accordance with the provisions of this act. The department is hereby authorized to promulgate
28 reasonable rules and regulations to carry out the provisions of this section.

29 **42-128.1-13. Rhode Island lead hazard technical assistance service.**

30 (a) Establishment and purposes.

31 (1) The Rhode Island ~~housing resources commission~~ department of health shall establish a
32 "Rhode Island lead hazard technical assistance service" program for the purposes of providing
33 technical assistance to property owners to achieve compliance with this chapter and the Lead
34 Poisoning Prevention Act, chapter 24.6 of title 23.

1 (2) The services of the program shall subject to appropriation, include, but shall not be
2 limited to: evaluation of the need for lead hazard mitigation in a dwelling; review of independent
3 inspection results; identification of and arranging funding for conducting lead hazard abatement
4 and mitigation, and supplying any materials, assistance, and services that may be needed by
5 property owners to achieve compliance with this chapter and the Lead Poisoning Prevention Act in
6 an affordable manner.

7 (b) Historic properties. ~~On or before November 1, 2005, the housing resources commission~~
8 [The department of health](#), in conjunction with the historical preservation and heritage commission,
9 shall initiate the following activities to assist owners of historic properties to comply with the
10 provisions of this chapter: (i) provide technical assistance; (ii) identify financial resources available
11 for compliance; and (iii) seek additional resources for this purpose.

12 (c) Cooperation with Rhode Island housing and mortgage finance corporation. The ~~housing~~
13 ~~resources commission~~ [department of health](#) is hereby authorized to cooperate with the Rhode Island
14 housing and mortgage finance corporation in putting the provisions of this section into effect, and
15 the Rhode Island housing and mortgage finance corporation is hereby authorized to exercise its
16 powers under § 42-55-5.1 to provide for the implementation of this section.

17 ~~(d) Exercise of powers. The housing resources commission is hereby expressly authorized~~
18 ~~to exercise any or all of its general powers set forth in § 42-128-7 to accomplish the purpose of this~~
19 ~~section.~~

20 SECTION 9. Sections 42-128.2-1, 42-128.2-3, 42-128.2-4, 42-128.2-6 and 42-128.2-8 of
21 the General Laws in Chapter 42-128.2 entitled "Expedited Permitting for Affordable Housing" are
22 hereby amended to read as follows:

23 **42-128.2-1. Findings.**

24 The general assembly finds and declares that:

25 (1) The availability of affordable housing is a critical concern to the current well-being and
26 the future prosperity of the people of Rhode Island;

27 (2) All towns in Rhode Island, with an obligation to do so, have adopted affordable housing
28 plans as required by P.L. 2004, ch. 286 and 324; [and](#)

29 ~~(3) The housing resources commission in conjunction with the statewide planning program~~
30 ~~has adopted a strategic plan for affordable housing as required by "The Comprehensive Housing~~
31 ~~Production and Rehabilitation Act of 2004";~~

32 ~~(4) The people of Rhode Island in 2006 approved a bond issue to support the development~~
33 ~~of affordable housing in the state; and~~

34 ~~(5)~~[\(3\)](#) The slowness and uncertainty of securing permits and regulatory approval from state

1 agencies can impair the viability of affordable housing development, make such development more
2 expensive, and can jeopardize federal and other monies.

3 **42-128.2-3. Definitions.**

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

6 (1) "Affordable housing plan" means a component of a housing element, as defined in
7 subsection 45-22.2-4(33), to meet housing needs in a city or town that is prepared in accordance
8 with guidelines adopted by the state planning council, and/or to meet the provisions of § 45-53-
9 4(e)(1) and (f).

10 (2) "Associate director" means the associate director of the department of administration
11 for planning.

12 ~~(3) "Chairperson" means the chairperson of the housing resources commission.~~

13 ~~(4)~~(3) "Comprehensive plan" means a comprehensive plan adopted and approved by a city
14 or town pursuant to chapters 22.2 and 22.3 of title 45.

15 ~~(5)~~(4) "Determination of probable consistency" means a determination by the associate
16 director that an eligible affordable housing project appears to be consistent with applicable
17 provisions of state plans pertaining to affordable housing development; a determination of probable
18 consistency shall not be deemed to be a conclusive, final, or binding determination of conformity
19 with such plans or with any specific requirements adopted pursuant to such plans.

20 ~~(6)~~(5) "Eligible affordable housing project" means low or moderate income housing or
21 housing development in which at least twenty-five percent (25%) of the dwelling units are low or
22 moderate income housing whether built or operated by any public agency or any nonprofit
23 organization or by any limited equity housing cooperative or any private developer, that is
24 subsidized by a federal, state, or municipal government subsidy under any program to assist the
25 construction or rehabilitation of housing affordable to low or moderate income households, as
26 defined in the applicable federal or state statute, or local ordinance and that will remain affordable
27 through a land lease and/or deed restriction for ninety-nine (99) years or such other period that is
28 either agreed to by the applicant and town or prescribed by the federal, state, or municipal
29 government subsidy program but that is not less than thirty (30) years from initial occupancy.

30 (6) "Executive office of housing" means the executive office of housing established by
31 chapter 167 of this title.

32 (7) "Housing project of critical concern" means an eligible affordable housing project
33 designated by the ~~housing resources commission~~ executive office of housing to be significant, in
34 its operational stage, by its ability to advance affordable goals set forth in duly approved plans for

affordable housing and to help alleviate affordable housing shortages in Rhode Island.

~~(8) "Housing resources commission" means the housing resources commission established by chapter 128 of this title.~~

~~(9)~~(8) "Person" means any natural person, company, corporation, partnership, or any type of business entity.

(9) "Secretary" means the secretary of housing established by chapter 167 of this title.

(10) "State agency" means any office, department, board, commission, bureau, division, authority, public corporation, agency, or instrumentality of the state; the term "state agency" shall not be deemed to include any department, office, or agency of a city or town.

(11) "Statewide planning" means the statewide planning program established by § 42-11-10.

42-128.2-4. Request for status as a housing project of critical concern.

A person may apply to the ~~Rhode Island housing resources commission~~ executive office of housing and request that a project be classified as a project of critical housing concern. Said request shall contain a description of how the project is consistent with applicable provisions of state plans pertaining to affordable housing developments. Not more than five (5) days after the receipt of such request, the ~~chairperson, or the executive director acting on behalf of the chairperson,~~ secretary shall refer the request to statewide planning for review of the probable consistency of the project with the applicable provisions of the state guide plan. The associate director shall issue a determination of probable consistency to the ~~chairperson~~ secretary within twenty (20) days. If the associate director has made a determination of probable consistency, the ~~Rhode Island housing resources commission~~ executive office of housing shall render a written decision on the request within sixty (60) days of the filing and receipt of the request. If the project is found to be a housing project of critical concern, the ~~Rhode Island housing resources commission~~ executive office of housing may issue a certificate of critical housing concern. A certificate of critical housing concern shall expire two (2) years from the date of issuance.

42-128.2-6. Action by state agency.

(a) Within three (3) months of the submission of a substantially complete application, the state agency must render a written report on the status of the application. The report shall contain information, which will enable the person to make a sound business decision as to whether or not to pursue the application. The report shall be sent to the applicant.

(b) If the application is not granted, then the state agency shall on the fourth (4th), fifth (5th), and sixth (6th) months of the anniversary of submission render a written report on the status of the application. If at the end of the sixth (6th) month, a decision has not been rendered on the

1 application, then, in addition to the applicant, a copy of the written report shall be rendered monthly
2 thereafter to the associate director of the department of administration for planning and the ~~Rhode~~
3 ~~Island housing resources commission~~ secretary until a decision to accept or reject the application
4 has been made.

5 **42-128.2-8. Rulemaking.**

6 The ~~housing resources commission, at a regular quarterly meeting~~ executive office of
7 housing shall promulgate rules and regulations in accordance with chapter 35 of this title to
8 implement this chapter, including, but not limited to, provisions to define an application and criteria
9 to determine the significance of any application in meeting the purposes of this act.

10 SECTION 10. Sections 42-128.3-3, 42-128.3-4, 42-128.3-5, 42-128.3-6, 42-128.3-7, 42-
11 128.3-8 and 42-128.3-9 of the General Laws in Chapter 42-128.3 entitled "Housing Incentives for
12 Municipalities" are hereby amended to read as follows:

13 **42-128.3-3. Purposes.**

14 The ~~coordinating committee~~ executive office of housing is authorized and empowered to
15 carry out the program for the following purposes:

16 (1) To foster and maintain strong collaborations with municipalities in the state.

17 (2) To support and assist municipalities in promoting housing production that adequately
18 meets the needs of Rhode Island's current and future residents.

19 (3) To make diverse, high-quality, and accessible housing options readily available to
20 residents within their local communities.

21 (4) To enable residents to live near convenient public transit and other commercial and
22 cultural resources.

23 (5) To make development decisions fair, predictable, and cost-effective.

24 (6) To foster distinctive, attractive, and resilient communities, while preserving the state's
25 open space, farmland, and natural beauty.

26 **42-128.3-4. Definitions.**

27 As used in this chapter:

28 ~~(1) "Coordinating committee" means the Rhode Island housing resources coordinating~~
29 ~~committee established pursuant to § 42-128-2(2).~~

30 ~~(2)~~(1) "Eligible locations" means an area designated by the ~~coordinating committee~~
31 executive office of housing as a suitable site for a housing incentive district by virtue of its
32 infrastructure, existing underutilized facilities, or other advantageous qualities, including (i)
33 Proximity to public transit centers, including commuter rail, bus, and ferry terminals; or (ii)
34 Proximity to areas of concentrated development, including town and city centers or other existing

commercial districts.

~~(3)~~(2) "Eligible student" means an individual who (i) Lives in a newly constructed dwelling unit within a housing incentive district, to the extent that the unit could not have been realized under the underlying zoning; and (ii) Attends a school in the city or town.

(3) "Executive office of housing" means the executive office of housing established pursuant to § 42-167-1.

(4) "Housing incentive district" means an overlay district adopted by a city or town pursuant to this chapter. A housing incentive district is intended to encourage residential development and must permit minimum residential uses. A housing incentive district may accommodate uses complementary to the primary residential uses, as deemed appropriate by the adopting city or town; however, the majority of development on lots within a housing incentive district must be residential. Land development plans within a housing incentive district shall be treated as minor land development plans, as defined by § 45-23-32, unless otherwise specified by ordinance.

(5) "School impact offset payments" means a payment to a city or town to help offset increased municipal costs of educating eligible students.

42-128.3-5. Adoption of housing incentive districts.

(a) In its zoning ordinance, a city or town may adopt a housing incentive district in any eligible location.

(b) The adoption, amendment, or repeal of such ordinance shall be in accordance with the provisions of chapter 24 of title 45.

(c) A housing incentive district shall comply with this chapter and any minimum requirements established by the ~~coordinating committee~~ executive office of housing.

(d) The zoning ordinance for each housing incentive district shall specify the procedure for land development and subdivision review within the district in accordance with this chapter and the regulations of the ~~coordinating committee~~ executive office of housing.

(e) Nothing in this chapter shall affect a city or town's authority to amend its zoning ordinances under chapter 24 of title 45.

42-128.3-6. Assistance to municipalities.

The ~~coordinating committee~~ executive office of housing is authorized and empowered, at its discretion, to provide all manner of support and assistance to municipalities in connection with fostering local housing production, including, but not limited to:

(1) Providing technical assistance for the preparation, adoption, or implementation of laws, regulations, or processes related to residential development; ~~and~~

(2) Authorizing the Rhode Island housing and mortgage finance corporation to issue school impact offset payments to participating municipalities; and

(3) Coordinating state provided technical assistance and supports for municipalities for all matters related to housing development and housing preservation.

42-128.3-7. Rules and regulations — Reports.

(a) The ~~coordinating committee~~ executive office of housing is hereby authorized to promulgate rules and regulations as are necessary to fulfill the purposes of this chapter, including, but not limited to, provisions relating to: application criteria; eligible locations for housing incentive districts; minimum requirements for housing incentive districts; eligible students for the calculation of school impact offset payments; and the amount and method of payment to cities and towns for school impact offset payments.

(b) The ~~coordinating committee~~ executive office of housing shall include in its annual report shall be provided to the governor, ~~the secretary of commerce~~, speaker of the house of representatives, and the president of the senate.

42-128.3-8. Program integrity.

Program integrity being of paramount importance, the ~~coordinating committee~~ executive office of housing shall establish procedures to ensure ongoing compliance with the terms and conditions of the program established herein, including procedures to safeguard the expenditure of public funds and to ensure that the funds further the purposes of the program.

42-128.3-9. Cooperation.

Any department, agency, council, board, or other public instrumentality of the state shall cooperate with the ~~coordinating committee~~ executive office of housing in relation to the implementation, execution, and administration of the program created under this chapter.

SECTION 11. Title 42 of the General Laws entitled "STATE AFFAIRS AND GOVERNMENT" is hereby amended by adding thereto the following chapter:

CHAPTER 167

EXECUTIVE OFFICE OF HOUSING

42-167-1. Executive office of housing established.

Effective January 1, 2023, there is hereby established within the executive branch of the state government an executive office of housing with the responsibility for developing plans, policies, standards, programs, interagency coordination, and providing technical assistance for housing and homelessness. The executive office of housing shall be the state's lead agency for addressing issues related to housing, homelessness, and community development in the state of Rhode Island.

1 **42-167-2. Purposes.**

2 (a) The purposes of the executive office of housing shall be:

3 (1) To develop and promulgate state policies, and plans, for housing and housing
4 production and performance measures for housing programs established pursuant to state law.

5 (2) To coordinate activities among state agencies and political subdivisions pertaining to
6 housing.

7 (3) To promote the stability of and quality of life in communities and neighborhoods.

8 (4) To provide opportunities for safe, sanitary, decent, adequate, and affordable housing in
9 Rhode Island.

10 (5) To encourage public-private partnerships that foster the production, rehabilitation,
11 development, maintenance, and improvement of housing and housing conditions, especially for
12 low- and moderate-income people.

13 (6) To foster and support nonprofit organizations, including community development
14 corporations, and their associations and intermediaries, that are engaged in providing housing-
15 related services.

16 (7) To encourage and support partnerships between institutions of higher education and
17 neighborhoods to develop and retain quality, healthy housing and sustainable communities.

18 (8) To facilitate private for-profit production and rehabilitation of housing for diverse
19 populations and income groups.

20 (9) To provide, facilitate, and/or support the provisions of technical assistance.

21 **42-167-3. Powers and duties of the executive office of housing.**

22 In order to provide housing opportunities for all Rhode Islanders, to maintain the quality
23 of housing in Rhode Island, and to coordinate and make effective the housing responsibilities of
24 the agencies and subdivisions of the state, the executive office of housing shall have the following
25 powers and duties:

26 (1) Policy, planning, and coordination of state housing functions:

27 (i) To prepare and adopt the state's plans for housing, including but not limited to, any
28 statewide housing and homelessness plan; provided, however, that this provision shall not be
29 interpreted to contravene the prerogative of the state planning council to adopt a state guide plan
30 for housing;

31 (ii) To prepare, adopt, and issue the state's housing and homelessness policy;

32 (iii) To conduct research on and make reports regarding housing issues in the state; and

33 (iv) To advise the governor and general assembly on housing issues and to coordinate
34 housing activities among government agencies and agencies created by state law or providing

1 housing services under government programs;

2 (2) Establish, implement, and monitor state performance measures and guidelines for

3 housing programs;

4 (i) To promulgate performance measures and guidelines for housing programs conducted

5 under state law;

6 (ii) To monitor and evaluate housing responsibilities established by state law, and to

7 establish a process for annual reporting on the outcomes of the programs and investments of the

8 state in housing for low- and moderate-income people; and

9 (iii) To hear and resolve disputes pertaining to housing issues;

10 (3) Administer the programs pertaining to housing resources that may be assigned by state

11 law. The executive office of housing shall have the power and duty to administer programs for

12 housing, housing services, and community development including, but not limited to, programs

13 pertaining to:

14 (i) Abandoned properties and the remediation of blighting conditions;

15 (ii) Services for the homeless;

16 (iii) Rental assistance;

17 (iv) Community development;

18 (v) Outreach, education and technical assistance services;

19 (vi) Assistance, including financial support, to nonprofit organizations and community

20 development corporations;

21 (vii) Tax credits that assist in the provision of housing or foster community development

22 or that result in support to nonprofit organizations performing functions to accomplish the purposes

23 of this chapter; and

24 (viii) The supportive services program, the purpose of which is to help prevent and end

25 homelessness among those who have experienced long-term homelessness and for whom certain

26 services in addition to housing are essential. State funding for this program may leverage other

27 resources for the purpose of providing supportive services. Services provided pursuant to this

28 subsection may include, but not be limited to: assistance with budgeting and paying rent; access to

29 employment; encouraging tenant involvement in facility management and policies; medication

30 monitoring and management; daily living skills related to food, housekeeping, and socialization;

31 counseling to support self-identified goals; referrals to mainstream health, mental health, and

32 treatment programs; and conflict resolution;

33 (4) Lead abatement and management. The executive office of housing will provide funding

34 to support the administration of a lead hazard abatement program managed by the Rhode Island

1 department of health in cooperation with the Rhode Island housing and mortgage finance
2 corporation.

3 (5) The regulations promulgated under title 860 of the Rhode Island code of regulations
4 will remain in full force and effect and shall be enforced by the executive office of housing until
5 such a time as the rules are properly transferred to the executive office of housing's title within the
6 Rhode Island code of regulations, notwithstanding any other transfers authorized under § 42-128.1-
7 7.

8 **42-167-4. Secretary of housing.**

9 The head of the executive office of housing shall be the secretary of housing, who shall be
10 appointed by the governor with the advice and consent of the senate. The position of secretary of
11 housing is hereby created in the unclassified service. The secretary of housing shall hold office at
12 the pleasure of the governor. Before entering upon the discharge of duties, the secretary shall take
13 an oath to faithfully execute the duties of the office. The secretary of housing shall:

14 (1) Prior to hiring, have completed and earned a minimum of a master's graduate degree in
15 the field of urban planning, economics, or a related field of study or possess a juris doctor law
16 degree. Preference shall be provided to candidates having earned an advanced degree consisting of
17 an L.L.M. law degree or Ph.D. in urban planning or economics. Qualified candidates must have
18 documented five (5) years' full-time experience employed in the administration of housing policy
19 and/or development;

20 (2) Be responsible for overseeing all housing and homelessness policy and planning
21 initiatives in the state of Rhode Island and developing a housing plan, including, but not limited to,
22 the development of affordable housing opportunities to assist in building strong community efforts
23 and revitalizing neighborhoods;

24 (3) Coordinate with all agencies directly related to any housing and homelessness
25 initiatives and participate in the promulgation of any regulation having an impact on housing and
26 homelessness including, but not limited to, the Rhode Island housing and mortgage finance
27 corporation, the coastal resources management council (CRMC), and state departments including,
28 but not limited to: the department of environmental management (DEM), the department of
29 business regulation (DBR), the department of transportation (DOT) and statewide planning;

30 (4) Formulate an integrated housing report to include findings and recommendations to the
31 governor, speaker of the house, senate president, each chamber's finance committee, and any
32 committee whose purview is reasonably related to, including, but not limited to, issues of housing,
33 municipal government, and health on or before April 15th annually. This report shall include, but
34 not be limited to, the following:

- 1 (i) The total number of housing units in the state with per community counts;
- 2 (ii) Every three (3) years, beginning in 2026 and contingent upon funding for data
- 3 collection, an assessment of the suitability of existing housing stock in meeting accessibility needs
- 4 of residents;
- 5 (iii) The occupancy and vacancy rate of the units referenced in subsection (4)(i);
- 6 (iv) The change in the number of units referenced in subsection (4)(i), for each of the prior
- 7 three (3) years in figures and as a percentage;
- 8 (v) The number of net new units in development and number of units completed in the
- 9 previous calendar year;
- 10 (vi) For each municipality the number of single-family, two-family (2), and three-family
- 11 (3) units, and multi-unit housing delineated sufficiently to provide the lay reader a useful
- 12 description of current conditions, including a statewide sum of each unit type;
- 13 (vii) Every three (3) years, beginning in 2026, a projection of the number of units required
- 14 to meet estimated population growth and based upon household formation rates;
- 15 (viii) A comparison of regional and other similarly situated state funding sources that
- 16 support housing development including a percentage of private, federal, and public support;
- 17 (ix) A reporting of unit types by number of bedrooms for rental properties including an
- 18 accounting of all:
- 19 (I) Single-family units;
- 20 (II) Accessory dwelling units;
- 21 (III) Two-family (2) units;
- 22 (IV) Three-family (3) units;
- 23 (V) Multi-unit sufficiently delineated units;
- 24 (VI) Mixed use sufficiently delineated units; and
- 25 (VII) Occupancy and vacancy rates for the prior three (3) years;
- 26 (x) A reporting of unit types by ownership including an accounting of all:
- 27 (I) Single-family units;
- 28 (II) Accessory dwelling units;
- 29 (III) Two-family (2) units;
- 30 (IV) Three-family (3) units;
- 31 (V) Multi-unit sufficiently delineated units;
- 32 (VI) Mixed use sufficiently delineated units; and
- 33 (VII) Occupancy and vacancy rates for the prior three (3) years;
- 34 (xi) A reporting of the number of applications submitted or filed for each community

1 according to unit type and an accounting of action taken with respect to each application to include,
2 approved, denied, appealed, approved upon appeal, and if approved, the justification for each
3 appeal approval;

4 (xii) A reporting of permits for each community according to affordability level that were
5 sought, approved, denied, appealed, approved upon appeal, and if approved, the justification for
6 each approval;

7 (xiii) A reporting of affordability that shall include the following:

8 (I) The percent and number of units of extremely low-, very low-, low-, moderate-, fair-
9 market rate, and above moderate-income; including the average and median costs of those units;

10 (II) The percent and number of units of extremely low-, very low-, low-, and moderate-
11 income housing units by municipality required to satisfy the ten percent (10%) requirement
12 pursuant to chapter 24 of title 45; including the average and median costs of those units;

13 (III) The percent and number of units for the affordability levels above moderate-income
14 housing, including a comparison to fair-market rent; including the average and median costs of
15 those units;

16 (IV) The percentage of cost burden by municipality with population equivalent;

17 (V) The percentage and number of home financing sources, including all private, federal,
18 state, or other public support;

19 (VI) The disparities in mortgage loan financing by race and ethnicity based on Home
20 Mortgage Disclosure Act data by available geographies;

21 (VII) The annual median gross rent growth for each of the previous five (5) years by
22 municipality; and

23 (VIII) The annual growth in median owner-occupied home values for each of the previous
24 five (5) years by municipality;

25 (xiv) A reporting of municipal healthy housing stock by unit type and number of bedrooms
26 and providing an assessment of the state's existing housing stock and enumerating any risks to the
27 public health from that housing stock, including, but not limited to: the presence of lead, mold, safe
28 drinking water, disease vectors (insects and vermin), and other conditions that are an identifiable
29 health detriment. Additionally, the report shall provide the percentage of the prevalence of health
30 risks by age of the stock for each community by unit type and number of bedrooms;

31 (xv) A recommendation shall be included with the report required under this section that
32 shall provide consideration to any and all populations, ethnicities, income levels, and other relevant
33 demographic criteria determined by the secretary, and with regard to any and all of the criteria
34 enumerated elsewhere in the report separately or in combination, provide recommendations to

1 resolve any issues that provide an impediment to the development of housing, including specific
2 data and evidence in support of the recommendation. All data and methodologies used to present
3 evidence are subject to review and approval of the chief of revenue analysis, and that approval shall
4 include an attestation of approval by the chief to be included in the report; and

5 (xvi) Municipal governments shall provide the executive office of housing's requested data
6 relevant to this report on or before February 15th annually;

7 (5) Establish rules and regulations as set forth in § 45-24-77;

8 (6) On or before July 1, 2026 and every three years thereafter, create a statewide strategic
9 plan to prevent, address, and end homelessness, considering input from the advisory council on
10 housing and homelessness, the interagency council on homelessness, and the Rhode Island
11 continuum of care created pursuant to Part 578 of Subchapter C of Chapter V of Subtitle B of Title
12 24 of the Code of Federal Regulations;

13 (7) Coordinate with the Rhode Island continuum of care on funding and programming to
14 address homelessness; and

15 (8) On or before January 1, 2027, and annually thereafter, develop a calculation of the
16 percentage of low and moderate income housing units, for each city and town to accurately reflect
17 the percentage of low and moderate income housing units in each city and town, and publish a chart
18 showing the number of eligible units for each city and town, the basis for the determination of each
19 type of unit and any other information the secretary of the executive office of housing deems
20 relevant. The chart shall then be forwarded to the respective city or town, which shall have thirty
21 (30) days to suggest modifications or revisions. Thereafter, and after review of any proposed
22 modifications, the secretary of housing shall, in writing, certify the chart for that year. The chart,
23 together with supporting documentation, shall be kept in the possession of the executive office of
24 housing, and shall be available for public inspection and copying.

25 **42-167-5. Powers and duties of the secretary of housing.**

26 (a) The secretary of housing shall have the following powers and duties:

27 (1) All powers and duties pursuant to § 42-167-3 and § 42-167-4;

28 (2) To supervise the work of the executive office of housing and to act as its chief
29 administrative officer;

30 (3) To coordinate the administration and financing of various departments or offices within
31 the executive office of housing;

32 (4) To serve as the governor's chief advisor and liaison to federal policymakers on housing,
33 homelessness, and community development as well as the principal point of contact on any such
34 related matters;

1 (5) To coordinate the housing, homelessness, and community development programs of
2 the state of Rhode Island and its departments, agencies, commissions, corporations, and
3 subdivisions. All departments, agencies, commissions, corporations, and subdivisions shall
4 cooperate with the executive office of housing to facilitate the purposes of this chapter;

5 (6) To employ such personnel and contracts for such consulting services as may be required
6 to perform the powers and duties conferred upon the secretary of the executive office of housing;

7 (7) To oversee and direct the administration of funds that may be appropriated from time
8 to time to the executive office of housing;

9 (8) Creation of a written guide for consumers relating to the rights and duties of landlords
10 and tenants pursuant to chapter 18 of title 34, which the secretary shall update at minimum on a
11 biennial basis. The guide shall be posted on the website of the executive office of housing and shall
12 be published in both English and Spanish; and

13 (9) To chair the Rhode Island housing mortgage and finance corporation; to chair the
14 interagency council on homelessness; and to chair the interagency council on housing production
15 and preservation.

16 (b) In addition to such other powers as may otherwise be delegated elsewhere to the
17 executive office of housing, the executive office of housing is hereby expressly authorized, by and
18 through the secretary of housing;

19 (1) To purchase, receive, lease, or otherwise acquire, own, hold, improve, use, and
20 otherwise deal in and with, real or personal property, or any interest in real or personal property,
21 wherever situated;

22 (2) To accept any gifts or grants or loans of funds or property or financial or other aid in
23 any form from the federal government or any agency or instrumentality of the federal government,
24 or from the state or any agency or instrumentality of the state, or from any other source and to
25 comply, subject to the provisions of this chapter, with the terms and conditions of the gifts, grants,
26 or loans;

27 (3) Subject to the provisions of § 37-2-1 et seq., to negotiate and to enter into contracts,
28 agreements, and cooperative agreements with agencies and political subdivisions of the state, not-
29 for-profit corporations, for-profit corporations, and other partnerships, associations, and persons
30 for any lawful purpose necessary and desirable to effectuate the purposes of the executive office of
31 housing; and

32 (4) To carry out this chapter and perform the duties of the general laws and public laws
33 insofar as those provisions relate to any regulatory areas within the jurisdiction of the executive
34 office of housing.

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1 condition exists among families and among individuals of all age groups without regard to ethnic
2 or racial heritage or sex. The existence of this condition is declared to be detrimental to the health,
3 safety, and welfare of the homeless individuals themselves and to the state.

4 **42-167.1-2. Establishment of Council.**

5 (a) There is hereby created a permanent council to be called the "Interagency Council on
6 Homelessness" consisting of seventeen (17) members:

7 (1) One of whom shall be the secretary of housing, or his or her designee, who shall chair
8 the council;

9 (2) One of whom shall be the director of the department of human services, or his or her
10 designee;

11 (3) One of whom shall be the director of the department of health, or his or her designee;

12 (4) One of whom shall be the director of the department of children, youth and families, or
13 his or her designee;

14 (5) One of whom shall be the director of the office of healthy aging, or his or her designee;

15 (6) One of whom shall be the director of behavioral healthcare, developmental disabilities
16 and hospitals, or his or her designee;

17 (7) One of whom shall be director of the department of labor and training, or his or her
18 designee;

19 (8) One of whom shall be the director of the department of corrections, or his or her
20 designee;

21 (9) One of whom shall be the commissioner of the department of elementary and secondary
22 education, or his or her designee;

23 (10) One of whom shall be the director of the Rhode Island housing and mortgage finance
24 corporation, or his or her designee;

25 (11) One of whom shall be the director of the emergency management agency, or his or
26 her designee;

27 (12) One of whom shall be a representative from the office of veterans' affairs, or his or
28 her designee;

29 (13) One of whom shall be the public defender, or his or her designee;

30 (14) One of whom shall be the Medicaid director within the executive office of health and
31 human services, or his or her designee;

32 (15) One of whom shall be the secretary of the executive office of health and human
33 services, or his or her designee;

34 (16) One of whom shall be the chair of the continuum of care created pursuant to Part 578

1 of Subchapter C of Chapter V of Subtitle B of Title 24 of the Code of Federal Regulations, or his
2 or her designee; and

3 (17) One of whom shall be the lieutenant governor, or his or her designee.

4 (b) Forthwith upon the effective date of this chapter, the members of the council shall meet
5 at the call of the chair and organize. Vacancies in the council shall be filled in like manner as the
6 original appointment. A majority of seats filled shall constitute a quorum.

7 (c) The executive office of housing is hereby directed to provide administrative support for
8 the council.

9 (d) All departments and agencies of the state shall furnish advice and information,
10 documentary, and otherwise to the council and its agents as is deemed necessary or desirable by
11 the council to facilitate the purposes of this chapter.

12 **42-167.1-3. Duties and responsibilities of council.**

13 The duties and responsibilities of the council shall include, but not be limited to:

14 (1) Advise on and participate in the process led by the executive office of housing pursuant
15 to § 42-167-1 to develop a strategic plan to end homelessness that will serve to reduce the number
16 of homeless individuals and families in Rhode Island;

17 (2) Coordinate services for the homeless among state agencies and instrumentalities,
18 community-based organizations, faith-based organizations, volunteer organizations, advocacy
19 groups, and businesses;

20 (3) Coordinate services not specifically for the homeless, but from which the homeless may
21 benefit, among state agencies and instrumentalities, community-based organizations, faith-based
22 organizations, volunteer organizations, advocacy groups, and businesses;

23 (4) Identify and seek to remedy gaps in services, specifically in the area of making
24 provisions for the availability, use, and permanent funding stream for permanent supportive
25 housing;

26 (5) Identify gaps in services that contribute to the occurrence and persistence of
27 homelessness, with the aim of addressing such gaps in a timely and effective manner;

28 (6) Work to reduce the inflow of individuals and families into the homeless emergency
29 response system through proactive, preventative measures;

30 (7) Align policies and programs across governmental agencies to maximize available
31 resources, remove barriers to accessing supports, and improve the effectiveness of homelessness
32 prevention and response systems; and

33 (8) Provide recommendations for addressing the unique needs of homeless individuals
34 during emergency situations, including but not limited to, extreme winter weather, pandemics, or

1 natural disasters, ensuring timely and appropriate responses to such events.

2 **42-167.1-4. Meeting and reporting requirements.**

3 Meeting and reporting requirements are as follows:

4 (1) The council shall meet at least quarterly upon the call of the chair to fulfill its duties
5 and responsibilities. The frequency of meetings may be adjusted based on the needs of the council;

6 (2) The council shall report annually to the governor and the general assembly, no later
7 than March of each year, on the progress made in achieving the goals and objectives set forth in
8 the strategic plan; on the current number of homeless individuals, families, and children; and any
9 other pertinent information; and

10 (3) The council shall conform to the provisions of chapter 46 of this title.

11 **42-167.1-5. Advisory council.**

12 The Interagency Council on Homelessness will be advised by the Advisory Council on
13 Housing and Homelessness.

14 SECTION 13. Title 42 of the General Laws entitled "STATE AFFAIRS AND
15 GOVERNMENT" is hereby amended by adding thereto the following chapter:

16 CHAPTER 167.2

17 INTERAGENCY COUNCIL ON HOUSING PRODUCTION AND PRESERVATION

18 **42-167.2-1. Establishment of the interagency council on housing production and**
19 **preservation.**

20 (a) There is hereby created a permanent council to be called the "Interagency Council on
21 Housing Production and Preservation" consisting of twelve (12) members:

22 (1) One of whom shall be the director of the Rhode Island housing and mortgage finance
23 corporation, or his or her designee;

24 (2) One of whom shall be the director of the department of business regulation, or his or
25 her designee;

26 (3) One of whom shall be the director of the department of environmental management, or
27 his or her designee;

28 (4) One of whom shall be the secretary of the executive office of commerce, or his or her
29 designee;

30 (5) One of whom shall be the director of the department of labor and training, or his or her
31 designee;

32 (6) One of whom shall be the director of the department of health, or his or her designee;

33 (7) One of whom shall be the director of the office of healthy aging; or his or her designee;

34 (8) One of whom shall be the director of the office of veterans services, or his or her

1 designee;

2 (9) One of whom shall be the director of the department of behavioral health,

3 developmental disabilities, and hospitals, or his or her designee;

4 (10) One of whom shall be the executive director of the Rhode Island infrastructure bank,

5 or his or her designee;

6 (11) One of whom shall be the director of the department of administration, or his or her

7 designee; and

8 (12) One of whom shall be the secretary of the executive office of housing, or his or her

9 designee, who shall be the chair of the council.

10 (b) The council may invite additional entities to participate as necessary in meetings in a

11 non-voting capacity, including but not limited to:

12 (1) The public finance management board;

13 (2) The historical preservation and heritage commission; and

14 (3) The office of postsecondary commissioner.

15 (c) The executive office of housing will provide administrative support to the council.

16 **42-167.2-2. Purpose.**

17 The purpose of the council is to work collaboratively across state departments and agencies

18 to promote the development and preservation of housing across affordability levels, including low

19 and moderate income (LMI) and market-rate housing, and tenure, including rental and

20 homeownership opportunities.

21 **42-167.2-3. Duties and responsibilities.**

22 (a) The council's responsibilities shall include, but are not limited to:

23 (1) Reducing barriers to the development of housing and streamlining the process to

24 facilitate housing production;

25 (2) Aligning state policies and programs to address the short- and long-term housing needs

26 of all Rhode Islanders, and ensuring that actions taken support the state housing plan's goals;

27 (3) Addressing housing preservation efforts by identifying and implementing strategies to

28 maintain and rehabilitate existing housing stock, particularly affordable housing;

29 (4) Collaborating on initiatives related to healthy homes, ensuring that housing production

30 and preservation efforts contribute to safe and healthy living environments;

31 (5) Projecting future housing needs within the state, with a particular focus on identifying

32 and prioritizing the types of housing required to meet the needs of priority populations, including

33 but not limited to low-income families, seniors, veterans, and individuals with disabilities;

34 (6) Strategizing on how to support economic development, job creation, and community

1 development through housing opportunities; and

2 (7) Identifying opportunities to promote homeownership, particularly for first-generation
3 homebuyers.

4 **42-167.2-4. Advisory recommendations.**

5 The council will be advised by the Advisory Council on Housing and Homelessness.

6 **42-167.2-5. Meeting requirements.**

7 (a) The council shall meet at least quarterly to fulfill its duties and responsibilities. The
8 frequency of meetings may be adjusted based on the needs of the council.

9 (b) Forthwith upon the effective date of this chapter, the members of the council shall meet
10 at the call of the chair and organize. A majority of seats filled shall constitute a quorum.

11 (c) The council shall conform to the provisions of chapter 46 of this title.

12 SECTION 14. Section 44-5.1-3 of the General Laws in Chapter 44-5.1 entitled "Real Estate
13 Nonutilization Tax" is hereby amended to read as follows:

14 **44-5.1-3. Imposition of tax.**

15 (a) Providence. The city of Providence is empowered to impose a tax upon the privilege of
16 utilizing property as vacant and abandoned property within the city during any privilege year
17 commencing with the privilege year beginning January 1, 1984, and every privilege year thereafter.
18 The tax shall be in addition to any other taxes authorized by the general or public laws.

19 (b) Pawtucket. The city of Pawtucket is empowered to impose a tax upon the privilege of
20 utilizing property as vacant and abandoned property within the city during any privilege year
21 commencing with the privilege year beginning January 1, 1997, and every privilege year thereafter.
22 The tax shall be in addition to any other taxes authorized by the general or public laws.

23 (c) Cranston. The city of Cranston is empowered to impose a tax upon the privilege of
24 utilizing property as vacant and abandoned property within the city during any privilege year
25 commencing with the privilege year beginning January 1, 1997, and every privilege year thereafter.
26 The tax shall be in addition to any other taxes authorized by the general or public laws.

27 (d) North Providence. The town of North Providence is empowered to impose a tax upon
28 the privilege of utilizing property as vacant and abandoned property within the town during any
29 privilege year commencing with the privilege year beginning January 1, 2001, and every privilege
30 year thereafter. The tax shall be in addition to any other taxes authorized by the general or public
31 laws.

32 (e) East Providence. The city of East Providence is empowered to impose a tax upon the
33 privilege of utilizing property as vacant and abandoned property within the city during any privilege
34 year commencing with the privilege year beginning January 1, 2000, and every privilege year

1 thereafter. The tax shall be in addition to any other taxes authorized by the general or public laws.

2 (f) Woonsocket. The city of Woonsocket is empowered to impose a tax upon the privilege
3 of utilizing property as vacant and abandoned property within the city during any privilege year
4 commencing with the privilege year beginning January 1, 2000, and every privilege year thereafter.
5 The tax shall be in addition to any other taxes authorized by the general or public laws.

6 (g) Cities and towns. Any city or town not previously empowered is empowered to impose
7 a tax upon the privilege of utilizing vacant and abandoned property within the city or town during
8 any privilege year commencing with the privilege year beginning January 1, 2002, and every
9 privilege year thereafter. The tax shall be in addition to any other taxes authorized by the general
10 or public laws.

11 (h) Implementing ordinance. Cities and towns that are empowered to impose this tax and
12 who choose to impose this tax shall adopt an implementing ordinance. The ordinance shall:

13 (1) Designate a municipal entity responsible for determining which properties are vacant
14 and abandoned;

15 (2) Establish the mechanism by which the tax is imposed and how the tax is removed from
16 the property once the property has been rehabilitated;

17 (3) Designate a reviewing entity to review and approve a development plan submitted by
18 a nonprofit housing organization or an abutter;

19 (4) Empower the tax assessor to abate the tax if it is imposed in error or if a nonprofit
20 housing organization or an abutter acquires the property for rehabilitation and submits a
21 development plan that complies with the provisions of subdivision (i)(2) of this section;

22 (i) Exemptions.

23 (1) The non-utilization tax authorized by this chapter shall not be imposed on property
24 owned by an abutter or a nonprofit housing organization if:

25 (i) The abutter or nonprofit housing organization submits a proposed development plan
26 which has been approved by the ~~Rhode Island housing resources commission~~ [executive office of](#)
27 [housing](#) or Rhode Island housing and mortgage finance corporation to the reviewing entity;

28 (ii) The proposed development plan contains a reasonable timetable for the development
29 or reuse of the property; and

30 (iii) The reviewing entity determines that the proposed development plan is in accordance
31 with the approved comprehensive plan of the city or town and approves it.

32 (2) The reviewing entity shall deliver a copy of the approved development plan to the tax
33 assessor who shall certify the property as exempt from the non-utilization tax.

34 (3) Failure of the nonprofit housing organization or abutter, without good cause, to carry

1 out the development or reuse of the property in accordance with the timetable set forth in the
2 approved development plan shall result in the property being subject to the non-utilization tax as
3 of the first date of assessment following the expiration of the timetable in the approved development
4 plan.

5 (4) The decision of the reviewing entity denying approval of a development plan may be
6 appealed as provided in § 44-5.1-6.

7 SECTION 15. Section 44-30.3-1 of the General Laws in Chapter 44-30.3 entitled
8 "Residential Lead Abatement Income Tax Credit" is hereby amended to read as follows:

9 **44-30.3-1. Residential lead abatement tax relief — Limitation.**

10 (a) Appropriations from the general fund for property tax relief provided by this chapter
11 are in the amount of two hundred and fifty thousand dollars (\$250,000) for the year commencing
12 on July 1, 2004, and for each subsequent fiscal year.

13 (b) A claimant shall be entitled to tax relief for residential lead removal or lead hazard
14 reduction when he or she: (1) obtains a ~~housing resources commission~~ [department of health](#)
15 regulated certificate of conformance for mitigation, pursuant to chapter 24.6 of title 23; or (2)
16 obtains a department of health regulated lead safe certificate for abatement, pursuant to chapter
17 24.6 of title 23. The lead paint tax relief shall only apply to residential premises. Residential
18 premises shall include single-family homes, individual condominiums, and individual units in
19 either apartment buildings or multi-family homes.

20 (c) The tax relief shall be equal to the amount actually paid for the required lead abatement
21 or lead hazard mitigation up to a maximum of one thousand five hundred dollars (\$1,500) per
22 dwelling unit for mitigation and up to five thousand dollars (\$5,000) per dwelling unit for
23 abatement, as specified under subsection (b) above. In the event that: (1) multiple owners of the
24 dwelling unit; or (2) owner(s) along with the renter(s)/lessee(s) of the dwelling unit have jointly
25 incurred costs and paid for the lead abatement/lead hazard mitigation, each individual must apply
26 for relief as a separate claimant, and must include all required proof of payment and certifications,
27 based on their respective contributions to the cost of lead abatement/lead hazard mitigation.

28 SECTION 16. Section 45-24-46.1 of the General Laws in Chapter 45-24 entitled "Zoning
29 Ordinances" is hereby amended to read as follows:

30 **45-24-46.1. Inclusionary zoning. [Effective January 1, 2025.]**

31 (a) A zoning ordinance requiring the inclusion of affordable housing as part of a
32 development shall provide that the housing will be affordable housing, as defined in § 42-128-
33 8.1(d)(1); that the affordable housing will constitute not less than fifteen percent (15%) of the total
34 units proposed for the development; and that the units will remain affordable for a period of not

1 less than thirty (30) years from initial occupancy enforced through a land lease and/or deed
2 restriction enforceable by the municipality and the state of Rhode Island. A zoning ordinance that
3 requires the inclusion of affordable housing as part of a development shall specify the threshold in
4 which the inclusion of affordable housing is required, but in no event shall a minimum threshold
5 triggering the inclusion of affordable housing be higher than ten (10) dwelling units. The total
6 number of units for the development may include less than fifteen percent (15%) affordable units
7 after the density bonus described in subsection (c) of this section is determined.

8 (b) A zoning ordinance that includes inclusionary zoning may provide that the affordable
9 housing must be built on-site or it may allow for one or more alternative methods of production,
10 including, but not limited to: off-site construction or rehabilitation; donation of land suitable for
11 development of the required affordable units; and/or the payment of a fee in lieu of the construction
12 or provision of affordable housing units.

13 (c) **Density bonus, zoning incentives, and municipal subsidies.** For all projects subject
14 to inclusionary zoning, subject to applicable setback, lot width, or frontage requirements or the
15 granting of relief from the same, a municipality shall allow the addition of one market rate unit for
16 each affordable unit required and the minimum lot area per dwelling unit normally required in the
17 applicable zoning district shall be reduced by that amount necessary to accommodate the
18 development. Larger density bonuses for the provision of an increased percentage of affordable
19 housing in a development may be provided by a municipality in the zoning ordinance. The total
20 number of units for the development shall equal the number originally proposed, including the
21 required affordable units, plus the additional units that constitute the density bonus. Local
22 regulations shall provide for reasonable relief from dimensional requirements to accommodate the
23 bonus density under this section. A municipality shall provide, and an applicant may request,
24 additional zoning incentives and/or municipal government subsidies as defined in § 45-53-3 to
25 offset differential costs of affordable units. Available zoning incentives and municipal government
26 subsidies may be listed in the zoning ordinance, but shall not be an exclusive list.

27 (d) **Fee-in-lieu.** To the extent a municipality provides an option for the payment of a fee-
28 in-lieu of the construction or provision of affordable housing, and an application seeks to utilize
29 fee-in-lieu, the use of such fee shall be the choice of the developer or builder applied on a per-unit
30 basis and may be used for new developments, purchasing property and/or homes, rehabilitating
31 properties, or any other manner that creates additional low- or moderate-income housing as defined
32 in § 45-53-3(9).

33 (1) Eligibility for density bonus. Notwithstanding any other provisions of this chapter, an
34 application that utilizes a fee-in-lieu, off-site construction or rehabilitation, or donation of land

1 suitable for development of the required affordable units shall not be eligible for the density bonus
2 outlined in this section.

3 (2) An application that seeks to utilize a fee-in-lieu of the construction or provision of
4 affordable housing must be reviewed by the planning board or commission and is not eligible for
5 administrative review under the Rhode Island Land Development and Subdivision Review
6 Enabling Act of 1992, codified at §§ 45-23-25 — 45-23-74.

7 (3) Amount of fee-in-lieu. For affordable single-family homes and condominium units, the
8 per-unit fee shall be the difference between the maximum affordable sales price for a family of four

9 (4) earning eighty percent (80%) of the area median income as determined annually by the U.S.
10 Department of Housing and Urban Development and the average cost of developing a single unit
11 of affordable housing. The average cost of developing a single unit of affordable housing shall be
12 determined annually based on the average, per-unit development cost of affordable homes financed
13 by Rhode Island housing and mortgage finance corporation (RIHMFC) over the previous three (3)
14 years, excluding existing units that received preservation financing.

15 (i) Notwithstanding subsection (d)(3) of this section, in no case shall the per-unit fee for
16 affordable single family homes and condominium units be less than forty thousand dollars
17 (\$40,000).

18 (4) Use of fee-in-lieu. The municipality shall deposit all in-lieu payments into restricted
19 accounts that shall be allocated and spent only for the creation and development of affordable
20 housing within the municipality serving individuals or families at or below eighty percent (80%)
21 of the area median income. The municipality shall maintain a local affordable housing board to
22 oversee the funds in the restricted accounts and shall allocate the funds within three (3) years of
23 collection. The municipality shall include in the housing element of their local comprehensive plan
24 and shall pass by ordinance, the process it will use to allocate the funds.

25 (e) As an alternative to the provisions of subsection (d), the municipality may elect to
26 transfer in-lieu payments promptly upon receipt or within the three-year (3) period after receipt. A
27 municipality shall transfer all fee-in-lieu payments that are not allocated within three (3) years of
28 collection, including funds held as of July 1, ~~2024~~ 2025, to ~~RIHMFC~~ the executive office of housing
29 for the purpose of developing affordable housing within that community. Funds shall be deposited
30 into the Housing Production Fund established pursuant to § 42-128-2.1.

31 ~~(f) Both the municipalities and RIHMFC shall report annually with the first report due~~
32 ~~December 31, 2024, to the general assembly, the secretary of housing, and the housing resources~~
33 ~~commission the amount of fees in lieu collected by community, the projects that were provided~~
34 ~~funding with the fees, the dollar amounts allocated to the projects, and the number of units created.~~

SECTION 17. Sections 45-53-3, 45-53-3.2, 45-53-11, 45-53-12 and 45-53-15 of the General Laws in Chapter 45-53 entitled "Low and Moderate Income Housing" are hereby amended to read as follows:

45-53-3. Definitions.

The following words, wherever used in this chapter, unless a different meaning clearly appears from the context, have the following meanings:

(1) "Adjustment(s)" means a request or requests by the applicant to seek relief from the literal use and dimensional requirements of the municipal zoning ordinance and/or the design standards or requirements of the municipal land development and subdivision regulations. The standard for the local review board's consideration of adjustments is set forth in § 45-53-4(d)(2)(iii)(E)(II).

(2) "Affordable housing plan" means a component of a housing element, as defined in § 45-22.2-4(1), that addresses housing needs in a city or town that is prepared in accordance with guidelines adopted by the state planning council, and/or to meet the provisions of § 45-53-4(e)(1) and (f).

(3) "Approved affordable housing plan" means an affordable housing plan that has been approved by the director of administration as meeting the guidelines for the local comprehensive plan as promulgated by the state planning council; provided, however, that state review and approval, for plans submitted by December 31, 2004, shall not be contingent on the city or town having completed, adopted, or amended its comprehensive plan as provided for in § 45-22.2-8, § 45-22.2-9, or § 45-22.2-12.

(4) "Comprehensive plan" means a comprehensive plan adopted and approved by a city or town pursuant to chapters 22.2 and 22.3 of this title.

(5) "Consistent with local needs" means reasonable in view of the state need for low- and moderate-income housing, considered with the number of low-income persons in the city or town affected and the need to protect the health and safety of the occupants of the proposed housing or of the residents of the city or town, to promote better site and building design in relation to the surroundings, or to preserve open spaces, and if the local zoning or land use ordinances, requirements, and regulations are applied as equally as possible to both subsidized and unsubsidized housing. Local zoning and land use ordinances, requirements, or regulations are consistent with local needs when imposed by a city or town council after a comprehensive hearing in a city or town where:

(i) Low- or moderate-income housing exists which is: (A) In the case of an urban city or town which has at least 5,000 occupied year-round rental units and the units, as reported in the

1 latest decennial census of the city or town, comprise twenty-five percent (25%) or more of the year-
2 round housing units, and is in excess of fifteen percent (15%) of the total occupied year-round
3 rental units; or (B) In the case of all other cities or towns, is in excess of ten percent (10%) of the
4 year-round housing units reported in the census.

5 (ii) The city or town has promulgated zoning or land use ordinances, requirements, and
6 regulations to implement a comprehensive plan that has been adopted and approved pursuant to
7 chapters 22.2 and 22.3 of this title, and the housing element of the comprehensive plan provides
8 for low- and moderate-income housing in excess of either ten percent (10%) of the year-round
9 housing units or fifteen percent (15%) of the occupied year-round rental housing units as provided
10 in subsection (5)(i).

11 (iii) Multi-family rental units built under a comprehensive permit may be calculated
12 towards meeting the requirements of a municipality's low- or moderate-income housing inventory,
13 as long as the units meet and are in compliance with the provisions of § 45-53-3.1.

14 (6) "Infeasible" means any condition brought about by any single factor or combination of
15 factors, as a result of limitations imposed on the development by conditions attached to the approval
16 of the comprehensive permit, to the extent that it makes it financially or logistically impracticable
17 for any applicant to proceed in building or operating low- or moderate-income housing within the
18 limitations set by the subsidizing agency of government or local review board, on the size or
19 character of the development, on the amount or nature of the subsidy, or on the tenants, rentals, and
20 income permissible, and without substantially changing the rent levels and unit sizes proposed by
21 the applicant.

22 (7) "Letter of eligibility" means a letter issued by the Rhode Island housing and mortgage
23 finance corporation in accordance with § 42-55-5.3(a).

24 (8) "Local review board" means the planning board as defined by § 45-22.2-4.

25 (9) "Low- or moderate-income housing" shall be synonymous with "affordable housing"
26 as defined in § 42-128-8.1, and further means any type of housing whether built or operated by any
27 public agency or any nonprofit organization or by any limited equity housing cooperative or any
28 private developer, that is subsidized by a federal, state, or municipal government subsidy under any
29 program to assist the construction or rehabilitation of affordable housing and that will remain
30 affordable through a land lease and/or deed restriction for ninety-nine (99) years or such other
31 period that is either agreed to by the applicant and town or prescribed by the federal, state, or
32 municipal government subsidy program but that is not less than thirty (30) years from initial
33 occupancy.

34 (i) Any housing unit that qualifies under this subsection (9) and under § 42-128-8.1 shall

1 be counted as one whole unit toward the municipality's requirement for low- or moderate-income
2 housing.

3 (ii) Any mobile or manufactured home(s) that meet the requirements of § 42-128-
4 8.1(d)(1)(ii) but are not subsidized by a federal, state, or municipal government subsidy and/or do
5 not have a deed restriction or land lease as described in this subsection (9), shall count as one-half
6 (½) of one unit for the purpose of the calculation of the total of low- or moderate-income year-
7 round housing within a city or town, as long as a municipality contracts with a monitoring agent to
8 verify that the requirements of § 42-128-8.1(d)(1)(ii) are met for these units. Such units shall not
9 be required to meet the income verification requirements of § 42-128-8.1. The monitoring agent
10 shall provide a listing of the eligible units to Rhode Island Housing, who shall provide a report as
11 to the qualifying mobile or manufactured homes under this subsection (9) to the governor, speaker
12 of the house of representatives, senate president, and secretary of housing on an annual basis,
13 beginning on or before December 31, 2025.

14 (iii) Low- or moderate-income housing also includes rental property located within a
15 municipality that is secured with a federal government rental assistance voucher.

16 (iv) For the period beginning on or after July 1, 2024, any housing unit that qualifies as
17 low- or moderate-income housing under this subsection (9) and under § 42-128-8.1 and any rental
18 property secured with a federal government rental assistance voucher that does not otherwise meet
19 the other requirements to qualify as low- or moderate-income housing under this section shall be
20 counted as one whole unit toward the municipality's requirement for low- or moderate-income
21 housing, as long as a municipality confirms with the issuing authority that the voucher is in good
22 standing and active.

23 (10) "Meeting local housing needs" means as a result of the adoption of the implementation
24 program of an approved affordable housing plan, the absence of unreasonable denial of applications
25 that are made pursuant to an approved affordable housing plan in order to accomplish the purposes
26 and expectations of the approved affordable housing plan, and a showing that at least twenty percent
27 (20%) of the total residential units approved by a local review board or any other municipal board
28 in a calendar year are for low- and moderate-income housing as defined in § 42-128-8.1.

29 (11) "Monitoring agents" means those monitoring agents appointed by the ~~Rhode Island~~
30 ~~housing-resources-commission~~ [executive office of housing](#) pursuant to § 45-53-3.2 and to provide
31 the monitoring and oversight set forth in this chapter, including, but not limited to, §§ 45-53-3.2
32 and 45-53-4.

33 (12) "Municipal government subsidy" means assistance that is made available through a
34 city or town program sufficient to make housing affordable, as affordable housing is defined in §

1 42-128-8.1(d)(1); such assistance shall include a combination of, but is not limited to, direct
2 financial support, abatement of taxes, waiver of fees and charges, and approval of density bonuses
3 and/or internal subsidies, zoning incentives, and adjustments as defined in this section and any
4 combination of forms of assistance.

5 **45-53-3.2. Approved monitoring agent program.**

6 (a) There is hereby established an approved monitoring agent program (the "program").
7 Effective July 1, 2022, the Rhode Island housing resources commission (the "commission")
8 established pursuant to chapter 128 of title 42 shall appoint and oversee approved monitoring agents
9 as part of this program.

10 (b) On or before July 1, 2023, the commission shall promulgate rules and regulations
11 pursuant to chapter 35 of title 42 ("administrative procedures") for the implementation of the
12 program, which shall include a process for the selection and approval of monitoring agents. These
13 rules and regulations shall be prepared to ensure the selection and appointment of organizations
14 that shall be capable of monitoring and ensuring that municipally subsidized housing developments
15 remain affordable, and that income-eligible buyers and tenants are occupying these units. The
16 commission shall appoint these monitoring agents, who shall serve for terms of not more than five
17 (5) consecutive years; provided that, the term of an approved monitoring agent may be renewed by
18 the commission.

19 (c) As used in this section, the term "LMI" means low- and moderate-income housing and
20 includes area median-income levels as established by the U.S. Department of Housing and Urban
21 Development ("HUD").

22 (d) Specific duties of approved monitoring agents shall include, but not be limited to, the
23 following:

24 (1) To oversee, monitor, and ensure that tenants in LMI rental units meet income limits
25 annually and that monthly rental rates are consistent with the low- and moderate-income guidelines
26 and the recorded deed restrictions;

27 (2) To oversee, monitor, and ensure that LMI homeownership units continue to serve as
28 the owners' year-round principal residences; monitor and ensure that any proposed refinance of a
29 LMI unit during the period in which a deed restriction is in effect is in compliance with program
30 requirements: in the case of the resale of any LMI unit during the period in which a deed restriction
31 is in effect, the maximum sales price is consistent with the recorded deed restriction and that the
32 proposed buyer of the LMI unit meets the income limits as defined within the recorded deed
33 restriction;

34 (3) To oversee, monitor and ensure any LMI accessory dwelling unit being counted is in

1 compliance with the following requirements:

2 (i) An annual lease; and

3 (ii) The accessory dwelling unit is occupied by a household whose income does not exceed
4 eighty percent (80%) of the area median income (AMI), adjusted for family size; and

5 (iii) The cost of rent, heat, and utilities other than telephone, cable, and internet, based on
6 the number of the bedrooms in the unit does not exceed thirty percent (30%) of the gross annual
7 household income for a household with eighty percent (80%) or less of area median income,
8 adjusted for family size as certified by the selected approved monitoring agent;

9 (4) Any other provision contained in chapter 24 of this title that reasonably relates to
10 affordable housing compliance and enforcement; and

11 (5) Such other duties as the commission sets forth in its rules and regulations for the
12 monitoring agents.

13 (e) The commission shall also promulgate rules and regulations providing for the terms of
14 engagement of the approved monitoring agents, standards for approval and recertification of the
15 approved monitoring agents, and establish reporting requirements for the approved monitoring
16 agents to the commission.

17 (f) ~~Commencing on or before January 1, 2023, and on or before January 1 thereafter, the~~
18 ~~commission shall prepare a report on the approved monitoring agent program to the governor, the~~
19 ~~speaker of the house, the president of the senate, and the secretary of housing.~~ Effective July 1,
20 2025, all responsibilities of the commission related to the program shall be transferred to the
21 executive office of housing.

22 **45-53-11. Annual comprehensive permit report.**

23 (a) The ~~department~~ executive office of housing ("executive office") shall maintain records
24 and shall prepare a report ("report") on an annual basis to be submitted to the speaker of the house,
25 and the president of the senate, ~~and the housing resources commission~~. The report shall also be
26 made available on the ~~department's~~ executive office's website for a period of at least three (3) years,
27 and shall also be deemed to be a public record. The report shall be due on or before March 15, of
28 each year, ~~commencing in calendar year 2023.~~

29 (b) The report required by this section shall contain the following for the preceding twelve-
30 month (12) calendar period covered by the report:

31 (1) The number of letters of eligibility issued for low- and moderate-income housing for
32 applications made pursuant to this chapter and § 42-55-5.3, the federal, state, and municipal subsidy
33 programs under which they were eligible, and the number of proposed subsidized units involved,
34 by city and town, during the preceding calendar year, as provided by the Rhode Island housing

1 corporation.

2 (2) The status of each comprehensive permit application for which a letter of eligibility
3 was issued disaggregated by municipality.

4 (3) The number of comprehensive permit applications that have had building permits
5 issued, including the number of market rate housing units, the number of low- and moderate-
6 income housing units, and the AMI restrictions associated both pursuant to § 45-53-4, aggregated
7 by the total number of such applications in the state and disaggregated by each municipality in the
8 state.

9 (4) The number of comprehensive permit applications that have had certificates of
10 occupancy issued, aggregated by the total number of such applications in the state and
11 disaggregated by each municipality in the state.

12 (c) Each municipality shall annually provide to the ~~department~~ executive office the
13 information on comprehensive permit activity described in subsection (b) of this section by
14 February 1.

15 **45-53-12. Annual report.**

16 ~~(a) The Rhode Island housing corporation established pursuant to chapter 55 of title 42 (the~~
17 ~~"corporation") shall collect data on the number of Section 8 Housing Choice Vouchers, as~~
18 ~~authorized by 42 U.S.C. § 1437(f) ("vouchers"), that are received and utilized by the public housing~~
19 ~~authorities (PHA) and agencies.~~

20 ~~(b)(a)~~ The ~~office of housing and community development (OHCD)~~ executive office of
21 housing shall prepare a report ("report") on an annual basis to the general assembly, ~~the housing~~
22 ~~resources commission,~~ the Rhode Island housing and mortgage finance corporation, and the
23 division of statewide planning, ~~and the secretary of housing~~. The report required by this section
24 shall be made available on the ~~OHCD~~ executive office of housing website for a period of at least
25 three (3) years, and shall be deemed to be a public record. The report shall be due on or before
26 ~~March 1~~ April 15 of each year, ~~commencing in the calendar year 2023.~~

27 ~~(e)(b)~~ The annual report required by this section shall contain the following information
28 for the twelve-month (12) calendar period covered by the report commencing January 1, 2022,
29 through December 31, 2022, and annually thereafter on an aggregated and disaggregated basis by
30 each public housing authority:

31 (1) The ~~total~~ amount of fees in lieu collected by each municipality from developers in lieu
32 of development of low- and moderate-income housing as defined in § 45-24-46.1, the projects that
33 were provided funding by the fees, the amounts allocated to the projects, and the number of units
34 created. The information required by this subsection shall be provided by all municipalities directly

1 [to the executive office of housing.](#)

2 (2) The ~~number of unfunded vouchers that result either due to cost of rent or due to an~~
3 ~~unavailability of housing units~~ [amount of "leasing potential" as defined by the United States](#)
4 [Department of Housing and Urban Development](#). The information required by this subsection shall
5 be provided by all public housing authorities or agencies directly to the ~~office of housing and~~
6 ~~community development (OHCD)~~ [executive office of housing.](#)

7 (3) The total number of vouchers received and utilized by all public housing authorities in
8 the state during the preceding calendar year.

9 (4) The administrative fees received and utilized by the public housing authorities to
10 administer the vouchers.

11 ~~(d)~~(c) As used herein, the term "public housing authority and agency" means and includes
12 any public housing authority or agency established under chapter 25 of this title or chapter 26 of
13 this title.

14 **45-53-15. Annual reports.**

15 (a) The Rhode Island housing [and mortgage finance](#) corporation established pursuant to §
16 42-55-4 (the "corporation") shall provide the annual reports pursuant to subsections (b) and (c) of
17 this section to the speaker of the house, the president of the senate, ~~the housing resources~~
18 ~~commission~~, the division of statewide planning, and the secretary of housing. Reports shall be made
19 available on the corporation's website for a period of at least three (3) years, and shall be deemed
20 to be a public record. Reports shall be due on or before March 15, of each year, commencing in the
21 calendar year 2023.

22 (b) Report on Rhode Island housing [and mortgage finance](#) corporation housing
23 development and preservation activity. This report shall include the following information:

24 (1) The identity of projects that have been provided funding by the corporation for housing
25 development or preservation and that closed on that financing by December 31 of the previous
26 calendar year;

27 (2) The total aggregate of funds, in dollar amounts, that have been provided to projects by
28 the corporation for housing development or preservation and that closed on that financing by
29 December 31, of the previous calendar year, as well as those amounts disaggregated by each
30 project; and

31 (3) The number of housing units that received funding from the corporation for housing
32 development or preservation that received a certificate of occupancy in the previous calendar year,
33 both in total and disaggregated by project.

34 (c) Report on tax payments made by affordable housing developments to municipalities

1 pursuant to § 44-5-13.11. This report shall include data aggregated by all the municipalities and
2 disaggregated by each individual municipality on the total amount of fees collected in the previous
3 calendar year by municipalities on any assessment and taxation made pursuant to § 44-5-13.11.

4 (d) With regard to the report in subsection (c) of this section, all municipalities in the state
5 shall annually submit to the corporation by January 15, of each year, the total amount of fees
6 collected in the previous calendar year by the municipality on any assessment and taxation made
7 pursuant to § 44-5-13.11 disaggregated by individual development.

8 SECTION 18. Section 45-53-13 of the General Laws in Chapter 45-53 entitled "Low and
9 Moderate Income Housing" is hereby repealed.

10 ~~**45-53-13. Annual status report on appeals.**~~

11 ~~(a) The Rhode Island housing resources commission established pursuant to chapter 128~~
12 ~~of title 42 (the "commission") shall maintain accurate records and shall prepare an annual status~~
13 ~~report ("status report") on all active cases and appeals pending before the state housing appeals~~
14 ~~board (the "board"). The status report shall be forwarded to the secretary of housing, the speaker of~~
15 ~~the house, and the president of the senate. Each report shall also be made available on the~~
16 ~~commission's website for a period of at least three (3) years, and shall also be deemed to be a public~~
17 ~~record. The report shall be due on or before March 15 of each year, commencing in the calendar~~
18 ~~year 2023.~~

19 ~~(b) The report required by this section shall contain the following information for the~~
20 ~~twelve-month (12) calendar period covered by the report:~~

21 ~~(1) The total number of appeals pending before the board;~~

22 ~~(2) The number of appeals for which a decision has been rendered, have been settled by~~
23 ~~agreement, or have otherwise been disposed of during the previous calendar year;~~

24 ~~(3) The number of board decisions which were appealed in the previous calendar year and~~
25 ~~the status of those cases; and~~

26 ~~(4) The length of time for the board to decide appeals in the previous calendar year~~
27 ~~aggregated by:~~

28 ~~(i) Appeals decided by the board within six (6) months;~~

29 ~~(ii) Appeals decided by the board within six (6) to nine (9) months; and~~

30 ~~(iii) Appeals decided by the board in more than nine (9) months.~~

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

ARTICLE 10

RELATING TO HEALTH AND HUMAN SERVICES

SECTION 1. Sections 23-14.1-2, 23-14.1-3, 23-14.1-4, 23-14.1-5, 23-14.1-6, 23-14.1-8 and 23-14.1-9 of the General Laws in Chapter 23-14.1 entitled "Health Professional Loan Repayment Program" are hereby amended to read as follows:

23-14.1-2. Definitions.

For the purpose of this chapter, the following words and terms have the following meanings unless the context clearly requires otherwise:

(1) "Board" means the health professional loan repayment board.

~~(2) "Commissioner" means the commissioner of postsecondary education.~~

~~(3)~~(2) "Community health center" means a healthcare facility as defined and licensed under chapter 17 of this title.

~~(4)~~(3) "~~Division~~" "Department" means the Rhode Island ~~division of higher education assistance~~ department of health.

~~(5)~~(4) "Director" means the director of the Rhode Island department of health.

(5) "Eligible health professional" means a physician, dentist, dental hygienist, nurse practitioner, certified nurse midwife, physician assistant, or any other eligible healthcare professional under § 338A of the Public Health Service Act, 42 U.S.C. § 254l, licensed in the state who has entered into a contract with the board to serve medically underserved populations.

(6) "Loan repayment" means an amount of money to be repaid to satisfy loan obligations incurred to obtain a degree or certification in an eligible health profession as defined in subdivision (5).

23-14.1-3. Health professional loan repayment program established.

There is established within the ~~division~~ department, to be administered by the ~~commissioner~~ director, the health professional loan repayment program whose purpose shall be to ~~provide~~ support the recruitment and retention of high-quality health professionals working with underserved populations in identified health professional shortage areas (HPSAs) by providing loan repayment to eligible health professionals to defray the cost of their professional education.

23-14.1-4. Health professional loan repayment board.

(a) There is created the health professional loan repayment board, which shall consist of

1 the director of the department of health and ~~eight (8)~~ nine (9) members appointed by the governor
2 with the advice and consent of the senate. The governor shall give due consideration to any
3 recommendations for nominations submitted to him or her by the department, the Rhode Island
4 Medical Society; the Rhode Island Dental Association; the Rhode Island Health Center
5 Association; the dean of the Brown University Medical School; the dean of the College of Nursing
6 at the University of Rhode Island; the Rhode Island State Nurses' Association; the Hospital
7 Association of Rhode Island; the Rhode Island ~~division of higher education assistance~~ office of the
8 postsecondary commissioner. All appointed members shall serve for terms of three (3) years and
9 shall receive no compensation for their services. Board members shall be eligible to succeed
10 themselves.

11 (b) The director of the department of health shall serve as chairperson. The board shall
12 elect such other officers as it deems necessary from among its members. All meetings shall be
13 called by the chairperson.

14 (c) Members of the board shall be removable by the governor pursuant to the provisions of
15 § 36-1-7 and for cause only, and removal solely for partisan or personal reasons unrelated to
16 capacity or fitness for the office shall be unlawful.

17 **23-14.1-5. Duties of the board.**

18 The board shall:

19 (1) Determine which areas of the state shall be eligible to participate in the loan repayment
20 program each year, based on health professional shortage area designations.

21 (2) Receive and consider all applications for loan repayment made by eligible health
22 professionals.

23 (3) Conduct a careful and full investigation of the ability, character, financial needs, and
24 qualifications of each applicant.

25 (4) Consider the intent of the applicant to practice in a health professional shortage area
26 and to adhere to all the requirements for participation in the loan repayment program.

27 (5) Submit to the ~~commissioner~~ director a list of those individuals eligible for loan
28 repayment and amount of loan repayment to be granted.

29 (6) Promulgate rules and regulations to ensure an effective implementation and
30 administration of the program.

31 (7) Within ninety (90) days after the end of each fiscal year, the board shall approve and
32 submit an annual report to the governor, the speaker of the house of representatives, the president
33 of the senate, and the secretary of state, of its activities during that fiscal year. The report shall
34 provide: an operating statement summarizing meetings or hearings held, including meeting

1 minutes, subjects addressed, decisions rendered, applications considered and their disposition, rules
2 or regulations promulgated, studies conducted, policies and plans developed, approved, or modified,
3 and programs administered or initiated; a consolidated financial statement of all funds received and
4 expended including the source of the funds, a listing of any staff supported by these funds, and a
5 summary of any clerical, administrative or technical support received; a summary of performance
6 during the previous fiscal year including accomplishments, shortcomings and remedies; a synopsis
7 of hearings, complaints, suspensions, or other legal matters related to the committee; a summary of
8 any training courses held pursuant to this chapter; a briefing on anticipated activities in the
9 upcoming fiscal year, and findings and recommendations for improvements. The report shall be
10 posted electronically on the websites of the general assembly and the secretary of state pursuant to
11 the provisions of § 42-20-8.2. The director of the department of administration shall be responsible
12 for the enforcement of the provisions of this subsection.

13 (8) Conduct a training course for newly appointed and qualified members within six (6)
14 months of their qualification or designation. The course shall be developed by the chair of the
15 board, be approved by the board, and be conducted by the chair of the board. The board may
16 approve the use of any board and/or staff members and/or individuals to assist with training. The
17 training course shall include instruction in the following areas: the provisions of chapter 46 of title
18 42, chapter 14 of title 36, chapter 2 of title 38; and the board's rules and regulations. The director
19 of the department of administration shall, within ninety (90) days of June 16, 2006, prepare and
20 disseminate training materials relating to the provisions of chapter 46 of title 42, chapter 14 of title
21 36, chapter 2 of title 38.

22 **23-14.1-6. Duties of the ~~commissioner~~ Duties of the director.**

23 The ~~commissioner~~ director shall:

24 (1) Grant loan repayments to successful applicants as determined by the board.

25 (2) Enter into contracts, on behalf of the ~~division~~ department with each successful
26 applicant, reflecting the purpose and intent of this chapter.

27 (3) Be authorized to implement legal proceedings against eligible health professionals
28 participating in the Rhode Island health professional loan repayment program determined by the
29 director to be in default or breach of contract.

30 **23-14.1-8. Contracts required.**

31 Prior to being granted loan repayment, each eligible health professional shall enter into a
32 contract with the ~~division~~ department agreeing to the terms and conditions upon which the loan
33 repayment is granted. The contract shall include any provisions that are required to fulfill the
34 purposes of this chapter and those deemed advisable by the ~~commissioner~~ director.

1 **23-14.1-9. Penalty for failure to complete contract.**

2 (a) ~~If the recipient of a loan repayment fails, without justifiable cause, to practice pursuant~~
3 ~~to the terms and conditions of his or her contract with the division, a penalty for the failure to~~
4 ~~complete the contract will be imposed. If the recipient fails to complete the period of obligated~~
5 ~~service, he or she shall be liable to the state of Rhode Island for~~ If the eligible health professional
6 fails to begin or fails to complete service, they will incur a debt to the State in an amount not less
7 than the damages that would be owed under the National Health Service Corps Loan Repayment
8 Program default provisions pursuant to 42 U.S.C. 6(A), Subchapter II, Part D, Subpart iii, § 254o.
9 Upon determination by the director, if that the eligible health professional has failed to fulfill the
10 terms and conditions of the contract, and no exception has been determined under subsection (c)
11 the eligible health professional shall pay an amount equal to the sum of the following:

12 (1) ~~An amount equal to the total paid on behalf of the recipient~~ The total of the amounts
13 paid by the director on behalf of the eligible health professional for any period of obligated service
14 not served; and

15 (2) ~~An unserved obligation penalty equal to the number of months of obligated service not~~
16 ~~completed by the recipient multiplied by one thousand dollars (\$1,000)~~ An amount equal to the
17 number of months of obligated service not served, multiplied by seven thousand five hundred
18 dollars (\$7,500); and

19 (3) Interest on the above amounts at the maximum legal prevailing rate, as determined by
20 the Treasurer of the United States, from the date of breach; except that the amount to recover will
21 not be less than thirty one thousand dollars (\$31,000).

22 (b) ~~If the recipient fails to complete one year of service, he or she shall be liable to the state~~
23 ~~of Rhode Island for:~~

24 ~~(1) An amount equal to the total paid on behalf of the recipient; and~~

25 ~~(2) An unserved obligation penalty equal to the number of months in the full period~~
26 ~~multiplied by one thousand dollars (\$1,000).~~ All payments pursuant to § 23-14.1-9 (a)(1), (a)(2),
27 and (a)(3) hereof shall be made to the State of Rhode Island, for the benefit of the Rhode Island
28 health professional loan repayment program, within one year after being notified by the director in
29 writing that the eligible health professional has failed to abide by the terms and conditions of their
30 contract. The director is authorized to recover payments and/or penalties and return the funds to the
31 Rhode Island health professional loan repayment program to avoid having the amounts deducted
32 from the department's federal grant by the federal grant funding authority. Eligible health
33 professionals are considered to be in default or breach if they do not complete the period of
34 obligated service at an eligible site in accordance with their contract, or otherwise fail to comply

1 with the terms of their contract, even if no monies have yet been disbursed to or on behalf of the
2 participant.

3 ~~(e) Any amount owed shall be paid to the state of Rhode Island within one year of the date~~
4 ~~that the recipient is in breach of contract.~~

5 ~~(d)~~(c) Where the ~~commissioner~~ director, subject to the approval of the board and/or as
6 defined in regulation, determines that there exists justifiable cause for the failure of a recipient to
7 practice pursuant to the terms and conditions of the contract, he or she may relieve the recipient of
8 the obligation to fulfill any or all of the terms of the contract.

9 SECTION 2. Sections 23-17.5-32, 23-17.5-33 and 23-17.5-34 of the General Laws in
10 Chapter 23-17.5 entitled "Rights of Nursing Home Patients" are hereby amended to read as follows:

11 **23-17.5-32. Minimum staffing levels.**

12 (a) Each facility shall have the necessary nursing service personnel (licensed and non-
13 licensed) in sufficient numbers on a twenty-four (24) hour basis, to assess the needs of residents,
14 to develop and implement resident care plans, to provide direct resident care services, and to
15 perform other related activities to maintain the health, safety, and welfare of residents. The facility
16 shall have a registered nurse on the premises twenty-four (24) hours a day.

17 (b) For purposes of this section, the following definitions shall apply:

18 (1) "Direct caregiver" means a person who receives monetary compensation as an
19 employee of the nursing facility or a subcontractor as a registered nurse, a licensed practical nurse,
20 a medication technician, a certified nurse assistant, a licensed physical therapist, a licensed
21 occupational therapist, a licensed speech-language pathologist, a mental health worker who is also
22 a certified nurse assistant, or a physical therapist assistant, social worker, or any nurse aide with a
23 valid license, even if it is probationary.

24 (2) "Hours of direct nursing care" means the actual hours of work performed per patient
25 day by a direct caregiver.

26 (c)(i) Commencing on January 1, ~~2022~~ 2026, nursing facilities shall provide a quarterly
27 minimum average of three and fifty-eight hundredths (3.58) hours of direct nursing care per
28 resident, per day, ~~of which at least two and forty-four hundredths (2.44) hours shall be provided by~~
29 ~~certified nurse assistants.~~

30 ~~(ii) Commencing on January 1, 2023, nursing facilities shall provide a quarterly minimum~~
31 ~~of three and eighty-one hundredths (3.81) hours of direct nursing care per resident, per day, of~~
32 ~~which at least two and six tenths (2.6) hours shall be provided by certified nurse assistants.~~

33 (d) Director of nursing hours and nursing staff hours spent on administrative duties or non-
34 direct caregiving tasks are excluded and may not be counted toward compliance with the minimum

1 staffing hours requirement in this section.

2 (e) The minimum hours of direct nursing care requirements shall be minimum standards
3 only. Nursing facilities shall employ and schedule additional staff as needed to ensure quality
4 resident care based on the needs of individual residents and to ensure compliance with all relevant
5 state and federal staffing requirements.

6 (f) The department shall promulgate rules and regulations to amend the Rhode Island code
7 of regulations in consultation with stakeholders to implement these minimum staffing requirements
8 on or before October 15, 2021.

9 (g) On or before January 1, 2024, and every five (5) years thereafter, the department shall
10 consult with consumers, consumer advocates, recognized collective bargaining agents, and
11 providers to determine the sufficiency of the staffing standards provided in this section and may
12 promulgate rules and regulations to increase the minimum staffing ratios to adequate levels.

13 **23-17.5-33. Minimum staffing level compliance and enforcement program.**

14 ~~(a) Compliance determination.~~

15 ~~(1) The department shall submit proposed rules and regulations for adoption by October~~
16 ~~15, 2021, establishing a system for determining compliance with minimum staffing requirements~~
17 ~~set forth in § 23-17.5-32.~~

18 ~~(2) Compliance shall be determined quarterly by comparing the number of hours provided~~
19 ~~per resident, per day using the Centers for Medicare and Medicaid Services' payroll-based journal~~
20 ~~and the facility's daily census, as self-reported by the facility to the department on a quarterly basis.~~

21 ~~(3) The department shall use the quarterly payroll-based journal and the self-reported~~
22 ~~census to calculate the number of hours provided per resident, per day and compare this ratio to the~~
23 ~~minimum staffing standards required under § 23-17.5-32. Discrepancies between job titles~~
24 ~~contained in § 23-17.5-32 and the payroll-based journal shall be addressed by rules and regulations.~~

25 ~~(b) Monetary penalties.~~

26 ~~(1) The department shall submit proposed rules and regulations for adoption on or before~~
27 ~~October 15, 2021, implementing monetary penalty provisions for facilities not in compliance with~~
28 ~~minimum staffing requirements set forth in § 23-17.5-32.~~

29 ~~(2) Monetary penalties shall be imposed quarterly and shall be based on the latest quarter~~
30 ~~for which the department has data.~~

31 ~~(3) No monetary penalty may be issued for noncompliance with the increase in the standard~~
32 ~~set forth in § 23-17.5-32(e)(ii) from January 1, 2023, to March 31, 2023. If a facility is found to be~~
33 ~~noncompliant with the increase in the standard during the period that extends from January 1, 2023,~~
34 ~~to March 31, 2023, the department shall provide a written notice identifying the staffing~~

1 ~~deficiencies and require the facility to provide a sufficiently detailed correction plan to meet the~~
2 ~~statutory minimum staffing levels.~~

3 ~~(4) Monetary penalties shall be established based on a formula that calculates on a daily~~
4 ~~basis the cost of wages and benefits for the missing staffing hours.~~

5 ~~(5) All notices of noncompliance shall include the computations used to determine~~
6 ~~noncompliance and establishing the variance between minimum staffing ratios and the~~
7 ~~department's computations.~~

8 ~~(6) The penalty for the first offense shall be two hundred percent (200%) of the cost of~~
9 ~~wages and benefits for the missing staffing hours. The penalty shall increase to two hundred fifty~~
10 ~~percent (250%) of the cost of wages and benefits for the missing staffing hours for the second~~
11 ~~offense and three hundred percent (300%) of the cost of wages and benefits for the missing staffing~~
12 ~~hours for the third and all subsequent offenses.~~

13 ~~(7) For facilities that have an offense in three (3) consecutive quarters, EOHHS shall deny~~
14 ~~any further Medicaid Assistance payments with respect to all individuals entitled to benefits who~~
15 ~~are admitted to the facility on or after January 1, 2022, or shall freeze admissions of new residents.~~

16 ~~(c)(1) The penalty shall be imposed regardless of whether the facility has committed other~~
17 ~~violations of this chapter during the same period that the staffing offense occurred.~~

18 ~~(2) The penalty may not be waived except as provided in subsection (c)(3) of this section,~~
19 ~~but the department shall have the discretion to determine the gravity of the violation in situations~~
20 ~~where there is no more than a ten percent (10%) deviation from the staffing requirements and make~~
21 ~~appropriate adjustments to the penalty.~~

22 ~~(3) The department is granted discretion to waive the penalty when unforeseen~~
23 ~~circumstances have occurred that resulted in call offs of scheduled staff. This provision shall be~~
24 ~~applied no more than two (2) times per calendar year.~~

25 ~~(4) Nothing in this section diminishes a facility's right to appeal pursuant to the provisions~~
26 ~~of chapter 35 of title 42 ("administrative procedures").~~

27 ~~(d)(1) Pursuant to rules and regulations established by the department, funds that are~~
28 ~~received from financial penalties shall be used for technical assistance or specialized direct care~~
29 ~~staff training.~~

30 ~~(2) The assessment of a penalty does not supplant the state's investigation process or~~
31 ~~issuance of deficiencies or citations under this title.~~

32 ~~(3) A notice of noncompliance, whether or not the penalty is waived, and the penalty~~
33 ~~assessment shall be prominently posted in the nursing facility and included on the department's~~
34 ~~website.~~

1 (a) Retroactive application:

2 (1) All fines or penalties incurred prior to January 1, 2026, are hereby forgiven, and any
3 enforcement actions, including fines and penalties, shall commence only for violations occurring
4 on or after January 1, 2026.

5 (b) Compliance determination:

6 (1) Compliance shall be determined quarterly by comparing staffing data from the Centers
7 for Medicare and Medicaid Services' (CMS) payroll-based journal and the facility's daily census,
8 as self-reported to the department.

9 (2) Discrepancies between job titles and payroll-based journal entries shall be addressed
10 by departmental regulations.

11 (c) Staffing level compliance payment adjustments:

12 (1) Facilities failing to meet minimum staffing requirements shall face a fine in the
13 following quarter valued at three percent (3%) of the total of Medicaid reimbursements, calculated
14 based on the most recent financial period.

15 (d) Corrective action plan:

16 (1) Facilities found non-compliant will receive a thirty (30) day corrective notice.

17 (2) If compliance is not achieved within thirty (30) days, payment reductions shall be
18 enforced.

19 (e) Waiver provision:

20 (1) The department shall waive fines for facilities that demonstrate high quality care. To
21 qualify for a waiver, a facility must meet at least one of the following criteria:

22 (i) Substantial compliance: During the last three (3) consecutive survey cycles, the facility
23 received no substandard quality of care/immediate jeopardy deficiencies and was not placed under
24 compliance orders, temporary management or quality monitoring; or

25 (ii) Acuity criterion: A facility is considered to serve a lower-acuity resident population if
26 its Nursing Case-Mix Index ranks in the lowest twenty-five percent (25%) of all Medicaid-
27 participating nursing homes. The lowest twenty-five percent (25%) is determined by multiplying
28 the current total number of Medicaid-participating nursing homes by twenty-five hundredths (0.25)
29 and rounding up to the nearest whole number; or

30 (iii) If the facility achieved compliance for at least seventy-five percent (75%) of operating
31 days in the quarter.

32 (f) Recovered funds:

33 (1) Funds recovered through payment adjustments shall be allocated to:

34 (i) Workforce development programs aimed at enhancing the recruitment, training, and

retention of direct care staff.

(ii) Compliance assistance programs designed to provide technical support to underperforming facilities.

(g) Implementation and oversight:

(1) The department shall issue regulations to implement these provisions, with a transition period of six (6) months provided to allow facilities to meet the new requirements.

(2) The department shall provide public reports on facility compliance, staffing levels, and payment adjustments on a quarterly basis.

(3) Nursing home facilities shall provide a list of all licensed staff, including name, license, and home addresses, to the department upon renewal of the nursing home operator license or when there is a change in effective control of the nursing home facility. Failure to provide the required list within thirty (30) days of the renewal or change in effective control shall result in a direct monetary fine of up to one thousand dollars (\$1,000) per day.

(h) Audit requirements

(1) EOHHS shall conduct a financial and billing audit of any Medicaid-participating nursing home that, for four (4) consecutive quarters, has both:

(i) Failed to meet the state safe-staffing standard; and

(ii) Not qualified for a waiver under § 23-17.5-33(e).

(2) EOHHS shall initiate such audit within twelve (12) months following the end of the fourth consecutive quarter of non-compliance.

(i) Public reporting.

(1) Within thirty (30) days after completing any audit under subsection (f)(1), EOHHS shall publish on its website a report that includes, for each audited facility:

(i) The quarter(s) audited;

(ii) Key audit findings and any identified overpayments;

(iii) Amounts recovered and corrective actions taken.

23-17.5-34. Nursing staff posting requirements.

(a) Each nursing facility shall post its daily direct care nurse staff levels by shift in a public place within the nursing facility that is readily accessible to and visible by residents, employees, and visitors. The posting shall be accurate to the actual number of direct care nursing staff on duty for each shift per day. The posting shall be in a format prescribed by the director, to include:

(1) The number of registered nurses, licensed practical nurses, certified nursing assistants, medication technicians, licensed physical therapists, licensed occupational therapists, licensed speech-language pathologists, mental health workers who are also certified nurse assistants, ~~and~~

1 physical therapist assistants, social workers, or any nurse aide with a valid license, even if it is
2 probationary;

3 (2) The number of temporary, outside agency nursing staff;

4 (3) The resident census as of twelve o'clock (12:00) a.m.; and

5 (4) Documentation of the use of unpaid eating assistants (if utilized by the nursing facility
6 on that date).

7 (b) The posting information shall be maintained on file by the nursing facility for no less
8 than three (3) years and shall be made available to the public upon request.

9 (c) Each nursing facility shall report the information compiled pursuant to section (a) of
10 this section and in accordance with department of health regulations to the department of health on
11 a quarterly basis in an electronic format prescribed by the director. The director shall make this
12 information available to the public on a quarterly basis on the department of health website,
13 accompanied by a written explanation to assist members of the public in interpreting the
14 information reported pursuant to this section.

15 (d) In addition to the daily direct nurse staffing level reports, each nursing facility shall
16 post the following information in a legible format and in a conspicuous place readily accessible to
17 and visible by residents, employees, and visitors of the nursing facility:

18 (1) The minimum number of nursing facility direct care staff per shift that is required to
19 comply with the minimum staffing level requirements in § 23-17.5-32; and

20 (2) The telephone number or internet website that a resident, employee, or visitor of the
21 nursing facility may use to report a suspected violation by the nursing facility of a regulatory
22 requirement concerning staffing levels and direct patient care.

23 (e) No nursing facility shall discharge or in any manner discriminate or retaliate against
24 any resident of any nursing facility, or any relative, guardian, conservator, or sponsoring agency
25 thereof or against any employee of any nursing facility or against any other person because the
26 resident, relative, guardian, conservator, sponsoring agency, employee, or other person has filed
27 any complaint or instituted or caused to be instituted any proceeding under this chapter, or has
28 testified or is about to testify in any such proceeding or because of the exercise by the resident,
29 relative, guardian, conservator, sponsoring agency, employee, or other person on behalf of himself,
30 herself, or others of any right afforded by §§ 23-17.5-32, 23-17.5-33, and 23-17.5-34.
31 Notwithstanding any other provision of law to the contrary, any nursing facility that violates any
32 provision of this section shall:

33 (1) Be liable to the injured party for treble damages; and

34 (2)(i) Reinstate the employee, if the employee was terminated from employment in

violation of any provision of this section; or

(ii) Restore the resident to the resident's living situation prior to such discrimination or retaliation, including the resident's housing arrangement or other living conditions within the nursing facility, as appropriate, if the resident's living situation was changed in violation of any provision of this section. For purposes of this section, "discriminate or retaliate" includes, but is not limited to, the discharge, demotion, suspension, or any other detrimental change in terms or conditions of employment or residency, or the threat of any such action.

(f)(1) The nursing facility shall prepare an annual report showing the average daily direct care nurse staffing level for the nursing facility by shift and by category of nurse to include:

(i) Registered nurses;

(ii) Licensed practical nurses;

(iii) Certified nursing assistants;

(iv) Medication technicians;

(v) Licensed physical therapists;

(vi) Licensed occupational therapists;

(vii) Licensed speech-language pathologists;

(viii) Mental health workers who are also certified nurse assistants;

(ix) Physical therapist assistants;

(x) Social workers; or

(xi) Any nurse aide with a valid license, even if it is probationary.

~~(xii)~~ (xii) The use of registered and licensed practical nurses and certified nursing assistant staff from temporary placement agencies; and

~~(xiii)~~ (xiii) The nurse and certified nurse assistant turnover rates.

(2) The annual report shall be submitted with the nursing facility's renewal application and provide data for the previous twelve (12) months and ending on or after September 30, for the year preceding the license renewal year. Annual reports shall be submitted in a format prescribed by the director.

(g) The information on nurse staffing shall be reviewed as part of the nursing facility's annual licensing survey and shall be available to the public, both in printed form and on the department's website, by nursing facility.

(h) The director of nurses may act as a charge nurse only when the nursing facility is licensed for thirty (30) beds or less.

(i) Whenever the licensing agency determines, in the course of inspecting a nursing facility, that additional staffing is necessary on any residential area to provide adequate nursing care and

1 treatment or to ensure the safety of residents, the licensing agency may require the nursing facility
2 to provide such additional staffing and any or all of the following actions shall be taken to enforce
3 compliance with the determination of the licensing agency:

4 (1) The nursing facility shall be cited for a deficiency and shall be required to augment its
5 staff within ten (10) days in accordance with the determination of the licensing agency;

6 (2) If failure to augment staffing is cited, the nursing facility shall be required to curtail
7 admission to the nursing facility;

8 (3) If a continued failure to augment staffing is cited, the nursing facility shall be subjected
9 to an immediate compliance order to increase the staffing, in accordance with § 23-1-21; or

10 (4) The sequence and inclusion or non-inclusion of the specific sanctions may be modified
11 in accordance with the severity of the deficiency in terms of its impact on the quality of resident
12 care.

13 (j) No nursing staff of any nursing facility shall be regularly scheduled for double shifts.

14 (k) A nursing facility that fails to comply with the provisions of this chapter, or any rules
15 or regulations adopted pursuant thereto, shall be subject to a penalty as determined by the
16 department.

17 SECTION 3. Section 30-25-14 of the General Laws in Chapter 30-25 entitled "Burial of
18 Veterans" is hereby amended to read as follows:

19 **30-25-14. Rhode Island veterans' memorial cemetery.**

20 (a) The Rhode Island veterans' memorial cemetery, located on the grounds of the Joseph
21 H. Ladd school in the town of Exeter, shall be under the management and control of the director of
22 the department of human services. The director of the department of human services shall appoint
23 an administrator for the Rhode Island veterans' memorial cemetery who shall be an honorably
24 discharged veteran of the United States Armed Forces and shall have the general supervision over,
25 and shall prescribe rules for, the government and management of the cemetery. The administrator
26 shall make all needful rules and regulations governing the operation of the cemetery and generally
27 may do all things necessary to ensure the successful operation thereof. The director shall
28 promulgate rules and regulations, not inconsistent with the provisions of 38 U.S.C. § 2402, to
29 govern the eligibility for burial in the Rhode Island veterans' memorial cemetery. In addition to all
30 persons eligible for burial pursuant to rules and regulations established by the director, any person
31 who served in the army, navy, air force, or marine corps of the United States for a period of not
32 less than two (2) years and whose service was terminated honorably, shall be eligible for burial in
33 the Rhode Island veterans' memorial cemetery. The director shall appoint and employ all
34 subordinate officials and persons needed for the proper management of the cemetery. National

1 guard members who are killed in the line of duty or who are honorably discharged after completion
2 of at least six (6) years of service in the Rhode Island national guard and/or reserve and their spouse
3 shall be eligible for interment in the Rhode Island veterans' memorial cemetery. National guard
4 members and/or reservists who are honorably discharged after completion of at least six (6) years
5 of service with another state, and who are a Rhode Island resident for at least two (2) consecutive
6 years immediately prior to death, shall be eligible, along with their spouse, for interment in the
7 Rhode Island veterans' memorial cemetery. For the purpose of computing service under this
8 section, honorable service in the active forces or reserves shall be considered toward the six (6)
9 years of national guard service. The general assembly shall make an annual appropriation to the
10 department of human services to provide for the operation and maintenance for the cemetery. The
11 director ~~shall~~ may charge and collect a grave liner fee per interment of the eligible spouse and/or
12 eligible dependents of the qualified veteran, national guard member, and/or reservist equal to the
13 department's cost for the grave liner. The director may promulgate rules and regulations necessary
14 to fulfill the intent of this chapter.

15 (b) No domestic animal shall be allowed on the grounds of the Rhode Island veterans'
16 memorial cemetery, whether at large or under restraint, except for seeing eye guide dogs, hearing
17 ear signal dogs or any other service animal, as required by federal law or any personal assistance
18 animal, as required by chapter 9.1 of title 40. Any person who violates the provisions of this section
19 shall be subject to a fine of not less than five hundred dollars (\$500).

20 (c) The state of Rhode Island office of veterans services shall bear the cost of all tolls
21 incurred by any motor vehicles that are part of a veteran's funeral procession, originating from
22 Aquidneck Island ending at the veterans' memorial cemetery, for burial or internment. The
23 executive director of the turnpike and bridge authority shall assist in the administration and
24 coordination of this toll reimbursement program.

25 SECTION 4. Section 40-5.2-20 of the General Laws in Chapter 40-5.2 entitled "The Rhode
26 Island Works Program" is hereby amended to read as follows:

27 **40-5.2-20. Childcare assistance — Families or assistance units eligible. [Effective**
28 **January 1, 2025.]**

29 (a) The department shall provide appropriate child care to every participant who is eligible
30 for cash assistance and who requires child care in order to meet the work requirements in
31 accordance with this chapter.

32 (b) **Low-income child care.** The department shall provide child care to all other working
33 families with incomes at or below two hundred sixty-one percent (261%) of the federal poverty
34 level if, and to the extent, these other families require child care in order to work at paid

1 employment as defined in the department's rules and regulations. The department shall also provide
2 child care to families with incomes below two hundred sixty-one percent (261%) of the federal
3 poverty level if, and to the extent, these families require child care to participate on a short-term
4 basis, as defined in the department's rules and regulations, in training, apprenticeship, internship,
5 on-the-job training, work experience, work immersion, or other job-readiness/job-attachment
6 program sponsored or funded by the human resource investment council (governor's workforce
7 board) or state agencies that are part of the coordinated program system pursuant to § 42-102-11.
8 Effective from January 1, 2021, through June 30, 2022, the department shall also provide childcare
9 assistance to families with incomes below one hundred eighty percent (180%) of the federal poverty
10 level when such assistance is necessary for a member of these families to enroll or maintain
11 enrollment in a Rhode Island public institution of higher education provided that eligibility to
12 receive funding is capped when expenditures reach \$200,000 for this provision. Effective July 1,
13 2022 through December 31, 2024, the department shall also provide childcare assistance to families
14 with incomes below two hundred percent (200%) of the federal poverty level when such assistance
15 is necessary for a member of these families to enroll or maintain enrollment in a Rhode Island
16 public institution of higher education. Effective January 1, 2025, the department shall also provide
17 childcare assistance to families with incomes below two hundred sixty-one percent (261%) of the
18 federal poverty level when such assistance is necessary for a member of these families to enroll or
19 maintain enrollment in a Rhode Island public institution of higher education.

20 (c) No family/assistance unit shall be eligible for childcare assistance under this chapter if
21 the combined value of its liquid resources exceeds one million dollars (\$1,000,000), which
22 corresponds to the amount permitted by the federal government under the state plan and set forth
23 in the administrative rulemaking process by the department. Liquid resources are defined as any
24 interest(s) in property in the form of cash or other financial instruments or accounts that are readily
25 convertible to cash or cash equivalents. These include, but are not limited to: cash, bank, credit
26 union, or other financial institution savings, checking, and money market accounts; certificates of
27 deposit or other time deposits; stocks; bonds; mutual funds; and other similar financial instruments
28 or accounts. These do not include educational savings accounts, plans, or programs; retirement
29 accounts, plans, or programs; or accounts held jointly with another adult, not including a spouse.
30 The department is authorized to promulgate rules and regulations to determine the ownership and
31 source of the funds in the joint account.

32 (d) As a condition of eligibility for childcare assistance under this chapter, the parent or
33 caretaker relative of the family must consent to, and must cooperate with, the department in
34 establishing paternity, and in establishing and/or enforcing child support and medical support

1 orders for any children in the family receiving appropriate child care under this section in
2 accordance with the applicable sections of title 15, as amended, unless the parent or caretaker
3 relative is found to have good cause for refusing to comply with the requirements of this subsection.

4 (e) For purposes of this section, “appropriate child care” means child care, including infant,
5 toddler, preschool, nursery school, and school-age, that is provided by a person or organization
6 qualified, approved, and authorized to provide the care by the state agency or agencies designated
7 to make the determinations in accordance with the provisions set forth herein.

8 (f)(1) Families with incomes below one hundred percent (100%) of the applicable federal
9 poverty level guidelines shall be provided with free child care. Families with incomes greater than
10 one hundred percent (100%) and less than two hundred percent (200%) of the applicable federal
11 poverty guideline shall be required to pay for some portion of the child care they receive, according
12 to a sliding-fee scale adopted by the department in the department’s rules, not to exceed seven
13 percent (7%) of income as defined in subsection (h) of this section.

14 (2) Families who are receiving childcare assistance and who become ineligible for
15 childcare assistance as a result of their incomes exceeding two hundred sixty-one percent (261%)
16 of the applicable federal poverty guidelines shall continue to be eligible for childcare assistance
17 until their incomes exceed three hundred percent (300%) of the applicable federal poverty
18 guidelines. To be eligible, the families must continue to pay for some portion of the child care they
19 receive, as indicated in a sliding-fee scale adopted in the department’s rules, not to exceed seven
20 percent (7%) of income as defined in subsection (h) of this section, and in accordance with all other
21 eligibility standards.

22 (g) In determining the type of child care to be provided to a family, the department shall
23 take into account the cost of available childcare options; the suitability of the type of care available
24 for the child; and the parent’s preference as to the type of child care.

25 (h) For purposes of this section, “income” for families receiving cash assistance under §
26 40-5.2-11 means gross, earned income and unearned income, subject to the income exclusions in
27 §§ 40-5.2-10(g)(2) and 40-5.2-10(g)(3), and income for other families shall mean gross, earned and
28 unearned income as determined by departmental regulations.

29 (i) The caseload estimating conference established by chapter 17 of title 35 shall forecast
30 the expenditures for child care in accordance with the provisions of § 35-17-1.

31 (j) In determining eligibility for childcare assistance for children of members of reserve
32 components called to active duty during a time of conflict, the department shall freeze the family
33 composition and the family income of the reserve component member as it was in the month prior
34 to the month of leaving for active duty. This shall continue until the individual is officially

1 discharged from active duty.

2 (k) Effective from August 1, 2023, through July 31, ~~2025~~ 2028, the department shall
3 provide funding for child care for eligible childcare educators, and childcare staff, who work at
4 least twenty (20) hours a week in licensed childcare centers and licensed family childcare homes
5 as defined in the department's rules and regulations. Eligibility is limited to qualifying childcare
6 educators and childcare staff with family incomes up to three hundred percent (300%) of the
7 applicable federal poverty guidelines and will have no copayments. Qualifying participants may
8 select the childcare center or family childcare home for their children. The department shall
9 promulgate regulations necessary to implement this section, and will collect applicant and
10 participant data to report estimated demand for state-funded child care for eligible childcare
11 educators and childcare staff. The report shall be due annually to the governor and the general
12 assembly by November 1, ~~2024~~.

13 SECTION 5. Section 40-6-8 of the General Laws in Chapter 40-6 entitled "Public
14 Assistance Act" is hereby amended to read as follows:

15 **40-6-8. Supplemental nutrition assistance program (SNAP).**

16 (a) The department shall have the responsibility to administer the food stamp program for
17 the state in compliance with the provisions of the federal Food Stamp Act of 1964, as amended, 7
18 U.S.C. § 2011 et seq. The supplemental nutrition assistance program (SNAP) is and shall be the
19 new title of the program formerly known as the food stamp program. All references in the Rhode
20 Island general laws to food stamps shall be deemed to mean, apply to, refer to, and be interpreted
21 in accordance with the supplemental nutrition assistance program (SNAP).

22 (b) The department is empowered and authorized to submit its plan for food stamps to the
23 federal government, or any agency or department of it, as follows:

24 (1) The department shall act for the state in any negotiations relative to the submission and
25 approval of a plan, and may make any arrangement or changes in its plan not inconsistent with this
26 chapter that may be required by the Food Stamp Act or the rules and regulations promulgated
27 pursuant to it to obtain and retain such approval and to secure for this state the benefits of the
28 provisions of the federal act relating to food stamps;

29 (2) The department shall make reports to the federal government, or any agency or
30 department of it, in the form and nature required by it, and in all respects comply with any request
31 or direction of the federal government, or any agency or department of it, that may be necessary to
32 assure the correctness and verification of the reports; and

33 (3) The department shall develop a plan to streamline the application, certification, and
34 recertification process for SNAP beneficiaries aged sixty (60) years and over.

1 (c) The department is authorized and directed to pay one hundred percent (100%) of the
2 state’s share of the administrative cost involved in the operation of the food stamp program.

3 (d) No person shall be ineligible for food stamp benefits due solely to the restricted
4 eligibility rules otherwise imposed by § 115(a)(2) of the Personal Responsibility and Work
5 Opportunity Reconciliation Act of 1996 (Pub. L. No. 104-193), 21 U.S.C. § 862a(a)(2), and as this
6 section may hereafter be amended.

7 (e) To support a fiscally responsible and high-integrity Supplemental Nutritional
8 Assistance Program (SNAP), the Rhode Island department of human services (DHS), in
9 consultation with the department of administration, shall submit a plan with initial
10 recommendations to reduce the state's SNAP Payment Error Rate (PER) to below six percent (6%),
11 due on or before October 1, 2025, as part of the department's annual budget submission.

12 Starting January 18, 2026, DHS shall report monthly on implementation progress and
13 performance metrics as part of its existing legislative reporting framework. These updates shall be
14 incorporated into DHS's monthly House Oversight RIBridges Report to ensure transparency,
15 minimize administrative burden, and align progress tracking with the state's fiscal and policy
16 planning cycles. Updates will include: timeliness and accuracy indicators; status of technology
17 modernization efforts; staff training and readiness metrics; and the status of customer service
18 enhancements and any correspondence with the federal government related to Supplemental
19 Nutrition Assistance Program payment error rates and/or penalties.

20 SECTION 6. Section 40-6.2-1.1 of the General Laws in Chapter 40-6.2 entitled "Child
21 Care — State Subsidies" is hereby amended to read as follows:

22 **40-6.2-1.1. Rates established.**

23 (a) Through June 30, 2015, subject to the payment limitations in subsection (c), the
24 maximum reimbursement rates to be paid by the departments of human services and children, youth
25 and families for licensed childcare centers and licensed family childcare providers shall be based
26 on the following schedule of the 75th percentile of the 2002 weekly market rates adjusted for the
27 average of the 75th percentile of the 2002 and the 2004 weekly market rates:

28	Licensed Childcare Centers	75th Percentile of Weekly Market Rate
29	Infant	\$182.00
30	Preschool	\$150.00
31	School-Age	\$135.00
32	Licensed Family Childcare Providers	75th Percentile of Weekly Market Rate
33	Infant	\$150.00
34	Preschool	\$150.00

1	School-Age	\$135.00
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Effective July 1, 2015, subject to the payment limitations in subsection (c), the maximum reimbursement rates to be paid by the departments of human services and children, youth and families for licensed childcare centers and licensed family childcare providers shall be based on the above schedule of the 75th percentile of the 2002 weekly market rates adjusted for the average of the 75th percentile of the 2002 and the 2004 weekly market rates. These rates shall be increased by ten dollars (\$10.00) per week for infant/toddler care provided by licensed family childcare providers and license-exempt providers and then the rates for all providers for all age groups shall be increased by three percent (3%). For the fiscal year ending June 30, 2018, licensed childcare centers shall be reimbursed a maximum weekly rate of one hundred ninety-three dollars and sixty-four cents (\$193.64) for infant/toddler care and one hundred sixty-one dollars and seventy-one cents (\$161.71) for preschool-age children.

(b) Effective July 1, 2018, subject to the payment limitations in subsection (c), the maximum infant/toddler and preschool-age reimbursement rates to be paid by the departments of human services and children, youth and families for licensed childcare centers shall be implemented in a tiered manner, reflective of the quality rating the provider has achieved within the state's quality rating system outlined in § 42-12-23.1.

(1) For infant/toddler child care, tier one shall be reimbursed two and one-half percent (2.5%) above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%) above the FY 2018 weekly amount, tier three shall be reimbursed thirteen percent (13%) above the FY 2018 weekly amount, tier four shall be reimbursed twenty percent (20%) above the FY 2018 weekly amount, and tier five shall be reimbursed thirty-three percent (33%) above the FY 2018 weekly amount.

(2) For preschool reimbursement rates, tier one shall be reimbursed two and one-half percent (2.5%) above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%) above the FY 2018 weekly amount, tier three shall be reimbursed ten percent (10%) above the FY 2018 weekly amount, tier four shall be reimbursed thirteen percent (13%) above the FY 2018 weekly amount, and tier five shall be reimbursed twenty-one percent (21%) above the FY 2018 weekly amount.

30 (c) [Deleted by P.L. 2019, ch. 88, art. 13, § 4.]

(d) By June 30, 2004, and biennially through June 30, 2014, the department of labor and training shall conduct an independent survey or certify an independent survey of the then-current weekly market rates for child care in Rhode Island and shall forward the weekly market rate survey to the department of human services. The next survey shall be conducted by June 30, 2016, and

1 triennially thereafter. The departments of human services and labor and training will jointly
2 determine the survey criteria including, but not limited to, rate categories and sub-categories.

3 (e) In order to expand the accessibility and availability of quality child care, the department
4 of human services is authorized to establish, by regulation, alternative or incentive rates of
5 reimbursement for quality enhancements, innovative or specialized child care, and alternative
6 methodologies of childcare delivery, including nontraditional delivery systems and collaborations.

7 (f) Effective January 1, 2007, all childcare providers have the option to be paid every two
8 (2) weeks and have the option of automatic direct deposit and/or electronic funds transfer of
9 reimbursement payments.

10 (g) Effective July 1, 2019, the maximum infant/toddler reimbursement rates to be paid by
11 the departments of human services and children, youth and families for licensed family childcare
12 providers shall be implemented in a tiered manner, reflective of the quality rating the provider has
13 achieved within the state's quality rating system outlined in § 42-12-23.1. Tier one shall be
14 reimbursed two percent (2%) above the prevailing base rate for step 1 and step 2 providers, three
15 percent (3%) above prevailing base rate for step 3 providers, and four percent (4%) above the
16 prevailing base rate for step 4 providers; tier two shall be reimbursed five percent (5%) above the
17 prevailing base rate; tier three shall be reimbursed eleven percent (11%) above the prevailing base
18 rate; tier four shall be reimbursed fourteen percent (14%) above the prevailing base rate; and tier
19 five shall be reimbursed twenty-three percent (23%) above the prevailing base rate.

20 (h) Through December 31, 2021, the maximum reimbursement rates paid by the
21 departments of human services, and children, youth and families to licensed childcare centers shall
22 be consistent with the enhanced emergency rates provided as of June 1, 2021, as follows:

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
23 Infant/Toddler	\$257.54	\$257.54	\$257.54	\$257.54	\$273.00
24 Preschool Age	\$195.67	\$195.67	\$195.67	\$195.67	\$260.00
25 School Age	\$200.00	\$200.00	\$200.00	\$200.00	\$245.00

26
27 The maximum reimbursement rates paid by the departments of human services, and
28 children, youth and families to licensed family childcare providers shall be consistent with the
29 enhanced emergency rates provided as of June 1, 2021, as follows:

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
30 Infant/Toddler	\$224.43	\$224.43	\$224.43	\$224.43	\$224.43
31 Preschool Age	\$171.45	\$171.45	\$171.45	\$171.45	\$171.45
32 School Age	\$162.30	\$162.30	\$162.30	\$162.30	\$162.30

33
34 (i) Effective January 1, 2022, the maximum reimbursement rates to be paid by the

1 departments of human services and children, youth and families for licensed childcare centers shall
2 be implemented in a tiered manner, reflective of the quality rating the provider has achieved within
3 the state’s quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
4 reimbursed as follows:

5	Licensed Childcare Centers					
6		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
7	Infant/Toddler	\$236.36	\$244.88	\$257.15	\$268.74	\$284.39
8	Preschool	\$207.51	\$212.27	\$218.45	\$223.50	\$231.39
9	School-Age	\$180.38	\$182.77	\$185.17	\$187.57	\$189.97

10 The maximum reimbursement rates for licensed family childcare providers paid by the
11 departments of human services, and children, youth and families is determined through collective
12 bargaining. The maximum reimbursement rates for infant/toddler and preschool age children paid
13 to licensed family childcare providers by both departments is implemented in a tiered manner that
14 reflects the quality rating the provider has achieved in accordance with § 42-12-23.1.

15 (j) Effective July 1, 2022, the maximum reimbursement rates to be paid by the departments
16 of human services and children, youth and families for licensed childcare centers shall be
17 implemented in a tiered manner, reflective of the quality rating the provider has achieved within
18 the state’s quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
19 reimbursed as follows:

20	Licensed Childcare Centers					
21		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
22	Infant/Toddler	\$265	\$270	\$282	\$289	\$300
23	Preschool	\$225	\$235	\$243	\$250	\$260
24	School-Age	\$200	\$205	\$220	\$238	\$250

25 (k) Effective July 1, 2024, the maximum reimbursement rates to be paid by the departments
26 of human services and children, youth and families for licensed childcare centers shall be
27 implemented in a tiered manner, reflective of the quality rating the provider has achieved within
28 the state’s quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
29 reimbursed as follows:

30	Licensed Childcare Centers					
31		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
32	Infant/Toddler	\$278	\$284	\$296	\$303	\$315
33	Preschool	\$236	\$247	\$255	\$263	\$273
34	School-Age	\$210	\$215	\$231	\$250	\$263

1 (l) Effective July 1, 2025, the maximum reimbursement rates to be paid by the departments
2 of human services and children, youth and families for licensed childcare centers shall be
3 implemented in a tiered manner, reflective of the quality rating the provider has achieved within
4 the state’s quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
5 reimbursed as follows:

6		<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 4</u>	<u>Tier 5</u>
7	<u>Infant</u>	<u>\$334</u>	<u>\$341</u>	<u>\$355</u>	<u>\$364</u>	<u>\$378</u>
8	<u>Toddlers</u>	<u>\$278</u>	<u>\$284</u>	<u>\$296</u>	<u>\$303</u>	<u>\$315</u>
9	<u>Preschoolers</u>	<u>\$236</u>	<u>\$247</u>	<u>\$255</u>	<u>\$263</u>	<u>\$273</u>
10	<u>School Age</u>	<u>\$210</u>	<u>\$215</u>	<u>\$231</u>	<u>\$250</u>	<u>\$263</u>

11 SECTION 7. Section 42-7.2-10 of the General Laws in Chapter 42-7.2 entitled "Office of
12 Health and Human Services" is hereby amended to read as follows:

13 **42-7.2-10. Appropriations and disbursements.**

14 (a) The general assembly shall annually appropriate such sums as it may deem necessary
15 for the purpose of carrying out the provisions of this chapter. The state controller is hereby
16 authorized and directed to draw his or her orders upon the general treasurer for the payment of such
17 sum or sums, or so much thereof as may from time to time be required, upon receipt by him or her
18 of proper vouchers approved by the secretary of the executive office of health and human services,
19 or his or her designee.

20 (b) For the purpose of recording federal financial participation associated with qualifying
21 healthcare workforce development activities at the state’s public institutions of higher education,
22 and pursuant to the Rhode Island designated state health programs (DSHP), as approved by the
23 Centers for Medicare & Medicaid Services (CMC) October 20, 2016, in the 11-W-00242/1
24 amendment to Rhode Island’s section 1115 Demonstration Waiver, there is hereby established a
25 restricted-receipt account entitled “Health System Transformation Project” in the general fund of
26 the state and included in the budget of the office of health and human services.

27 (c) There are hereby created within the general fund of the state and housed within the
28 budget of the office of health and human services two restricted receipt accounts, respectively
29 entitled “HCBS Support-ARPA” and “HCBS Admin Support-ARPA”. Amounts deposited into
30 these accounts are equivalent to the general revenue savings generated by the enhanced federal
31 match received on eligible home and community-based services between April 1, 2021, and March
32 31, 2022, allowable under Section 9817 of the American Rescue Plan Act of 2021, Pub. L. No.
33 117-2. Funds deposited into the “HCBS Support-ARPA” account will be used to finance the state
34 share of newly eligible Medicaid expenditures by the office of health and human services and its

1 sister agencies, including the department of children, youth and families, the department of health,
2 and the department of behavioral healthcare, developmental disabilities and hospitals. Funds
3 deposited into the “HCBS Admin Support-ARPA” account will be used to finance the state share
4 of allowable administrative expenditures attendant to the implementation of these newly eligible
5 Medicaid expenditures. The accounts created under this subsection shall be exempt from the
6 indirect cost recovery provisions of § 35-4-27.

7 (d) There is hereby created within the general fund of the state and housed within the budget
8 of the office of health and human services a restricted receipt account entitled “Rhode Island
9 Statewide Opioid Abatement Account” for the purpose of receiving and expending monies from
10 settlement agreements with opioid manufacturers, pharmaceutical distributors, pharmacies, or their
11 affiliates, as well as monies resulting from bankruptcy proceedings of the same entities. The
12 executive office of health and human services shall deposit any revenues from such sources that
13 are designated for opioid abatement purposes into the restricted receipt account. Funds from this
14 account shall only be used for forward-looking opioid abatement efforts as defined and limited by
15 any settlement agreements, state-city and town agreements, or court orders pertaining to the use of
16 such funds. By January 1 of each calendar year, the secretary of health and human services shall
17 report to the governor, the speaker of the house of representatives, the president of the senate, and
18 the attorney general on the expenditures that were funded using monies from the Rhode Island
19 statewide opioid abatement account and the amount of funds spent. The account created under this
20 subsection shall be exempt from the indirect cost recovery provisions of § 35-4-27. No
21 governmental entity has the authority to assert a claim against the entities with which the attorney
22 general has entered into settlement agreements concerning the manufacturing, marketing,
23 distributing, or selling of opioids that are the subject of the Rhode Island Memorandum of
24 Understanding Between the State and Cities and Towns Receiving Opioid Settlement Funds
25 executed by every city and town and the attorney general and wherein every city and town agreed
26 to release all such claims against these settling entities, and any amendment thereto. Governmental
27 entity means any state or local governmental entity or sub-entity and includes, but is not limited to,
28 school districts, fire districts, and any other such districts. The claims that shall not be asserted are
29 the released claims, as that term is defined in the settlement agreements executed by the attorney
30 general, or, if not defined therein, the claims sought to be released in such settlement agreements.

31 (e) There is hereby created within the general fund of the state and housed within the budget
32 of the executive office of health and human services a restricted receipt account, respectively
33 entitled "Minimum Staffing Level Compliance and Enforcement". Funds deposited into the account
34 will be used for workforce development and compliance assistance programs as included in § 23-

1 [17.5-33.](#)

2 SECTION 8. Section 42-7.4-3 of the General Laws in Chapter 42-7.4 entitled "The
3 Healthcare Services Funding Plan Act" is hereby amended to read as follows:

4 **42-7.4-3. Imposition of healthcare services funding contribution. [As enacted in 2014.]**

5 (a) Each insurer is required to pay the healthcare services funding contribution for each
6 contribution enrollee of the insurer at the time the contribution is calculated and paid, at the rate set
7 forth in this section.

8 (1) Beginning January 1, 2016, the secretary shall set the healthcare services funding
9 contribution each fiscal year in an amount equal to: (i) The child immunization funding requirement
10 described in § 23-1-46; plus (ii) The adult immunization funding requirement described in § 23-1-
11 46; plus (iii) The children's health services funding requirement described in § 42-12-29; and all
12 as divided by (iv) The number of contribution enrollees of all insurers.

13 (2) The contribution set forth herein shall be in addition to any other fees or assessments
14 upon the insurer allowable by law.

15 (b) The contribution shall be paid by the insurer; provided, however, a person providing
16 health benefits coverage on a self-insurance basis that uses the services of a third-party
17 administrator shall not be required to make a contribution for a contribution enrollee where the
18 contribution on that enrollee has been or will be made by the third-party administrator.

19 [\(c\) Beginning calendar year 2026, in addition to the assessment collection pursuant to](#)
20 [subsection \(a\), there shall be an additional amount assessed pursuant to \(i\) and \(ii\), to support](#)
21 [primary care and other critical healthcare programs totaling thirty million dollars \(\\$30,000,000\),](#)
22 [which shall be deposited as general revenues.](#)

23 ~~(c) The secretary shall create a process to facilitate the transition to the healthcare services~~
24 ~~funding contribution method that: (i) assures adequate funding beginning July 1, 2016, (ii) reflects~~
25 ~~that funding via the healthcare services funding contribution method initially will be for only a~~
26 ~~portion of the state's fiscal year, and (iii) avoids duplicate liability for any insurer that made a~~
27 ~~payment under the premium assessment method in effect prior to January 1, 2016, for a period for~~
28 ~~which it would also be liable for a contribution under the healthcare services funding contribution~~
29 ~~method as described in this chapter.~~

30 ~~**42-7.4-3. Imposition of healthcare services funding contribution. [As amended by P.L.**~~
31 ~~**2024, ch. 423, § 1; See Compiler's Note.]**~~

32 ~~(a) Each insurer is required to pay the healthcare services funding contribution for each~~
33 ~~contribution enrollee of the insurer at the time the contribution is calculated and paid, at the rate set~~
34 ~~forth in this section.~~

1 ~~(1) Beginning July 1, 2024, the secretary shall set the healthcare services funding~~
2 ~~contribution each fiscal year in an amount equal to: (i) The child immunization funding requirement~~
3 ~~described in § 23-1-46; plus (ii) The adult immunization funding requirement described in § 23-1-~~
4 ~~46; plus (iii) The children's health services funding requirement described in § 42-12-29; plus (iv)~~
5 ~~The psychiatry resource network funding requirement described in § 23-1-46.1 and all as divided~~
6 ~~by; (v) The number of contribution enrollees of all insurers.~~

7 ~~(2) The contribution set forth herein shall be in addition to any other fees or assessments~~
8 ~~upon the insurer allowable by law.~~

9 ~~(b) The contribution shall be paid by the insurer; provided, however, a person providing~~
10 ~~health benefits coverage on a self insurance basis that uses the services of a third party~~
11 ~~administrator shall not be required to make a contribution for a contribution enrollee where the~~
12 ~~contribution on that enrollee has been or will be made by the third party administrator.~~

13 ~~(c) The secretary shall create a process to facilitate the transition to the healthcare services~~
14 ~~funding contribution method that: (i) assures adequate funding beginning July 1, 2016, (ii) reflects~~
15 ~~that funding via the healthcare services funding contribution method initially will be for only a~~
16 ~~portion of the state's fiscal year, and (iii) avoids duplicate liability for any insurer that made a~~
17 ~~payment under the premium assessment method in effect prior to January 1, 2016, for a period for~~
18 ~~which it would also be liable for a contribution under the healthcare services funding contribution~~
19 ~~method as described in this chapter.~~

20 SECTION 9. This article shall take effect upon passage.

ARTICLE 11 AS AMENDED

RELATING TO MOTOR VEHICLES AND TRANSPORTATION

SECTION 1. Sections 31-2-1 and 31-2-27 of the General Laws in Chapter 31-2 entitled "Division of Motor Vehicles" are hereby amended to read as follows:

31-2-1. Establishment — Duties — Chief of division.

Within the department of revenue there shall be a division of motor vehicles. The division will be responsible for activities assigned to it by law, including, but not limited to, motor vehicle registration, testing and licensing of motor vehicle operators, inspection of motor vehicles, and enforcement of laws relating to the issuance, suspension and revocation of motor vehicle registrations and drivers' licenses. The division shall administer the financial responsibility law. The chief of the division shall use the title and designation "registrar" or "administrator" on all licenses, registrations, orders of suspensions, financial responsibility notices or orders, or any other official documents issued or promulgated by the division. He or she shall exercise all powers and duties prescribed by chapters 1 — 27 of this title and shall supervise and direct the promotion of highway traffic safety.

On or before January 1, 2027, the administrator in consultation with the department of transportation is hereby directed to submit a report of its findings and recommendations to the general assembly regarding options to index or update fees charged in § 31-6-1 (27)(i) and any other related changes for battery electric vehicles, plug-in hybrid electric vehicles, and hybrid electric vehicles. The report at a minimum shall include information and practices in other states.

31-2-27. Technology surcharge fee.

(a) The division of motor vehicles shall collect a technology surcharge fee of ~~two dollars and fifty cents (\$2.50)~~ three dollars and fifty cents (\$3.50) per transaction for every division of motor vehicles' fee transaction, except as otherwise provided by law and provided no surcharge fee is assessed on motor vehicle inspection transactions conducted pursuant to § 31-38-4. ~~One dollar and fifty cents (\$1.50) of each two dollars and fifty cents (\$2.50) collected pursuant to this section shall be deposited into the information technology investment fund established pursuant to § 42-11-2.5 and shall be used for project-related payments and/or ongoing maintenance of and enhancements to the division of motor vehicles' computer system and to reimburse the information technology investment fund for advances made to cover project-related payments. The remaining~~

1 ~~one dollar (\$1.00)~~ All technology surcharge fees collected pursuant to this section shall be
2 deposited into a restricted-receipt account managed by the division of motor vehicles and restricted
3 to the project-related payments and/or ongoing maintenance of and enhancements to the division
4 of motor vehicles' computer system.

5 (b) [Deleted by P.L. 2019, ch. 88, art. 7, § 1].

6 ~~(c) Beginning July 1, 2022, the full two dollars and fifty cents (\$2.50) shall be deposited~~
7 ~~into the division of motor vehicles restricted account and restricted to the project-related payments~~
8 ~~and/or ongoing maintenance of and enhancements to the division of motor vehicles' computer~~
9 ~~system.~~

10 SECTION 2. Section 31-6-1 of the General Laws in Chapter 31-6 entitled "Registration
11 Fees" is hereby amended to read as follows:

12 **31-6-1. Amount of registration and miscellaneous fees.**

13 The following registration fees shall be paid to the division of motor vehicles for the
14 registration of motor vehicles, trailers, semi-trailers, and school buses subject to registration for
15 each year of registration:

16 (1) For the registration of every automobile, when equipped with pneumatic tires, the gross
17 weight of which is not more than four thousand pounds (4,000 lbs.): thirty dollars (\$30.00).

18 (2) For the registration of every motor truck or tractor when equipped with pneumatic tires,
19 the gross weight of which is not more than four thousand pounds (4,000 lbs.): thirty-four dollars
20 (\$34.00).

21 (3) For the registration of every automobile, motor truck or tractor, when equipped with
22 pneumatic tires, the gross weight of which is:

23 (i) More than four thousand pounds (4,000 lbs.), but not more than five thousand pounds
24 (5,000 lbs.): forty dollars (\$40.00);

25 (ii) More than five thousand pounds (5,000 lbs.), but not more than six thousand pounds
26 (6,000 lbs.): forty-eight dollars (\$48.00);

27 (iii) More than six thousand pounds (6,000 lbs.), but not more than seven thousand pounds
28 (7,000 lbs.): fifty-six dollars (\$56.00);

29 (iv) More than seven thousand pounds (7,000 lbs.), but not more than eight thousand
30 pounds (8,000 lbs.): sixty-four dollars (\$64.00);

31 (v) More than eight thousand pounds (8,000 lbs.), but not more than nine thousand pounds
32 (9,000 lbs.): seventy dollars (\$70.00);

33 (vi) More than nine thousand pounds (9,000 lbs.), but not more than ten thousand pounds
34 (10,000 lbs.): seventy-eight dollars (\$78.00);

1 (vii) More than ten thousand pounds (10,000 lbs.), but not more than twelve thousand
2 pounds (12,000 lbs.): one hundred six dollars (\$106);

3 (viii) More than twelve thousand pounds (12,000 lbs.), but not more than fourteen thousand
4 pounds (14,000 lbs.): one hundred twenty-four dollars (\$124);

5 (ix) More than fourteen thousand pounds (14,000 lbs.), but not more than sixteen thousand
6 pounds (16,000 lbs.): one hundred forty dollars (\$140);

7 (x) More than sixteen thousand pounds (16,000 lbs.), but not more than eighteen thousand
8 pounds (18,000 lbs.): one hundred fifty-eight dollars (\$158);

9 (xi) More than eighteen thousand pounds (18,000 lbs.), but not more than twenty thousand
10 pounds (20,000 lbs.): one hundred seventy-six dollars (\$176);

11 (xii) More than twenty thousand pounds (20,000 lbs.), but not more than twenty-two
12 thousand pounds (22,000 lbs.): one hundred ninety-four dollars (\$194);

13 (xiii) More than twenty-two thousand pounds (22,000 lbs.), but not more than twenty-four
14 thousand pounds (24,000 lbs.): two hundred ten dollars (\$210);

15 (xiv) More than twenty-four thousand pounds (24,000 lbs.), but not more than twenty-six
16 thousand pounds (26,000 lbs.): two hundred thirty dollars (\$230);

17 (xv) More than twenty-six thousand pounds (26,000 lbs.), but not more than twenty-eight
18 thousand pounds (28,000 lbs.): two hundred ninety-six dollars (\$296);

19 (xvi) More than twenty-eight thousand pounds (28,000 lbs.), but not more than thirty
20 thousand pounds (30,000 lbs.): three hundred sixteen dollars (\$316);

21 (xvii) More than thirty thousand pounds (30,000 lbs.), but not more than thirty-two
22 thousand pounds (32,000 lbs.): four hundred and twenty-two dollars (\$422);

23 (xviii) More than thirty-two thousand pounds (32,000 lbs.), but not more than thirty-four
24 thousand pounds (34,000 lbs.): four hundred and forty-eight dollars (\$448);

25 (xix) More than thirty-four thousand pounds (34,000 lbs.), but not more than thirty-six
26 thousand pounds (36,000 lbs.): four hundred and seventy-six dollars (\$476);

27 (xx) More than thirty-six thousand pounds (36,000 lbs.), but not more than thirty-eight
28 thousand pounds (38,000 lbs.): five hundred and two dollars (\$502);

29 (xxi) More than thirty-eight thousand pounds (38,000 lbs.), but not more than forty
30 thousand pounds (40,000 lbs.): five hundred and twenty-eight dollars (\$528);

31 (xxii) More than forty thousand pounds (40,000 lbs.), but not more than forty-two thousand
32 pounds (42,000 lbs.): five hundred and fifty-four dollars (\$554);

33 (xxiii) More than forty-two thousand pounds (42,000 lbs.), but not more than forty-six
34 thousand pounds (46,000 lbs.): six hundred and eight dollars (\$608);

1 (xxiv) More than forty-six thousand pounds (46,000 lbs.), but not more than fifty thousand
2 pounds (50,000 lbs.): six hundred and sixty dollars (\$660);

3 (xxv) More than fifty thousand pounds (50,000 lbs.), but not more than fifty-four thousand
4 pounds (54,000 lbs.): seven hundred and twelve dollars (\$712);

5 (xxvi) More than fifty-four thousand pounds (54,000 lbs.), but not more than fifty-eight
6 thousand pounds (58,000 lbs.): seven hundred and sixty-eight dollars (\$768);

7 (xxvii) More than fifty-eight thousand pounds (58,000 lbs.), but not more than sixty-two
8 thousand pounds (62,000 lbs.): eight hundred and sixteen dollars (\$816);

9 (xxviii) More than sixty-two thousand pounds (62,000 lbs.), but not more than sixty-six
10 thousand pounds (66,000 lbs.): eight hundred and seventy-six dollars (\$876);

11 (xxix) More than sixty-six thousand pounds (66,000 lbs.), but not more than seventy
12 thousand pounds (70,000 lbs.): nine hundred and twenty-four dollars (\$924);

13 (xxx) More than seventy thousand pounds (70,000 lbs.), but not more than seventy-four
14 thousand pounds (74,000 lbs.): nine hundred and seventy-two dollars (\$972);

15 (xxxi) Over seventy-four thousand pounds (74,000 lbs.): nine hundred and seventy-two
16 dollars (\$972), plus twenty-four dollars (\$24.00) per two thousand pounds (2,000 lbs.) gross
17 weight.

18 (4) For the registration of every semi-trailer to be used with a truck-tractor, as defined in §
19 31-1-4(f), shall be as follows: an annual fee of twelve dollars (\$12.00) for a one-year registration;
20 for multi-year registrations the fee of fifty dollars (\$50.00) for a five-year (5) registration; and
21 eighty dollars (\$80.00) for an eight-year (8) registration. However, when in use, the weight of the
22 resulting semi-trailer unit and its maximum carrying capacity shall not exceed the gross weight of
23 the original semi-trailer unit from which the gross weight of the tractor was determined. A
24 registration certificate and registration plate shall be issued for each semi-trailer so registered.
25 There shall be no refund of payment of such fee, except that when a plate is returned prior to ninety
26 (90) days before the effective date of that year's registration, the pro rate amount, based on the
27 unused portion of the multi-year registration plate period at time of surrender, shall be refunded. A
28 multi-year semi-trailer registration may be transferred to another semi-trailer subject to the
29 provisions and fee set forth in § 31-6-11. Thirty percent (30%) of the semi-trailer registration fee
30 shall be retained by the division of motor vehicles to defray the costs of implementation of the
31 international registration plan (IRP) and fleet registration section.

32 (5) For the registration of every automobile, motor truck, or tractor, when equipped with
33 other than pneumatic tires, there shall be added to the above gross weight fees a charge of ten cents
34 (10¢) for each one hundred pounds (100 lbs.) of gross weight.

1 (6) For the registration of every public bus, the rates provided for motor vehicles for hire
2 plus two dollars (\$2.00) for each passenger that bus is rated to carry, the rating to be determined by
3 the administrator of the division of motor vehicles.

4 (7) For the registration of every motorcycle, or motor-driven cycle, thirteen dollars
5 (\$13.00). Three dollars (\$3.00) from that sum shall be turned over to the department of education
6 to assist in the payment of the cost of the motorcycle driver's education program as enumerated in
7 § 31-10.1-1.1.

8 (8) For the registration of every trailer, not including semi-trailers used with a truck-tractor
9 as defined in § 31-1-4(d), with a gross weight of three thousand pounds (3,000 lbs.) or less, five
10 dollars (\$5.00). Trailers with a gross weight of more than three thousand pounds (3,000 lbs.) shall
11 be assessed a registration fee of one dollar and fifty cents (\$1.50) per thousand pounds (1,000 lbs.).

12 (9) The annual registration fee for a motor vehicle, commonly described as a boxcar and/or
13 locomotive, and used only by La Societe Des 40 Hommes et 8 Chevaux for civic demonstration,
14 parades, convention purposes, or social welfare work, shall be two dollars (\$2.00).

15 (10) For the registration of every motor vehicle, trailer, or semi-trailer owned by any
16 department or agency of any city or town or district, provided the name of the city or town or
17 district or state department or agency owning the same shall be plainly printed on two (2) sides of
18 the vehicle, two dollars (\$2.00).

19 (11) For the registration of motor vehicles used for racing, fifteen dollars (\$15.00).

20 (12) For every duplicate registration certificate, seventeen dollars (\$17.00).

21 (13) For every certified copy of a registration certificate or application, ten dollars (\$10.00).

22 (14) For every certificate assigning a special identification number or mark as provided in
23 § 31-3-37, one dollar (\$1.00).

24 (15) For every replacement of number plates or additional pair of number plates, without
25 changing the number, thirty dollars (\$30.00).

26 (16) For the registration of every farm vehicle, used in farming as provided in § 31-3-31:
27 ten dollars (\$10.00).

28 (17) For the registration of antique motor vehicles, five dollars (\$5.00).

29 (18) For the registration of a suburban vehicle, when used as a pleasure vehicle and the
30 gross weight of which is not more than four thousand pounds (4,000 lbs.), the same rates as charged
31 in subsection (1) of this section shall be applicable and when used as a commercial vehicle and the
32 gross weight of which is not more than four thousand pounds (4,000 lbs.), the same rates as
33 provided in subsection (2) of this section shall be applicable. The rates in subsection (3) of this
34 section shall be applicable when the suburban vehicle has a gross weight of more than four thousand

1 pounds (4,000 lbs.), regardless of the use of the vehicle.

2 (19) For the registration of every motor bus that is used exclusively under contract with a
3 political subdivision or school district of the state for the transportation of school children, twenty-
4 five dollars (\$25); provided that the motor bus may also be used for the transportation of persons
5 to and from church and Sunday school services, and for the transportation of children to and from
6 educational or recreational projects sponsored by a city or town or by any association or
7 organization supported wholly or in part by public or private donations for charitable purposes,
8 without the payment of additional registration fee.

9 (20) For the registration of every motorized bicycle, ten dollars (\$10.00).

10 (21) For the registration of every motorized tricycle, ten dollars (\$10.00).

11 (22) For the replacement of number plates with a number change, twenty dollars (\$20.00).

12 (23) For the initial issuance and each reissuance of fully reflective plates, as required by §§
13 31-3-10, 31-3-32, and 31-3-33, an additional eight dollars (\$8.00); provided, however, for the initial
14 issuance of new license plates as required by § 31-3-33(c) that feature the 2022 approved design,
15 the fee shall be waived when the plate is issued for a vehicle with an existing registration.

16 (24) For the issuance of a trip permit under the International Registration Plan, twenty-five
17 dollars (\$25.00) per vehicle. The division of motor vehicles is authorized to issue seventy-two-hour
18 (72) trip permits for vehicles required to be registered in the International Registration Plan that
19 have not been apportioned with the state of Rhode Island.

20 (25) For the issuance of a hunter's permit under the International Registration Plan, twenty-
21 five dollars (\$25.00) per vehicle. The division of motor vehicles is authorized to issue hunter's
22 permits for motor vehicles based in the state of Rhode Island and otherwise required to be registered
23 in the International Registration Plan. These permits are valid for thirty (30) days.

24 (26) For the registration of a specially adapted motor vehicle necessary to transport a family
25 member with a disability for personal, noncommercial use, a fee of thirty dollars (\$30.00) assessed.

26 (27)(i) For the registration of every automobile, motor truck, or tractor, there shall be added
27 to the above gross weight fees:

28 (A) A fee of two hundred dollars (\$200) for each battery electric vehicle;

29 (B) A fee of one hundred dollars (\$100) for each plug-in hybrid electric vehicle; and

30 (C) A fee of fifty dollars (\$50.00) for each hybrid electric vehicle.

31 (ii) For purposes of this subsection, the following definitions shall apply:

32 (A) "Battery electric vehicle" means a motor vehicle which operates solely by use of a
33 battery or battery pack. The term includes a motor vehicle which is powered mainly through the
34 use of an electric battery or battery pack but which uses a flywheel that stores energy produced by

1 the electric motor or through regenerative braking to assist in operation of the motor vehicle.

2 (B) "Plug-in hybrid electric vehicle" means a motor vehicle that can deliver power to the
3 drive wheels solely by a battery-powered electric motor but which also incorporates the use of
4 another fuel to power a combustion engine. The battery of the vehicle must be capable of receiving
5 energy from an external source, such as an outlet or charging station.

6 (C) "Hybrid electric vehicle" means a motor vehicle which is primarily powered by an
7 internal combustion engine, (gasoline, diesel, or alternative fuel) in conjunction with an electric
8 motor.

9 SECTION 3. Section 31-8-1 of the General Laws in Chapter 31-8 entitled "Offenses
10 Against Registration and Certificate of Title Laws" is hereby amended to read as follows:

11 **31-8-1. Operation of vehicles without evidences of registration.**

12 No person shall operate, nor shall an owner knowingly permit to be operated, upon any
13 highway or bicycle trail or path, any vehicle required to be registered pursuant to this title unless
14 there has been issued for it a valid registration card and unless there is attached to it and displayed
15 on it, when and as required by chapters 3 — 9 of this title, a valid registration plate or plates issued
16 for it by the division of motor vehicles for the current registration year except as otherwise expressly
17 permitted in those chapters. Any violation of this section shall be punishable by a fine of ~~eighty-~~
18 ~~five dollars (\$85.00)~~ one hundred dollars (\$100).

19 SECTION 4. Section 31-10-6.4 of the General Laws in Chapter 31-10 entitled "Operators'
20 and Chauffeurs' Licenses" is hereby amended to read as follows:

21 **31-10-6.4. Violations.**

22 It is unlawful for the holder of a limited learner's permit, a temporary permit or a limited
23 provisional license to drive a motor vehicle in violation of the restrictions that apply to that permit
24 or license. Failure to comply with a restriction concerning time of driving or the presence of a
25 supervising driver in the vehicle constitutes operating a motor vehicle without a license. Failure to
26 comply with any other restriction, including seating and passenger limitations, is an infraction
27 punishable by a monetary fine of ~~eighty-five dollars (\$85.00)~~ one hundred dollars (\$100) for the
28 first offense, ~~ninety-five dollars (\$95.00)~~ one hundred ten dollars (\$110) for the second offense,
29 and ~~one hundred dollars (\$100.00)~~ one hundred forty dollars (\$140) for a third or any subsequent
30 offenses.

31 SECTION 5. Section 31-23-51 of the General Laws in Chapter 31-23 entitled "Equipment
32 and Accessories Generally" is hereby amended to read as follows:

33 **31-23-51. Earphones and headsets prohibited.**

34 (a) No person shall operate a bicycle or motor vehicle upon any highway while wearing

earphones, a headset, headphone, or other listening device. Any person who violates this section shall be fined: (1) ~~eighty-five dollars (\$85.00)~~ one hundred dollars (\$100) for the first offense, (2) ~~ninety-five dollars (\$95.00)~~ one hundred ten dollars (\$110) for the second offense, and (3) one hundred forty dollars (\$140) for the third and each subsequent offense.

(b) This section shall not apply to:

(1) Any emergency vehicle operator using an integrated intercom system;

(2) Any person operating a motorcycle who is using a headset installed in a helmet and worn so as to prevent the speakers from making direct contact with the user's ears so that the user can hear surrounding sounds;

(3) Any person using a headset in conjunction with a cellular telephone that only provides sound through one ear and allows surrounding sounds to be heard with the other ear;

(4) Any person using a headset in conjunction with the communicating with the central base operation that only provides sound through one ear and allows surrounding sounds to be heard with the other ear;

(5) Any person using a hearing aid(s) or instrument for the improvement of hearing.

(c) The department of motor vehicles shall promulgate rules and regulations necessary to implement the provisions of this section.

SECTION 6. Section 31-25-16 of the General Laws in Chapter 31-25 entitled "Size, Weight, and Load Limits" is hereby amended to read as follows:

31-25-16. Authorized weight shown in registration — Exceeding limit.

(a) The administrator of the division of motor vehicles shall insert in the registration card issued for a vehicle the gross weight for which it is registered. If it is a truck tractor to be used for propelling semi-trailers, he or she shall separately insert the total permissible gross weight of the truck tractor and semi-trailers to be propelled by it. It shall be unlawful for any carrier to operate or permit to be operated any vehicle or combination of vehicles of a gross weight in excess of that registered by the administrator of the division of motor vehicles, permitted by the department of transportation, or in excess of the limitations set forth in this chapter.

(b) For the purposes of this chapter, "carrier" means and includes any company or person who furthers their commercial or private enterprise by use of the vehicle.

(c)(1) Penalties for violations of this section will be calculated on the legal weight in comparison to the actual weight and shall be heard and adjudicated at the traffic tribunal.

(2) The overweight penalties for vehicles with ten thousand pounds (10,000 lbs.) gross vehicle weight or less shall be ~~eighty-five dollars (\$85.00)~~ one hundred dollars (\$100) per thousand pounds overweight or portion of it.

1 (3) The overweight penalties for vehicles exceeding ten thousand pounds (10,000 lbs.)
2 gross vehicle weight shall be one hundred twenty-five dollars (\$125.00) per five hundred pounds
3 (500 lbs.) overweight or portion of it.

4 (4) The overweight penalty for vehicles being operated in excess of one hundred four
5 thousand, eight hundred pounds (104,800 lbs.) gross vehicle weight shall be one thousand twenty-
6 five dollars (\$1,025) in addition to the penalties enumerated in subsection (c)(3) of this section.

7 (5) The overweight penalty for vehicles being operated in excess of one hundred thirty
8 thousand pounds (130,000 lbs.) gross vehicle weight shall be two thousand five hundred dollars
9 (\$2,500) in addition to the penalties enumerated in subsection (c)(3) of this section.

10 SECTION 7. Section 31-27-6 of the General Laws in Chapter 31-27 entitled "Motor
11 Vehicle Offenses" is hereby amended to read as follows:

12 **31-27-6. Lanes of operation.**

13 (a) Any bus, commercial vehicle, camper, vehicle registered as a camper, trailer, or vehicle
14 carrying a camper or trailer traveling on Rhode Island interstate highways shall be allowed to travel
15 only in the first two (2) right hand lanes, except in cases of left hand exits, in which case the vehicle
16 shall be allowed to enter the third and fourth left hand lanes one mile prior to an exit.

17 (b) For the purpose of this section, "commercial vehicle" means any vehicle registered for
18 commercial purposes and designed and used primarily for the transportation of goods, wares, or
19 merchandise. "Bus" means any vehicle designed for carrying ten (10) or more passengers and used
20 primarily for the transportation of persons.

21 (c) The provisions of this section shall only be effective during the period that official
22 traffic signs are in place to notify operators of the provisions of this section. Any persons violating
23 the provisions of this section upon conviction shall be fined not more than ~~eighty five dollars~~
24 ~~(\$85.00)~~ one hundred dollars (\$100).

25 SECTION 8. Sections 31-36-7 and 31-36-20 of the General Laws in Chapter 31-36 entitled
26 "Motor Fuel Tax" are hereby amended to read as follows:

27 **31-36-7. Monthly report of distributors — Payment of tax.**

28 (a) State requirements. (1) Every distributor shall, on or before the twentieth (20th) day of
29 each month, render a report to the tax administrator, upon forms to be obtained from the tax
30 administrator, of the amount (number of gallons) of fuels purchased, sold, or used by the distributor
31 within this state and the amount of fuels sold by the distributor without this state from fuels within
32 this state during the preceding calendar month, and, if required by the tax administrator as to
33 purchases, the name or names of the person or persons from whom purchased and the date and
34 amount of each purchase, and as to sales, the name or names of the person or persons to whom sold

1 and the amount of each sale, and shall pay at the same time to the administrator tax at the rate of
2 thirty-two cents (\$0.32) per gallon on all taxable gallons of fuel sold or used in this state for periods
3 ending on or before June 30, 2025.

4 (2) Every distributor shall, on or before the twentieth day of each month, render a report to
5 the tax administrator, upon forms to be obtained from the tax administrator, of the amount (number
6 of gallons) of fuels purchased, sold, or used by the distributor within this state and the amount of
7 fuels sold by the distributor without this state from fuels within this state during the preceding
8 calendar month, and, if required by the tax administrator as to purchases, the name or names of the
9 person or persons from whom purchased and the date and amount of each purchase, and as to sales,
10 the name or names of the person or persons to whom sold and the amount of each sale, and shall
11 pay at the same time to the administrator, tax at the rate of forty cents (\$0.40) per gallon on all
12 taxable gallons of fuel sold or used in this state for periods beginning on or after July 1, 2025.

13 (b) Federal requirements. In the event the federal government requires a certain portion of
14 the gasoline tax to be dedicated for highway improvements, then the state controller is directed to
15 establish a restricted receipt account and deposit that portion of gasoline tax receipts which brings
16 the state into federal compliance.

17 (1) Beginning July 1, 2015, and every other year thereafter, through June 30, 2025, the
18 gasoline tax shall be adjusted by the percentage of increase in the Consumer Price Index for all
19 Urban Consumers (CPI-U) as published by the United States Bureau of Labor Statistics determined
20 as of September 30 of the prior calendar year; said adjustment shall be rounded to the nearest one
21 cent (\$.01) increment, provided that the total tax shall not be less than provided for in section (a)
22 (1).

23 (2) Beginning July 1, 2027, and every other year thereafter, the gasoline tax shall be
24 adjusted by the percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-
25 U) as published by the United States Bureau of Labor Statistics determined as of September 30 of
26 the two (2) prior calendar years; said adjustment shall be rounded to the nearest one cent (\$0.01)
27 increment; provided that, the total tax shall not be less than provided for in subsection (a) (2).

28 **31-36-20. Disposition of proceeds.**

29 (a) Disposition of proceeds. (1) Notwithstanding any other provision of law to the contrary,
30 all moneys paid into the general treasury under the provisions of this chapter or chapter 37 of this
31 title, and title 46 shall be applied to and held in a separate fund and be deposited in any depositories
32 that may be selected by the general treasurer to the credit of the fund, which fund shall be known
33 as the Intermodal Surface Transportation Fund; provided, that in fiscal year 2004 for the months of
34 July through April six and eighty-five hundredth cents (\$0.0685) per gallon of the tax imposed and

1 accruing for the liability under the provisions of § 31-36-7, less refunds and credits, shall be
2 transferred to the Rhode Island public transit authority as provided under § 39-18-21. For the
3 months of May and June in fiscal year 2004, the allocation shall be five and five hundredth cents
4 (\$0.0505). Thereafter, until fiscal year 2006, the allocation shall be six and twenty-five hundredth
5 cents (\$0.0625). For fiscal years 2006 through FY 2008, the allocation shall be seven and twenty-
6 five hundredth cents (\$0.0725); provided, that expenditures shall include the costs of a market
7 survey of non-transit users and a management study of the agency to include the feasibility of
8 moving the Authority into the Department of Transportation, both to be conducted under the
9 auspices of the state budget officer. The state budget officer shall hire necessary consultants to
10 perform the studies, and shall direct payment by the Authority. Both studies shall be transmitted by
11 the Budget Officer to the 2006 session of the General Assembly, with comments from the
12 Authority. For fiscal year 2009, the allocation shall be seven and seventy-five hundredth cents
13 (\$0.0775), of which one-half cent (\$0.005) shall be derived from the one cent (\$0.01) per gallon
14 environmental protection fee pursuant to § 46-12.9-11. For fiscal years 2010 ~~and thereafter~~ through
15 FY fiscal year 2025, the allocation shall be nine and seventy-five hundredth cents (\$0.0975), of
16 which of one-half cent (\$0.005) shall be derived from the one cent (\$0.01) per gallon environmental
17 protection fee pursuant to § 46-12.9-11. For fiscal years 2026 and thereafter, the allocation shall be
18 eleven and seventy-five hundredths cents (\$0.1175) of which one-half cent (\$0.005) shall be
19 derived from the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-
20 11. One cent (\$0.01) per gallon shall be transferred to the Elderly/Disabled Transportation Program
21 of the department of human services, and the remaining cents per gallon shall be available for
22 general revenue as determined by the following schedule:

23 (i) For the fiscal year 2000, three and one-fourth cents (\$0.0325) shall be available for
24 general revenue.

25 (ii) For the fiscal year 2001, one and three-fourth cents (\$0.0175) shall be available for
26 general revenue.

27 (iii) For the fiscal year 2002, one-fourth cent (\$0.0025) shall be available for general
28 revenue.

29 (iv) For the fiscal year 2003, two and one-fourth cent (\$0.0225) shall be available for
30 general revenue.

31 (v) For the months of July through April in fiscal year 2004, one and four-tenths cents
32 (\$0.014) shall be available for general revenue. For the months of May through June in fiscal year
33 2004, three and two-tenths cents (\$0.032) shall be available for general revenue, and thereafter,
34 until fiscal year 2006, two cents (\$0.02) shall be available for general revenue. For fiscal year 2006

1 through fiscal year 2009 one cent (\$0.01) shall be available for general revenue.

2 (2) All deposits and transfers of funds made by the tax administrator under this section,
3 including those to the Rhode Island public transit authority, the department of human services, the
4 Rhode Island turnpike and bridge authority, and the general fund, shall be made within twenty-four
5 (24) hours of receipt or previous deposit of the funds in question.

6 (3) Commencing in fiscal year 2004, the Director of the Rhode Island Department of
7 Transportation is authorized to remit, on a monthly or less frequent basis as shall be determined by
8 the Director of the Rhode Island Department of Transportation, or his or her designee, or at the
9 election of the Director of the Rhode Island Department of Transportation, with the approval of the
10 Director of the Department of Administration, to an indenture trustee, administrator, or other third
11 party fiduciary, in an amount not to exceed two cents (\$0.02) per gallon of the gas tax imposed, in
12 order to satisfy debt service payments on aggregate bonds issued pursuant to a Joint Resolution and
13 Enactment Approving the Financing of Various Department of Transportation Projects adopted
14 during the 2003 session of the General Assembly, and approved by the Governor.

15 (4) Commencing in fiscal year 2015, three and one-half cents (\$0.035) shall be transferred
16 to the Rhode Island Turnpike and Bridge Authority to be used for maintenance, operations, capital
17 expenditures and debt service on any of its projects as defined in chapter 12 of title 24 in lieu of a
18 toll on the Sakonnet River Bridge. The Rhode Island turnpike and bridge authority is authorized to
19 remit to an indenture trustee, administrator, or other third-party fiduciary any or all of the foregoing
20 transfers in order to satisfy and/or secure its revenue bonds and notes and/or debt service payments
21 thereon, including, but not limited to, the bonds and notes issued pursuant to the Joint Resolution
22 set forth in Section 3 of Article 6 of Chapter 23 of the Public Laws of 2010. Notwithstanding any
23 other provision of said Joint Resolution, the Rhode Island turnpike and bridge authority is expressly
24 authorized to issue bonds and notes previously authorized under said Joint Resolution for the
25 purpose of financing all expenses incurred by it for the formerly authorized tolling of the Sakonnet
26 River Bridge and the termination thereof.

27 (b) Notwithstanding any other provision of law to the contrary, all other funds in the fund
28 shall be dedicated to the department of transportation, subject to annual appropriation by the general
29 assembly. The director of transportation shall submit to the general assembly, budget office and
30 office of the governor annually an accounting of all amounts deposited in and credited to the fund
31 together with a budget for proposed expenditures for the succeeding fiscal year in compliance with
32 §§ 35-3-1 and 35-3-4. On order of the director of transportation, the state controller is authorized
33 and directed to draw his or her orders upon the general treasurer for the payments of any sum or
34 portion of the sum that may be required from time to time upon receipt of properly authenticated

1 vouchers.

2 (c) At any time the amount of the fund is insufficient to fund the expenditures of the
3 department of transportation, not to exceed the amount authorized by the general assembly, the
4 general treasurer is authorized, with the approval of the governor and the director of administration,
5 in anticipation of the receipts of monies enumerated in this section to advance sums to the fund, for
6 the purposes specified in this section, any funds of the state not specifically held for any particular
7 purpose. However, all the advances made to the fund shall be returned to the general fund
8 immediately upon the receipt by the fund of proceeds resulting from the receipt of monies to the
9 extent of the advances.

10 SECTION 9. Section 31-36.1-17 of the General Laws in Chapter 31-36.1 entitled "Fuel
11 Use Reporting Law" is hereby amended to read as follows:

12 **31-36.1-17. Penalties.**

13 (a) Any motor carrier failing to secure or display upon demand the license or identification
14 device required in § 31-36.1-3, or under the International Fuel Tax Agreement shall be guilty of a
15 civil violation and subject to a fine not exceeding: (1) ~~eighty-five dollars (\$85.00)~~ one hundred
16 dollars (\$100) for the first offense and (2) not exceeding ~~one hundred dollars (\$100)~~ one hundred
17 ten dollars (\$110) for subsequent offenses. Any motor carrier willfully violating any other
18 provisions of this chapter shall be deemed guilty of a civil violation and subject to a fine not
19 exceeding one hundred dollars (\$100) for the first offense and not exceeding five hundred dollars
20 (\$500) for subsequent offenses.

21 (b) Filing of a false statement to obtain credit or refund. Any person who willfully and
22 knowingly makes a false statement orally, in writing, or in the form of a receipt for the sale of motor
23 fuel, for the purpose of obtaining, attempting to obtain, or to assist any other person, partnership,
24 or corporation to obtain or attempt to obtain a credit or refund or reduction of liability for taxes
25 under this chapter, shall be fined not less than five thousand dollars (\$5,000) nor more than ten
26 thousand dollars (\$10,000), or be imprisoned not more than one year, or both.

27 (c) Failure to file return or pay tax. When any motor carrier fails to file a return within the
28 time prescribed by this chapter for the filing of it or fails to pay the amount of taxes due when they
29 are payable, a penalty of ten percent (10%) or fifty dollars (\$50.00), whichever is greater, shall be
30 added to the amount of the tax due, and the penalty shall immediately accrue, and the tax shall bear
31 interest at the annual rate provided by § 44-1-7, as amended, until the tax is paid. The tax
32 administrator may waive all or part of the penalties provided in this chapter when it is proved to
33 the tax administrator's satisfaction that the failure to file the return or pay the taxes on time was
34 due to reasonable cause.

1	31-13-4	Obedience to devices	85.00 <u>100.00</u>
2	31-13-6(3)(i)	Eluding traffic light	85.00 <u>100.00</u>
3	31-13-9	Flashing signals	85.00 <u>100.00</u>
4	31-13-11	Injury to signs or devices	85.00 <u>100.00</u>
5	31-14-1	Reasonable and prudent speed	95.00
6	31-14-3	Condition requiring reduced speed	95.00
7	31-14-9	Below minimum speed	95.00
8	31-14-12	Speed limit on bridges and structures	95.00
9	31-15-1	Leaving lane of travel	85.00 <u>100.00</u>
10	31-15-2	Slow traffic to right	85.00 <u>100.00</u>
11	31-15-3	Operator left of center	85.00 <u>100.00</u>
12	31-15-4	Overtaking on left	85.00 <u>100.00</u>
13	31-15-5(a)	Overtaking on right	85.00 <u>100.00</u>
14	31-15-6	Clearance for overtaking	85.00 <u>100.00</u>
15	31-15-7	Places where overtaking prohibited	85.00 <u>100.00</u>
16	31-15-8	No passing zone	85.00 <u>100.00</u>
17	31-15-9	One way highways	85.00 <u>100.00</u>
18	31-15-10	Rotary traffic islands	85.00 <u>100.00</u>
19	31-15-11	Laned roadway violation	85.00 <u>100.00</u>
20	31-15-12	Following too closely	85.00 <u>100.00</u>
21	31-15-12.1	Entering intersection	100.00
22	31-15-13	Crossing center section of divided highway	85.00 <u>100.00</u>
23	31-15-14	Entering or leaving limited access roadways	85.00 <u>100.00</u>
24	31-15-16	Use of emergency break-down lane for travel	85.00 <u>100.00</u>
25	31-15-17	Crossing bicycle lane	85.00 <u>100.00</u>
26	31-15-18	Unsafe passing of person operating a bicycle	85.00 <u>100.00</u>
27	31-16-1	Care in starting from stop	85.00 <u>100.00</u>
28	31-16-2	Manner of turning at intersection	85.00 <u>100.00</u>
29	31-16-4	U turn where prohibited	85.00 <u>100.00</u>
30	31-16-5	Turn signal required	85.00 <u>100.00</u>
31	31-16-6	Time of signaling turn	85.00 <u>100.00</u>
32	31-16-7	Failure to give stop signal	85.00 <u>100.00</u>
33	31-16-8	Method of giving signals	85.00 <u>100.00</u>
34	31-16.1-3	Diesel vehicle idling rules first offense not to exceed	100.00

1		second and subsequent offense not to exceed	500.00
2	31-17-1	Failure to yield right of way	85.00 <u>100.00</u>
3	31-17-2	Vehicle turning left	85.00 <u>100.00</u>
4	31-17-3	Yield right of way (intersection)	85.00 <u>100.00</u>
5	31-17-4	Obedience to stop signs	85.00 <u>100.00</u>
6	31-17-5	Entering from private road or driveway	85.00 <u>100.00</u>
7	31-17-8	Vehicle within right of way, rotary	85.00 <u>100.00</u>
8	31-17-9	Yielding to bicycles on bicycle lane	85.00 <u>100.00</u>
9	31-18-3	Right of way in crosswalks first violation	85.00 <u>100.00</u>
10		second violation or any subsequent violation	\$100.00
11	31-18-5	Crossing other than at crosswalks	85.00 <u>100.00</u>
12	31-18-8	Due care by drivers	85.00 <u>100.00</u>
13	31-18-12	Hitchhiking	85.00 <u>100.00</u>
14	31-18-18	Right of way on sidewalks	85.00 <u>100.00</u>
15	31-19-3	Traffic laws applied to bicycles	85.00 <u>100.00</u>
16	31-19-20	Sale of new bicycles	85.00 <u>100.00</u>
17	31-19-21	Sale of used bicycles	85.00 <u>100.00</u>
18	31-19.1-2	Operating motorized bicycle on an interstate highway	85.00 <u>100.00</u>
19	31-19.2-2	Operating motorized tricycle on an interstate highway	85.00 <u>100.00</u>
20	31-20-1	Failure to stop at railroad crossing	85.00 <u>100.00</u>
21	31-20-2	Driving through railroad gate	85.00 <u>100.00</u>
22	31-20-9	Obedience to stop sign	85.00 <u>100.00</u>
23	31-21-4	Places where parking or stopping prohibited	85.00 <u>100.00</u>
24	31-21-14	Opening of vehicle doors	85.00 <u>100.00</u>
25	31-21-18	Electric vehicle charging station restriction	85.00 <u>100.00</u>
26	31-22-2	Improper backing up	85.00 <u>100.00</u>
27	31-22-4	Overloading vehicle	85.00 <u>100.00</u>
28	31-22-5	Violation of safety zone	85.00 <u>100.00</u>
29	31-22-6	Coasting	85.00 <u>100.00</u>
30	31-22-7	Following fire apparatus	85.00 <u>100.00</u>
31	31-22-8	Crossing fire hose	85.00 <u>100.00</u>
32	31-22-9	Throwing debris on highway – snow removal	85.00 <u>100.00</u>
33	31-22-11.5	Improper use of school bus – not to exceed five hundred dollars (\$500)	
34		for each day of improper use	

1	31-22-22(a)	No child restraint	85.00 <u>100.00</u>
2	31-22-22(a)	Child restraint/seat belt but not in any rear seating position	85.00 <u>100.00</u>
3	31-22-22(b), (f)	No seat belt – passenger	40.00
4	31-22-22(g)	No seat belt – operator	40.00
5	31-22-23	Tow trucks – proper identification	275.00
6	31-22-24	Operation of interior lights	85.00 <u>100.00</u>
7	31-23-1(b)(2)	U.S. department of transportation motor carrier safety rules	
8		and regulations	Not less than 85.00 <u>100.00</u>
9			or more than \$500.00
10	31-23-1(e)(6)	Removal of an “out of service vehicle” sticker	125.00
11	31-23-1(e)(7)	Operation of an “out of service vehicle”	100.00
12	31-23-2(b)	Installation or adjustment of unsafe or prohibited parts,	
13		equipment, or accessories:	
14		(first offense)	250.00
15		(second offense)	500.00
16		(third and subsequent offenses)	1,000.00
17	31-23-4	Brake equipment required	85.00 <u>100.00</u>
18	31-23-8	Horn required	85.00 <u>100.00</u>
19	31-23-10	Sirens prohibited	85.00 <u>100.00</u>
20	31-23-13	Muffler required	85.00 <u>100.00</u>
21	31-23-13.1	Altering height or operating a motor vehicle with an	
22		altered height	85.00 <u>100.00</u>
23	31-23-14	Prevention of excessive fumes or smoke	85.00 <u>100.00</u>
24	31-23-16	Windshield and window stickers (visibility)	85.00 <u>100.00</u>
25	31-23-17	Windshield wipers	85.00 <u>100.00</u>
26	31-23-19	Metal tires prohibited	85.00 <u>100.00</u>
27	31-23-20	Protuberances on tires	85.00 <u>100.00</u>
28	31-23-26	Fenders and wheel flaps required	85.00 <u>100.00</u>
29	31-23-27	Rear wheel flaps on buses, trucks, and trailers	85.00 <u>100.00</u>
30	31-23-29	Flares or red flag required over four thousand pounds	
31		(4,000 lbs.)	85.00 <u>100.00</u>
32	31-23-40	Approved types of seat belt requirements	85.00 <u>100.00</u>
33	31-23-42.1	Special mirror – school bus	85.00 <u>100.00</u>
34	31-23-43	Chocks required (1 pair) – over four thousand pounds	

1		(4,000 lbs.)	85.00 <u>100.00</u>
2	31-23-45	Tire treads – defective tires	85.00 <u>100.00</u>
3	31-23-47	Slow moving emblem required	85.00 <u>100.00</u>
4	31-23-49	Transportation of gasoline – passenger vehicle	85.00 <u>100.00</u>
5	31-23-51	Operating bike or motor vehicle wearing ear phones	
6		(first offense)	85.00 <u>100.00</u>
7		second offense	95.00 <u>110.00</u>
8		for the third and each subsequent offense	140.00
9	31-24-1 through		
10	31-24-54	Times when lights required	85.00 <u>100.00</u>
11	31-25-9	Leaking load	85.00 <u>100.00</u>
12	31-25-11	Connections between coupled vehicles	85.00 <u>100.00</u>
13	31-25-12	Towing chain, twelve-inch (12") square flag required	85.00 <u>100.00</u>
14	31-25-12.1	Tow truck – use of lanes	
15		(first offense)	85.00 <u>100.00</u>
16		second offense	95.00 <u>110.00</u>
17		for the third and each subsequent offense	100.00 <u>140.00</u>
18	31-25-17	Identification of trucks and truck-tractors	
19		(first offense)	85.00 <u>100.00</u>
20		(second offense)	95.00 <u>110.00</u>
21		for the third and subsequent offenses	125.00 <u>140.00</u>
22	31-25-24	Carrying and inspection of excess load limit	350.00
23	31-27-2.3	Refusal to take preliminary breath test	85.00 <u>100.00</u>
24	31-28-7(d)	Wrongful use of handicapped parking placard	500.00
25	31-28-7(f)	Handicapped parking space violation:	
26		First offense	100.00
27		Second offense	175.00
28		Third offense and subsequent offenses	325.00
29	31-28-7.1(e)	Wrongful use of institutional handicapped parking	
30		placard	125.00
31	31-33-2	Failure to file accident report	85.00 <u>100.00</u>
32	31-34-2	Proof of insurance – motor vehicle rental	85.00 <u>100.00</u>
33	31-34-3	Operation by person other than lessee	85.00 <u>100.00</u>
34	31-36.1-17	No fuel tax stamp (out-of-state)	85.00 <u>100.00</u>

1			and not exceeding (\$100) for
2			subsequent offense
3	31-38-3	No inspection sticker	85.00 <u>100.00</u>
4	31-38-4	Violation of inspection laws	85.00 <u>100.00</u>
5	31-41.3-15	Automated school zone speed enforcement system	50.00
6	31-47.2-6	Heavy-duty vehicle emission inspections:	
7		First offense	125.00
8		Second offense	525.00
9		Third and subsequent offenses	1,025.00
10	37-15-7	Littering	not less than 55.00,
11			not more than five hundred dollars (\$500)
12	39-12-26	Public carriers violation	300.00
13		SPEEDING	Fine
14	(A)	One to ten miles per hour (1-10 m.p.h.) in excess of posted speed limit	\$ 95.00
15	(B)	Eleven miles per hour (11 m.p.h.) in excess of posted speed limit with	205.00 minimum
16		a fine of ten dollars (\$10.00) per mile in excess of speed limit shall be	
17		assessed.	
18		(b) In addition to any other penalties provided by law, a judge may impose the following	
19		penalties for speeding:	
20		(1) For speeds up to and including ten miles per hour (10 m.p.h.) over the posted speed	
21		limit on public highways, a fine as provided for in subsection (a) of this section for the first offense;	
22		ten dollars (\$10.00) per mile for each mile in excess of the speed limit for the second offense if	
23		within twelve (12) months of the first offense; and fifteen dollars (\$15.00) per mile for each mile	
24		in excess of the speed limit for the third and any subsequent offense if within twelve (12) months	
25		of the first offense. In addition, the license may be suspended up to thirty (30) days.	
26		(2) For speeds in excess of ten miles per hour (10 m.p.h.) over the posted speed limit on	
27		public highways, a mandatory fine of ten dollars (\$10.00) for each mile over the speed limit for the	
28		first offense; fifteen dollars (\$15.00) per mile for each mile in excess of the speed limit for the	
29		second offense if within twelve (12) months of the first offense; and twenty dollars (\$20.00) per	
30		mile for each mile in excess of the speed limit for the third and subsequent offense if within twelve	
31		(12) months of the first offense. In addition, the license may be suspended up to sixty (60) days.	
32		(c) Except for a technology surcharge assessed in accordance with § 8-15-11, any person	
33		charged with a violation who pays the fine administratively pursuant to this chapter shall not be	
34		subject to any additional costs or assessments, including, but not limited to, the hearing fee	

1 established in § 8-18-4.

2 SECTION 11. Section 37-15-7 of the General Laws in Chapter 37-15 entitled "Litter
3 Control and Recycling" is hereby amended to read as follows:

4 **37-15-7. Penalties.**

5 (a) Any person convicted of a first violation of this chapter shall, except where a penalty is
6 specifically set forth, be subject to a fine of not less than ~~eighty-five dollars (\$85.00)~~ one hundred
7 dollars (\$100), nor more than one thousand dollars (\$1,000). In addition to, or in lieu of, the fine
8 imposed hereunder, the person so convicted may be ordered to pick up litter for not less than two
9 (2), nor more than twenty-five (25), hours.

10 (b) Any person convicted of a second or subsequent violation of this chapter shall, except
11 where a penalty is specifically set forth, be subject to a fine of not less than three hundred dollars
12 (\$300), nor more than five thousand dollars (\$5,000). In addition to, or in lieu of, the fine imposed
13 upon a second or subsequent violation of this chapter, the person so convicted may be ordered to
14 pick up litter for not less than four (4), nor more than fifty (50), hours.

15 (c) Jurisdiction to punish violators of the provisions of this chapter is conferred on the
16 traffic tribunal.

17 (d) Any person convicted of a violation of this chapter shall, in addition to all other
18 penalties, be liable for the removal of all litter or ordered to pay restitution for the cost of removal
19 of all litter illegally disposed of by that person. The traffic tribunal may hold the registration of any
20 vehicle owned by the violator and used in the act of littering until the aforementioned liability is
21 satisfied.

22 (e) The funds received by a state law enforcement agency shall be deposited as general
23 revenues; provided, however, that thirty percent (30%) of any fine collected pursuant to a complaint
24 filed by a local law enforcement agency shall inure to the benefit of that agency, with remittances
25 to be made not less often than once every three (3) months.

26 (f) Penalties of ~~eighty-five dollars (\$85.00)~~ one hundred dollars (\$100) for violations of
27 this section may be disposed of without the necessity of personally appearing before the traffic
28 tribunal. Said penalty may be handled administratively by mailing a check or money order, together
29 with the properly executed form provided, to the appropriate address as set forth in the summons
30 issued by the enforcing agent.

31 SECTION 12. Sections 39-18.1-4 and 39-18.1-5 of the General Laws in Chapter 39-18.1
32 entitled "Transportation Investment and Debt Reduction Act of 2011" are hereby amended to read
33 as follows:

34 **39-18.1-4. Rhode Island highway maintenance account created.**

1 (a) There is hereby created a special account in the intermodal surface transportation fund
2 as established in § 31-36-20 that is to be known as the Rhode Island highway maintenance account.

3 (b) The fund shall consist of all those moneys that the state may, from time to time, direct
4 to the fund, including, but not necessarily limited to, moneys derived from the following sources:

5 (1) There is imposed a surcharge of ~~thirty dollars (\$30.00)~~ forty dollars (\$40.00) per vehicle
6 or truck, other than those with specific registrations set forth below in subsection (b)(1)(i). Such
7 surcharge shall be paid by each vehicle or truck owner in order to register that owner's vehicle or
8 truck and upon each subsequent biennial registration. This surcharge shall be phased in at the rate
9 of ten dollars (\$10.00) each year through June 30, 2016. The total surcharge will be ten dollars
10 (\$10.00) from July 1, 2013, through June 30, 2014, twenty dollars (\$20.00) from July 1, 2014,
11 through June 30, 2015, ~~and~~ thirty dollars (\$30.00) from July 1, 2015, through ~~June 30, 2016,~~
12 December 31, 2025 and forty dollars (\$40.00) from January 1, 2026, and each year thereafter.

13 (i) For owners of vehicles or trucks with the following plate types, the surcharge shall be
14 as set forth below and shall be paid in full in order to register the vehicle or truck and upon each
15 subsequent renewal:

Plate Type	Surcharge
Antique	\$5.00 <u>10.00</u>
Farm	\$10.00 <u>15.00</u>
Motorcycle	\$13.00 <u>18.00</u>

20 (ii) For owners of trailers, the surcharge shall be one-half (½) of the biennial registration
21 amount and shall be paid in full in order to register the trailer and upon each subsequent renewal;

22 (2) There is imposed a surcharge of ~~fifteen dollars (\$15.00)~~ twenty dollars (\$20.00) per
23 vehicle or truck, other than those with specific registrations set forth in subsection (b)(2)(i) below,
24 for those vehicles or trucks subject to annual registration, to be paid annually by each vehicle or
25 truck owner in order to register that owner's vehicle or truck and upon each subsequent annual
26 registration. This surcharge will be phased in at the rate of five dollars (\$5.00) each year through
27 June 30, 2016. The total surcharge will be five dollars (\$5.00) from July 1, 2013, through June 30,
28 2014, ten dollars (\$10.00) from July 1, 2014, through June 30, 2015, ~~and~~ fifteen dollars (\$15.00)
29 from July 1, 2015, through ~~June 30, 2016~~ December 31, 2025, and twenty dollars (\$20.00) from
30 January 1, 2026, and each year thereafter.

31 (i) For registrations of the following plate types, the surcharge shall be as set forth below
32 and shall be paid in full in order to register the plate, and upon each subsequent renewal:

Plate Type	Surcharge
Boat Dealer	\$6.25 <u>11.25</u>

1	Cycle Dealer	\$ 6.25 <u>11.25</u>
2	In-transit	\$ 5.00 <u>10.00</u>
3	Manufacturer	\$ 5.00 <u>10.00</u>
4	New Car Dealer	\$ 5.00 <u>10.00</u>
5	Used Car Dealer	\$ 5.00 <u>10.00</u>
6	Racer Tow	\$ 5.00 <u>10.00</u>
7	Transporter	\$ 5.00 <u>10.00</u>
8	Bailee	\$ 5.00 <u>10.00</u>

9 (ii) For owners of trailers, the surcharge shall be one-half (½) of the annual registration
10 amount and shall be paid in full in order to register the trailer and upon each subsequent renewal.

11 (iii) For owners of school buses, the surcharge will be phased in at the rate of six dollars
12 and twenty-five cents (\$6.25) each year through June 30, 2015. The total surcharge will be six
13 dollars and twenty-five cents (\$6.25) from July 1, 2013, through June 30, 2014, ~~and~~ twelve dollars
14 and fifty cents (\$12.50) from July 1, 2014, through ~~June 30, 2015~~ December 31, 2025, and
15 seventeen dollars and fifty cents (\$17.50) from January 1, 2026, and each year thereafter.

16 (3) There is imposed a surcharge of ~~thirty dollars (\$30.00)~~ forty dollars (\$40.00) per license
17 to operate a motor vehicle to be paid every five (5) years by each licensed operator of a motor
18 vehicle. This surcharge will be phased in at the rate of ten dollars (\$10.00) each year through June
19 30, 2016. The total surcharge will be ten dollars (\$10.00) from July 1, 2013, through June 30, 2014,
20 twenty dollars (\$20.00) from July 1, 2014, through June 30, 2015, ~~and~~ thirty dollars (\$30.00) from
21 July 1, 2015, through ~~June 30, 2016~~ December 31, 2025, and forty dollars (\$40.00) from January
22 1, 2026, and each year thereafter. In the event that a license is issued or renewed for a period of
23 less than five (5) years, the surcharge will be prorated according to the period of time the license
24 will be valid;

25 (4) All fees assessed pursuant to § 31-47.1-11, and chapters 3, 6, 10, and 10.1 of title 31,
26 shall be deposited into the Rhode Island highway maintenance account, provided that for fiscal
27 years 2016, 2017, and 2018 these fees be transferred as follows:

- 28 (i) From July 1, 2015, through June 30, 2016, twenty-five percent (25%) will be deposited;
29 (ii) From July 1, 2016, through June 30, 2017, fifty percent (50%) will be deposited;
30 (iii) From July 1, 2017, through June 30, 2018, sixty percent (60%) will be deposited; and
31 (iv) From July 1, 2018, and each year thereafter, one hundred percent (100%) will be
32 deposited;

33 (5) All remaining funds from previous general obligation bond issues that have not
34 otherwise been allocated.

1 (c) Effective July 1, 2019, ninety-five percent (95%) of all funds collected pursuant to this
2 section shall be deposited in the Rhode Island highway maintenance account and shall be used only
3 for the purposes set forth in this chapter. The remaining funds shall be retained as general revenues
4 to partially offset cost of collections

5 (d) Unexpended balances and any earnings thereon shall not revert to the general fund but
6 shall remain in the Rhode Island highway maintenance account. There shall be no requirement that
7 monies received into the Rhode Island highway maintenance account during any given calendar
8 year or fiscal year be expended during the same calendar year or fiscal year.

9 (e) The Rhode Island highway maintenance account shall be administered by the director,
10 who shall allocate and spend monies from the fund only in accordance with the purposes and
11 procedures set forth in this chapter.

12 **39-18.1-5. Allocation of funds.**

13 (a) The monies in the highway maintenance fund to be directed to the department of
14 transportation pursuant to § 39-18.1-4(b)(1) — (b)(3) shall be allocated through the transportation
15 improvement program process to provide the state match for federal transportation funds, in place
16 of borrowing, as approved by the state planning council. The expenditure of moneys in the highway
17 maintenance fund shall only be authorized for projects that appear in the state's transportation
18 improvement program.

19 (b) Provided, however, that beginning with fiscal year 2015 and annually thereafter, the
20 department of transportation will allocate necessary funding to programs that are designed to
21 eliminate structural deficiencies of the state's bridge, road, and maintenance systems and
22 infrastructure.

23 (c) Provided, ~~further,~~ that beginning July 1, 2015, through June 30, 2025, five percent (5%)
24 of available proceeds in the Rhode Island highway maintenance account shall be allocated annually
25 to the Rhode Island public transit authority for operating expenditures.

26 (d) Provided, that beginning July 1, 2025, ten percent (10%) of available proceeds in the
27 Rhode Island highway maintenance account shall be allocated annually to the Rhode Island public
28 transit authority for operating expenditures.

29 ~~(d)~~(e) Provided, further, that from July 1, 2017, and annually thereafter, in addition to the
30 amount above, the Rhode Island public transit authority shall receive an amount of not less than
31 five million dollars (\$5,000,000) each fiscal year, except for the period July 1, 2019, through June
32 30, 2022, during which such amount or a portion thereof may come from federal coronavirus relief
33 funds.

34 ~~(e) Provided, further, that the Rhode Island public transit authority shall convene a~~

1 ~~coordinating council consisting of those state agencies responsible for meeting the needs of low-~~
2 ~~income seniors and persons with disabilities, along with those stakeholders that the authority deems~~
3 ~~appropriate and are necessary to inform, develop, and implement the federally required coordinated~~
4 ~~public transit human services transportation plan.~~

5 ~~The council shall develop, as part of the state's federally required plan, recommendations~~
6 ~~for the appropriate and sustainable funding of the free fare program for low income seniors and~~
7 ~~persons with disabilities, while maximizing the use of federal funds available to support the~~
8 ~~transportation needs of this population.~~

9 ~~The council shall report these recommendations to the governor, the speaker of the house~~
10 ~~of representatives, and the president of the senate no later than November 1, 2018.~~

11 SECTION 13. Section 44-34.1-2 of the General Laws in Chapter 44-34.1 entitled "Motor
12 Vehicle and Trailer Excise Tax Elimination Act of 1998" is hereby amended to read as follows:

13 **44-34.1-2. City, town, and fire district reimbursement.**

14 (a) In fiscal years 2024 and thereafter, cities, towns, and fire districts shall receive
15 reimbursements, as set forth in this section, from state general revenues equal to the amount of lost
16 tax revenue due to the phase out of the excise tax. When the tax is phased out, cities, towns, and
17 fire districts shall receive a permanent distribution of sales tax revenue pursuant to § 44-18-18 in
18 an amount equal to any lost revenue resulting from the excise tax elimination.

19 (b)(1) In fiscal year 2024, cities, towns, and fire districts shall receive the following
20 reimbursement amounts:

21	Barrington	\$ 5,894,822
22	Bristol	\$ 2,905,818
23	Burrillville	\$ 5,053,933
24	Central Falls	\$ 2,077,974
25	Charlestown	\$ 1,020,877
26	Coventry	\$ 5,872,396
27	Cranston	\$ 22,312,247
28	Cumberland	\$ 6,073,469
29	East Greenwich	\$ 2,417,332
30	East Providence	\$ 11,433,479
31	Exeter	\$ 2,241,381
32	Foster	\$ 1,652,251
33	Glocester	\$ 2,381,941
34	Hopkinton	\$ 1,629,259

1	Jamestown	\$ 622,793
2	Johnston	\$ 10,382,785
3	Lincoln	\$ 5,683,015
4	Little Compton	\$ 366,775
5	Middletown	\$ 1,976,448
6	Narragansett	\$ 1,831,251
7	Newport	\$ 2,223,671
8	New Shoreham	\$ 163,298
9	North Kingstown	\$ 5,378,818
10	North Providence	\$ 9,619,286
11	North Smithfield	\$ 4,398,531
12	Pawtucket	\$ 16,495,506
13	Portsmouth	\$ 2,414,242
14	Providence	\$ 34,131,596
15	Richmond	\$ 1,448,455
16	Scituate	\$ 1,977,127
17	Smithfield	\$ 7,098,694
18	South Kingstown	\$ 3,930,455
19	Tiverton	\$ 1,748,175
20	Warren	\$ 2,090,911
21	Warwick	\$ 25,246,254
22	Westerly	\$ 5,765,523
23	West Greenwich	\$ 1,331,725
24	West Warwick	\$ 5,673,744
25	Woonsocket	\$ 9,324,776
26	Lime Rock Fire District	\$ 133,933
27	Lincoln Fire District	\$ 208,994
28	Manville Fire District	\$ 64,862
29	Quinnville Fire District	\$ 13,483
30	(2) In fiscal year 2024, funds shall be distributed to the cities, towns, and fire districts as	
31	follows:	
32	(i) On August 1, 2023, twenty-five percent (25%) of the funds.	
33	(ii) On November 1, 2023, twenty-five percent (25%) of the funds.	
34	(iii) On February 1, 2024, twenty-five percent (25%) of the funds.	

1 (iv) On May 1, 2024, twenty-five percent (25%) of the funds.

2 The funds shall be distributed to each city, town, and fire district in the same proportion as
3 distributed in fiscal year 2023.

4 (3) For the city of East Providence, the payment schedule is twenty-five percent (25%) on
5 November 1, 2023, twenty-five percent (25%) on February 1, 2024, twenty-five percent (25%) on
6 May 1, 2024, and twenty-five percent (25%) on August 1, 2024.

7 (4) On any of the payment dates specified in subsections (b)(2)(i) through (b)(2)(iv), ~~or~~
8 (b)(3), or (d) of this section, the director of revenue is authorized to deduct previously made over-
9 payments or add supplemental payments as may be required to bring the reimbursements into full
10 compliance with the requirements of this chapter.

11 (c) When the tax is phased out to August 1, of the following fiscal year the director of
12 revenue shall calculate to the nearest thousandth of one cent (\$0.00001) the number of cents of
13 sales tax received for the fiscal year ending June 30, of the year following the phase-out equal to
14 the amount of funds distributed to the cities, towns, and fire districts under this chapter during the
15 fiscal year following the phase-out and the percent of the total funds distributed in the fiscal year
16 following the phase-out received by each city, town, and fire district, calculated to the nearest one-
17 hundredth of one percent (0.01%). The director of the department of revenue shall transmit those
18 calculations to the governor, the speaker of the house, the president of the senate, the chairperson
19 of the house finance committee, the chairperson of the senate finance committee, the house fiscal
20 advisor, and the senate fiscal advisor. The number of cents, applied to the sales taxes received for
21 the prior fiscal year, shall be the basis for determining the amount of sales tax to be distributed to
22 the cities, towns, and fire districts under this chapter for the second fiscal year following the phase-
23 out and each year thereafter. The cities, towns, and fire districts shall receive that amount of sales
24 tax in the proportions calculated by the director of revenue as that received in the fiscal year
25 following the phase-out, subject to a maximum two percentage point increase from the previous
26 fiscal year. For fiscal year 2026 only, the increase shall be based on the amount received pursuant
27 to subsection (b)(1) or subsection (c) of this section whichever is greater.

28 (d) In fiscal years 2025 and thereafter, twenty-five percent (25%) of the funds shall be
29 distributed to the cities, towns, and fire districts on August 1, 2024, and every August 1 thereafter;
30 twenty-five percent (25%) shall be distributed on November 1, 2024, and every November 1
31 thereafter; twenty-five percent (25%) shall be distributed on February 1, 2025, and every February
32 1 thereafter; and twenty-five percent (25%) shall be distributed on May 1, 2025, and every May 1
33 thereafter.

34 (e) [Deleted by P.L. 2024, ch. 400, § 1 and P.L. 2024, ch. 401, § 1.]

1 SECTION 14. Section 8-18-6 of the General Laws in Chapter 8-18 entitled "State and
2 Municipal Court Compact" is hereby amended to read as follows:

3 **8-18-6. Joint violation fines — Distribution of funds.**

4 Cities or towns with municipal courts shall dedicate four dollars (\$4.00) for reimbursement
5 from each summons to the general fund. Cities or towns without a municipal court shall dedicate
6 six dollars (\$6.00) for reimbursement from each summons to the general fund. State agencies shall
7 dedicate twenty-two dollars (\$22.00) from each summons to the general fund. Provided that cities,
8 towns and state agencies shall also dedicate all revenues generated directly as a result of fee
9 increases effective July 1, 2002 ~~and~~, July 1, 2008, and July 1, 2025, to the general fund.

10 SECTION 15. Sections 1, 13 and 14 shall take effect upon passage. Sections 3 through 7
11 and sections 9 through 11 shall take effect upon passage and shall apply to offenses committed on
12 July 1, 2025 and thereafter. Sections 8 and 12 shall take effect on July 1, 2025. Section 2 shall take
13 effect upon January 1, 2026.

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ARTICLE 12

RELATING TO LEASES

SECTION 1. This article consists of a Joint Resolution that is submitted pursuant to Rhode Island General Law § 37-6-2, authorizing various lease agreements for office space and operating space.

SECTION 2. Department of Children Youth and Families (101 Friendship Street, Providence).

WHEREAS, the Department of Children Youth and Families currently occupies approximately 99,500 square feet at 101 Friendship Street in the City of Providence; and

WHEREAS, the Department of Children Youth and Families currently holds a lease agreement, in full force and effect, with Provident Property, LLC for approximately 99,500 square feet of office space located at 101 Friendship Street, in the City of Providence; and

WHEREAS, the existing lease expires on November 30, 2025, and the Department of Children Youth and Families wishes to renew this lease for an additional ten-year term; and

WHEREAS, the State of Rhode Island, acting by and through the Department of Children Youth and Families attests to the fact that there are no clauses in the lease agreement with Provident Property, LLC that would interfere with the Department of Children Youth and Families’ lease agreement or use of the facility; and

WHEREAS, the leased premises provides a critical location for the offices of the Department of Children Youth and Families from which the Department can fulfill its mission; and

WHEREAS, the annual fixed rent in the agreement in the current fiscal year, ending June 30, 2025 is \$2,089,500.00; and

WHEREAS, the annual fixed rent of the agreement in each of the first five (5) years of the renewal term will not exceed \$2,293,826.79 and shall not exceed \$2,490,076.79 in each of the remaining years of the renewal term [or in each of years six (6) through ten (10) of the renewal term]; and

WHEREAS, the payment of the annual fixed rent will be made from funds available to the Department of Children Youth and Families for the payments of rental and lease costs based on annual appropriations made by the General Assembly; and

WHEREAS, the State Properties Committee now respectfully requests the approval by the

1 Rhode Island House of Representatives and the Rhode Island Senate of the lease agreement
2 between the Department of Children Youth and Families and Provident Property, LLC for leased
3 space located at 101 Friendship Street, Providence; now therefore be it

4 RESOLVED, that this General Assembly of the State of Rhode Island hereby approves the
5 lease agreement, for a term not to exceed ten (10) years and an aggregate fixed rent not to exceed
6 \$23,919,517.90; and it be further

7 RESOLVED, that this Joint Resolution shall take effect upon passage by the General
8 Assembly; and it be further

9 RESOLVED, that the Secretary of State is hereby authorized and directed to transmit duly
10 certified copies of this resolution to the Governor, the Director of the Department of Children Youth
11 and Families, the Director of Administration, the State Budget Officer, and the Chair of the State
12 Properties Committee.

13 SECTION 3. Rhode Island Emergency Management Agency (2700 Plainfield Pike,
14 Cranston).

15 WHEREAS, the Department of Administration currently holds a lease agreement which
16 was enacted during the Covid-19 emergency, with EIM Plainfield Pike, LLC for approximately
17 73,770 square feet of warehouse space located at 2700 Plainfield Pike, in the City of Cranston; and

18 WHEREAS, the existing lease expires on July 31, 2025, but the warehousing needs
19 continue; and

20 WHEREAS, the annual gross rent in the agreement in the existing lease is \$684,585.60;

21 WHEREAS, the Department of Administration and Rhode Island Emergency Management
22 officials received and reviewed proposals for warehouses that would meet Emergency Management
23 Agency needs; and

24 WHEREAS, upon completing an evaluation of the submitted lease proposals, the Rhode
25 Island Emergency Management Agency wishes to enter into a ten-year lease agreement with EIM
26 Plainfield Pike, LLC for approximately 73,770 square feet of warehouse space located at 2700
27 Plainfield Pike in the city/town of Cranston.

28 WHEREAS, the aggregate base rent for the ten-year lease will not exceed \$7,188,368.21.

29 WHEREAS, the payment of the annual base rent will be made from funds available to the
30 Rhode Island Emergency Management Agency for the payments of rental and lease costs based on
31 annual appropriations made by the General Assembly; and

32 WHEREAS, the State Properties Committee now respectfully requests the approval of the
33 Rhode Island House of Representatives and the Rhode Island Senate for the lease agreement
34 between the Rhode Island Emergency Management Agency and EIM Plainfield Pike, LLC for lease

1 space located at 2700 Plainfield Pike; now therefore be it

2 RESOLVED, that this General Assembly of the State of Rhode Island hereby approves the
3 lease agreement, for a term not to exceed ten (10) years and an aggregate base rent not to exceed
4 \$7,188,368.21; and it be further

5 RESOLVED, that this Joint Resolution shall take effect upon passage by the General
6 Assembly; and it be further

7 RESOLVED, that the Secretary of State is hereby authorized and directed to transmit duly
8 certified copies of this resolution to the Governor, the Director of the Rhode Island Emergency
9 Management Agency, the Director of Administration, the State Budget Officer, and the Chair of
10 the State Properties Committee.

11 SECTION 4. This act shall take effect upon passage.

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ARTICLE 13 AS AMENDED

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RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2025

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SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in

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this act, the following general revenue amounts are hereby appropriated out of any money in the

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treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2025.

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The amounts identified for federal funds and restricted receipts shall be made available pursuant to

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§ 35-4-22 and chapter 41 of title 42. For the purposes and functions hereinafter mentioned, the state

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controller is hereby authorized and directed to draw the state controller’s orders upon the general

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treasurer for the payment of such sums or such portions thereof as may be required from time to

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time upon receipt by the state controller of properly authenticated vouchers.

11		FY 2025	FY 2025	FY 2025
12		Enacted	Change	FINAL
13	Administration			
14	Central Management			
15	General Revenues	3,654,794	597,932	4,252,726
16	Federal Funds			
17	Federal Funds	33,000,000	0	33,000,000
18	Federal Funds - State Fiscal Recovery Fund			
19	Public Health Response Warehouse Support	778,347	1,150,625	1,928,972
20	Health Care Facilities	10,000,000	0	10,000,000
21	Community Learning Center Programming			
22	Support Grant	2,000,000	0	2,000,000
23	Municipal Public Safety Infrastructure	0	7,333,768	7,333,768
24	Total - Central Management	49,433,141	9,082,325	58,515,466
25	Legal Services			
26	General Revenues	2,491,594	158,027	2,649,621
27	Accounts and Control			
28	General Revenues	5,355,257	253,964	5,609,221
29	Restricted Receipts - OPEB Board Administration	155,811	(6,839)	148,972
30	Restricted Receipts - Grants Management			

1	Administration	2,477,997	36,372	2,514,369
2	Total - Accounts and Control	7,989,065	283,497	8,272,562
3	<i>Office of Management and Budget</i>			
4	General Revenues	9,915,379	(302,716)	9,612,663
5	Federal Funds			
6	Federal Funds	101,250	0	101,250
7	Federal Funds – Capital Projects Fund			
8	CPF Administration	484,149	2,640,104	3,124,253
9	Federal Funds – State Fiscal Recovery Fund			
10	Pandemic Recovery Office	1,345,998	493,772	1,839,770
11	Restricted Receipts	300,000	0	300,000
12	Other Funds	617,223	557,597	1,174,820
13	Total - Office of Management and Budget	12,763,999	3,388,757	16,152,756
14	<i>Purchasing</i>			
15	General Revenues	4,232,292	6,930	4,239,222
16	Restricted Receipts	461,480	267,080	728,560
17	Other Funds	571,626	28,904	600,530
18	Total - Purchasing	5,265,398	302,914	5,568,312
19	<i>Human Resources</i>			
20	General Revenues	943,668	(45,916)	897,752
21	<i>Personnel Appeal Board</i>			
22	General Revenues	159,290	(71)	159,219
23	<i>Information Technology</i>			
24	General Revenues	1,838,147	(116,807)	1,721,340
25	Restricted Receipts	3,379,840	8,246,510	11,626,350
26	Total - Information Technology	5,217,987	8,129,703	13,347,690
27	<i>Library and Information Services</i>			
28	General Revenues	1,949,487	59,554	2,009,041
29	Federal Funds	1,606,151	(27,693)	1,578,458
30	Restricted Receipts	6,990	0	6,990
31	Total - Library and Information Services	3,562,628	31,861	3,594,489
32	<i>Planning</i>			
33	General Revenues	1,175,750	(45,799)	1,129,951
34	Federal Funds	3,050	0	3,050

1	Restricted Receipts	50,000	50,000	100,000
2	Other Funds			
3	Air Quality Modeling	24,000	0	24,000
4	Federal Highway - PL Systems Planning	3,597,529	127,414	3,724,943
5	State Transportation Planning Match	454,850	27,487	482,337
6	FTA - Metro Planning Grant	1,453,240	39,827	1,493,067
7	Total - Planning	6,758,419	198,929	6,957,348
8	<i>General</i>			
9	General Revenues			
10	Miscellaneous Grants/Payments	510,405	(510,405)	0
11	Torts Court Awards	1,350,000	100,000	1,450,000
12	Wrongful Conviction Awards	811,446	0	811,446
13	Resource Sharing and State Library Aid	11,855,428	0	11,855,428
14	Library Construction Aid	2,232,819	0	2,232,819
15	Federal Funds- Capital Projects Fund			
16	Community Learning Center Municipal			
17	Grant Program	0	79,639,111	79,639,111
18	Restricted Receipts	700,000	398,187	1,098,187
19	Other Funds			
20	Rhode Island Capital Plan Funds			
21	Security Measures State Buildings	975,000	99,137	1,074,137
22	Energy Efficiency Improvements	1,000,000	(1,000,000)	0
23	Cranston Street Armory	250,000	0	250,000
24	State House Renovations	2,209,000	4,815,744	7,024,744
25	Zambarano Buildings and Campus	4,740,000	17,646,243	22,386,243
26	Replacement of Fueling Tanks	700,000	507,587	1,207,587
27	Environmental Compliance	725,000	195,892	920,892
28	Big River Management Area	754,154	166,155	920,309
29	Shepard Building Upgrades	435,000	1,790,307	2,225,307
30	RI Convention Center Authority	3,590,000	0	3,590,000
31	Pastore Center Power Plant	250,000	344,982	594,982
32	Accessibility - Facility Renovations	288,928	656,986	945,914
33	DoIT Enterprise Operations Center	6,550,000	361,968	6,911,968
34	Cannon Building	700,000	(550,000)	150,000

1	Old State House	2,000,000	437,783	2,437,783
2	State Office Building	675,000	133,679	808,679
3	State Office Reorganization & Relocation	250,000	1,448,690	1,698,690
4	William Powers Building	2,400,000	3,252,693	5,652,693
5	Pastore Center Non-Hospital Buildings Asset			
6	Protection	10,405,000	7,851,068	18,256,068
7	Washington County Government Center	800,000	(552,137)	247,863
8	Chapin Health Laboratory	350,000	88,000	438,000
9	560 Jefferson Blvd Asset Protection	1,600,000	(750,000)	850,000
10	Arrigan Center	75,000	42,080	117,080
11	Civic Center	3,550,000	0	3,550,000
12	Pastore Center Buildings Demolition	9,900,000	(502,075)	9,397,925
13	Veterans Auditorium	400,000	0	400,000
14	Pastore Center Hospital Buildings Asset			
15	Protection	2,400,000	(863,305)	1,536,695
16	Pastore Campus Infrastructure	22,195,000	12,618,431	34,813,431
17	Community Facilities Asset Protection	925,000	197,300	1,122,300
18	Zambarano LTAC Hospital	7,099,677	1,462,514	8,562,191
19	Medical Examiners - New Facility	50,000	2,229,462	2,279,462
20	Group Home Replacement & Rehabilitation	5,000,000	492,766	5,492,766
21	Hospital Reorganization	25,000,000	0	25,000,000
22	Expo Center	1,220,000	0	1,220,000
23	Group Homes Consolidation	4,325,000	0	4,325,000
24	Statewide Facility Master Plan	500,000	607,069	1,107,069
25	BHDDH DD & Community Facilities –			
26	Asset Protection	0	294,872	294,872
27	BHDDH DD & Community Homes – Fire Code	0	143,473	143,473
28	BHDDH DD Regional Facilities –			
29	Asset Protection	0	340,998	340,998
30	BHDDH Substance Abuse Asset Protection	0	18,341	18,341
31	BHDDH Group Homes	0	157,947	157,947
32	State Land Use Planning Study	0	250,000	250,000
33	Total - General	141,746,857	134,061,543	275,808,400
34	<i>Debt Service Payments</i>			

1	General Revenues	164,837,664	(5,329,893)	159,507,771
2	Other Funds			
3	Transportation Debt Service	32,887,674	1	32,887,675
4	Investment Receipts - Bond Funds	100,000	55,477	155,477
5	Total - Debt Service Payments	197,825,338	(5,274,415)	192,550,923
6	<i>Energy Resources</i>			
7	General Revenues	500,000	(500,000)	0
8	Provided that \$250,000 is allocated to support the electric bicycle rebate program and			
9	\$250,000 is for the electric leaf blower rebate program.			
10	Federal Funds	15,042,632	(15,042,632)	0
11	Restricted Receipts	25,217,475	(25,217,475)	0
12	Other Funds	4,064,322	(4,064,322)	0
13	Total - Energy Resources	44,824,429	(44,824,429)	0
14	<i>Rhode Island Health Benefits Exchange</i>			
15	General Revenues	3,529,116	(1,497,514)	2,031,602
16	Federal Funds			
17	Federal Funds	10,758,473	0	10,758,473
18	Federal Funds – State Fiscal Recovery Fund			
19	Auto-Enrollment Program	0	166,065	166,065
20	Restricted Receipts	16,139,854	1,674,514	17,814,368
21	Total - Rhode Island Health Benefits			
22	Exchange	30,427,443	343,065	30,770,508
23	<i>Division of Equity, Diversity & Inclusion</i>			
24	General Revenues	2,152,119	(426,605)	1,725,514
25	Other Funds	110,521	(9,172)	101,349
26	Total - Division of Equity, Diversity			
27	& Inclusion	2,262,640	(435,777)	1,826,863
28	<i>Capital Asset Management and Maintenance</i>			
29	General Revenues	9,931,679	(144,456)	9,787,223
30	<i>Statewide Personnel and Operations</i>			
31	FEMA Contingency Reserve			
32	General Revenues	5,000,000	(3,500,000)	1,500,000
33	<u>Provided that unexpended or unencumbered balances as of June 30, 2025 are hereby</u>			
34	<u>reappropriated to the following fiscal year.</u>			

1	Pension Plan Revisions			
2	General Revenues	20,600,000	(20,600,000)	0
3	Federal Funds	3,600,000	(3,600,000)	0
4	Restricted Receipts	1,100,000	(1,100,000)	0
5	Other Funds	2,200,000	(2,200,000)	0
6	Total - Statewide Personnel and Operations	32,500,000	(31,000,000)	1,500,000
7	Grand Total - Administration	554,103,575	74,255,557	628,359,132
8	<u>Office of Energy Resources</u>			
9	General Revenues	0	500,000	500,000
10	<u>Provided that \$250,000 is allocated to support the electric bicycle rebate program and</u>			
11	<u>\$250,000 is for the electric leaf blower rebate program. Provided further that unexpended or</u>			
12	<u>unencumbered balances as of June 30, 2025 are hereby reappropriated to the following fiscal year.</u>			
13	Federal Funds			
14	Federal Funds	0	21,404,650	21,404,650
15	Federal Funds – State Fiscal Recovery Fund			
16	Electric Heat Pump Grant Program	0	14,033,712	14,033,712
17	Restricted Receipts	0	26,431,400	26,431,400
18	Other Funds			
19	National Electric Vehicle Infrastructure Formula			
20	Program	0	4,674,978	4,674,978
21	Rhode Island Capital Plan Funds			
22	Energy Efficiency Improvements	0	1,329,411	1,329,411
23	Grand Total – Office of Energy Resources	0	68,374,151	68,374,151
24	Business Regulation			
25	<i>Central Management</i>			
26	General Revenues	3,999,763	136,544	4,136,307
27	<i>Banking Regulation</i>			
28	General Revenues	1,904,080	114,285	2,018,365
29	Restricted Receipts	63,000	(14,500)	48,500
30	Total - Banking Regulation	1,967,080	99,785	2,066,865
31	<i>Securities Regulation</i>			
32	General Revenues	880,722	69,016	949,738
33	<i>Insurance Regulation</i>			
34	General Revenues	4,844,248	228,325	5,072,573

1	Restricted Receipts	1,872,951	294,587	2,167,538
2	Total - Insurance Regulation	6,717,199	522,912	7,240,111
3	<i>Office of the Health Insurance Commissioner</i>			
4	General Revenues	3,058,281	(63,685)	2,994,596
5	Federal Funds	403,180	110,000	513,180
6	Restricted Receipts	527,468	42,859	570,327
7	Total - Office of the Health Insurance			
8	Commissioner	3,988,929	89,174	4,078,103
9	<i>Board of Accountancy</i>			
10	General Revenues	5,490	0	5,490
11	<i>Commercial Licensing and Gaming and Athletics Licensing</i>			
12	General Revenues	949,709	261,856	1,211,565
13	Restricted Receipts	1,046,895	(40,122)	1,006,773
14	Total - Commercial Licensing and Gaming			
15	and Athletics Licensing	1,996,604	221,734	2,218,338
16	<i>Building, Design and Fire Professionals</i>			
17	General Revenues	8,449,335	(341,477)	8,107,858
18	Federal Funds	345,863	503	346,366
19	Restricted Receipts	1,948,472	117,086	2,065,558
20	Other Funds			
21	Quonset Development Corporation	67,300	(16,614)	50,686
22	Rhode Island Capital Plan Funds			
23	Fire Academy Expansion	7,056,000	(4,556,280)	2,499,720
24	Total - Building, Design and Fire Professionals	17,866,970	(4,796,782)	13,070,188
25	<i>Office of Cannabis Regulation</i>			
26	Restricted Receipts	6,697,782	350,047	7,047,829
27	Grand Total - Business Regulation	44,120,539	(3,307,570)	40,812,969
28	Executive Office of Commerce			
29	<i>Central Management</i>			
30	General Revenues	2,264,703	50,640	2,315,343
31	<i>Quasi-Public Appropriations</i>			
32	General Revenues			
33	Rhode Island Commerce Corporation	8,506,041	0	8,506,041
34	Airport Impact Aid	1,010,036	0	1,010,036

1 Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be
 2 distributed to each airport serving more than 1,000,000 passengers based upon its percentage of the
 3 total passengers served by all airports serving more than 1,000,000 passengers. Forty percent (40%)
 4 of the first \$1,000,000 shall be distributed based on the share of landings during calendar year 2024
 5 at North Central Airport, Newport-Middletown Airport, Block Island Airport, Quonset Airport,
 6 T.F. Green International Airport and Westerly Airport, respectively. The Rhode Island commerce
 7 corporation shall make an impact payment to the towns or cities in which the airport is located
 8 based on this calculation. Each community upon which any part of the above airports is located
 9 shall receive at least \$25,000.

10	STAC Research Alliance	900,000	0	900,000
11	Innovative Matching Grants/Internships	1,000,000	0	1,000,000
12	I-195 Redevelopment District Commission	1,245,050	0	1,245,050
13	Polaris Manufacturing Grant	500,000	0	500,000
14	East Providence Waterfront Commission	50,000	0	50,000
15	Urban Ventures	140,000	0	140,000
16	Chafee Center at Bryant	476,200	0	476,200
17	Blackstone Valley Visitor Center	75,000	0	75,000
18	Municipal Infrastructure Grant Program	3,000,000	0	3,000,000
19	Infrastructure Bank – Statewide Coastal			
20	Resiliency Plan	750,000	0	750,000
21	Industrial Recreational Building Authority			
22	Obligations	452,553	0	452,553
23	Federal Funds - State Fiscal Recovery Fund			
24	Port of Davisville	0	45,635,990	45,635,990
25	Other Funds			
26	Rhode Island Capital Plan Funds			
27	I-195 Redevelopment District Commission	646,180	357,329	1,003,509
28	I-195 Park Improvements	3,000,000	(1,000,000)	2,000,000
29	Quonset Carrier Pier	2,250,000	0	2,250,000
30	Quonset Infrastructure	2,500,000	0	2,500,000
31	Total - Quasi-Public Appropriations	26,501,060	44,993,319	71,494,379
32	<i>Economic Development Initiatives Fund</i>			
33	General Revenues			
34	Innovation Initiative	1,000,000	0	1,000,000

1	Rebuild RI Tax Credit Fund	10,085,000	0	10,085,000
2	Small Business Promotion	750,000	0	750,000
3	Destination Marketing	1,400,000	0	1,400,000
4	Federal Funds			
5	Federal Funds	20,000,000	0	20,000,000
6	Federal Funds - State Fiscal Recovery Fund			
7	Assistance to Impacted Industries	2,000,000	1	2,000,001
8	Total - Economic Development Initiatives Fund	35,235,000	1	35,235,001
9	<i>Commerce Programs</i>			
10	General Revenues			
11	Wavemaker Fellowship	4,076,400	0	4,076,400
12	Provided that at least \$500,000 shall be reserved for awards for medical doctor, nurse			
13	practitioner, and physician assistant healthcare applicants who provide primary care services as			
14	defined in § 42-64.26-3.			
15	Air Service Development Fund	1,200,000	0	1,200,000
16	Main Street RI Streetscape Improvement Fund	1,000,000	0	1,000,000
17	Minority Business Accelerator	500,000	0	500,000
18	Federal Funds			
19	Federal Funds – Capital Projects Fund			
20	Broadband	0	25,786,500	25,786,500
21	Federal Funds - State Fiscal Recovery Fund			
22	Minority Business Accelerator	0	2,406,662	2,406,662
23	Bioscience Investments	0	42,999,400	42,999,400
24	Small Business Assistance	0	2,457,517	2,457,517
25	Total - Commerce Programs	6,776,400	73,650,079	80,426,479
26	Grand Total - Executive Office of Commerce	70,777,163	118,694,039	189,471,202
27	Housing			
28	General Revenues	9,840,596	(4,672,883)	5,167,713
29	Federal Funds			
30	Federal Funds	18,530,670	(124,406)	18,406,264
31	Federal Funds – State Fiscal Recovery Fund			
32	Homelessness Assistance Program	17,300,000	5,795,840	23,095,840
33	Development of Affordable Housing	0	60,055,876	60,055,876
34	Home Repair and Community Revitalization	0	17,502,101	17,502,101

1	Homelessness Infrastructure	0	17,615,951	17,615,951
2	Housing Related Infrastructure	0	3,000,000	3,000,000
3	Municipal Homelessness Support Initiative	0	1,887,465	1,887,465
4	Municipal Planning	0	2,300,000	2,300,000
5	Predevelopment and Capacity Building	0	256,825	256,825
6	Preservation of Affordable Housing Units	0	500,000	500,000
7	Proactive Housing Development	0	1,400,000	1,400,000
8	Site Acquisition	0	900	900
9	Statewide Housing Plan	0	1,961,351	1,961,351
10	Targeted Housing Development	0	26,000,000	26,000,000
11	Workforce Housing	0	16,327,497	16,327,497
12	Restricted Receipts	12,664,150	5,493,793	18,157,943
13	Grand Total - Housing	58,335,416	155,300,310	213,635,726
14	Labor and Training			
15	<i>Central Management</i>			
16	General Revenues	1,563,445	(7,028)	1,556,417
17	Restricted Receipts	305,765	170,565	476,330
18	Total - Central Management	1,869,210	163,537	2,032,747
19	<i>Workforce Development Services</i>			
20	General Revenues	1,109,430	5,176	1,114,606
21	Provided that \$200,000 of this amount is used to support Year Up.			
22	Federal Funds	23,836,453	2,996,115	26,832,568
23	Other Funds	0	44,531	44,531
24	Total - Workforce Development Services	24,945,883	3,045,822	27,991,705
25	<i>Workforce Regulation and Safety</i>			
26	General Revenues	4,833,768	186,338	5,020,106
27	<i>Income Support</i>			
28	General Revenues	3,692,213	5,036	3,697,249
29	Federal Funds	18,875,141	7,316,530	26,191,671
30	Restricted Receipts	2,721,683	1,653,177	4,374,860
31	Other Funds			
32	Temporary Disability Insurance Fund	278,906,931	(167,513)	278,739,418
33	Employment Security Fund	222,700,000	8,250,000	230,950,000
34	Total - Income Support	526,895,968	17,057,230	543,953,198

1	<i>Injured Workers Services</i>			
2	Restricted Receipts	10,630,130	360,638	10,990,768
3	<i>Labor Relations Board</i>			
4	General Revenues	541,797	16,290	558,087
5	<i>Governor's Workforce Board</i>			
6	General Revenues	6,050,000	2,201,728	8,251,728
7	Provided that \$600,000 of these funds shall be used for enhanced training for direct care			
8	and support services staff to improve resident quality of care and address the changing health care			
9	needs of nursing facility residents due to higher acuity and increased cognitive impairments			
10	pursuant to § 23-17.5-36.			
11	Federal Funds – State Fiscal Recovery Fund			
12	Enhanced Real Jobs	0	5,943,056	5,943,056
13	Restricted Receipts	18,304,506	4,430,860	22,735,366
14	Total - Governor's Workforce Board	24,354,506	12,575,644	36,930,150
15	Grand Total - Labor and Training	594,071,262	33,405,499	627,476,761
16	Department of Revenue			
17	<i>Director of Revenue</i>			
18	General Revenues	2,883,605	47,165	2,930,770
19	<i>Office of Revenue Analysis</i>			
20	General Revenues	1,015,848	85,700	1,101,548
21	<i>Lottery Division</i>			
22	Other Funds			
23	Other Funds	422,981,930	24,049,073	447,031,003
24	Rhode Island Capital Plan Funds			
25	Lottery Building Enhancements	690,000	160,000	850,000
26	Total - Lottery Division	423,671,930	24,209,073	447,881,003
27	<i>Municipal Finance</i>			
28	General Revenues	2,241,697	(415,854)	1,825,843
29	<i>Taxation</i>			
30	General Revenues	35,972,773	179,004	36,151,777
31	Restricted Receipts	4,826,512	(166,033)	4,660,479
32	Other Funds			
33	Motor Fuel Tax Evasion	175,000	0	175,000
34	Total - Taxation	40,974,285	12,971	40,987,256

1	<i>Registry of Motor Vehicles</i>			
2	General Revenues	31,206,744	4,034,290	35,241,034
3	Provided that all unexpended or unencumbered balances as of June 30, 2025 relating to the			
4	implementation of a mobile DMV are hereby reappropriated to the following fiscal year.			
5	Federal Funds	805,667	(77,575)	728,092
6	Restricted Receipts	3,659,640	220,000	3,879,640
7	Total - Registry of Motor Vehicles	35,672,051	4,176,715	39,848,766
8	<i>State Aid</i>			
9	General Revenues			
10	Distressed Communities Relief Fund	12,384,458	0	12,384,458
11	Payment in Lieu of Tax Exempt Properties	49,201,412	0	49,201,412
12	Motor Vehicle Excise Tax Payments	234,712,307	6	234,712,313
13	Property Revaluation Program	1,887,448	0	1,887,448
14	Tangible Tax Exemption Program	28,000,000	(2,096,772)	25,903,228
15	Restricted Receipts	995,120	0	995,120
16	Total - State Aid	327,180,745	(2,096,766)	325,083,979
17	<i>Collections</i>			
18	General Revenues	965,438	(16,677)	948,761
19	Grand Total - Revenue	834,605,599	26,002,327	860,607,926
20	Legislature			
21	General Revenues	53,358,280	10,788,584	64,146,864
22	Restricted Receipts	2,431,651	158,758	2,590,409
23	Grand Total - Legislature	55,789,931	10,947,342	66,737,273
24	Lieutenant Governor			
25	General Revenues	1,447,015	(76,912)	1,370,103
26	Secretary of State			
27	<i>Administration</i>			
28	General Revenues	5,076,740	384,272	5,461,012
29	Provided that \$100,000 be allocated to support the Rhode Island Council for the			
30	Humanities for grant making to civic and cultural organizations, and \$50,000 to support Rhode			
31	Island's participation in the We the People Civics Challenge.			
32	<i>Corporations</i>			
33	General Revenues	2,807,730	36,451	2,844,181
34	<i>State Archives</i>			

1	General Revenues	349,562	5,070	354,632
2	Restricted Receipts	384,347	9,315	393,662
3	Other Funds			
4	Rhode Island Capital Plan Funds			
5	Rhode Island Archives and History Center	500,000	0	500,000
6	Total - State Archives	1,233,909	14,385	1,248,294
7	<i>Elections and Civics</i>			
8	General Revenues	2,689,990	(19,106)	2,670,884
9	Federal Funds	2,001,207	0	2,001,207
10	Total - Elections and Civics	4,691,197	(19,106)	4,672,091
11	<i>State Library</i>			
12	General Revenues	649,250	2,486	651,736
13	Provided that \$125,000 be allocated to support the Rhode Island Historical Society and			
14	\$18,000 be allocated to support the Newport Historical Society, pursuant to §§ 29-2-1 and 29-2-2,			
15	and \$25,000 be allocated to support the Rhode Island Black Heritage Society.			
16	<i>Office of Public Information</i>			
17	General Revenues	888,969	(64,230)	824,739
18	Receipted Receipts	25,000	0	25,000
19	Total - Office of Public Information	913,969	(64,230)	849,739
20	Grand Total - Secretary of State	15,372,795	354,258	15,727,053
21	General Treasurer			
22	<i>Treasury</i>			
23	General Revenues			
24	General Revenues	3,022,950	156,313	3,179,263
25	Medical Debt Relief	1,000,000	0	1,000,000
26	Provided that unexpended or unencumbered balances as of June 30, 2025 are hereby			
27	reappropriated to the following fiscal year.			
28	Federal Funds	335,037	8,779	343,816
29	Other Funds			
30	Temporary Disability Insurance Fund	247,266	(8,275)	238,991
31	Tuition Savings Program - Administration	353,760	16,155	369,915
32	Total -Treasury	4,959,013	172,972	5,131,985
33	<i>State Retirement System</i>			
34	Restricted Receipts			

1	Admin Expenses - State Retirement System	11,808,078	366,679	12,174,757
2	Retirement - Treasury Investment Operations	2,149,961	150,864	2,300,825
3	Defined Contribution - Administration	287,609	(26,029)	261,580
4	Total - State Retirement System	14,245,648	491,514	14,737,162
5	<i>Unclaimed Property</i>			
6	Restricted Receipts	2,981,837	123,688	3,105,525
7	<i>Crime Victim Compensation</i>			
8	General Revenues	892,383	29,071	921,454
9	Federal Funds	427,993	15,000	442,993
10	Restricted Receipts	380,000	(130,000)	250,000
11	Total - Crime Victim Compensation	1,700,376	(85,929)	1,614,447
12	Grand Total - General Treasurer	23,886,874	702,245	24,589,119
13	Board of Elections			
14	General Revenues	5,682,615	44,023	5,726,638
15	<u>Provided that \$500,000 be allocated to support election-related technology, including items</u>			
16	<u>such as poll pads or campaign finance system upgrades, and that all unexpended or unencumbered</u>			
17	<u>balances at the end of the fiscal year shall be reappropriated to the ensuing fiscal year and made</u>			
18	<u>immediately available for the same purpose.</u>			
19	Rhode Island Ethics Commission			
20	General Revenues	2,234,502	180,709	2,415,211
21	Office of Governor			
22	General Revenues			
23	General Revenues	8,321,265	502,554	8,823,819
24	Contingency Fund	150,000	0	150,000
25	Grand Total - Office of Governor	8,471,265	502,554	8,973,819
26	Commission for Human Rights			
27	General Revenues	2,055,616	166,381	2,221,997
28	Federal Funds	450,110	97,750	547,860
29	Grand Total - Commission for Human Rights	2,505,726	264,131	2,769,857
30	Public Utilities Commission			
31	Federal Funds	711,984	14,133	726,117
32	Restricted Receipts	13,895,536	421,324	14,316,860
33	Grand Total - Public Utilities Commission	14,607,520	435,457	15,042,977
34	Executive Office of Health and Human Services			

1	<i>Central Management</i>			
2	General Revenues	58,336,613	(9,188,647)	49,147,966
3	Provided that \$250,000 will be available for the Hospital Care Transitions Initiative if the			
4	program receives approval for Medicaid match and \$275,000 to assist nonprofit nursing facilities			
5	transition licensed occupancy availability from nursing home beds to assisted living ones, of which			
6	\$200,000 shall be provided to Linn Health & Rehabilitation.			
7	Federal Funds			
8	Federal Funds	210,410,919	(46,459,980)	163,950,939
9	Federal Funds – State Fiscal Recovery Fund			
10	Certified Community Behavioral Health Clinics	0	6,959,131	6,959,131
11	Pediatric Recovery	0	129	129
12	Restricted Receipts	47,669,671	(612,326)	47,057,345
13	Provided that \$5.0 million is for Children’s Mobile Response and Stabilization Services			
14	(MRSS) subject to CMS approval. Children’s MRSS program provides on-demand crisis			
15	intervention services in any setting in which a behavioral health crisis is occurring including homes,			
16	schools and hospital emergency departments. This state sanctioned mobile crisis service for			
17	children and youth ages 2-21 shall be delivered through Care Coordination Agreements with an			
18	organization that is certified as an Emergency Service Provider pursuant to Title 40.1, Chapter 5-			
19	6(a)(2) of the General Laws of Rhode Island and 214-RICR-40-00-6 and has previously			
20	participated in the state’s Children’s MRSS pilot program, and \$250,000 shall be for the executive			
21	office to develop an Olmstead Plan.			
22	Total - Central Management	316,417,203	(49,301,693)	267,115,510
23	<i>Medical Assistance</i>			
24	General Revenues			
25	Managed Care	456,944,195	(12,596,621)	444,347,574
26	Hospitals	124,241,089	461,260	124,702,349
27	Nursing Facilities	173,311,380	13,731,120	187,042,500
28	Home and Community Based Services	97,185,377	12,223,483	109,408,860
29	Other Services	162,460,512	(9,963,903)	152,496,609
30	Pharmacy	96,904,515	(3,202,866)	93,701,649
31	Rhody Health	247,034,551	(18,960,820)	228,073,731
32	Federal Funds			
33	Managed Care	613,138,381	(19,885,955)	593,252,426
34	Hospitals	242,897,784	6,938,739	249,836,523

1	Nursing Facilities	220,488,620	17,468,880	237,957,500
2	Home and Community Based Services	124,018,299	15,172,841	139,191,140
3	Other Services	789,376,252	(37,587,861)	751,788,391
4	Pharmacy	(404,515)	1,602,866	1,198,351
5	Rhody Health	312,007,950	(16,281,681)	295,726,269
6	Other Programs	31,921,606	(3,647,319)	28,274,287
7	Restricted Receipts	9,808,674	290,472	10,099,146
8	Total - Medical Assistance	3,701,334,670	(54,237,365)	3,647,097,305
9	Grand Total – Executive Office of Health and			
10	Human Services	4,017,751,873	(103,539,058)	3,914,212,815
11	Children, Youth and Families			
12	<i>Central Management</i>			
13	General Revenues	15,565,996	3,828,383	19,394,379
14	The director of the department of children, youth and families shall provide to the speaker			
15	of the house and president of the senate at least every sixty (60) days beginning September 1, 2021,			
16	a report on its progress implementing the accreditation plan filed in accordance with § 42-72-5.3			
17	and any projected changes needed to effectuate that plan. The report shall, at minimum, provide			
18	data regarding recruitment and retention efforts including attaining and maintaining a diverse			
19	workforce, documentation of newly filled and vacated positions, and progress towards reducing			
20	worker caseloads.			
21	Federal Funds			
22	Federal Funds	8,718,289	6,964,234	15,682,523
23	Federal Funds - State Fiscal Recovery Fund			
24	Provider Workforce Stabilization	1,200,000	767,672	1,967,672
25	Total - Central Management	25,484,285	11,560,289	37,044,574
26	<i>Children's Behavioral Health Services</i>			
27	General Revenues	7,732,064	(808,070)	6,923,994
28	Federal Funds			
29	Federal Funds	9,693,607	(1,324,936)	8,368,671
30	Federal Funds - State Fiscal Recovery Fund			
31	Psychiatric Residential Treatment Facility	0	5,781,955	5,781,955
32	Total - Children's Behavioral Health Services	17,425,671	3,648,949	21,074,620
33	<i>Youth Development Services</i>			
34	General Revenues	22,893,954	2,590,896	25,484,850

1	Federal Funds	224,837	419,755	644,592
2	Restricted Receipts	144,986	(143,486)	1,500
3	Other Funds			
4	Rhode Island Capital Plan Funds			
5	Training School Asset Protection	250,000	127,152	377,152
6	Residential Treatment Facility <u>Facilities</u>	15,000,000	13,591,079	28,591,079
7	Total - Youth Development Services	38,513,777	16,585,396	55,099,173
8	<i>Child Welfare</i>			
9	General Revenues	214,966,186	(5,616,953)	209,349,233
10	Federal Funds	101,906,773	(9,858,258)	92,048,515
11	Restricted Receipts	558,571	917,877	1,476,448
12	Total - Child Welfare	317,431,530	(14,557,334)	302,874,196
13	<i>Higher Education Incentive Grants</i>			
14	General Revenues	200,000	0	200,000
15	Provided that these funds and any unexpended or unencumbered previous years' funding			
16	are to be used exclusively to fund awards to eligible youth.			
17	Grand Total - Children, Youth and Families	399,055,263	17,237,300	416,292,563
18	Health			
19	<i>Central Management</i>			
20	General Revenues			
21	General Revenues	3,569,508	75,186	3,644,694
22	Primary Care Training Sites Program	2,700,000	(1,997,668)	702,332
23	Provided that unexpended or unencumbered balances as of June 30, 2025 are hereby			
24	reappropriated to the following fiscal year.			
25	Federal Funds	9,348,930	(1,975,351)	7,373,579
26	Restricted Receipts	18,260,961	(3,203,664)	15,057,297
27	Provided that the disbursement of any indirect cost recoveries on federal grants budgeted			
28	in this line item that are derived from grants authorized under The Coronavirus Preparedness and			
29	Response Supplemental Appropriations Act (P.L. 116-123); The Families First Coronavirus			
30	Response Act (P.L. 116-127); The Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-			
31	136); The Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139); the			
32	Consolidated Appropriations Act, 2021 (P.L. 116-260); and the American Rescue Plan Act of 2021			
33	(P.L. 117-2), are hereby subject to the review and prior approval of the director of management and			
34	budget. No obligation or expenditure of these funds shall take place without such approval.			

1	Total - Central Management	33,879,399	(7,101,497)	26,777,902
2	<i>Community Health and Equity</i>			
3	General Revenues	1,151,326	11,217	1,162,543
4	Federal Funds			
5	Federal Funds	83,451,102	7,743,317	91,194,419
6	Federal Funds - State Fiscal Recovery Fund			
7	Public Health Clinics	0	984,027	984,027
8	Restricted Receipts	80,924,334	(16,867,302)	64,057,032
9	Total - Community Health and Equity	165,526,762	(8,128,741)	157,398,021
10	<i>Environmental Health</i>			
11	General Revenues	7,155,472	138,305	7,293,777
12	Federal Funds	11,442,251	3,114,788	14,557,039
13	Restricted Receipts	968,283	43,075	1,011,358
14	Total - Environmental Health	19,566,006	3,296,168	22,862,174
15	<i>Health Laboratories and Medical Examiner</i>			
16	General Revenues	13,340,120	218,938	13,559,058
17	Federal Funds	2,515,810	589,112	3,104,922
18	Other Funds			
19	Rhode Island Capital Plan Funds			
20	Health Laboratories & Medical Examiner			
21	Equipment	800,000	5,013	805,013
22	New Health Laboratory Building	2,221,762	4,977,348	7,199,110
23	Total - Health Laboratories and Medical Examiner	18,877,692	5,790,411	24,668,103
24	<i>Customer Services</i>			
25	General Revenues	8,969,365	(49,469)	8,919,896
26	Federal Funds	7,882,616	151,072	8,033,688
27	Restricted Receipts	6,103,607	2,963,215	9,066,822
28	Total - Customer Services	22,955,588	3,064,818	26,020,406
29	<i>Policy, Information and Communications</i>			
30	General Revenues	998,588	29,401	1,027,989
31	Federal Funds	4,095,600	(151,099)	3,944,501
32	Restricted Receipts	1,812,550	(40,489)	1,772,061
33	Total - Policy, Information and Communications	6,906,738	(162,187)	6,744,551
34	<i>Preparedness, Response, Infectious Disease & Emergency Services</i>			

1	General Revenues	2,169,568	53,500	2,223,068
2	Federal Funds	17,503,333	1,047,588	18,550,921
3	Total - Preparedness, Response, Infectious			
4	Disease & Emergency Services	19,672,901	1,101,088	20,773,989
5	<i>COVID-19</i>			
6	Federal Funds			
7	Federal Funds	68,869,887	15,523,843	84,393,730
8	Federal Funds - State Fiscal Recovery Fund			
9	COVID-19 Operational Support	0	12,233,311	12,233,311
10	Total – COVID-19	68,869,887	27,757,154	96,627,041
11	Grand Total - Health	356,254,973	25,617,214	381,872,187
12	Human Services			
13	<i>Central Management</i>			
14	General Revenues	6,793,641	(462,857)	6,330,784
15	Of this amount, \$400,000 is to support the domestic violence prevention fund to provide			
16	direct services through the Coalition Against Domestic Violence, \$25,000 for the Center for			
17	Southeast Asians, \$450,000 to support Project Reach activities provided by the RI Alliance of Boys			
18	and Girls Clubs, \$300,000 is for outreach and supportive services through Day One, \$800,000 is			
19	for food collection and distribution through the Rhode Island Community Food Bank, \$500,000 for			
20	services provided to the homeless at Crossroads Rhode Island, \$600,000 for the Community Action			
21	Fund, \$250,000 is for the Institute for the Study and Practice of Nonviolence’s Reduction Strategy,			
22	\$200,000 to provide operational support to the United Way’s 211 system, \$125,000 is to support			
23	services provided to the immigrant and refugee population through Higher Ground International,			
24	and \$50,000 is for services provided to refugees through the Refugee Dream Center and \$100,000			
25	for the Substance Use and Mental Health Leadership Council of RI.			
26	The director of the department of human services shall provide to the speaker of the house,			
27	president of the senate, and chairs of the house and senate finance committees at least every sixty			
28	(60) days beginning August 1, 2022, a report on its progress in recruiting and retaining customer			
29	serving staff. The report shall include: documentation of newly filled and vacated positions,			
30	including lateral transfers, position titles, civil service information, including numbers of eligible			
31	and available candidates, plans for future testing and numbers of eligible and available candidates			
32	resulting from such testing, impacts on caseload backlogs and call center wait times, as well as			
33	other pertinent information as determined by the director.			
34	Federal Funds	8,012,780	33,689	8,046,469

1	Of this amount, \$3.0 million is to sustain Early Head Start and Head Start programs.			
2	Restricted Receipts	300,000	1,473,640	1,773,640
3	Total - Central Management	15,106,421	1,044,472	16,150,893
4	<i>Child Support Enforcement</i>			
5	General Revenues	4,624,506	(1,318,723)	3,305,783
6	Federal Funds	9,988,214	455,814	10,444,028
7	Restricted Receipts	3,823,859	1,177,659	5,001,518
8	Total - Child Support Enforcement	18,436,579	314,750	18,751,329
9	<i>Individual and Family Support</i>			
10	General Revenues	44,747,836	(756,944)	43,990,892
11	Federal Funds			
12	Federal Funds	130,770,837	14,461,303	145,232,140
13	Federal Funds - State Fiscal Recovery Fund			
14	Child Care Support	0	2,689,791	2,689,791
15	Restricted Receipts	705,708	(85,000)	620,708
16	Other Funds			
17	Food Stamp Bonus Funding	298,874	(298,874)	0
18	Rhode Island Capital Plan Funds			
19	Blind Vending Facilities	165,000	73,773	238,773
20	Total - Individual and Family Support	176,688,255	16,084,049	192,772,304
21	<i>Office of Veterans Services</i>			
22	General Revenues	32,935,642	11,519	32,947,161
23	Of this amount, \$200,000 is to provide support services through veterans' organizations,			
24	\$50,000 is to support Operation Stand Down, and \$100,000 is to support the Veterans Services			
25	Officers (VSO) program through the Veterans of Foreign Wars.			
26	Federal Funds	16,618,112	(429,470)	16,188,642
27	Restricted Receipts	1,360,000	907,294	2,267,294
28	Other Funds			
29	Rhode Island Capital Plan Funds			
30	Veterans Home Asset Protection	760,000	139,669	899,669
31	Veterans Memorial Cemetery Asset Protection	500,000	19,547	519,547
32	Total - Office of Veterans Services	52,173,754	648,559	52,822,313
33	<i>Health Care Eligibility</i>			
34	General Revenues	10,634,812	(950,859)	9,683,953

1	Federal Funds	16,821,865	733,061	17,554,926
2	Total - Health Care Eligibility	27,456,677	(217,798)	27,238,879
3	<i>Supplemental Security Income Program</i>			
4	General Revenues	16,588,320	85,460	16,673,780
5	<i>Rhode Island Works</i>			
6	General Revenues	10,139,902	(19,105)	10,120,797
7	Federal Funds	97,508,826	(2,869,356)	94,639,470
8	Total - Rhode Island Works	107,648,728	(2,888,461)	104,760,267
9	<i>Other Programs</i>			
10	General Revenues			
11	General Revenues	2,102,900	(218,480)	1,884,420
12	Retail SNAP Incentives Pilot Program	0	3,811,980	3,811,980
13	Federal Funds			
14	Federal Funds	361,440,000	16,745,002	378,185,002
15	Federal Funds - State Fiscal Recovery Fund			
16	Retail SNAP Incentives Pilot Program	0	4,500,000	4,500,000
17	Restricted Receipts	8,000	0	8,000
18	Total - Other Programs	363,550,900	24,838,502	388,389,402
19	<i>Office of Healthy Aging</i>			
20	General Revenues	14,223,241	(918,797)	13,304,444
21	Of this amount, \$325,000 is to provide elder services, including respite, through the			
22	Diocese of Providence; \$40,000 is for ombudsman services provided by the Alliance for Long			
23	Term Care in accordance with chapter 66.7 of title 42; \$85,000 is for security for housing for the			
24	elderly in accordance with § 42-66.1-3; and \$1,400,000 is for Senior Services Support and			
25	\$680,000 is for elderly nutrition, of which \$630,000 is for Meals on Wheels.			
26	Federal Funds	18,548,799	(495,501)	18,053,298
27	Restricted Receipt	46,200	183,215	229,415
28	Other Funds			
29	Intermodal Surface Transportation Fund	4,273,680	18,396	4,292,076
30	The Office shall reimburse the Rhode Island public transit authority for the elderly/disabled			
31	transportation program expenses no later than fifteen (15) days of the authority's submission of a			
32	request for payment.			
33	Total - Office of Healthy Aging	37,091,920	(1,212,687)	35,879,233
34	Grand Total - Human Services	814,741,554	38,696,846	853,438,400

1	Behavioral Healthcare, Developmental Disabilities and Hospitals			
2	<i>Central Management</i>			
3	General Revenues	2,780,069	5,273,028	8,053,097
4	Federal Funds	1,276,605	1,303,705	2,580,310
5	Restricted Receipts	0	559,071	559,071
6	Total - Central Management	4,056,674	7,135,804	11,192,478
7	<i>Hospital and Community System Support</i>			
8	General Revenues	1,463,642	(1,463,642)	0
9	Federal Funds	400,294	(400,294)	0
10	Restricted Receipts	167,548	(167,548)	0
11	Total - Hospital and Community System Support	2,031,484	(2,031,484)	0
12	<i>Services for the Developmentally Disabled</i>			
13	General Revenues	210,802,707	8,185,076	218,987,783
14	Provided that of this general revenue funding, an amount certified by the department shall			
15	be expended on certain community-based department of behavioral healthcare, developmental			
16	disabilities and hospitals (BHDDH) developmental disability private provider and self-directed			
17	consumer direct care service worker raises and associated payroll costs as authorized by BHDDH			
18	and to finance the new services rates implemented by BHDDH pursuant to the Consent Decree			
19	Addendum. Any increase for direct support staff and residential or other community-based setting			
20	must first receive the approval of BHDDH.			
21	<u>Provided further that of this general revenue funding, \$982,957 shall be expended on a</u>			
22	<u>Transformation Fund to be used for I/DD integrated day activities and supported employment</u>			
23	<u>services, of which a total of \$583,021 shall be expended specifically on those who self-direct for</u>			
24	<u>creation of regional service adjustment models and pool of substitute staff. All unexpended or</u>			
25	<u>unencumbered balances of this designation at the end of the fiscal year shall be reappropriated to</u>			
26	<u>the ensuing fiscal year and made immediately available for the same purpose.</u>			
27	Federal Funds	262,600,057	11,029,127	273,629,184

28 Provided that of this federal funding, an amount certified by the department shall be

29 expended on certain community-based department of behavioral healthcare, developmental

30 disabilities and hospitals (BHDDH) developmental disability private provider and self-directed

31 consumer direct care service worker raises and associated payroll costs as authorized by BHDDH

32 and to finance the new services rates implemented by BHDDH pursuant to the Consent Decree

33 Addendum. Any increase for direct support staff and residential or other community-based setting

34 must first receive the approval of BHDDH.

Provided further that of this federal funding, \$508,803 shall be expended on a Transformation Fund to be used for I/DD integrated day activities and supported employment services. All unexpended or unencumbered balances of this designation at the end of the fiscal year shall be reappropriated to the ensuing fiscal year and made immediately available for the same purpose.

Restricted Receipts	1,444,204	(143,338)	1,300,866
Other Funds			
Rhode Island Capital Plan Funds			
DD Residential Support	100,000	98,462	198,462
Total - Services for the Developmentally Disabled	474,946,968	19,169,327	494,116,295

Behavioral Healthcare Services

General Revenues	4,118,531	653,546	4,772,077
Federal Funds			
Federal Funds	33,919,356	(313,825)	33,605,531

Provided that \$250,000 from Social Services Block Grant funds is awarded to The Providence Center to coordinate with Oasis Wellness and Recovery Center for its support and services program offered to individuals with behavioral health issues.

Federal Funds - State Fiscal Recovery Fund

9-8-8 Hotline	1,875,000	(162,342)	1,712,658
Crisis Intervention Trainings	0	1,649,886	1,649,886
Restricted Receipts	6,759,883	7,776,177	14,536,060

Provided that \$500,000 from the opioid stewardship fund is distributed equally to the seven regional substance abuse prevention task forces to fund priorities determined by each Task Force.

Total - Behavioral Healthcare Services	46,672,770	9,603,442	56,276,212
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Hospital and Community Rehabilitative Services

General Revenues	53,030,624	1,269,060	54,299,684
Federal Funds	53,088,129	2,199,437	55,287,566
Restricted Receipts	4,535,481	3,138,883	7,674,364
Other Funds			

Rhode Island Capital Plan Funds

Hospital Equipment	500,000	111,974	611,974
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Total - Hospital and Community Rehabilitative

Services	111,154,234	6,719,354	117,873,588
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State of RI Psychiatric Hospital

1	General Revenues	33,499,422	1,229,687	34,729,109
2	Grand Total - Behavioral Healthcare,			
3	Developmental Disabilities and Hospitals	672,361,552	41,826,130	714,187,682
4	Office of the Child Advocate			
5	General Revenues	1,891,426	(127,686)	1,763,740
6	Commission on the Deaf and Hard of Hearing			
7	General Revenues	782,651	(119,971)	662,680
8	Restricted Receipts	131,533	10,296	141,829
9	Grand Total - Comm. On Deaf and			
10	Hard-of-Hearing	914,184	(109,675)	804,509
11	Governor's Commission on Disabilities			
12	General Revenues			
13	General Revenues	765,088	160,733	925,821
14	Livable Home Modification Grant Program	765,304	640,539	1,405,843
15	Provided that this will be used for home modification and accessibility enhancements to			
16	construct, retrofit, and/or renovate residences to allow individuals to remain in community settings.			
17	This will be in consultation with the executive office of health and human services. All unexpended			
18	or unencumbered balances, at the end of the fiscal year, shall be reappropriated to the ensuing fiscal			
19	year, and made immediately available for the same purpose.			
20	Federal Funds	340,000	81,579	421,579
21	Restricted Receipts	66,539	651	67,190
22	Grand Total - Governor's Commission on Disabilities	1,936,931	883,502	2,820,433
23	Office of the Mental Health Advocate			
24	General Revenues	981,608	(250,935)	730,673
25	Elementary and Secondary Education			
26	<i>Administration of the Comprehensive Education Strategy</i>			
27	General Revenues			
28	General Revenues	39,044,536	815,249	39,859,785
29	Provided that \$90,000 be allocated to support the hospital school at Hasbro Children's			
30	Hospital pursuant to § 16-7-20; and that \$395,000 be allocated to support child opportunity zones			
31	through agreements with the department of elementary and secondary education to strengthen			
32	education, health and social services for students and their families as a strategy to accelerate			
33	student achievement; and further provided that \$450,000 and 3.0 full-time equivalent positions be			
34	allocated to support a special education function to facilitate individualized education program			

1 (IEP) and 504 services; ~~and further provided that~~ \$130,000 be allocated to City Year for the Whole
2 School Whole Child Program, which provides individualized support to at-risk students; and further
3 provided that all unexpended or unencumbered balances as of June 30, 2025, relating to the
4 Learn365RI program are hereby reappropriated to the following fiscal year.

5	Special Education Settlement	0	1,860,000	1,860,000
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6 Provided that this amount shall be allocated to provide compensatory special education
7 services, related administrative costs, and attorneys' fees pursuant to a legal settlement authorized
8 by the Rhode Island board of education, of which all unexpended or unencumbered balances at the
9 end of the fiscal year shall be reappropriated to the ensuing fiscal year and made immediately
10 available for the same purpose until the requirements of the settlement agreement have been
11 satisfied.

12 Federal Funds

13	Federal Funds	268,294,480	26,071,474	294,365,954
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14 Provided that \$684,000 from the department's administrative share of Individuals with
15 Disabilities Education Act funds be allocated to the Paul V. Sherlock Center on Disabilities to
16 support the Rhode Island Vision Education and Services Program.

17 Federal Funds – State Fiscal Recovery Fund

18	Adult Education Providers	127,822	3,423,444	3,551,266
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19	Out of School Time Education Providers	0	4,000,000	4,000,000
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20 Restricted Receipts

21	Restricted Receipts	1,654,727	623,099	2,277,826
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22	HRIC Adult Education Grants	3,500,000	0	3,500,000
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23	Total - Admin. of the Comprehensive Ed. Strategy	312,621,565	36,793,266	349,414,831
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24 *Davies Career and Technical School*

25	General Revenues	18,131,389	108,374	18,239,763
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26	Federal Funds	1,782,145	219,967	2,002,112
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27	Restricted Receipts	4,667,353	92,789	4,760,142
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28 Other Funds

29 Rhode Island Capital Plan Funds

30	Davies School HVAC	1,050,000	188,361	1,238,361
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31	Davies School Asset Protection	750,000	(308,989)	441,011
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32 Davies School Healthcare Classroom

33	Renovations	6,886,250	(6,886,250)	0
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34	Davies School Wing Renovation	32,000,000	(29,551,398)	2,448,602
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1	Total - Davies Career and Technical School	65,267,137	(36,137,146)	29,129,991
2	<i>RI School for the Deaf</i>			
3	General Revenues	8,675,430	(469,222)	8,206,208
4	Federal Funds	304,316	50,886	355,202
5	Restricted Receipts	570,169	526,831	1,097,000
6	Other Funds			
7	Rhode Island Capital Plan Funds			
8	School for the Deaf Asset Protection	167,648	228,324	395,972
9	Total - RI School for the Deaf	9,717,563	336,819	10,054,382
10	<i>Metropolitan Career and Technical School</i>			
11	General Revenues	11,131,142	0	11,131,142
12	Federal Funds	500,000	0	500,000
13	Other Funds			
14	Rhode Island Capital Plan Funds			
15	MET School Asset Protection	2,000,000	1,622,014	3,622,014
16	Total - Metropolitan Career and Technical School	13,631,142	1,622,014	15,253,156
17	<i>Education Aid</i>			
18	General Revenues	1,219,745,842	(1,381,686)	1,218,364,156
19	Provided that the criteria for the allocation of early childhood funds shall prioritize pre-			
20	kindergarten seats and classrooms for four-year-olds whose family income is at or below one			
21	hundred eighty-five percent (185%) of federal poverty guidelines and who reside in communities			
22	with higher concentrations of low performing schools and that at least \$2.0 million of the allocation			
23	of career and technical funds shall be coordinated with the career and technical education board of			
24	trustees to be directed to new programs to provide workforce training for jobs which there are no			
25	active programs.			
26	Federal Funds	46,450,000	3,699,320	50,149,320
27	Restricted Receipts	42,626,878	(4,794,346)	37,832,532
28	Total - Education Aid	1,308,822,720	(2,476,712)	1,306,346,008
29	Central Falls School District			
30	General Revenues	53,634,574	407,315	54,041,889
31	Federal Funds	1,000,000	0	1,000,000
32	Total - Central Falls School District	54,634,574	407,315	55,041,889
33	<i>School Construction Aid</i>			
34	General Revenues			

1	School Housing Aid	106,198,555	(416,527)	105,782,028
2	School Building Authority Capital Fund	0	416,527	416,527
3	Total- School Construction Aid	106,198,555	0	106,198,555
4	<i>Teachers' Retirement</i>			
5	General Revenues	132,268,922	7,103,897	139,372,819
6	Grand Total - Elementary and Secondary			
7	Education	2,003,162,178	7,649,453	2,010,811,631
8	Public Higher Education			
9	<i>Office of Postsecondary Commissioner</i>			
10	General Revenues	30,122,180	(82,981)	30,039,199
11	Provided that \$455,000 shall be allocated to Onward We Learn pursuant to § 16-70-5,			
12	\$75,000 shall be allocated to Best Buddies Rhode Island to support its programs for children with			
13	developmental and intellectual disabilities. It is also provided that \$7,378,650 <u>\$6,864,864</u> shall be			
14	allocated to the Rhode Island promise scholarship program; \$151,410 shall be used to support			
15	Rhode Island's membership in the New England Board of Higher Education; \$3,375,500			
16	<u>\$3,351,748</u> shall be allocated to the Rhode Island hope scholarship program, and \$200,000 shall be			
17	allocated to the Rhode Island School for Progressive Education to support access to higher			
18	education opportunities for teachers of color.			
19	Federal Funds			
20	Federal Funds	4,900,773	24,104	4,924,877
21	Guaranty Agency Administration	60,000	0	60,000
22	Federal Funds - State Fiscal Recovery Fund			
23	Foster Care Youth Scholarship	1,021,859	0	1,021,859
24	Fresh Start Scholarship	0	3,002,747	3,002,747
25	RI Reconnect	0	7,196,921	7,196,921
26	RIC Cybersecurity Center	0	1,595,322	1,595,322
27	Restricted Receipts	7,854,557	110,071	7,964,628
28	Other Funds			
29	Tuition Savings Program - Scholarships			
30	and Grants	3,500,000	0	3,500,000
31	Nursing Education Center - Operating	3,120,498	50,200	3,170,698
32	Rhode Island Capital Plan Funds			
33	WEC Expansion - Annex Site	1,220,000	(1,220,000)	0
34	Total - Office of Postsecondary			

1	Commissioner	51,799,867	10,676,384	62,476,251
2	<i>University of Rhode Island</i>			
3	General Revenues			
4	General Revenues	110,775,396	170,825	110,946,221
5	Provided that in order to leverage federal funding and support economic development,			
6	\$700,000 shall be allocated to the small business development center, \$125,000 shall be allocated			
7	to the Institute for Labor Studies & Research and that \$50,000 shall be allocated to Special			
8	Olympics Rhode Island to support its mission of providing athletic opportunities for individuals			
9	with intellectual and developmental disabilities.			
10	Debt Service	31,664,061	0	31,664,061
11	RI State Forensics Laboratory	1,784,983	6,320	1,791,303
12	Other Funds			
13	University and College Funds	794,703,980	31,311,160	826,015,140
14	Debt - Dining Services	744,765	(1)	744,764
15	Debt - Education and General	6,850,702	(1,124,822)	5,725,880
16	Debt - Health Services	118,345	(116,482)	1,863
17	Debt - Housing Loan Funds	14,587,677	20,000	14,607,677
18	Debt - Memorial Union	91,202	1,001	92,203
19	Debt - Ryan Center	2,377,246	0	2,377,246
20	Debt - Parking Authority	531,963	0	531,963
21	URI Restricted Debt Service - Energy			
22	Conservation	524,431	0	524,431
23	URI Debt Service - Energy Conservation	1,914,069	0	1,914,069
24	Rhode Island Capital Plan Funds			
25	Asset Protection	14,006,225	102,772	14,108,997
26	Mechanical, Electric, and Plumbing			
27	Improvements	7,858,588	2,454,468	10,313,056
28	Fire Protection Academic Buildings	3,311,666	201,843	3,513,509
29	Bay Campus	6,000,000	4,298,591	10,298,591
30	Athletics Complex	8,882,689	855,142	9,737,831
31	Provided that total Rhode Island capital plan funds provide no more than 80.0 percent of			
32	the total project.			
33	Stormwater Management	2,221,831	(1,777,240)	444,591
34	Fine Arts Center Renovation	8,000,000	82,531	8,082,531

1	PFAS Removal Water Treatment Plant	1,015,192	3,736,815	4,752,007
2	Total - University of Rhode Island	1,017,965,011	40,222,923	1,058,187,934
3	Notwithstanding the provisions of § 35-3-15, all unexpended or unencumbered balances as			
4	of June 30, 2025 relating to the university of Rhode Island are hereby reappropriated to fiscal year			
5	2026.			
6	<i>Rhode Island College</i>			
7	General Revenues			
8	General Revenues	67,902,836	272,475	68,175,311
9	Debt Service	8,178,392	0	8,178,392
10	Rhode Island Vision Education and Services			
11	Program	1,800,000	0	1,800,000
12	Other Funds			
13	University and College Funds	107,027,705	6,529,958	113,557,663
14	Debt - Education and General	714,519	742,700	1,457,219
15	Debt - Student Union	207,150	0	207,150
16	Debt - G.O. Debt Service	1,602,610	0	1,602,610
17	Debt - Energy Conservation	742,700	0	742,700
18	Rhode Island Capital Plan Funds			
19	Asset Protection	5,785,000	5,871,046	11,656,046
20	Infrastructure Modernization	5,675,000	5,759,392	11,434,392
21	Master Plan Phase III	5,000,000	(2,408,329)	2,591,671
22	Phase IV: Whipple Hall	500,000	0	500,000
23	Total - Rhode Island College	205,135,912	16,767,242	221,903,154
24	Notwithstanding the provisions of § 35-3-15, all unexpended or unencumbered balances as			
25	of June 30, 2025, relating to Rhode Island college are hereby reappropriated to fiscal year 2026.			
26	<i>Community College of Rhode Island</i>			
27	General Revenues			
28	General Revenues	61,231,829	247,881	61,479,710
29	Debt Service	1,054,709	0	1,054,709
30	Restricted Receipts	814,584	111,983	926,567
31	Other Funds			
32	University and College Funds	104,016,119	9,286,836	113,302,955
33	Rhode Island Capital Plan Funds			
34	Asset Protection	2,719,452	1,350,305	4,069,757

1	Data, Cabling, and Power Infrastructure	4,200,000	(3,864,892)	335,108
2	Flanagan Campus Renovations	5,700,000	(3,950,000)	1,750,000
3	CCRI Renovation and Modernization Phase I	16,000,000	(10,498,882)	5,501,118
4	CCRI Accessibility Improvements	200,000	0	200,000
5	Total - Community College of RI	195,936,693	(7,316,769)	188,619,924
6	Notwithstanding the provisions of § 35-3-15, all unexpended or unencumbered balances as			
7	of June 30, 2025, relating to the community college of Rhode Island are hereby reappropriated to			
8	fiscal year 2026.			
9	Grand Total - Public Higher Education	1,470,837,483	60,349,780	1,531,187,263
10	RI State Council on the Arts			
11	General Revenues			
12	Operating Support	1,205,211	17,281	1,222,492
13	Grants	1,190,000	0	1,190,000
14	Provided that \$400,000 be provided to support the operational costs of WaterFire			
15	Providence art installations.			
16	Federal Funds	996,126	15,654	1,011,780
17	Other Funds			
18	Art for Public Facilities	585,000	75,000	660,000
19	Grand Total - RI State Council on the Arts	3,976,337	107,935	4,084,272
20	RI Atomic Energy Commission			
21	General Revenues	1,180,419	51,220	1,231,639
22	Restricted Receipts	25,036	0	25,036
23	Other Funds			
24	URI Sponsored Research	338,456	9,556	348,012
25	Rhode Island Capital Plan Funds			
26	Asset Protection	50,000	0	50,000
27	Grand Total - RI Atomic Energy Commission	1,593,911	60,776	1,654,687
28	RI Historical Preservation and Heritage Commission			
29	General Revenues	1,898,100	(275,889)	1,622,211
30	Provided that \$30,000 support the operational costs of the Fort Adams Trust's restoration			
31	activities and that \$25,000 shall be allocated to Rhode Island Slave History Medallions.			
32	Federal Funds	1,267,431	346,458	1,613,889
33	Restricted Receipts	419,300	0	419,300
34	Other Funds			

1	RIDOT Project Review	142,829	(7,389)	135,440
2	Rhode Island Capital Plan Funds			
3	Archaeological Collection Facility	0	50,000	50,000
4	Grand Total - RI Historical Preservation and			
5	Heritage Comm.	3,727,660	113,180	3,840,840
6	Attorney General			
7	<i>Criminal</i>			
8	General Revenues	21,173,986	1,214,582	22,388,568
9	Federal Funds	3,231,773	570,854	3,802,627
10	Restricted Receipts	1,473,682	1,320,124	2,793,806
11	Total - Criminal	25,879,441	3,105,560	28,985,001
12	<i>Civil</i>			
13	General Revenues	7,005,430	(37,266)	6,968,164
14	Federal Funds	0	100,000	100,000
15	Restricted Receipts	3,616,629	420,135	4,036,764
16	Total - Civil	10,622,059	482,869	11,104,928
17	<i>Bureau of Criminal Identification</i>			
18	General Revenues	2,164,423	175,106	2,339,529
19	Federal Funds	33,332	31,215	64,547
20	Restricted Receipts	2,847,793	(409,195)	2,438,598
21	Total - Bureau of Criminal Identification	5,045,548	(202,874)	4,842,674
22	<i>General</i>			
23	General Revenues	4,759,579	221,439	4,981,018
24	Other Funds			
25	Rhode Island Capital Plan Funds			
26	Building Renovations and Repairs	150,000	115,000	265,000
27	Total - General	4,909,579	336,439	5,246,018
28	Grand Total - Attorney General	46,456,627	3,721,994	50,178,621
29	Corrections			
30	<i>Central Management</i>			
31	General Revenues	22,522,753	1,226,436	23,749,189
32	Federal Funds	0	139,354	139,354
33	Total – Central Management	22,522,753	1,365,790	23,888,543
34	The department of corrections shall conduct a study to evaluate recidivism trends and			

1 outcomes of existing correctional programs intended to promote rehabilitation and reduce
2 recidivism. The report shall include, but not be limited to, historical recidivism rates including
3 demographic data, and regional comparisons; prison population projections and driving factors; an
4 inventory of evidence-based rehabilitative practices and programs; and a review of correctional
5 industries and its alignment to workforce needs. On or before March 1, 2025, the department of
6 corrections must submit a report to the governor, the speaker of the house and the president of the
7 senate including a summary, relevant data and findings, and recommendations to reduce recidivism.

8 *Parole Board*

9	General Revenues	1,526,785	78,988	1,605,773
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10 *Custody and Security*

11	General Revenues	163,902,830	7,657,778	171,560,608
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12	Federal Funds	1,333,277	921,383	2,254,660
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13	Other Funds			
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14	Rhode Island Capital Plan Funds			
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15	Intake Service Center HVAC	23,946,648	(15,641,264)	8,305,384
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16	Total - Custody and Security	189,182,755	(7,062,103)	182,120,652
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17 *Institutional Support*

18	General Revenues	34,243,329	(118,062)	34,125,267
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19	Other Funds			
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20	Rhode Island Capital Plan Funds			
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21	Asset Protection	4,100,000	1,400,000	5,500,000
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22	Correctional Facilities – Renovations	3,179,677	(2,929,677)	250,000
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23	Total - Institutional Support	41,523,006	(1,647,739)	39,875,267
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24 *Institutional Based Rehab/Population Management*

25	General Revenues	14,780,027	(294,315)	14,485,712
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26 Provided that \$1,050,000 be allocated to Crossroads Rhode Island for sex offender
27 discharge planning.

28 The director of the department of corrections shall provide to the speaker of the house and
29 president of the senate at least every ninety (90) days beginning September 1, 2022, a report on
30 efforts to modernize the correctional industries program. The report shall, at minimum, provide
31 data on the past ninety (90) days regarding program participation; changes made in programming
32 to more closely align with industry needs; new or terminated partnerships with employers,
33 nonprofits, and advocacy groups; current program expenses and revenues; and the employment
34 status of all persons on the day of discharge from department care who participated in the

1	correctional industries program.			
2	Federal Funds	455,919	492,232	948,151
3	Restricted Receipts	44,800	1,933,496	1,978,296
4	Total - Institutional Based Rehab/Population Mgt.	15,280,746	2,131,413	17,412,159
5	<i>Healthcare Services</i>			
6	General Revenues	34,782,837	1,138,147	35,920,984
7	Restricted Receipts	1,331,555	(1,331,555)	0
8	Total - Healthcare Services	36,114,392	(193,408)	35,920,984
9	<i>Community Corrections</i>			
10	General Revenues	21,987,526	86,008	22,073,534
11	Federal Funds	30,639	8,949	39,588
12	Restricted Receipts	10,488	(7,397)	3,091
13	Total - Community Corrections	22,028,653	87,560	22,116,213
14	Grand Total - Corrections	328,179,090	(5,239,499)	322,939,591
15	Judiciary			
16	<i>Supreme Court</i>			
17	General Revenues			
18	General Revenues	35,952,258	2,156,535	38,108,793
19	Provided however, that no more than \$1,375,370 in combined total shall be offset to the			
20	public defender's office, the attorney general's office, the department of corrections, the department			
21	of children, youth and families, and the department of public safety for square-footage occupancy			
22	costs in public courthouses and further provided that \$500,000 be allocated to the Rhode Island			
23	Coalition Against Domestic Violence for the domestic abuse court advocacy project pursuant to §			
24	12-29-7 and that \$90,000 be allocated to Rhode Island Legal Services, Inc. to provide housing and			
25	eviction defense to indigent individuals.			
26	Defense of Indigents	6,075,432	1,800,000	7,875,432
27	Federal Funds	123,424	71,260	194,684
28	Restricted Receipts	4,182,232	44,126	4,226,358
29	Other Funds			
30	Rhode Island Capital Plan Funds			
31	Judicial Complexes - HVAC	500,000	0	500,000
32	Judicial Complexes Asset Protection	2,250,000	251,388	2,501,388
33	Judicial Complexes Fan Coil Unit Replacements	500,000	0	500,000
34	Garrahy Courthouse Restoration	1,125,000	146,644	1,271,644

1	Total - Supreme Court	50,708,346	4,469,953	55,178,299
2	<i>Judicial Tenure and Discipline</i>			
3	General Revenues	174,997	7,230	182,227
4	<i>Superior Court</i>			
5	General Revenues	27,995,998	1,526,150	29,522,148
6	Restricted Receipts	665,000	(340,000)	325,000
7	Total - Superior Court	28,660,998	1,186,150	29,847,148
8	<i>Family Court</i>			
9	General Revenues	26,940,842	1,569,855	28,510,697
10	Federal Funds	3,678,496	1,558,511	5,237,007
11	Total - Family Court	30,619,338	3,128,366	33,747,704
12	<i>District Court</i>			
13	General Revenues	16,384,243	948,092	17,332,335
14	Federal Funds	616,036	89,233	705,269
15	Restricted Receipts	60,000	0	60,000
16	Total - District Court	17,060,279	1,037,325	18,097,604
17	<i>Traffic Tribunal</i>			
18	General Revenues	10,812,491	618,112	11,430,603
19	<i>Workers' Compensation Court</i>			
20	Restricted Receipts	9,931,788	494,206	10,425,994
21	Grand Total - Judiciary	147,968,237	10,941,342	158,909,579
22	Military Staff			
23	General Revenues	3,276,320	(80,602)	3,195,718
24	Federal Funds	86,857,534	(936,362)	85,921,172
25	Restricted Receipts			
26	RI Military Family Relief Fund	55,000	0	55,000
27	RING Counter-Drug Program	0	11,000	11,000
28	Other Funds			
29	Rhode Island Capital Plan Funds			
30	Aviation Readiness Center	3,294,818	87,195	3,382,013
31	Asset Protection	1,799,185	713,816	2,513,001
32	Quonset Airport Runway Reconstruction	1,339,988	629,379	1,969,367
33	Quonset Air National Guard HQ Facility	3,000,000	0	3,000,000
34	Counter-Drug Training Facility	2,000,000	0	2,000,000

1	Sun Valley Armory	0	262,475	262,475
2	Grand Total - Military Staff	101,622,845	686,901	102,309,746
3	Public Safety			
4	<i>Central Management</i>			
5	General Revenues	13,318,898	(93,568)	13,225,330
6	Provided that \$400,000 shall be allocated to support the Family Service of Rhode Island's			
7	GO Team program of on-scene support to children who are victims of violence and other traumas.			
8	It is also provided that \$11,500,000 <u>\$11,524,954</u> shall be allocated as the state contribution for the			
9	statewide body-worn camera program, subject to all program and reporting rules, regulations,			
10	policies, and guidelines prescribed in the Rhode Island General Laws. Notwithstanding the			
11	provision of § 35-3-15 of the general laws, all unexpended or unencumbered balances as of June			
12	30, 2025 from this appropriation are hereby reappropriated to fiscal year 2026.			
13	Federal Funds			
14	Federal Funds	15,542,257	961,562	16,503,819
15	Federal Funds – State Fiscal Recovery Fund			
16	Support for Survivors of Domestic Violence	10,000,000	(651,071)	9,348,929
17	Restricted Receipts	309,252	99,125	408,377
18	Total - Central Management	39,170,407	316,048	39,486,455
19	<i>E-911 Emergency Telephone System</i>			
20	Restricted Receipts	11,103,966	267,535	11,371,501
21	<i>Security Services</i>			
22	General Revenues	30,711,397	(703,191)	30,008,206
23	<i>Municipal Police Training Academy</i>			
24	General Revenues	299,114	2,584	301,698
25	Federal Funds	417,455	86,969	504,424
26	Total - Municipal Police Training Academy	716,569	89,553	806,122
27	<i>State Police</i>			
28	General Revenues	91,080,925	8,525,424	99,606,349
29	Federal Funds	6,784,981	3,595,726	10,380,707
30	Restricted Receipts	1,096,000	370,000	1,466,000
31	Other Funds			
32	Airport Corporation Assistance	150,630	(297)	150,333
33	Road Construction Reimbursement	3,354,650	22,950	3,377,600
34	Weight and Measurement Reimbursement	248,632	215,769	464,401

1	Rhode Island Capital Plan Funds			
2	DPS Asset Protection	3,425,000	291,082	3,716,082
3	Southern Barracks	21,500,000	536,972	22,036,972
4	Training Academy Upgrades	1,550,000	(725,000)	825,000
5	Statewide Communications System Network	245,048	0	245,048
6	Total - State Police	129,435,866	12,832,626	142,268,492
7	Grand Total - Public Safety	211,138,205	12,802,571	223,940,776
8	Office of Public Defender			
9	General Revenues	16,585,559	591,377	17,176,936
10	<u>Provided that up to \$750,000 is used for legal staff salary-grade promotions and one-time</u>			
11	<u>retroactive payments for employees of the office of the public defender who were appointed to a</u>			
12	<u>promotional position as of April 20, 2025. These employees shall have their appointment date</u>			
13	<u>adjusted retroactively to the pay period including July 1, 2024. Any unexpended or unencumbered</u>			
14	<u>balances as of June 30, 2025, are hereby reappropriated to the following fiscal year.</u>			
15	Federal Funds	85,035	0	85,035
16	Grand Total - Office of Public Defender	16,670,594	591,377	17,261,971
17	Emergency Management Agency			
18	General Revenues	7,007,474	55,122	7,062,596
19	Federal Funds	28,880,583	6,435,123	35,315,706
20	Restricted Receipts	412,371	7,527	419,898
21	Other Funds			
22	Rhode Island Capital Plan Funds			
23	RI Statewide Communications Infrastructure	140,000	524,198	664,198
24	State Emergency Ops Center	80,000	0	80,000
25	RI Statewide Communications 700 MHZ Project	0	1,388,188	1,388,188
26	RI Statewide Communications Warehouse	0	250,000	250,000
27	Emergency Management Building	0	250,000	250,000
28	Grand Total - Emergency Management			
29	Agency	36,520,428	8,910,158	45,430,586
30	Environmental Management			
31	<i>Office of the Director</i>			
32	General Revenues	9,024,403	373,181	9,397,584
33	Of this general revenue amount, \$180,000 is appropriated to the conservation districts and			
34	\$100,000 is appropriated to the Wildlife Rehabilitators Association of Rhode Island for a			

1	veterinarian at the Wildlife Clinic of Rhode Island.			
2	Federal Funds	40,100	314,875	354,975
3	Restricted Receipts	4,894,237	1,700,867	6,595,104
4	Total - Office of the Director	13,958,740	2,388,923	16,347,663
5	<i>Natural Resources</i>			
6	General Revenues	32,344,157	(523,805)	31,820,352
7	Provided that of this general revenue amount, \$150,000 is to be used for marine mammal			
8	response activities in conjunction with matching federal funds.			
9	Federal Funds	23,602,130	10,446,377	34,048,507
10	Restricted Receipts	6,078,419	141,524	6,219,943
11	Other Funds			
12	DOT Recreational Projects	762,000	0	762,000
13	Blackstone Bike Path Design	1,000,000	0	1,000,000
14	Rhode Island Capital Plan Funds			
15	Dam Repair	5,386,000	(4,886,030)	499,970
16	Fort Adams Rehabilitation	300,000	91,194	391,194
17	Port of Galilee	13,300,000	(6,248,811)	7,051,189
18	Newport Pier Upgrades	500,000	121,578	621,578
19	Recreation Facilities Asset Protection	750,000	171,908	921,908
20	Recreational Facilities Improvements	5,729,077	1,213,495	6,942,572
21	Natural Resources Office and Visitor's Center	250,000	211,165	461,165
22	Fish & Wildlife Maintenance Facilities	200,000	102,443	302,443
23	Marine Infrastructure/Pier Development	950,000	0	950,000
24	Total - Natural Resources	91,151,783	841,038	91,992,821
25	<i>Environmental Protection</i>			
26	General Revenues	15,870,312	(1,073,838)	14,796,474
27	Federal Funds	12,377,846	289,910	12,667,756
28	Restricted Receipts	10,332,134	4,113,851	14,445,985
29	Other Funds			
30	Transportation MOU	41,769	48,595	90,364
31	Total - Environmental Protection	38,622,061	3,378,518	42,000,579
32	Grand Total - Environmental Management	143,732,584	6,608,479	150,341,063
33	Coastal Resources Management Council			
34	General Revenues	3,607,384	350,043	3,957,427

1	Federal Funds	2,319,579	4,599,430	6,919,009
2	Restricted Receipts	250,000	0	250,000
3	Other Funds			
4	Rhode Island Capital Plan Funds			
5	Pawcatuck Resiliency Elevation Study	0	50,000	50,000
6	Little Narragansett Bay Study	0	50,000	50,000
7	Grand Total - Coastal Resources Mgmt. Council	6,176,963	5,049,473	11,226,436
8	Transportation			
9	<i>Central Management</i>			
10	Federal Funds	15,122,388	(1,356,995)	13,765,393
11	Other Funds			
12	Gasoline Tax	8,265,215	1,001,931	9,267,146
13	Total - Central Management	23,387,603	(355,064)	23,032,539
14	<i>Management and Budget</i>			
15	Other Funds			
16	Gasoline Tax	4,243,682	(267,118)	3,976,564
17	<i>Infrastructure Engineering</i>			
18	Federal Funds			
19	Federal Funds	402,650,393	35,983,120	438,633,513
20	Federal Funds – State Fiscal Recovery Fund			
21	Municipal Roads Grant Program	7,000,000	16,183,415	23,183,415
22	RIPTA Operating Grant	15,000,000	0	15,000,000

23 The Rhode Island public transit authority shall conduct a thorough review of its transit
 24 operations and administration. The aim of this review is to uncover ways to enhance efficiency and
 25 streamline costs, ensuring a more effective use of resources. This evaluation shall encompass a
 26 range of areas, including but not limited to, a comprehensive analysis of the fixed-route service.
 27 Analysis should include operating expenses, ridership figures, cost per rider, and other pertinent
 28 data across all routes and serviced regions. A review focusing on the cost-effectiveness of the
 29 agency’s diverse transit services will be a key component of this study. Additionally, the study
 30 shall explore different transit service delivery models, incorporating successful strategies from
 31 other transit systems; financial planning strategies; agency management structure, capital plan
 32 development, and funding strategies; project management; and transit master plan scope and
 33 schedule. By March 1, 2025, the Rhode Island public transit authority shall compile and present a
 34 report to the governor, the speaker of the house, and the president of the senate. This report will

1	summarize the findings of the study and include recommendations aimed at fostering sustainable			
2	and effective transit operations.			
3	Washington Bridge Project	35,000,000	0	35,000,000
4	Turnpike and Bridge Authority –			
5	Safety Barriers Study	0	641,764	641,764
6	Restricted Receipts	6,116,969	48,848	6,165,817
7	Other Funds			
8	Gasoline Tax	71,061,818	1,145,797	72,207,615
9	Land Sale Revenue	6,568,333	(346,898)	6,221,435
10	Rhode Island Capital Plan Funds			
11	Highway Improvement Program	141,102,060	(11,800,000)	129,302,060
12	Bike Path Asset Protection	400,000	0	400,000
13	RIPTA - Land and Buildings	11,214,401	(5,434,903)	5,779,498
14	RIPTA - Pawtucket/Central Falls Bus Hub			
15	Passenger Facility	3,424,529	75,471	3,500,000
16	RIPTA Providence High-Capacity Transit			
17	Corridor Study	0	250,000	250,000
18	RIPTA – Kingston Station Mobility Hub	0	1,140,000	1,140,000
19	Total - Infrastructure Engineering	699,538,503	37,886,614	737,425,117
20	<i>Infrastructure Maintenance</i>			
21	Other Funds			
22	Gasoline Tax	39,244,619	1,058,869	40,303,488
23	The department of transportation will establish a municipal roadway database, which will			
24	include information concerning the name, condition, length, roadway infrastructure, and pedestrian			
25	features of each municipal roadway, updated annually by municipalities. The database will serve			
26	as a comprehensive and transparent list of municipal roadway conditions.			
27	Rhode Island Highway Maintenance Account	119,070,245	143,944,444	263,014,689
28	Rhode Island Capital Plan Funds			
29	Maintenance Capital Equipment Replacement	1,800,000	2,009,769	3,809,769
30	Maintenance Facilities Improvements	500,000	145,246	645,246
31	Welcome Center	150,000	300,028	450,028
32	Salt Storage Facilities	1,150,000	318,759	1,468,759
33	Train Station Asset Protection	475,585	654,377	1,129,962
34	Total - Infrastructure Maintenance	162,390,449	148,431,492	310,821,941

1	Grand Total - Transportation	889,560,237	185,695,924	1,075,256,161
2	Statewide Totals			
3	General Revenues	5,594,861,257	2,736,816	5,597,598,073
4	Federal Funds	5,066,548,689	546,106,800	5,612,655,489
5	Restricted Receipts	463,143,051	28,500,321	491,643,372
6	Other Funds	2,838,671,543	227,017,665	3,065,689,208
7	Statewide Grand Total	13,963,224,540	804,361,602	14,767,586,142

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

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

20	Account	Expenditure Limit		
21		FY 2025	FY 2025	FY 2025
22		Enacted	Change	FINAL
23	State Assessed Fringe Benefit Internal Service Fund	36,946,270	261,300	37,207,570
24	Administration Central Utilities Internal Service Fund	30,029,111	(70,288)	29,958,823
25	State Central Mail Internal Service Fund	8,419,019	68,509	8,487,528
26	State Telecommunications Internal Service Fund	3,748,530	42,501	3,791,031
27	State Automotive Fleet Internal Service Fund	15,496,081	5,458,171	20,954,252
28	Surplus Property Internal Service Fund	44,789	0	44,789
29	Health Insurance Internal Service Fund	272,804,635	(91,576)	272,713,059
30	Other Post-Employment Benefits Fund	63,854,008	0	63,854,008
31	Capitol Police Internal Service Fund	1,466,975	122,219	1,589,194
32	Corrections Central Distribution Center			
33	Internal Service Fund	7,659,339	960,340	8,619,679
34	Correctional Industries Internal Service Fund	8,247,332	201,181	8,448,513

1	Board of Elections	13.0
2	Rhode Island Ethics Commission	12.0
3	Office of the Governor	45.0
4	Commission for Human Rights	15.0
5	Public Utilities Commission	57.0
6	Executive Office of Health and Human Services	233.0
7	Children, Youth and Families	714.5
8	Health	572.6
9	Human Services	779.0
10	Office of Veterans Services	267.0
11	Office of Healthy Aging	33.0
12	Behavioral Healthcare, Developmental Disabilities	
13	and Hospitals	1,221.4
14	Provided that 18.0 of the total authorization would be limited to independent facilitators	
15	positions to comply with the Consent Decree Addendum.	
16	Office of the Child Advocate	13.0
17	Commission on the Deaf and Hard of Hearing	4.0
18	Governor's Commission on Disabilities	5.0
19	Office of the Mental Health Advocate	6.0
20	Elementary and Secondary Education	156.1
21	Provided that 3.0 of the total authorization would be available only for positions that are	
22	supported by the healthy environments advance learning grant at the school building authority.	
23	School for the Deaf	61.0
24	Davies Career and Technical School	123.0
25	Office of Postsecondary Commissioner	46.0
26	Provided that 1.0 of the total authorization would be available only for positions that are	
27	supported by third-party funds, 12.0 would be available only for positions at the state's higher	
28	education centers located in Woonsocket and Westerly, 10.0 would be available only for positions	
29	at the nursing education center, and 7.0 would be available for the longitudinal data systems	
30	program.	
31	University of Rhode Island	2,571.0
32	Provided that 353.8 of the total authorization would be available only for positions that are	
33	supported by third-party funds.	
34	Rhode Island College	949.2

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

2 **Department of Administration (DOA)**

3 DOA- Pandemic Recovery Office. These funds shall be allocated to finance the pandemic
4 recovery office established within the department of administration.

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

7 DOA – Auto-Enrollment Program. These funds shall support a program for automatically
8 enrolling qualified individuals transitioned off Medicaid coverage at the end of the COVID-19
9 public health emergency into qualified health plans to avoid gaps in coverage, administered by
10 HealthSource RI.

11 DOA - Health Care Facilities. These funds shall address the ongoing staffing needs of
12 nursing facilities related to the COVID-19 public health emergency. Ten million dollars
13 (\$10,00,000) shall be distributed to nursing facilities based on the number of Medicaid beds days
14 from the 2022 facility cost reports, provided at least eighty percent (80%) is dedicated to direct care
15 workers.

16 DOA - Community Learning Center Programming Support Grant. These funds shall be
17 distributed to municipalities that have approved community learning center projects under the
18 coronavirus capital projects fund community learning center municipal grant program. An equal
19 amount of funding will be allocated to each approved community learning center project ~~that~~
20 ~~reaches substantial completion as defined by the U.S. Department of Treasury by October 31, 2026.~~
21 Municipalities with projects that do not reach substantial completion as defined by the U.S.
22 Department of Treasury by October 31, 2026, shall return their funding no later than November 15,
23 2026, for redistribution among other qualified community learning centers. These funds must be
24 used to support the establishment of U.S. Department of the Treasury compliant health monitoring,
25 work, and or education programming that will take place in a community learning center.

26 DOA – Municipal Public Safety Infrastructure. These funds shall be used to provide
27 matching support to cities and towns to make significant public safety facilities infrastructure
28 improvements including new construction. Funding priority shall be based on project readiness and
29 limited to those for which the total costs exceed \$1.0 million. Matching funds to any municipality
30 will be limited to \$5.0 million for projects that serve a regional purpose and \$1.0 million for others.

31 **Office of Energy Resources (OER)**

32 OER - Electric Heat Pump Grant Program. These funds shall support a grant program
33 within the office of energy resources to assist homeowners and small-to-mid-size business owners
34 with the purchase and installation of high-efficiency electric heat pumps, with an emphasis on

1 families in environmental justice communities, minority-owned businesses, and community
2 organizations who otherwise cannot afford this technology. The office of energy resources shall
3 report to the speaker of the house and senate president no later than April 1 of each year the results
4 of this program, including but not limited to, the number of grants issued; amount of each grant and
5 the average grant amount; and the expected cumulative carbon emissions reductions associated
6 with heat pumps that received a grant.

7 **Department of Labor and Training (DLT)**

8 DLT – Enhanced Real Jobs. These funds shall support the real jobs Rhode Island program
9 in the development of job partnerships, connecting industry employers adversely impacted by the
10 pandemic to individuals enrolled in workforce training programs.

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

12 EOC – Minority Business Accelerator. These funds shall support a program to invest
13 additional resources to enhance the growth of minority business enterprises as defined in chapter
14 14.1 of title 37. The initiative will support a range of assistance and programming, including
15 financial and technical assistance, entrepreneurship training, space for programming and co-
16 working, and assistance accessing low-interest loans. Commerce shall work with minority small
17 business associations, including the Rhode Island Black Business Association (RIBBA), to advance
18 this program.

19 EOC – Bioscience Investments. These funds shall support a program to invest in the
20 biosciences industry in Rhode Island in conjunction with the Rhode Island life science hub as
21 established in chapter 99 of title 23. This program will include, but is not limited to, the
22 development of one or more wet lab incubator spaces in collaboration with industry partners; the
23 creation of a fund that will support wrap-around services to aid in the commercialization of
24 technology and business development, growth of the biosciences talent pipeline, and support for
25 staff to implement the bioscience investments initiative.

26 EOC - Assistance to Impacted Industries. These funds shall be allocated to provide
27 assistance to the tourism, hospitality, and events industries for outdoor and public space capital
28 improvements and event programming.

29 EOC – Small Business Assistance. These funds shall be allocated to a program of financial
30 and technical assistance to small businesses and COVID-impacted industries as follows: twelve
31 million five hundred thousand dollars (\$12,500,000) shall be provided as direct payments to
32 businesses for lost revenue; seventeen million three hundred thousand dollars (\$17,300,000) shall
33 support technical assistance for long-term business capacity building, public health upgrades,
34 energy efficiency improvements, and outdoor programming; and one million five hundred thousand

1 dollars (\$1,500,000) shall be allocated to support administration of these programs. To be eligible
2 to receive funds or support under this program a business must have less than two million dollars
3 (\$2,000,000) in annual gross revenues and demonstrate a negative impact from the COVID-19
4 pandemic as determined by the Rhode Island commerce corporation. Under this program, total
5 support in the form of direct payments, or technical assistance grants shall not exceed ten thousand
6 dollars (\$10,000) per eligible business through either program. Total support in the form of direct
7 payments, technical assistance, and grants for public health upgrades, energy efficiency and
8 outdoor programming shall not exceed thirty thousand dollars (\$30,000) in the aggregate. Provided
9 further that at least twenty percent (20%) of all funds must be reserved for awards to assist minority
10 business enterprises as defined in chapter 14.1 of title 37. Of the aggregate funding described above,
11 two million six hundred thousand dollars (\$2,600,000) of funds that are unexpended as of July 1,
12 2024, shall be allocated to a program to assist small businesses impacted by the closure and
13 reconstruction of the northern span of the Washington Bridge. Of those funds, one million two
14 hundred thousand dollars (\$1,200,000) shall be allocated to the city of East Providence, eight
15 hundred thousand dollars (\$800,000) shall be allocated to the city of Providence, and six hundred
16 thousand dollars (\$600,000) shall be allocated to the executive office of commerce. Funds shall be
17 used to provide direct grants or any such other forms of assistance as deemed appropriate, and shall
18 not be subject to the criteria, limitations, and reservation requirements described above.

19 **Department of Housing**

20 Housing – Development of Affordable Housing. These funds shall expand a program at
21 the Rhode Island housing and mortgage finance corporation to provide additional investments in
22 (1) the development of affordable housing units in conjunction with general obligation bond funds
23 and other sources of available financing according to guidelines approved by the coordinating
24 committee of the housing resources commission or (2) site acquisition and predevelopment
25 expenses for affordable housing. Of this amount, ten million dollars (\$10,000,000) shall be
26 available to Rhode Island housing and mortgage finance corporation to establish a pilot program
27 that shall direct funds to support low income public housing through project-based rental assistance
28 vouchers and financing for pre-development, improvement, and housing production costs. Within
29 six (6) months, any money available for the pilot that is not yet allocated to viable projects, or
30 which has been awarded to public housing authorities which are unable to demonstrate substantial
31 completion of all work within eighteen (18) months of receipt of any such funds, shall be returned
32 to this program and no longer be included in the pilot. Determination of viability and substantial
33 completion under the pilot shall be at the sole discretion of the secretary of housing.

34 Housing – Targeted Housing Development. These funds shall create a program at the

1 department of housing to develop housing in targeted areas and/or priority projects. Of this overall
2 program, twenty-two million dollars (\$22,000,000) shall be allocated into a priority project fund
3 that advances the following categories: permanent supportive housing, housing dedicated to
4 vulnerable populations, individuals transitioning out of state care, and extremely low-income
5 Rhode Islanders. Of this overall program, four million dollars (\$4,000,000) shall be allocated to
6 support the development of transit-oriented housing as approved by the secretary of housing.

7 Housing – Site Acquisition. These funds shall be allocated to the Rhode Island housing and
8 mortgage finance corporation toward the acquisition of properties for redevelopment as affordable
9 and supportive housing to finance projects that include requirements for deed restrictions not less
10 than thirty (30) years, and a non-recourse structure.

11 Housing – Workforce Housing. These funds shall be allocated to the Rhode Island housing
12 and mortgage finance corporation to support a program to increase the housing supply for families
13 earning up to 120 percent of area median income.

14 Housing – Home Repair and Community Revitalization. These funds shall expand the
15 acquisition and revitalization program administered by the Rhode Island housing and mortgage
16 finance corporation to finance the acquisition and redevelopment of blighted properties to increase
17 the number of commercial and community spaces in disproportionately impacted communities and
18 or to increase the development of affordable housing. Residential development will serve
19 households earning no more than 80 percent of area median income. Commercial and community
20 spaces must serve or meet the needs of residents of a census tract where at least 51 percent of the
21 residents are low-and moderate-income persons. Of this amount, four million five hundred
22 thousand dollars (\$4,500,000) will support critical home repairs within the same communities.

23 Housing – Preservation of Affordable Housing Units. These funds shall support a program
24 to preserve affordable housing units at risk of foreclosure or blight.

25 Housing – Predevelopment and Capacity Building. These funds shall support a program to
26 increase contract staffing capacity to administer proposed affordable housing projects. These funds
27 will support research and data analysis, stakeholder engagement, and the expansion of services for
28 people experiencing homelessness.

29 Housing – Municipal Planning. Of these funds, one million three hundred thousand dollars
30 (\$1,300,000) shall support a housing development-focused municipal fellows program within the
31 department of housing and one million dollars (\$1,000,000) shall support municipalities to study
32 and implement zoning changes that up-zone or otherwise enable additional housing development
33 in proximity to transit.

34 Housing – Homelessness Assistance Program. These funds shall support a program to

1 expand housing navigation, behavioral health, and stabilization services to address pandemic-
2 related homelessness. The program will support services for people transitioning from
3 homelessness to housing, including individuals transitioning out of the adult correctional
4 institutions.

5 Housing – Homelessness Infrastructure. These funds shall be used to support a program to
6 respond to and prevent homelessness, including but not limited to, acquisition or construction of
7 temporary or permanent shelter and other housing solutions and stabilization programs.

8 Housing – Municipal Homelessness Support Initiative. These funds shall be used to support
9 a program to award grants to cities and towns for public safety expenses and other municipal
10 services that support individuals and families experiencing homelessness.

11 Housing – Proactive Housing Development. These funds shall be used to support the
12 creation, staffing, and initial activities of a proactive development subsidiary of the Rhode Island
13 housing and mortgage finance corporation, established pursuant to § 42-55-5.1.

14 Housing – Housing Related Infrastructure. These funds shall be allocated to the Rhode
15 Island infrastructure bank as established in chapter 12.2 of title 46 to support physical infrastructure
16 that is necessary to produce additional housing. All expenditures made with these funds must be
17 for the pre-development and development of site-related infrastructure for housing that meets
18 affordable housing pricing and/or income criteria and other criteria established by the department
19 of housing.

20 Housing – Statewide Housing Plan. These funds shall be allocated to the development of a
21 statewide comprehensive housing plan to assess current and future housing needs, consider barriers
22 to home ownership and affordability, and identify services needed for increased investments toward
23 disproportionately impacted individuals and communities. These funds shall be used to support
24 municipal planning efforts to identify and cultivate viable sites and housing projects.

25 **Quonset Development Corporation (QDC)**

26 QDC – Port of Davisville. These funds shall be allocated to expand a program developing
27 port infrastructure and services at the Port of Davisville in Quonset in accordance with the
28 corporation’s master plan.

29 **Executive Office of Health and Human Services (EOHHS)**

30 EOHHS - Pediatric Recovery. These funds shall support a program to provide relief to
31 pediatric providers in response to the decline in visitation and enrollment caused by the public
32 health emergency and incentivize providers to increase developmental and psychosocial behavioral
33 screenings.

34 EOHHS - Certified Community Behavioral Clinics. These funds shall be allocated to a

1 [program to support certified community behavioral health clinics to bolster behavioral health](#)
2 [supports, medical screening and monitoring, and social services to particularly vulnerable](#)
3 [populations in response to a rise in mental health needs during the public health emergency.](#)

4 **Department of Children, Youth and Families (DCYF)**

5 DCYF – Provider Workforce Stabilization. These funds shall be allocated to support
6 workforce stabilization supplemental wage payments and sign-on bonuses to eligible direct care
7 and supporting care staff of contracted service providers.

8 [DCYF - Psychiatric Treatment Facility. These funds shall be allocated to expand existing](#)
9 [psychiatric residential treatment facility capacity to provide intensive residential treatment options](#)
10 [for adolescent girls and young women who face severe and complex behavioral health challenges.](#)

11 **[Department of Health \(DOH\)](#)**

12 [DOH – COVID-19 Operational Support. These funds shall be allocated to continue](#)
13 [COVID-19 mitigation activities at the department of health and to address the public health impacts](#)
14 [of the pandemic in Rhode Island.](#)

15 [DOH - Public Health Clinics. Of these funds, \\$649,527 shall be allocated to the RI Free](#)
16 [Clinic to improve statewide access and quality of primary care for uninsured adults; to increase](#)
17 [access to dental care for uninsured adults integrated into medical care at the clinic; and, to build](#)
18 [infrastructure for telehealth and electronic medical records. Additionally, \\$334,500 shall be](#)
19 [allocated to Rhode Island Public Health Foundation/DBA Open Door Health to support the](#)
20 [purchase of existing land and facilities in order to expand services for people who are](#)
21 [disproportionately impacted by the COVID-19 pandemic. These funds may be used to support the](#)
22 [purchase of land, the costs of acquiring a building or constructing a facility, as well as related costs.](#)
23 [The terms and conditions of the allocation shall require Rhode Island Public Health](#)
24 [Foundation/DBA Open Door Health to execute a purchase and sale agreement by June 30, 2024,](#)
25 [for any part of the allocation that is used for the purchase of land. For any part of the allocation that](#)
26 [is used for the acquisition or construction of a facility a contract for such purpose must be executed](#)
27 [by June 30, 2024. Any part of the allocation that is not used for the execution of a purchase and](#)
28 [sale agreement or under contract for the acquisition or construction of a facility shall be returned](#)
29 [to the state by July 31, 2024. Any part of the allocation that is unexpended by December 31, 2026,](#)
30 [regardless of the purpose for which it was obligated, shall be returned to the state no later than](#)
31 [January 31, 2027.](#)

32 **[Department of Human Services \(DHS\)](#)**

33 [DHS – Child Care Support. To address the adverse impact the pandemic has had on the](#)
34 [child care sector, the funds allocated to this program will provide retention bonuses for direct-care](#)

staff at child care centers and licensed family providers in response to pandemic-related staffing shortages and start up and technical assistance grants for family child care providers. Retention bonuses shall be paid monthly or as often as administratively feasible, but not less than quarterly. The director of the department of human services and the director of the department of children, youth and families may waive any fees otherwise assessed upon child care provider applicants who have been awarded the family child care provider incentive grant. The allocation to this program will also support quality improvements, the creation of a workforce registry, and additional funds for educational opportunities for direct care staff.

DHS – SNAP Retail Incentive Pilot. The funds allocated to the Supplemental Nutritional Assistance Program (SNAP) Retail Incentive Pilot shall be used to reimburse the expenditures made from general revenue prior to January 1, 2025, in support of the Rhode Island Eat Well, Be Well Rewards Program. The Rhode Island Eat Well, Be Well Rewards Program is the first and only statewide retail SNAP incentive program in the United States and provides SNAP recipients an additional fifty cents (\$0.50) for every one dollar (\$1.00) of SNAP benefits spent on eligible fresh fruit and vegetable purchases, up to twenty-five dollars (\$25).

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

BHDDH – Crisis Intervention Trainings. To respond to the increased volume of mental-health related calls reported by police departments, these funds shall be allocated to the crisis intervention training program to provide training every three years for law enforcement as well as continuing education opportunities.

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

Rhode Island Department of Elementary and Secondary Education (ELSEC)

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

RIDE – Out of School Time Education Providers. These funds shall be directly distributed through the office of student, community and academic supports to expand access to educational programs.

Office of Postsecondary Commissioner (OPC)

OPC – RI Reconnect. These funds shall support a program to improve postsecondary degree and credential attainment among working-age Rhode Islanders. The program will assist

1 students in addressing barriers to education completion, particularly among communities of color
2 and lower socio-economic strata. A portion of these funds will be used to address barriers to the
3 attainment of teacher certification as a second language education teacher, grades PK-12, and as an
4 all grades special education teacher.

5 OPC – RIC Cybersecurity Center. These funds shall support the establishment of the
6 institute for cybersecurity and emerging technologies at Rhode Island College, which will provide
7 certificate, baccalaureate, and master’s level courses with focuses on research and developing
8 highly skilled cybersecurity professionals. Funding shall be appropriated through the office of
9 postsecondary commissioner.

10 OPC – Fresh Start Scholarship. These funds shall support a program to provide
11 scholarships to adult students with some college credits, but no degree, with a focus on students
12 who dropped-out of the community college of Rhode Island. This program will target students who
13 are not meeting satisfactory academic progress requirements, which makes them ineligible for
14 federal financial assistance.

15 OPC – Foster Care Youth Scholarship. These funds shall support a last dollar scholarship
16 program for DCYF foster care youth exiting the system to attend Rhode Island college and would
17 fully fund tuition, room and board, and/or support services, including during the summer months.
18 Funding would be distributed through the Rhode Island college foundation.

19 **Department of Public Safety (DPS)**

20 DPS – Support for Survivors of Domestic Violence. These funds shall be allocated to invest
21 in the nonprofit community to provide additional housing, clinical and mental health services to
22 victims of domestic violence and sexual assault. This includes increased investments for therapy
23 and counseling, housing assistance, job training, relocation aid and case management.

24 **Department of Transportation (DOT)**

25 DOT - Municipal Roads Grant Program. These funds shall support a program to distribute
26 grants with a required local match for the replacement, rehabilitation, preservation, and
27 maintenance of existing roads, sidewalks, and bridges. These funds shall be distributed equally to
28 each city and town provided that each municipality is required to provide a sixty-seven percent
29 (67%) match.

30 DOT – Turnpike and Bridge Authority – Safety Barriers Study. These funds shall be used
31 by the Turnpike and Bridge Authority to conduct a study to identify and evaluate the options to
32 prevent and address the risk of suicide on bridges under its purview.

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

DOT - Washington Bridge Project. These funds shall support the non-federal share or matching requirement on federal funds for priority transportation projects, including but not limited to the Washington Bridge project.

Federal Funds - Capital Projects Fund

Department of Administration (DOA)

DOA - CPF Administration. These funds shall be allocated to the department of administration to oversee the implementation of the capital projects fund award from the American Rescue Plan Act.

DOA – Community Learning Center Municipal Grant Program. These funds shall be allocated to a program for cities and towns that renovate or build a community wellness learning center that meets the work, education, and health monitoring requirements identified by the U.S. Department of the Treasury.

Executive Office of Commerce (EOC)

EOC – Broadband. These funds shall be allocated to the executive office of commerce to invest in broadband projects to provide high-speed, reliable internet to all Rhode Islanders. The secretary of commerce, in partnership with the director of business regulation, will run a series of requests for proposals for broadband infrastructure projects, providing funds to municipalities, public housing authorities, business cooperatives and local internet service providers for projects targeted at those underserved by the current infrastructure using the evidentiary bases authorized by the United States department of the treasury for the capital projects fund. These funds shall be used in accordance with the statewide broadband strategic plan and may not be obligated nor expended prior to its submission in accordance with the requirements of the Rhode Island broadband development program set forth in chapter 162 of title 42.

SECTION 6. The pandemic recovery office shall monitor the progress and performance of all programs financed by the state fiscal recovery fund and the capital projects fund. On or before October 31, 2023 ~~and quarterly thereafter until and including October 31, 2026,~~ through April 30, 2025, the office shall provide a report to the speaker of the house and senate president, with copies to the chairpersons of the house and senate finance committees, on a quarterly basis and biannually thereafter until and including October 31, 2026, identifying programs that are at risk of significant underspending or noncompliance with federal or state requirements. The report, at a minimum must include an assessment of how programs that are at risk can be remedied. In the event that any state fiscal recovery fund program underspends its appropriation or receives program income as defined by U.S. Treasury and would put the state at risk of forfeiture of federal funds, the governor may propose to ~~reallocate~~ reclassify unspent funds or program income ~~funding~~ from the at-risk program

1 to ~~the unemployment insurance trust fund~~ other eligible uses as determined by U.S. Treasury. This
2 proposal ~~will~~ shall be referred to the General Assembly. For a state fiscal recovery fund program,
3 if the amount of the underspend or receipt of program income is less than or equal to one million
4 dollars (\$1,000,000) and less than or equal to twenty percent (20%) of its total appropriation, the
5 governor's proposed reclassification shall take effect immediately. For a state fiscal recovery fund
6 program, if the amount of the underspend or receipt of program income is greater than one million
7 dollars (\$1,000,000) or greater than twenty percent (20%) of its total appropriation, the governor's
8 proposed reclassification shall ~~within the first ten (10) days of November to~~ go into effect thirty
9 (30) days ~~hence~~ after its referral to the General Assembly by the governor, unless rejected by formal
10 action of the house and senate acting concurrently within that time.

11 SECTION 7. Notwithstanding any general laws to the contrary, the department of
12 environmental management shall transfer to the state controller the sum of three million dollars
13 (\$3,000,000) from the underground storage tank trust fund restricted receipt account by June 30,
14 2025.

15 SECTION 8. Notwithstanding any general laws to the contrary, the Rhode Island student
16 loan authority shall transfer to the state controller by June 30, 2025, the sum of two million seven
17 hundred thousand dollars (\$2,700,000).

18 SECTION 9. Notwithstanding any general laws to the contrary, the Rhode Island
19 infrastructure bank shall transfer to the state controller by June 30, 2025, the sum of two million
20 dollars (\$2,000,000).

21 SECTION 10. Notwithstanding any general laws to the contrary, the department of revenue
22 shall transfer to the state controller by June 30, 2025, the sum of five hundred seventy-nine thousand
23 seven hundred eighty-eight dollars (\$579,788) from the Marijuana Trust Fund restricted receipt
24 account.

25 SECTION 11. Notwithstanding any general laws to the contrary, the state controller shall
26 transfer the sum of four million dollars (\$4,000,000) to the Low-Income Housing Tax Credit Fund
27 by June 30, 2025.

28 SECTION 12. Article 1, Section 20, of Chapter 79 of the 2023 Public Laws is hereby
29 amended to read as follows:

30 SECTION 20. Notwithstanding any general laws to the contrary, the State Controller shall
31 transfer \$114,998,958 from the information technology restricted receipt account to the large
32 systems initiatives fund by July 14, 2023. Appropriations herein to the large systems initiatives
33 fund (LSIF) shall be made in support of the following projects:

34 Enterprise resource planning. For the project already in progress, at an estimated project

1 cost of ~~\$68,700,000~~ \$84,500,000, of which no more than ~~\$50,000,000~~ \$55,100,000 shall be
2 supported by the LSIF, these funds support the implementation and roll-out of a new enterprise
3 resource planning software system.

4 Comprehensive child welfare information system. For the project already in progress, at
5 an estimated project cost of \$54,700,000, of which no more than \$24,650,000 shall be supported
6 by the LSIF, these funds support the replacement of the existing case management system with a
7 new comprehensive child welfare information system.

8 DEM legacy modernization. For the project already in progress, at an estimated project
9 cost of \$5,800,000, these funds support the modernization of the permit application and license
10 tracking and processing systems.

11 Wi-Fi and tech at the ACI. For the project already in progress, at an estimated project cost
12 of \$3,300,000, these funds support upgrades to the networking infrastructure at the department of
13 corrections.

14 RIBridges mobile access and child care tracking. For the project already in progress, at an
15 estimated project cost of \$6,700,000, these funds support an expansion of the existing mobile
16 application.

17 Gateway to Government. For the project already in progress, at an estimated project cost
18 of \$7,500,000, these funds support the transition of licensing processes toward a paperless platform
19 housing digital identities and credentialing information.

20 DLT mainframe legacy modernization. For the project already in progress, at an estimated
21 project cost of \$19,400,000, these funds support the modernization of obsolete hardware and
22 applications at the department of labor and training.

23 Electronic Medical Records System medical records system. For the project already in
24 progress, at an estimated project cost of \$22,400,000, these funds support implementation of a
25 comprehensive system to track clinical, administrative and financial needs of these hospitals.

26 SECTION 13. This article shall take effect upon passage.

1

ARTICLE 14

2

RELATING TO EFFECTIVE DATE

3

SECTION 1. This act shall take effect as of July 1, 2025, except as otherwise provided

4

herein.

5

SECTION 2. This article shall take effect upon passage.