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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO PUBLIC FINANCE -- STATE FUNDS

Introduced By: Senators McKenney, Felag, Dimitri, Britto, and Vargas

Date Introduced: February 26, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"

2 is hereby amended to read as follows:

3 **35-4-27. Indirect cost recoveries on restricted receipt accounts. [Effective January 1,**
4 **2025.]**

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

13 Executive Office of Health and Human Services

14 Organ Transplant Fund

15 HIV Care Grant Drug Rebates

16 Health System Transformation Project

17 Rhode Island Statewide Opioid Abatement Account

18 HCBS Support-ARPA

19 HCBS Admin Support-ARPA

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

1 Rhode Island State Firefighter's League Training Account
2 Fire Academy Training Fees Account
3 Attorney General
4 Forfeiture of property
5 Federal forfeitures
6 Attorney General multi-state account
7 Forfeited property — Gambling
8 Department of Administration
9 OER Reconciliation Funding
10 Health Insurance Market Integrity Fund
11 RI Health Benefits Exchange
12 Information Technology restricted receipt account
13 Restore and replacement — Insurance coverage
14 Convention Center Authority rental payments
15 Investment Receipts — TANS
16 OPEB System Restricted Receipt Account
17 Car Rental Tax/Surcharge-Warwick Share
18 Grants Management Administration
19 RGGI-Executive Climate Change Coordinating Council Projects
20 Electric Vehicle Charging Stations Operating and Maintenance Account
21 Department of Housing
22 Housing Resources and Homelessness Restricted Receipt Account
23 Housing Production Fund
24 Low-Income Housing Tax Credit Fund
25 Department of Revenue
26 DMV Modernization Project
27 Jobs Tax Credit Redemption Fund
28 Legislature
29 Audit of federal assisted programs
30 Department of Children, Youth and Families
31 Children's Trust Accounts — SSI
32 Military Staff
33 RI Military Family Relief Fund
34 RI National Guard Counterdrug Program

1 Treasury
2 Admin. Expenses — State Retirement System
3 Retirement — Treasury Investment Options
4 Defined Contribution — Administration - RR
5 Violent Crimes Compensation — Refunds
6 Treasury Research Fellowship
7 Business Regulation
8 Banking Division Reimbursement Account
9 Office of the Health Insurance Commissioner Reimbursement Account
10 Securities Division Reimbursement Account
11 Commercial Licensing and Racing and Athletics Division Reimbursement Account
12 Insurance Division Reimbursement Account
13 Historic Preservation Tax Credit Account
14 Marijuana Trust Fund
15 Social Equity Assistance Fund
16 Judiciary
17 Arbitration Fund Restricted Receipt Account
18 Third-Party Grants
19 RI Judiciary Technology Surcharge Account
20 Department of Elementary and Secondary Education
21 Statewide Student Transportation Services Account
22 School for the Deaf Fee-for-Service Account
23 School for the Deaf — School Breakfast and Lunch Program
24 Davies Career and Technical School Local Education Aid Account
25 Davies — National School Breakfast & Lunch Program
26 School Construction Services
27 Office of the Postsecondary Commissioner
28 Higher Education and Industry Center
29 IGT STEM Scholarships
30 Department of Labor and Training
31 Job Development Fund
32 Contractor Training Restricted Receipt Account
33 Rhode Island Council on the Arts
34 Governors' Portrait Donation Fund

- 1 Statewide records management system account
- 2 [Workers' Compensation Administrative Fund](#)
- 3 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would add the workers' compensation administration fund to those restricted
- 2 receipt accounts not subject to indirect cost recoveries.
- 3 This act would take effect upon passage.

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