

2012 -- H 7073

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LC00082
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO TOWNS AND CITIES -- STATE AID

Introduced By: Representatives Edwards, Reilly, Azzinaro, Brien, and Guthrie

Date Introduced: January 11, 2012

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 45-13-9 of the General Laws in Chapter 45-13 entitled "State Aid"
2 is hereby amended to read as follows:

3 **45-13-9. Reimbursement to cities and towns and school districts for the costs of state**
4 **mandates.** -- (a) (1) The department of revenue shall submit to the budget office by October 1 of
5 each year, a report by each city and town, of the cost of state mandates established after January
6 1, 1979, to be reimbursed for the next preceding July 1 -- June 30 period.

7 (2) The budget office shall annually include the statewide total of the statement of costs
8 of state mandates eligible to be reimbursed in the state budget for the next fiscal year for
9 consideration by the governor in preparing a final budget proposal for submission to the general
10 assembly in accordance with section 35-3-7 of the General Laws; provided, that any costs
11 resulting from the rules and regulations of state departments or agencies shall be allocated to the
12 budgets of those departments or agencies.

13 (b) The state treasurer shall in July of each year distribute to cities and towns the
14 reimbursements for state mandated costs as may be appropriated by the general assembly.

15 (c) If during any fiscal year that state reimbursement to cities and towns and school
16 districts is insufficient to cover the costs of state mandates as reported by the department of
17 revenue, the affected cities, towns and school districts may cease implementation of the state
18 mandates at their discretion up to fifty percent (50%) of the value of the reimbursement shortfall,
19 provided that:

1 (1) Existing personnel contracts are honored in their entirety or renegotiated to the
2 satisfaction of both parties; and

3 (2) Implementation of state mandates is restored upon the full restoration of state
4 reimbursements.

5 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO TOWNS AND CITIES -- STATE AID

1 This act would provide that if during any fiscal year the state reimbursement to cities and
2 towns and school districts is insufficient to cover the costs of state mandates as reported by the
3 department of revenue, those affected cities, towns and school districts may cease implementation
4 of state mandates at their discretion up to fifty percent (50%) of the value of the reimbursement
5 shortfall.

6 This act would take effect upon passage.

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