

2013 -- S 0738

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO TOWNS AND CITIES - AUDIT OF ACCOUNTS AND INSTALLATION OF  
SYSTEMS

Introduced By: Senators DiPalma, Pichardo, Pearson, Ottiano, and Cool Rumsey

Date Introduced: March 13, 2013

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 45-10-16 of the General Laws in Chapter 45-10 entitled "Audit of  
2 Accounts and Installation of Systems" is hereby amended to read as follows:

3 **45-10-16. Advisory council on municipal finances.** -- (a) In order to strengthen the  
4 fiscal accountability of cities, towns and municipalities in Rhode Island an advisory council on  
5 municipal finances is hereby formed. The council is composed of five (5) members as follows:

6 (1) The auditor general of the state of Rhode Island or his or her designee;

7 (2) The executive director of the Rhode Island League of Cities and ~~Towns~~ Towns or  
8 his or her designee;

9 (3) The executive director of the Rhode Island League of Cities and Towns shall appoint  
10 a representative of the Government Finance Officers Association;

11 (4) The director of the department of revenue or his or her designee;

12 (5) The state controller or his or her designee.

13 The auditor general or his or her designee shall serve as chair of the council.

14 (b) The council shall develop recommendations for a uniform system of accounting,  
15 including a chart of accounts for all cities, towns and municipalities. These recommendations  
16 shall take into consideration the work of the advisory council on school finances pursuant to the  
17 requirements of section 16-2-9.3. The council shall recommend changes in accounting procedures  
18 to be adopted by cities, towns and municipalities. In addition, the council shall apprise municipal

1 business officials, city and town councils, and other municipal leaders about sound fiscal  
2 practices and current state and federal rules and regulations regarding municipal finance. All  
3 recommendations of the council shall be advisory in nature.

4 (c) The council shall meet at least one time each year. The council shall report its  
5 activities and recommendations to the chairs of the house and senate committees on finance, the  
6 senate committee on housing and municipal government, the house committee on municipal  
7 government, and the office of the governor. The council's initial recommendations shall be  
8 submitted by July 1, 2009. [A second report shall be filed on April 15, 2013.](#)

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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SYSTEMS

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1           This act would require the advisory counsel on municipal finances to file a second report  
2 relating to its activities and recommendations with various general assembly committees and the  
3 governor by April 15, 2013.

4           This act would take effect upon passage.

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