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## ARTICLE 12

### RELATING TO BUDGET AND ACCOUNTS

SECTION 1. Section 16-59-9 of the General Laws in Chapter 16-59 entitled "Board of Governors for Higher Education [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby amended to read as follows:

**16-59-9. Educational budget and appropriations.** -- (a) The general assembly shall annually appropriate any sums it deems necessary for support and maintenance of higher education in the state and the state controller is authorized and directed to draw his or her orders upon the general treasurer for the payment of the appropriations or so much of the sums that are necessary for the purposes appropriated, upon the receipt by him or her of proper vouchers as the council on postsecondary education may by rule provide. The council shall receive, review, and adjust the budget for the office of postsecondary commissioner and present the budget as part of the budget for higher education under the requirements of § 35-3-4.

(b) The office of postsecondary commissioner and the institutions of public higher education shall establish working capital accounts.

(c) Any tuition or fee increase schedules in effect for the institutions of public higher education shall be received by the council on postsecondary education for allocation for the fiscal year for which state appropriations are made to the council by the general assembly; provided that no further increases may be made by the board of education or the council on postsecondary education for the year for which appropriations are made. Except that these provisions shall not apply to the revenues of housing, dining, and other auxiliary facilities at the University of Rhode Island, Rhode Island College, and the Community Colleges including student fees as described in P.L. 1962, ch. 257 pledged to secure indebtedness issued at any time pursuant to P.L. 1962, ch. 257 as amended.

(d) All housing, dining, and other auxiliary facilities at all public institutions of higher learning shall be self-supporting and no funds shall be appropriated by the general assembly to pay operating expenses, including principal and interest on debt services, and overhead expenses for the facilities. Any debt service costs on general obligation bonds presented to the voters in November 2000 and November 2004 or appropriated funds from the Rhode Island capital plan for the housing auxiliaries at the University of Rhode Island and Rhode Island College shall not be

1 subject to this self-supporting requirement in order to provide funds for the building construction  
2 and rehabilitation program. The institutions of public higher education will establish policies and  
3 procedures which enhance the opportunity for auxiliary facilities to be self-supporting, including  
4 that all faculty provide timely and accurate copies of booklist for required textbooks to the public  
5 higher educational institution's bookstore.

6 (e) The additional costs to achieve self-supporting status shall be by the implementation  
7 of a fee schedule of all housing, dining, and other auxiliary facilities, including but not limited to,  
8 operating expenses, principal, and interest on debt services, and overhead expenses.

9 (f) The board of education is authorized to establish a restricted receipt account for the  
10 Westerly Higher Education and Industry Center (also known as the Westerly Job Skills Center or  
11 Westerly Higher Education Learning Center) and to collect lease payments from occupying  
12 companies, and fees from room and service rentals, to support the operation and maintenance of  
13 the facility. All such revenues shall be deposited to the restricted receipt account.

14 SECTION 2. Section 35-3-4 of the General Laws in Chapter 35-3 entitled "State Budget"  
15 is hereby amended to read as follows:

16 **35-3-4. Estimates submitted by department heads.** -- (a) On dates determined by the  
17 budget officer, but not later than the first day of October in each year, each head of a department  
18 of the state government, not including the general assembly or the judiciary, shall assemble,  
19 correlate, and revise, with power to increase or decrease, the estimates for expenditures and  
20 requests for appropriations for the next ensuing fiscal year of each of the divisions, boards,  
21 commissions, officers, bureaus, institutions, or agencies of the state included within his or her  
22 department, and, after this revision, shall prepare an itemized departmental estimate of the  
23 appropriations necessary to meet the financial needs of the department, including a statement in  
24 detail of all moneys for which any general or special appropriation is desired at the ensuing  
25 session of the general assembly. The estimate shall be in such form, and in such number of  
26 copies, and with such explanation as the budget officer may require, and, on dates determined by  
27 the budget officer, but not later than the first day of October in each year, shall be submitted to  
28 the governor through the budget officer and to the fiscal advisors of the house and senate. ~~The~~  
29 ~~budget officer shall provide copies to the house fiscal advisor and senate fiscal advisor.~~

30 (b) The estimates shall also include a supplemental presentation of estimates of  
31 expenditures for information resources and information technologies as defined in § 29-8-2  
32 [repealed] regardless of source of financing. The estimate shall include a detailed listing and  
33 explanation of expenses and the source of funds and shall be in such form, and in such number of  
34 copies, and with such explanation as the budget officer may require. Copies shall be provided

1 directly to the house fiscal advisor, the senate fiscal advisor, and the Rhode Island Information  
2 Resources Management Board.

3 SECTION 3. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"  
4 is hereby amended to read as follows:

5 **35-4-27. Indirect cost recoveries on restricted receipt accounts.** -- Indirect cost  
6 recoveries of ten percent (10%) of cash receipts shall be transferred from all restricted receipt  
7 accounts, to be recorded as general revenues in the general fund. However, there shall be no  
8 transfer from cash receipts with restrictions received exclusively: (1) From contributions from  
9 non-profit charitable organizations; (2) From the assessment of indirect cost recovery rates on  
10 federal grant funds; or (3) Through transfers from state agencies to the department of  
11 administration for the payment of debt service. These indirect cost recoveries shall be applied to  
12 all accounts, unless prohibited by federal law or regulation, court order, or court settlement. The  
13 following restricted receipt accounts shall not be subject to the provisions of this section:

14 Executive Office of Health and Human Services  
15 Organ Transplant Fund  
16 HIV Care Grant Drug Rebates  
17 Department of Human Services  
18 Veterans' home – Restricted account  
19 Veterans' home – Resident benefits  
20 Pharmaceutical Rebates Account  
21 Demand Side Management Grants  
22 Veteran's Cemetery Memorial Fund  
23 Donations – New Veterans' Home Construction  
24 Department of Health  
25 Providence Water Lead Grant  
26 Pandemic medications and equipment account  
27 Miscellaneous Donations/Grants from Non-Profits  
28 State Loan Repayment Match  
29 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals  
30 Eleanor Slater non-Medicaid third-party payor account  
31 Hospital Medicare Part D Receipts  
32 RICLAS Group Home Operations  
33 Commission on the Deaf and Hard of Hearing  
34 Emergency and public communication access account

1 Department of Environmental Management  
2 National heritage revolving fund  
3 Environmental response fund II  
4 Underground storage tanks registration fees  
5 Rhode Island Historical Preservation and Heritage Commission  
6 Historic preservation revolving loan fund  
7 Historic Preservation loan fund – Interest revenue  
8 Department of Public Safety  
9 Forfeited property – Retained  
10 Forfeitures – Federal  
11 Forfeited property – Gambling  
12 Donation – Polygraph and Law Enforcement Training  
13 Rhode Island State Firefighter's League Training Account  
14 Fire Academy Training Fees Account  
15 Attorney General  
16 Forfeiture of property  
17 Federal forfeitures  
18 Attorney General multi-state account  
19 Forfeited property – Gambling  
20 Department of Administration  
21 RI Health Benefits Exchange  
22 Office of Management and Budget  
23 Information Technology Investment Fund  
24 Restore and replacement – Insurance coverage  
25 Convention Center Authority rental payments  
26 Investment Receipts – TANS  
27 Car Rental Tax/Surcharge-Warwick Share  
28 Housing Resources Commission Restricted Account  
29 Department of Revenue  
30 [DMV Modernization Project](#)  
31 Jobs Tax Credit Redemption Fund  
32 Legislature  
33 Audit of federal assisted programs  
34 Department of Children, Youth and Families

1 Children's Trust Accounts – SSI  
2 Military Staff  
3 RI Military Family Relief Fund  
4 RI National Guard Counterdrug Program  
5 Treasury  
6 Admin. Expenses – State Retirement System  
7 Retirement – Treasury Investment Options  
8 Defined Contribution – Administration - RR  
9 Violent Crimes Compensation – Refunds  
10 Treasury Research Fellowship  
11 Business Regulation  
12 Banking Division Reimbursement Account  
13 Office of the Health Insurance Commissioner Reimbursement Account  
14 Securities Division Reimbursement Account  
15 Commercial Licensing and Racing and Athletics Division Reimbursement Account  
16 Insurance Division Reimbursement Account  
17 Historic Preservation Tax Credit Account.  
18 Judiciary  
19 Arbitration Fund Restricted Receipt Account  
20 Third-Party Grants  
21 RI Judiciary Technology Surcharge Account  
22 Department of Elementary and Secondary Education  
23 Statewide Student Transportation Services Account  
24 School for the Deaf Fee for Service Account  
25 Davies Career and Technical School Local Education Aid Account  
26 Davies – National School Breakfast & Lunch Program  
27 [Office of the Post-Secondary Commissioner](#)  
28 [Westerly Higher Education and Industry Center](#)  
29 Department of Labor and Training  
30 Job Development Fund  
31 Department of Transportation  
32 Rhode Island Highway Maintenance Account  
33 SECTION 4. This article shall take effect as of July 1, 2016.