

ARTICLE 7

RELATING TO STATE FUNDS

SECTION 1. Section 21-28.6-17 of the General Laws in Chapter 21-28.6 entitled "The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" is hereby amended to read as follows:

21-28.6-17. Revenue.

(a) Effective July 1, 2016, all fees collected by the departments of health and business regulation from applicants, registered patients, primary caregivers, authorized purchasers, licensed cultivators, ~~and~~ cooperative cultivations, compassion centers, and compassion center cardholders shall be placed in restricted receipt accounts to support the state's medical marijuana program, including but not limited to payment of expenses incurred by the departments of health and business regulation for the administration of the program.

(b) All revenues remaining in the restricted receipt accounts after payments specified in subdivision (a) of this section shall first be paid to cover any existing deficit in the department of health's restricted receipt account or the department of business regulation's restricted receipt account. These transfers shall be made annually on the last business day of the fiscal year.

(c) All revenues remaining in the restricted receipt accounts after payments specified in subdivisions (a) and (b) shall be paid into the state's general fund. These payments shall be made annually on the last business day of the fiscal year.

SECTION 2. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds" is hereby amended to read as follows:

35-4-27. Indirect cost recoveries on restricted receipt accounts.

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

1 Executive Office of Health and Human Services
2 Organ Transplant Fund
3 HIV Care Grant Drug Rebates
4 Department of Human Services
5 Veterans' home – Restricted account
6 Veterans' home – Resident benefits
7 Pharmaceutical Rebates Account
8 Demand Side Management Grants
9 Veteran's Cemetery Memorial Fund
10 Donations – New Veterans' Home Construction
11 Department of Health
12 ~~Providence Water Lead Grant~~
13 Pandemic medications and equipment account
14 Miscellaneous Donations/Grants from Non-Profits
15 State Loan Repayment Match
16 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
17 Eleanor Slater non-Medicaid third-party payor account
18 Hospital Medicare Part D Receipts
19 RICLAS Group Home Operations
20 Commission on the Deaf and Hard of Hearing
21 Emergency and public communication access account
22 Department of Environmental Management
23 National heritage revolving fund
24 Environmental response fund II
25 Underground storage tanks registration fees
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 Forfeited property – Retained
31 Forfeitures – Federal
32 Forfeited property – Gambling
33 Donation – Polygraph and Law Enforcement Training
34 Rhode Island State Firefighter's League Training Account

1 Fire Academy Training Fees Account
2 Attorney General
3 Forfeiture of property
4 Federal forfeitures
5 Attorney General multi-state account
6 Forfeited property – Gambling
7 Department of Administration
8 [OER Reconciliation Funding](#)
9 RI Health Benefits Exchange
10 ~~Office of Management and Budget~~
11 Information Technology Investment Fund
12 Restore and replacement – Insurance coverage
13 Convention Center Authority rental payments
14 Investment Receipts – TANS
15 [OPEB System Restricted Receipt Account](#)
16 Car Rental Tax/Surcharge-Warwick Share
17 [Executive Office of Commerce](#)
18 Housing Resources Commission Restricted Account
19 Department of Revenue
20 DMV Modernization Project
21 Jobs Tax Credit Redemption Fund
22 Legislature
23 Audit of federal assisted programs
24 Department of Children, Youth and Families
25 Children's Trust Accounts – SSI
26 Military Staff
27 RI Military Family Relief Fund
28 RI National Guard Counterdrug Program
29 Treasury
30 Admin. Expenses – State Retirement System
31 Retirement – Treasury Investment Options
32 Defined Contribution – Administration - RR
33 Violent Crimes Compensation – Refunds
34 Treasury Research Fellowship

- 1 Business Regulation
- 2 Banking Division Reimbursement Account
- 3 Office of the Health Insurance Commissioner Reimbursement Account
- 4 Securities Division Reimbursement Account
- 5 Commercial Licensing and Racing and Athletics Division Reimbursement Account
- 6 Insurance Division Reimbursement Account
- 7 Historic Preservation Tax Credit Account.
- 8 Judiciary
- 9 Arbitration Fund Restricted Receipt Account
- 10 Third-Party Grants
- 11 RI Judiciary Technology Surcharge Account
- 12 Department of Elementary and Secondary Education
- 13 Statewide Student Transportation Services Account
- 14 School for the Deaf Fee for Service Account
- 15 Davies Career and Technical School Local Education Aid Account
- 16 Davies – National School Breakfast & Lunch Program
- 17 Office of the Post-Secondary Commissioner
- 18 Westerly Higher Education and Industry Center
- 19 Department of Labor and Training
- 20 Job Development Fund
- 21 ~~Department of Transportation~~
- 22 ~~Rhode Island Highway Maintenance Account~~

23 SECTION 3. Section 39-26.6-4 of the General Laws in Chapter 39-26.6 entitled "The
 24 Renewable Energy Growth Program" is hereby amended to read as follows:

25 **39-26.6-4. Continuation of board.**

26 (a) The distributed generation standard contract board shall remain fully constituted and
 27 authorized as provided in chapter 26.2 of title 39; provided, however, that the name shall be
 28 changed to the "distributed-generation board". Additional purposes of the board shall be to:

29 (1) Evaluate and make recommendations to the commission regarding ceiling prices and
 30 annual targets, the make-up of renewable-energy classifications eligible under the distributed-
 31 generation growth program, the terms of the tariffs, and other duties as set forth in this chapter;

32 (2) Provide consistent, comprehensive, informed, and publicly accountable involvement
 33 by representatives of all interested stakeholders affected by, involved with, or knowledgeable about
 34 the development of distributed-generation projects that are eligible for performance-based

1 incentives under the distributed-generation growth program; and

2 (3) Monitor and evaluate the effectiveness of the distributed-generation growth program.

3 (b) The office, in consultation with the board, shall be authorized to hire, or to request the
4 electric-distribution company to hire, the services of qualified consultants to perform ceiling price
5 studies subject to commission approval that shall be granted or denied within sixty (60) days of
6 receipt of such request from the office. The cost of such studies shall be recoverable through the
7 rate-reconciliation provisions of the electric-distribution company set forth in § 39-26.6-25, subject
8 to commission approval. In addition, the office, in consultation with the board, may request the
9 commission to approve other costs incurred by the board, office, or the electric-distribution
10 company to utilize consultants for annual programmatic services or to perform any other studies
11 and reports, subject to the review and approval of the commission, that shall be granted or denied
12 within one hundred twenty (120) days of receipt of such request from the office, and that shall be
13 recoverable through the same reconciliation provisions.

14 (c) Revenues generated through the rate reconciliation process to finance the expenses
15 incurred as outlined in subsection (b) shall be transferred to the office and deposited in a restricted
16 receipt account within the general fund. The restricted receipt account shall be exempt from the
17 indirect cost recovery assessment under §35-4-27.

18 SECTION 4. Chapter 42.17.1 of the General Laws entitled "Department of Environmental
19 Management" is hereby amended by adding thereto the following sections:

20 **42-17.1-27. Eisenhower House – Rental fees.**

21 (a) There is hereby established within the department of environmental management a
22 restricted receipt account entitled "Eisenhower house". All proceeds from rental fees for the use of
23 the Eisenhower house and its surrounding grounds shall be deposited into this account and used for
24 reinvestment and maintenance of the facility. The rental fees for the use of Eisenhower house and
25 surrounding grounds shall be established by regulation. The department of environmental
26 management may require certain attendants to be present during rental hours, and may require the
27 lessees to reimburse the cost of such service provided to reflect the actual cost to the department.
28 The department may also require reasonable amounts of liability insurance to be obtained by the
29 lessee.

30 (b) The department of environmental management and the state shall not be civilly liable
31 for the acts or omissions of the lessees of the Eisenhower house.

32 SECTION 5. Chapter 42-28 of the General Laws entitled "State Police" is hereby amended
33 by adding thereto the following section:

34 **42-28-49.1. Non-state agency reimbursements.**

1 There is hereby established within the general fund a restricted receipt account to be known
2 as the "state police non-state agency reimbursements" account. All revenues deposits into the
3 account from non-state agencies shall be used to reimburse the state police for costs incurred in
4 support of non-state agency programs and activities. All funds deposited into the account shall be
5 exempt from the indirect cost recovery provisions of §35-4-27.

6 SECTION 6. Section 42-45-12 of the General Laws entitled "Rhode Island Historical
7 Preservation and Heritage Commission" is hereby repealed.

8 ~~**42-45-12. Eisenhower House—Rental fees.**~~

9 ~~(a) The historical preservation and heritage commission is hereby authorized to collect~~
10 ~~rental fees for use of the Eisenhower House and surrounding grounds. The rental fees shall be~~
11 ~~established by regulation. All fees collected under this section shall be deposited as general~~
12 ~~revenues. The historical preservation and heritage commission may require certain attendants to be~~
13 ~~present during rental hours and may require the lessees to reimburse the cost of such service~~
14 ~~provided such cost reflect the actual cost of the commission. The commission may also require~~
15 ~~reasonable amounts of liability insurance to be obtained by the lessee.~~

16 ~~(b) The historical preservation and heritage commission and the state shall not be civilly~~
17 ~~liable for the acts or omissions of the lessees of the Eisenhower House.~~

18 SECTION 7. Chapter 42-72 of the General Laws entitled "Department of Children, Youth
19 and Families" is hereby amended by adding thereto the following section:

20 **42-72-36.4. Foundation grants.**

21 All grant funds from nonprofit charitable organizations accepted by the department of
22 children, youth and families with formally established agreements with an approved budget for
23 their use, shall be deposited as restricted receipts.

24 SECTION 8. Section 42-75-13 of the General Laws in Chapter 42-75 entitled "Council on
25 the Arts" is hereby amended to read as follows:

26 **42-75-13. Appropriation.**

27 (a) During the fiscal year ending June 30, 2008, the state lottery division within the
28 department of revenue shall conduct, pursuant to chapter 62.61 of the general laws, an instant game
29 to be known as the "Arts Lottery Game." The net revenue from the first three (3) months of the
30 running of the "Arts Lottery Game" shall be deposited in a restricted revenue account to be used
31 by the Rhode Island Council on the Arts for the support and improvement of the arts in this state.
32 The provisions of this section shall prevail over any inconsistent provisions of chapter 42-61.

33 (b) ~~During the fiscal year ending June 30, 2010, the~~ The Rhode Island Council on the Arts
34 shall deposit any funds received from the Rhode Island Foundation in a restricted receipt account

1 to be used for the support and improvement of the arts in this state. All such funds deposited shall
2 be exempt from the indirect cost recovery provisions of ~~§ 35-4-7~~ [§35-24-27](#).

3 SECTION 9. Section 35-3-7 of the General Laws in Chapter 35-3 entitled "State Budget"
4 is hereby amended to read as follows:

5 **35-3-7. Submission of budget to general assembly -- Contents.**

6 (a) On or before the third Thursday in January in each year of each January session of the
7 general assembly, the governor shall submit to the general assembly a budget containing a complete
8 plan of estimated revenues and proposed expenditures, with a personnel supplement detailing the
9 number and titles of positions of each agency and the estimates of personnel costs for the next fiscal
10 year, and with the inventory required by § 35-1.1-3(b)(4). Provided, however, in those years that a
11 new governor is inaugurated, the new governor shall submit the budget on or before the first
12 Thursday in February. In the budget the governor may set forth in summary and detail:

13 (1) Estimates of the receipts of the state during the ensuing fiscal year under laws existing
14 at the time the budget is transmitted and also under the revenue proposals, if any, contained in the
15 budget, and comparisons with the estimated receipts of the state during the current fiscal year, as
16 well as actual receipts of the state for the last two (2) completed fiscal years.

17 (2) Estimates of the expenditures and appropriations necessary in the governor's judgment
18 for the support of the state government for the ensuing fiscal year, and comparisons with
19 appropriations for expenditures during the current fiscal year, as well as actual expenditures of the
20 state for the last two (2) complete fiscal years; [provided, further, in the event the budget submission](#)
21 [includes any transfers of resources from public corporations to the general fund, the budget](#)
22 [submission shall also include alternatives to said transfers.](#)

23 (3) Financial statements of the:

24 (i) Condition of the treasury at the end of the last completed fiscal year;

25 (ii) The estimated condition of the treasury at the end of the current fiscal year; and

26 (iii) Estimated condition of the treasury at the end of the ensuing fiscal year if the financial
27 proposals contained in the budget are adopted.

28 (4) All essential facts regarding the bonded and other indebtedness of the state.

29 (5) A report indicating those program revenues and expenditures whose funding source is
30 proposed to be changed from state appropriations to restricted receipts, or from restricted receipts
31 to other funding sources.

32 (6) Such other financial statements and data as in the governor's opinion are necessary or
33 desirable.

34 (b) Any other provision of the general laws to the contrary notwithstanding, the proposed

1 appropriations submitted by the governor to the general assembly for the next ensuing fiscal year
2 should not be more than five and one-half percent (5.5%) in excess of total state appropriations,
3 excluding any estimated supplemental appropriations, enacted by the general assembly for the
4 fiscal year previous to that for which the proposed appropriations are being submitted; provided
5 that the increased state-share provisions required to achieve fifty percent (50%) state financing of
6 local school operations as provided for in P.L. 1985, ch. 182, shall be excluded from the definition
7 of total appropriations.

8 (c) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
9 assembly a budget for the fiscal year ending June 30, 2006, not later than the fourth (4th) Thursday
10 in January 2005.

11 (d) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
12 assembly a supplemental budget for the fiscal year ending June 30, 2006, and/or a budget for the
13 fiscal year ending June 30, 2007, not later than Thursday, January 26, 2006.

14 (e) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
15 assembly a supplemental budget for the fiscal year ending June 30, 2007, and/or a budget for the
16 fiscal year ending June 30, 2008, not later than Wednesday, January 31, 2007.

17 (f) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
18 assembly a budget for the fiscal year ending June 30, 2012, not later than Thursday, March 10,
19 2011.

20 (g) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
21 assembly a budget for the fiscal year ending June 30, 2013, not later than Tuesday, January 31,
22 2012.

23 (h) Notwithstanding the provisions of § 35-3-7(a), the governor shall submit to the general
24 assembly a budget for the fiscal year ending June 30, 2016, not later than Thursday, March 12,
25 2015.

26 SECTION 10. Chapter 35-5 of the General Laws entitled "Rotary Funds" is hereby
27 amended by adding thereto the following section:

28 **35-5-10. Reimbursement of rotary funds for services provided to state agencies.**

29 Notwithstanding the provisions of §35-5-5, any rotary or rotating fund established for
30 centralized services under the control of the department of administration, including information
31 technology, capital asset management and maintenance and human resources, shall consist of, in
32 addition to such sums as may be provided by appropriation for that purpose, the receipts and
33 reimbursements accruing to the fund. Any state department or agency receiving or drawing
34 services, goods, wares, or merchandise from these programs, or receiving benefits therefrom, shall

1 reimburse the rotary fund for the cost. The reimbursement of the rotary fund shall be made by each
2 department or agency at the close of each calendar month through a process established by the state
3 controller to the order of the respective rotary fund. The state controller shall charge payments to
4 the proper appropriation for the operation and maintenance of the benefitting department or agency.
5 On or before October 15, 2017, and quarterly thereafter, the director of the department of
6 administration shall provide a report to the speaker of the house and senate president, with copies
7 to the chairpersons of the house and senate finance committees, detailing the fund activity for the
8 previous quarter, including a breakdown of the fund activity of each department or agency.

9 SECTION 11. Section 37-2-12 of the General Laws in Chapter 37-2 entitled "State
10 Purchases" is hereby amended to read as follows:

11 **37-2-12. Centralization of the procurement authority.**

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

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

7 SECTION 12. Section 37-7-15 of the General Laws in Chapter 37-7 entitled "Management
8 and Disposal of Property" is hereby amended to read as follows:

9 **37-7-15. Sale of state-owned land, buildings and improvements thereon and other real**
10 **property.**

11 (a) Total annual proceeds from the sale of any land and the buildings and improvements
12 thereon, and other real property title to which is vested in the State of Rhode Island or title to which
13 will be vested in the state upon completion of any condemnation or other proceedings, shall be
14 transferred to and made available for the purposes outlined in § 42-11-2.5 of the general laws,
15 unless otherwise prohibited by federal law.

16 (b) Provided, however, this shall not include proceeds from the sale of any land and the
17 buildings and improvements thereon that will be created by the relocation of interstate route 195
18 which is sometimes collectively referred to as the "I-195 Surplus Land" which land is identified in
19 the "Rhode Island Interstate 195 Relocation Surplus Land: Redevelopment and Market Analysis"
20 prepared by CKS Architecture & Urban Design dated 2009, and such term means those certain
21 tracts or parcels of land situated in the city of Providence, county of Providence, State of Rhode
22 Island, delineated on that certain plan of land captioned "Improvements to Interstate Route 195,
23 Providence, Rhode Island, Proposed Development Parcel Plans 1 through 10, Scale: 1"

24 [\(c\) Subject to the approval of the director of the department of administration, the state](#)
25 [controller is authorized to offset any currently recorded outstanding liability on the part of](#)
26 [developmental disability organizations \(DDOs\) to repay previously authorized startup capital](#)
27 [advances against the proceeds from the sale of group homes within a fiscal year prior to any sale](#)
28 [proceeds being deposited into the information technology investment fund.](#)

29 SECTION 13. Section 42-11-2.5 of the General Laws in Chapter 42-11 entitled
30 "Department of Administration" is hereby amended to read as follows:

31 **42-11-2.5. Information technology investment fund.**

32 (a) All sums from the sale of any land and the buildings and improvements thereon, and
33 other real property title to which is vested in the state except as provided in ~~subsection §§~~37-7-
34 15(b) [and 37-7-15\(c\)](#) shall be transferred to an Information Technology Investment Fund restricted

1 receipt account that is hereby established. This fund shall consist of such sums from the sale of any
2 land and the buildings and improvements thereon, and other real property title to which is vested
3 in the state except as provided in ~~subsection~~ [§§37-7-15\(b\) and 37-7-15\(c\)](#), as well as a share of E-
4 911 Uniform Emergency Telephone System surcharge revenues collected under the provisions of
5 § 39-21.1-14. This fund may also consist of such sums as the state may from time to time
6 appropriate, as well as money received from the disposal of information technology equipment,
7 loan, interest and service charge payments from benefiting state agencies, as well as interest
8 earnings, money received from the federal government, gifts, bequest, donations, or to otherwise
9 from any public or private source. Any such funds shall be exempt from the indirect cost recovery
10 provisions of § 35-4-27.

11 (b) This fund shall be used for the purpose of acquiring information technology
12 improvements, including, but not limited to, hardware, software, consulting services, and ongoing
13 maintenance and upgrade contracts for state departments and agencies.

14 (c) The division of information technology of the Rhode Island department of
15 administration shall adopt rules and regulations consistent with the purposes of this chapter and
16 chapter 35 of title 42, in order to provide for the orderly and equitable disbursement of funds from
17 this account.

18 SECTION 14. Section 5-65-9 of the General Laws in Chapter 5-65 entitled "Contractors'
19 Registration and Licensing Board" is hereby amended to read as follows:

20 **5-65-9. Registration fee.**

21 (a) Each applicant shall pay to the board:

22 (1) For original registration or renewal of registration, a fee of two hundred dollars (\$200).

23 (2) A fee for all changes in the registration, as prescribed by the board, other than those
24 due to clerical errors.

25 (b) All fees and fines collected by the board shall be deposited as general revenues to
26 support the activities set forth in this chapter until June 30, 2008. Beginning July 1, 2008, all fees
27 and fines collected by the board shall be deposited into a restricted receipt account for the exclusive
28 use of supporting programs established by this chapter.

29 [\(c\) On or before January 15, 2018, and annually thereafter, the board shall file a report with](#)
30 [the speaker of the house, and the president of the senate, with copies to the chairpersons of the](#)
31 [house and senate finance committees, detailing:](#)

32 [\(1\) The total number of fines issued broken down by category, including the number of](#)
33 [fines issued for a first violation and the number of fines issued for a subsequent violation;](#)

34 [\(2\) The total dollar of amount of fines levied;](#)

1 (3) The total amount of fees, fines, and penalties collected and deposited for the most
2 recently completed fiscal year; and

3 (4) The account balance as of the date of the report.

4 ~~(d)~~(d) Each year, the executive director shall prepare a proposed budget to support the
5 programs approved by the board. The proposed budget shall be submitted to the board for its
6 review. A final budget request shall be submitted to the legislature as part of the capital projects
7 and property management annual request.

8 ~~(e)~~(e) New or renewal registrations may be filed online or with a third-party approved by
9 the board, with the additional cost incurred to be borne by the registrant.

10 SECTION 15. Sections 1 through 10 of the article shall take effect upon passage. The
11 remainder of the Sections in the article shall take effect on July 1, 2017.

12