

## ARTICLE 3 AS AMENDED

### RELATING TO GOVERNMENT REFORM AND REORGANIZATION

SECTION 1. Sections 2-26-3, 2-26-4, 2-26-5, 2-26-6, 2-26-7, 2-26-8, 2-26-9 and 2-26-10 of the General Laws in Chapter 2-26 entitled "Hemp Growth Act" are hereby amended to read as follows:

#### **2-26-3. Definitions.**

When used in this chapter, the following terms shall have the following meanings:

(1) "Applicant" means any person, firm, corporation, or other legal entity who or that, on his, her, or its own behalf, or on behalf of another, has applied for permission to engage in any act or activity that is regulated under the provisions of this chapter.

(2) "Cannabis" means all parts of the plant of the genus marijuana, also known as marijuana sativa L. whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin regardless of cannabinoid content or cannabinoid potency including "marijuana" and "industrial hemp" or "industrial hemp products" which satisfy the requirements of this chapter.

(3) "Cannabidiol" or "CBD" means cannabidiol (CBD) derived from a hemp plant as defined in § 2-26-3, not including products derived from exempt cannabis plant material as defined in 21 C.F.R. § 1308.35.

(4) ~~"Department" means the office of cannabis regulation within the department of business regulation~~ "Cannabis control commission" or "commission" means the Rhode Island cannabis control commission established by § 21-28.11-4.

(5) "Division" means the division of agriculture in the department of environmental management.

(6) "Grower" means a person or entity who or that produces hemp for commercial purposes.

(7) "Handler" means a person or entity who or that produces or processes hemp or agricultural hemp seed into commodities or who manufactures hemp products.

(8) "Hemp" or "industrial hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of

not more than three-tenths percent (0.3%) on a dry weight or per volume basis regardless of moisture content, and which satisfies the requirements of this chapter.

(9) “Hemp-derived consumable CBD product” means any product meant for ingestion, including, but not limited to, concentrates, extracts, and cannabis-infused foods and products, which contains cannabidiol derived from a hemp plant as defined in this section, which shall only be sold to persons age twenty-one (21) or older, and which shall not include products derived from exempt cannabis plant material as defined in 21 C.F.R. § 1308.35.

(10) “Hemp products” or “industrial hemp products” means all products made from the plants, including, but not limited to, concentrated oil, cloth, cordage, fiber, food, fuel, hemp-derived consumable CBD products, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and seed certified for cultivation, which satisfy the requirements of this chapter.

(11) “Licensed CBD distributor” means a person licensed to distribute hemp-derived consumable CBD products pursuant to this chapter.

(12) “Licensed CBD retailer” means a person licensed to sell hemp-derived consumable CBD products pursuant to this chapter.

(13) “Cannabis office” or “office” means the cannabis office established by § 21-28.11-18.1.

~~(13)~~(14) “THC” means tetrahydrocannabinol, the principal psychoactive constituent of cannabis.

~~(14)~~(15) “THCA” means tetrahydrocannabinol acid.

#### **2-26-4. Hemp an agricultural product.**

Hemp is an agricultural product that may be grown as a crop, produced, possessed, distributed, sold at retail, and commercially traded pursuant to the provisions of this chapter. Hemp is subject to primary regulation by the ~~department~~ commission. The division may assist the ~~department~~ commission in the regulation of hemp growth and production.

#### **2-26-5. Authority over licensing and sales.**

(a) The ~~department~~ commission shall prescribe rules and regulations for the licensing and regulation of hemp growers, handlers, licensed CBD distributors, and licensed CBD retailers and persons employed by the applicant not inconsistent with law, to carry into effect the provision of this chapter and shall be responsible for the enforcement of the licensing.

(b) All growers, handlers, licensed CBD distributors, and licensed CBD retailers must have a hemp license issued by the ~~department~~ commission. All production, distribution, and retail sale of hemp-derived consumable CBD products must be consistent with any applicable state or local food processing and safety regulations, and the applicant shall be responsible to ensure its

1 compliance with the regulations and any applicable food safety licensing requirements, including,  
2 but not limited to, those promulgated by the department of health.

3 (c) The application for a hemp license shall include, but not be limited to, the following:

4 (1)(i) The name and address of the applicant who will supervise, manage, or direct the  
5 growing and handling of hemp and the names and addresses of any person or entity partnering or  
6 providing consulting services regarding the growing or handling of hemp; and

7 (ii) The name and address of the applicant who will supervise, manage, or direct the  
8 distribution or sale of hemp-derived consumable CBD products, and names and addresses of any  
9 person or entity partnering or providing consulting services regarding the distribution or sale of  
10 hemp-derived CBD products.

11 (2) A certificate of analysis that the seeds or plants obtained for cultivation are of a type  
12 and variety that do not exceed the maximum concentration of delta-9 THC, as set forth in § 2-26-  
13 3; any seeds that are obtained from a federal agency are presumed not to exceed the maximum  
14 concentration and do not require a certificate of analysis.

15 (3)(i) The location of the facility, including the Global Positioning System location, and  
16 other field reference information as may be required by the ~~department~~ commission with a tracking  
17 program and security layout to ensure that all hemp grown is tracked and monitored from seed to  
18 distribution outlets; and

19 (ii) The location of the facility and other information as may be required by the ~~department~~  
20 commission as to where the distribution or sale of hemp-derived consumable CBD products will  
21 occur.

22 (4) An explanation of the seed-to-sale tracking, cultivation method, extraction method, and  
23 certificate of analysis or certificate of analysis for the standard hemp seeds or hemp product if  
24 required by the ~~department~~ commission.

25 (5) Verification, prior to planting any seed, that the plant to be grown is of a type and  
26 variety of hemp that will produce a delta-9 THC concentration of no more than three-tenths of one  
27 percent (0.3%) on a dry-weight basis.

28 (6) Documentation that the licensee and/or its agents have entered into a purchase  
29 agreement with a hemp handler, processor, distributor, or retailer.

30 (7) All applicants:

31 (i) Shall apply to the state police, attorney general, or local law enforcement for a National  
32 Criminal Identification records check that shall include fingerprints submitted to the Federal  
33 Bureau of Investigation. Upon the discovery of a disqualifying conviction defined in subsections  
34 (c)(7)(iv) and (c)(7)(v), and in accordance with the rules promulgated by the ~~department~~

1 [commission](#), the state police shall inform the applicant, in writing, of the nature of the conviction,  
2 and the state police shall notify the ~~department~~ [commission](#), in writing, without disclosing the  
3 nature of the conviction, that a conviction has been found;

4 (ii) In those situations in which no conviction has been found, the state police shall inform  
5 the applicant and the ~~department~~ [commission](#), in writing, of this fact;

6 (iii) All applicants shall be responsible for any expense associated with the criminal  
7 background check with fingerprints.

8 (iv) Any applicant who has been convicted of any felony offense under chapter 28 of title  
9 21, or any person who has been convicted of murder; manslaughter; first-degree sexual assault;  
10 second-degree sexual assault; first-degree child molestation; second-degree child molestation;  
11 kidnapping; first-degree arson; second-degree arson; mayhem; robbery; burglary; breaking and  
12 entering; assault with a dangerous weapon; or any assault and battery punishable as a felony or  
13 assault with intent to commit any offense punishable as a felony, shall, [subject to § 28-5.1-14](#), be  
14 disqualified from holding any license or permit under this chapter. The ~~department~~ [commission](#)  
15 shall notify any applicant, in writing, of a denial of a license pursuant to this subsection.

16 (v) For purposes of this section, “conviction” means, in addition to judgments of conviction  
17 entered by a court subsequent to a finding of guilty, or plea of guilty, those instances where the  
18 defendant has entered a plea of nolo contendere and has received a jail sentence or a suspended jail  
19 sentence, or those instances wherein the defendant has entered into a deferred sentence agreement  
20 with the Rhode Island attorney general and the period of deferment has not been completed.

21 (8) Any other information as set forth in rules and regulations as required by the ~~department~~  
22 [commission](#).

23 (d) [Deleted by P.L. 2019, ch. 88, art. 15, § 1.]

24 (e) The ~~department~~ [commission](#) shall issue a hemp license to the grower or handler  
25 applicant if he, she, or it meets the requirements of this chapter, upon the applicant paying a  
26 licensure fee of two thousand five hundred dollars (\$2,500). The license shall be renewed every  
27 two (2) years upon payment of a two thousand five hundred dollar (\$2,500) renewal fee. Any  
28 licensee convicted of any disqualifying offense described in subsection (c)(7)(iv) shall, [subject to](#)  
29 [§ 28-5.1-14](#), have his, her, or its license revoked. All license fees shall be directed to the ~~department~~  
30 [commission](#) to help defray the cost of enforcement. The ~~department~~ [commission](#) shall collect a  
31 nonrefundable application fee of two hundred fifty dollars (\$250) for each application to obtain a  
32 license.

33 (f) Any grower or handler license applicant or license holder may also apply for and be  
34 issued one (1) CBD distributor and/or one (1) CBD retailer license at no additional cost, provided

1 their grower or handler license is issued or renewed. CBD distributor and CBD retailer licenses  
2 shall be renewed each year at no additional fee provided the applicant also holds or renews a grower  
3 and/or handler license.

4 (g) For applicants who do not hold, renew, or receive a grower or handler license, CBD  
5 distributor and CBD retailer licenses shall have a licensure fee of five hundred dollars (\$500). The  
6 licenses shall be renewed each year upon approval by the ~~department~~ [commission](#) and payment of  
7 a five hundred dollar (\$500) renewal fee.

8 (h) The commission shall have the authority to temporarily suspend hemp applications and  
9 issuance of new hemp licenses for a defined period if the commission determines that such action  
10 is necessary to:

11 1. Conduct a study or evaluation of market conditions, supply and demand dynamics, or  
12 regulatory impacts;

13 2. Ensure adequate oversight and compliance with existing licensees; and

14 3. Address any identified risks to public health, safety, or environmental welfare.

15 (i) During a suspension period, the commission may continue to process renewal  
16 applications of existing licensees.

17 **2-26-6. Rulemaking authority.**

18 (a) The ~~department~~ [commission](#) shall adopt rules to provide for the implementation of this  
19 chapter, which shall include rules to require hemp to be tested during growth for THC levels and  
20 to require inspection of hemp during sowing, growing season, harvest, storage, and processing.  
21 Included in these rules should be a system requiring the licensee to submit crop samples to an  
22 approved testing facility, as determined by the ~~department~~ [commission](#) for testing and verification  
23 of compliance with the limits on delta-9 THC concentration.

24 (b) The ~~department~~ [commission](#) shall prescribe rules and regulations for all operational  
25 requirements for licensed growers, handlers, CBD distributors, and retailers, and to ensure  
26 consistency in manufactured products and appropriate packaging, labeling, and placement with  
27 respect to retail sales not inconsistent with law, to carry in effect the provisions of this chapter.

28 (c) The ~~department~~ [commission](#) shall not adopt, under this or any other section, a rule that  
29 would prohibit a person or entity to grow, distribute, or sell hemp based solely on the legal status  
30 of hemp under federal law.

31 (d) The ~~department~~ [commission](#) may adopt rules and regulations based on federal law  
32 provided those rules and regulations are designed to comply with federal guidance and mitigate  
33 federal enforcement against the licenses issued under this chapter.

34 (e) [Deleted by P.L. 2020, ch. 1, § 2 and P.L. 2020, ch. 2, § 2.]

1           **2-26-7. Licensure.**

2           (a) Except as provided in this section, ~~beginning sixty (60) days after the effective date of~~  
3 ~~this chapter~~, the ~~department~~ [commission](#) shall accept the application for licensure to cultivate hemp  
4 submitted by the applicant.

5           (b) A person or entity, licensed by the ~~department~~ [commission](#) pursuant to this chapter,  
6 shall allow hemp crops, throughout sowing, year-long growing seasons, harvest storage, and  
7 processing, manufacturing, and retail facilities to be inspected and tested by and at the discretion  
8 of the ~~department~~ [commission](#) and as required pursuant to any applicable state or local food  
9 processing and safety regulations, including, but not limited to those, promulgated by the Rhode  
10 Island department of health.

11           **2-26-8. Methods of extraction.**

12           (a) The ~~department~~ [commission](#) shall adopt rules regarding permissible methods of  
13 extraction.

14           (b) No butane method of extraction shall be permitted by the ~~department~~ [commission](#).

15           **2-26-9. Research and educational growth by institutions of higher education.**

16           (a) The ~~department~~ [commission](#) is authorized to certify any higher educational institution  
17 in Rhode Island to grow or handle, or assist in growing or handling, industrial hemp for the purpose  
18 of agricultural or academic research where such higher educational institution submits the  
19 following to the ~~department~~ [commission](#):

20           (1) The location where the higher educational institution intends to grow or cultivate the  
21 industrial hemp;

22           (2) The higher educational institution's research plan; and

23           (3) The name of the employee of the higher educational institution who will supervise the  
24 hemp growth, cultivation, and research.

25           (b) Growth for purposes of agricultural and educational research by a higher educational  
26 institution shall not be subject to the licensing requirements set forth in § 2-26-5.

27           (c) The applicant is encouraged to partner with an institution of higher learning within the  
28 state of Rhode Island to develop best practices for growing and handling hemp.

29           (d) The ~~department~~ [commission](#) shall maintain a list of each higher education institution  
30 certified to grow or cultivate industrial hemp under this chapter.

31           **2-26-10. Enforcement of violations of chapter.**

32           (a) Notwithstanding any other provision of this chapter, if the ~~director of the department~~  
33 [chairperson of the commission](#), or his or her designee, has cause to believe that a violation of any  
34 provision of this chapter or any regulations promulgated hereunder has occurred by a licensee who

1 or that is under the ~~department's~~ commission's jurisdiction pursuant to this chapter, or that any  
2 person or entity is conducting any activities requiring licensure by the ~~department~~ commission  
3 under this chapter or the regulations promulgated hereunder without such licensure, the ~~director~~  
4 chairperson, or his or her designee, may, in accordance with the requirements of the administrative  
5 procedures act, chapter 35 of title 42:

- 6 (1) Revoke or suspend a license;
- 7 (2) Levy an administrative penalty in an amount established pursuant to regulations  
8 promulgated by the ~~department~~ commission;
- 9 (3) Order the violator to cease and desist such actions;
- 10 (4) Require a licensee or person or entity conducting any activities requiring licensure  
11 under this chapter to take such actions as are necessary to comply with this chapter and the  
12 regulations promulgated thereunder; or
- 13 (5) Any combination of the above penalties.

14 (b) If the ~~director of the department~~ chairperson of the commission finds that public health,  
15 safety, or welfare requires emergency action, and incorporates a finding to that effect in his or her  
16 order, summary suspension of license and/or cease and desist may be ordered pending proceedings  
17 for revocation or other action.

18 SECTION 2. Sections 5-43-1 and 5-43-2 of the General Laws in Chapter 5-43 entitled  
19 "Instruction in Jiu-Jitsu or Karate" are hereby repealed.

20 **~~5-43-1. City and town licensing power.~~**

21 ~~The city and town councils of the several cities and towns may license schools and other~~  
22 ~~institutions offering instruction in jiu jitsu and karate. The fee for this license shall not exceed~~  
23 ~~twenty five dollars (\$25.00); provided, that nonprofit organizations and governmental agencies~~  
24 ~~shall be exempt from paying that fee.~~

25 **~~5-43-2. Penalty for violations.~~**

26 ~~Any city or town issuing licenses under this chapter may impose a fine not in excess of~~  
27 ~~twenty dollars (\$20.00) upon anyone convicted of offering instruction in jiu jitsu or karate without~~  
28 ~~that license.~~

29 SECTION 3. Section 16-32-2 of the General Laws in Chapter 16-32 entitled "University  
30 of Rhode Island [See Title 16 Chapter 97 — The Rhode Island Board of Education Act]" is hereby  
31 amended to read as follows:

32 **16-32-2. Board of Trustees established.**

33 (a) There is hereby created a board of trustees for the university of Rhode Island, sometimes  
34 referred to as the "board" or "board of trustees," which shall be and is constituted a public

1 corporation, empowered to sue and be sued in its own name; to borrow money; to compromise and  
2 settle claims; to have a seal; and to make and execute contracts and other instruments necessary or  
3 convenient to the exercise of its powers; and to exercise all the powers, in addition to those  
4 specifically enumerated in this chapter, usually appertaining to public corporations entrusted with  
5 control of postsecondary educational institutions and functions. Upon its organization, the board  
6 shall be vested with the legal title to all property, real and personal, now owned by and/or under  
7 the control or in the custody of the council on postsecondary education for the use of the university  
8 of Rhode Island, including all its departments, divisions, and branches, sometimes referred to as  
9 the property.

10 (b) The board is empowered to hold and operate the property in trust for the state; to  
11 acquire, hold, and dispose of the property and other like property as deemed necessary for the  
12 execution of its corporate purposes. The board is made successor to all powers, rights, duties, and  
13 privileges for the university of Rhode Island formerly belonging to the council on postsecondary  
14 education pertaining to postsecondary education and the board of governors for higher education.

15 (c) The board shall be the employer of record for the university. It shall retain all authority  
16 formerly vested in the council on postsecondary education and the board of education regarding  
17 the employment of faculty and staff at the university of Rhode Island. The board shall appoint the  
18 president of the university and shall review their performance on an annual basis.

19 (1) The board is empowered to enter into contracts and agreements with the council on  
20 postsecondary education and/or the department of administration related to employee benefits,  
21 including but not limited to retirement benefits, health, dental, vision and life insurance, disability  
22 insurance, workers' compensation, and tuition waivers to maximize the state's and university's  
23 purchasing and investment portfolio and educational opportunities for the benefit of its employees.

24 (2) The board is empowered to enter into collective bargaining agreements as appropriate  
25 with its employees and all existing collective bargaining agreements in effect when the board is  
26 established pursuant to § 16-32-2.2 shall be transferred from the council on postsecondary  
27 education to the board.

28 (d) The board shall make rules and regulations for the control and use of all public  
29 properties and highways under its care, and for violations of those rules and regulations; penalties,  
30 up to one hundred dollars (\$100) and costs for any one offense, may be imposed by any district  
31 court or police court in the city or town where the violation occurs; and, in general, the board shall  
32 take all actions necessary for the proper execution of the powers and duties granted to, and imposed  
33 upon, the board by the terms of this chapter.

34 (e) The board shall make rules and regulations pursuant to chapter 2 of title 37 to implement



1 its responsibilities as a public agency for procurement purposes as defined in § 37-2-7(16).

2 (1) Notwithstanding the provisions of § 37-2-22, small procurements made by the board  
3 and the university shall not exceed an aggregate amount of fifty thousand dollars (\$50,000) for  
4 construction and ten thousand dollars (\$10,000) for all other purchases, regardless of the source of  
5 funding, and shall be made in accordance with small purchase regulations promulgated by the  
6 board. These thresholds may be increased annually through an amendment to the small purchase  
7 regulations promulgated by the board of trustees, to reflect the annual increase in the federal  
8 Consumer Price Index published by the United States Department of Labor from the date of any  
9 prior adjustment.

10 (f) The board shall evaluate data on which to base performance of the university as  
11 described in subsection (g) of this section which shall be defined by the president of the university.  
12 These measures may include and incorporate outcomes or goals from multiple, previous years. The  
13 lack of information from previous years, however, will not affect the use of performance-based  
14 measures.

15 (g) The university of Rhode Island shall have unique measures consistent with its purpose,  
16 role, scope, and mission. The board shall provide faculty and students an opportunity to provide  
17 input on the development of performance measures.

18 (1) The performance-based measures shall include, but not be limited to, the following  
19 metrics:

20 (i) The number and percentage, including growth in relation to enrollment and prior years  
21 of bachelor's degrees awarded to first-time, full-time students within four (4) years and six (6)  
22 years, including summer graduates;

23 (ii) The number of degrees awarded that are tied to Rhode Island's high demand, high-  
24 wage employment opportunities consistent with the institution's mission;

25 (iii) One metric that applies only to the university, in consultation with the president, which  
26 shall consider faculty, staff, and student input; and

27 (iv) Any other metrics that are deemed appropriate by the board.

28 (2) Weight may be assigned to any of the aforementioned metrics to reinforce the mission  
29 of the university, the economic needs of the state, and the socio-economic status of the students.

30 (h) The board shall hold the university accountable for developing and implementing  
31 transfer pathways for students from the community college of Rhode Island and Rhode Island  
32 college.

33 (i) The board shall adopt a process requiring every academic program at the university to  
34 accept for credit the advanced placement subject test scores of students who obtain a three (3) or

1 better in any advanced placement course.

2 (j) The board shall supervise, coordinate, and/or authorize audits, civil and administrative  
3 investigations, and inspections or oversight reviews, when necessary, relating to expenditure of  
4 state or federal funds, or to any and all university programs and operations, as well as the  
5 procurement of any supplies, services, or construction, by the university. In the course of an audit  
6 or investigation, the board authorized auditor(s) shall review statutes and regulations of the  
7 university and shall determine if the university is in compliance and shall make recommendations  
8 concerning the efficiency of operations, and the effect of such statutes or regulations on internal  
9 controls and the prevention and detection of fraud, waste, and abuse. The board authorized  
10 auditor(s) may recommend policies or procedures that may strengthen internal controls, or assist in  
11 the prevention or detection of fraud, waste, and abuse or mismanagement. Any audits conducted  
12 shall be transmitted to the office of internal audit [and program integrity](#) established in chapter 7.1  
13 of title 35.

14 SECTION 4. Sections 21-28.11-4 and 21-28.11-10.1 of the General Laws in Chapter 21-  
15 28.11 entitled "The Rhode Island Cannabis Act" are hereby amended to read as follows:

16 **21-28.11-4. Cannabis control commission.**

17 (a) **Establishment of commission.** There is hereby established an independent  
18 commission known as the Rhode Island Cannabis Control Commission (commission). The purpose  
19 of the commission is to oversee the regulation, licensing and control of adult use and medical  
20 cannabis and upon transfer of powers pursuant to the provisions of § 21-28.11-10.1, to exercise  
21 primary responsibility to oversee the regulation, licensing and control of all cannabis and marijuana  
22 use to include medical marijuana.

23 (b) **Appointment of commissioners.** The Rhode Island Cannabis Control Commission  
24 shall consist of three (3) voting commissioners as follows:

25 (1) The governor shall appoint, with the advice and consent of the senate, the three (3)  
26 voting members of the commission. The speaker of the house shall, within thirty (30) days of the  
27 effective date of this chapter, submit to the governor a list of three (3) individuals that the governor  
28 shall give due consideration in appointing one individual from this list. The governor shall appoint  
29 the other two (2) commissioners without regard to the list submitted by the speaker of the house.  
30 The governor shall designate one of the members to serve as chairperson of the commission. Within  
31 forty (40) days of the effective date of this chapter, the governor shall submit to the senate for  
32 advice and consent the list of three (3) individuals for appointment to the commission along with  
33 the governor's designation of chairperson.

34 (2) Prior to appointment to the commission, a background investigation shall be conducted

1 into the financial stability, integrity and responsibility of each appointee, including the appointee's  
2 reputation for good character, and honesty. No commissioner or commissioner's spouse, or child  
3 shall have any interest whatsoever in any entity regulated by the commission.

4 (c) **Commissioner requirements.** Each commissioner shall be a resident of the state within  
5 ninety (90) days of appointment, and while serving on the commission, shall not:

6 (1) Hold, or be a candidate for, federal, state or local elected office;

7 (2) Hold an appointed office or other employment in a federal, state or local government;

8 or

9 (3) Serve as an official in a political party.

10 (d) **Term Limits.** Term limits on the initial commissioners shall be as follows: The  
11 appointee chosen after consideration of the list provided to the governor by the speaker of the house  
12 shall serve an initial term of three (3) years and shall be eligible for reappointment in accordance  
13 with this section. Of the appointees chosen by the governor without regard to the list submitted by  
14 the speaker of the house, one shall serve an initial term of two (2) years, and one shall serve an  
15 initial term of one year and both shall be eligible for reappointment in accordance with this section.

16 (1) Each initial commissioner is eligible for reappointment for one six (6) year term or until  
17 a successor is appointed. Each subsequent commissioner shall serve for a term of six (6) years or  
18 until a successor is appointed. Every person appointed or reappointed to fill a vacancy on the  
19 cannabis control commission shall be appointed in the manner established pursuant to this section.

20 (2) If a vacancy is created prior to the expiration of any commissioner's term, said vacancy  
21 shall be filled in the manner established pursuant to this section. Any person appointed to fill said  
22 vacancy shall complete the commissioner's unexpired term and shall then be eligible for  
23 reappointment for one additional term pursuant to this section.

24 (e) **Compensation.** The chairperson of the commission shall devote their full time attention  
25 to the duties of the commission. Upon confirmation, the chairperson shall become a state employee  
26 and shall receive a salary as determined by the governor subject to appropriation by the general  
27 assembly. The remaining commissioners shall not be state employees but shall receive a monthly  
28 stipend as determined by the governor, subject to appropriation by the general assembly, and shall  
29 devote sufficient time and attention to the commission to adequately perform their duties.

30 (f) **Records.** The commission shall keep a record of the proceedings of the commission  
31 and the chair shall be the custodian and keeper of the records of all books, documents and papers  
32 filed by the commission and of its minute book. The chair shall cause copies to be made of all  
33 minutes and other records and documents of the commission and shall certify that such copies are  
34 true copies and all persons dealing with the commission may rely upon such certification. These

1 records shall also be subject to the provisions of title 38, “public records.” The chair shall have and  
2 exercise supervision and control over all the affairs of the commission. The chair shall preside at  
3 all hearings at which the chair is present and shall designate a commissioner to act as chair in the  
4 chair’s absence. To promote efficiency in administration, the chair shall make such division or re-  
5 division of the work of the commission among the commissioners, as the chair deems expedient.

6 (g) **Conduct of hearings.** The commissioners shall, if so directed by the chair, participate  
7 in the hearing and decision of any matter before the commission.

8 (1) For purposes of this section, “formal matter”, as so designated by the chair, shall include  
9 all non-procedural matters to include, but not limited to, hearings subject to the provisions of  
10 chapter 35 of title 42 (the “administrative procedures act”) and all decisions relative to the awarding  
11 of a license or to the denial or revocation of licenses. A majority of the commissioners is required  
12 to ~~hear and~~ approve all formal matters.

13 (2) For purposes of this section, “procedural matters”, as so designated by the chair, include  
14 scheduling, inclusion of agenda items, administrative compliance decisions, ministerial matters,  
15 routine clerical functions, and any other act delegated by the commission to be performed by an  
16 employee of the commission or the cannabis office. Any procedural or administrative matter may  
17 be heard, examined and investigated by a single commissioner or an employee of the commission  
18 or the cannabis office as designated and assigned by the chair, with the concurrence of one other  
19 commissioner. If designated by the commission or the cannabis office, the designated employee  
20 shall make a report in writing relative to the hearing, examination and investigation of every  
21 procedural or administrative matter. For the purposes of hearing, examining and investigating any  
22 procedural or administrative matter, the designated employee shall have all of the powers conferred  
23 upon a commissioner by this section. Any procedural or administrative decision made by a single  
24 commissioner or designated employee may be appealed within ten (10) days of issuance of the  
25 decision for a hearing before the full commission.

26 (3) The commission may designate a hearing officer to conduct hearings and make  
27 recommendations of decision to the commission in contested cases consistent with chapter 35 of  
28 title 42.

29 (h) **Ethics.** The provisions of chapter 14 of title 36, the state code of ethics, shall apply to  
30 the commissioners and to employees operating under the jurisdiction of the commission to include,  
31 but not limited to, personnel of the cannabis office; provided, however, that the commission may  
32 promulgate an internal code of ethics for all members and employees that may be more restrictive  
33 than the provisions of chapter 14 of title 36. A copy of any internal code of ethics adopted or as  
34 amended shall be filed with the state ethics commission. The internal code may include provisions

1 reasonably necessary to carry out the purposes of this chapter.

2 (i) **Public body.** The cannabis control commission shall be a public body for the purposes  
3 of chapter 46 of title 42 (the “open meetings act”).

4 (j) **Finance.** The commission shall, for the purposes of compliance with state finance law,  
5 and subject to appropriation by the general assembly, operate as an independent state agency and  
6 shall be subject to the laws applicable to agencies under the control of the governor; provided,  
7 however, that the chairperson may identify any additional instructions or actions necessary for the  
8 department of administration to manage fiscal operations in the state accounting system and meet  
9 statewide and other governmental accounting and audit standards. The commission shall properly  
10 classify the commission’s operating and capital expenditures, and shall not include any salaries of  
11 employees in the commission’s capital expenditures. Unless otherwise exempted by law, the  
12 commission shall participate in any other available state administrative services including, but not  
13 limited to, the state payroll system, the state retirement system, and state purchases.

14 (k) **Prohibition on discrimination.** The commission and all personnel and employees  
15 operating under the jurisdiction of the commission to include, but not limited to, personnel of the  
16 cannabis office, shall not unlawfully discriminate by considering race, color, religion, sex, sexual  
17 orientation, gender identity or expression, age, national origin, or disability in granting, denying,  
18 or revoking a license, nor shall any person, corporation, or business firm which is licensed pursuant  
19 to the provisions of this chapter unlawfully discriminate against or segregate any person based on  
20 these grounds. All businesses licensed by the commission shall operate on a nondiscriminatory  
21 basis, according to equal employment treatment and access to their services to all persons, unless  
22 otherwise exempted by the laws of the state. Any licensee who fails to comply with this policy is  
23 subject to any disciplinary action that is consistent with the legal authority and rules and regulations  
24 of the commission. The commission shall cooperate with the state equal opportunity office to  
25 prevent any person, corporation, or business firm from unlawfully discriminating because of race,  
26 color, religion, sex, sexual orientation, gender identity or expression, age, national origin, or  
27 disability or from participating in any practice which may have a disparate effect on any protected  
28 class within the population. The state equal opportunity office shall monitor the equal employment  
29 opportunity activities and affirmative action plans of the commission.

30 **21-28.11-10.1. Transitional period and transfer of authority.**

31 (a) To protect public health and public safety, upon the effective date of this chapter [May  
32 25, 2022] until final issuance of the commission’s rules and regulations promulgated pursuant to  
33 the provisions of this chapter, there shall exist a transitional period of regulatory and enforcement  
34 authority regarding the production, possession, regulation, distribution, sale, and use of cannabis

1 relating to the sale by hybrid cannabis retailers of adult use cannabis pursuant to § 21-28.11-10.

2 (b) During the transitional period, the office of cannabis regulation shall prescribe such  
3 forms, procedures, and requirements as necessary to facilitate the acquisition of hybrid retail and  
4 cultivation licenses by compassion centers and cultivators licensed pursuant to chapter 28.6 of this  
5 title.

6 (c) Such forms, procedures, and requirements shall be posted on the website of the office  
7 of cannabis regulation no later than October 15, 2022, at which time an application period will  
8 commence. Applications shall be received, reviewed, and approved on a rolling basis provided that  
9 in no case shall an approved hybrid retailer begin adult use sales before December 1, 2022.

10 (d) The forms, procedures, and requirements prescribed by the office of cannabis regulation  
11 shall incorporate, but shall not be limited to, the following:

12 (1) Requirements pertaining to the physical premises of hybrid retail licensees. Where  
13 physically possible these shall include prospective licensee plans to physically separate marijuana  
14 and marijuana products designated for adult use and medical sales, respectively, in inventory,  
15 storage, and customer-facing floor and display areas; plans to physically separate sales areas for  
16 adult use and medical sales, which may be provided by a temporary or semi-permanent physical  
17 barrier; plans to provide and maintain a patient consultation area that will allow privacy for  
18 confidential consultation with qualifying patients; and plans to prioritize patient and caregiver  
19 identification verification and physical entry into retail areas in the event of capacity or other  
20 constraints; however, if the premises of a hybrid retail licensee does not allow the licensee to meet  
21 the requirements of this subsection or would cause undue hardship on the licensee, the office of  
22 cannabis regulation may authorize the hybrid retail licensee to conduct adult use sales at an adjunct  
23 location. In authorizing any such adjunct location, the office shall require, at a minimum, the  
24 following:

25 (i) The adjunct location must be physically located within the same municipality and  
26 geographic zone;

27 (ii) The adjunct location must comply with all municipal zoning requirements and obtain  
28 municipal approval;

29 (iii) The approval of any adjunct location will not cause undue hardship upon another  
30 licensed cannabis retailer; and

31 (iv) In the instance that an adjunct location is approved by the office, the hybrid cannabis  
32 retailer shall not be permitted to engage in the sale of cannabis for adult use at more than one  
33 premises.

34 (2) Requirements pertaining to inventory, product, and sales tracking. These shall include

1 prospective licensee submission of plans to electronically separate finished marijuana products  
2 designated for medical or adult use sales in hybrid licensees' inventory and sales tracking systems.  
3 If prospective hybrid licensees are conducting cultivation activities, they shall submit plans to  
4 distinguish between sales of marijuana or finished marijuana products at wholesale based on  
5 designation for medical or adult use sales.

6 (3) Requirements relating to the maintenance of medical marijuana program service levels.  
7 These shall include prospective licensee submission of comprehensive policies and procedures  
8 detailing plans to maintain a sufficient quantity and variety of medical marijuana products, and if  
9 substitutions of medical marijuana products with adult use marijuana products are to be made, a  
10 justification for such substitutions. Prospective hybrid licensees shall also be required to designate  
11 an individual who will be primarily responsible for maintenance of medical marijuana program  
12 service levels and ongoing compliance with existing program requirements, rules, and regulations.

13 (4) Requirements relating to operating plans, policies, and procedures. These shall include  
14 prospective licensee submission, maintenance of, and adherence to a set of written standard  
15 operating procedures that encompass both adult use and medical marijuana service lines. These  
16 operating plans and procedures shall take the form of an updated operations manual as currently  
17 required under medical marijuana program regulations and shall include, but not be limited to,  
18 policies and procedures relating to the maintenance of medical marijuana program service levels  
19 as defined in this section.

20 (5) Requirements relating to the advertising of cannabis and cannabis products by hybrid  
21 cannabis retailers who have been permitted to sell adult use cannabis and hybrid cannabis  
22 cultivators who have been permitted to cultivate adult use cannabis pursuant to the provisions of  
23 this chapter.

24 (e) Notwithstanding the foregoing provisions of this section, all prospective and approved  
25 applicants for hybrid cannabis retailer and cannabis cultivator licenses under this chapter shall  
26 maintain compliance with the existing provisions of chapter 28.6 of this title and the regulations  
27 promulgated thereunder until final issuance of the commission's rules and regulations, including,  
28 but not limited to, existing restrictions and requirements related to financial disclosures; registration  
29 of owners, managers, key persons, agents, and employees; product testing; packaging and labeling;  
30 transportation; and home delivery.

31 (f) Forms, procedures, and requirements relating to this transitional period may be amended  
32 by the office of cannabis regulation or the commission up until the final issuance of the  
33 commission's regulations pursuant to the provisions of this chapter at which time the forms,  
34 procedures, and requirements will be superseded by the commission's final rules and regulations.

(g) Upon final issuance of the commission's rules and regulations, the following shall occur:

(1) All powers, duties, and responsibilities of the department of business regulation and the office of cannabis regulation with respect to the regulation, administration, and enforcement of the provisions of chapter 28.6 of this title [and chapter 26 of title 2](#) shall be transferred to the commission or as designated by the commission to the cannabis office.

(2) All powers, duties, and responsibilities of the department of environmental management with respect to regulation, administration, and enforcement of chapter 28.6 of this title shall be transferred to the commission or as designated by the commission to the cannabis office.

(3) All powers, duties, and responsibilities of the department of health with respect to regulation, administration, and enforcement of chapter 28.6 of this title shall be transferred to the commission or as designated by the commission to the cannabis office, except for the following:

(i) Administration of registry identification cards to qualified patients; and

(ii) Powers delegated to the department pursuant to this chapter or by rules and regulations of the commission.

(4) There shall be established a "cannabis office" with the powers, duties, and responsibilities authorized pursuant to § 21-28.11-18.1.

(5) All powers exercised by state agencies, departments, and offices pursuant to the provisions of subsections (a) and (b) of this section relating to transitional period authority shall cease.

(h) Upon final issuance of the commission's rules and regulations, whenever the term "office of cannabis regulation" appears in any general law or regulation, the term shall mean the "cannabis office" as defined in this chapter.

SECTION 5. Section 28-30-18 of the General Laws in Chapter 28-30 entitled "Workers' Compensation Court" is hereby amended to read as follows:

**28-30-18. Additional benefits payable to retired judges and their surviving spouses or domestic partners.**

(a) All judges of the workers' compensation court, or their surviving spouses or domestic partners, who retire after January 1, 1970, and who receive a retirement allowance pursuant to the provisions of this title, shall, on the first day of January next following the third anniversary date of their retirement, receive a cost-of-living retirement adjustment in addition to his or her retirement allowance in an amount equal to three percent (3%) of the original retirement allowance. In each succeeding subsequent year during the month of January the retirement allowance shall be increased an additional three percent (3%) of the original allowance, compounded annually from



1 the year the cost-of-living adjustment was first payable to be continued during the lifetime of that  
2 judge or his or her surviving spouse or domestic partner. For the purpose of that computation, credit  
3 shall be given for a full calendar year regardless of the effective date of the retirement allowance.

4 (b) Any judge who retired prior to January 31, 1980, shall be deemed for the purpose of  
5 this section to have retired on January 1, 1980.

6 (c) For judges not eligible to retire as of September 30, 2009, and not eligible upon passage  
7 of this article, and for their beneficiaries, the cost-of-living adjustment described in subsection (a)  
8 above shall only apply to the first thirty-five thousand dollars (\$35,000) of retirement allowance,  
9 indexed annually, and shall commence upon the third (3rd) anniversary of the date of retirement or  
10 when the retiree reaches age sixty-five (65), whichever is later. The thirty-five thousand dollar  
11 (\$35,000) limit shall increase annually by the percentage increase in the Consumer Price Index for  
12 all Urban Consumers (CPI-U) as published by the United States Department of Labor Statistics  
13 determined as of September 30 of the prior calendar year or three percent (3%), whichever is less.  
14 The first thirty-five thousand dollars (\$35,000), as indexed, of retirement allowance shall be  
15 multiplied by the percentage of increase in the Consumer Price Index for all Urban Consumers  
16 (CPI-U) as published by the United States Department of Labor Statistics determined as of  
17 September 30 of the prior calendar year or three percent (3%), whichever is less on the month  
18 following the anniversary date of each succeeding year. For judges eligible to retire as of September  
19 30, 2009, or eligible upon passage of this article, and for their beneficiaries, the provisions of this  
20 subsection (c) shall not apply.

21 (d) This subsection (d) shall be effective for the period July 1, 2012, through June 30, 2015.

22 (1) Notwithstanding the prior paragraphs of this section, and subject to subsection (d)(2)  
23 below, for all present and former justices, active and retired justices, and beneficiaries receiving  
24 any retirement, disability or death allowance or benefit of any kind, whether provided for or on  
25 behalf of justices engaged on or prior to December 31, 1989, as a noncontributory justice or  
26 engaged after December 31, 1989, as a contributory justice, the annual benefit adjustment provided  
27 in any calendar year under this section shall be equal to (A) multiplied by (B) where (A) is equal  
28 to the percentage determined by subtracting five and one-half percent (5.5%) (the “subtrahend”)  
29 from the five-year average investment return of the retirement system determined as of the last day  
30 of the plan year preceding the calendar year in which the adjustment is granted, said percentage not  
31 to exceed four percent (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser  
32 of the justice’s retirement allowance or the first twenty-five thousand dollars (\$25,000) of  
33 retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be indexed annually  
34 in the same percentage as determined under (d)(1)(A) above. The “five-year average investment

1 return” shall mean the average of the investment return of the most recent five (5) plan years as  
2 determined by the retirement board. Subject to subsection (d)(2) below, the benefit adjustment  
3 provided by this paragraph shall commence upon the third (3rd) anniversary of the date of  
4 retirement or the date on which the retiree reaches his or her Social Security retirement age,  
5 whichever is later. In the event the retirement board adjusts the actuarially assumed rate of return  
6 for the system, either upward or downward, the subtrahend shall be adjusted either upward or  
7 downward in the same amount.

8 (2) Except as provided in subsection (d)(3), the benefit adjustments under this section for  
9 any plan year shall be suspended in their entirety unless the funded ratio of the employees’  
10 retirement system of Rhode Island, the judicial retirement benefits trust, and the state police  
11 retirement benefits trust, calculated by the system’s actuary on an aggregate basis, exceeds eighty  
12 percent (80%) in which event the benefit adjustment will be reinstated for all justices for such plan  
13 year.

14 In determining whether a funding level under this subsection (d)(2) has been achieved, the  
15 actuary shall calculate the funding percentage after taking into account the reinstatement of any  
16 current or future benefit adjustment provided under this section.

17 (3) Notwithstanding subsection (d)(2), in each fifth plan year commencing after June 30,  
18 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five  
19 (5) plan years, a benefit adjustment shall be calculated and made in accordance with subsection  
20 (d)(1) above until the funded ratio of the employees’ retirement system of Rhode Island, the judicial  
21 retirement benefits trust, and the state police retirement benefits trust, calculated by the system’s  
22 actuary on an aggregate basis, exceeds eighty percent (80%).

23 (4) Notwithstanding any other provision of this chapter, the provisions of this subsection  
24 (d) shall become effective July 1, 2012, and shall apply to any benefit adjustment not granted on or  
25 prior to June 30, 2012.

26 (e) This subsection (e) shall become effective July 1, 2015.

27 (1)(i) As soon as administratively reasonable following the enactment into law of this  
28 subsection (e)(1)(i), a one-time benefit adjustment shall be provided to justices and/or beneficiaries  
29 of justices who retired on or before June 30, 2012, in the amount of two percent (2%) of the lesser  
30 of either the justice’s retirement allowance or the first twenty-five thousand dollars (\$25,000) of  
31 the justice’s retirement allowance. This one-time benefit adjustment shall be provided without  
32 regard to the retiree’s age or number of years since retirement.

33 (ii) Notwithstanding the prior subsections of this section, for all present and former justices,  
34 active and retired justices, and beneficiaries receiving any retirement, disability or death allowance

1 or benefit of any kind, whether provided for or on behalf of justices engaged on or prior to  
2 December 31, 1989, as a noncontributory justice or engaged after December 31, 1989, as a  
3 contributory justice, the annual benefit adjustment provided in any calendar year under this section  
4 for adjustments on and after January 1, 2016, and subject to subsection (e)(2) below, shall be equal  
5 to (A) multiplied by (B):

6 (A) Shall equal the sum of fifty percent (50%) of (I) plus fifty percent (50%) of (II) where:

7 (I) Is equal to the percentage determined by subtracting five and one-half percent (5.5%)  
8 (the “subtrahend”) from the five-year average investment return of the retirement system  
9 determined as of the last day of the plan year preceding the calendar year in which the adjustment  
10 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent  
11 (0%). The “five-year average investment return” shall mean the average of the investment returns  
12 of the most recent five (5) plan years as determined by the retirement board. In the event the  
13 retirement board adjusts the actuarially assumed rate of return for the system, either upward or  
14 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

15 (II) Is equal to the lesser of three percent (3%) or the percentage increase in the Consumer  
16 Price Index for all Urban Consumers (CPI-U) as published by the United States Department of  
17 Labor Statistics determined as of September 30 of the prior calendar year. In no event shall the sum  
18 of (I) plus (II) exceed three and one-half percent (3.5%) or be less than zero percent (0%).

19 (B) Is equal to the lesser of either the justice’s retirement allowance or the first twenty-five  
20 thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount to be  
21 indexed annually in the same percentage as determined under subsection (e)(1)(ii)(A) above.

22 The benefit adjustments provided by this subsection (e)(1)(ii) shall be provided to all  
23 retirees entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect,  
24 and for all other retirees the benefit adjustments shall commence upon the third anniversary of the  
25 date of retirement or the date on which the retiree reaches his or her Social Security retirement age,  
26 whichever is later.

27 (2) Except as provided in subsection (e)(3), the benefit adjustments under subsection  
28 (e)(1)(ii) for any plan year shall be suspended in their entirety unless the funded ratio of the  
29 employees’ retirement system of Rhode Island, the judicial retirement benefits trust, and the state  
30 police retirement benefits trust, calculated by the system’s actuary on an aggregate basis, exceeds  
31 eighty percent (80%) in which event the benefit adjustment will be reinstated for all justices for  
32 such plan year. [Effective July 1, 2024, the funded ratio of the employees’ retirement system of](#)  
33 [Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust,](#)  
34 [calculated by the system’s actuary on an aggregate basis, of exceeding eighty percent \(80%\) for the](#)

1 benefit adjustment to be reinstated for all members for such plan year shall be replaced with  
2 seventy-five percent (75%).

3 In determining whether a funding level under this subsection (e)(2) has been achieved, the  
4 actuary shall calculate the funding percentage after taking into account the reinstatement of any  
5 current or future benefit adjustment provided under this section.

6 (3) Notwithstanding subsection (e)(2), in each fourth plan year commencing after June 30,  
7 2012, commencing with the plan year ending June 30, 2016, and subsequently at intervals of four  
8 plan years: (i) A benefit adjustment shall be calculated and made in accordance with subsection  
9 (e)(1)(ii) above; and (ii) Effective for members and/or beneficiaries of members who retired on or  
10 before June 30, 2015, the dollar amount in subsection (e)(1)(ii)(B) of twenty-five thousand eight  
11 hundred and fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six  
12 dollars (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the  
13 judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the  
14 system's actuary on an aggregate basis, exceeds eighty percent (80%). Effective July 1, 2024, the  
15 funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits  
16 trust, and the state police retirement benefits trust, calculated by the system's actuary on an  
17 aggregate basis, of exceeding eighty percent (80%) shall be replaced with seventy-five percent  
18 (75%).

19 (4) Effective for members and/or beneficiaries of members who have retired on or before  
20 July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)  
21 days following the enactment of the legislation implementing this provision, and a second one-time  
22 stipend of five hundred dollars (\$500) in the same month of the following year. These stipends  
23 shall be payable to all retired members or beneficiaries receiving a benefit as of the applicable  
24 payment date and shall not be considered cost of living adjustments under the prior provisions of  
25 this section.

26 SECTION 6. Section 28-42-51 of the General Laws in Chapter 28-42 entitled  
27 "Employment Security — General Provisions" is hereby amended to read as follows:

28 **28-42-51. Additional functions and duties of director of administration.**

29 In addition to and/or in lieu of the sections enumerated in § 28-42-50, the director of  
30 administration shall perform, at the department of labor and training, in the manner and to the extent  
31 that the director may prescribe, the following functions and duties:

32 (1) Establish and maintain a current system of internal financial controls and checks  
33 necessary to insure the proper handling of accounts in connection with the employment security  
34 fund and the employment security administration account created by this chapter, by conducting a

1 continuous pre-audit or a continuous post-audit or by conducting a combination of both (pre-audit  
2 or post-audit). The cost of these post-audit activities by the office of internal audit [and program](#)  
3 [integrity](#) in the department of administration shall be reimbursed in full by the department;

4 (2) Establish and maintain any methods, procedures, and systems of accounting that may  
5 be deemed necessary; those records and accounts to be considered, for all purposes, the official  
6 records of the state and department;

7 (3) Prepare and furnish financial and any other reports that may be required; and

8 (4) Perform any other related functions and duties that may be required by chapters 42 —  
9 44 of this title.

10 SECTION 7. Section 35-1.1-4 of the General Laws in Chapter 35-1.1 entitled "Office of  
11 Management and Budget" is hereby amended to read as follows:

12 **35-1.1-4. Offices and functions assigned to the office of management and budget —**  
13 **Powers and duties.**

14 (a) The offices assigned to the office of management and budget include the budget office,  
15 the office of regulatory reform, the performance management office, and the office of internal audit  
16 [and program integrity](#).

17 (b) The offices assigned to the office of management and budget shall:

18 (1) Exercise their respective powers and duties in accordance with their statutory authority  
19 and the general policy established by the governor or by the director acting on behalf of the  
20 governor or in accordance with the powers and authorities conferred upon the director by this  
21 chapter;

22 (2) Provide such assistance or resources as may be requested or required by the governor  
23 and/or the director;

24 (3) Provide such records and information as may be requested or required by the governor  
25 and/or the director, to the extent allowed under the provisions of any applicable general or public  
26 law, regulation, or agreement relating to the confidentiality, privacy, or disclosure of such records  
27 or information; and

28 (c) Except as provided herein, no provision of this chapter or application thereof shall be  
29 construed to limit or otherwise restrict the budget officer from fulfilling any statutory requirement  
30 or complying with any valid rule or regulation.

31 [\(d\) The office of management and budget shall monitor the status of federal grants and](#)  
32 [identify any impacts of federal funding rescission. In the event of federal funding termination,](#)  
33 [agencies must provide the reported reason for termination, the types of activities funded by the](#)  
34 [awards, and the number of full-time equivalent positions assigned to the awards to the office.](#)

1           (1) The office of management and budget, may coordinate with the governor's office, the  
2           department of administration's division of purchases, the division of human resources, and the  
3           office of accounts and control, to develop options for administrative action or general assembly  
4           consideration that may be needed to address any federal funding changes.

5           (2) As soon as practicable after enactment of the federal budget for fiscal year 2026, but  
6           no later than October 31, 2025, the office shall forward a report to the governor, speaker of the  
7           house and president of the senate containing the findings, recommendations, and options to become  
8           compliant with federal changes prior to the governor's budget submission pursuant to § 35-3-7.

9           SECTION 8. Section 35-3-24.1 of the General Laws in Chapter 35-3 entitled "State  
10          Budget" is hereby amended to read as follows:

11           **35-3-24.1. Program performance measurement.**

12           (a) Beginning with the fiscal year ending June 30, 1997, the governor shall submit, as part  
13          of each budget submitted to the general assembly pursuant to § 35-3-7, performance objectives for  
14          each program in the budget for the ensuing fiscal year, estimated performance data for the fiscal  
15          year in which the budget is submitted, and actual performance data for the preceding two (2)  
16          completed fiscal years. Performance data shall include efforts at achieving equal opportunity hiring  
17          goals as defined in the department's annual affirmative action plan. The governor shall, in addition,  
18          recommend appropriate standards against which to measure program performance. Performance in  
19          prior years may be used as a standard where appropriate. These performance standards shall be  
20          stated in terms of results obtained.

21           (b) The governor may submit, in lieu of any part of the information required to be submitted  
22          pursuant to subsection (a), an explanation of why the information cannot as a practical matter be  
23          submitted.

24           (c)(1) The office of management and budget shall be responsible for managing and  
25          collecting program performance measures on behalf of the governor. The office is authorized to  
26          conduct performance reviews and audits of agencies to determine the manner and extent to which  
27          executive branch agencies achieve intended objectives and outcomes.

28           (2) In order to collect performance measures from agencies, review performance, and  
29          provide recommendations, the office of budget and management is authorized to coordinate with  
30          the office of internal audit and program integrity regarding the findings and recommendations that  
31          result from audits conducted by the office.

32           (3) In order to facilitate the office of management and budget's performance reviews,  
33          agencies must generate and provide timely access to records, reports, analyses, audits, reviews,  
34          documents, papers, recommendations, contractual deliverables, or other materials available relating

1 to agency programs and operations.

2 (4) In order to ensure alignment of executive branch agency operations with the state's  
3 priorities, the office of management and budget may produce, with all necessary cooperation from  
4 executive branch agencies, analyses and recommendations to improve program performance,  
5 conduct evidence-based budgeting, and respond to sudden shifts in policy environments.

6 (5) In order to gain insight into performance or outcomes and inform policymaking and  
7 program evaluation, the office of management and budget may lead, manage, and/or coordinate  
8 interagency and cross-system collaboration or integration initiatives.

9 SECTION 9. Section 35-7-15 of the General Laws in Chapter 35-7 entitled "Post Audit of  
10 Accounts" is hereby amended to read as follows:

11 **35-7-15. Audit of information security systems.**

12 (a) The general assembly recognizes that the security of government computer systems is  
13 essential to ensuring the stability and integrity of vital information gathered and stored by the  
14 government for the benefit of the citizenry and the breach of security over computer systems  
15 presents a risk to the health, safety, and welfare of the public. It is the intent of the legislature to  
16 ensure that government computer systems and information residing on these systems are protected  
17 from unauthorized access, compromise, sabotage, hacking, viruses, destruction, illegal use, cyber  
18 attack, or any other act that might jeopardize or harm the computer systems and the information  
19 stored on them.

20 (b) In conjunction with the powers and duties outlined in this chapter, the office of internal  
21 audit [and program integrity](#) may conduct reviews and assessments of the various government  
22 computer systems and the security systems established to safeguard these computer systems.  
23 Computer systems subject to this section shall include systems that pertain to federal, state, or local  
24 programs, and quasi-governmental bodies, and the computer systems of any entity or program that  
25 is subject to audit by the office of internal audit [and program integrity](#). The office of internal ~~audit's~~  
26 [audit and program integrity's](#) review may include an assessment of system vulnerability, network  
27 penetration, potential security breaches, and susceptibility to cyber attack and cyber fraud.

28 (c) The office of internal ~~audit's~~ [audit and program integrity's](#) findings shall be deemed  
29 public records and available for public inspection; provided, however, in the event the review  
30 indicates a computer system is vulnerable, or security over the system is otherwise deficient,  
31 reasonably segregable portions of the findings shall be subject to public inspection after the  
32 redaction of any information, the disclosure of which, would endanger the security of the system  
33 or reveal the specific nature of the vulnerabilities found. Notwithstanding any other provision of  
34 law to the contrary, the work papers developed in connection with the review of computer systems

1 and the security over those systems authorized by this section shall not be deemed public records  
2 and are not subject to disclosure.

3 (d) In order to maintain the integrity of the computer system, the office of internal audit  
4 [and program integrity](#) may procure the services of specialists in information security systems or  
5 other contractors deemed necessary in conducting reviews under this section, and in procuring  
6 those services shall be exempt from the requirements of the state purchasing law or regulation.

7 (e) Any outside contractor or vendor hired to provide services in the review of the security  
8 of a computer system shall be bound by the confidentiality provisions of this section.

9 SECTION 10. The title of Chapter 35-7.1 of the General Laws entitled "The Office of  
10 Internal Audit" is hereby amended to read as follows:

11 ~~CHAPTER 35-7.1~~

12 ~~The Office of Internal Audit~~

13 CHAPTER 35-7.1

14 THE OFFICE OF INTERNAL AUDIT AND PROGRAM INTEGRITY

15 SECTION 11. Sections 35-7.1-1, 35-7.1-2, 35-7.1-3, 35-7.1-4, 35-7.1-6, 35-7.1-8 and 35-  
16 7.1-10 of the General Laws in Chapter 35-7.1 entitled "The Office of Internal Audit" are hereby  
17 amended to read as follows:

18 **35-7.1-1. Establishment of office of internal audit.**

19 (a) There is hereby established within the office of management and budget an office of  
20 internal audit [and program integrity](#). Within the office of internal audit [and program integrity](#), there  
21 shall be a chief, appointed by the director of administration, who shall be the administrative head  
22 of the office. The person so selected to be the chief shall be selected without regard to political  
23 affiliation and with a demonstrated ability in the following areas: accounting, auditing, financial  
24 analysis, investigation, management analysis, and public administration. The office of internal  
25 audit [and program integrity](#) will report to the office of management and budget director. Any  
26 reference in general law to the "bureau of audits" [or "office of internal audit"](#) shall mean the office  
27 of internal audit [and program integrity](#).

28 [\(b\) The purpose of the office is to prevent and detect fraud, waste, abuse, and](#)  
29 [mismanagement in the expenditure of public funds including:](#)

30 [\(1\) All state programs and operations;](#)

31 [\(2\) The procurement of any supplies, services, or construction by state agencies, bureaus,](#)  
32 [divisions, sections, departments, offices, commissions, institutions, and activities of the state; and](#)

33 [\(3\) The procurement or expenditure of public funds by organizations or individuals.](#)

34 ~~(b)~~(c) The chief of the office of internal audit [and program integrity](#) shall not hold, or be a



1 candidate for, any elective or any other appointed public office while a chief. No current chief shall  
2 hold a position in any political party or political committee, or, aside from voting, actively engage  
3 in the political campaign of any candidate for public office that may cause a real or perceived  
4 conflict of interest, or participate as a board member of any entity that receives state or federal  
5 funding.

6 ~~(e)~~(d) No employee of the office of internal audit [and program integrity](#) shall hold, or be a  
7 candidate for, any elective public office while an employee, nor shall he/she hold a position in any  
8 political party or political committee or, aside from voting, actively engage in a political campaign  
9 of any candidate for public office that may cause a real or perceived conflict of interest, or  
10 participate as a board member of any not for profit entity that receives state or federal funding.

11 ~~(d)~~(e) ~~Purposes and scope.~~ The office of internal audit [and program integrity](#) is authorized  
12 to conduct audits of any state department, state agency, or private entity that is a recipient of state  
13 funding or state grants. In addition, the office of internal audit [and program integrity](#) is authorized,  
14 but not limited to, evaluating the efficiency of operations and internal controls, preventing and  
15 detecting fraud, waste, abuse, or mismanagement in the expenditure of public funds, whether  
16 federal, state, or local, that are related to any and all state programs and operations as well as the  
17 procurement of any goods, services, or construction, by public bodies. As deemed necessary or  
18 expedient by the office of internal audit [and program integrity](#), audits may be made relative to the  
19 financial affairs or the economy and efficiency of management of each department, agency or  
20 public body. The office of internal audit [and program integrity](#) shall determine which such audits  
21 shall be performed in accordance with a risk-based evaluation.

22 ~~(e)~~(f) “Public body” or “public bodies” under this chapter shall mean state agencies,  
23 bureaus, divisions, departments, offices, commissions, boards, institutions, including the public  
24 institutions of higher education, districts, authorities, quasi-agencies, or political subdivisions  
25 created by the general assembly, or the governor. “Public body” shall also include any city and  
26 town within the state of Rhode Island but municipal audits under this chapter shall only cover the  
27 expenditure of state or federal funds distributed by the state. Audits and investigations of public  
28 bodies may include the expenditures by nongovernmental agencies of federal, state, and local  
29 public funds.

### 30 **35-7.1-2. Duties.**

31 (a) The chief of internal audit [and program integrity](#) shall supervise, coordinate, and/or  
32 conduct audits, civil and administrative investigations, and inspections or oversight reviews, when  
33 necessary, relating to expenditure of state or federal funds, or to any and all state programs and  
34 operations, as well as the procurement of any supplies, services, or construction, by public bodies.

1 In the course of an audit or investigation, the office of internal audit [and program integrity](#) shall  
2 review statutes and regulations of the public body and shall determine if such a public body is in  
3 compliance and shall make recommendations concerning the efficiency of operations, and the  
4 effect of such statutes or regulations on internal controls and the prevention and detection of fraud,  
5 waste and abuse. The chief of internal audit [and program integrity](#) may recommend policies or  
6 procedures that may strengthen internal controls, or assist in the prevention or detection of fraud,  
7 waste, and abuse or mismanagement.

8 (b) The person, or persons, with legal authority for any public body may request the  
9 assistance of the office of internal audit [and program integrity](#). Any such request must include the  
10 scope of services requested and the work to be performed. In such events, the chief, with the  
11 approval of the director of management and budget, may assign personnel to conduct, supervise,  
12 or coordinate such activity as deemed necessary and appropriate to perform his/her duties in a  
13 diligent and prudent manner. The expenses for any such assistance requested by the public body  
14 shall be reimbursed by the public body to the office of internal audit [and program integrity](#). The  
15 chief may recommend policies for the conduct, supervision, or coordination of the relationship,  
16 between state and other state, local governmental agencies as well as federal governmental agencies  
17 and nongovernmental entities with respect to all matters relating to the prevention and detection of  
18 fraud, waste, abuse or mismanagement in or relating to any and all programs and activities of the  
19 state of Rhode Island.

20 (c) When it is determined by the office of internal audit that an audit [and program integrity](#)  
21 is necessary because there is sufficient evidence to believe that there may have been fiscal  
22 impropriety, wrongdoing, or fiscal mismanagement by any agent, employee, board member, or  
23 commissioner of any public body, the office of internal audit [and program integrity](#) may conduct a  
24 forensic examination of such entity. All costs associated with the forensic examination shall be  
25 paid, as deemed appropriate, either by the examined entity or by an appropriation by the general  
26 assembly. Such costs shall include, but not be limited to, the following expenses:

27 (1) One hundred percent (100%) of the total salaries and benefits paid to the examining  
28 personnel of the office of internal audit [and program integrity](#) engaged in those examinations;

29 (2) All costs associated with the procurement of a forensic consultant;

30 (3) All costs associated with a consultant that provides expertise pertinent to the examinee's  
31 operations;

32 (4) All reasonable administrative and technology costs related to the forensic examination  
33 process. Technology costs shall include the actual cost of software and hardware utilized in the  
34 examination process and the cost of training examination personnel in the proper use of the software

1 and hardware.

2 (d) The chief of internal audit and program integrity, or their designee, may investigate  
3 reports of any person who, either prior to, or at the time of, or subsequent to the application for  
4 public assistance:

5 (1) Willfully makes a false statement or misrepresentation;

6 (2) Impersonates someone else;

7 (3) Willfully fails to disclose a material fact regarding eligibility or other fraudulent means;

8 or

9 (4) Secures, aids, or abets, or attempts to secure, aid, or abet, others in securing public  
10 assistance (including Supplemental Nutrition Assistance Program (SNAP) or Medicaid) through  
11 fraudulent actions.

12 (e) The chief of internal audit and program integrity, or their designee, is authorized to:

13 (1) Coordinate, conduct, and/or support investigations aimed at preventing and detecting,  
14 fraud, waste, abuse, and mismanagement in public assistance programs;

15 (2) Coordinate and support state and local efforts to investigate and eliminate fraud in  
16 public assistance programs;

17 (3) Work to recover both state and federal funds related to fraudulent activities.

18 (f) In the course of these investigations, the office of internal audit and program integrity  
19 shall collaborate with local law enforcement agencies, the Rhode Island department of human  
20 services, the Rhode Island state police, the Rhode Island attorney general, or other local, state, and  
21 federal entities as needed to complete the investigations.

22 (g) The office shall identify methods to implement innovative technology and data sharing  
23 in order to detect, analyze, and prevent fraud, waste, and abuse.

24 **35-7.1-3. Investigations or management advisory and consulting services upon**  
25 **request of governor or general assembly.**

26 The office of internal audit and program integrity may, upon the written request of the  
27 governor or of the general assembly, conduct audits, provide management advisory and consulting  
28 services, or conduct investigations relative to the financial affairs or the economy and efficiency of  
29 management, or both, of any public bodies as defined in § 35-7.1-1(e). The office of internal audit  
30 and program integrity may, from time to time, make such investigations and additional reports to  
31 the governor, the director of the department of administration, the director of the office of  
32 management and budget, and the general assembly as deemed necessary or advisable.

33 **35-7.1-4. Management advisory and consulting services provided to public bodies.**

34 When requested in writing by a public body to the chief, the office of internal audit and

1 [program integrity](#) may provide management advisory or consulting services to the public body.  
2 Any such request must include the scope of services requested and a schedule for the work to be  
3 performed.

4 **35-7.1-6. ~~Inspection of records and papers~~ — Investigations Inspection of records,**  
5 **papers, and witness testimony -- Investigations and subpoenas.**

6 (a) The chief, in carrying out the duties outlined in this chapter, shall have access to all  
7 records, reports, audits, reviews, papers, books, documents, recommendations, correspondence,  
8 including information relative to the purchase of goods or services or anticipated purchase of goods  
9 or services, from any agent, contractor, or vendor by any public body, as defined in § 35-7.1-1(e),  
10 and any other data and material that is maintained by or available to any public body regardless of  
11 the media in which it is maintained which is in any way related to the programs and operations with  
12 respect to public bodies.

13 (b) The chief may request information and records, cooperation, and assistance from any  
14 state, or local governmental agency as may be necessary for carrying out his/her duties and  
15 responsibilities. Upon receipt of such request, each person in charge of the public body shall furnish  
16 to the chief, or his/her authorized agent or representative, such information and records, cooperation  
17 and assistance, including information relative to the purchase of goods or services or anticipated  
18 purchase of goods or services from any contractor or vendor by any public body, within ten (10)  
19 business days of receipt of the chief's request. If the public body is unable to comply with the  
20 request for records and/or information within (10) business days, the public body must notify the  
21 chief, prior to the expiration of the ten (10) business days, in writing as to the reason, or reasons,  
22 why the request cannot be fulfilled within this time and whether additional time is necessary.

23 (c) The chief may initiate and conduct audits, investigations, and compliance reviews and  
24 shall prepare detailed findings, conclusions, and recommendations concerning the administration  
25 of programs or operations, and internal controls over processes of public bodies.

26 (d) The chief shall have direct and prompt access to any public body, its agents, officers,  
27 and employees when necessary for any purpose pertaining to the performance of his/her duties and  
28 responsibilities under this chapter.

29 [\(e\) In furtherance of carrying out any of the duties of this chapter, the chief may request,](#)  
30 [with the written approval of the director of the department of administration and through an](#)  
31 [administrative subpoena, the attendance and testimony of witnesses and the production of books,](#)  
32 [records, and other evidence relevant to an active fraud investigation as described in this chapter.](#)  
33 [The subpoena shall specify the time, date, and place where the witness is to respond. Within twenty](#)  
34 [\(20\) days after the service of the subpoena or at any time before the return date specified in the](#)

1 [subpoena, whichever period is shorter, the person served may file in a state superior court and serve](#)  
2 [upon the unit and the attorney general a civil petition for an order of the court modifying or setting](#)  
3 [aside the subpoena. The petition shall specify each ground upon which the petitioner is seeking](#)  
4 [relief. If a person neglects or refuses to comply with any request to provide testimony or produce](#)  
5 [books, records, and other evidence relevant to an investigation, the office of internal audit and](#)  
6 [program integrity or the attorney general may petition the superior court for an order compelling](#)  
7 [the person to answer the request. Books, records, and other evidence obtained through an](#)  
8 [administrative subpoena that are not used in a court proceeding shall be destroyed as soon as](#)  
9 [practicable.](#)

10 **35-7.1-8. Reports to the state police.**

11 In carrying out his/her duties and responsibilities, the chief shall report to the Rhode Island  
12 state police whenever the chief has reasonable grounds to believe there has been a violation of  
13 federal or state criminal law. The chief shall also refer findings to the state ethics commission, or  
14 to any other federal, state, or local agency with an interest in said findings, in the discretion of the  
15 chief. Any referrals made under this section shall not be made public by the office of internal audit  
16 [and program integrity.](#)

17 **35-7.1-10. ~~Annual and interim reports~~ Audit and Annual reports.**

18 (a) The office of internal audit [and program integrity](#) shall prepare an annual report  
19 summarizing the activities of the office of internal audit [and program integrity](#) for the prior fiscal  
20 year. The office of internal audit [and program integrity](#) may also prepare interim performance  
21 reports. These reports shall be presented to the director of management and budget. The annual  
22 reports shall be posted on the office's website.

23 (b) The annual report shall include, but not be limited to: a general description of significant  
24 problems in the areas of efficiencies, internal controls, fraud, waste, and abuse within programs  
25 and operations within the jurisdiction of the office; a general description of the recommendations  
26 for corrective actions made by the office during the reporting period with respect to significant  
27 deficiencies in the areas of efficiencies, internal controls, fraud, waste, and abuse; the identification  
28 of each significant recommendation described in previous annual reports on which corrective action  
29 has not been completed; a summary of matters referred to prosecuting authorities; a summary of  
30 any matters concerning the recovery of monies as a result of an audit finding or civil suit or a  
31 referral to another agency for the purposes of such suit; a list of all audit reports completed by the  
32 office during the reporting period; and a statement of recommendations of amendment to this  
33 chapter or the rules, regulations, or procedures governing the office of internal audit [and program](#)  
34 [integrity](#) that would improve the effectiveness or the operations of the office.

1 (c) The annual report of the office of internal audit [and program integrity](#) shall be made  
2 public on the day of filing.

3 (d) [At the conclusion of each formal audit, the office of internal audit and program integrity](#)  
4 [shall produce an audit report which contains, but is not limited to, the scope of the audit, findings,](#)  
5 [and recommendations.](#) Within twenty (20) calendar days following the date of the issuance of the  
6 management-response copy of the draft audit report, the head of the department, agency, public  
7 body, or private entity audited shall respond, in writing, to each recommendation made in the audit  
8 report. This response shall address the department's, agency's, or public body's or private entity's  
9 plan of corrective action, the party responsible to implement the corrective action plan, and the  
10 anticipated date to complete the implementation of the corrective action; and, if applicable, the  
11 reasons for disagreement with any recommendation proposed in the audit report and justification  
12 of management's acceptance of risk. The office of internal audit [and program integrity](#) may perform  
13 follow-up procedures for the purpose of determining whether the department, agency, public body,  
14 or private entity has implemented, in an efficient and effective manner, its plan of correction action  
15 for the recommendations proposed in the audit report or addressed the risk discussed in the audit  
16 report.

17 (e) Copies of each audit report, inclusive of management's responses noted in subsection  
18 (d) shall be submitted to the chairpersons of the house finance committee, and the senate finance  
19 committee and posted on the office's website.

20 SECTION 12. Chapter 35-7.1 of the General Laws entitled "The Office of Internal Audit"  
21 is hereby amended by adding thereto the following section:

22 **35-7.1-11. Civil actions.**

23 [The chief of the office of internal audit and program integrity shall have the authority to](#)  
24 [initiate civil recovery actions. In any case where the office of internal audit and program integrity](#)  
25 [has discovered fraudulent acts and believes that civil recovery proceedings may be appropriate, the](#)  
26 [chief may authorize the initiation of appropriate civil proceedings or refer the case to the](#)  
27 [appropriate state agency for civil recovery.](#)

28 SECTION 13. Section 35-18-4 of the General Laws in Chapter 35-18 entitled "Public  
29 Corporation Debt Management" is hereby amended to read as follows:

30 **35-18-4. Procedure.**

31 (a) A financing lease, guarantee, bond, or other obligation shall be deemed to have been  
32 approved by the general assembly when the general assembly passes a ~~concurrent~~ [joint](#) resolution  
33 of approval regarding the financing lease, guarantee, bond, or other obligation which the governor  
34 or a public corporation, as the case may be, requests that the financing lease, guarantee, bond, or

1 other obligation be approved by the general assembly. These requests shall be transmitted to the  
2 speaker of the house and the president of the senate with copies to the chairpersons of the respective  
3 finance committees and fiscal advisors. The request for approval shall include:

4 (1) A full description of the essential public facility to which the financing lease, guarantee,  
5 bond, or other obligation is related;

6 (2) An explanation as to why the facility is needed and how it will be paid off; and

7 (3) The maximum possible obligation of the state or of any public corporation under the  
8 financing lease, guarantee, bond, or other obligation.

9 (b) The governor shall provide the general assembly with a timely explanation of any  
10 certification made by him or her pursuant to this chapter in connection with any financing lease,  
11 guarantee, bond, or other obligation. These explanations shall be transmitted to the speaker of the  
12 house and the president of the senate with copies to the chairpersons of the respective finance  
13 committees and fiscal advisors. The explanation shall also include:

14 (1) A full description of the essential public facility to which the financing lease, guarantee,  
15 bond, or other obligation is related;

16 (2) An explanation as to why the facility is needed and how it will be paid off; and

17 (3) The maximum possible obligation of the state or of any public corporation under the  
18 financing lease, guarantee, bond, or other obligation.

19 (c) The state shall not enter into any financing lease or guarantee relating to, nor shall any  
20 public corporation issue any bond or other obligation in connection with, any essential public  
21 facility unless the facility conforms to the description included in the request for approval or in the  
22 explanation for certification submitted by the governor in connection with the financing lease,  
23 guarantee, bond, or other obligation; nor shall the state's obligation in connection with the financing  
24 lease, guarantee, bond, or other obligation exceed the amount set forth in the request for approval  
25 or explanation of certification.

26 (d) Immediately following the first sale of each issue of bonds in connection with the  
27 financing of an economic development project, the governor shall provide the general assembly  
28 with copies of any offering statement for those bonds and his or her analysis of the benefits and  
29 risks to the state of the project. These statements and analyses shall be transmitted to the speaker  
30 of the house and the president of the senate, with copies to the chairpersons of the respective finance  
31 committees and fiscal advisors.

32 SECTION 14. Chapter 36-4 of the General Laws entitled "Merit System" is hereby  
33 amended by adding thereto the following section:

34 **36-4-15.1. Specialized information technology positions in state service.**

1           (a) For purposes of this section, "specialized information technology position" means a  
2 technical or specialized job classification in state service under the supervision of the division of  
3 enterprise technology strategy and services ("ETSS"), within the department of administration.  
4 Such positions may include information technology leadership roles (i.e., chief information officer,  
5 chief technology officer, chief information security officer, etc.) and any other information  
6 technology positions which are supervisory, confidential, or managerial as defined by chapter 7 of  
7 title 28 and the rules and regulations of the Rhode Island state labor relations board. There shall be  
8 no more than fifteen (15) specialized information technology positions employed by the state in  
9 any fiscal year.

10           (b) Notwithstanding the provisions of any general or special law or regulation to the  
11 contrary, including the personnel rules adopted pursuant to § 36-4-8, the personnel administrator,  
12 in their sole discretion, may modify, change or amend any official pay plan for employees in the  
13 classified or unclassified service in order to create new job classifications, and/or modify the title,  
14 content or pay grade of an existing job classification, for any new or existing specialized  
15 information technology positions as defined above. All information technology job specifications  
16 and corresponding pay grades, shall be reviewed annually to maintain accuracy and fluency with  
17 emerging technologies, operating systems, and/or applications.

18           (c) The personnel administrator is hereby authorized to take whatever administrative action  
19 is necessary to implement the changes to the official pay plans for specialized information  
20 technology positions, as defined in this section, without conducting a public hearing or obtaining  
21 the approval of the Governor prior to the implementation of any such action.

22           (d) Within thirty (30) days after any personnel action under this section, the personnel  
23 administrator shall file a written report with the governor, the speaker of the house, the senate  
24 president, and the chairpersons of the house and senate finance committees. This report shall  
25 include:

26               (1) The title and paygrade of the position(s);

27               (2) The job description of the position(s); and

28               (3) The reason why the position(s) is/are necessary. The personnel administrator shall also  
29 post the report on the division of human resources' website for at least one year.

30           (e) The provisions of this section shall not apply to any specialized information technology  
31 position utilized by ETSS that is part of a collective bargaining unit established and certified by the  
32 Rhode Island state labor relations board or which are eligible to be accreted into an existing  
33 collective bargaining unit pursuant to chapter 7 of title 28 and the rules or regulations of the Rhode  
34 Island state labor relations board.



1           (f) Except as authorized by chapter 7 of title 28 and the rules or regulations of the Rhode  
2 Island state labor relations board, nothing shall permit the conversion of any/all information  
3 technology positions in the classified, unclassified, or non-classified, covered by a collective  
4 bargaining unit to any/all specialized information technology position utilized by ETSS.

5           (g) The authorization granted 36-4-15.1 to the personnel administrator to convert any/all  
6 information technology positions to specialized information technology positions shall sunset on  
7 December 31, 2026.

8           SECTION 15. Section 37-2-12 of the General Laws in Chapter 37-2 entitled "State  
9 Purchases" is hereby amended to read as follows:

10           **37-2-12. Centralization of the procurement authority.**

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

18           (b) The chief purchasing officer, as defined in § 37-2-7(3)(i), may establish, charge, and  
19 collect from state contractors, ~~listed on master price agreements, an statewide contract~~  
20 administrative fee not to exceed one-third of one percent (0.33~~1~~%) of the total value of the annual  
21 spend against a contract awarded to a state contractor. All ~~statewide~~ contract administrative fees  
22 collected pursuant to this subsection shall be deposited into a restricted-receipt account within the  
23 general fund designated as the "division of purchases administrative-fee account" and shall be used  
24 for the purposes of implementing, maintaining, or operating technology for the submission and  
25 processing of bids, online vendor registration, bid notification, and other costs related to state  
26 procurement including staffing. On or before January 15, 2019, and annually thereafter on or before  
27 January 15, the chief purchasing officer or designee shall file a report with the governor, the speaker  
28 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 restricted receipt account established  
7 pursuant to § 42-11-2.5(a).

8 SECTION 16. Section 42-7-8 of the General Laws in Chapter 42-7 entitled "Executive  
9 Department" is hereby repealed.

10 ~~**42-7-8. American Recovery and Reinvestment Act administration expenses.**~~

11 ~~(a) There is hereby created restricted receipt accounts, within the office of the governor,~~  
12 ~~for the office of economic recovery and reinvestment, and within the department of administration~~  
13 ~~for the office of internal audit and the division of purchasing, to be known as ARRA administrative~~  
14 ~~expense accounts. Payments from the accounts shall be limited to expenses for administrative~~  
15 ~~oversight of American Recovery and Reinvestment Act (ARRA) funds. The governor's office of~~  
16 ~~economic recovery and reinvestment is authorized by OMB memorandum 09-18 to receive up to~~  
17 ~~one half percent (0.5%) of stimulus funding to cover oversight expenses.~~

18 ~~(b) All amounts deposited in the ARRA administration accounts shall be exempt from the~~  
19 ~~indirect cost recovery provisions of § 35-4-27.~~

20 ~~(c) It is hereby provided, at the end of the American Recovery and Reinvestment Act~~  
21 ~~oversight period, balances from the ARRA administrative accounts shall revert to general revenues.~~

22 SECTION 17. Section 42-11-2.9 of the General Laws in Chapter 42-11 entitled  
23 "Department of Administration" is hereby amended to read as follows:

24 ~~**42-11-2.9. Division of capital asset management and maintenance established.**~~

25 (a) Establishment. Within the department of administration there shall be established the  
26 division of capital asset management and maintenance ("DCAMM"). Any prior references to the  
27 division of facilities management and/or capital projects, if any, shall now mean DCAMM. Within  
28 the DCAMM there shall be a director of DCAMM who shall be in the classified service and shall  
29 be appointed by the director of administration. The director of DCAMM shall have the following  
30 responsibilities:

31 (1) Oversee, coordinate, and manage the operating budget, personnel, and functions of  
32 DCAMM in carrying out the duties described below;

33 (2) Review agency capital-budget requests to ensure that the request is consistent with  
34 strategic and master facility plans for the state of Rhode Island;

1 (3) Promulgate and adopt regulations necessary to carry out the purposes of this section.

2 (b) Purpose. The purpose of DCAMM shall be to manage and maintain state property and  
3 state-owned facilities in a manner that meets the highest standards of health, safety, security,  
4 accessibility, energy efficiency, and comfort for citizens and state employees and ensures  
5 appropriate and timely investments are made for state property and facility maintenance.

6 (c) Duties and responsibilities of DCAMM. DCAMM shall have the following duties and  
7 responsibilities:

8 (1) To oversee all new construction and rehabilitation projects on state property, not  
9 including property otherwise assigned outside of the executive department by Rhode Island general  
10 laws or under the control and supervision of the judicial branch;

11 (2) To assist the department of administration in fulfilling any and all capital-asset and  
12 maintenance-related statutory duties assigned to the department under chapter 8 of title 37 (public  
13 buildings) or any other provision of law, including, but not limited to, the following statutory duties  
14 provided in § 42-11-2:

15 (i) To maintain, equip, and keep in repair the statehouse, state office buildings, and other  
16 premises, owned or rented by the state, for the use of any department or agency, excepting those  
17 buildings, the control of which is vested by law in some other agency;

18 (ii) To provide for the periodic inspection, appraisal, or inventory of all state buildings and  
19 property, real and personal;

20 (iii) To require reports from state agencies on the buildings and property in their custody;

21 (iv) To issue regulations to govern the protection and custody of the property of the state;

22 (v) To assign office and storage space, and to rent and lease land and buildings, for the use  
23 of the several state departments and agencies in the manner provided by law;

24 (vi) To control and supervise the acquisition, operation, maintenance, repair, and  
25 replacement of state-owned motor vehicles by state agencies;

26 (3) To generally manage, oversee, protect, and care for the state's properties and facilities,  
27 not otherwise assigned by Rhode Island general laws, including, but not limited to, the following  
28 duties:

29 (i) Space management, procurement, usage, and/or leasing of private or public space;

30 (ii) Care, maintenance, cleaning, and contracting for such services as necessary for state  
31 property;

32 (iii) Capital equipment replacement;

33 (iv) Security of state property and facilities unless otherwise provided by law;

34 (v) Ensuring Americans with Disabilities Act (ADA) compliance;

1 (vi) Responding to facilities emergencies;

2 (vii) Managing traffic flow on state property;

3 (viii) Grounds keeping/landscaping/snow-removal services;

4 (ix) Maintenance and protection of artwork and historic artifacts;

5 (x) On or before August 31, 2022, and each April 1 thereafter to submit to the division of

6 municipal finance a comprehensive list of all real property owned by the state as of the preceding

7 December 31 to facilitate the purposes of § 45-13-5.1. The comprehensive list and all other

8 information provided shall be in a format prescribed by the division of municipal finance. The

9 division of municipal finance shall subsequently provide to DCAMM a certified list of all

10 properties eligible under § 45-13-5.1 for identification in the statewide database established under

11 subsection (d) of this section. Any changes to the comprehensive list of all real property owned by

12 the state after the list has been supplied to the division of municipal finance shall require notification

13 to the division of municipal finance within thirty (30) days;

14 (4) To manage and oversee state fleet operations.

15 (d)(1) All state agencies shall participate in a statewide database and/or information system

16 for capital assets, that shall be established and maintained by DCAMM.

17 (2) Beginning January 1, 2023, all state agencies, departments, boards, commissions,

18 corporations, authorities, quasi-state agencies, councils, or other political subdivisions that utilize

19 real property shall provide DCAMM any information, documentary and otherwise, that may be

20 necessary or desirable to facilitate the purposes of subsection (c)(3)(x) of this section by March 1

21 annually, or subsection (d)(1) of this section as required by DCAMM. The administrative head of

22 each submitting entity shall attest to the accuracy and completeness of the information in writing.

23 (e) Offices and boards assigned to DCAMM. DCAMM shall oversee the following boards,

24 offices, and functions:

25 (1) Office of planning, design, and construction (PDC);

26 (2) Office of facilities management and maintenance (OFMM);

27 (3) [Deleted by P.L. 2018, ch. 47, art. 3, § 7.]

28 (4) [Deleted by P.L. 2018, ch. 47, art. 3, § 7.]

29 ~~(5) Office of risk management (§ 37-11-1 et seq.);~~

30 ~~(6)~~ (5) [Deleted by P.L. 2018, ch. 47, art. 3, § 7.]

31 ~~(7)~~ (6) Office of state fleet operations (§ 42-11-2.4(d)).

32 (f) The boards, offices, and functions assigned to DCAMM shall:

33 (1) Exercise their respective powers and duties in accordance with their statutory authority

34 and the general policy established by the director of DCAMM or in accordance with the powers

1 and authorities conferred upon the director of DCAMM by this section;

2 (2) Provide such assistance or resources as may be requested or required by the director of  
3 DCAMM or the director of administration;

4 (3) Provide such records and information as may be requested or required by the director  
5 of DCAMM or the director of administration; and

6 (4) Except as provided herein, no provision of this chapter or application thereof shall be  
7 construed to limit or otherwise restrict the offices stated above from fulfilling any statutory  
8 requirement or complying with any valid rule or regulation.

9 SECTION 18. Section 42-13-2 of the General Laws in Chapter 42-13 entitled "Department  
10 of Transportation" is hereby amended to read as follows:

11 **42-13-2. Organization and functions of the department.**

12 (a) The department shall be organized in accordance with a project management-based  
13 program and shall utilize an asset management system.

14 (1) A project management-based program manages the delivery of the department's  
15 portfolio of transportation improvement projects from project conception to the project completion.

16 Project management activities include:

17 (i) Managing and reporting on the delivery status of portfolio projects;

18 (ii) Developing overall workload and budget for the portfolio;

19 (iii) Developing and implementing the tools to estimate the resources necessary to deliver  
20 the projects; and

21 (iv) Developing and implementing processes and tools to improve the management of the  
22 projects.

23 (2) Asset management is the process used for managing transportation infrastructure by  
24 improving decision making for resource allocation. Asset management activities include a systemic  
25 process based on economic, engineering, and business principles which includes the following  
26 functions:

27 (i) Completing a comprehensive inventory of system assets;

28 (ii) Monitoring system performance; and

29 (iii) Performing analysis utilizing accurate data for managing various assets within the  
30 transportation network.

31 (b) The director of transportation shall appoint a chief operating officer to oversee the day-  
32 to-day operations of the department.

33 (c) The department shall be organized into such divisions as are described in this section  
34 and such other divisions, subdivisions, and agencies as the director shall find are necessary to carry

1 out the responsibilities of the department, including: division of finance; division of planning;  
2 division of project management; division of operations and maintenance; office of civil rights;  
3 office of safety; office of external affairs; office of legal; office of personnel; office of information  
4 services.

5 (d) The director may assign such other responsibilities as he or she shall find appropriate  
6 and may reassign functions other than as set out in this section if he or she finds the reassignment  
7 necessary to the proper and efficient functioning of the department or of the state's transportation  
8 system.

9 (e) The department shall submit a report annually no later than March 31 to the speaker of  
10 the house, the president of the senate, and the house and senate fiscal advisors concerning the status  
11 of the ten-year (10) transportation plan.

12 (f) Any functions, duties, and staff relating to the Rhode Island department of  
13 transportation's external audit section shall be transferred to the Rhode Island department of  
14 administration's office of internal audit [and program integrity](#), or its successor, upon passage [Feb.  
15 11, 2016].

16 (1) The chief of the office of internal audit [and program integrity](#), or its successor, who  
17 shall be the administrative head of the office of internal audit [and program integrity](#), or its successor,  
18 shall supervise, coordinate, and/or conduct audits, civil and administrative investigations, and  
19 inspections or oversight reviews, when necessary, relating to programs and operations listed in §  
20 42-13-2.

21 (2) The office of internal ~~audit's~~ [audit and program integrity's](#) (or its successor's)  
22 authorization shall include, but not be limited to, evaluating the efficiency of operations and internal  
23 controls, preventing and detecting fraud, waste, abuse or mismanagement in the expenditure of  
24 public funds, whether state, federal or those revenues collected by the use of tolls and related to  
25 any and all transportation-related programs and operations as well as the procurement of any  
26 supplies, services, or construction, by the department of transportation or related institutions of the  
27 department of transportation. Investigations may include the expenditures by nongovernmental  
28 agencies of federal, state, and local public funds. As deemed necessary or expedient by the office  
29 of internal audit [and program integrity](#), or its successor, audits may be made relative to the financial  
30 affairs or the economy and efficiency of management of the department of transportation or related  
31 institutions.

32 SECTION 19. Section 42-28-22 of the General Laws in Chapter 42-28 entitled "State  
33 Police" is hereby amended to read as follows:

34 **42-28-22. Retirement of members.**

1 (a) Whenever any member of the state police hired prior to July 1, 2007, has served for  
2 twenty (20) years, the member may retire therefrom or they may be retired by the superintendent  
3 with the approval of the governor, and in either event a sum equal to one-half (½) of the whole  
4 salary for the position from which the member retired determined on the date the member receives  
5 their first retirement payment shall be paid the member during life.

6 (b) For purposes of this section, the term “*whole salary*” means:

7 (1) For each member who retired prior to July 1, 1966, “*whole salary*” means the base  
8 salary for the position from which the member retired as the base salary for that position was  
9 determined on July 31, 1972;

10 (2) For each member who retired between July 1, 1966, and June 30, 1973, “*whole salary*”  
11 means the base salary for the position from which the member retired as the base salary,  
12 implemented by the longevity increment, for that position was determined on July 31, 1972, or on  
13 the date of the member’s retirement, whichever is greater;

14 (3) For each member who retired or who retires after July 1, 1973, “*whole salary*” means  
15 the base salary, implemented by the longevity increment, holiday pay, and clothing allowance, for  
16 the position from which the member retired or retires.

17 (c)(1) Any member who retired prior to July 1, 1977, shall receive a benefits payment  
18 adjustment equal to three percent (3%) of the member’s original retirement, as determined in  
19 subsection (b) of this section, in addition to the member’s original retirement allowance. In each  
20 succeeding year thereafter during the month of January, the retirement allowance shall be increased  
21 an additional three percent (3%) of the original retirement allowance, not compounded, to be  
22 continued until January 1, 1991. For the purposes of the computation, credit shall be given for a  
23 full calendar year regardless of the effective date of the service retirement allowance. For purposes  
24 of this subsection, the benefits payment adjustment shall be computed from January 1, 1971, or the  
25 date of retirement, whichever is later in time.

26 (2) Any member of the state police who retires pursuant to the provisions of this chapter  
27 on or after January 1, 1977, shall on the first day of January, next following the third anniversary  
28 date of the retirement receive a benefits payment adjustment, in addition to their retirement  
29 allowance, in an amount equal to three percent (3%) of the original retirement allowance. In each  
30 succeeding year thereafter during the month of January, the retirement allowance shall be increased  
31 an additional three percent (3%) of the original retirement allowance, not compounded, to be  
32 continued until January 1, 1991. For the purposes of the computation, credit shall be given for a  
33 full calendar year regardless of the effective date of the service retirement allowance.

34 (3) Any retired member of the state police who is receiving a benefit payment adjustment

1 pursuant to subdivisions (1) and (2) of this section shall beginning January 1, 1991, and ending  
2 June 30, 2012, receive a benefits payment adjustment equal to fifteen hundred dollars (\$1,500).

3 (d) The benefits payment adjustment as provided in this section shall apply to and be in  
4 addition to the retirement benefits under the provisions of § 42-28-5, and to the injury and death  
5 benefits under the provisions of § 42-28-21.

6 (e)(1) Any member who retires after July 1, 1972, and is eligible to retire prior to July 1,  
7 2012, and who has served beyond twenty (20) years shall be allowed an additional amount equal  
8 to three percent (3%) for each completed year served after twenty (20) years, but in no event shall  
9 the original retirement allowance exceed sixty-five percent (65%) of the member's whole salary as  
10 defined in subsection (b) hereof or sixty-five percent (65%) of the member's salary as defined in  
11 subsection (b) hereof in the member's twenty-fifth (25th) year whichever is less.

12 (2) Each member who retired prior to July 1, 1975, shall be entitled to all retirement  
13 benefits as set forth above or shall be paid benefits as set forth in subdivision (b)(1) with "whole  
14 salary" meaning the base salary for the position from which the member retired as the base salary  
15 for the position was determined on July 1, 1975, whichever is greater.

16 (f)(1) Any member who retires, has served as a member for twenty (20) years or more, and  
17 who served for a period of six (6) months or more of active duty in the armed service of the United  
18 States or in the merchant marine service of the United States as defined in § 2 of chapter 1721 of  
19 the Public Laws, 1946, may purchase credit for such service up to a maximum of two (2) years;  
20 provided that any member who has served at least six (6) months or more in any one year shall be  
21 allowed to purchase one year for such service and any member who has served a fraction of less  
22 than six (6) months in the member's total service shall be allowed to purchase six (6) months' credit  
23 for such service.

24 (2) The cost to purchase these credits shall be ten percent (10%) of the member's first year  
25 salary as a state policeman multiplied by the number of years and/or fraction thereof of such armed  
26 service up to a maximum of two (2) years. The purchase price shall be paid into the general fund.  
27 For members hired on or after July 1, 1989, the purchase price shall be paid into a restricted revenue  
28 account entitled "state police retirement benefits" and shall be held in trust.

29 (3) There will be no interest charge provided the member makes such purchase during their  
30 twentieth (20th) year or within five (5) years from May 18, 1981, whichever is later, but will be  
31 charged regular rate of interest as defined in § 36-8-1 as amended to date of purchase from the date  
32 of the member's twentieth (20th) year of state service or five (5) years from May 18, 1981,  
33 whichever is later.

34 (4) Any member who is granted a leave of absence without pay for illness, injury, or any



1 other reason may receive credit therefor by making the full actuarial cost as defined in § 36-8-  
2 1(10); provided the employee returns to state service for at least one year upon completion of the  
3 leave.

4 (5) In no event shall the original retirement allowance exceed sixty-five percent (65%) of  
5 the member's whole salary as defined in subsection (b) hereof or sixty-five percent (65%) of the  
6 member's salary as defined in subsection (b) hereof in the member's twenty-fifth (25th) year,  
7 whichever is less.

8 (6) Notwithstanding any other provision of law, no more than five (5) years of service  
9 credit may be purchased by a member of the system. The five (5) year limit shall not apply to any  
10 purchases made prior to January 1, 1995. A member who has purchased more than five (5) years  
11 of service credits before January 1, 1995, shall be permitted to apply those purchases towards the  
12 member's service retirement. However, no further purchase will be permitted. Repayment in  
13 accordance with applicable law and regulation of any contribution previously withdrawn from the  
14 system shall not be deemed a purchase of service credit.

15 (g) The provisions of this section shall not apply to civilian employees in the Rhode Island  
16 state police; and, further, from and after April 28, 1937, chapters 8 — 10, inclusive, of title 36 shall  
17 not be construed to apply to the members of the Rhode Island state police, except as provided by  
18 §§ 36-8-3, 36-10-1.1, 42-28-22.1, and 42-28-22.2, and § 36-8-1(5) and (8)(a) effective July 1, 2012.

19 (h) Any member of the state police other than the superintendent of state police, who is  
20 hired prior to July 1, 2007, and who has served for twenty-five (25) years or who has attained the  
21 age of sixty-two (62) years, whichever shall first occur, shall retire therefrom.

22 (i)(1) Any member of the state police, other than the superintendent, who is hired on or  
23 after July 1, 2007, and who has served for twenty-five (25) years, may retire therefrom or the  
24 member may be retired by the superintendent with the approval of the governor, and shall be  
25 entitled to a retirement allowance of fifty percent (50%) of the member's "whole salary" as defined  
26 in subsection (b) hereof.

27 (2) Any member of the state police who is hired on or after July 1, 2007, may serve up to  
28 a maximum of thirty (30) years, and shall be allowed an additional amount equal to three percent  
29 (3.0%) for each completed year served after twenty-five (25) years, but in no event shall the original  
30 retirement allowance exceed sixty-five percent (65%) of his or her "whole salary" as defined in  
31 subsection (b) hereof.

32 (j) Effective July 1, 2012, any other provision of this section notwithstanding:

33 (1) Any member of the state police, other than the superintendent of state police, who is  
34 not eligible to retire on or prior to June 30, 2012, may retire at any time subsequent to the date the

1 member's retirement allowance equals or exceeds fifty percent (50%) of average compensation as  
2 defined in § 36-8-1(5)(a), provided that a member shall retire upon the first to occur of:

3 (i) The date the member's retirement allowance equals sixty-five percent (65%); or

4 (ii) The later of the attainment of age sixty-two (62) or completion of five (5) years of  
5 service; provided however, any current member as of June 30, 2012, who has not accrued fifty  
6 percent (50%) upon attaining the age of sixty-two (62) shall retire upon accruing fifty percent  
7 (50%); and upon retirement a member shall receive a retirement allowance which shall equal:

8 (A) For members hired prior to July 1, 2007, the sum of (i), (ii), and (iii) where:

9 (i) is calculated as the member's years of total service before July 1, 2012, multiplied by  
10 two and one-half percent (2.5%) of average compensation for a member's first twenty (20) total  
11 years,

12 (ii) is calculated as the member's years of total service before July 1, 2012, in excess of  
13 twenty (20) years not to exceed twenty-five (25) years multiplied by three percent (3%) of average  
14 compensation, and

15 (iii) is the member's years of total service on or after July 1, 2012, multiplied by two  
16 percent (2%) of average compensation as defined in § 36-8-1(5)~~(a)~~(b).

17 (B) For members hired on or after July 1, 2007, the member's retirement allowance shall  
18 be calculated as the member's years of total contributory service multiplied by two percent (2%)  
19 of average compensation.

20 (C) Any member of the state police who is eligible to retire on or prior to June 30, 2012,  
21 shall retire with a retirement allowance calculated in accordance with paragraph (a) and (e) above  
22 except that whole salary shall be defined as final compensation where compensation for purposes  
23 of this section and § 42-28-22.1 includes base salary, longevity, and holiday pay.

24 (D) Notwithstanding the preceding provisions, in no event shall a member's final  
25 compensation be lower than their final compensation determined as of June 30, 2012.

26 (2) In no event shall a member's original retirement allowance under any provisions of this  
27 section exceed sixty-five percent (65%) of their average compensation.

28 (3) For each member who retires on or after July 1, 2012, except as provided in paragraph  
29 (j)(1)(C) above, compensation and average compensation shall be defined in accordance with § 36-  
30 8-1(5)(a) and (8), provided that for a member whose regular work period exceeds one hundred  
31 forty-seven (147) hours over a twenty-four-day (24) period at any time during the four-year (4)  
32 period immediately prior to the member's retirement, that member shall have up to four hundred  
33 (400) hours of their pay for regularly scheduled work earned during this period shall be included  
34 as "compensation" and/or "average compensation" for purposes of this section and § 42-28-22.1.

1           (4) This subsection (4) shall be effective for the period July 1, 2012, through June 30, 2015.

2           (i) Notwithstanding the prior paragraphs of this section, and subject to paragraph (4)(ii)  
3 below, for all present and former members, active and retired members, and beneficiaries receiving  
4 any retirement, disability or death allowance or benefit of any kind, whether for or on behalf of a  
5 non-contributory member or contributory member, the annual benefit adjustment provided in any  
6 calendar year under this section shall be equal to (A) multiplied by (B) where (A) is equal to the  
7 percentage determined by subtracting five and one-half percent (5.5%) (the “subtrahend”) from the  
8 Five-Year Average Investment Return of the retirement system determined as of the last day of the  
9 plan year preceding the calendar year in which the adjustment is granted, said percentage not to  
10 exceed four percent (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser  
11 of the member’s retirement allowance or the first twenty-five thousand dollars (\$25,000) of  
12 retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be indexed annually  
13 in the same percentage as determined under (4)(i)(A) above. The “Five-Year Average Investment  
14 Return” shall mean the average of the investment returns for the most recent five (5) plan years as  
15 determined by the retirement board. Subject to paragraph (4)(ii) below, the benefit adjustment  
16 provided by this paragraph shall commence upon the third (3rd) anniversary of the date of  
17 retirement or the date on which the retiree reaches age fifty-five (55), whichever is later. In the  
18 event the retirement board adjusts the actuarially assumed rate of return for the system, either  
19 upward or downward, the subtrahend shall be adjusted either upward or downward in the same  
20 amount.

21           (ii) Except as provided in paragraph (4)(iii), the benefit adjustments under this section for  
22 any plan year shall be suspended in their entirety unless the funded ratio of the employees’  
23 retirement system of Rhode Island, the judicial retirement benefits trust, and the state police  
24 retirement benefits trust, calculated by the system’s actuary on an aggregate basis, exceeds eighty  
25 percent (80%) in which event the benefit adjustment will be reinstated for all members for such  
26 plan year.

27           In determining whether a funding level under this paragraph (4)(ii) has been achieved, the  
28 actuary shall calculate the funding percentage after taking into account the reinstatement of any  
29 current or future benefit adjustment provided under this section.

30           (iii) Notwithstanding paragraph (4)(ii), in each fifth plan year commencing after June 30,  
31 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five  
32 (5) plan years, a benefit adjustment shall be calculated and made in accordance with paragraph  
33 (4)(i) above until the funded ratio of the employees’ retirement system of Rhode Island, the judicial  
34 retirement benefits trust, and the state police retirement benefits trust, calculated by the system’s

1     actuary on an aggregate basis, exceeds eighty percent (80%).

2             (iv) The provisions of this paragraph (j)(4) shall become effective July 1, 2012, and shall  
3     apply to any benefit adjustment not granted on or prior to June 30, 2012.

4             (v) The cost-of-living adjustment as provided in this paragraph (j)(4) shall apply to and be  
5     in addition to the retirement benefits under the provisions of § 42-28-5 and to the injury and death  
6     benefits under the provisions of § 42-28-21.

7             (5) This subsection (5) shall become effective July 1, 2015.

8             (i)(A) As soon as administratively reasonable following the enactment into law of this  
9     paragraph (5)(i)(A), a one-time benefit adjustment shall be provided to members and/or  
10    beneficiaries of members who retired on or before June 30, 2012, in the amount of two percent  
11    (2%) of the lesser of either the member's retirement allowance or the first twenty-five thousand  
12    dollars (\$25,000) of the member's retirement allowance. This one-time benefit adjustment shall be  
13    provided without regard to the retiree's age or number of years since retirement.

14            (B) Notwithstanding the prior subsections of this section, for all present and former  
15    members, active and retired members, and beneficiaries receiving any retirement, disability or  
16    death allowance or benefit of any kind, the annual benefit adjustment provided in any calendar year  
17    under this section for adjustments on and after January 1, 2016, and subject to subsection (5)(ii)  
18    below, shall be equal to (I) multiplied by (II):

19            (I) shall equal the sum of fifty percent (50%) of (1) plus fifty percent (50%) of (2) where:

20            (1) is equal to the percentage determined by subtracting five and one-half percent (5.5%)  
21    (the "subtrahend") from the five-year average investment return of the retirement system  
22    determined as of the last day of the plan year preceding the calendar year in which the adjustment  
23    is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent  
24    (0%). The "five-year average investment return" shall mean the average of the investment returns  
25    of the most recent five (5) plan years as determined by the retirement board. In the event the  
26    retirement board adjusts the actuarially assumed rate of return for the system, either upward or  
27    downward, the subtrahend shall be adjusted either upward or downward in the same amount.

28            (2) is equal to the lesser of three percent (3%) or the percentage increase in the Consumer  
29    Price Index for All Urban Consumers (CPI-U) as published by the U.S. Department of Labor  
30    Statistics determined as of September 30 of the prior calendar year.

31            In no event shall the sum of (1) plus (2) exceed three and one-half percent (3.5%) or be  
32    less than zero percent (0%).

33            (II) is equal to the lesser of either the member's retirement allowance or the first twenty-  
34    five thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount

1 to be indexed annually in the same percentage as determined under subsection (5)(i)(B)(I) above.  
2 The benefit adjustments provided by this subsection (5)(i)(B) shall be provided to all retirees  
3 entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect, and for all  
4 other retirees the benefit adjustments shall commence upon the third anniversary of the date of  
5 retirement or the date on which the retiree reaches their Social Security retirement age, whichever  
6 is later.

7 (ii) Except as provided in subsection (5)(iii), the benefit adjustments under subsection  
8 (5)(i)(B) for any plan year shall be suspended in their entirety unless the funded ratio of the  
9 employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state  
10 police retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds  
11 eighty percent (80%) in which event the benefit adjustment will be reinstated for all members for  
12 such plan year. Effective July 1, 2024, the funded ratio of the employees' retirement system of  
13 Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust,  
14 calculated by the system's actuary on an aggregate basis, of exceeding eighty percent (80%) for the  
15 benefit adjustment to be reinstated for all members for such plan year shall be replaced with  
16 seventy-five percent (75%).

17 In determining whether a funding level under this subsection (5)(ii) has been achieved, the  
18 actuary shall calculate the funding percentage after taking into account the reinstatement of any  
19 current or future benefit adjustment provided under this section.

20 (iii) Notwithstanding subsection (5)(ii), in each fourth plan year commencing after June  
21 30, 2012, commencing with the plan year ending June 30, 2016, and subsequently at intervals of  
22 four plan years: (i) A benefit adjustment shall be calculated and made in accordance with paragraph  
23 (5)(i)(B) above; and (ii) Effective for members and/or beneficiaries of members who retired on or  
24 before June 30, 2015, the dollar amount in subsection (5)(i)(B)(II) of twenty-five thousand eight  
25 hundred and fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six  
26 dollars (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the  
27 judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the  
28 system's actuary on an aggregate basis, exceeds eighty percent (80%). Effective July 1, 2024, the  
29 funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits  
30 trust, and the state police retirement benefits trust, calculated by the system's actuary on an  
31 aggregate basis, of exceeding eighty percent (80%) shall be replaced with seventy-five percent  
32 (75%).

33 (iv) Effective for members and/or beneficiaries of members who have retired on or before  
34 July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)

1 days following the enactment of the legislation implementing this provision, and a second one-time  
2 stipend of five hundred dollars (\$500) in the same month of the following year. These stipends  
3 shall be payable to all retired members or beneficiaries receiving a benefit as of the applicable  
4 payment date and shall not be considered cost of living adjustments under the prior provisions of  
5 this section.

6 (6) Any member with contributory service on or after July 1, 2012, who has completed at  
7 least five (5) years of contributory service but who has not retired in accordance with (j)(1) above,  
8 shall be eligible to retire upon the attainment of member's Social Security retirement age as defined  
9 in § 36-8-1(20).

10 (7) In no event shall a member's retirement allowance be less than the member's retirement  
11 allowance calculated as of June 30, 2012, based on the member's years of total service and whole  
12 salary as of June 30, 2012.

13 (k) In calculating the retirement benefit for any member, the term base salary as used in  
14 subdivision (b)(3) or average compensation as used in paragraph (j) shall not be affected by a  
15 deferral of salary plan or a reduced salary plan implemented to avoid shutdowns or layoffs or to  
16 effect cost savings. Basic salary shall remain for retirement calculation that which it would have  
17 been but for the salary deferral or salary reduction due to a plan implemented to avoid shutdowns  
18 or layoffs or to effect cost savings.

19 SECTION 20. Section 42-64-38 of the General Laws in Chapter 42-64 entitled "Rhode  
20 Island Commerce Corporation" is hereby amended to read as follows:

21 **42-64-38. Audit of the corporation.**

22 (a) Commencing July 1, 2014, and every five (5) years thereafter, the corporation shall be  
23 subject to a performance audit, conducted in compliance with the generally accepted governmental  
24 auditing standards, by the office of internal audit [and program integrity](#) or a certified public  
25 accounting firm qualified in performance audits.

26 (b) If the audit is not directly performed by his or her office, the selection of the auditor  
27 and the scope of the audit shall be subject to the approval of the chief of the office of internal audit  
28 [and program integrity](#).

29 (c) The audit shall be conducted in conformance with § 35-7-3(b) through (d) [repealed].

30 (d) The results of the audit shall be made public upon completion, posted on the websites  
31 of the office of internal audit [and program integrity](#) and the corporation.

32 (e) The corporation shall be responsible for all costs associated with the audit.

33 SECTION 21. Sections 42-140-3, 42-140-7 and 42-140-8 of the General Laws in Chapter  
34 42-140 entitled "Rhode Island Energy Resources Act" are hereby amended to read as follows:

1           **42-140-3. Purposes.**

2           The purposes of the office shall be to:

3           (1) Develop and put into effect plans and programs to promote, encourage, and assist the  
4           provision of energy resources for Rhode Island in a manner that enhances economic well-being,  
5           social equity, and environmental quality;

6           (2) Monitor, forecast, and report on energy use, energy prices, and energy demand and  
7           supply forecasts, and make findings and recommendations with regard to energy supply diversity,  
8           reliability, and procurement, including least-cost procurement;

9           (3) Develop and to put into effect plans and programs to promote, encourage, and assist  
10          the efficient and productive use of energy resources in Rhode Island, and to coordinate energy  
11          programs for natural gas, electricity, and heating oil to maximize the aggregate benefits of  
12          conservation and efficiency of investments;

13          (4) Monitor and report technological developments that may result in new and/or improved  
14          sources of energy supply, increased energy efficiency, and reduced environmental impacts from  
15          energy supply, transmission, and distribution;

16          (5) Administer the programs, duties, and responsibilities heretofore exercised by the state  
17          energy office, except as these may be assigned by executive order or the general laws to other  
18          departments and agencies of state government;

19          (6) Develop, recommend, and, as appropriate, implement integrated and/or comprehensive  
20          strategies, including at regional and federal levels, to secure Rhode Island's interest in energy  
21          resources, their supply and efficient use, and as necessary to interact with persons, private sector,  
22          nonprofit, regional, federal entities and departments and agencies of other states to effectuate this  
23          purpose;

24          (7) Cooperate with agencies, departments, corporations, and entities of the state and of  
25          political subdivisions of the state in achieving its purposes;

26          (8) Cooperate with and assist the state planning council and the division of state planning  
27          in developing, maintaining, and implementing state guide plan elements pertaining to energy and  
28          renewable energy;

29          (9) Coordinate the energy efficiency, ~~renewable energy~~, least-cost procurement, and  
30          systems reliability plans and programs with the energy efficiency and resources management  
31          council; ~~and the renewable energy coordinating board;~~

32          (10) Participate in, monitor implementation of, and provide technical assistance for the  
33          low-income home energy assistance program enhancement plan established pursuant to § 39-1-  
34          27.12;

(11) Participate in and monitor the distributed generation standard contracts program pursuant to chapter 26.2 of title 39;

(12) Coordinate opportunities with and enter into contracts and/or agreements with the commerce corporation associated with the energy efficiency, least-cost procurement, system reliability, and renewable energy fund programs;

(13) Provide support and information to the division of planning and the state planning council in the development of a ten-year (10) Rhode Island Energy Guide Plan, which shall be reviewed and amended if necessary every five (5) years;

~~(14) Provide funding support if necessary to the renewable energy coordinating board and/or the advisory council to carry out the objectives pursuant to chapter 140.3 of this title [repealed];~~

~~(15)~~ Advise and provide technical assistance to state and federally funded energy programs to support:

(i) The federal low-income home energy assistance program which provides heating assistance to eligible low-income persons and any state funded or privately funded heating assistance program of a similar nature assigned to it for administration;

(ii) The weatherization assistance program which offers home weatherization grants and heating system upgrades to eligible persons of low-income;

(iii) The emergency fuel program which provides oil deliveries to families experiencing a heating emergency;

(iv) The energy conservation program, which offers service and programs to all sectors;

(v) [Deleted by P.L. 2008, ch. 228, § 2, and P.L. 2008, ch. 422, § 2.]

~~(16)~~(15) Advise the commerce corporation in the development of standards and rules for the solicitation and award of renewable energy program investment funds in accordance with § 42-64-13.2;

~~(17)~~(16) Develop, recommend, and evaluate energy programs for state facilities and operations in order to achieve and demonstrate the benefits of energy-efficiency, diversification of energy supplies, energy conservation, and demand management; and

~~(18)~~(17) Advise the governor and the general assembly with regard to energy resources and all matters relevant to achieving the purposes of the office.

**42-140-7. Conduct of activities.**

~~(a)~~ To the extent reasonable and practical, the conduct of activities under the provisions of this chapter shall be open and inclusive. ~~the commissioner and the council shall seek in addressing the purposes of the office to involve the research and analytic capacities of institutions of higher~~



1 ~~education within the state, industry, advocacy groups, and regional entities, and shall seek input~~  
2 ~~from stakeholders including, but not limited to, residential and commercial energy users.~~

3 ~~(b) The commissioner shall transmit any unencumbered funds from the renewable energy~~  
4 ~~program under chapter 2 of title 39 to the commerce corporation to be administered in accordance~~  
5 ~~with the provisions of § 39-2-1.2.~~

6 **42-140-8. Annual report.**

7 The commissioner shall report annually, on or before June 30 ~~March 1~~ of each year, to the  
8 governor, the president of the senate, and the speaker of the house with regard to the status of  
9 energy supplies, markets, and conditions, the effectiveness of energy programs, and the activities  
10 of the office. ~~including the council, and such other matters related to energy as the commissioner~~  
11 ~~or the council may deem appropriate.~~

12 SECTION 22. Chapter 42-140 of the General Laws entitled "Rhode Island Energy  
13 Resources Act" is hereby amended by adding thereto the following section:

14 **42-140-12. Clean transportation programs.**

15 There is established a restricted receipt account within the general fund of the state, to be  
16 known as the "clean transportation programs", to be administered by the office of energy resources.  
17 The purpose of the account is to receive and expend funds for clean transportation programs,  
18 including but not limited to electric vehicle rebate, electric bicycle rebate and other programs.

19 SECTION 23. Section 42-155-7 of the General Laws in Chapter 42-155 entitled "Quasi-  
20 Public Corporations Accountability and Transparency Act" is hereby amended to read as follows:

21 **42-155-7. Audit of quasi-public corporations.**

22 (a) Commencing January 1, 2015, and every five (5) years thereafter, each quasi-public  
23 corporation shall be subject to a performance audit, conducted in compliance with the generally  
24 acceptable governmental auditing standards or the standards for the professional practice of internal  
25 auditing, by the chief of the office of internal audit and program integrity. The chief, in  
26 collaboration with the quasi-public corporation, shall determine the scope of the audit. To assist in  
27 the performance of an audit, the chief, in collaboration with the quasi-public corporation, may  
28 procure the services of a certified public accounting firm, which shall be a subcontractor of the  
29 office of internal audit and program integrity, and shall be under the direct supervision of the office  
30 of internal audit and program integrity. The chief of the office of internal audit and program  
31 integrity shall establish a rotating schedule identifying the year in which each quasi-public  
32 corporation shall be audited. The schedule shall be posted on the website of the office of internal  
33 audit and program integrity.

34 (b) The audit shall be conducted in conformance with chapter 7 of title 35 ("Post Audit of

1 Accounts”).

2 (c) Each quasi-public corporation shall be responsible for costs associated with its own  
3 audit. The chief and each quasi-public corporation shall agree upon reasonable costs for the audit,  
4 not to exceed seventy-five thousand dollars (\$75,000), that shall be remitted to the office of internal  
5 audit [and program integrity](#).

6 (d) The results of the audit shall be made public upon completion and posted on the  
7 websites of the office of internal audit [and program integrity](#) and the quasi-public corporation.

8 (e) For purposes of this section, a performance audit shall mean an independent  
9 examination of a program, function, operation, or the management systems and procedures of a  
10 governmental or nonprofit entity to assess whether the entity is achieving economy, efficiency, and  
11 effectiveness in the employment of all available resources.

12 SECTION 24. Section 42-157-6 of the General Laws in Chapter 42-157 entitled "Rhode  
13 Island Health Benefit Exchange" is hereby amended to read as follows:

14 **42-157-6. Audit.**

15 (a) Annually, the exchange shall cause to have a financial and/or performance audit of its  
16 functions and operations performed in compliance with the generally accepted governmental  
17 auditing standards and conducted by the state office of internal audit [and program integrity](#) or a  
18 certified public accounting firm qualified in performance audits.

19 (b) If the audit is not directly performed by the state office of internal audit [and program](#)  
20 [integrity](#), the selection of the auditor and the scope of the audit shall be subject to the approval of  
21 the state office of internal audit [and program integrity](#).

22 (c) The results of the audit shall be made public upon completion, posted on the  
23 department’s website and otherwise made available for public inspection.

24 SECTION 25. The title of Chapter 42-165 of the General Laws entitled "Rhode Island  
25 Longitudinal Data System Act" is hereby amended to read as follows:

26 ~~CHAPTER 42-165~~

27 ~~Rhode Island Longitudinal Data System Act~~

28 CHAPTER 42-165

29 RHODE ISLAND INTEGRATED DATA SYSTEM ACT

30 SECTION 26. Sections 42-165-1, 42-165-2, 42-165-3, 42-165-4, 42-165-5, 42-165-6 and  
31 42-165-7 of the General Laws in Chapter 42-165 entitled "Rhode Island Longitudinal Data System  
32 Act" are hereby amended to read as follows:

33 **42-165-1. ~~Rhode Island longitudinal data system act.~~ Rhode Island integrated data**  
34 **system act.**

1 This chapter shall be known and may be cited as the “Rhode Island ~~Longitudinal~~ Integrated  
2 Data System Act.”

3 **42-165-2. Findings.**

4 (a) **Purpose.** The Rhode Island ~~Longitudinal~~ Integrated Data System (~~RILDS~~RIIDS)  
5 “DATA RI” is Rhode Island’s statewide ~~longitudinal~~ integrated data system that integrates and  
6 links individual or unit-level data. The purpose of the ~~RILDS~~RIIDS is to connect federated data  
7 across sectors and over time to support research aligned with the state’s priorities; inform  
8 policymaking and program evaluation; and improve the well-being of all Rhode Islanders.

9 (b) The general assembly finds and declares that:

10 (1) The state is committed to maintaining a longitudinal data system that the public,  
11 researchers, and policymakers can use to analyze and assess Rhode Islanders’ aggregate progress  
12 from early learning programs through postsecondary education and into employment; and

13 (2) A national collaborative effort among federal and state policymakers, state officials,  
14 and national education organizations has defined the essential components of a statewide  
15 longitudinal data system; and

16 (3) The RI Longitudinal Data System (RILDS)~~DataHUB~~ is the state education and  
17 workforce longitudinal data system, aligned to the U.S. Department of Education’s Statewide  
18 Longitudinal Data System (SLDS) grant program and the U.S. Department of Labor’s Workforce  
19 Data Quality Initiative grant program.

20 (4) The Ecosystem is the state’s health and human services integrated data system focused  
21 on improving the outcomes of these related programs and starting from the base of the Medicaid  
22 program.

23 (5) The Ecosystem, the RILDS and individual programs can be connected in a federated  
24 manner that enables programs to retain control of their data but also allows secure sharing of data  
25 when there is an approved data analysis project.

26 (6) Unified governance across the Ecosystem and RILDS will allow more efficient and  
27 secure operation of the state’s data infrastructure.

28 **42-165-3. Definitions.**

29 For the purpose of this chapter, the following terms shall have the following meanings  
30 unless the context clearly requires otherwise:

31 (1) “Participating agency” means the Rhode Island department of education, the office of  
32 the postsecondary commissioner, the Rhode Island department of labor and training, executive  
33 office of health and human services, and any agency that has executed a memorandum of  
34 understanding for recurring participation in the Rhode Island longitudinal data system.

(2) “Rhode Island Longitudinal Data System” (RILDS) formerly known as the RI DataHUB operated by DataSpark, is the current statewide longitudinal data system ~~and will be~~ located for budgetary purposes in the office of the postsecondary commissioner.

(3) The “Ecosystem” is the executive office of health and human services integrated data system. ~~“Rhode Island Longitudinal Data System Center” (Center) is comprised of the current entity known as DataSpark and whatever other resources as necessary to accomplish the powers and duties prescribed herein.~~

(4) “State and federal privacy laws” means all applicable state and federal privacy laws and accompanying regulations, including but not limited to the federal Family Educational Rights and Privacy Act and its accompanying regulations (“FERPA”), Health Insurance Portability and Accountability Act (“HIPAA”), R.I. Gen. Laws § 28-42-38, 20 C.F.R. § 603.1 et seq., and any other privacy measures that apply to the personally identifiable information that is used by the center and/or becomes part of the RILDS, the Ecosystem or RIIDS hereunder.

(5) ~~“Statewide Rhode Island~~ integrated data system” ~~or “integrated data system” or “RIIDS”~~ means ~~an~~ the state individual-, family- or unit-level data system that links and integrates records from state datasets from all major education, economic, health, human service, labor, and public safety programs including the RILDS, the Ecosystem and any other data repositories accepted by the RIIDS governing board.

(6) “Statewide longitudinal data system” or “longitudinal data system” or “SLDS” means an individual- or unit-level data system that links and integrates records from state datasets including but not limited to early childhood and prekindergarten, through elementary, secondary, and postsecondary education, and into the workforce from participating agencies and entities.

#### **42-165-4. Creation.**

(a) The ~~RILDS RIIDS~~ “DATA RI” is hereby established ~~within the office of the postsecondary commissioner~~ and is granted and authorized to use all the powers set forth in this chapter.

(b) **Functions.** The ~~RILDS RIIDS~~ “DATA RI” shall:

(1) Transmit, store, enable access to, permit the use, and dispose of linked data and information in accordance with the National Institute of Standards and Technology (NIST) Cybersecurity Framework and associated NIST 800-53 security controls commensurate with data sensitivity level and in accordance with all applicable state and privacy laws and state security policies;

(2) Serve as a central repository of the state’s inter-agency, longitudinal, linked and individual data;

- 1 (3) Enable the integration, linkage, and management of information;
- 2 (4) Report on and provide public access to aggregate data to, among other things, address
- 3 inequities in access, opportunities, and outcomes and improve student and educator decision-
- 4 making;
- 5 (5) Provide clarity to university and other researchers on the process to request data and
- 6 what data is available to request; ~~and~~
- 7 (6) Nothing in this chapter shall negate or otherwise adversely affect the validity and legal
- 8 enforceability of any existing data sharing and/or research agreements executed between and
- 9 among the state’s participating agencies and the state’s ~~statewide longitudinal data system~~ [RILDS](#)
- 10 [or Ecosystem](#); and
- 11 [\(7\) Nothing in this section and chapter shall negate or overrule the right of an agency,](#)
- 12 [institution or entity that has provided and/or transferred data to the RIIDS, RILDS, or the](#)
- 13 [Ecosystem to determine the use of and access to its data.](#)

14 **42-165-5. Governing board.**

15 (a) **Composition of board.** The ~~RIIDS~~ [RIIDS “DATA RI”](#) will be governed by the Rhode

16 Island ~~longitudinal~~ [Integrated](#) data system governing board (the board).

17 (1) The board shall be composed of:

18 (i) The director of the department of administration or designee ~~who serves as one co-chair~~;

19 (ii) The directors of any participating agencies as described in § 42-165-3 and § 42-165-6,

20 or their designee;

21 (iii) The director of the office of management and budget or designee;

22 (iv) The chief digital officer or designee;

23 (v) The director of the center, as set forth in § 42-165-7;

24 (vi) The secretary of health and human services or designee [who serves as one co-chair](#);

25 and

26 (vii) The commissioner of postsecondary education [or designee](#) who serves as one co-chair.

27 (2) The board shall be overseen by two co-chairs. ~~As The co-chairs~~ [co-chair](#), ~~the director~~

28 ~~of administration or designee~~ shall be responsible for overseeing and directing the policy duties

29 and responsibilities of the board. ~~The other co-chair shall be the commissioner of postsecondary~~

30 ~~education who shall be responsible for~~ [and](#) overseeing, supervising, and directing the operational

31 duties of the center and its personnel.

32 (b) **Powers and duties.** The board shall:

33 (1) In consultation with the center [and the Ecosystem](#), and in accordance with federal and

34 state privacy law, approve policies regarding how data requests from state and local agencies, the

1 Rhode Island general assembly, universities, third-party researchers, and the public will be  
2 managed;

3 (2) In consultation with the center [and the Ecosystem](#), approve policies regarding the  
4 publishing of reports and other information that should be available to public stakeholders;

5 (3) Approve standards implemented by the center [and the Ecosystem](#) for the security,  
6 privacy, access to, and confidentiality of data, including policies to comply with the Family  
7 Educational Rights and Privacy Act, Health Insurance Portability and Accountability Act, R.I. Gen.  
8 Laws § 28-42-38, 20 C.F.R. § 603.1 et seq., and any other privacy measures, as required by law,  
9 state policy, or the board;

10 (4) Perform other functions that are necessary to ensure the successful continuation,  
11 management, and expansion of the ~~RILDS~~ [RIIDS](#);

12 (5) Establish a data governance committee to work with the center [and Ecosystem](#) on an  
13 ongoing basis to among other responsibilities, approve data requests;

14 (6) Oversee and collaborate with the data governance committee, [the Ecosystem](#) and the  
15 center as set forth in § 42-165-7; ~~and~~

16 (7) ~~By November 1, 2023, provide a plan to the governor, the house, and the senate on how~~  
17 ~~to establish a statewide integrated data system. The plan should consider elements such as:~~

18 ~~(i) The role an IDS can play in improving the operation of programs; reducing fraud, waste,~~  
19 ~~and abuse; and establishing a state culture of program evaluation;~~

20 ~~(ii) Providing state agencies with evaluation services and providing state analysts access to~~  
21 ~~data based on their role;~~

22 ~~(iii) Providing researchers with access to state data;~~

23 ~~(iv) The importance of data privacy and security;~~

24 ~~(v) The importance of public transparency and the role of the state transparency portal;~~

25 ~~(vi) The creation of a state chief data officer;~~

26 ~~(vii) Sustainable funding and governance for the IDS;~~

27 ~~(viii) The role of data federation; and~~

28 ~~(ix) The timeline for implementing the IDS.~~

29 [Serve as the single governing board for the RILDS and the Ecosystem;](#)

30 [\(8\) Set the strategic direction for RIIDS to ensure it:](#)

31 [\(i\) Improves transparency and public accessibility of data, including increasing the](#)  
32 [availability of dashboards, plain language summaries; public data catalogs of research and reports;](#)

33 [\(ii\) Enhances data availability for internal state use, ensuring data is accessible to state](#)  
34 [analysts to conduct broad analysis of state programs, thereby improving the state’s understanding](#)

1 of the operation and impact of its programs; and

2 (iii) Improves data availability for external researchers. Data shall be made available to  
3 researchers to the greatest extent possible limited to allow evidence-based improvements to state  
4 programs; and

5 (9) The center or the Ecosystem is considered to be an agent of the executive state agency  
6 sharing government information for a particular data project and is an authorized receiver of  
7 government information under the statutory or administrative law that governs the government  
8 information. Interagency data sharing under this chapter does not constitute a disclosure or release  
9 under any statutory or administrative law that governs the government information.

10 **42-165-6. Participating agencies.**

11 (a) Participating agencies shall transfer data, as applicable, to the ~~RILDS~~ RIIDS's in  
12 accordance with the data security policies as approved by the board, and pursuant to the  
13 requirements of state and federal privacy laws and policies.

14 (b) Any agencies providing data on a recurring basis to the RILDS shall provide a  
15 representative to the board and be governed in the same manner as the initial agencies and entities  
16 and shall be subject to applicable board policies.

17 (c) All Rhode Island state agencies shall:

18 (1) Participate in the RIIDS to the extent practical;

19 (2) Identify datasets of greatest value for policy analysis efforts and investigate the  
20 feasibility of making them available for the federated data system and other internal policy analysis  
21 efforts; and

22 (3) Share data to the greatest extent possible as practical and permissible under law.

23 **42-165-7. The Rhode Island longitudinal data system center.**

24 (a) **Purpose.** The purpose of the center is to manage and operate the RILDS and conduct  
25 research and evaluate programs regarding federal, state, and local programs and policies. The center  
26 shall be managed by an executive director (hereafter the “director”) responsible for the daily  
27 management and operations of the center. The director will also be responsible for interfacing and  
28 collaborating between the board and the data governance committee, as well as external  
29 communications and agreements. The director shall be a non-classified employee of the council on  
30 postsecondary education under the supervision of and subject to the authority of the commissioner  
31 of postsecondary education.

32 (b) **Powers and duties.** The duties of the center shall be to:

33 (1) Act as an authorized representative, research partner, and business associate of the  
34 state’s agencies, including those responsible for education and workforce, under and in accordance

1 with the requirements of applicable federal and state statutes and/or state and federal privacy laws  
2 and state security policies;

3 (2) Enter into memoranda of understanding with state agencies, nonprofits, universities,  
4 subnational governments, and other entities for the purposes of data sharing and analysis;

5 (3) Coordinate with participating agencies and other entities to ensure the integrity and  
6 quality of data being collected, including implementing the data quality and metadata policies  
7 approved by the board;

8 (4) Advance research and allow policymakers to explore critical research policy questions  
9 and to measure investments in education and workforce development;

10 (5) In consultation with the board, identify the state's critical research and policy questions;

11 (6) Provide analysis and reports that assist with evaluating programs and measuring  
12 investments, subject to the policies approved by the board;

13 (7) Implement policies and procedures approved by the board that govern the security,  
14 privacy, access to, and confidentiality of the data, in accordance with relevant federal and state  
15 privacy laws;

16 (8) Ensure that information contained in and available through the RILDS is kept secure,  
17 and that individual privacy is protected, and maintain insurance coverage;

18 (9) Respond to approved research data requests in accordance with the policies and  
19 procedures approved by the board;

20 (10) Enter into contracts or other agreements with appropriate entities, including but not  
21 limited to universities, and federal, state, and local agencies, to the extent necessary to carry out its  
22 duties and responsibilities only if such contracts or agreements incorporate adequate protections  
23 with respect to the privacy and security of any information to be shared, and are approved, in  
24 writing, by the applicable agency whose data or information is to be shared, and are allowable  
25 under applicable state and federal privacy laws; and

26 (11) Maintain staff necessary to carry out the above duties as provided for in the state  
27 budget. Staff at the center shall be non-classified employees of the council on postsecondary  
28 education, under the supervision of and subject to the authority of the commissioner of  
29 postsecondary education. The non-SLDS activity of the center shall also be under the supervision  
30 and authority of the commissioner of postsecondary education and the council on postsecondary  
31 education. The council on postsecondary education, its office of the postsecondary commissioner,  
32 and its employees shall be included under the limitation of damages for tort liability for the State  
33 set out in § 9-31-1 et seq., for all actions involving the center regarding the RILDS and/or SLDS  
34 and for any other activity of the center regarding its receipt, storage, sharing, and transmission of



1 data as part of its non-SLDS operations and activities.

2 (12) The council on postsecondary education shall be the employer of public record for the  
3 Center.

4 (c) **Funding.** Appropriations made pursuant to this chapter shall be used exclusively for  
5 the development and operation of RILDS, [RIIDS or the Ecosystem](#).

6 (1) The board and the center may implement a data request fee policy to compensate for  
7 excessive use of the data system, to recover costs that would otherwise typically be borne by the  
8 requesting data researcher, or both. A data request fee policy implemented pursuant to this section  
9 shall be reviewed and approved by the board, revised periodically, and made publicly available and  
10 posted in a prominent location on the ~~RILDS's~~ [RIIDS's](#) internet website.

11 (2) The center may receive funding for its operation of the RILDS from the following  
12 sources:

13 (i) State appropriations;

14 (ii) Federal grants;

15 (iii) User fees; and

16 (iv) Any other grants or contributions from public agencies or other entities.

17 (3) There is hereby established a restricted receipt account in the general fund of the state  
18 and housed in the budget of the office of postsecondary commissioner entitled “longitudinal data  
19 system — non-federal grants.” The express purpose of this account is to record receipts and  
20 expenditures of the program herein described and established within this chapter.

21 SECTION 27. Section 44-1-14 of the General Laws in Chapter 44-1 entitled "State Tax  
22 Officials" is hereby amended to read as follows:

23 **44-1-14. Disclosure of information to tax officials of federal government or other**  
24 **states, or to other persons.**

25 Notwithstanding any other provision of law:

26 (1) The tax administrator may make available: (i) To the taxing officials of any other states  
27 or of the federal government for tax purposes only, any information that the administrator may  
28 consider proper contained in tax reports or returns or any audit or the report of any investigation  
29 made with respect to them, filed pursuant to the tax laws of this state; provided, that other states or  
30 the federal government grant like privileges to the taxing officials of this state; and/or (ii) To an  
31 officer or employee of the office of internal audit [and program integrity](#) of the Rhode Island  
32 department of administration, any information that the administrator may consider proper contained  
33 in tax reports or returns or any audit or the report of any investigation made with respect to them,  
34 filed pursuant to the tax laws of this state, to whom disclosure is necessary for the purposes of fraud

1 detection and prevention in any state or federal program.

2 (2) The tax administrator shall not permit any federal return or federal return information  
3 to be inspected by, or disclosed to, an individual who is the chief executive officer of the state or  
4 any person other than:

5 (i) To another employee of the tax division for the purpose of, and only to the extent  
6 necessary in, the administration of the state tax laws for which the tax division is responsible;

7 (ii) To another officer or employee of the state to whom the disclosure is necessary in  
8 connection with processing, storage, and transmission of those returns and return information and  
9 solely for purposes of state tax administration;

10 (iii) To another person for the purpose of, but only to the extent necessary in, the  
11 programming, maintenance, repair, testing, and procurement of equipment used in processing or  
12 transmission of those returns and return information; or

13 (iv) To a legal representative of the tax division, personally and directly engaged in, and  
14 solely for use in, preparation for a civil or criminal proceeding (or investigation which may result  
15 in a proceeding) before a state administrative body, grand jury, or court in a matter involving state  
16 tax administration, but only if:

17 (A) The taxpayer is or may be a party to the proceeding;

18 (B) The treatment of an item reflected on the return is or may be related to the resolution  
19 of an issue in the proceeding or investigation; or

20 (C) The return or return information relates, or may relate, to a transactional relationship  
21 between a person who is or may be a party to the proceeding and the taxpayer that affects or may  
22 affect the resolution of an issue in a proceeding or investigation.

23 SECTION 28. This article shall take effect upon passage, except Section 15, which shall  
24 take effect on January 1, 2026.