

## ARTICLE 3

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

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

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

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

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

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

26 **2-26-7. Licensure.**

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

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

1 Island department of health.

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

3 (a) The ~~department~~ commission shall adopt rules regarding permissible methods of  
4 extraction.

5 (b) No butane method of extraction shall be permitted by the ~~department~~ commission.

6 **2-26-9. Research and educational growth by institutions of higher education.**

7 (a) The ~~department~~ commission is authorized to certify any higher educational institution  
8 in Rhode Island to grow or handle, or assist in growing or handling, industrial hemp for the purpose  
9 of agricultural or academic research where such higher educational institution submits the  
10 following to the ~~department~~ commission:

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

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

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

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

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

20 (d) The ~~department~~ commission shall maintain a list of each higher education institution  
21 certified to grow or cultivate industrial hemp under this chapter.

22 **2-26-10. Enforcement of violations of chapter.**

23 (a) Notwithstanding any other provision of this chapter, if the ~~director of the department~~  
24 chairperson of the commission, or his or her designee, has cause to believe that a violation of any  
25 provision of this chapter or any regulations promulgated hereunder has occurred by a licensee who  
26 or that is under the ~~department's~~ commission's jurisdiction pursuant to this chapter, or that any  
27 person or entity is conducting any activities requiring licensure by the ~~department~~ commission  
28 under this chapter or the regulations promulgated hereunder without such licensure, the ~~director~~  
29 chairperson, or his or her designee, may, in accordance with the requirements of the administrative  
30 procedures act, chapter 35 of title 42:

31 (1) Revoke or suspend a license;

32 (2) Levy an administrative penalty in an amount established pursuant to regulations  
33 promulgated by the ~~department~~ commission;

34 (3) Order the violator to cease and desist such actions;

1 (4) Require a licensee or person or entity conducting any activities requiring licensure  
2 under this chapter to take such actions as are necessary to comply with this chapter and the  
3 regulations promulgated thereunder; or

4 (5) Any combination of the above penalties.

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

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

11 ~~**5-43-1. City and town licensing power.**~~

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

16 ~~**5-43-2. Penalty for violations.**~~

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

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

23 ~~**16-32-2. Board of Trustees established.**~~

24 (a) There is hereby created a board of trustees for the university of Rhode Island, sometimes  
25 referred to as the "board" or "board of trustees," which shall be and is constituted a public  
26 corporation, empowered to sue and be sued in its own name; to borrow money; to compromise and  
27 settle claims; to have a seal; and to make and execute contracts and other instruments necessary or  
28 convenient to the exercise of its powers; and to exercise all the powers, in addition to those  
29 specifically enumerated in this chapter, usually appertaining to public corporations entrusted with  
30 control of postsecondary educational institutions and functions. Upon its organization, the board  
31 shall be vested with the legal title to all property, real and personal, now owned by and/or under  
32 the control or in the custody of the council on postsecondary education for the use of the university  
33 of Rhode Island, including all its departments, divisions, and branches, sometimes referred to as  
34 the property.

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

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

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

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

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

25 (e) The board shall make rules and regulations pursuant to chapter 2 of title 37 to implement  
26 its responsibilities as a public agency for procurement purposes as defined in § 37-2-7(16).

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



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

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

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

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

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

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

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

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

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

24 (i) The board shall adopt a process requiring every academic program at the university to  
25 accept for credit the advanced placement subject test scores of students who obtain a three (3) or  
26 better in any advanced placement course.

27 (j) The board shall supervise, coordinate, and/or authorize audits, civil and administrative  
28 investigations, and inspections or oversight reviews, when necessary, relating to expenditure of  
29 state or federal funds, or to any and all university programs and operations, as well as the  
30 procurement of any supplies, services, or construction, by the university. In the course of an audit  
31 or investigation, the board authorized auditor(s) shall review statutes and regulations of the  
32 university and shall determine if the university is in compliance and shall make recommendations  
33 concerning the efficiency of operations, and the effect of such statutes or regulations on internal  
34 controls and the prevention and detection of fraud, waste, and abuse. The board authorized

1 auditor(s) may recommend policies or procedures that may strengthen internal controls, or assist in  
2 the prevention or detection of fraud, waste, and abuse or mismanagement. Any audits conducted  
3 shall be transmitted to the office of internal audit [and program integrity](#) established in chapter 7.1  
4 of title 35.

5 SECTION 4. Sections 21-28.11-4 and 21-28.11-10.1 of the General Laws in Chapter 21-  
6 28.11 entitled "The Rhode Island Cannabis Act" are hereby amended to read as follows:

7 **21-28.11-4. Cannabis control commission.**

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

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

16 (1) The governor shall appoint, with the advice and consent of the senate, the three (3)  
17 voting members of the commission. The speaker of the house shall, within thirty (30) days of the  
18 effective date of this chapter, submit to the governor a list of three (3) individuals that the governor  
19 shall give due consideration in appointing one individual from this list. The governor shall appoint  
20 the other two (2) commissioners without regard to the list submitted by the speaker of the house.  
21 The governor shall designate one of the members to serve as chairperson of the commission. Within  
22 forty (40) days of the effective date of this chapter, the governor shall submit to the senate for  
23 advice and consent the list of three (3) individuals for appointment to the commission along with  
24 the governor's designation of chairperson.

25 (2) Prior to appointment to the commission, a background investigation shall be conducted  
26 into the financial stability, integrity and responsibility of each appointee, including the appointee's  
27 reputation for good character, and honesty. No commissioner or commissioner's spouse, or child  
28 shall have any interest whatsoever in any entity regulated by the commission.

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

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

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

33 or

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

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

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

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

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

21           (f) **Records.** The commission shall keep a record of the proceedings of the commission  
22 and the chair shall be the custodian and keeper of the records of all books, documents and papers  
23 filed by the commission and of its minute book. The chair shall cause copies to be made of all  
24 minutes and other records and documents of the commission and shall certify that such copies are  
25 true copies and all persons dealing with the commission may rely upon such certification. These  
26 records shall also be subject to the provisions of title 38, "public records." The chair shall have and  
27 exercise supervision and control over all the affairs of the commission. The chair shall preside at  
28 all hearings at which the chair is present and shall designate a commissioner to act as chair in the  
29 chair's absence. To promote efficiency in administration, the chair shall make such division or re-  
30 division of the work of the commission among the commissioners, as the chair deems expedient.

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

33           (1) For purposes of this section, "formal matter", as so designated by the chair, shall include  
34 all non-procedural matters to include, but not limited to, hearings subject to the provisions of

chapter 35 of title 42 (the “administrative procedures act”) and all decisions relative to the awarding of a license or to the denial or revocation of licenses. A majority of the commissioners is required to ~~hear and~~ approve all formal matters.

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

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

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

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

(j) **Finance.** The commission shall, for the purposes of compliance with state finance law, and subject to appropriation by the general assembly, operate as an independent state agency and shall be subject to the laws applicable to agencies under the control of the governor; provided, however, that the chairperson may identify any additional instructions or actions necessary for the department of administration to manage fiscal operations in the state accounting system and meet statewide and other governmental accounting and audit standards. The commission shall properly

1 classify the commission's operating and capital expenditures, and shall not include any salaries of  
2 employees in the commission's capital expenditures. Unless otherwise exempted by law, the  
3 commission shall participate in any other available state administrative services including, but not  
4 limited to, the state payroll system, the state retirement system, and state purchases.

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

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

22 (a) To protect public health and public safety, upon the effective date of this chapter [May  
23 25, 2022] until final issuance of the commission's rules and regulations promulgated pursuant to  
24 the provisions of this chapter, there shall exist a transitional period of regulatory and enforcement  
25 authority regarding the production, possession, regulation, distribution, sale, and use of cannabis  
26 relating to the sale by hybrid cannabis retailers of adult use cannabis pursuant to § 21-28.11-10.

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

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

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

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

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

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

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

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

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

(3) Requirements relating to the maintenance of medical marijuana program service levels. These shall include prospective licensee submission of comprehensive policies and procedures detailing plans to maintain a sufficient quantity and variety of medical marijuana products, and if substitutions of medical marijuana products with adult use marijuana products are to be made, a

1 justification for such substitutions. Prospective hybrid licensees shall also be required to designate  
2 an individual who will be primarily responsible for maintenance of medical marijuana program  
3 service levels and ongoing compliance with existing program requirements, rules, and regulations.

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

11 (5) Requirements relating to the advertising of cannabis and cannabis products by hybrid  
12 cannabis retailers who have been permitted to sell adult use cannabis and hybrid cannabis  
13 cultivators who have been permitted to cultivate adult use cannabis pursuant to the provisions of  
14 this chapter.

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

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

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

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

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

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

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

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

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

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

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

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

17 **28-30-18. Additional benefits payable to retired judges and their surviving spouses or**  
18 **domestic partners.**

19 (a) All judges of the workers’ compensation court, or their surviving spouses or domestic  
20 partners, who retire after January 1, 1970, and who receive a retirement allowance pursuant to the  
21 provisions of this title, shall, on the first day of January next following the third anniversary date  
22 of their retirement, receive a cost-of-living retirement adjustment in addition to his or her retirement  
23 allowance in an amount equal to three percent (3%) of the original retirement allowance. In each  
24 succeeding subsequent year during the month of January the retirement allowance shall be  
25 increased an additional three percent (3%) of the original allowance, compounded annually from  
26 the year the cost-of-living adjustment was first payable to be continued during the lifetime of that  
27 judge or his or her surviving spouse or domestic partner. For the purpose of that computation, credit  
28 shall be given for a full calendar year regardless of the effective date of the retirement allowance.

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

31 (c) For judges not eligible to retire as of September 30, 2009, and not eligible upon passage  
32 of this article, and for their beneficiaries, the cost-of-living adjustment described in subsection (a)  
33 above shall only apply to the first thirty-five thousand dollars (\$35,000) of retirement allowance,  
34 indexed annually, and shall commence upon the third (3rd) anniversary of the date of retirement or



1 when the retiree reaches age sixty-five (65), whichever is later. The thirty-five thousand dollar  
2 (\$35,000) limit shall increase annually by the percentage increase in the Consumer Price Index for  
3 all Urban Consumers (CPI-U) as published by the United States Department of Labor Statistics  
4 determined as of September 30 of the prior calendar year or three percent (3%), whichever is less.  
5 The first thirty-five thousand dollars (\$35,000), as indexed, of retirement allowance shall be  
6 multiplied by the percentage of increase in the Consumer Price Index for all Urban Consumers  
7 (CPI-U) as published by the United States Department of Labor Statistics determined as of  
8 September 30 of the prior calendar year or three percent (3%), whichever is less on the month  
9 following the anniversary date of each succeeding year. For judges eligible to retire as of September  
10 30, 2009, or eligible upon passage of this article, and for their beneficiaries, the provisions of this  
11 subsection (c) shall not apply.

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

13 (1) Notwithstanding the prior paragraphs of this section, and subject to subsection (d)(2)  
14 below, for all present and former justices, active and retired justices, and beneficiaries receiving  
15 any retirement, disability or death allowance or benefit of any kind, whether provided for or on  
16 behalf of justices engaged on or prior to December 31, 1989, as a noncontributory justice or  
17 engaged after December 31, 1989, as a contributory justice, the annual benefit adjustment provided  
18 in any calendar year under this section shall be equal to (A) multiplied by (B) where (A) is equal  
19 to the percentage determined by subtracting five and one-half percent (5.5%) (the “subtrahend”)  
20 from the five-year average investment return of the retirement system determined as of the last day  
21 of the plan year preceding the calendar year in which the adjustment is granted, said percentage not  
22 to exceed four percent (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser  
23 of the justice’s retirement allowance or the first twenty-five thousand dollars (\$25,000) of  
24 retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be indexed annually  
25 in the same percentage as determined under (d)(1)(A) above. The “five-year average investment  
26 return” shall mean the average of the investment return of the most recent five (5) plan years as  
27 determined by the retirement board. Subject to subsection (d)(2) below, the benefit adjustment  
28 provided by this paragraph shall commence upon the third (3rd) anniversary of the date of  
29 retirement or the date on which the retiree reaches his or her Social Security retirement age,  
30 whichever is later. In the event the retirement board adjusts the actuarially assumed rate of return  
31 for the system, either upward or downward, the subtrahend shall be adjusted either upward or  
32 downward in the same amount.

33 (2) Except as provided in subsection (d)(3), the benefit adjustments under this section for  
34 any plan year shall be suspended in their entirety unless the funded ratio of the employees’

1 retirement system of Rhode Island, the judicial retirement benefits trust, and the state police  
2 retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds eighty  
3 percent (80%) in which event the benefit adjustment will be reinstated for all justices for such plan  
4 year.

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

8 (3) Notwithstanding subsection (d)(2), in each fifth plan year commencing after June 30,  
9 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five  
10 (5) plan years, a benefit adjustment shall be calculated and made in accordance with subsection  
11 (d)(1) above until the funded ratio of the employees' retirement system of Rhode Island, the judicial  
12 retirement benefits trust, and the state police retirement benefits trust, calculated by the system's  
13 actuary on an aggregate basis, exceeds eighty percent (80%).

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

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

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

24 (ii) Notwithstanding the prior subsections of this section, for all present and former justices,  
25 active and retired justices, and beneficiaries receiving any retirement, disability or death allowance  
26 or benefit of any kind, whether provided for or on behalf of justices engaged on or prior to  
27 December 31, 1989, as a noncontributory justice or engaged after December 31, 1989, as a  
28 contributory justice, the annual benefit adjustment provided in any calendar year under this section  
29 for adjustments on and after January 1, 2016, and subject to subsection (e)(2) below, shall be equal  
30 to (A) multiplied by (B):

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

32 (I) Is equal to the percentage determined by subtracting five and one-half percent (5.5%)  
33 (the "subtrahend") from the five-year average investment return of the retirement system  
34 determined as of the last day of the plan year preceding the calendar year in which the adjustment

1 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent  
2 (0%). The “five-year average investment return” shall mean the average of the investment returns  
3 of the most recent five (5) plan years as determined by the retirement board. In the event the  
4 retirement board adjusts the actuarially assumed rate of return for the system, either upward or  
5 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

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

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

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

18 (2) Except as provided in subsection (e)(3), the benefit adjustments under subsection  
19 (e)(1)(ii) for any plan year shall be suspended in their entirety unless the funded ratio of the  
20 employees’ retirement system of Rhode Island, the judicial retirement benefits trust, and the state  
21 police retirement benefits trust, calculated by the system’s actuary on an aggregate basis, exceeds  
22 eighty percent (80%) in which event the benefit adjustment will be reinstated for all justices for  
23 such plan year. Effective July 1, 2024, the funded ratio of the employees’ retirement system of  
24 Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust,  
25 calculated by the system’s actuary on an aggregate basis, of exceeding eighty percent (80%) for the  
26 benefit adjustment to be reinstated for all members for such plan year shall be replaced with  
27 seventy-five percent (75%).

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

31 (3) Notwithstanding subsection (e)(2), in each fourth plan year commencing after June 30,  
32 2012, commencing with the plan year ending June 30, 2016, and subsequently at intervals of four  
33 plan years: (i) A benefit adjustment shall be calculated and made in accordance with subsection  
34 (e)(1)(ii) above; and (ii) Effective for members and/or beneficiaries of members who retired on or

1 before June 30, 2015, the dollar amount in subsection (e)(1)(ii)(B) of twenty-five thousand eight  
2 hundred and fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six  
3 dollars (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the  
4 judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the  
5 system's actuary on an aggregate basis, exceeds eighty percent (80%). Effective July 1, 2024, the  
6 funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits  
7 trust, and the state police retirement benefits trust, calculated by the system's actuary on an  
8 aggregate basis, of exceeding eighty percent (80%) shall be replaced with seventy-five percent  
9 (75%).

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

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

19 **28-42-51. Additional functions and duties of director of administration.**

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

23 (1) Establish and maintain a current system of internal financial controls and checks  
24 necessary to insure the proper handling of accounts in connection with the employment security  
25 fund and the employment security administration account created by this chapter, by conducting a  
26 continuous pre-audit or a continuous post-audit or by conducting a combination of both (pre-audit  
27 or post-audit). The cost of these post-audit activities by the office of internal audit and program  
28 integrity in the department of administration shall be reimbursed in full by the department;

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

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

33 (4) Perform any other related functions and duties that may be required by chapters 42 —  
34 44 of this title.

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

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

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

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

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

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

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

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

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

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

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

SECTION 8. Section 35-3-24.1 of the General Laws in Chapter 35-3 entitled "State

1 Budget" is hereby amended to read as follows:

2 **35-3-24.1. Program performance measurement.**

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

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

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

19 (2) In order to collect performance measures from agencies, review performance, and  
20 provide recommendations, the office of budget and management is authorized to coordinate with  
21 the office of internal audit [and program integrity](#) regarding the findings and recommendations that  
22 result from audits conducted by the office.

23 (3) In order to facilitate the office of management and budget's performance reviews,  
24 agencies must generate and provide timely access to records, reports, analyses, audits, reviews,  
25 documents, papers, recommendations, contractual deliverables, or other materials available relating  
26 to agency programs and operations.

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

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

34 SECTION 9. Section 35-7-15 of the General Laws in Chapter 35-7 entitled "Post Audit of

1 Accounts" is hereby amended to read as follows:

2 **35-7-15. Audit of information security systems.**

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

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

19 (c) The office of internal ~~audit's~~ [audit and program integrity's](#) findings shall be deemed  
20 public records and available for public inspection; provided, however, in the event the review  
21 indicates a computer system is vulnerable, or security over the system is otherwise deficient,  
22 reasonably segregable portions of the findings shall be subject to public inspection after the  
23 redaction of any information, the disclosure of which, would endanger the security of the system  
24 or reveal the specific nature of the vulnerabilities found. Notwithstanding any other provision of  
25 law to the contrary, the work papers developed in connection with the review of computer systems  
26 and the security over those systems authorized by this section shall not be deemed public records  
27 and are not subject to disclosure.

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

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

34 SECTION 10. The title of Chapter 35-7.1 of the General Laws entitled "The Office of

1 Internal Audit" is hereby amended to read as follows:

2 ~~CHAPTER 35-7.1~~

3 ~~The Office of Internal Audit~~

4 CHAPTER 35-7.1

5 THE OFFICE OF INTERNAL AUDIT AND PROGRAM INTEGRITY

6 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-  
7 7.1-10 of the General Laws in Chapter 35-7.1 entitled "The Office of Internal Audit" are hereby  
8 amended to read as follows:

9 **35-7.1-1. Establishment of office of internal audit.**

10 (a) There is hereby established within the office of management and budget an office of  
11 internal audit and program integrity. Within the office of internal audit and program integrity, there  
12 shall be a chief, appointed by the director of administration, who shall be the administrative head  
13 of the office. The person so selected to be the chief shall be selected without regard to political  
14 affiliation and with a demonstrated ability in the following areas: accounting, auditing, financial  
15 analysis, investigation, management analysis, and public administration. The office of internal  
16 audit and program integrity will report to the office of management and budget director. Any  
17 reference in general law to the "bureau of audits" or "office of internal audit" shall mean the office  
18 of internal audit and program integrity.

19 (b) The purpose of the office is to prevent and detect fraud, waste, abuse, and  
20 mismanagement in the expenditure of public funds including:

21 (1) All state programs and operations;

22 (2) The procurement of any supplies, services, or construction by state agencies, bureaus,  
23 divisions, sections, departments, offices, commissions, institutions, and activities of the state; and

24 (3) The procurement or expenditure of public funds by organizations or individuals.

25 ~~(b)~~(c) The chief of the office of internal audit and program integrity shall not hold, or be a  
26 candidate for, any elective or any other appointed public office while a chief. No current chief shall  
27 hold a position in any political party or political committee, or, aside from voting, actively engage  
28 in the political campaign of any candidate for public office that may cause a real or perceived  
29 conflict of interest, or participate as a board member of any entity that receives state or federal  
30 funding.

31 ~~(c)~~(d) No employee of the office of internal audit and program integrity shall hold, or be a  
32 candidate for, any elective public office while an employee, nor shall he/she hold a position in any  
33 political party or political committee or, aside from voting, actively engage in a political campaign  
34 of any candidate for public office that may cause a real or perceived conflict of interest, or



1 participate as a board member of any not for profit entity that receives state or federal funding.

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

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

21 **35-7.1-2. Duties.**

22 (a) The chief of internal audit [and program integrity](#) shall supervise, coordinate, and/or  
23 conduct audits, civil and administrative investigations, and inspections or oversight reviews, when  
24 necessary, relating to expenditure of state or federal funds, or to any and all state programs and  
25 operations, as well as the procurement of any supplies, services, or construction, by public bodies.  
26 In the course of an audit or investigation, the office of internal audit [and program integrity](#) shall  
27 review statutes and regulations of the public body and shall determine if such a public body is in  
28 compliance and shall make recommendations concerning the efficiency of operations, and the  
29 effect of such statutes or regulations on internal controls and the prevention and detection of fraud,  
30 waste and abuse. The chief of internal audit [and program integrity](#) may recommend policies or  
31 procedures that may strengthen internal controls, or assist in the prevention or detection of fraud,  
32 waste, and abuse or mismanagement.

33 (b) The person, or persons, with legal authority for any public body may request the  
34 assistance of the office of internal audit [and program integrity](#). Any such request must include the

1 scope of services requested and the work to be performed. In such events, the chief, with the  
2 approval of the director of management and budget, may assign personnel to conduct, supervise,  
3 or coordinate such activity as deemed necessary and appropriate to perform his/her duties in a  
4 diligent and prudent manner. The expenses for any such assistance requested by the public body  
5 shall be reimbursed by the public body to the office of internal audit [and program integrity](#). The  
6 chief may recommend policies for the conduct, supervision, or coordination of the relationship,  
7 between state and other state, local governmental agencies as well as federal governmental agencies  
8 and nongovernmental entities with respect to all matters relating to the prevention and detection of  
9 fraud, waste, abuse or mismanagement in or relating to any and all programs and activities of the  
10 state of Rhode Island.

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

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

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

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

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

27 [\(d\) The chief of internal audit and program integrity, or their designee, may investigate](#)  
28 [reports of any person who, either prior to, or at the time of, or subsequent to the application for](#)  
29 [public assistance:](#)

30 [\(1\) Willfully makes a false statement or misrepresentation;](#)

31 [\(2\) Impersonates someone else;](#)

32 [\(3\) Willfully fails to disclose a material fact regarding eligibility or other fraudulent means;](#)

33 [or](#)

34 [\(4\) Secures, aids, or abets, or attempts to secure, aid, or abet, others in securing public](#)

1 [assistance \(including Supplemental Nutrition Assistance Program \(SNAP\) or Medicaid\) through](#)  
2 [fraudulent actions.](#)

3 [\(e\) The chief of internal audit and program integrity, or their designee, is authorized to:](#)

4 [\(1\) Coordinate, conduct, and/or support investigations aimed at preventing and detecting,](#)  
5 [fraud, waste, abuse, and mismanagement in public assistance programs;](#)

6 [\(2\) Coordinate and support state and local efforts to investigate and eliminate fraud in](#)  
7 [public assistance programs;](#)

8 [\(3\) Work to recover both state and federal funds related to fraudulent activities.](#)

9 [\(f\) In the course of these investigations, the office of internal audit and program integrity](#)  
10 [shall collaborate with local law enforcement agencies, the Rhode Island department of human](#)  
11 [services, the Rhode Island state police, the Rhode Island attorney general, or other local, state, and](#)  
12 [federal entities as needed to complete the investigations.](#)

13 [\(g\) The office shall identify methods to implement innovative technology and data sharing](#)  
14 [in order to detect, analyze, and prevent fraud, waste, and abuse.](#)

15 **35-7.1-3. Investigations or management advisory and consulting services upon**  
16 **request of governor or general assembly.**

17 The office of internal audit [and program integrity](#) may, upon the written request of the  
18 governor or of the general assembly, conduct audits, provide management advisory and consulting  
19 services, or conduct investigations relative to the financial affairs or the economy and efficiency of  
20 management, or both, of any public bodies as defined in § 35-7.1-1(e). The office of internal audit  
21 [and program integrity](#) may, from time to time, make such investigations and additional reports to  
22 the governor, the director of the department of administration, the director of the office of  
23 management and budget, and the general assembly as deemed necessary or advisable.

24 **35-7.1-4. Management advisory and consulting services provided to public bodies.**

25 When requested in writing by a public body to the chief, the office of internal audit [and](#)  
26 [program integrity](#) may provide management advisory or consulting services to the public body.  
27 Any such request must include the scope of services requested and a schedule for the work to be  
28 performed.

29 **35-7.1-6. ~~Inspection of records and papers~~—~~Investigations~~ Inspection of records,**  
30 **papers, and witness testimony -- Investigations and subpoenas.**

31 (a) The chief, in carrying out the duties outlined in this chapter, shall have access to all  
32 records, reports, audits, reviews, papers, books, documents, recommendations, correspondence,  
33 including information relative to the purchase of goods or services or anticipated purchase of goods  
34 or services, from any agent, contractor, or vendor by any public body, as defined in § 35-7.1-1(e),

1 and any other data and material that is maintained by or available to any public body regardless of  
2 the media in which it is maintained which is in any way related to the programs and operations with  
3 respect to public bodies.

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

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

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

20 (e) In furtherance of carrying out any of the duties of this chapter, the chief may request,  
21 with the written approval of the director of the department of administration and through an  
22 administrative subpoena, the attendance and testimony of witnesses and the production of books,  
23 records, and other evidence relevant to an active fraud investigation as described in this chapter.  
24 The subpoena shall specify the time, date, and place where the witness is to respond. Within twenty  
25 (20) days after the service of the subpoena or at any time before the return date specified in the  
26 subpoena, whichever period is shorter, the person served may file in a state superior court and serve  
27 upon the unit and the attorney general a civil petition for an order of the court modifying or setting  
28 aside the subpoena. The petition shall specify each ground upon which the petitioner is seeking  
29 relief. If a person neglects or refuses to comply with any request to provide testimony or produce  
30 books, records, and other evidence relevant to an investigation, the office of internal audit and  
31 program integrity or the attorney general may petition the superior court for an order compelling  
32 the person to answer the request. Books, records, and other evidence obtained through an  
33 administrative subpoena that are not used in a court proceeding shall be destroyed as soon as  
34 practicable.

1           **35-7.1-8. Reports to the state police.**

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

8           **35-7.1-10. ~~Annual and interim reports~~ Audit and Annual reports.**

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

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

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

28           (d) [At the conclusion of each formal audit, the office of internal audit and program integrity](#)  
29 [shall produce an audit report which contains, but is not limited to, the scope of the audit, findings,](#)  
30 [and recommendations.](#) Within twenty (20) calendar days following the date of the issuance of the  
31 management-response copy of the draft audit report, the head of the department, agency, public  
32 body, or private entity audited shall respond, in writing, to each recommendation made in the audit  
33 report. This response shall address the department's, agency's, or public body's or private entity's  
34 plan of corrective action, the party responsible to implement the corrective action plan, and the

1 anticipated date to complete the implementation of the corrective action; and, if applicable, the  
2 reasons for disagreement with any recommendation proposed in the audit report and justification  
3 of management's acceptance of risk. The office of internal audit [and program integrity](#) may perform  
4 follow-up procedures for the purpose of determining whether the department, agency, public body,  
5 or private entity has implemented, in an efficient and effective manner, its plan of correction action  
6 for the recommendations proposed in the audit report or addressed the risk discussed in the audit  
7 report.

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

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

13 **35-7.1-11. Civil actions.**

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

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

21 **35-18-4. Procedure.**

22 (a) A financing lease, guarantee, bond, or other obligation shall be deemed to have been  
23 approved by the general assembly when the general assembly passes a ~~concurrent~~ [joint](#) resolution  
24 of approval regarding the financing lease, guarantee, bond, or other obligation which the governor  
25 or a public corporation, as the case may be, requests that the financing lease, guarantee, bond, or  
26 other obligation be approved by the general assembly. These requests shall be transmitted to the  
27 speaker of the house and the president of the senate with copies to the chairpersons of the respective  
28 finance committees and fiscal advisors. The request for approval shall include:

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

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

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

34 (b) The governor shall provide the general assembly with a timely explanation of any

1 certification made by him or her pursuant to this chapter in connection with any financing lease,  
2 guarantee, bond, or other obligation. These explanations shall be transmitted to the speaker of the  
3 house and the president of the senate with copies to the chairpersons of the respective finance  
4 committees and fiscal advisors. The explanation shall also include:

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

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

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

10 (c) The state shall not enter into any financing lease or guarantee relating to, nor shall any  
11 public corporation issue any bond or other obligation in connection with, any essential public  
12 facility unless the facility conforms to the description included in the request for approval or in the  
13 explanation for certification submitted by the governor in connection with the financing lease,  
14 guarantee, bond, or other obligation; nor shall the state's obligation in connection with the financing  
15 lease, guarantee, bond, or other obligation exceed the amount set forth in the request for approval  
16 or explanation of certification.

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

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

25 **36-4-15.1. Specialized information technology positions in state service.**

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



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

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

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

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

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

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

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

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

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

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



1           **37-2-12. Centralization of the procurement authority.**

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

9           (b) The chief purchasing officer, as defined in § 37-2-7(3)(i), may establish, charge, and  
10 collect from state contractors, ~~listed on master price agreements, an statewide contract~~  
11 administrative fee not to exceed one-third of one percent (0.334%) of the total value of the annual  
12 spend against a contract awarded to a state contractor. All ~~statewide~~ contract administrative fees  
13 collected pursuant to this subsection shall be deposited into a restricted-receipt account within the  
14 general fund designated as the “division of purchases administrative-fee account” and shall be used  
15 for the purposes of implementing, maintaining, or operating technology for the submission and  
16 processing of bids, online vendor registration, bid notification, and other costs related to state  
17 procurement including staffing. On or before January 15, 2019, and annually thereafter on or before  
18 January 15, the chief purchasing officer or designee shall file a report with the governor, the speaker  
19 of the house, and the president of the senate detailing:

20           (i) The total amount of funds collected and deposited into the division of purchases  
21 administrative-fee account for the most recently completed fiscal year;

22           (ii) The account balance as of the date of the report;

23           (iii) An itemization of all expenditures and other uses of said funds from said account for  
24 the most recently completed fiscal year; and

25           (iv) An annual evaluation as to the appropriateness of the amount of the contract  
26 administrative fee ~~on master price agreements~~.

27           (c) Subject to the approval of the director of the department of administration, the state  
28 controller is authorized to offset any currently recorded outstanding liability on the part of  
29 developmental disability organizations (DDOs) to repay previously authorized startup capital  
30 advances against the proceeds from the sale of group homes within a fiscal year prior to any sale  
31 proceeds being deposited into the information technology restricted receipt account established  
32 pursuant to § 42-11-2.5(a).

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

1           ~~**42-7-8. American Recovery and Reinvestment Act administration expenses.**~~

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

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

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

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

15           ~~**42-11-2.9. Division of capital asset management and maintenance established.**~~

16           (a) Establishment. Within the department of administration there shall be established the  
17 division of capital asset management and maintenance ("DCAMM"). Any prior references to the  
18 division of facilities management and/or capital projects, if any, shall now mean DCAMM. Within  
19 the DCAMM there shall be a director of DCAMM who shall be in the classified service and shall  
20 be appointed by the director of administration. The director of DCAMM shall have the following  
21 responsibilities:

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

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

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

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

31           (c) Duties and responsibilities of DCAMM. DCAMM shall have the following duties and  
32 responsibilities:

33           (1) To oversee all new construction and rehabilitation projects on state property, not  
34 including property otherwise assigned outside of the executive department by Rhode Island general

1 laws or under the control and supervision of the judicial branch;

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

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

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

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

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

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

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

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

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

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

23 (iii) Capital equipment replacement;

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

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

26 (vi) Responding to facilities emergencies;

27 (vii) Managing traffic flow on state property;

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

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

30 (x) On or before August 31, 2022, and each April 1 thereafter to submit to the division of  
31 municipal finance a comprehensive list of all real property owned by the state as of the preceding  
32 December 31 to facilitate the purposes of § 45-13-5.1. The comprehensive list and all other  
33 information provided shall be in a format prescribed by the division of municipal finance. The  
34 division of municipal finance shall subsequently provide to DCAMM a certified list of all

properties eligible under § 45-13-5.1 for identification in the statewide database established under subsection (d) of this section. Any changes to the comprehensive list of all real property owned by the state after the list has been supplied to the division of municipal finance shall require notification to the division of municipal finance within thirty (30) days;

(4) To manage and oversee state fleet operations.

(d)(1) All state agencies shall participate in a statewide database and/or information system for capital assets, that shall be established and maintained by DCAMM.

(2) Beginning January 1, 2023, all state agencies, departments, boards, commissions, corporations, authorities, quasi-state agencies, councils, or other political subdivisions that utilize real property shall provide DCAMM any information, documentary and otherwise, that may be necessary or desirable to facilitate the purposes of subsection (c)(3)(x) of this section by March 1 annually, or subsection (d)(1) of this section as required by DCAMM. The administrative head of each submitting entity shall attest to the accuracy and completeness of the information in writing.

(e) Offices and boards assigned to DCAMM. DCAMM shall oversee the following boards, offices, and functions:

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

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

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

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

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

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

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

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

(1) Exercise their respective powers and duties in accordance with their statutory authority and the general policy established by the director of DCAMM or in accordance with the powers and authorities conferred upon the director of DCAMM by this section;

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

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

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

SECTION 18. Section 42-13-2 of the General Laws in Chapter 42-13 entitled "Department

1 of Transportation" is hereby amended to read as follows:

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

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

5 (1) A project management-based program manages the delivery of the department's  
6 portfolio of transportation improvement projects from project conception to the project completion.  
7 Project management activities include:

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

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

10 (iii) Developing and implementing the tools to estimate the resources necessary to deliver  
11 the projects; and

12 (iv) Developing and implementing processes and tools to improve the management of the  
13 projects.

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

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

19 (ii) Monitoring system performance; and

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

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

24 (c) The department shall be organized into such divisions as are described in this section  
25 and such other divisions, subdivisions, and agencies as the director shall find are necessary to carry  
26 out the responsibilities of the department, including: division of finance; division of planning;  
27 division of project management; division of operations and maintenance; office of civil rights;  
28 office of safety; office of external affairs; office of legal; office of personnel; office of information  
29 services.

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

34 (e) The department shall submit a report annually no later than March 31 to the speaker of

1 the house, the president of the senate, and the house and senate fiscal advisors concerning the status  
2 of the ten-year (10) transportation plan.

3 (f) Any functions, duties, and staff relating to the Rhode Island department of  
4 transportation's external audit section shall be transferred to the Rhode Island department of  
5 administration's office of internal audit [and program integrity](#), or its successor, upon passage [Feb.  
6 11, 2016].

7 (1) The chief of the office of internal audit [and program integrity](#), or its successor, who  
8 shall be the administrative head of the office of internal audit [and program integrity](#), or its successor,  
9 shall supervise, coordinate, and/or conduct audits, civil and administrative investigations, and  
10 inspections or oversight reviews, when necessary, relating to programs and operations listed in §  
11 42-13-2.

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

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

25 **42-28-22. Retirement of members.**

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

31 (b) For purposes of this section, the term "*whole salary*" means:

32 (1) For each member who retired prior to July 1, 1966, "*whole salary*" means the base  
33 salary for the position from which the member retired as the base salary for that position was  
34 determined on July 31, 1972;

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

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

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

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

25           (3) Any retired member of the state police who is receiving a benefit payment adjustment  
26 pursuant to subdivisions (1) and (2) of this section shall beginning January 1, 1991, and ending  
27 June 30, 2012, receive a benefits payment adjustment equal to fifteen hundred dollars (\$1,500).

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

31           (e)(1) Any member who retires after July 1, 1972, and is eligible to retire prior to July 1,  
32 2012, and who has served beyond twenty (20) years shall be allowed an additional amount equal  
33 to three percent (3%) for each completed year served after twenty (20) years, but in no event shall  
34 the original retirement allowance exceed sixty-five percent (65%) of the member’s whole salary as

1 defined in subsection (b) hereof or sixty-five percent (65%) of the member's salary as defined in  
2 subsection (b) hereof in the member's twenty-fifth (25th) year whichever is less.

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

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

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

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

25 (4) Any member who is granted a leave of absence without pay for illness, injury, or any  
26 other reason may receive credit therefor by making the full actuarial cost as defined in § 36-8-  
27 1(10); provided the employee returns to state service for at least one year upon completion of the  
28 leave.

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

33 (6) Notwithstanding any other provision of law, no more than five (5) years of service  
34 credit may be purchased by a member of the system. The five (5) year limit shall not apply to any



1 purchases made prior to January 1, 1995. A member who has purchased more than five (5) years  
2 of service credits before January 1, 1995, shall be permitted to apply those purchases towards the  
3 member's service retirement. However, no further purchase will be permitted. Repayment in  
4 accordance with applicable law and regulation of any contribution previously withdrawn from the  
5 system shall not be deemed a purchase of service credit.

6 (g) The provisions of this section shall not apply to civilian employees in the Rhode Island  
7 state police; and, further, from and after April 28, 1937, chapters 8 — 10, inclusive, of title 36 shall  
8 not be construed to apply to the members of the Rhode Island state police, except as provided by  
9 §§ 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.

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

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

18 (2) Any member of the state police who is hired on or after July 1, 2007, may serve up to  
19 a maximum of thirty (30) years, and shall be allowed an additional amount equal to three percent  
20 (3.0%) for each completed year served after twenty-five (25) years, but in no event shall the original  
21 retirement allowance exceed sixty-five percent (65%) of his or her "whole salary" as defined in  
22 subsection (b) hereof.

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

24 (1) Any member of the state police, other than the superintendent of state police, who is  
25 not eligible to retire on or prior to June 30, 2012, may retire at any time subsequent to the date the  
26 member's retirement allowance equals or exceeds fifty percent (50%) of average compensation as  
27 defined in § 36-8-1(5)(a), provided that a member shall retire upon the first to occur of:

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

29 (ii) The later of the attainment of age sixty-two (62) or completion of five (5) years of  
30 service; provided however, any current member as of June 30, 2012, who has not accrued fifty  
31 percent (50%) upon attaining the age of sixty-two (62) shall retire upon accruing fifty percent  
32 (50%); and upon retirement a member shall receive a retirement allowance which shall equal:

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

34 (i) is calculated as the member's years of total service before July 1, 2012, multiplied by

1 two and one-half percent (2.5%) of average compensation for a member's first twenty (20) total  
2 years,

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

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

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

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

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

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

19 (3) For each member who retires on or after July 1, 2012, except as provided in paragraph  
20 (j)(1)(C) above, compensation and average compensation shall be defined in accordance with § 36-  
21 8-1(5)(a) and (8), provided that for a member whose regular work period exceeds one hundred  
22 forty-seven (147) hours over a twenty-four-day (24) period at any time during the four-year (4)  
23 period immediately prior to the member's retirement, that member shall have up to four hundred  
24 (400) hours of their pay for regularly scheduled work earned during this period shall be included  
25 as "compensation" and/or "average compensation" for purposes of this section and § 42-28-22.1.

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

27 (i) Notwithstanding the prior paragraphs of this section, and subject to paragraph (4)(ii)  
28 below, for all present and former members, active and retired members, and beneficiaries receiving  
29 any retirement, disability or death allowance or benefit of any kind, whether for or on behalf of a  
30 non-contributory member or contributory member, the annual benefit adjustment provided in any  
31 calendar year under this section shall be equal to (A) multiplied by (B) where (A) is equal to the  
32 percentage determined by subtracting five and one-half percent (5.5%) (the "subtrahend") from the  
33 Five-Year Average Investment Return of the retirement system determined as of the last day of the  
34 plan year preceding the calendar year in which the adjustment is granted, said percentage not to

1 exceed four percent (4%) and not to be less than zero percent (0%), and (B) is equal to the lesser  
2 of the member's retirement allowance or the first twenty-five thousand dollars (\$25,000) of  
3 retirement allowance, such twenty-five thousand dollars (\$25,000) amount to be indexed annually  
4 in the same percentage as determined under (4)(i)(A) above. The "Five-Year Average Investment  
5 Return" shall mean the average of the investment returns for the most recent five (5) plan years as  
6 determined by the retirement board. Subject to paragraph (4)(ii) below, the benefit adjustment  
7 provided by this paragraph shall commence upon the third (3rd) anniversary of the date of  
8 retirement or the date on which the retiree reaches age fifty-five (55), whichever is later. In the  
9 event the retirement board adjusts the actuarially assumed rate of return for the system, either  
10 upward or downward, the subtrahend shall be adjusted either upward or downward in the same  
11 amount.

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

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

21 (iii) Notwithstanding paragraph (4)(ii), in each fifth plan year commencing after June 30,  
22 2012, commencing with the plan year ending June 30, 2017, and subsequently at intervals of five  
23 (5) plan years, a benefit adjustment shall be calculated and made in accordance with paragraph  
24 (4)(i) above until the funded ratio of the employees' retirement system of Rhode Island, the judicial  
25 retirement benefits trust, and the state police retirement benefits trust, calculated by the system's  
26 actuary on an aggregate basis, exceeds eighty percent (80%).

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

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

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

33 (i)(A) As soon as administratively reasonable following the enactment into law of this  
34 paragraph (5)(i)(A), a one-time benefit adjustment shall be provided to members and/or

1 beneficiaries of members who retired on or before June 30, 2012, in the amount of two percent  
2 (2%) of the lesser of either the member's retirement allowance or the first twenty-five thousand  
3 dollars (\$25,000) of the member's retirement allowance. This one-time benefit adjustment shall be  
4 provided without regard to the retiree's age or number of years since retirement.

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

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

11 (1) is equal to the percentage determined by subtracting five and one-half percent (5.5%)  
12 (the "subtrahend") from the five-year average investment return of the retirement system  
13 determined as of the last day of the plan year preceding the calendar year in which the adjustment  
14 is granted, said percentage not to exceed four percent (4%) and not to be less than zero percent  
15 (0%). The "five-year average investment return" shall mean the average of the investment returns  
16 of the most recent five (5) plan years as determined by the retirement board. In the event the  
17 retirement board adjusts the actuarially assumed rate of return for the system, either upward or  
18 downward, the subtrahend shall be adjusted either upward or downward in the same amount.

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

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

24 (II) is equal to the lesser of either the member's retirement allowance or the first twenty-  
25 five thousand eight hundred and fifty-five dollars (\$25,855) of retirement allowance, such amount  
26 to be indexed annually in the same percentage as determined under subsection (5)(i)(B)(I) above.  
27 The benefit adjustments provided by this subsection (5)(i)(B) shall be provided to all retirees  
28 entitled to receive a benefit adjustment as of June 30, 2012, under the law then in effect, and for all  
29 other retirees the benefit adjustments shall commence upon the third anniversary of the date of  
30 retirement or the date on which the retiree reaches their Social Security retirement age, whichever  
31 is later.

32 (ii) Except as provided in subsection (5)(iii), the benefit adjustments under subsection  
33 (5)(i)(B) for any plan year shall be suspended in their entirety unless the funded ratio of the  
34 employees' retirement system of Rhode Island, the judicial retirement benefits trust, and the state

1 police retirement benefits trust, calculated by the system's actuary on an aggregate basis, exceeds  
2 eighty percent (80%) in which event the benefit adjustment will be reinstated for all members for  
3 such plan year. Effective July 1, 2024, the funded ratio of the employees' retirement system of  
4 Rhode Island, the judicial retirement benefits trust, and the state police retirement benefits trust,  
5 calculated by the system's actuary on an aggregate basis, of exceeding eighty percent (80%) for the  
6 benefit adjustment to be reinstated for all members for such plan year shall be replaced with  
7 seventy-five percent (75%).

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

11 (iii) Notwithstanding subsection (5)(ii), in each fourth plan year commencing after June  
12 30, 2012, commencing with the plan year ending June 30, 2016, and subsequently at intervals of  
13 four plan years: (i) A benefit adjustment shall be calculated and made in accordance with paragraph  
14 (5)(i)(B) above; and (ii) Effective for members and/or beneficiaries of members who retired on or  
15 before June 30, 2015, the dollar amount in subsection (5)(i)(B)(II) of twenty-five thousand eight  
16 hundred and fifty-five dollars (\$25,855) shall be replaced with thirty-one thousand and twenty-six  
17 dollars (\$31,026) until the funded ratio of the employees' retirement system of Rhode Island, the  
18 judicial retirement benefits trust, and the state police retirement benefits trust, calculated by the  
19 system's actuary on an aggregate basis, exceeds eighty percent (80%). Effective July 1, 2024, the  
20 funded ratio of the employees' retirement system of Rhode Island, the judicial retirement benefits  
21 trust, and the state police retirement benefits trust, calculated by the system's actuary on an  
22 aggregate basis, of exceeding eighty percent (80%) shall be replaced with seventy-five percent  
23 (75%).

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

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

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

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

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

12 **42-64-38. Audit of the corporation.**

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

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

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

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

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

24 SECTION 21. Sections 42-140-3, 42-140-7 and 42-140-8 of the General Laws in Chapter  
25 42-140 entitled "Rhode Island Energy Resources Act" are hereby amended to read as follows:

26 **42-140-3. Purposes.**

27 The purposes of the office shall be to:

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

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

34 (3) Develop and to put into effect plans and programs to promote, encourage, and assist

- 1 the efficient and productive use of energy resources in Rhode Island, and to coordinate energy  
2 programs for natural gas, electricity, and heating oil to maximize the aggregate benefits of  
3 conservation and efficiency of investments;
- 4 (4) Monitor and report technological developments that may result in new and/or improved  
5 sources of energy supply, increased energy efficiency, and reduced environmental impacts from  
6 energy supply, transmission, and distribution;
- 7 (5) Administer the programs, duties, and responsibilities heretofore exercised by the state  
8 energy office, except as these may be assigned by executive order or the general laws to other  
9 departments and agencies of state government;
- 10 (6) Develop, recommend, and, as appropriate, implement integrated and/or comprehensive  
11 strategies, including at regional and federal levels, to secure Rhode Island's interest in energy  
12 resources, their supply and efficient use, and as necessary to interact with persons, private sector,  
13 nonprofit, regional, federal entities and departments and agencies of other states to effectuate this  
14 purpose;
- 15 (7) Cooperate with agencies, departments, corporations, and entities of the state and of  
16 political subdivisions of the state in achieving its purposes;
- 17 (8) Cooperate with and assist the state planning council and the division of state planning  
18 in developing, maintaining, and implementing state guide plan elements pertaining to energy and  
19 renewable energy;
- 20 (9) Coordinate the energy efficiency, ~~renewable energy~~, least-cost procurement, and  
21 systems reliability plans and programs with the energy efficiency and resources management  
22 council; ~~and the renewable energy coordinating board~~;
- 23 (10) Participate in, monitor implementation of, and provide technical assistance for the  
24 low-income home energy assistance program enhancement plan established pursuant to § 39-1-  
25 27.12;
- 26 (11) Participate in and monitor the distributed generation standard contracts program  
27 pursuant to chapter 26.2 of title 39;
- 28 (12) Coordinate opportunities with and enter into contracts and/or agreements with the  
29 commerce corporation associated with the energy efficiency, least-cost procurement, system  
30 reliability, and renewable energy fund programs;
- 31 (13) Provide support and information to the division of planning and the state planning  
32 council in the development of a ten-year (10) Rhode Island Energy Guide Plan, which shall be  
33 reviewed and amended if necessary every five (5) years;
- 34 (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)~~<sup>(15)</sup> 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)~~<sup>(16)</sup> 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)~~<sup>(17)</sup> 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  
education within the state, industry, advocacy groups, and regional entities, and shall seek input  
from stakeholders including, but not limited to, residential and commercial energy users.~~

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

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

The commissioner shall report annually, on or before ~~June 30~~ <sup>March 1</sup> of each year, to the  
governor, the president of the senate, and the speaker of the house with regard to the status of  
energy supplies, markets, and conditions, the effectiveness of energy programs, <sup>and</sup> the activities



1 of the office. ~~including the council, and such other matters related to energy as the commissioner~~  
2 ~~or the council may deem appropriate.~~

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

5 **42-140-12. Clean transportation programs.**

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

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

12 **42-155-7. Audit of quasi-public corporations.**

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

25 (b) The audit shall be conducted in conformance with chapter 7 of title 35 ("Post Audit of  
26 Accounts").

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

31 (d) The results of the audit shall be made public upon completion and posted on the  
32 websites of the office of internal audit and program integrity and the quasi-public corporation.

33 (e) For purposes of this section, a performance audit shall mean an independent  
34 examination of a program, function, operation, or the management systems and procedures of a

1 governmental or nonprofit entity to assess whether the entity is achieving economy, efficiency, and  
2 effectiveness in the employment of all available resources.

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

5 **42-157-6. Audit.**

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

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

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

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

17 ~~CHAPTER 42-165~~

18 ~~Rhode Island Longitudinal Data System Act~~

19 CHAPTER 42-165

20 RHODE ISLAND INTEGRATED DATA SYSTEM ACT

21 SECTION 26. Sections 42-165-1, 42-165-2, 42-165-3, 42-165-4, 42-165-5, 42-165-6 and  
22 42-165-7 of the General Laws in Chapter 42-165 entitled "Rhode Island Longitudinal Data System  
23 Act" are hereby amended to read as follows:

24 **42-165-1. ~~Rhode Island longitudinal data system act.~~ Rhode Island integrated data**  
25 **system act.**

26 This chapter shall be known and may be cited as the "Rhode Island ~~Longitudinal~~ [Integrated](#)  
27 Data System Act."

28 **42-165-2. Findings.**

29 (a) **Purpose.** The Rhode Island ~~Longitudinal~~ [Integrated](#) Data System (~~RHDSRIIDS~~)  
30 ["DATA RI"](#) is Rhode Island's statewide ~~longitudinal~~ [integrated](#) data system that integrates and  
31 links individual or unit-level data. The purpose of the ~~RHDSRIIDS~~ is to connect [federated](#) data  
32 across sectors [and](#) over time to support research aligned with the state's priorities; inform  
33 policymaking and program evaluation; and improve the well-being of all Rhode Islanders.

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

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

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

(3) The RI [Longitudinal Data System \(RILDS\)](#) ~~DataHUB~~ is the state education and workforce longitudinal data system, aligned to the U.S. Department of Education's Statewide Longitudinal Data System (SLDS) grant program and the U.S. Department of Labor's Workforce Data Quality Initiative grant program.

[\(4\) The Ecosystem is the state's health and human services integrated data system focused on improving the outcomes of these related programs and starting from the base of the Medicaid program.](#)

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

[\(6\) Unified governance across the Ecosystem and RILDS will allow more efficient and secure operation of the state's data infrastructure.](#)

### **42-165-3. Definitions.**

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

(1) "Participating agency" means the Rhode Island department of education, the office of the postsecondary commissioner, the Rhode Island department of labor and training, [executive office of health and human services](#), and any agency that has executed a memorandum of 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

1 and Privacy Act and its accompanying regulations (“FERPA”), Health Insurance Portability and  
2 Accountability Act (“HIPAA”), R.I. Gen. Laws § 28-42-38, 20 C.F.R. § 603.1 et seq., and any  
3 other privacy measures that apply to the personally identifiable information that is used by the  
4 center and/or becomes part of the RILDS, the Ecosystem or RIIDS hereunder.

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

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

14 **42-165-4. Creation.**

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

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

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

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

26 (3) Enable the integration, linkage, and management of information;

27 (4) Report on and provide public access to aggregate data to, among other things, address  
28 inequities in access, opportunities, and outcomes and improve student and educator decision-  
29 making;

30 (5) Provide clarity to university and other researchers on the process to request data and  
31 what data is available to request; ~~and~~

32 (6) Nothing in this chapter shall negate or otherwise adversely affect the validity and legal  
33 enforceability of any existing data sharing and/or research agreements executed between and  
34 among the state’s participating agencies and the state’s ~~statewide longitudinal data system~~ RILDS

1 [or Ecosystem: and](#)

2 [\(7\) Nothing in this section and chapter shall negate or overrule the right of an agency,](#)  
3 [institution or entity that has provided and/or transferred data to the RIIDS, RILDS, or the](#)  
4 [Ecosystem to determine the use of and access to its data.](#)

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

6 (a) **Composition of board.** The ~~RIIDS~~ [RIIDS “DATA RI”](#) will be governed by the Rhode  
7 Island ~~longitudinal~~ [Integrated](#) data system governing board (the board).

8 (1) The board shall be composed of:

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

10 (ii) The directors of any participating agencies as described in § 42-165-3 and § 42-165-6,  
11 or their designee;

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

13 (iv) The chief digital officer or designee;

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

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

16 and

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

18 (2) The board shall be overseen by two co-chairs. ~~As The co-chairs co-chair, the director~~  
19 ~~of administration or designee~~ shall be responsible for overseeing and directing the policy duties  
20 and responsibilities of the board. ~~The other co-chair shall be the commissioner of postsecondary~~  
21 ~~education who shall be responsible for~~ [and](#) overseeing, supervising, and directing the operational  
22 duties of the center and its personnel.

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

24 (1) In consultation with the center [and the Ecosystem](#), and in accordance with federal and  
25 state privacy law, approve policies regarding how data requests from state and local agencies, the  
26 Rhode Island general assembly, universities, third-party researchers, and the public will be  
27 managed;

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

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

1 (4) Perform other functions that are necessary to ensure the successful continuation,  
2 management, and expansion of the ~~RILDS~~ RIIDS;

3 (5) Establish a data governance committee to work with the center and Ecosystem on an  
4 ongoing basis to among other responsibilities, approve data requests;

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

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

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

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

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

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

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

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

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

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

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

20 Serve as the single governing board for the RILDS and the Ecosystem;

21 (8) Set the strategic direction for RIIDS to ensure it:

22 (i) Improves transparency and public accessibility of data, including increasing the  
23 availability of dashboards, plain language summaries; public data catalogs of research and reports;

24 (ii) Enhances data availability for internal state use, ensuring data is accessible to state  
25 analysts to conduct broad analysis of state programs, thereby improving the state's understanding  
26 of the operation and impact of its programs; and

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

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

1           **42-165-6. Participating agencies.**

2           (a) Participating agencies shall transfer data, as applicable, to the RILDS in accordance  
3 with the data security policies as approved by the board, and pursuant to the requirements of state  
4 and federal privacy laws and policies.

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

8           (c) All Rhode Island state agencies shall:

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

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

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

14           **42-165-7. The Rhode Island longitudinal data system center.**

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

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

24           (1) Act as an authorized representative, research partner, and business associate of the  
25 state’s agencies, including those responsible for education and workforce, under and in accordance  
26 with the requirements of applicable federal and state statutes and/or state and federal privacy laws  
27 and state security policies;

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

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

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



- 1 (5) In consultation with the board, identify the state’s critical research and policy questions;
- 2 (6) Provide analysis and reports that assist with evaluating programs and measuring
- 3 investments, subject to the policies approved by the board;
- 4 (7) Implement policies and procedures approved by the board that govern the security,
- 5 privacy, access to, and confidentiality of the data, in accordance with relevant federal and state
- 6 privacy laws;
- 7 (8) Ensure that information contained in and available through the RILDS is kept secure,
- 8 and that individual privacy is protected, and maintain insurance coverage;
- 9 (9) Respond to approved research data requests in accordance with the policies and
- 10 procedures approved by the board;
- 11 (10) Enter into contracts or other agreements with appropriate entities, including but not
- 12 limited to universities, and federal, state, and local agencies, to the extent necessary to carry out its
- 13 duties and responsibilities only if such contracts or agreements incorporate adequate protections
- 14 with respect to the privacy and security of any information to be shared, and are approved, in
- 15 writing, by the applicable agency whose data or information is to be shared, and are allowable
- 16 under applicable state and federal privacy laws; and
- 17 (11) Maintain staff necessary to carry out the above duties as provided for in the state
- 18 budget. Staff at the center shall be non-classified employees of the council on postsecondary
- 19 education, under the supervision of and subject to the authority of the commissioner of
- 20 postsecondary education. The non-SLDS activity of the center shall also be under the supervision
- 21 and authority of the commissioner of postsecondary education and the council on postsecondary
- 22 education. The council on postsecondary education, its office of the postsecondary commissioner,
- 23 and its employees shall be included under the limitation of damages for tort liability for the State
- 24 set out in § 9-31-1 et seq., for all actions involving the center regarding the RILDS and/or SLDS
- 25 and for any other activity of the center regarding its receipt, storage, sharing, and transmission of
- 26 data as part of its non-SLDS operations and activities.
- 27 (12) The council on postsecondary education shall be the employer of public record for the
- 28 Center.
- 29 (c) **Funding.** Appropriations made pursuant to this chapter shall be used exclusively for
- 30 the development and operation of RILDS, [RIIDS or the Ecosystem](#).
- 31 (1) The board and the center may implement a data request fee policy to compensate for
- 32 excessive use of the data system, to recover costs that would otherwise typically be borne by the
- 33 requesting data researcher, or both. A data request fee policy implemented pursuant to this section
- 34 shall be reviewed and approved by the board, revised periodically, and made publicly available and



1 posted in a prominent location on the ~~RILDS's~~ [RIID's](#) internet website.

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

4 (i) State appropriations;

5 (ii) Federal grants;

6 (iii) User fees; and

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

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

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

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

16 Notwithstanding any other provision of law:

17 (1) The tax administrator may make available: (i) To the taxing officials of any other states  
18 or of the federal government for tax purposes only, any information that the administrator may  
19 consider proper contained in tax reports or returns or any audit or the report of any investigation  
20 made with respect to them, filed pursuant to the tax laws of this state; provided, that other states or  
21 the federal government grant like privileges to the taxing officials of this state; and/or (ii) To an  
22 officer or employee of the office of internal audit [and program integrity](#) of the Rhode Island  
23 department of administration, any information that the administrator may consider proper contained  
24 in tax reports or returns or any audit or the report of any investigation made with respect to them,  
25 filed pursuant to the tax laws of this state, to whom disclosure is necessary for the purposes of fraud  
26 detection and prevention in any state or federal program.

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

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

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

1           (iii) To another person for the purpose of, but only to the extent necessary in, the  
2 programming, maintenance, repair, testing, and procurement of equipment used in processing or  
3 transmission of those returns and return information; or  
4           (iv) To a legal representative of the tax division, personally and directly engaged in, and  
5 solely for use in, preparation for a civil or criminal proceeding (or investigation which may result  
6 in a proceeding) before a state administrative body, grand jury, or court in a matter involving state  
7 tax administration, but only if:  
8           (A) The taxpayer is or may be a party to the proceeding;  
9           (B) The treatment of an item reflected on the return is or may be related to the resolution  
10 of an issue in the proceeding or investigation; or  
11           (C) The return or return information relates, or may relate, to a transactional relationship  
12 between a person who is or may be a party to the proceeding and the taxpayer that affects or may  
13 affect the resolution of an issue in a proceeding or investigation.  
14           SECTION 28. This article shall take effect upon passage, except Section 15, which shall  
15 take effect on January 1, 2026.