

1 dollars (\$3,000,000) from unallocated auction proceeds to the executive climate change
2 coordinating council restricted receipt account to maintain funding for the existing electric vehicle
3 and electric bicycle incentive programs and to support other projects; and

4 (8) Provided however, effective for fiscal year 2024 and thereafter, sale of allowances
5 yielding in excess of four million five hundred thousand dollars (\$4,500,000) per auction shall be
6 transferred to the Rhode Island office of energy resources, on behalf of the executive climate change
7 coordinating council, for climate change related initiatives. The executive climate change
8 coordinating council shall have exclusive authority to direct the use of these funds pursuant to §
9 42-6.2-3.1. The office of energy resources may act on behalf of the executive climate change
10 coordinating council to disburse these funds. Provided further, that any transfer of allowances in a
11 single fiscal year, pursuant to this section shall not exceed one million five hundred thousand
12 dollars (\$1,500,000).

13 (b) Any interest earned on the funds so generated must be credited to the fund. Funds not
14 spent in any fiscal year shall remain in the fund to be used for future energy efficiency and carbon
15 reduction programs.

16 (c) Annually, the office, in consultation with the council and board, shall prepare a draft
17 proposal on how the proceeds from the allowances shall be allocated. The draft proposal shall be
18 designed to augment and coordinate with existing energy efficiency and renewable energy
19 programs, and shall not propose use of auction proceeds for projects already funded under other
20 programs. The proposal for allocation of proceeds in subsections (a)(1), (2), and (3) shall be one
21 that best achieves the purposes of the law, namely, lowering carbon emissions and minimizing costs
22 to consumers over the long term. The office shall hold a public hearing and accept public comment
23 on the draft proposal in accordance with chapter 35 of title 42 (the “Administrative Procedures
24 Act”). Once the proposal is final, the office shall authorize the disbursement of funds in accordance
25 with the final plan.

26 Effective for fiscal year 2027 and thereafter, as part of the allocation process, the office is
27 hereby authorized and directed to consult annually and coordinate with the Rhode Island public
28 transit authority in determining the total funding required to match federal funds to purchase zero-
29 emission buses with zero tailpipe emissions. Of the agreed-upon amount, fifty percent (50%) shall
30 be allocated from the auction proceeds, and the remaining fifty percent (50%) shall be from
31 authority sources.

32 (d) The office shall prepare, in consultation with the council and board, a report by April
33 15 of each year describing the implementation and operation of RGGI, the revenues collected and
34 the expenditures, including funds that were allocated to the energy efficiency and renewable energy

1 programs, and the individuals, businesses, and vendors that received funding, made under this
2 section, the statewide energy efficiency and carbon reduction programs, and any recommendations
3 for changes to law relating to the state's energy conservation or carbon reduction efforts. The report
4 shall be made public and be posted electronically on the website of the office of energy resources
5 and shall also be submitted to the general assembly.

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

8 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

9 Indirect cost recoveries of fifteen percent (15%) of cash receipts shall be transferred from
10 all restricted receipt accounts, to be recorded as general revenues in the general fund. However,
11 there shall be no transfer from cash receipts with restrictions received exclusively: (1) From
12 contributions from nonprofit charitable organizations; (2) From the assessment of indirect cost-
13 recovery rates on federal grant funds; or (3) Through transfers from state agencies to the department
14 of administration for the payment of debt service. These indirect cost recoveries shall be applied to
15 all accounts, unless prohibited by federal law or regulation, court order, or court settlement. The
16 following restricted receipt accounts shall not be subject to the provisions of this section:

- 17 Executive Office of Health and Human Services
- 18 HIV Care Grant Drug Rebates
- 19 Health System Transformation Project
- 20 Rhode Island Statewide Opioid Abatement Account
- 21 HCBS Support-ARPA
- 22 HCBS Admin Support-ARPA
- 23 Department of Human Services
- 24 Organ Transplant Fund
- 25 Veterans' home — Restricted account
- 26 Veterans' home — Resident benefits
- 27 Pharmaceutical Rebates Account
- 28 Demand Side Management Grants
- 29 Veteran's Cemetery Memorial Fund
- 30 Donations — New Veterans' Home Construction
- 31 Commodity Supplemental Food Program-Claims
- 32 Department of Health
- 33 Pandemic medications and equipment account
- 34 Miscellaneous Donations/Grants from Non-Profits

1 State Loan Repayment Match
2 Healthcare Information Technology
3 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
4 Eleanor Slater non-Medicaid third-party payor account
5 Hospital Medicare Part D Receipts
6 RICLAS Group Home Operations
7 Group Home Facility Improvement Fund
8 Commission on the Deaf and Hard of Hearing
9 Emergency and public communication access account
10 Department of Environmental Management
11 National heritage revolving fund
12 Environmental response fund II
13 Underground storage tanks registration fees
14 De Coppet Estate Fund
15 Rhode Island Historical Preservation and Heritage Commission
16 Historic preservation revolving loan fund
17 Historic Preservation loan fund — Interest revenue
18 Department of Public Safety
19 E-911 Uniform Emergency Telephone System
20 Forfeited property — Retained
21 Forfeitures — Federal
22 Forfeited property — Gambling
23 Donation — Polygraph and Law Enforcement Training
24 Rhode Island State Firefighter’s League Training Account
25 Fire Academy Training Fees Account
26 Attorney General
27 Forfeiture of property
28 Federal forfeitures
29 Attorney General multi-state account
30 Forfeited property — Gambling
31 Department of Administration
32 Health Insurance Market Integrity Fund
33 RI Health Benefits Exchange
34 Information Technology restricted receipt account

1 Restore and replacement — Insurance coverage
2 Convention Center Authority rental payments
3 Investment Receipts — TANS
4 OPEB System Restricted Receipt Account
5 Grants Management Administration
6 Office of Energy Resources
7 OER Reconciliation Funding
8 RGGI Executive Climate Change Coordinating Council Projects
9 Electric Vehicle Charging Stations Operating and Maintenance Account
10 Clean Transportation Programs
11 Department of Housing
12 Housing Resources and Homelessness Restricted Receipt Account
13 Housing Production Fund
14 Low-Income Housing Tax Credit Fund
15 Department of Revenue
16 Car Rental Tax/Surcharge-Warwick Share
17 DMV Modernization Project
18 Jobs Tax Credit Redemption Fund
19 Legislature
20 Audit of federal assisted programs
21 Department of Children, Youth and Families
22 Children’s Trust Accounts — SSI
23 Military Staff
24 RI Military Family Relief Fund
25 RI National Guard Counterdrug Program
26 Treasury
27 Admin. Expenses — State Retirement System
28 Retirement — Treasury Investment Options
29 Defined Contribution — Administration - RR
30 Violent Crimes Compensation — Refunds
31 Treasury Research Fellowship
32 Business Regulation
33 Banking Division Reimbursement Account
34 Office of the Health Insurance Commissioner Reimbursement Account

- 1 Securities Division Reimbursement Account
- 2 Commercial Licensing and Racing and Athletics Division Reimbursement Account
- 3 Insurance Division Reimbursement Account
- 4 Historic Preservation Tax Credit Account
- 5 Rhode Island Cannabis Control Commission
- 6 Marijuana Trust Fund
- 7 Social Equity Assistance Fund
- 8 Judiciary
- 9 Arbitration Fund Restricted Receipt Account
- 10 Third-Party Grants
- 11 RI Judiciary Technology Surcharge Account
- 12 Department of Elementary and Secondary Education
- 13 Statewide Student Transportation Services Account
- 14 School for the Deaf Fee-for-Service Account
- 15 School for the Deaf — School Breakfast and Lunch Program
- 16 Davies Career and Technical School Local Education Aid Account
- 17 Davies — National School Breakfast & Lunch Program
- 18 School Construction Services
- 19 Office of the Postsecondary Commissioner
- 20 Tuition Savings Program Fund
- 21 Higher Education and Industry Center
- 22 IGT STEM Scholarships
- 23 Department of Labor and Training
- 24 Job Development Fund
- 25 Contractor Training Restricted Receipt Account
- 26 Workers' Compensation Administrative Account
- 27 [Rhode Island Uninsured Protection Fund](#)
- 28 Rhode Island Council on the Arts
- 29 Governors' Portrait Donation Fund
- 30 Statewide records management system account

31 SECTION 3. Section 39-18.1-5 of the General Laws in Chapter 39-18.1 entitled
32 "Transportation Investment and Debt Reduction Act of 2011" is hereby amended to read as follows:

33 **39-18.1-5. Allocation of funds.**

34 (a) The monies in the highway maintenance fund to be directed to the department of

1 transportation pursuant to § 39-18.1-4(b)(1) — (b)(3) shall be allocated through the transportation
2 improvement program process to provide the state match for federal transportation funds, in place
3 of borrowing, as approved by the state planning council. The expenditure of moneys in the highway
4 maintenance fund shall only be authorized for projects that appear in the state’s transportation
5 improvement program.

6 (b) Provided, however, that beginning with fiscal year 2015 and annually thereafter, the
7 department of transportation will allocate necessary funding to programs that are designed to
8 eliminate structural deficiencies of the state’s bridge, road, and maintenance systems and
9 infrastructure.

10 (c) Provided, that beginning July 1, 2015, through June 30, 2025, five percent (5%) of
11 available proceeds in the Rhode Island highway maintenance account shall be allocated annually
12 to the Rhode Island public transit authority for operating expenditures.

13 (d) Provided, that beginning July 1, 2025, through June 30, 2026, ten percent (10%) of
14 available proceeds in the Rhode Island highway maintenance account shall be allocated annually
15 to the Rhode Island public transit authority for operating expenditures.

16 (e) Provided, ~~further~~, that from July 1, 2017, ~~and annually thereafter~~ through June 30, 2026,
17 in addition to the amount above, the Rhode Island public transit authority shall receive an amount
18 of not less than five million dollars (\$5,000,000) each fiscal year, except for the period July 1, 2019,
19 through June 30, 2022, during which such amount or a portion thereof may come from federal
20 coronavirus relief funds.

21 (f) Provided, further that beginning July 1, 2026, and annually thereafter, twenty-five
22 percent (25%) of available proceeds in the Rhode Island highway maintenance account shall be
23 allocated annually to the Rhode Island public transit authority for operating expenditures.

24 SECTION 4. This article shall take effect upon passage, except Section 2 which shall take
25 effect retroactively as of July 1, 2025.