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ARTICLE 2
RELATING TO STATE FUNDS

SECTION 1. Effective retroactively to July 1, 2025, section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds" is hereby amended to read as follows:

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

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

- Executive Office of Health and Human Services
- HIV Care Grant Drug Rebates
- Health System Transformation Project
- Rhode Island Statewide Opioid Abatement Account
- HCBS Support-ARPA
- HCBS Admin Support-ARPA
- Department of Human Services
- Organ Transplant Fund
- Veterans’ home — Restricted account
- Veterans’ home — Resident benefits
- Pharmaceutical Rebates Account
- Demand Side Management Grants
- Veteran’s Cemetery Memorial Fund
- Donations — New Veterans’ Home Construction
- Commodity Supplemental Food Program-Claims
- Department of Health
- Pandemic medications and equipment account
- Miscellaneous Donations/Grants from Non-Profits
- State Loan Repayment Match
- Healthcare Information Technology
- Department of Behavioral Healthcare, Developmental Disabilities and Hospitals

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

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

1 Historic Preservation Tax Credit Account
2 Rhode Island Cannabis Control Commission
3 Marijuana Trust Fund
4 Social Equity Assistance Fund
5 Judiciary
6 Arbitration Fund Restricted Receipt Account
7 Third-Party Grants
8 RI Judiciary Technology Surcharge Account
9 Department of Elementary and Secondary Education
10 Statewide Student Transportation Services Account
11 School for the Deaf Fee-for-Service Account
12 School for the Deaf — School Breakfast and Lunch Program
13 Davies Career and Technical School Local Education Aid Account
14 Davies — National School Breakfast & Lunch Program
15 School Construction Services
16 Office of the Postsecondary Commissioner
17 Tuition Savings Program Fund
18 Higher Education and Industry Center
19 IGT STEM Scholarships
20 Department of Labor and Training
21 Job Development Fund
22 Contractor Training Restricted Receipt Account
23 Workers’ Compensation Administrative Account
24 [Rhode Island Uninsured Protection Fund](#)
25 Rhode Island Council on the Arts
26 Governors’ Portrait Donation Fund
27 Statewide records management system account
28 SECTION 2. Section 39-18.1-5 of the General Laws in Chapter 39-18.1 entitled
29 "Transportation Investment and Debt Reduction Act of 2011" is hereby amended to read as follows:
30 [39-18.1-5. Allocation of funds.](#)
31 (a) The monies in the highway maintenance fund to be directed to the department of
32 transportation pursuant to § 39-18.1-4(b)(1) — (b)(3) shall be allocated through the transportation
33 improvement program process to provide the state match for federal transportation funds, in place
34 of borrowing, as approved by the state planning council. The expenditure of moneys in the highway

1 maintenance fund shall only be authorized for projects that appear in the state's transportation
2 improvement program.

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

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

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

13 (e) Provided, further, that from July 1, 2017, ~~and annually thereafter~~ through June 30, 2026,
14 in addition to the amount above, the Rhode Island public transit authority shall receive an amount
15 of not less than five million dollars (\$5,000,000) each fiscal year, except for the period July 1, 2019,
16 through June 30, 2022, during which such amount or a portion thereof may come from federal
17 coronavirus relief funds. Provided, further, that beginning July 1, 2026, and annually thereafter, in
18 addition to the amount above, the Rhode Island public transit authority shall receive an amount of
19 not less than fourteen million three hundred thousand dollars (\$14,300,000) each fiscal year.

20 SECTION 3. This article shall take effect upon passage, except Section 1 which shall take
21 effect retroactively as of July 1, 2025.