

ARTICLE 2

RELATING TO STATE FUNDS

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

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

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

14 Executive Office of Health and Human Services

15 HIV Care Grant Drug Rebates

16 Health System Transformation Project

17 Rhode Island Statewide Opioid Abatement Account

18 HCBS Support-ARPA

19 HCBS Admin Support-ARPA

20 Department of Human S

21 Organ Transplant Fund

22 Veterans' home — Rest

23 Veterans' home — Resident benefits

24 Pharmaceutical Rebates Account

25 Demand Side Management Grant

26 Veteran's Cemetery Memorial Fund

27 Donations — New Veterans' Home

28 Commodity Supplemental Food Program-Claims

29 Department of Health

30 Pandemic medications

31 Miscellaneous Donations/Grants from Non-Pr

32 State Loan Repayment Match

33 Healthcare Information Technol

34 Department of Behavioral Healthca

- 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 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.