

# ARTICLE 3 AS AMENDED

## RELATING TO GOVERNMENT REFORM AND REORGANIZATION

SECTION 1. Title 42 of the General Laws entitled "STATE AFFAIRS AND GOVERNMENT" is hereby amended by adding thereto the following chapter:

### CHAPTER 9.4

#### OFFICE OF INSPECTOR GENERAL

##### **42-9.4-1. Purpose and establishment of office of the inspector general.**

(a)(1) There is hereby established an office of the inspector general (the "office") that shall be an independent and nonpartisan administrative agency whose purpose shall be to investigate the management and operation of agencies as it relates to the prevention and detection of fraud, waste, abuse and mismanagement in the expenditure of public funds that harms the public interest.

(2) The jurisdiction, authorization, powers, and duties granted to the office pursuant to this chapter shall be in addition to, and not in contravention of, any and all jurisdiction, authorization, powers, and duties of the office of attorney general, any other state or local law enforcement agency, or the auditor general.

(3) The general assembly shall make adequate appropriations to the office of inspector general to enable effective operation and independence.

(b) The inspector general shall be appointed by the governor with the advice and consent of the senate in accordance with § 42-9.4-4 and shall direct and supervise the work of the office as follows:

(1) The inspector general shall establish the organizational structure appropriate to carry out the functions and duties of the office and shall have the power to employ, promote, and remove such deputies, assistants, employees, and personnel as deemed necessary for the efficient and effective administration of the office.

(2) The inspector general may hire the necessary support staff, and designate a deputy inspector general and other qualified staff with education or experience in relevant areas, such as investigations, evidence collection, audits, compliance with laws and other requirements, or other forms of oversight, enforcement, or government evaluation. Provided, further, the inspector general may contract for services of technical experts, including legal counsel.

(3) Within three (3) years after being hired, investigative staff employed by the office shall

1 become certified by the Association of Inspectors General in at least one of the following fields:

2 (i) Investigation;

3 (ii) Auditing; or

4 (iii) Evaluation.

5 (c) Nothing in this chapter shall diminish, supersede, limit, or interfere with the statutory  
6 responsibilities and authority of the auditor general as provided in § 22-13-4.

7 (d) The director of administration is hereby authorized and directed to provide suitable  
8 quarters for the office of inspector general.

9 **42-9.4-2. Definitions.**

10 As used in this chapter:

11 (1) "Agency" means a separate agency or unit of state government created or established  
12 by law and includes, but is not limited to, the following entities and officers of any authority, board,  
13 branch, bureau, commission, committee, council, department, division, institution, office, public  
14 corporation, or quasi-agency as the case may be.

15 Agency shall not mean and shall not include: (i) The legislative branch of state government  
16 and any agency, committee, commission, or unit therein or thereof; or (ii) The judicial branch of  
17 state government and any agency, committee, commission, or unit therein or thereof.

18 (2) "Contractor" means any person, corporation, partnership, business, committee, or other  
19 organization entity or group of individuals, performing any tasks or duties as defined under a  
20 written or oral contract with an agency.

21 (3) "Employee" means any person employed by an agency, including agency heads,  
22 directors and commissioners.

23 (4) "Officer" means any person appointed to any agency.

24 (5) "Official" means any person elected to office within the executive branch of  
25 government.

26 (6) "Public funds" means state, federal or local funds, either appropriated, non-appropriated  
27 or given under right of grant.

28 **42-9.4-3. Qualifications.**

29 To be eligible to be appointed as an inspector general, a candidate shall have, at a minimum,  
30 the following qualifications:

31 (1) Hold a bachelor's degree or higher in criminal justice, public administration, law  
32 enforcement, accounting, or a related area;

33 (2) Have at least ten (10) years of professional experience in auditing, investigations, law  
34 enforcement, accounting, or a related area;

1           (3) Hold a professional certificate from the Association of Inspectors General, including  
2 Certified Inspector General or Certified Inspector General Investigator; and

3           (4) Demonstrate a commitment to safeguarding the mission of public service. Candidates  
4 must provide prior professional opinions, positions, or actions that may influence the candidate's  
5 approach to the role, which will be subject to public disclosure to the extent permitted under law.

6           **42-9.4-4. Inspector general -- Appointment -- Removal.**

7           (a) There is hereby established a five (5) member independent advisory commission  
8 comprised of the following individuals:

9           (1) Attorney general;

10          (2) General treasurer;

11          (3) Secretary of state;

12          (4) Executive director of the ethics commission; and

13          (5) President of the Association of Inspectors General, or designee.

14          (b) The commission shall immediately be charged with creating a process for the  
15 application, interview and selection of suitable and qualified candidates as follows:

16          (1) The commission shall consider applicants for the position of inspector general, in  
17 accordance with this chapter and without regard to political affiliation, on the basis of integrity,  
18 capability for strong leadership and demonstrated ability in accounting, auditing, financial analysis,  
19 law, public administration, investigations, criminal justice administration, or closely related fields.

20          (2) Within ninety (90) days of the effective date of this chapter, the commission shall  
21 submit to the governor a list of three (3) qualified candidates for inspector general that the governor  
22 shall give due consideration in appointing one individual from the list. Within ninety (90) days of  
23 receiving the list, the governor shall submit to the senate for advice and consent one individual for  
24 appointment as inspector general.

25          (3) Once confirmed by the senate, the inspector general shall serve for a term of five (5)  
26 years and is eligible for reappointment for a second five (5) year term, in accordance with this  
27 section.

28          (c) No inspector general may serve longer than two (2) five (5) year terms.

29          (d) The inspector general and employees shall be subject to chapter 14 of title 36 ("code of  
30 ethics").

31          (e) Upon a mid-term vacancy of the inspector general, an interim inspector general shall  
32 be appointed in accordance with this section.

33          (f) No inspector general, officer, or employee of the office of inspector general shall hold  
34 or be a candidate for any other elective or appointed public office while serving as inspector

1 general.

2 (g) No inspector general, officer, or employee of the office of inspector general shall hold  
3 a position in any political party, committee, or subcommittee, or participate in any political  
4 campaign of any candidate for public office while serving as inspector general.

5 (h) Eligibility restriction. The following individuals shall not be nominated for inspector  
6 general until one year after the last day of the individual's holding of any of the following  
7 disqualifying positions:

8 (1) A member of the general assembly;

9 (2) Any other public office holder; or

10 (3) A cabinet secretary, a department director in the executive branch, or an individual of  
11 equivalent standing within the executive branch.

12 (i) Removal. The person so appointed as inspector general may be removed from office for  
13 cause by the governor prior to the expiration of his or her term. Cause may include substantial  
14 neglect of duty, gross misconduct or conviction of a crime, whether or not it is related to official  
15 work duties.

16 **42-9.4-5. Jurisdiction -- Powers and duties.**

17 (a) The inspector general shall have jurisdiction over any official, officer, employee, or  
18 agency in the executive branch of state government.

19 (b) The inspector general shall have the following duties:

20 (1) Investigate the management and operation of agencies to determine if there has been  
21 evidence of fraud, waste, abuse, mismanagement, or any other abuse of governmental resources  
22 that harms the public interest, whether through acts or omissions;

23 (2) Investigate retaliation claims regarding whistleblowers;

24 (3) Report suspected acts of fraud, waste, abuse or mismanagement against or within an  
25 agency to the governor and, as appropriate to other state entities with jurisdiction over the matter;

26 (4) Conduct special investigations and management reviews of agencies at the request of  
27 the governor;

28 (5) Establish procedures to receive, investigate, and resolve complaints, including  
29 recommending whether disciplinary action or further investigation by appropriate local, state, or  
30 federal agencies is warranted and taking further action as appropriate;

31 (6) Instruct and educate agencies on the detection and prevention of fraud, waste, abuse,  
32 and mismanagement; conduct evaluations of relevant agency policies and procedures implicated  
33 by any investigation and create a remedial action plan to prevent recurrences of fraud, waste, abuse,  
34 or mismanagement that harm the public interest; and close an investigation when the inspector

1 general concludes there is insufficient evidence that a violation has occurred. Closure of any  
2 investigation by the inspector general shall not bar the reopening of the investigation should  
3 circumstances warrant;

4 (7) Act as a liaison to agencies to promote accountability, integrity, and efficiency in state  
5 government;

6 (8) Maintain a statewide-toll-free telephone number, website, email address, and physical  
7 mailing address for the receipt of complaints and inquiries;

8 (9) Work collaboratively, including through any memoranda of understanding, for the  
9 purposes of efficiency, coordination, and avoidance of duplicative work with the attorney general,  
10 local, state or federal law enforcement, the ethics commission, and the auditor general;

11 (10) Enter into contracts for audits or specialists needed to perform the duties outlined  
12 herein. Provided, further, the inspector general shall coordinate with the auditor general to ensure  
13 efficient utilization of available audit resources; and

14 (11) When formally requested by a municipal government through a city or town council  
15 resolution, the inspector general may accept a request from a municipality to investigate concerns  
16 regarding fraud, waste, abuse, or mismanagement of state or municipal government funds. All the  
17 powers, duties and procedures of the inspector general set forth in this chapter for investigation of  
18 agencies shall apply to any investigation related to a municipality.

19 **42-9.4-6. Investigative procedures.**

20 (a) The inspector general shall accept and may investigate complaints or information from  
21 any individual or entity concerning the possible existence of any activity constituting alleged fraud,  
22 waste, abuse, and mismanagement relating to any agency as defined herein.

23 (b) The inspector general shall not, after receipt of a complaint or information from an  
24 employee, contractor, or private citizen who requests confidentiality, disclose the identity of that  
25 individual, without the written consent of the individual, unless the inspector general determines  
26 such disclosure is necessary and unavoidable during the course of an investigation. In such event,  
27 the individual filing the complaint shall be notified immediately, if possible, of such disclosure  
28 which shall be in accordance with applicable law.

29 (c) The inspector general shall not investigate complaints from employees that relate to  
30 their employment relationship with the agency, unless the complaint is directly related to fraud,  
31 waste, abuse, or mismanagement or abuse of governmental resources that harms the public interest.

32 (d) The inspector general may decline to investigate a complaint as provided by the rules  
33 and regulations adopted pursuant to this chapter. If the inspector general declines to investigate a  
34 complaint, he or she shall notify the complainant of the decision not to investigate and the basis for

1 that determination.

2 (e) The inspector general may refer a complaint under this chapter to the attorney general;  
3 local, state or federal law enforcement, the auditor general, or the ethics commission.

4 (f) The inspector general may not levy a fee for the submission or investigation of a  
5 complaint.

6 (g) The inspector general shall remain neutral and impartial and may not act as an advocate  
7 for the complainant or for the agency.

8 (h) The inspector general shall adhere to professional standards for initiating and  
9 conducting investigations, such as the Principles and Standards for Offices of Inspector General  
10 promulgated by the Association of Inspectors General. Additionally, the office of inspector general  
11 shall be a member of the Association of Inspectors General and participate in the peer review  
12 program of the association as part of the established quality control procedures adopted by the  
13 office.

14 **42-9.4-7. Conclusion of investigation -- Report -- Decision.**

15 (a) At the conclusion of the investigation of each complaint:

16 (1) Report. Upon the conclusion of an investigation that results in a finding of fraud, waste,  
17 abuse or mismanagement but prior to issuing a decision, the inspector general shall issue a report  
18 or letter to the agency subject to the investigation, the office of the governor, the attorney general,  
19 the speaker of the house of representatives, the president of the senate and shall release to the public  
20 any such report unless the public release of such report would compromise a pending criminal  
21 investigation noted in the report and known to the inspector general or otherwise be exempt from  
22 disclosure pursuant to chapter 2 of title 38 ("access to public records");

23 (i) The director of each agency may, within sixty (60) days of receipt of said report,  
24 comment upon any references to the agency contained within the report. The comment, if any, shall  
25 be forwarded to the governor, the attorney general, the speaker of the house of representatives, the  
26 president of the senate, and the office of inspector general.

27 (2) Decision. The inspector general shall issue a decision on the merits of the complaint,  
28 including his or her recommendations, and the decision shall be posted on the inspector general's  
29 website;

30 (i) Where the investigation finds that there has been or continues to be fraud, waste, abuse,  
31 mismanagement, or other abuse of governmental resources that harms the public interest or that  
32 there is evidence of a crime, the inspector general shall communicate its findings and decision to  
33 the attorney general, local, state or federal law enforcement, or the auditor general;

34 (ii) If the complaint is about an employee of an agency or a contractor and the investigation

1 found no evidence of wrongdoing, the inspector general shall ensure that the public decision does  
2 not contain the name of the individual investigated without the written permission of that  
3 individual.

4 (b) Before announcing a decision, the inspector general shall do all of the following:

5 (1) Consult with the agency and as appropriate, the employee or contractor regarding the  
6 decision;

7 (2) Provide an opportunity for each person who is the subject of the decision to respond in  
8 writing to the decision within five (5) business days and any response shall be made available to  
9 the public when the decision is released. Provided, however, this does not allow an individual  
10 consulted by the inspector general before an announcement to hinder, prevent, or delay the  
11 inspector general's announcement of a decision.

12 (c) In the decision, the inspector general may recommend that the agency:

13 (1) Consider the matter further;

14 (2) Modify or cancel an action or practice;

15 (3) Alter a rule, practice, or decision;

16 (4) Explain in detail the administrative action in question; or

17 (5) Rectify an omission.

18 (6) The inspector general shall communicate his or her decision to the complainant, the  
19 agency investigated, and as appropriate, the employee investigated, and the decision shall be posted  
20 on the inspector general's website.

21 (d) Where the inspector general has discovered fraudulent acts and believes that civil  
22 recovery proceedings may be appropriate, the matter shall be referred to the attorney general.

23 (1) The attorney general may, upon such referral, institute whatever proceedings it deems  
24 appropriate, including referring the matter to another state or local agency, authorizing the initiation  
25 of appropriate civil proceedings by the inspector general, retaining the matter for further  
26 investigation, or remanding the matter back to the inspector general for further investigation.

27 (2) If the attorney general declines to take action pursuant to this section, the inspector  
28 general shall have the authority to institute a civil recovery action upon the authorization of the  
29 attorney general.

30 (e) The public release of the inspector general's decision shall not contain information that  
31 is found to be confidential and/or exempt from disclosure pursuant to this chapter or other  
32 applicable laws, including chapter 2 of title 38 ("access to public records").

33 (f) Investigator records, including, but not limited to, communications that include the  
34 investigative record may be deemed confidential and exempt from disclosure pursuant to chapter 2

1 of title 38 ("access to public records") or other applicable laws.

2 **42-9.4-8. Access to agencies and records.**

3 (a) Agencies shall cooperate with any investigation conducted pursuant to this chapter, and  
4 the inspector general shall have reasonable access to an agency's records as necessary to conduct a  
5 full investigation of a complaint including, but not limited to, the following:

6 (1) Access to records in the possession of a grantee or contractor;

7 (2) The opportunity to interview an employee or any other individual who may have  
8 knowledge relating to the complaint under investigation.

9 (b) The inspector general may inspect and copy all relevant information, records, or  
10 documents that the inspector general considers reasonably necessary in an investigation of a  
11 complaint under this chapter.

12 (c) The inspector general is authorized to interview any official, officer, or employee  
13 serving in the agency and may inspect and copy any book, record, paper, or electronic file in the  
14 possession of the agency, taking care to preserve the confidentiality of the information.

15 (d) Any knowing failure of any official, officer, or employee to comply with an  
16 investigation made pursuant to this chapter or the knowing provision of false information during  
17 an investigation or the destruction or attempted destruction of any relevant materials may be subject  
18 to criminal, civil, and/or administrative penalties.

19 **42-9.4-9. Oaths -- Subpoenas.**

20 (a) In performing an investigation authorized by this chapter, the inspector general shall  
21 have the authority to administer or take from any person an oath, examine witnesses under oath,  
22 and issue any subpoenas necessary to compel the attendance of witnesses and the production of all  
23 books, records, papers, electronic and tangible items that constitute or contain evidence which the  
24 inspector general finds reasonably relevant or material to the investigation, affirmation, or affidavit,  
25 whenever necessary to perform his or her duties.

26 (b) Service of any subpoena issued under this chapter shall be made by any designated  
27 person. Service upon a natural person may be made by personal delivery of the subpoena to that  
28 person. Subpoenas may also be served upon a natural person by registered or certified mail and the  
29 return receipt shall constitute prima facie proof of service. Service to a natural person may also be  
30 made by serving as the person's counsel of record. Service may be made upon a domestic or foreign  
31 corporation by delivering the subpoena to an officer, to a managing or general agent, or to any other  
32 agent authorized by appointment or by law to receive service of process. A subpoena requiring the  
33 attendance of a witness may be served at any place within the state and furthermore, process may  
34 be served at any place within the state.

1 (c) In the case of a refusal to obey any issued subpoena, the inspector general may request  
2 that the attorney general petition the superior court to compel compliance with the subpoena. The  
3 attorney general may petition the court upon such request by the inspector general.

4 (d) Upon filing of the petition, the court may enter an order directing the individual to  
5 appear before the court at a specified time and place and then and there show cause why they had  
6 not attended, answered questions under penalty of perjury, or produced the requested items as  
7 required by the subpoena. If it appears to the court that the subpoena was properly issued by the  
8 inspector general, the court may enter an order that the person named in the subpoena appear at the  
9 time and place fixed in the order and answer questions under penalty of perjury or produce the  
10 requested items as required. Upon failure to obey the court order, the person may be subject to  
11 contempt of court.

12 (e) Nothing in this section shall limit or alter a person's existing rights or protections under  
13 state or federal law.

14 **42-9.4-10. Rules and regulations.**

15 The office shall promulgate rules and regulations which shall govern its proceedings and  
16 operation pursuant to chapter 35 of title 42 ("administrative procedures").

17 **42-9.4-11. Reporting requirements.**

18 (a) The inspector general shall, no later than April 1 and every year thereafter, file a written  
19 report summarizing the activities of the office for the prior calendar year. The office may also  
20 prepare and file interim reports. These reports shall be forwarded to the governor, lieutenant  
21 governor, attorney general, secretary of state, general treasurer, the speaker of the house, the  
22 president of the senate and the auditor general, and shall be made available to the public.

23 (b) The report shall include, but not be limited to:

24 (1) A description of investigations undertaken related to fraud, waste, abuse, or  
25 mismanagement within agencies;

26 (2) A description of any recommendations for corrective action made by the office during  
27 the reporting period with respect to significant deficiencies in the areas of fraud, waste, abuse or  
28 mismanagement;

29 (3) The identification of each significant recommendation described in previous annual  
30 reports on which corrective action has not been completed;

31 (4) A summary of matters referred to prosecuting authorities and the status of said referrals;

32 (5) A summary of matters concerning recovery of monies as a result of civil action  
33 undertaken by the office or after a referral to the attorney general; and

34 (6) A list of all audit reports completed by the office during the reporting period.

1           (c) The report of the inspector general shall be made public on the day of the filing. Where  
2 no official disposition has been made by the office, the attorney general, or other law enforcement  
3 agencies, the report shall not list the names of individuals or corporations, nor describe them with  
4 sufficient particularity as to readily identify them to the general public.

5           **42-9.4-12. Budget submission.**

6           The inspector general shall comply with all budget submission requirements set forth in  
7 chapter 3 of title 35 ("state budget").

8           **42-9.4-13. Retaliation -- Whistleblower protections.**

9           (a) No agency, officer, or official shall take action against an official, officer, or employee  
10 for disclosing or threatening to disclose the existence of any activity constituting waste, fraud,  
11 abuse, or mismanagement to the inspector general, unless the disclosure or threatened disclosure  
12 was made with knowledge that the disclosure was false or was made with willful disregard for its  
13 truth or falsity.

14           (b) Any report disclosed by the office may differ from the complete written report in that  
15 the inspector general shall have the discretion to redact or otherwise protect the names of  
16 complainants and witnesses, or other information that, if not redacted, might compromise the  
17 identity of a complainant or witness.

18           (c) The provisions chapter 50 of title 28 ("the Rhode Island whistleblowers' protection act")  
19 shall be afforded to persons including, but not limited to, employees, reporting information under  
20 this chapter.

21           **42-9.4-14. Severability.**

22           If any provision of this chapter or the application thereof to any individual or circumstance  
23 is held invalid, such invalidity shall not affect the other provisions or applications of this chapter,  
24 which can be given effect without the invalid provision or application, and to this end the provisions  
25 of this chapter are declared to be severable.

26           SECTION 2. Section 39-18-2 of the General Laws in Chapter 39-18 entitled "Rhode Island  
27 Public Transit Authority" is hereby amended to read as follows:

28           **39-18-2. Authority created — Composition — Terms — Oath — Officers —**  
29 **Quorum— Compensation — Conflicts of interest.**

30           (a) There is hereby created a body corporate and politic to be known as the "Rhode Island  
31 public transit authority" (hereinafter "RIPTA").

32           (b) The authority shall consist of nine (9) members, one of whom shall be the director of  
33 the department of transportation, or the director's designee, who shall serve as an ex officio  
34 member, and eight (8) of whom shall be appointed by the governor with the advice and consent of

1 the senate, with at least one of the eight (8) being a regular user of fixed-route RIPTA transportation  
2 and at least one of the eight (8) being a person with a disability. The governor shall achieve a  
3 diverse membership in the board and shall give due consideration to recommendations for  
4 nominations from the RIPTA Riders Alliance, the National Federation of the Blind of Rhode Island,  
5 the Gray Panthers of Rhode Island, the Sierra Club of Rhode Island, the Rhode Island AFL-CIO,  
6 the RIPTA Transportation Advisory Committee, the Rhode Island business community, the  
7 Amalgamated Transit Union, and the Rhode Island League of Cities and Towns. No one shall be  
8 eligible for appointment unless he or she is a resident of this state.

9 (c) Those members of the authority as of the effective date of this act [June 16, 2006] who  
10 were appointed to the authority by members of the board of the general assembly shall cease to be  
11 members of the authority on the effective date of this act [June 16, 2006], and the governor shall  
12 thereupon nominate two (2) members, each of whom shall serve the balance of the unexpired term  
13 of their predecessor. Those members of the authority as of the effective date of this act [June 16,  
14 2006] who were appointed to the authority by the governor shall continue to serve the balance of  
15 their current terms. Thereafter, during the month of January in each year, the governor shall appoint  
16 members to succeed the departing members. The newly appointed members shall serve for a term  
17 of three (3) years, commencing on the day they are qualified. In the event of a vacancy occurring  
18 in the membership, the governor, with the advice and consent of the senate, shall appoint a member  
19 for the unexpired term. Any member of the authority shall be eligible for reappointment.

20 (d) Each member of the authority, before entering upon the member's duties, shall take an  
21 oath to administer the duties of the member's office faithfully and impartially, and the oath shall  
22 be filed in the office of the secretary of state.

23 (e) ~~The director of the department of transportation shall serve as chairperson.~~ The  
24 authority shall elect one of its members to serve as chairperson, who shall not be the director of the  
25 department of transportation. The authority shall also elect a secretary and such other officers as it  
26 deems necessary.

27 (f) Five (5) members of the authority shall constitute a quorum. The affirmative vote of a  
28 majority of the members present and voting shall be necessary for any action taken by the authority.  
29 No vacancy in the membership of the authority shall impair the right of a quorum to exercise all  
30 the rights and perform all the duties of the authority.

31 (g) The members of the authority shall receive no compensation, but shall be reimbursed  
32 for their actual expenses necessarily incurred in the performance of their duties.

33 (h) No member of the authority shall be in the employ of, or own any stock in, or be in any  
34 way directly or indirectly pecuniarily interested in any railroad corporation, bus, or street railway

1 company; nor shall any member of the authority personally, or through a partner or agent, render  
2 any professional service or make or perform any business contract with or for any company; nor  
3 shall any member of the authority, directly or indirectly, receive a commission, bonus, discount,  
4 present, or reward from any company.

5 (i) Members of the authority shall be removable by the governor pursuant to the provisions  
6 of § 36-1-7 and for cause only, and removal solely for partisan or personal reasons unrelated to  
7 capacity or fitness for the office shall be unlawful.

8 (j) The authority shall conduct a training course for newly appointed and qualified members  
9 within six (6) months of their qualification or designation. The course shall be developed by the  
10 general manager of the authority, be approved by the authority, and be conducted by the general  
11 manager of the authority. The authority may approve the use of any authority and/or staff members  
12 and/or individuals to assist with training. The training course shall include instruction in the  
13 following areas: the provisions of chapter 46 of title 42, chapter 14 of title 36, and chapter 2 of title  
14 38; and the authority's rules and regulations. The director of the department of administration shall  
15 be responsible for the enforcement of the provisions of this subsection.

16 SECTION 3. Title 42 of the General Laws entitled "STATE AFFAIRS AND  
17 GOVERNMENT" is hereby amended by adding thereto the following chapter:

18 CHAPTER 13.2

19 RHODE ISLAND DEPARTMENT OF TRANSPORTATION EFFICIENCY AND  
20 PERFORMANCE AUDIT ACT

21 **42-13.2-1. Definitions.**

22 As used in this chapter:

23 (1) "Department" means the Rhode Island department of transportation.

24 (2) "DOA" means the Rhode Island department of administration.

25 (3) "Audit" means an independent efficiency and performance audit conducted in  
26 accordance with this chapter.

27 (4) "Peer state" means a state transportation agency selected for benchmarking based on  
28 geography, climate, system size, and procurement framework.

29 **42-13.2-2. Requirement to commission efficiency and performance audit.**

30 (a) The Office of Internal Audit and Program Integrity within DOA shall commission an  
31 efficiency and performance audit of the department.

32 (b) The audit shall be completed on or before March 15, 2027.

33 **42-13.2-3. Scope of audit.**

34 (a) The audit shall include, but not be limited to, the following areas:

1 (1) Asset management, including pavement, bridges, culverts, intelligent transportation  
2 systems assets, backlog replacement needs, and lifecycle cost analysis; and

3 (2) Maintenance efficiency, including cost per lane-mile, snow and ice operations  
4 productivity, maintenance productivity, and equipment utilization;

5 (b) The audit pursuant to this section shall be separate and independent of any audit  
6 conducted by the auditor general pursuant to chapter 13 of title 22 (“auditor general”).

7 **42-13.2-4. Maintenance and operations efficiency.**

8 The audit conducted pursuant to § 42-13.2-2 shall assess maintenance and operations  
9 efficiency, including:

10 (1) Cost per lane-mile by district;

11 (2) Salt and chemical usage normalized by lane-mile and weather severity;

12 (3) Vehicle and equipment availability and downtime;

13 (4) Maintenance backlog tracking; and

14 (5) Overtime utilization and patterns.

15 **42-13.2-5. Reporting and public availability.**

16 (a) Upon completion, the audit shall be submitted to:

17 (1) The governor;

18 (2) The president of the senate;

19 (3) The speaker of the house of representatives; and

20 (4) The chairs of the house and senate finance committees.

21 (b) The final audit report shall be made publicly available on the DOA’s website.

22 **42-13.2-6. Cooperation and access to records.**

23 The department shall cooperate fully with the audit and provide access to all records, data,  
24 contracts, and personnel reasonably necessary to complete the audit.

25 SECTION 4. Chapter 42-14 of the General Laws entitled "Department of Business  
26 Regulation" is hereby amended by adding thereto the following section:

27 **42-14-20. Electronic permitting report.**

28 (a) The department shall include a report that reviews, analyzes, and assesses functions  
29 related to electronic permitting and the electronic permitting platform identified in § 23-27.3-108.2  
30 with its annual budget submission to the office of management and budget for the fiscal year ending  
31 June 30, 2027. The report shall additionally contain suggested statutory revisions, including, but  
32 not limited, to clarifying permitting statutes, aligning fees with programmatic costs, and ensuring  
33 efficient administration.

34 SECTION 5. Section 42-17.1-2 of the General Laws in Chapter 42-17.1 entitled

1 "Department of Environmental Management" is hereby amended to read as follows:

2 **42-17.1-2. Powers and duties.**

3 The director of environmental management shall have the following powers and duties:

4 (1) To supervise and control the protection, development, planning, and utilization of the  
5 natural resources of the state, such resources, including, but not limited to: water, plants, trees, soil,  
6 clay, sand, gravel, rocks and other minerals, air, mammals, birds, reptiles, amphibians, fish,  
7 shellfish, and other forms of aquatic, insect, and animal life;

8 (2) To exercise all functions, powers, and duties heretofore vested in the department of  
9 agriculture and conservation, and in each of the divisions of the department, such as the promotion  
10 of agriculture and animal husbandry in their several branches, including the inspection and  
11 suppression of contagious diseases among animals; the regulation of the marketing of farm  
12 products; the inspection of orchards and nurseries; the protection of trees and shrubs from injurious  
13 insects and diseases; protection from forest fires; the inspection of apiaries and the suppression of  
14 contagious diseases among bees; the prevention of the sale of adulterated or misbranded  
15 agricultural seeds; promotion and encouragement of the work of farm bureaus, in cooperation with  
16 the University of Rhode Island, farmers' institutes, and the various organizations established for  
17 the purpose of developing an interest in agriculture; together with such other agencies and activities  
18 as the governor and the general assembly may, from time to time, place under the control of the  
19 department; and as heretofore vested by such of the following chapters and sections of the general  
20 laws as are presently applicable to the department of environmental management and that were  
21 previously applicable to the department of natural resources and the department of agriculture and  
22 conservation or to any of its divisions: chapters 1 through 22, inclusive, as amended, in title 2  
23 entitled "Agriculture and Forestry"; chapters 1 through 17, inclusive, as amended, in title 4 entitled  
24 "Animals and Animal Husbandry"; chapters 1 through 19, inclusive, as amended, in title 20 entitled  
25 "Fish and Wildlife"; chapters 1 through 32, inclusive, as amended, in title 21 entitled "Food and  
26 Drugs"; chapter 7 of title 23, as amended, entitled "Mosquito Abatement"; and by any other general  
27 or public law relating to the department of agriculture and conservation or to any of its divisions or  
28 bureaus;

29 (3) To exercise all the functions, powers, and duties heretofore vested in the division of  
30 parks and recreation of the department of public works by chapters 1, 2, and 5 in title 32 entitled  
31 "Parks and Recreational Areas"; by chapter 22.5 of title 23, as amended, entitled "Drowning  
32 Prevention and Lifesaving"; and by any other general or public law relating to the division of parks  
33 and recreation;

34 (4) To exercise all the functions, powers, and duties heretofore vested in the division of

1 harbors and rivers of the department of public works, or in the department itself by such as were  
2 previously applicable to the division or the department, of chapters 1 through 22 and sections  
3 thereof, as amended, in title 46 entitled “Waters and Navigation”; and by any other general or public  
4 law relating to the division of harbors and rivers;

5 (5) To exercise all the functions, powers, and duties heretofore vested in the department of  
6 health by chapters 25, 18.9, and 19.5 of title 23, as amended, entitled “Health and Safety”; and by  
7 chapters 12 and 16 of title 46, as amended, entitled “Waters and Navigation”; by chapters 3, 4, 5,  
8 6, 7, 9, 11, 13, 18, and 19 of title 4, as amended, entitled “Animals and Animal Husbandry”; and  
9 those functions, powers, and duties specifically vested in the director of environmental  
10 management by the provisions of § 21-2-22, as amended, entitled “Inspection of Animals and  
11 Milk”; together with other powers and duties of the director of the department of health as are  
12 incidental to, or necessary for, the performance of the functions transferred by this section;

13 (6) To cooperate with the Rhode Island commerce corporation in its planning and  
14 promotional functions, particularly in regard to those resources relating to agriculture, fisheries,  
15 and recreation;

16 (7) To cooperate with, advise, and guide conservation commissions of cities and towns  
17 created under chapter 35 of title 45 entitled “Conservation Commissions”, as enacted by chapter  
18 203 of the Public Laws, 1960;

19 (8) To assign or reassign, with the approval of the governor, any functions, duties, or  
20 powers established by this chapter to any agency within the department, except as hereinafter  
21 limited;

22 (9) To cooperate with the water resources board and to provide to the board facilities,  
23 administrative support, staff services, and other services as the board shall reasonably require for  
24 its operation and, in cooperation with the board and the statewide planning program, to formulate  
25 and maintain a long-range guide plan and implementing program for development of major water-  
26 sources transmission systems needed to furnish water to regional and local distribution systems;

27 (10) To cooperate with the solid waste management corporation and to provide to the  
28 corporation such facilities, administrative support, staff services, and other services within the  
29 department as the corporation shall reasonably require for its operation;

30 (11) To provide for the maintenance of waterways and boating facilities, consistent with  
31 chapter 6.1 of title 46, by: (i) Establishing minimum standards for upland beneficial use and  
32 disposal of dredged material; (ii) Promulgating and enforcing rules for water quality, groundwater  
33 protection, and fish and wildlife protection pursuant to § 42-17.1-24; (iii) Planning for the upland  
34 beneficial use and/or disposal of dredged material in areas not under the jurisdiction of the council

1 pursuant to § 46-23-6(2); (iv) Cooperating with the coastal resources management council in the  
2 development and implementation of comprehensive programs for dredging as provided for in §§  
3 46-23-6(1)(ii)(H) and 46-23-18.3; and (v) Monitoring dredge material management and disposal  
4 sites in accordance with the protocols established pursuant to § 46-6.1-5(a)(3) and the  
5 comprehensive program provided for in § 46-23-6(1)(ii)(H); no powers or duties granted herein  
6 shall be construed to abrogate the powers or duties granted to the coastal resources management  
7 council under chapter 23 of title 46, as amended;

8 (12) To establish minimum standards, subject to the approval of the environmental  
9 standards board, relating to the location, design, construction, and maintenance of all sewage  
10 disposal systems;

11 (13) To enforce, by such means as provided by law, the standards for the quality of air, and  
12 water, and the design, construction, and operation of all sewage disposal systems; any order or  
13 notice issued by the director relating to the location, design, construction, or maintenance of a  
14 sewage disposal system shall be eligible for recordation under chapter 13 of title 34. The director  
15 shall forward the order or notice to the city or town wherein the subject property is located and the  
16 order or notice shall be recorded in the general index by the appropriate municipal official in the  
17 land evidence records in the city or town wherein the subject property is located. Any subsequent  
18 transferee of that property shall be responsible for complying with the requirements of the order or  
19 notice. Upon satisfactory completion of the requirements of the order or notice, the director shall  
20 provide written notice of the same, which notice shall be similarly eligible for recordation. The  
21 original written notice shall be forwarded to the city or town wherein the subject property is located  
22 and the notice of satisfactory completion shall be recorded in the general index by the appropriate  
23 municipal official in the land evidence records in the city or town wherein the subject property is  
24 located. A copy of the written notice shall be forwarded to the owner of the subject property within  
25 five (5) days of a request for it, and, in any event, shall be forwarded to the owner of the subject  
26 property within thirty (30) days after correction;

27 (14) To establish minimum standards for the establishment and maintenance of salutary  
28 environmental conditions, including standards and methods for the assessment and the  
29 consideration of the cumulative effects on the environment of regulatory actions and decisions,  
30 which standards for consideration of cumulative effects shall provide for: (i) Evaluation of potential  
31 cumulative effects that could adversely affect public health and/or impair ecological functioning;  
32 (ii) Analysis of other matters relative to cumulative effects as the department may deem appropriate  
33 in fulfilling its duties, functions, and powers; which standards and methods shall only be applicable  
34 to ISDS systems in the town of Jamestown in areas that are dependent for water supply on private

1 and public wells, unless broader use is approved by the general assembly. The department shall  
2 report to the general assembly not later than March 15, 2008, with regard to the development and  
3 application of the standards and methods in Jamestown;

4 (15) To establish and enforce minimum standards for permissible types of septage,  
5 industrial-waste disposal sites, and waste-oil disposal sites;

6 (16) To establish minimum standards, subject to the approval of the environmental  
7 standards board, for permissible types of refuse disposal facilities; the design, construction,  
8 operation, and maintenance of disposal facilities; and the location of various types of facilities;

9 (17) To exercise all functions, powers, and duties necessary for the administration of  
10 chapter 19.1 of title 23 entitled "Rhode Island Hazardous Waste Management Act";

11 (18) To designate, in writing, any person in any department of the state government or any  
12 official of a district, county, city, town, or other governmental unit, with that official's consent, to  
13 enforce any rule, regulation, or order promulgated and adopted by the director under any provision  
14 of law; provided, however, that enforcement of powers of the coastal resources management  
15 council shall be assigned only to employees of the department of environmental management,  
16 except by mutual agreement or as otherwise provided in chapter 23 of title 46;

17 (19) To issue and enforce the rules, regulations, and orders as may be necessary to carry  
18 out the duties assigned to the director and the department by any provision of law; and to conduct  
19 investigations and hearings and to issue, suspend, and revoke licenses as may be necessary to  
20 enforce those rules, regulations, and orders. Any license suspended under the rules, regulations,  
21 and/or orders shall be terminated and revoked if the conditions that led to the suspension are not  
22 corrected to the satisfaction of the director within two (2) years; provided that written notice is  
23 given by certified mail, return receipt requested, no less than sixty (60) days prior to the date of  
24 termination.

25 Notwithstanding the provisions of § 42-35-9 to the contrary, no informal disposition of a  
26 contested licensing matter shall occur where resolution substantially deviates from the original  
27 application unless all interested parties shall be notified of the proposed resolution and provided  
28 with opportunity to comment upon the resolution pursuant to applicable law and any rules and  
29 regulations established by the director;

30 (20) To enter, examine, or survey, at any reasonable time, places as the director deems  
31 necessary to carry out the director's responsibilities under any provision of law subject to the  
32 following provisions:

33 (i) For criminal investigations, the director shall, pursuant to chapter 5 of title 12, seek a  
34 search warrant from an official of a court authorized to issue warrants, unless a search without a

1 warrant is otherwise allowed or provided by law;

2 (ii)(A) All administrative inspections shall be conducted pursuant to administrative  
3 guidelines promulgated by the department in accordance with chapter 35 of this title;

4 (B) A warrant shall not be required for administrative inspections if conducted under the  
5 following circumstances, in accordance with the applicable constitutional standards:

6 (I) For closely regulated industries;

7 (II) In situations involving open fields or conditions that are in plain view;

8 (III) In emergency situations;

9 (IV) In situations presenting an imminent threat to the environment or public health, safety,  
10 or welfare;

11 (V) If the owner, operator, or agent in charge of the facility, property, site, or location  
12 consents; or

13 (VI) In other situations in which a warrant is not constitutionally required.

14 (C) Whenever it shall be constitutionally or otherwise required by law, or whenever the  
15 director in the director's discretion deems it advisable, an administrative search warrant, or its  
16 functional equivalent, may be obtained by the director from a neutral magistrate for the purpose of  
17 conducting an administrative inspection. The warrant shall be issued in accordance with the  
18 applicable constitutional standards for the issuance of administrative search warrants. The  
19 administrative standard of probable cause, not the criminal standard of probable cause, shall apply  
20 to applications for administrative search warrants;

21 (I) The need for, or reliance upon, an administrative warrant shall not be construed as  
22 requiring the department to forfeit the element of surprise in its inspection efforts;

23 (II) An administrative warrant issued pursuant to this subsection must be executed and  
24 returned within ten (10) days of its issuance date unless, upon a showing of need for additional  
25 time, the court orders otherwise;

26 (III) An administrative warrant may authorize the review and copying of documents that  
27 are relevant to the purpose of the inspection. If documents must be seized for the purpose of  
28 copying, and the warrant authorizes the seizure, the person executing the warrant shall prepare an  
29 inventory of the documents taken. The time, place, and manner regarding the making of the  
30 inventory shall be set forth in the terms of the warrant itself, as dictated by the court. A copy of the  
31 inventory shall be delivered to the person from whose possession or facility the documents were  
32 taken. The seized documents shall be copied as soon as feasible under circumstances preserving  
33 their authenticity, then returned to the person from whose possession or facility the documents were  
34 taken;

1 (IV) An administrative warrant may authorize the taking of samples of air, water, or soil  
2 or of materials generated, stored, or treated at the facility, property, site, or location. Upon request,  
3 the department shall make split samples available to the person whose facility, property, site, or  
4 location is being inspected;

5 (V) Service of an administrative warrant may be required only to the extent provided for  
6 in the terms of the warrant itself, by the issuing court.

7 (D) **Penalties.** Any willful and unjustified refusal of right of entry and inspection to  
8 department personnel pursuant to an administrative warrant shall constitute a contempt of court and  
9 shall subject the refusing party to sanctions, which in the court's discretion may result in up to six  
10 (6) months' imprisonment and/or a monetary fine of up to ten thousand dollars (\$10,000) per  
11 refusal;

12 (21) To give notice of an alleged violation of law to the person responsible therefor  
13 whenever the director determines that there are reasonable grounds to believe that there is a  
14 violation of any provision of law within the director's jurisdiction or of any rule or regulation  
15 adopted pursuant to authority granted to the director. Nothing in this chapter shall limit the authority  
16 of the attorney general to prosecute offenders as required by law;

17 (i) The notice shall provide for a time within which the alleged violation shall be remedied,  
18 and shall inform the person to whom it is directed that a written request for a hearing on the alleged  
19 violation may be filed with the director within twenty (20) days after service of the notice. The  
20 notice will be deemed properly served upon a person if a copy thereof is served the person  
21 personally; or sent by registered or certified mail to the person's last known address; or if the person  
22 is served with notice by any other method of service now or hereafter authorized in a civil action  
23 under the laws of this state. If no written request for a hearing is made to the director within twenty  
24 (20) days of the service of notice, the notice shall automatically become a compliance order;

25 (ii)(A) Whenever the director determines that there exists a violation of any law, rule, or  
26 regulation within the director's jurisdiction that requires immediate action to protect the  
27 environment, the director may, without prior notice of violation or hearing, issue an immediate-  
28 compliance order stating the existence of the violation and the action the director deems necessary.  
29 The compliance order shall become effective immediately upon service or within such time as is  
30 specified by the director in such order. No request for a hearing on an immediate-compliance order  
31 may be made;

32 (B) Any immediate-compliance order issued under this section without notice and prior  
33 hearing shall be effective for no longer than forty-five (45) days; provided, however, that for good  
34 cause shown, the order may be extended one additional period not exceeding forty-five (45) days;

1 (iii) The director may, at the director's discretion and for the purposes of timely and  
2 effective resolution and return to compliance, cite a person for alleged noncompliance through the  
3 issuance of an expedited citation in accordance with § 42-17.6-3(c);

4 (iv) If a person upon whom a notice of violation has been served under the provisions of  
5 this section or if a person aggrieved by any such notice of violation requests a hearing before the  
6 director within twenty (20) days of the service of notice of violation, the director shall set a time  
7 and place for the hearing, and shall give the person requesting that hearing at least five (5) days'  
8 written notice thereof. After the hearing, the director may make findings of fact and shall sustain,  
9 modify, or withdraw the notice of violation. If the director sustains or modifies the notice, that  
10 decision shall be deemed a compliance order and shall be served upon the person responsible in  
11 any manner provided for the service of the notice in this section;

12 (v) The compliance order shall state a time within which the violation shall be remedied,  
13 and the original time specified in the notice of violation shall be extended to the time set in the  
14 order;

15 (vi) Whenever a compliance order has become effective, whether automatically where no  
16 hearing has been requested, where an immediate-compliance order has been issued, or upon  
17 decision following a hearing, the director may institute injunction proceedings in the superior court  
18 of the state for enforcement of the compliance order and for appropriate temporary relief, and in  
19 that proceeding, the correctness of a compliance order shall be presumed and the person attacking  
20 the order shall bear the burden of proving error in the compliance order, except that the director  
21 shall bear the burden of proving in the proceeding the correctness of an immediate-compliance  
22 order. The remedy provided for in this section shall be cumulative and not exclusive and shall be  
23 in addition to remedies relating to the removal or abatement of nuisances or any other remedies  
24 provided by law;

25 (vii) Any party aggrieved by a final judgment of the superior court may, within thirty (30)  
26 days from the date of entry of such judgment, petition the supreme court for a writ of certiorari to  
27 review any questions of law. The petition shall set forth the errors claimed. Upon the filing of the  
28 petition with the clerk of the supreme court, the supreme court may, if it sees fit, issue its writ of  
29 certiorari;

30 (22) To impose administrative penalties in accordance with the provisions of chapter 17.6  
31 of this title and to direct that such penalties be paid into the account established by subsection (26);

32 (23) The following definitions shall apply in the interpretation of the provisions of this  
33 chapter:

34 (i) **Director:** The term "director" shall mean the director of environmental management of

1 the state of Rhode Island or the director's duly authorized agent;

2 (ii) **Person:** The term "person" shall include any individual, group of individuals, firm,  
3 corporation, association, partnership, or private or public entity, including a district, county, city,  
4 town, or other governmental unit or agent thereof, and in the case of a corporation, any individual  
5 having active and general supervision of the properties of the corporation;

6 (iii) **Service:**

7 (A) Service upon a corporation under this section shall be deemed to include service upon  
8 both the corporation and upon the person having active and general supervision of the properties  
9 of the corporation;

10 (B) For purposes of calculating the time within which a claim for a hearing is made  
11 pursuant to subsection (21)(i), service shall be deemed to be the date of receipt of such notice or  
12 three (3) days from the date of mailing of the notice, whichever shall first occur;

13 (24)(i) To conduct surveys of the present private and public camping and other recreational  
14 areas available and to determine the need for and location of other camping and recreational areas  
15 as may be deemed necessary and in the public interest of the state of Rhode Island and to report  
16 back its findings on an annual basis to the general assembly on or before March 1 of every year;

17 (ii) Additionally, the director of the department of environmental management shall take  
18 additional steps, including, but not limited to, matters related to funding as may be necessary to  
19 establish such other additional recreational facilities and areas as are deemed to be in the public  
20 interest;

21 (25)(i) To apply for and accept grants and bequests of funds, with the approval of the  
22 director of administration, from other states, interstate agencies, and independent authorities, and  
23 private firms, individuals, and foundations, for the purpose of carrying out the director's lawful  
24 responsibilities. The funds shall be deposited with the general treasurer in a restricted receipt  
25 account created in the natural resources program for funds made available for that program's  
26 purposes or in a restricted receipt account created in the environmental protection program for  
27 funds made available for that program's purposes. All expenditures from the accounts shall be  
28 subject to appropriation by the general assembly, and shall be expended in accordance with the  
29 provisions of the grant or bequest. In the event that a donation or bequest is unspecified, or in the  
30 event that the trust account balance shows a surplus after the project as provided for in the grant or  
31 bequest has been completed, the director may utilize the appropriated unspecified or appropriated  
32 surplus funds for enhanced management of the department's forest and outdoor public recreation  
33 areas, or other projects or programs that promote the accessibility of recreational opportunities for  
34 Rhode Island residents and visitors;

1 (ii) The director shall submit to the house fiscal advisor and the senate fiscal advisor, by  
2 October 1 of each year, a detailed report on the amount of funds received and the uses made of such  
3 funds;

4 (26) To establish fee schedules by regulation, with the approval of the governor, for the  
5 processing of applications and the performing of related activities in connection with the  
6 department's responsibilities pursuant to subsection (12); chapter 19.1 of title 23, as it relates to  
7 inspections performed by the department to determine compliance with chapter 19.1 and rules and  
8 regulations promulgated in accordance therewith; chapter 18.9 of title 23, as it relates to inspections  
9 performed by the department to determine compliance with chapter 18.9 and the rules and  
10 regulations promulgated in accordance therewith; chapters 19.5 and 23 of title 23; chapter 12 of  
11 title 46, insofar as it relates to water-quality certifications and related reviews performed pursuant  
12 to provisions of the federal Clean Water Act, 33 U.S.C. § 1251 et seq.; the regulation and  
13 administration of underground storage tanks and all other programs administered under chapter 12  
14 of title 46 and § 2-1-18 et seq., and chapter 13.1 of title 46 and chapter 13.2 of title 46, insofar as  
15 they relate to any reviews and related activities performed under the provisions of the Groundwater  
16 Protection Act; chapter 24.9 of title 23 as it relates to the regulation and administration of mercury-  
17 added products; and chapter 17.7 of this title, insofar as it relates to administrative appeals of all  
18 enforcement, permitting, and licensing matters to the administrative adjudication division for  
19 environmental matters. Two (2) fee ranges shall be required: for "Appeal of enforcement actions,"  
20 a range of fifty dollars (\$50) to one hundred dollars (\$100), and for "Appeal of application  
21 decisions," a range of five hundred dollars (\$500) to ten thousand dollars (\$10,000). The monies  
22 from the administrative adjudication fees will be deposited as general revenues and the amounts  
23 appropriated shall be used for the costs associated with operating the administrative adjudication  
24 division.

25 There is hereby established an account within the general fund to be called the water and  
26 air protection program. The account shall consist of sums appropriated for water and air pollution  
27 control and waste-monitoring programs and the state controller is hereby authorized and directed  
28 to draw his or her orders upon the general treasurer for the payment of the sums, or portions thereof,  
29 as may be required, from time to time, upon receipt by him or her of properly authenticated  
30 vouchers. All amounts collected under the authority of this subsection (26) for the sewage-disposal-  
31 system program and freshwater wetlands program will be deposited as general revenues and the  
32 amounts appropriated shall be used for the purposes of administering and operating the programs.  
33 The director shall submit to the house fiscal advisor and the senate fiscal advisor by January 15 of  
34 each year a detailed report on the amount of funds obtained from fines and fees and the uses made

1 of the funds;

2 (27) To establish and maintain a list or inventory of areas within the state worthy of special  
3 designation as “scenic” to include, but not be limited to, certain state roads or highways, scenic  
4 vistas, and scenic areas, and to make the list available to the public;

5 (28) To establish and maintain an inventory of all interests in land held by public and  
6 private land trust and to exercise all powers vested herein to ensure the preservation of all identified  
7 lands;

8 (i) The director may promulgate and enforce rules and regulations to provide for the orderly  
9 and consistent protection, management, continuity of ownership and purpose, and centralized  
10 records-keeping for lands, water, and open spaces owned in fee or controlled in full or in part  
11 through other interests, rights, or devices such as conservation easements or restrictions, by private  
12 and public land trusts in Rhode Island. The director may charge a reasonable fee for filing of each  
13 document submitted by a land trust;

14 (ii) The term “public land trust” means any public instrumentality created by a Rhode  
15 Island municipality for the purposes stated herein and financed by means of public funds collected  
16 and appropriated by the municipality. The term “private land trust” means any group of five (5) or  
17 more private citizens of Rhode Island who shall incorporate under the laws of Rhode Island as a  
18 nonbusiness corporation for the purposes stated herein, or a national organization such as the nature  
19 conservancy. The main purpose of either a public or a private land trust shall be the protection,  
20 acquisition, or control of land, water, wildlife, wildlife habitat, plants, and/or other natural features,  
21 areas, or open space for the purpose of managing or maintaining, or causing to be managed or  
22 maintained by others, the land, water, and other natural amenities in any undeveloped and relatively  
23 natural state in perpetuity. A private land trust must be granted exemption from federal income tax  
24 under Internal Revenue Code 501(c)(3) [26 U.S.C. § 501(c)(3)] within two (2) years of its  
25 incorporation in Rhode Island or it may not continue to function as a land trust in Rhode Island. A  
26 private land trust may not be incorporated for the exclusive purpose of acquiring or accepting  
27 property or rights in property from a single individual, family, corporation, business, partnership,  
28 or other entity. Membership in any private land trust must be open to any individual subscribing to  
29 the purposes of the land trust and agreeing to abide by its rules and regulations including payment  
30 of reasonable dues;

31 (iii)(A) Private land trusts will, in their articles of association or their bylaws, as  
32 appropriate, provide for the transfer to an organization, created for the same or similar purposes, of  
33 the assets, lands and land rights, and interests held by the land trust in the event of termination or  
34 dissolution of the land trust;

1 (B) All land trusts, public and private, will record in the public records, of the appropriate  
2 towns and cities in Rhode Island, all deeds, conservation easements, or restrictions or other interests  
3 and rights acquired in land and will also file copies of all such documents and current copies of  
4 their articles of association, their bylaws, and their annual reports with the secretary of state and  
5 with the director of the Rhode Island department of environmental management. The director is  
6 hereby directed to establish and maintain permanently a system for keeping records of all private  
7 and public land trust land holdings in Rhode Island;

8 (29) The director will contact in writing, not less often than once every two (2) years, each  
9 public or private land trust to ascertain: that all lands held by the land trust are recorded with the  
10 director; the current status and condition of each land holding; that any funds or other assets of the  
11 land trust held as endowment for specific lands have been properly audited at least once within the  
12 two-year (2) period; the name of the successor organization named in the public or private land  
13 trust's bylaws or articles of association; and any other information the director deems essential to  
14 the proper and continuous protection and management of land and interests or rights in land held  
15 by the land trust. In the event that the director determines that a public or private land trust holding  
16 land or interest in land appears to have become inactive, the director shall initiate proceedings to  
17 effect the termination of the land trust and the transfer of its lands, assets, land rights, and land  
18 interests to the successor organization named in the defaulting trust's bylaws or articles of  
19 association or to another organization created for the same or similar purposes. Should such a  
20 transfer not be possible, then the land trust, assets, and interest and rights in land will be held in  
21 trust by the state of Rhode Island and managed by the director for the purposes stated at the time  
22 of original acquisition by the trust. Any trust assets or interests other than land or rights in land  
23 accruing to the state under such circumstances will be held and managed as a separate fund for the  
24 benefit of the designated trust lands;

25 (30) Consistent with federal standards, issue and enforce such rules, regulations, and orders  
26 as may be necessary to establish requirements for maintaining evidence of financial responsibility  
27 for taking corrective action and compensating third parties for bodily injury and property damage  
28 caused by sudden and non-sudden accidental releases arising from operating underground storage  
29 tanks;

30 (31) To enforce, by such means as provided by law, the standards for the quality of air, and  
31 water, and the location, design, construction, and operation of all underground storage facilities  
32 used for storing petroleum products or hazardous materials; any order or notice issued by the  
33 director relating to the location, design, construction, operation, or maintenance of an underground  
34 storage facility used for storing petroleum products or hazardous materials shall be eligible for

1 recordation under chapter 13 of title 34. The director shall forward the order or notice to the city or  
2 town wherein the subject facility is located, and the order or notice shall be recorded in the general  
3 index by the appropriate municipal officer in the land evidence records in the city or town wherein  
4 the subject facility is located. Any subsequent transferee of that facility shall be responsible for  
5 complying with the requirements of the order or notice. Upon satisfactory completion of the  
6 requirements of the order or notice, the director shall provide written notice of the same, which  
7 notice shall be eligible for recordation. The original, written notice shall be forwarded to the city  
8 or town wherein the subject facility is located, and the notice of satisfactory completion shall be  
9 recorded in the general index by the appropriate municipal official in the land evidence records in  
10 the city or town wherein the subject facility is located. A copy of the written notice shall be  
11 forwarded to the owner of the subject facility within five (5) days of a request for it, and, in any  
12 event, shall be forwarded to the owner of the subject facility within thirty (30) days after correction;

13 (32) To manage and disburse any and all funds collected pursuant to § 46-12.9-4, in  
14 accordance with § 46-12.9-5, and other provisions of the Rhode Island Underground Storage Tank  
15 Financial Responsibility Act, as amended;

16 (33) To support, facilitate, and assist the Rhode Island Natural History Survey, as  
17 appropriate and/or as necessary, in order to accomplish the important public purposes of the survey  
18 in gathering and maintaining data on Rhode Island natural history; making public presentations and  
19 reports on natural history topics; ranking species and natural communities; monitoring rare species  
20 and communities; consulting on open-space acquisitions and management plans; reviewing  
21 proposed federal and state actions and regulations with regard to their potential impact on natural  
22 communities; and seeking outside funding for wildlife management, land management, and  
23 research;

24 (34) To promote the effective stewardship of lakes, ponds, rivers, and streams including,  
25 but not limited to, collaboration with watershed organizations and associations of lakefront property  
26 owners on planning and management actions that will prevent and mitigate water quality  
27 degradation, reduce the loss of native habitat due to infestation of non-native species, abate  
28 nuisance conditions that result from excessive growth of algal or non-native plant species as well  
29 as promote healthy freshwater riverine ecosystems;

30 (35) In implementing the programs established pursuant to this chapter, to identify critical  
31 areas for improving service to customers doing business with the department, and to develop and  
32 implement strategies to improve performance and effectiveness in those areas. Key aspects of a  
33 customer-service program shall include, but not necessarily be limited to, the following  
34 components:

1 (i) Maintenance of an organizational unit within the department with the express purpose  
2 of providing technical assistance to customers and helping customers comply with environmental  
3 regulations and requirements;

4 (ii) Maintenance of an employee training program to promote customer service across the  
5 department;

6 (iii) Implementation of a continuous business process evaluation and improvement effort,  
7 including process reviews to encourage development of quality proposals; ensure timely and  
8 predictable reviews; and result in effective decisions and consistent follow up and implementation  
9 throughout the department; and publish an annual report on such efforts;

10 (iv) Creation of a centralized location for the acceptance of permit applications and other  
11 submissions to the department;

12 (v) Maintenance of a process to promote, organize, and facilitate meetings prior to the  
13 submission of applications or other proposals in order to inform the applicant on options and  
14 opportunities to minimize environmental impact; improve the potential for sustainable  
15 environmental compliance; and support an effective and efficient review and decision-making  
16 process on permit applications related to the proposed project;

17 (vi) Development of single permits under multiple authorities otherwise provided in state  
18 law to support comprehensive and coordinated reviews of proposed projects. The director may  
19 address and resolve conflicting or redundant process requirements in order to achieve an effective  
20 and efficient review process that meets environmental objectives; and

21 (vii) Exploration of the use of performance-based regulations coupled with adequate  
22 inspection and oversight, as an alternative to requiring applications or submissions for approval  
23 prior to initiation of projects;

24 (36) To formulate and promulgate regulations requiring any dock or pier longer than twenty  
25 feet (20') and located on a freshwater lake or pond to be equipped with reflective materials, on all  
26 sides facing the water, of an appropriate width and luminosity such that it can be seen by operators  
27 of watercraft;

28 (37) To temporarily waive any control or prohibition respecting the use of a fuel or fuel  
29 additive required or regulated by the department if the director finds that:

30 (i) Extreme or unusual fuel or fuel additive supply circumstances exist in the state or the  
31 New England region that prevent the distribution of an adequate supply of the fuel or fuel additive  
32 to consumers;

33 (ii) Extreme or unusual fuel or fuel additive supply circumstances are the result of a natural  
34 disaster, an act of God, a pipeline or refinery equipment failure, or another event that could not

1 reasonably have been foreseen; and

2 (iii) It is in the public interest to grant the waiver.

3 Any temporary waiver shall be made in writing and shall be effective for twenty (20)  
4 calendar days; provided, that the director may renew the temporary waiver, in writing, if it is  
5 deemed necessary; and

6 (38)(i) To designate by rule certain waters of the state as shellfish or marine life project  
7 management areas for the purpose of enhancing the cultivation and growth of marine species,  
8 managing the harvest of marine species, facilitating the conduct by the department of experiments  
9 in planting, cultivating, propagating, managing, and developing any and all kinds of marine life,  
10 and any other related purpose.

11 (ii) Any such designation shall be by reference to fixed landmarks and include an explicit  
12 description of the area to be designated.

13 (iii) Once so designated, the director may adopt rules and regulations addressing  
14 restrictions on the quantities, types, or sizes of marine species that may be taken in any individual  
15 management area, the times during which marine species may be taken, the manner or manners in  
16 that marine species may be taken, the closure of such area to the taking of marine species, or any  
17 other specific restrictions as may be deemed necessary. Such rules shall be exempt from the  
18 requirements of §§ 42-35-2.7, 42-35-2.8, and 42-35-2.9.

19 (iv) The director, upon the designation of a management area, may place any stakes,  
20 bounds, buoys, or markers with the words "Rhode Island department of environmental  
21 management" plainly marked on them, as will approximate the management area. Failure to place  
22 or maintain the stakes, bounds, buoys, or markers shall not be admissible in any judicial or  
23 administrative proceeding.

24 (v) Nothing in this section shall prevent the director from implementing emergency rules  
25 pursuant to § 42-35-2.10.

26 [\(39\) To enter into agreements with such departments, divisions, agencies, or boards of the](#)  
27 [state to regulate, manage, or perform related functions on any lands or waters acquired under the](#)  
28 [provisions of the Big River — Wood River Reservoir Site Acquisition Act \(Pub. L. 1964, chapter](#)  
29 [133\).](#)

30 SECTION 6. Chapter 42-17.1 of the General Laws entitled "Department of Environmental  
31 Management" is hereby amended by adding thereto the following section:

32 **42-17.1-47. Big River Reservoir — Administration.**

33 [The Rhode Island department of environmental management, established pursuant to](#)  
34 [chapter 17.1 of this title, shall administer those lands acquired for the Big River Reservoir as](#)

1 established under section 23 of chapter 133 of the Pub. L. 1964. The director of the department of  
2 environmental management and the director's authorized agents, employees, and designees shall  
3 manage the land and natural resources of the Big River Reservoir. The lands of the Big River  
4 Reservoir are subject to enforcement authority of the department of environmental management,  
5 as provided for in chapter 17.1 of this title, and as provided for in title 20. Nothing contained herein  
6 shall be construed to affect any of the powers granted to the water resources board ("agency") with  
7 regard to freshwater resource management pursuant to chapters 15 and 15.1 of title 46.

8 Effective July 1, 2026, the department of environmental management will assume  
9 responsibility for all land use planning and for promulgating the rules and regulations regarding the  
10 administration of the Big River Reservoir consistent with the requirements of § 37-20-1. The rules  
11 and regulations promulgated under 490-RICR-00-00-5 of the Rhode Island code of regulations will  
12 remain in full force and effect until such a time as the rules and regulations are properly transferred  
13 to and promulgated by the department of environmental management's title within the Rhode Island  
14 code of regulations.

15 SECTION 7. Sections 42-28-5 and 42-28-22 of the General Laws in Chapter 42-28 entitled  
16 "State Police" are hereby amended to read as follows:

17 **42-28-5. Superintendent — Appointment, tenure, duties, and retirement.**

18 (a) The governor shall appoint the superintendent of state police, who shall serve at the  
19 pleasure of the governor and shall perform the duties prescribed by this chapter.

20 (b) Any superintendent who has served for at least ten (10) years and has reached the age  
21 of sixty (60) years, may resign the superintendent's office, and thereafter shall receive annually  
22 during his or her life a sum equal to fifty percent (50%) of the salary the superintendent was  
23 receiving at the time of the superintendent's resignation, or for any superintendent hired on or after  
24 July 1, 2012, a sum equal to fifty percent (50%) of the average compensation as defined in § 36-8-  
25 1(5)~~(a)~~ the superintendent was receiving at the time of the superintendent's resignation.

26 (c) In no event shall the retirement allowance granted to a superintendent in accordance  
27 with subsection (b) plus any other retirement allowance received by the superintendent from any  
28 state or municipal retirement system exceed seventy-five percent (75%) of the average  
29 compensation as defined in § 36-8-1(5)~~(a)~~ the superintendent was receiving at the time of the  
30 superintendent's resignation. This subsection (c) shall only apply to superintendents hired on or  
31 after July 1, 2012.

32 **42-28-22. Retirement of members.**

33 (a) Whenever any member of the state police hired prior to July 1, 2007, has served for  
34 twenty (20) years, the member may retire therefrom or they may be retired by the superintendent

1 with the approval of the governor, and in either event a sum equal to one-half (½) of the whole  
2 salary for the position from which the member retired determined on the date the member receives  
3 their first retirement payment shall be paid the member during life.

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

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

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

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

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

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

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

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

4 (e)(1) Any member who retires after July 1, 1972, and is eligible to retire prior to July 1,  
5 2012, and who has served beyond twenty (20) years shall be allowed an additional amount equal  
6 to three percent (3%) for each completed year served after twenty (20) years, but in no event shall  
7 the original retirement allowance exceed sixty-five percent (65%) of the member's whole salary as  
8 defined in subsection (b) hereof or sixty-five percent (65%) of the member's salary as defined in  
9 subsection (b) hereof in the member's twenty-fifth (25th) year whichever is less.

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

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

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

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

32 (4) Any member who is granted a leave of absence without pay for illness, injury, or any  
33 other reason may receive credit therefor by making the full actuarial cost as defined in § 36-8-  
34 1(10); provided the employee returns to state service for at least one year upon completion of the

1 leave.

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

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

13 (g) The provisions of this section shall not apply to civilian employees in the Rhode Island  
14 state police; and, further, from and after April 28, 1937, chapters 8 — 10, inclusive, of title 36 shall  
15 not be construed to apply to the members of the Rhode Island state police, except as provided by  
16 §§ 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.

17 (h) Any member of the state police other than the superintendent of state police, who is  
18 hired prior to July 1, 2007, [and retires prior to July 1, 2026](#), and who has served for twenty-five  
19 (25) years or who has attained the age of sixty-two (62) years, whichever shall first occur, shall  
20 retire therefrom.

21 (i)(1) Any member of the state police, other than the superintendent, who is hired on or  
22 after July 1, 2007, [and retires prior to July 1, 2026](#), and who has served for twenty-five (25) years,  
23 may retire therefrom or the member may be retired by the superintendent with the approval of the  
24 governor, and shall be entitled to a retirement allowance of fifty percent (50%) of the member's  
25 "whole salary" as defined in subsection (b) hereof.

26 (2) Any member of the state police who is hired on or after July 1, 2007, [and retires prior](#)  
27 [to July 1, 2026](#), may serve up to a maximum of thirty (30) years, and shall be allowed an additional  
28 amount equal to three percent (3.0%) for each completed year served after twenty-five (25) years,  
29 but in no event shall the original retirement allowance exceed sixty-five percent (65%) of his or her  
30 "whole salary" as defined in subsection (b) hereof.

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

32 (1) Any member of the state police, other than the superintendent of state police, who is  
33 not eligible to retire on or prior to June 30, 2012, may retire at any time subsequent to the date the  
34 member's retirement allowance equals or exceeds fifty percent (50%) of average compensation as

1 defined in § 36-8-1(5)~~(a)~~, provided that a member shall retire upon the first to occur of:

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

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

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

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

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

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

16 (B) For members hired on or after July 1, 2007, the member's retirement allowance shall  
17 be calculated as the member's years of total contributory service multiplied by two percent (2%)  
18 of average compensation [as defined in § 36-8-1\(5\)](#).

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

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

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

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

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

1 2015.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 (iv) Effective for members and/or beneficiaries of members who have retired on or before  
33 July 1, 2015, a one-time stipend of five hundred dollars (\$500) shall be payable within sixty (60)  
34 days following the enactment of the legislation implementing this provision, and a second one-time

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

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

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

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

18 (l) On and after July 1, 2026, notwithstanding any provision to the contrary:

19 (1) Any member of the state police who is hired prior to July 1, 2007, and who was not  
20 eligible to retire on or before June 30, 2012, who has served for twenty (20) years, may retire  
21 therefrom, or the member may be retired by the superintendent with the approval of the governor,  
22 and shall be entitled to a retirement allowance of fifty percent (50%) of whole salary as defined in  
23 subsection (b) of this section. Subject to the exceptions set forth in subsections (l)(1)(i), (l)(1)(ii)  
24 and (l)(1)(iii) of this section such members may serve up to a maximum of twenty-five (25) years,  
25 and shall be allowed an additional amount equal to three percent (3.0%) for each completed year  
26 served after twenty (20) years, but in no event shall the original retirement allowance exceed sixty-  
27 five percent (65%) of the member's "whole salary" as defined in subsection (b) of this section.  
28 "Whole salary" for purposes of the retirement allowance shall be calculated pursuant to subsection  
29 (b) of this section and be based on the average of the member's highest three (3) consecutive years  
30 of compensation.

31 (i) Notwithstanding any provision to the contrary, any member who was sworn into service  
32 with the Rhode Island state police during the year 1997, shall not be required to retire before  
33 September 1, 2026. Any member who has worked beyond their twenty-fifth (25<sup>th</sup>) year, pursuant  
34 to the provisions of this subsection and elects to work until September 1, 2026, shall accrue no

1 additional service credit but shall continue to make retirement contributions in accordance with §  
2 42-28-22.1, and the whole salary for purposes of the retirement allowance shall be calculated  
3 pursuant to subsection (b) of this section and be based on the average of the member's highest three  
4 (3) consecutive years of compensation.

5 (ii) Notwithstanding any provision to the contrary, any member who was sworn into service  
6 with the Rhode Island state police during the year 2000, shall not be required to retire before  
7 January 18, 2028. Any member who has worked beyond their twenty-fifth (25<sup>th</sup>) year, pursuant to  
8 the provisions of this subsection and elects to work until January 18, 2028, shall accrue no  
9 additional service credit but shall continue to make retirement contributions in accordance with §  
10 42-28-22.1 and the whole salary for purposes of the retirement allowance shall be calculated  
11 pursuant to subsection (b) of this section and be based on the average of the member's highest three  
12 (3) consecutive years of compensation.

13 (iii) Notwithstanding any provision to the contrary, any member who was sworn into  
14 service with the Rhode Island state police during the year 2005, shall not be required to retire before  
15 January 21, 2031. Any member who has worked beyond their twenty-fifth (25<sup>th</sup>) year, pursuant to  
16 the provisions of this subsection and elects to work until January 21, 2031, shall accrue no  
17 additional service credit but shall continue to make retirement contributions in accordance with §  
18 42-28-22.1 and the whole salary for purposes of the retirement allowance shall be calculate  
19 pursuant to subsection (b) of this section and be based on the average of the member's highest three  
20 (3) consecutive years of compensation.

21 (2) Any member of the state police hired on or after July 1, 2007, who has served for  
22 twenty-five (25) years, may retire therefrom, or the member may be retired by the superintendent  
23 with the approval of the governor, and shall be entitled to a retirement allowance of fifty percent  
24 (50%) of whole salary as defined in subsection (b) of this section. Such members may serve a  
25 maximum of thirty (30) years, and shall be allowed an additional amount equal to three percent  
26 (3.0%) for each completed year served after twenty-five (25) years, but in no event shall the original  
27 retirement allowance exceed sixty-five percent (65%) of the member's "whole salary" as defined  
28 in subsection (b) of this section. "Whole salary" for purposes of the retirement allowance shall be  
29 calculated pursuant to subsection (b) of this section and be based on the average of the member's  
30 highest three (3) consecutive years of compensation.

31 (m) Any member of the state police, or their beneficiary, who retired on or after July 1,  
32 2024, and prior to July 1, 2026, shall have their retirement allowance recalculated, retroactive to  
33 their date of retirement, to reflect the benefit provided in subsections (b) and (l) of this section. This  
34 provision shall be implemented as soon as administratively feasible. In no event shall a member's

1 [retirement allowance under this provision be less than the member's retirement allowance](#)  
2 [calculated as of the date of their retirement.](#)

3 SECTION 8. Sections 42-64.20-5 and 42-64.20-10 of the General Laws in Chapter 42-  
4 64.20 entitled "Rebuild Rhode Island Tax Credit" are hereby amended to read as follows:

5 **42-64.20-5. Tax credits.**

6 (a) An applicant meeting the requirements of this chapter may be allowed a credit as set  
7 forth hereinafter against taxes imposed upon such person under applicable provisions of title 44 of  
8 the general laws for a qualified development project.

9 (b) To be eligible as a qualified development project entitled to tax credits, an applicant's  
10 chief executive officer or equivalent officer shall demonstrate to the commerce corporation, at the  
11 time of application, that:

12 (1) The applicant has committed a capital investment or owner equity of not less than  
13 twenty percent (20%) of the total project cost;

14 (2) There is a project financing gap in which after taking into account all available private  
15 and public funding sources, the project is not likely to be accomplished by private enterprise  
16 without the tax credits described in this chapter; and

17 (3) The project fulfills the state's policy and planning objectives and priorities in that:

18 (i) The applicant will, at the discretion of the commerce corporation, obtain a tax  
19 stabilization agreement from the municipality in which the real estate project is located on such  
20 terms as the commerce corporation deems acceptable;

21 (ii) It (A) Is a commercial development consisting of at least 25,000 square feet occupied  
22 by at least one business employing at least 25 full-time employees after construction or such  
23 additional full-time employees as the commerce corporation may determine; (B) Is a multi-family  
24 residential development in a new, adaptive reuse, certified historic structure, or recognized  
25 historical structure consisting of at least 20,000 square feet and having at least 20 residential units  
26 in a hope community; or (C) Is a mixed-use development in a new, adaptive reuse, certified historic  
27 structure, or recognized historical structure consisting of at least 25,000 square feet occupied by at  
28 least one business, subject to further definition through rules and regulations promulgated by the  
29 commerce corporation; and

30 (iii) Involves a total project cost of not less than \$5,000,000, except for a qualified  
31 development project located in a hope community or redevelopment area designated under § 45-  
32 32-4 in which event the commerce corporation shall have the discretion to modify the minimum  
33 project cost requirement.

34 (4) Until July 1, 2025, pursuant to P.L. 2022 ch. 271 and P.L. 2022 ch. 272, for construction

1 projects in excess of ten million dollars (\$10,000,000), all construction workers shall be paid in  
2 accordance with the wages and benefits required pursuant to chapter 13 of title 37 with all  
3 contractors and subcontractors required to file certified payrolls on a monthly basis for all work  
4 completed in the preceding month on a uniform form prescribed by the director of labor and  
5 training. Failure to follow the requirements pursuant to chapter 13 of title 37 shall constitute a  
6 material violation and a material breach of the agreement with the state. The commerce corporation,  
7 in consultation with the director of labor and training and the tax administrator, shall promulgate  
8 such rules and regulations as are necessary to implement the enforcement of this subsection. The  
9 provisions of this subsection shall expire and sunset on July 1, 2025.

10 (5) Notwithstanding any general or special law or rule or regulation to the contrary, for  
11 construction projects that have executed a tax credit agreement on or after July 1, 2025, and  
12 involving a budget of direct hard construction costs (as defined in § 44-33.6-2) in excess of twenty-  
13 five million dollars (\$25,000,000), all construction workers shall be paid in accordance with the  
14 wages and benefits required pursuant to chapter 13 of title 37 with all contractors and  
15 subcontractors required to file certified payrolls on a monthly basis for all work completed in the  
16 preceding month on a uniform form prescribed by the director of labor and training. Failure to  
17 follow the requirements pursuant to chapter 13 of title 37 shall constitute a material violation and  
18 a material breach of the agreement with the state. The commerce corporation, in consultation with  
19 the director of labor and training and the tax administrator, shall promulgate such rules and  
20 regulations as are necessary to implement the enforcement of this subsection.

21 (c) The commerce corporation shall develop separate, streamlined application processes  
22 for the issuance of rebuild RI tax credits for each of the following:

- 23 (1) Qualified development projects that involve certified historic structures;
- 24 (2) Qualified development projects that involve recognized historical structures;
- 25 (3) Qualified development projects that involve at least one manufacturer; and
- 26 (4) Qualified development projects that include affordable housing or workforce housing.

27 (d) Applications made for a historic structure or recognized historic structure tax credit  
28 under chapter 33.6 of title 44 shall be considered for tax credits under this chapter. The division of  
29 taxation, at the expense of the commerce corporation, shall provide communications from the  
30 commerce corporation to those who have applied for and are in the queue awaiting the offer of tax  
31 credits pursuant to chapter 33.6 of title 44 regarding their potential eligibility for the rebuild RI tax  
32 credit program.

33 (e) Applicants (1) Who have received the notice referenced in subsection (d) above and  
34 who may be eligible for a tax credit pursuant to chapter 33.6 of title 44; (2) Whose application

1 involves a certified historic structure or recognized historical structure; or (3) Whose project is  
2 occupied by at least one manufacturer shall be exempt from the requirements of subsections  
3 (b)(3)(ii) and (b)(3)(iii). The following procedure shall apply to such applicants:

4 (i) The division of taxation shall remain responsible for determining the eligibility of an  
5 applicant for tax credits awarded under chapter 33.6 of title 44;

6 (ii) The commerce corporation shall retain sole authority for determining the eligibility of  
7 an applicant for tax credits awarded under this chapter;

8 (iii) The commerce corporation shall not award in excess of fifteen percent (15%) of the  
9 annual amount authorized in any fiscal year to applicants seeking tax credits pursuant to this  
10 subsection (e); and

11 (iv) No tax credits shall be awarded under this chapter unless the commerce corporation  
12 receives confirmation from the department of labor and training that there has been compliance  
13 with the prevailing wage requirements set forth in subsection (b) of this section.

14 **(f) Maximum project credit.**

15 (1) For qualified development projects, the maximum tax credit allowed under this chapter  
16 shall be the lesser of (i) Thirty percent (30%) of the total project cost; or (ii) The amount needed to  
17 close a project financing gap (after taking into account all other private and public funding sources  
18 available to the project), as determined by the commerce corporation.

19 (2) The credit allowed pursuant to this chapter, inclusive of any sales and use tax  
20 exemptions allowed pursuant to this chapter, shall not exceed fifteen million dollars (\$15,000,000)  
21 for any qualified development project under this chapter; except as provided in subsection (f)(3) of  
22 this section; provided however, any qualified development project that exceeds the project cap upon  
23 passage of this act shall be deemed not to exceed the cap, shall not be reduced, nor shall it be further  
24 increased. No building or qualified development project to be completed in phases or in multiple  
25 projects shall exceed the maximum project credit of fifteen million dollars (\$15,000,000) for all  
26 phases or projects involved in the rehabilitation of the building. Provided, however, that for  
27 purposes of this subsection and no more than once in a given fiscal year, the commerce corporation  
28 may consider the development of land and buildings by a developer on the "I-195 land" as defined  
29 in § 42-64.24-3(6) as a separate, qualified development project from a qualified development  
30 project by a tenant or owner of a commercial condominium or similar legal interest including  
31 leasehold improvement, fit out, and capital investment. Such qualified development project by a  
32 tenant or owner of a commercial condominium or similar legal interest on the I-195 land may be  
33 exempted from subsection (f)(1)(i) of this section.

34 (3) The credit allowed pursuant to this chapter, inclusive of any sales and use tax

1 exemptions allowed pursuant to this chapter, shall not exceed twenty-five million dollars  
2 (\$25,000,000) for the project for which the I-195 redevelopment district was authorized to enter  
3 into a purchase and sale agreement for parcels 42 and P4 on December 19, 2018, provided that  
4 project is approved for credits pursuant to this chapter by the commerce corporation.

5 (4) For qualified development projects involving the development of housing and mixed  
6 use projects involving housing which are restricted to require at least twenty percent (20%) of the  
7 housing units being affordable housing or workforce housing development for residents making no  
8 more than between eighty percent (80%) and one hundred twenty percent (120%) of the area  
9 median income (AMI) shall be allowed sales and use tax exemptions of up to thirty percent (30%)  
10 of the maximum project credit in addition to the maximum project credit of fifteen million dollars  
11 (\$15,000,000) pursuant to this chapter. Any sales and use tax exemptions allowed in addition to the  
12 maximum project credit shall be for purchases made by June 30, 2028.

13 (g) Credits available under this chapter shall not exceed twenty percent (20%) of the project  
14 cost, provided, however, that the applicant shall be eligible for additional tax credits of not more  
15 than ten percent (10%) of the project cost, if the qualified development project meets any of the  
16 following criteria or other additional criteria determined by the commerce corporation from time  
17 to time in response to evolving economic or market conditions:

18 (1) The project includes adaptive reuse or development of a recognized historical structure;

19 (2) The project is undertaken by or for a targeted industry;

20 (3) The project is located in a transit-oriented development area;

21 (4) The project includes residential development of which at least twenty percent (20%) of  
22 the residential units are designated as affordable housing or workforce housing;

23 (5) The project includes the adaptive reuse of property subject to the requirements of the  
24 industrial property remediation and reuse act, § 23-19.14-1 et seq.; or

25 (6) The project includes commercial facilities constructed in accordance with the minimum  
26 environmental and sustainability standards, as certified by the commerce corporation pursuant to  
27 Leadership in Energy and Environmental Design or other equivalent standards.

28 (h) **Maximum aggregate credits.** The aggregate sum authorized pursuant to this chapter,  
29 inclusive of any sales and use tax exemptions allowed pursuant to this chapter, shall not exceed  
30 ~~two hundred twenty five million dollars (\$225,000,000)~~ two hundred fifty million dollars  
31 (\$250,000,000), excluding any tax credits allowed pursuant to subsection (f)(3) of this section.

32 (i) Tax credits shall not be allowed under this chapter prior to the taxable year in which the  
33 project is placed in service.

34 (j) The amount of a tax credit allowed under this chapter shall be allowable to the taxpayer

1 in up to five, annual increments; no more than thirty percent (30%) and no less than fifteen percent  
2 (15%) of the total credits allowed to a taxpayer under this chapter may be allowable for any taxable  
3 year.

4 (k) If the portion of the tax credit allowed under this chapter exceeds the taxpayer's total  
5 tax liability for the year in which the relevant portion of the credit is allowed, the amount that  
6 exceeds the taxpayer's tax liability may be carried forward for credit against the taxes imposed for  
7 the succeeding four (4) years, or until the full credit is used, whichever occurs first. Credits allowed  
8 to a partnership, a limited liability company taxed as a partnership, or multiple owners of property  
9 shall be passed through to the persons designated as partners, members, or owners respectively pro  
10 rata or pursuant to an executed agreement among persons designated as partners, members, or  
11 owners documenting an alternate distribution method without regard to their sharing of other tax  
12 or economic attributes of such entity.

13 (l) The commerce corporation, in consultation with the division of taxation, shall establish,  
14 by regulation, the process for the assignment, transfer, or conveyance of tax credits.

15 (m) For purposes of this chapter, any assignment or sales proceeds received by the taxpayer  
16 for its assignment or sale of the tax credits allowed pursuant to this section shall be exempt from  
17 taxation under title 44. If a tax credit is subsequently revoked or adjusted, the seller's tax calculation  
18 for the year of revocation or adjustment shall be increased by the total amount of the sales proceeds,  
19 without proration, as a modification under chapter 30 of title 44. In the event that the seller is not a  
20 natural person, the seller's tax calculation under chapter 11, 13, 14, or 17 of title 44, as applicable,  
21 for the year of revocation, or adjustment, shall be increased by including the total amount of the  
22 sales proceeds without proration.

23 (n) The tax credit allowed under this chapter may be used as a credit against corporate  
24 income taxes imposed under chapter 11, 13, 14, or 17 of title 44, or may be used as a credit against  
25 personal income taxes imposed under chapter 30 of title 44 for owners of pass-through entities such  
26 as a partnership, a limited liability company taxed as a partnership, or multiple owners of property.

27 (o) In the case of a corporation, this credit is only allowed against the tax of a corporation  
28 included in a consolidated return that qualifies for the credit and not against the tax of other  
29 corporations that may join in the filing of a consolidated tax return.

30 (p) Upon request of a taxpayer and subject to annual appropriation, the state shall redeem  
31 this credit, in whole or in part, for ninety percent (90%) of the value of the tax credit. The division  
32 of taxation, in consultation with the commerce corporation, shall establish by regulation a  
33 redemption process for tax credits.

34 (q) Projects eligible to receive a tax credit under this chapter may, at the discretion of the

1 commerce corporation, be exempt from sales and use taxes imposed on the purchase of the  
2 following classes of personal property only to the extent utilized directly and exclusively in the  
3 project: (1) Furniture, fixtures, and equipment, except automobiles, trucks, or other motor vehicles;  
4 or (2) Other materials, including construction materials and supplies, that are depreciable and have  
5 a useful life of one year or more and are essential to the project.

6 (r) The commerce corporation shall promulgate rules and regulations for the administration  
7 and certification of additional tax credit under subsection (g), including criteria for the eligibility,  
8 evaluation, prioritization, and approval of projects that qualify for such additional tax credit.

9 (s) The commerce corporation shall not have any obligation to make any award or grant  
10 any benefits under this chapter.

11 **42-64.20-10. Sunset.**

12 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~  
13 ~~2026~~ [December 31, 2027](#).

14 SECTION 9. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled "Rhode  
15 Island Tax Increment Financing" is hereby amended to read as follows:

16 **42-64.21-9. Sunset.**

17 The commerce corporation shall enter into no agreement under this chapter after ~~December~~  
18 ~~31, 2026~~ [December 31, 2027](#).

19 SECTION 10. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled "Tax  
20 Stabilization Incentive" is hereby amended to read as follows:

21 **42-64.22-15. Sunset.**

22 The commerce corporation shall enter into no agreement under this chapter after ~~December~~  
23 ~~31, 2026~~ [December 31, 2027](#).

24 SECTION 11. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled "First  
25 Wave Closing Fund" is hereby amended to read as follows:

26 **42-64.23-8. Sunset.**

27 No financing shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~  
28 ~~2026~~ [December 31, 2027](#).

29 SECTION 12. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled "I-195  
30 Redevelopment Project Fund" is hereby amended to read as follows:

31 **42-64.24-8. Sunset.**

32 No funding, credits, or incentives shall be authorized or authorized to be reserved pursuant  
33 to this chapter after ~~December 31, 2026~~ [December 31, 2027](#).

34 SECTION 13. Section 42-64.26-12 of the General Laws in Chapter 42-64.26 entitled "Stay

1 Invested in RI Wavemaker Fellowships" is hereby amended to read as follows:

2 **42-64.26-12. Sunset.**

3 No incentives or credits shall be authorized pursuant to this chapter after ~~December 31,~~  
4 ~~2026~~ [December 31, 2027](#).

5 SECTION 14. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled "Main  
6 Street Rhode Island Streetscape Improvement Fund" is hereby amended to read as follows:

7 **42-64.27-6. Sunset.**

8 No incentives shall be authorized pursuant to this chapter after ~~December 31, 2026~~  
9 [December 31, 2027](#).

10 SECTION 15. Section 42-64.28-10 of the General Laws in Chapter 42-64.28 entitled  
11 "Innovation Initiative" is hereby amended to read as follows:

12 **42-64.28-10. Sunset.**

13 No vouchers, grants, or incentives shall be authorized pursuant to this chapter after  
14 ~~December 31, 2026~~ [December 31, 2027](#).

15 SECTION 16. Section 44-48.3-14 of the General Laws in Chapter 44-48.3 entitled "Rhode  
16 Island New Qualified Jobs Incentive Act 2015" is hereby amended to read as follows:

17 **44-48.3-14. Sunset.**

18 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~  
19 ~~2026~~ [December 31, 2027](#).

20 SECTION 17. Chapter 46-15.1 of the General Laws entitled "Water Supply Facilities" is  
21 hereby amended by adding thereto the following section:

22 **46-15.1-23. Transfer of powers and functions from the water resources board for big**  
23 **river reservoir administration.**

24 [The administration of lands acquired for the Big River Reservoir, as established under](#)  
25 [section 23 of chapter 133 of the Pub. L. 1964, are hereby transferred to the department of](#)  
26 [environmental management. However, all other general authority granted to the water resource](#)  
27 [board in chapters 15 and 15.1 of title 46 is hereby retained by the water resource board.](#)

28 SECTION 18. Section 46-15.1-5 of the General Laws in Chapter 46-15.1 entitled "Water  
29 Supply Facilities" is hereby amended to read as follows:

30 **46-15.1-5. Powers.**

31 (a) The board shall carry out its functions and shall have the following powers:

32 (1) To adopt a seal and to alter the seal from time to time;

33 (2) To sue and be sued;

34 (3) To purchase, hold, and dispose of real and personal property, or interests therein, and

- 1 to lease the property as lessee or lessor;
- 2 (4) To make or cause to be made such surveys and borings as it may deem necessary;
- 3 (5) To engage engineering, legal, accounting, and other professional services;
- 4 (6) To make contracts;
- 5 (7) To employ personnel and fix their rates of compensation;
- 6 (8) To borrow money and issue its bonds and notes as hereinafter provided;
- 7 (9) To apply and contract for and to expend assistance from the United States or other  
8 sources, whether in the form of a grant or loan or otherwise;
- 9 (10) To adopt and amend bylaws for the regulation of its affairs and the conduct of its  
10 business;
- 11 (11) To invest or deposit funds in demand deposits, savings deposits, and time deposits in  
12 any bank or trust company which is a member of the Federal Deposit Insurance Corporation or in  
13 any obligations issued or guaranteed by the United States or any agency or instrumentality thereof,  
14 or as provided in § 35-10-11;
- 15 (12) To establish, operate, and maintain or lease to others, or contract with others for the  
16 use of, such water supply facilities as may be reasonably required for the fulfillment of its purposes;
- 17 (13) To purchase and sell water;
- 18 (14) To exercise such other powers as may be necessary or incidental to the exercise of the  
19 foregoing powers or to the accomplishment of the purposes of the board;
- 20 (15) To acquire, within the limitation of funds therefor, the sites, appurtenant marginal  
21 lands, dams, waters, water rights, rights of way, easements, and other property in interests in  
22 property for reservoirs, groundwater wells, well sites, and for such pipe lines, aqueducts, pumping  
23 stations, filtration plants, and auxiliary structures as may be necessary or desirable for the treatment  
24 and distribution of water from those reservoirs, groundwater wells, and well sites. Lands acquired  
25 under the provisions of this section shall be acquired with the approval of the governor by purchase,  
26 gift, devise, or otherwise on such terms and conditions as the board shall determine, or by the  
27 exercise of eminent domain, in accordance with the provisions of chapter 6 of title 37, as amended,  
28 insofar as those provisions are consistent with the provisions hereof;
- 29 (16) To construct or purchase water reservoirs, wells and well sites, processing facilities,  
30 transmission or distribution systems, and other facilities, including existing facilities of municipal  
31 water agencies or departments, special water districts, or private water companies, necessary to  
32 accomplish the purposes of this chapter and to implement its plans and program;
- 33 (17) To acquire the assets, assume the liabilities, or to effect the merger into itself of any  
34 corporation or other organization, including public or private water supply systems incorporated or

1 organized under the laws of this state, which corporation or organization has as its principal  
2 business the establishment of water supply facilities or provision of related services, all upon such  
3 terms and for such consideration as the board shall deem to be appropriate;

4 (18) To lease, sell, or otherwise convey any reservoir sites or other water supply or  
5 distribution facilities acquired, constructed, or purchased by the board to any municipal water  
6 agency or department or special water district or private water company, upon such terms as the  
7 board shall deem appropriate;

8 (19) To provide for cooperative development, conservation, and use of water resources by  
9 the state, municipal agencies or departments, special water districts or privately owned water  
10 systems, the board may:

11 (i) Authorize publicly or privately owned water supply agencies to build structures or  
12 install equipment on land owned or leased by the board.

13 (ii) Enter into contracts with publicly or privately owned water supply agencies for  
14 operation of any facilities owned or leased by the board or operate any such facility by itself.

15 (20) To enter into contracts to supply raw or processed water to publicly or privately owned  
16 water supply agencies, which shall be approved as to substance by the director of administration  
17 and as to form by the attorney general;

18 (21) To review all plans and proposals for construction or installation of facilities for water  
19 supply in accordance with the applicable sections of chapter 15 of this title;

20 (22) To make loans to publicly owned water supply agencies for acquisition, construction,  
21 and renovation of water supply facilities from funds which may be appropriated for this purpose  
22 by the general assembly, from bonds issued for this purpose, or from other funds which may  
23 become available to the board for this purpose;

24 (23) To borrow money temporarily from the water development fund, for the purposes of  
25 this chapter, and to implement its plans and programs relating to reservoir development, exclusive  
26 of the acquisition of sites for the development of surface reservoirs, in anticipation of revenue or  
27 federal aid; [and](#)

28 ~~(24) To enter into contracts and/or agreements with such departments, divisions, agencies,~~  
29 ~~or boards of the state as are directed by the governor to regulate, manage, or perform related~~  
30 ~~functions on any lands or waters acquired under the provisions of the Big River—Wood River~~  
31 ~~Reservoir Site Acquisition Act (P.L. of 1964, chapter 133); and~~

32 (25) To compensate the departments, divisions, agencies, or boards from the water  
33 development fund in an amount equal to the cost of providing the functions or services as are  
34 directed to be performed by the governor. The compensation shall be mandatory and shall be

1 provided according to procedures established by the department of administration.

2 (b) The board as a body politic and corporate and public instrumentality created pursuant  
3 to this chapter is subject to § 46-15.1-5(1) — (25). The board as the state agency pursuant to chapter  
4 15 of this title is subject to § 46-15.1-5(15) — (25).

5 SECTION 19. Section 46-15.1-19.1 of the General Laws in Chapter 46-15.1 entitled  
6 "Water Supply Facilities" is hereby repealed.

7 ~~**46-15.1-19.1. Big River Reservoir Administration.**~~

8 ~~The Rhode Island water resources board, established pursuant to this chapter and chapter~~  
9 ~~15 of this title, shall be the only designated agency which will administer those lands acquired for~~  
10 ~~the Big River Reservoir as established under section 23 of chapter 133 of the Public Laws of 1964.~~  
11 ~~The director of the department of environmental management and the director's authorized agents,~~  
12 ~~employees, and designees shall, together with the water resources board in accordance with the Big~~  
13 ~~River management area land use plan for the lands, protect the natural resources of the Big River~~  
14 ~~Reservoir lands. The lands of the Big River Reservoir are subject to enforcement authority of the~~  
15 ~~department of environmental management, as provided for in chapter 17.1 of title 42, and as~~  
16 ~~provided for in title 20 of the General Laws.~~

17 SECTION 20. Sections 46-31.1-1, 46-31.1-2 and 46-31.1-3 of the General Laws in Chapter  
18 46-31.1 entitled "The Rhode Island Bays, Rivers and Watersheds Fund" are hereby amended to  
19 read as follows:

20 **46-31.1-1. Legislative findings.**

21 The general assembly hereby finds and declares as follows:

22 (1) The bays, rivers, and associated watersheds of Rhode Island are unique and unparalleled  
23 natural resources that provide significant cultural, ecological, and economic benefit to the state.

24 (2) Pursuant to the provisions of R.I. Const., art. 1, § 17, it is the duty of the general  
25 assembly to provide for the conservation of the air, land, water, plant, animal, mineral, and other  
26 natural resources of the state; and to adopt all means necessary and proper by law to protect the  
27 natural environment of the people of the state by providing adequate resource planning for the  
28 control and regulation of the use of the natural resources of the state; and for the preservation,  
29 regeneration, and restoration of the natural environment of the state.

30 (3) It is in the best interest of the state and its citizens to preserve, protect, and restore our  
31 bays, rivers, [lakes](#), and associated watersheds.

32 (4) Sixty percent (60%) of the watershed of Narragansett Bay is within Massachusetts,  
33 almost all of the watershed of Mount Hope Bay is within Massachusetts, and five percent (5%) of  
34 the watershed of Little Narragansett Bay is within Connecticut; further, a cluster of water-related

1 economic interests spans the three (3) states.

2 (5) There is a need to foster effective management, preservation, restoration, and  
3 monitoring of the bays, rivers, [lakes](#), and watersheds; and the promotion of sustainable economic  
4 development of businesses that rely directly or indirectly on the bays, rivers, and watersheds.

5 **46-31.1-2. Definitions.**

6 As used in this chapter, unless the context clearly indicates otherwise:

7 (1) “Bays” means the estuaries including Narragansett Bay, Mount Hope Bay, Greenwich  
8 Bay, Little Narragansett Bay, the coastal ponds, the Sakonnet River, and Rhode Island territorial  
9 waters that extend seaward three geographical miles from the shoreline including the area around  
10 Block Island.

11 (2) “Coordination” means to harmonize in a common action or effort and/or to function in  
12 a complementary manner.

13 [\(3\) “Lake” or “pond” means a place, natural or manmade, located wholly or partly within](#)  
14 [the State of Rhode Island, where open standing or slowly moving water is present for at least six](#)  
15 [\(6\) months of the year. For the purposes of this chapter, “lake” or “pond” shall exclude commercial](#)  
16 [or industrial waterbodies created for the purpose of providing cooling water, concrete or poly-lined](#)  
17 [waterbodies, and construction dewatering basins.](#)

18 ~~(3)~~(4) “River” means a flowing body of water or estuary or a section, portion, or tributary  
19 thereof, including, but not limited to, streams, creeks, brooks, ponds, and small lakes.

20 ~~(4)~~(5) “Water cluster” means an economically interconnected grouping of businesses,  
21 institutions, and people relying directly or indirectly on the bays, rivers, and watersheds including,  
22 but not limited to, the following sectors:

- 23 (i) Recreation, tourism, and public events;
- 24 (ii) Fisheries and aquaculture;
- 25 (iii) Boat and ship building;
- 26 (iv) Boating-related businesses;
- 27 (v) Transportation;
- 28 (vi) Military;
- 29 (vii) Research; and
- 30 (viii) Technology development and education.

31 ~~(5)~~(6) “Watershed” means a land area which because of its topography, soil type, and  
32 drainage patterns acts as a collector of raw waters which regorge or replenish rivers and existing or  
33 planned public water supplies.

34 **46-31.1-3. Bays, Rivers and Watersheds Fund.**

1 (a) There is hereby established a restricted receipt account within the Department of  
2 Environmental Management to be called the Bays, Rivers and Watersheds Fund;

3 (b) The fund shall consist of any funds which the state may from time to time appropriate,  
4 as well as money received as gifts, grants, bequests, donations or other funds from any public or  
5 private sources, as well as all fees collected pursuant to § 46-23-1(f)(2) for the leasing of submerged  
6 lands for transatlantic cables, and all fees collected pursuant to chapter 12.11 of this title for the  
7 disposal of septage;

8 (c) All funds, monies, and fees collected pursuant to this section shall be deposited in the  
9 Bays, Rivers and Watersheds Fund, and shall be utilized by the Department of Environmental  
10 Management consistent with the purposes of § 46-23.2-1 entitled, “The Comprehensive Watershed  
11 and Marine Monitoring Act of 2004,” ~~§ 46-12~~ [chapter 12 of title 46 entitled, “Water Pollution”](#),  
12 [chapter 33 of title 46 entitled, “Freshwater Lake Management Program,”](#) and chapter 6.2 of title 4  
13 ~~42~~ [entitled “Resilient Rhode Island Act of 2014 Climate Change Coordination Council 2021 Act](#)  
14 [on Climate.”](#) All expenditures from the fund shall be subject to appropriation by the general  
15 assembly.

16 SECTION 21. Sections 46-33-1 and 46-33-2 of the General Laws in Chapter 46-33 entitled  
17 "Freshwater Lake Management Program" are hereby amended to read as follows:

18 **46-33-1. Definitions.**

19 As used in this chapter, unless the context indicates otherwise:

20 (1) “Aquatic invasive species” means those invasive or non-native species that inhabit  
21 water resources including lakes, ponds, rivers, and streams.

22 (2) “Coordination” means to harmonize in a common action or effort and/or to function in  
23 a complementary manner.

24 (3) “Department” means the Rhode Island department of environmental management.

25 (4) “Invasive species” means an alien species whose introduction does or is likely to cause  
26 economic or environmental harm, or harm to human health.

27 (5) “Lake” or “pond” means a place, natural or manmade, located wholly or partly within  
28 the state of Rhode Island, where open standing or slowly moving water shall be present for at least  
29 six (6) months of the year.

30 (6) “Lake association” means an association, club, or other organization, formed and  
31 registered in Rhode Island, that has responsibility for stewardship and management of a freshwater  
32 lake or pond.

33 (7) “Non-native species” means a species of plant, animal, or microbe that is:

34 (i) Introduced to a country or region where it is not native;

- 1 (ii) Is reproducing and spreading without human cultivation; and
- 2 (iii) Is causing harm to native species or the areas in which they live.

3 ~~(8) “Rhode Island lake management fund” means the fund established by § 46-33-3.~~

4 **46-33-2. Rhode Island lake management program — Established.**

5 (a) The department shall develop and implement a lake management program. The program  
6 shall include the following elements:

7 (1) Field surveys and mapping to document the presence of aquatic invasive species in  
8 freshwaters;

9 (2) Development and provision of guidance and technical assistance to lake associations,  
10 watershed organizations, and municipalities interested in undertaking lake management actions;

11 (3) Coordination of the implementation of lake management actions, where appropriate;

12 (4) Oversight of lake management policy and program development;

13 (5) Distribution of financial assistance for lake management, including control of aquatic  
14 invasive plants, as resources allow, including such sums as appropriated by the general assembly  
15 from the Bays, Rivers and Watersheds Fund established by § 46-31.1-3; and

16 (6) Other activities consistent with the powers and duties assigned to the department in §  
17 42-17.1-2(34).

18 (b) Upon receipt of funding, the department shall establish procedures and rules for the  
19 distribution of lake management grants consistent with the following provisions:

20 (1) Entities eligible to apply for assistance shall include lake associations, watershed  
21 associations, municipal governments, and other nonprofit, non-governmental environmental and  
22 conservation organizations.

23 (2) Projects involving lakes and ponds located wholly within a privately owned property  
24 and that lack public access to the waterbody are not eligible for assistance.

25 (3) Projects involving lakes and ponds that lack public access, excepting those excluded in  
26 subsection (b)(2) of this section, may be eligible to apply for financial assistance provided the  
27 department determines that active management is necessary to protect publicly accessible  
28 freshwater resources.

29 (4) Projects shall be solicited through a publicly advertised process.

30 (5) Projects shall require a matching contribution of funds.

31 (6) Eligible projects are determined by the department to be technically sound and  
32 appropriate control or to mitigate an existing aquatic invasive species management, water quality,  
33 or aquatic habitat concern.

34 (7) Funding is used to design and implement specific lake management actions.

1           SECTION 22. This article shall take effect upon passage, except for section 2 which shall  
2   take effect on July 1, 2026.