

2018 -- H 7200

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR THE FISCAL
YEAR ENDING JUNE 30, 2019

Introduced By: Representative Marvin L. Abney

Date Introduced: January 18, 2018

Referred To: House Finance

(Governor)

It is enacted by the General Assembly as follows:

- 1 ARTICLE 1 RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2019
- 2 ARTICLE 2 RELATING TO STATE FUNDS
- 3 ARTICLE 3 RELATING TO GOVERNMENT REFORM
- 4 ARTICLE 4 RELATING TO TAXES AND REVENUE
- 5 ARTICLE 5 RELATING TO CAPITAL DEVELOPMENT PROGRAM
- 6 ARTICLE 6 RELATING TO LICENSING
- 7 ARTICLE 7 RELATING TO FEES
- 8 ARTICLE 8 RELATING TO MOTOR VEHICLES
- 9 ARTICLE 9 RELATING TO SCHOOL CONSTRUCTION AND EDUCATION
- 10 ARTICLE 10 RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT
- 11 OF FY 2018
- 12 ARTICLE 11 RELATING TO WORKFORCE DEVELOPMENT
- 13 ARTICLE 12 RELATING TO ECONOMIC DEVELOPMENT
- 14 ARTICLE 13 RELATING TO MEDICAL ASSISTANCE
- 15 ARTICLE 14 RELATING TO MEDICAID RESOLUTION
- 16 ARTICLE 15 RELATING TO CHILDREN AND FAMILIES
- 17 ARTICLE 16 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS
- 18 ARTICLE 17 RELATING TO THE EDWARD O. HAWKINS AND THOMAS C. SLATER

1 MEDICAL MARIJUANA ACT
2 ARTICLE 18 RELATING TO EFFECTIVE DATE
3

1 **ARTICLE 1**

2 **RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2019**

3 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained
4 in this act, the following general revenue amounts are hereby appropriated out of any money in
5 the treasury not otherwise appropriated to be expended during the fiscal year ending June 30,
6 2019. The amounts identified for federal funds and restricted receipts shall be made available
7 pursuant to section 35-4-22 and Chapter 41 of Title 42 of the Rhode Island General Laws. For the
8 purposes and functions hereinafter mentioned, the state controller is hereby authorized and
9 directed to draw his or her orders upon the general treasurer for the payment of such sums or such
10 portions thereof as may be required from time to time upon receipt by him or her of properly
11 authenticated vouchers.

12 **Administration**

13 *Central Management*

14	General Revenues	2,869,675
15	Total – Central Management	2,869,675

16 *Legal Services*

17	General Revenues	2,376,888
18	Total – Legal Services	2,376,888

19 *Accounts and Control*

20	General Revenues	5,273,496
21	Restricted Receipt – OPEB Board Administration	225,295
22	Total – Accounts and Control	5,498,791

23 *Office of Management and Budget*

24	General Revenues	9,039,148
25	Restricted Receipts	300,046
26	Other Funds	1,222,835
27	Total – Office of Management and Budget	10,562,029

28 *Purchasing*

29	General Revenues	2,821,641
30	Restricted Receipts	540,000
31	Other Funds	463,729
32	Total – Purchasing	3,825,370

33 *Human Resources*

34	General Revenues	1,274,257
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1	Total – Human Resources	1,274,257
2	<i>Personnel Appeal Board</i>	
3	General Revenues	149,477
4	Total – Personnel Appeal Board	149,477
5	<i>Information Technology</i>	
6	General Revenues	1,470,255
7	Federal Funds	115,000
8	Restricted Receipts	10,228,243
9	Other Funds	88,071
10	Total – Information Technology	11,901,569
11	<i>Library and Information Services</i>	
12	General Revenues	1,426,852
13	Federal Funds	1,220,416
14	Restricted Receipts	5,500
15	Total – Library and Information Services	2,652,768
16	<i>Planning</i>	
17	General Revenues	498,353
18	Federal Funds	15,448
19	Other Funds	
20	Air Quality Modeling	24,000
21	Federal Highway – PL Systems Planning	3,654,326
22	FTA – Metro Planning Grant	1,063,699
23	Total Other Funds	
24	Total – Planning	5,255,826
25	<i>General</i>	
26	General Revenues	
27	Miscellaneous Grants/Payments	100,000
28	Provided that this amount be allocated to City Year for the Whole School Child Program,	
29	which provides individualized support to at-risk students.	
30	Torts – Courts/Awards	400,000
31	State Employees/Teachers Retiree Health Subsidy	2,321,057
32	Resource Sharing and State Library Aid	9,362,072
33	Library Construction Aid	2,176,471
34	General Revenues Total	14,359,600

1	Restricted Receipts	700,000
2	Rhode Island Capital Plan Funds	
3	Security Measures State Buildings	250,000
4	Energy Efficiency Improvements	500,000
5	Cranston Street Armory	500,000
6	State House Energy Management Improvement	150,000
7	State House Renovations	1,175,000
8	Zambarano Building Rehabilitation	1,500,000
9	Cannon Building	600,000
10	Old State House	500,000
11	State Office Building	350,000
12	Old Colony House	50,000
13	William Powers Building	2,000,000
14	Pastore Center Utility System Upgrades	1,300,000
15	Pastore Center Rehabilitation	2,000,000
16	Replacement Fuel Tanks	300,000
17	Environmental Compliance	200,000
18	Big River Management Area	100,000
19	Pastore Center Building Demolition	750,000
20	Washington County Government Center	950,000
21	Veterans Memorial Auditorium	200,000
22	Chapin Health Laboratory	1,000,000
23	Shepard Building Upgrades	650,000
24	Pastore Center Water Tanks	280,000
25	RI Convention Center Authority	1,000,000
26	Dunkin Donuts Center	1,500,000
27	Mathias Building Renovations	7,175,000
28	Pastore Power Plan Rehabilitation	750,000
29	Accessibility – Facility Renovations	500,000
30	Hospital Consolidation	11,810,000
31	Information Operations System	800,000
32	Other Funds Total	38,840,000
33	Total – General	53,899,600
34	<i>Debt Service Payments</i>	

1	General Revenues	141,761,915
2	Out of the general revenue appropriations for debt service, the General Treasurer is	
3	authorized to make payments for the I-195 Redevelopment District Commission loan up to the	
4	maximum debt service due in accordance with the loan agreement.	
5	Federal Funds	1,870,830
6	Other Funds	
7	Transportation Debt Service	40,022,948
8	Investment Receipts – Bond Funds	100,000
9	Other Funds Total	40,122,948
10	Total - Debt Service Payments	183,755,693
11	<i>Energy Resources</i>	
12	Federal Funds	524,820
13	Restricted Receipts	8,179,192
14	Total – Energy Resources	8,704,012
15	<i>Rhode Island Health Exchange</i>	
16	General Revenue	2,363,841
17	Federal Funds	138,089
18	Restricted Receipts	5,754,213
19	Total – Rhode Island Health Exchange	8,256,143
20	<i>Office of Diversity, Equity & Opportunity</i>	
21	General Revenues	1,253,362
22	Other Funds	113,530
23	Total – Office of Diversity, Equity & Opportunity	1,366,892
24	<i>Capital Asset Management and Maintenance</i>	
25	General Revenues	9,804,474
26	Total – Capital Asset Management and Maintenance	9,804,474
27	<i>Personnel/Operating Reforms</i>	
28	General Revenues	(13,700,000)
29	Total- Personnel/Operating Reforms	(13,700,000)
30	Grand Total – General Revenues - Administration	183,043,234
31	Grand Total – Administration	298,453,464
32	Business Regulation	
33	<i>Central Management</i>	
34	General Revenues	2,213,227

1	Total – Central Management	2,213,227
2	<i>Banking Regulation</i>	
3	General Revenues	1,820,725
4	Restricted Receipts	75,000
5	Total – Banking Regulation	1,895,725
6	<i>Securities Regulation</i>	
7	General Revenues	992,821
8	Restricted Receipts	15,000
9	Total – Securities Regulation	1,007,821
10	<i>Insurance Regulation</i>	
11	General Revenues	3,872,109
12	Restricted Receipts	1,994,860
13	Total – Insurance Regulation	5,866,969
14	<i>Office of the Health Insurance Commissioner</i>	
15	General Revenues	1,638,304
16	Federal Funds	513,791
17	Restricted Receipts	234,507
18	Total – Office of the Health Insurance Commissioner	2,386,602
19	<i>Board of Accountancy</i>	
20	General Revenues	6,000
21	Total – Board of Accountancy	6,000
22	<i>Commercial Licensing, Racing & Athletics</i>	
23	General Revenues	1,088,106
24	Restricted Receipts	2,210,146
25	Total – Commercial Licensing, Racing & Athletics	3,298,252
26	<i>Building, Design and Fire Professionals</i>	
27	General Revenues	5,535,059
28	Federal Funds	378,840
29	Restricted Receipts	1,875,299
30	Other Funds	
31	Quonset Development Corporation	66,497
32	Other Funds Total	66,497
33	Total – Building, Design and Fire Professionals	7,855,695
34	Grand Total – General Revenues – Business Regulation	17,166,351

1	Grand Total – Business Regulation	24,530,291
2	Executive Office of Commerce	
3	<i>Central Management</i>	
4	General Revenues	1,287,095
5	Total – Central Management	1,287,095
6	<i>Housing and Community Development</i>	
7	General Revenues	906,165
8	Federal Funds	14,445,458
9	Restricted Receipts	4,754,319
10	Total – Housing and Community Development	20,105,942
11	<i>Quasi–Public Appropriations</i>	
12	General Revenues	
13	Rhode Island Commerce Corporation	7,474,514
14	Airport Impact Aid	1,025,000
15	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be	
16	distributed to each airport serving more than 1,000,000 passengers based upon its percentage of	
17	the total passengers served by all airports serving more the 1,000,000 passengers. Forty percent	
18	(40%) of the first \$1,000,000 shall be distributed based on the share of landings during the	
19	calendar year 2018 at North Central Airport, Newport-Middletown Airport, Block Island Airport,	
20	Quonset Airport, T.F. Green Airport and Westerly Airport, respectively. The Rhode Island	
21	Commerce Corporation shall make an impact payment to the towns or cities in which the airport	
22	is located based on this calculation. Each community upon which any parts of the above airports	
23	are located shall receive at least \$25,000.	
24	STAC Research Alliance	900,000
25	Innovative Matching Grants/Internships	1,000,000
26	I-195 Redevelopment District Commission	761,000
27	Chafee Center at Bryant	376,200
28	Polaris Manufacturing Grant	350,000
29	Urban Ventures Grant	140,000
30	General Revenues Total	12,026,714
31	Other Funds	
32	Rhode Island Capital Plan Funds	
33	I-195 Commission	300,000
34	Quonset Piers	2,000,000

1	Quonset Point Infrastructure	4,000,000
2	Other Funds Total	6,300,000
3	Total – Quasi–Public Appropriations	18,326,714
4	<i>Economic Development Initiatives Fund</i>	
5	General Revenues	
6	Innovation Initiative	1,000,000
7	I-195 Redevelopment Fund	1,000,000
8	Small Business Assistance	500,000
9	Rebuild RI Tax Credit Fund	15,500,000
10	Competitive Cluster Grants	100,000
11	Main Street RI Streetscape	500,000
12	First Wave Closing Fund	1,000,000
13	P-tech	200,000
14	Municipal Technical Assistance	200,000
15	Land Assembly	200,000
16	Small Business Promotion	475,000
17	Manufacturing Investment Tax Credit	300,000
18	General Revenues Total	20,975,000
19	Total – Economic Development Initiatives Fund	20,975,000
20	<i>Commerce Programs</i>	
21	General Revenues	
22	Wavemaker Fellowship	1,600,000
23	Air Service Development Fund	500,000
24	TSA Incentive	20,000
25	General Revenues Total	2,120,000
26	Total – Commerce Programs	2,120,000
27	Grand Total - General Revenues - Commerce	37,314,974
28	Grand Total – Executive Office of Commerce	62,814,751
29	Labor and Training	
30	<i>Central Management</i>	
31	General Revenues	720,670
32	Restricted Receipts	176,511
33	Other Funds	
34	Rhode Island Capital Plan Funds	

1	Center General Asset Protection	750,000
2	Other Funds Total	750,000
3	Total – Central Management	1,647,181
4	<i>Workforce Development Services</i>	
5	General Revenues	1,577,198
6	Federal Funds	20,986,909
7	Restricted Receipts	27,940,577
8	Other Funds	139,261
9	Total – Workforce Development Services	50,643,945
10	<i>Workforce Regulation and Safety</i>	
11	General Revenues	3,050,762
12	Restricted Receipts	558,142
13	Total – Workforce Regulation and Safety	3,608,904
14	<i>Income Support</i>	
15	General Revenues	3,937,699
16	Federal Funds	19,921,142
17	Restricted Receipts	1,980,642
18	Other Funds	
19	Temporary Disability Insurance Fund	203,411,107
20	Employment Security Fund	159,220,000
21	Other Funds Total	362,631,107
22	Total – Income Support	388,470,590
23	<i>Injured Workers Services</i>	
24	Restricted Receipts	9,329,210
25	Total – Injured Workers Services	9,329,210
26	<i>Labor Relations Board</i>	
27	General Revenues	404,420
28	Total – Labor Relations Board	404,420
29	Grand Total – General Revenues Labor and Training	9,690,749
30	Grand Total – Labor and Training	454,104,250
31	Department of Revenue	
32	<i>Director of Revenue</i>	
33	General Revenues	2,144,460
34	Total – Director of Revenue	2,144,460

1	<i>Office of Revenue Analysis</i>	
2	General Revenues	883,408
3	Total – Office of Revenue Analysis	883,408
4	<i>Lottery Division</i>	
5	Other Funds	400,184,045
6	Total – Lottery Division	400,184,045
7	<i>Municipal Finance</i>	
8	General Revenues	2,178,455
9	Total – Municipal Finance	2,178,455
10	<i>Taxation</i>	
11	General Revenues	27,010,311
12	Federal Funds	1,912,976
13	Restricted Receipts	627,411
14	Other Funds	
15	Motor Fuel Tax Evasion	173,651
16	Temporary Disability Insurance Fund	670,661
17	Other Funds Total	844,312
18	Total – Taxation	30,395,010
19	<i>Registry of Motor Vehicles</i>	
20	General Revenues	29,613,674
21	Federal Funds	196,489
22	Restricted Receipts	514,763
23	Total – Registry of Motor Vehicles	30,324,926
24	<i>State Aid</i>	
25	General Revenues	
26	Distressed Communities Relief Fund	12,384,458
27	Payment in Lieu of Tax Exempt Properties	46,089,504
28	Motor Vehicle Excise Tax Payments	54,748,948
29	Property Revaluation Program	1,630,534
30	General Revenues Total	114,853,444
31	Restricted Receipts	922,013
32	Total – State Aid	115,775,457
33	<i>Collections</i>	
34	General Revenues	591,609

1	Total – Collections	591,609
2	Grand Total – General Revenues - Revenue	177,275,361
3	Grand Total – Revenue	582,477,370
4	Legislature	
5	General Revenues	42,914,338
6	Restricted Receipts	1,720,695
7	Grand Total – Legislature	44,635,033
8	Lieutenant Governor	
9	General Revenues	1,039,971
10	Grand Total – Lieutenant Governor	1,039,971
11	Secretary of State	
12	<i>Administration</i>	
13	General Revenues	3,377,583
14	Total – Administration	3,377,583
15	<i>Corporations</i>	
16	General Revenues	2,287,410
17	Total – Corporations	2,287,410
18	<i>State Archives</i>	
19	General Revenues	91,577
20	Restricted Receipts	415,658
21	Total – State Archives	507,235
22	<i>Elections and Civics</i>	
23	General Revenues	2,881,418
24	Total – Elections and Civics	2,881,418
25	<i>State Library</i>	
26	General Revenues	613,236
27	Total – State Library	613,236
28	Provided that \$125,000 be allocated to support the Rhode Island Historical Society	
29	pursuant to Rhode Island General Law, Section 29-2-1 and \$18,000 be allocated to support the	
30	Newport Historical Society, pursuant to Rhode Island General Law, Section 29-2-2.	
31	<i>Office of Public Information</i>	
32	General Revenues	609,880
33	Receipted Receipts	25,000
34	Total – Office of Public Information	634,880

1	Grand Total – General Revenues – Secretary of State	9,861,104
2	Grand Total – Secretary of State	10,301,762
3	General Treasurer	
4	<i>Treasury</i>	
5	General Revenues	2,684,347
6	Federal Funds	304,542
7	Other Funds	
8	Temporary Disability Insurance Fund	275,471
9	Tuition Savings Program – Administration	379,213
10	Other Funds Total	654,684
11	Total – General Treasurer	3,643,573
12	<i>State Retirement System</i>	
13	Restricted Receipts	
14	Admin Expenses – State Retirement System	9,571,688
15	Retirement – Treasury Investment Operations	1,672,096
16	Defined Contribution – Administration	115,436
17	Total – State Retirement System	11,359,220
18	<i>Unclaimed Property</i>	
19	Restricted Receipts	25,587,830
20	Total – Unclaimed Property	25,587,830
21	<i>Crime Victim Compensation Program</i>	
22	General Revenues	283,285
23	Federal Funds	770,332
24	Restricted Receipts	1,029,931
25	Total – Crime Victim Compensation Program	2,083,548
26	Grand Total – General Revenues – General Treasurer	2,967,632
27	Grand Total – General Treasurer	42,674,171
28	Board of Elections	
29	General Revenues	5,315,517
30	Grand Total – Board of Elections	5,315,517
31	Rhode Island Ethics Commission	
32	General Revenues	1,770,560
33	Grand Total – Rhode Island Ethics Commission	1,770,560
34	Office of Governor	

1	General Revenues	
2	General Revenues	5,295,728
3	Contingency Fund	250,000
4	General Revenues Total	5,545,728
5	Grand Total – Office of Governor	5,545,728
6	Commission for Human Rights	
7	General Revenues	1,310,456
8	Federal Funds	497,570
9	Grand Total – Commission for Human Rights	1,808,026
10	Public Utilities Commission	
11	Federal Funds	168,378
12	Restricted Receipts	10,493,027
13	Grand Total – Public Utilities Commission	10,661,405
14	Office of Health and Human Services	
15	<i>Central Management</i>	
16	General Revenues	30,110,832
17	Federal Funds	100,927,845
18	Restricted Receipts	9,221,720
19	Total – Central Management	140,260,397
20	<i>Medical Assistance</i>	
21	General Revenues	
22	Managed Care	308,703,875
23	Hospitals	68,963,577
24	Nursing Facilities	88,251,917
25	Home and Community Based Services	22,943,006
26	Other Services	66,836,060
27	Pharmacy	63,486,039
28	Rhody Health	286,611,887
29	General Revenues Total	905,796,361
30	Federal Funds	
31	Managed Care	397,005,513
32	Hospitals	74,564,167
33	Nursing Facilities	96,723,804
34	Home and Community Based Services	31,159,449

1	Other Services	466,249,281
2	Pharmacy	(1,086,369)
3	Rhody Health	312,283,711
4	Other Programs	43,038,580
5	Federal Funds Total	1,419,938,136
6	Restricted Receipts	11,274,268
7	Total – Medical Assistance	2,337,008,765
8	Grand Total – General Revenues - OHHS	935,907,193
9	Grand Total – Office of Health and Human Services	2,477,269,162
10	Children, Youth, and Families	
11	<i>Central Management</i>	
12	General Revenues	8,667,600
13	Federal Funds	4,407,612
14	Total – Central Management	13,075,212
15	<i>Children's Behavioral Health Services</i>	
16	General Revenues	6,884,491
17	Federal Funds	5,713,527
18	Total – Children's Behavioral Health Services	12,598,018
19	<i>Juvenile Correctional Services</i>	
20	General Revenues	25,645,396
21	Federal Funds	275,099
22	Other Funds	
23	Rhode Island Capital Plan Funds	
24	RITS Maintenance Building	1,900,000
25	Other Funds Total	1,900,000
26	Total – Juvenile Correctional Services	27,820,495
27	<i>Child Welfare</i>	
28	General Revenues	
29	General Revenues	95,941,301
30	18 to 21 Year Olds	11,298,418
31	General Revenue Total	107,239,719
32	Federal Funds	
33	Federal Funds	43,308,780
34	18 to 21 Year Olds	2,235,633

1	Federal Funds Total	45,544,413
2	Restricted Receipts	2,674,422
3	Total – Child Welfare	155,458,554
4	<i>Higher Education Incentive Grants</i>	
5	General Revenues	200,000
6	Total – Higher Education Incentive Grants	200,000
7	Grand Total – General Revenues - DYCF	148,637,206
8	Grand Total – Children, Youth, and	
9	Families	209,152,279
10	Health	
11	<i>Central Management</i>	
12	General Revenues	2,081,730
13	Federal Funds	4,028,206
14	Restricted Receipts	6,217,459
15	Total – Central Management	12,327,395
16	<i>Community Health and Equity</i>	
17	General Revenues	631,894
18	Federal Funds	68,003,092
19	Restricted Receipts	35,134,450
20	Total – Community Health and Equity	103,769,436
21	<i>Environmental Health</i>	
22	General Revenues	5,591,236
23	Federal Funds	7,279,083
24	Restricted Receipts	353,936
25	Total – Environmental Health	13,224,255
26	<i>Health Laboratories and Medical Examiner</i>	
27	General Revenues	10,302,526
28	Federal Funds	2,108,567
29	Total – Health Laboratories and Medical Examiner	12,411,093
30	<i>Customer Services</i>	
31	General Revenues	6,428,386
32	Federal Funds	3,770,808
33	Restricted Receipts	1,325,336
34	Total – Customer Services	11,524,530

1	<i>Policy, Information and Communications</i>	
2	General Revenues	1,027,037
3	Federal Funds	2,701,982
4	Restricted Receipts	941,305
5	Total – Policy, Information and Communications	4,670,324
6	<i>Preparedness, Response, Infectious Disease & Emergency Services</i>	
7	General Revenues	1,946,414
8	Federal Funds	13,418,085
9	Total – Preparedness, Response, Infectious Disease &	
10	Emergency Services	15,364,499
11	Grand Total – General Revenues - Health	28,009,223
12	Grand Total - Health	173,291,532
13	Human Services	
14	<i>Central Management</i>	
15	General Revenues	3,931,863
16	Of this amount, \$300,000 is to support the Domestic Violence Prevention Fund to	
17	provide direct services through the Coalition Against Domestic Violence, \$250,000 is to support	
18	Project Reach activities provided by the RI Alliance of Boys and Girls Club, \$217,000 is for	
19	outreach and supportive services through Day One, \$175,000 is for food collection and	
20	distribution through the Rhode Island Community Food Bank, \$300,000 for services provided to	
21	the homeless at Crossroad Rhode Island, and \$520,000 for the Community Action Fund.	
22	Federal Funds	4,841,578
23	Restricted Receipts	105,606
24	Total – Central Management	8,879,047
25	<i>Child Support Enforcement</i>	
26	General Revenues	1,941,524
27	Federal Funds	8,050,859
28	Total – Child Support Enforcement	9,992,383
29	<i>Individual and Family Support</i>	
30	General Revenues	22,214,417
31	Federal Funds	105,699,751
32	Restricted Receipts	7,422,660
33	Other Funds	
34	Food Stamp Bonus Funding	170,000

1	Intermodal Surface Transportation Fund	4,428,478
2	Rhode Island Capital Plan Funds	
3	Blind Vending Facilities	165,000
4	Other Funds Total	4,763,478
5	Total – Individual and Family Support	140,100,306
6	<i>Office of Veterans' Affairs</i>	
7	General Revenues	23,140,211
8	Of this amount \$200,000 to provide support services through Veteran's organization.	
9	Federal Funds	9,552,957
10	Restricted Receipts	1,313,478
11	Total – Office Veterans' Affairs	34,006,646
12	<i>Health Care Eligibility</i>	
13	General Revenues	5,964,525
14	Federal Funds	9,392,121
15	Total – Health Care Eligibility	15,356,646
16	<i>Supplemental Security Income Program</i>	
17	General Revenues	19,574,400
18	Total – Supplemental Security Income Program	19,574,400
19	<i>Rhode Island Works</i>	
20	General Revenues	17,962,073
21	Federal Funds	84,029,810
22	Total – Rhode Island Works	101,991,883
23	<i>Other Programs</i>	
24	General Revenues	1,336,400
25	Of this appropriation, \$90,000 shall be used for hardship contingency payments.	
26	Federal Funds	282,130,537
27	Total – Other Programs	283,466,937
28	<i>Elderly Affairs</i>	
29	General Revenues	7,636,741
30	Of this amount, \$140,000 to provide elder services, including respite, through the	
31	Diocese of Providence, \$40,000 for ombudsman services provided by the Alliance for Long Term	
32	in accordance with RIGL 42-66.7, \$85,000 for security for housing for the elderly in accordance	
33	with RIGL 42-66.1-3, \$800,000 for Senior Center Support and \$580,000 for elderly nutrition, of	
34	which \$530,000 is for Meals on Wheels.	

1	Federal Funds	12,664,605
2	Restricted Receipts	154,808
3	Total – Elderly Affairs	20,456,154
4	Grand Total – General Revenues – Human Services	103,702,154
5	Grand Total – Human Services	633,824,402
6	Behavioral Healthcare, Developmental Disabilities, and Hospitals	
7	<i>Central Management</i>	
8	General Revenues	1,940,068
9	Federal Funds	734,643
10	Total – Central Management	2,674,711
11	<i>Hospital and Community System Support</i>	
12	General Revenues	2,569,849
13	Other Funds	
14	Rhode Island Capital Plan Funds	
15	Medical Center Rehabilitation	300,000
16	Other Funds Total	300,000
17	Total – Hospital and Community System Support	2,869,849
18	<i>Services for the Developmentally Disabled</i>	
19	General Revenues	116,720,695
20	Federal Funds	131,367,987
21	Restricted Receipts	1,419,750
22	Other Funds	
23	Rhode Island Capital Plan Funds	
24	DD Private Waiver Fire Code	100,000
25	Regional Center Repair/Rehabilitation	300,000
26	Community Facilities Fire Code	400,000
27	MR Community Facilities/Access to Independence	500,000
28	Other Funds Total	1,300,000
29	Total – Services for the Developmentally Disabled	250,808,432
30	<i>Behavioral Healthcare Services</i>	
31	General Revenues	3,552,823
32	Federal Funds	23,493,261
33	Of this federal funding, \$900,000 shall be expended on the Municipal Substance Abuse	
34	Task Forces and \$128,000 shall be expended on NAMI of RI.	

1	Restricted Receipts	100,000
2	Other Funds	
3	Rhode Island Capital Plan Funds	
4	MH Community Facilities Repair	200,000
5	Substance Abuse Asset Protection	200,000
6	Other Funds Total	400,000
7	Total – Behavioral Healthcare Services	27,546,084
8	<i>Hospital and Community Rehabilitative Services</i>	
9	General Revenues	54,618,056
10	Federal Funds	57,374,123
11	Restricted Receipts	3,552,672
12	Other Funds	
13	Rhode Island Capital Plan Funds	
14	Zambarano Buildings and Utilities	250,000
15	Eleanor Slater HVAC/Elevators	250,000
16	MR Community Facilities	500,000
17	Hospital Equipment	300,000
18	Other Funds Total	1,300,000
19	Total - Hospital and Community Rehabilitative Services	116,844,851
20	Grand Total – General Revenues - BHDDH	179,401,491
21	Grand Total – Behavioral Healthcare, Developmental	
22	Disabilities, and Hospitals	400,743,927
23	Office of the Child Advocate	
24	General Revenue	923,704
25	Federal Funds	147,642
26	Grand Total – Office of the Child Advocate	1,071,346
27	Commission on the Deaf and Hard of Hearing	
28	General Revenues	511,467
29	Restricted Receipts	80,000
30	Grand Total – Comm. On Deaf and Hard of Hearing	591,467
31	Governor’s Commission on Disabilities	
32	General Revenues	492,557
33	Federal Funds	335,167
34	Restricted Receipts	49,571

1	Total – Governor’s Commission on Disabilities	877,295
2	Office of the Mental Health Advocate	
3	General Revenues	639,764
4	Grand Total – Office of the Mental Health Advocate	639,764
5	Elementary and Secondary Education	
6	<i>Administration of the Comprehensive Education Strategy</i>	
7	General Revenues	20,300,293
8	Provided that \$90,000 be allocated to support the hospital school at Hasbro Children’s	
9	Hospital pursuant to RIGL 17-7-20 and that \$245,000 be allocated to support child opportunity	
10	zones through agreements with the Department of Elementary and Secondary Education to	
11	strengthen education, health and social services for students and their families as a strategy to	
12	accelerate student achievement.	
13	Federal Funds	212,575,621
14	Restricted Receipts	
15	Restricted Receipts	2,633,393
16	HRIC Adult Education Grants	3,500,000
17	Restricted Receipts Total	6,133,393
18	Total – Admin. of the Comprehensive Ed. Strategy	239,009,307
19	<i>Davies Career and Technical School</i>	
20	General Revenues	13,329,558
21	Federal Funds	1,344,928
22	Restricted Receipts	3,900,067
23	Other Funds	
24	Rhode Island Capital Plan Funds	
25	Davies HVAC	1,974,000
26	Davies Asset Protection	150,000
27	Other Funds Total	2,124,000
28	Total – Davies Career and Technical School	20,698,553
29	<i>RI School for the Deaf</i>	
30	General Revenues	6,339,177
31	Federal Funds	554,925
32	Restricted Receipts	837,032
33	Other Funds	
34	Transformation Grants	59,000

1	Rhode Island Capital Plan Funds	
2	Asset Protection	50,000
3	Other Funds Total	109,000
4	Total – RI School for the Deaf	7,840,134
5	<i>Metropolitan Career and Technical School</i>	
6	General Revenues	9,342,007
7	Other Funds	
8	Rhode Island Capital Plan Funds	
9	MET Asset Protection	250,000
10	Other Funds Total	250,000
11	Total – Metropolitan Career and Technical School	9,592,007
12	<i>Education Aid</i>	
13	General Revenues	902,925,515
14	Restricted Receipts	24,884,884
15	Other Funds	
16	Permanent School Fund – Education Aid	1,420,000
17	Provided that \$300,000 be provided to support the Advanced Coursework Network and	
18	\$1,120,000 be provided to support Early Childhood Categorical Fund.	
19	Total – Education Aid	929,230,399
20	<i>Central Falls School District</i>	
21	General Revenues	40,397,886
22	Total – Central Falls School District	40,397,886
23	<i>School Construction Aid</i>	
24	General Revenues	
25	School Housing Aid	69,448,781
26	School Building Authority Fund	10,551,219
27	Total – School Construction Aid	80,000,000
28	<i>Teachers' Retirement</i>	
29	General Revenues	107,118,409
30	Total – Teachers' Retirement	107,118,409
31	Grand Total – General Revenues – Elementary &	
32	Secondary Ed	1,179,752,845
33	Grand Total – Elementary and Secondary Education	1,433,886,695
34	Public Higher Education	

1	<i>Office of the Postsecondary Commissioner</i>	
2	General Revenues	16,776,572
3	Provided that \$355,000 shall be allocated the Rhode Island College Crusade pursuant to	
4	the RIGL 16-70-5 and that \$30,000 shall be allocated to Best Buddies Rhode Island to support its	
5	programs for children with developmental and intellectual disabilities. It is also provided that	
6	\$6,350,000 shall be allocated to the Rhode Island Promise Scholarship program.	
7	Federal Funds	
8	Federal Funds	3,524,589
9	Guaranty Agency Administration	2,259,418
10	Guaranty Agency Operating Fund-Scholarships & Grants	4,000,000
11	Federal Funds Total	9,784,007
12	Restricted Receipts	2,192,590
13	Other Funds	
14	Tuition Savings Program – Dual Enrollment	1,800,000
15	Tuition Savings Program – Scholarships and Grants	6,095,000
16	Nursing Education Center – Operating	3,204,732
17	Rhode Island Capital Plan Funds	
18	Higher Education Centers	2,000,000
19	Other Funds Total	13,099,732
20	Total – Office of the Postsecondary Commissioner	41,852,901
21	<i>University of Rhode Island</i>	
22	General Revenues	
23	General Revenues	78,110,451
24	Provided that in order to leverage federal funding and support economic development,	
25	\$350,000 shall be allocated to the Small Business Development Center and that \$50,000 shall be	
26	allocated to Special Olympics Rhode Island to support its mission of providing athletic	
27	opportunities for individuals with intellectual and developmental disabilities.	
28	Debt Service	23,428,285
29	RI State Forensics Laboratory	1,264,277
30	General Revenues Total	102,803,013
31	Other Funds	
32	University and College Funds	659,961,744
33	Debt – Dining Services	999,215
34	Debt – Education and General	3,776,722

1	Debt – Health Services	121,190
2	Debt – Housing Loan Funds	9,454,613
3	Debt – Memorial Union	322,864
4	Debt – Ryan Center	2,388,444
5	Debt – Alton Jones Services	102,690
6	Debt – Parking Authority	1,100,172
7	Debt – Sponsored Research	85,151
8	Debt – Restricted Energy Conservation	482,579
9	Debt – URI Energy Conservation	2,008,847
10	Rhode Island Capital Plan Funds	
11	Asset Protection	7,437,161
12	Fine Arts Center Renovation	1,000,000
13	Biological Resources Lab	762,839
14	Other Funds Total	690,004,231
15	Total – University of Rhode Island	792,807,244
16	<i>Rhode Island College</i>	
17	General Revenues	49,188,791
18	Debt Service	6,421,067
19	General Revenues Total	55,609,858
20	Other Funds	
21	University and College Funds	129,030,562
22	Debt – Education and General	881,090
23	Debt – Housing	369,079
24	Debt – Student Center and Dining	154,437
25	Debt – Student Union	208,800
26	Debt – G.O. Debt Service	1,642,957
27	Debt Energy Conservation	613,925
28	Rhode Island Capital Plan Funds	
29	Asset Protection	3,562,184
30	Infrastructure Modernization	3,500,000
31	Academic Building Phase I	4,000,000
32	Master Plan Advanced Planning	150,000
33	Other Funds – Total	144,113,034
34	Total – Rhode Island College	199,722,892

1	<i>Community College of Rhode Island</i>	
2	General Revenues	
3	General Revenues	50,935,710
4	Debt Service	1,904,030
5	General Revenues Total	52,839,740
6	Restricted Receipts	694,224
7	Other Funds	
8	University and College Funds	104,812,712
9	CCRI Debt Service – Energy Conservation	803,875
10	Rhode Island Capital Plan Funds	
11	Asset Protection	2,368,035
12	Knight Campus Lab Renovation	375,000
13	Knight Campus Renewal	3,000,000
14	Other Funds Total	111,359,622
15	Total – Community College of RI	164,893,586
16	Grand Total – General Revenues – Public Higher Ed	228,029,183
17	Grand Total – Public Higher Education	1,199,276,623
18	RI State Council on the Arts	
19	General Revenues	
20	Operating Support	824,693
21	Grants	1,165,000
22	Provided that \$375,000 be provided to support the operational costs of WaterFire	
23	Providence art installations.	
24	General Revenues Total	1,989,693
25	Federal Funds	719,053
26	Restricted Receipts	5,000
27	Other Funds	
28	Art for Public Facilities	400,000
29	Other Funds Total	400,000
30	Grand Total – RI State Council on the Arts	3,113,746
31	RI Atomic Energy Commission	
32	General Revenues	1,053,231
33	Restricted Receipts	99,000
34	Other Funds	

1	URI Sponsored Research	268,879
2	Rhode Island Capital Plan Funds	
3	RINSC Asset Protection	50,000
4	Other Funds Total	318,879
5	Grand Total – RI Atomic Energy Commission	1,471,110
6	RI Historical Preservation and Heritage Commission	
7	General Revenues	1,187,291
8	Provided that \$30,000 support the operational costs of the Fort Adam Trust’s restoration	
9	activities.	
10	Federal Funds	851,540
11	Restricted Receipts	465,870
12	Other Funds	
13	RIDOT Project Review	81,589
14	Grand Total – RI Historical Preservation and Heritage Comm.	2,586,290
15	Attorney General	
16	<i>Criminal</i>	
17	General Revenues	16,833,871
18	Federal Funds	12,710,334
19	Restricted Receipts	139,107
20	Total – Criminal	29,683,312
21	<i>Civil</i>	
22	General Revenues	5,366,089
23	Restricted Receipts	644,343
24	Total – Civil	6,010,432
25	<i>Bureau of Criminal Identification</i>	
26	General Revenues	1,690,246
27	Total – Bureau of Criminal Identification	1,690,246
28	<i>General</i>	
29	General Revenues	3,262,516
30	Other Funds	
31	Rhode Island Capital Plan Funds	
32	Building Renovations and Repairs	150,000
33	Other Funds Total	150,000
34	Total – General	3,412,516

1	Grand Total – General Revenues – Attorney General	27,152,722
2	Grand Total – Attorney General	40,796,506
3	Corrections	
4	Central Management	
5	General Revenues	15,978,466
6	Federal Funds	29,460
7	Total – Central Management	16,007,926
8	<i>Parole Board</i>	
9	General Revenues	1,277,949
10	Federal Funds	120,827
11	Total – Parole Board	1,398,776
12	<i>Custody and Security</i>	
13	General Revenues	146,468,840
14	Federal Funds	810,693
15	Total – Custody and Security	147,279,533
16	<i>Institutional Support</i>	
17	General Revenues	14,449,266
18	Other Funds	
19	Rhode Island Capital Plan Funds	
20	Asset Protection	3,000,000
21	Maximum – General Renovations	1,000,000
22	General Renovations Women’s	250,000
23	ISC Exterior Envelope and HVAC	1,500,000
24	Medium Infrastructure	5,000,000
25	High Security Renovations and Repairs	1,000,000
26	Other Funds Total	11,750,000
27	Total – Institutional Support	26,199,266
28	<i>Institutional Based Rehab./Population Management</i>	
29	General Revenues	13,660,141
30	Provided that \$1,050,000 be allocated to Crossroads Rhode Island for sex offender	
31	discharge planning.	
32	Federal Funds	545,886
33	Restricted Receipts	44,473
34	Total – Institutional Based Rehab/Population Mgt.	14,250,500

1	<i>Healthcare Services</i>	
2	General Revenues	23,906,188
3	Total – Healthcare Services	23,906,188
4	<i>Community Corrections</i>	
5	General Revenues	17,281,996
6	Federal Funds	84,437
7	Restricted Receipts	14,883
8	Total – Community Corrections	17,381,316
9	Grand Total – General Revenues - Corrections	233,022,846
10	Grand Total – Corrections	246,423,505
11	Judiciary	
12	<i>Supreme Court</i>	
13	General Revenues	
14	General Revenues	28,632,746
15	Provided however, that no more than \$1,183,205 in combined total shall be offset to the	
16	Public Defender’s Office, the Attorney General’s Office, the Department of Corrections, the	
17	Department of Children, Youth, and Families, and the Department of Public Safety for square-	
18	footage occupancy costs in public courthouses and further provided that \$230,000 be allocated to	
19	the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy	
20	project pursuant to RIGL 12-29-7 and that \$90,000 be allocated to Rhode Island Legal Services,	
21	Inc. to provide housing and eviction defense to indigent individuals.	
22	Defense of Indigents	3,960,979
23	General Revenues Total	32,593,725
24	Federal Funds	139,008
25	Restricted Receipts	3,317,943
26	Other Funds	
27	Rhode Island Capital Plan Funds	
28	Judicial Complexes - HVAC	1,000,000
29	Judicial Complexes Asset Protection	950,000
30	Licht Judicial Complex Restoration	750,000
31	Licht Window/Exterior Restoration	800,000
32	Noel Shelled Courtroom Build Out	2,339,066
33	Other Funds Total	5,839,066
34	Total - Supreme Court	41,889,742

1	<i>Judicial Tenure and Discipline</i>	
2	General Revenues	147,386
3	Total – Judicial Tenure and Discipline	147,386
4	<i>Superior Court</i>	
5	General Revenues	23,552,251
6	Federal Funds	71,376
7	Restricted Receipts	398,089
8	Total – Superior Court	24,021,716
9	<i>Family Court</i>	
10	General Revenues	20,897,566
11	Federal Funds	2,577,195
12	Total – Family Court	23,474,761
13	<i>District Court</i>	
14	General Revenues	13,420,987
15	Federal Funds	65
16	Restricted Receipts	60,000
17	Total - District Court	13,481,052
18	<i>Traffic Tribunal</i>	
19	General Revenues	9,571,159
20	Total – Traffic Tribunal	9,571,159
21	<i>Workers' Compensation Court</i>	
22	Restricted Receipts	8,309,954
23	Total – Workers' Compensation Court	8,309,954
24	Grand Total – General Revenues - Judiciary	100,183,074
25	Grand Total – Judiciary	120,895,770
26	Military Staff	
27	General Revenues	3,674,200
28	Federal Funds	18,480,072
29	Restricted Receipts	
30	RI Military Family Relief Fund	100,000
31	Restricted Receipts Total	100,000
32	Other Funds	
33	Rhode Island Capital Plan Funds	
34	Asset Protection	700,000

1	Joint Force Headquarters Building	4,706,152
2	Other Funds Total	5,406,152
3	Grand Total – General Revenue	3,674,200
4	Grand Total – Military Staff	27,660,424
5	Public Safety	
6	<i>Central Management</i>	
7	General Revenues	1,189,025
8	Federal Funds	6,714,457
9	Total – Central Management	7,903,482
10	<i>E-911 Emergency Telephone System</i>	
11	General Revenues	5,899,730
12	Total – E-911 Emergency Telephone System	5,899,730
13	<i>Security Services</i>	
14	General Revenues	24,475,859
15	Total – Security Services	24,475,859
16	<i>Municipal Police Training Academy</i>	
17	Federal Funds	372,958
18	Restricted Receipts	253,024
19	Total – Municipal Police Training Academy	625,982
20	<i>State Police</i>	
21	General Revenues	69,999,344
22	Federal Funds	8,526,488
23	Restricted Receipts	552,603
24	Other Funds	
25	Rhode Island Capital Plan Fund	
26	DPS Asset Protection	250,000
27	Training Academy Upgrades	500,000
28	Three-bay Garage	100,000
29	Facilities Master Plan	100,000
30	Lottery Commission Assistance	1,494,883
31	Airport Corporation Assistance	149,811
32	Road Construction Reimbursement	2,201,511
33	Weight and Measurement Reimbursement	304,989
34	Other Funds Total	5,101,194

1	Total – State Police	84,179,629
2	Grand Total – General Revenue – Public Safety	101,563,958
3	Grand Total – Public Safety	123,084,682
4	Office of Public Defender	
5	General Revenues	12,300,887
6	Federal Funds	100,985
7	Grand Total – Office of Public Defender	12,401,872
8	Emergency Management Agency	
9	General Revenues	2,108,891
10	Federal Funds	16,335,897
11	Restricted Receipts	450,985
12	Other Funds	
13	Rhode Island Capital Plan Fund	
14	RI State Communications Network System	1,494,414
15	Other Funds Total	1,494,414
16	Total – Emergency Management Agency	20,390,187
17	Environmental Management	
18	<i>Office of the Director</i>	
19	General Revenues	6,951,291
20	Of this general revenue amount, \$50,000 is appropriated to the Conservation Districts.	
21	Federal Funds	212,741
22	Restricted Receipts	3,840,985
23	Total – Office of the Director	11,005,017
24	<i>Natural Resources</i>	
25	General Revenues	21,782,910
26	Federal Funds	21,587,314
27	Restricted Receipts	3,993,561
28	Other Funds	
29	DOT Recreational Projects	2,339,312
30	Blackstone Bikepath Design	2,075,848
31	Transportation MOU	84,527
32	Rhode Island Capital Plan Funds	
33	Recreational Facilities Improvements	1,600,000
34	Galilee Piers Upgrade	1,250,000

1	Fish & Wildlife Maintenance Facilities	150,000
2	Natural Resources Offices/Visitor's Center	4,500,000
3	Marine Infrastructure and Pier Development	750,000
4	State Recreation Building Demolition	100,000
5	Other Funds Total	12,849,687
6	Total – Natural Resources	60,213,472
7	<i>Environmental Protection</i>	
8	General Revenues	12,488,519
9	Federal Funds	9,963,105
10	Restricted Receipts	9,745,745
11	Other Funds	
12	Transportation MOU	55,154
13	Total – Environmental Protection	32,252,523
14	Grand Total – General Revenues – Environmental Mgmt	41,222,720
15	Grand Total – Environmental Management	103,471,012
16	Coastal Resources Management Council	
17	General Revenues	2,597,897
18	Federal Funds	2,733,267
19	Restricted Receipts	250,000
20	Other Funds	
21	Rhode Island Capital Plan Funds	
22	Rhode Island Coastal Storm Risk Study	525,000
23	Narragansett Bay SAMP	150,000
24	Other Funds Total	675,000
25	Grand Total – Coastal Resources Mgmt. Council	6,256,164
26	Transportation	
27	<i>Central Management</i>	
28	Federal Funds	6,503,262
29	Other Funds	
30	Gasoline Tax	4,840,141
31	Other Funds Total	4,840,141
32	Total – Central Management	11,343,403
33	<i>Management and Budget</i>	
34	Other Funds	

1	Gasoline Tax	5,282,202
2	Other Funds Total	5,282,202
3	Total – Management and Budget	5,282,202
4	<i>Infrastructure Engineering</i>	
5	Federal Funds	
6	Federal Funds	281,125,305
7	Federal Funds – Stimulus	4,386,593
8	Federal Funds Total	285,511,898
9	Restricted Receipts	3,034,406
10	Other Funds	
11	Gasoline Tax	75,322,045
12	Toll Revenue	41,000,000
13	Land Sale Revenue	2,647,815
14	Rhode Island Capital Plan Funds	
15	RIPTA Land and Buildings	90,000
16	RIPTA Pawtucket Bus Hub	946,168
17	RIPTA Providence Transit Connector	1,561,279
18	Highway Improvement Program	35,851,346
19	Other Funds Total	157,418,653
20	Total - Infrastructure Engineering	445,964,957
21	<i>Infrastructure Maintenance</i>	
22	Other Funds	
23	Gasoline Tax	18,811,422
24	Non-Land Surplus Property	50,000
25	Outdoor Advertising	100,000
26	Utility Access Permit Fees	500,000
27	Rhode Island Highway Maintenance Account	97,007,238
28	Rhode Island Capital Plan Funds	Maintenance Facilities
29	Improvements	523,989
30	Salt Storage Facilities	1,000,000
31	Local Roads and Infrastructure	10,000,000
32	Maintenance - Equipment Replacement	1,500,000
33	Train Station Maintenance and Repairs	350,000
34	Other Funds Total	129,842,649

1	Total – Infrastructure Maintenance	129,842,649
2	Grand Total – Transportation	592,433,211

3 **Statewide Totals**

4	General Revenues	3,829,280,172
5	Federal Funds	3,091,874,325
6	Restricted Receipts	285,475,852
7	Other Funds	2,171,110,921
8	Statewide Grand Total	9,377,741,270

9 SECTION 2. Each line appearing in Section 1 of this Article shall constitute an
10 appropriation.

11 SECTION 3. Upon the transfer of any function of a department or agency to another
12 department or agency, the Governor is hereby authorized by means of executive order to transfer
13 or reallocate, in whole or in part, the appropriations and the full-time equivalent limits affected
14 thereby.

15 SECTION 4. From the appropriation for contingency shall be paid such sums as may be
16 required at the discretion of the Governor to fund expenditures for which appropriations may not
17 exist. Such contingency funds may also be used for expenditures in the several departments and
18 agencies where appropriations are insufficient, or where such requirements are due to unforeseen
19 conditions or are non-recurring items of an unusual nature. Said appropriations may also be used
20 for the payment of bills incurred due to emergencies or to any offense against public peace and
21 property, in accordance with the provisions of Titles 11 and 45 of the General Laws of 1956, as
22 amended. All expenditures and transfers from this account shall be approved by the Governor.

23 SECTION 5. The general assembly authorizes the state controller to establish the internal
24 service accounts shown below, and no other, to finance and account for the operations of state
25 agencies that provide services to other agencies, institutions and other governmental units on a
26 cost reimbursed basis. The purpose of these accounts is to ensure that certain activities are
27 managed in a businesslike manner, promote efficient use of services by making agencies pay the
28 full costs associated with providing the services, and allocate the costs of central administrative
29 services across all fund types, so that federal and other non-general fund programs share in the
30 costs of general government support. The controller is authorized to reimburse these accounts for
31 the cost of work or services performed for any other department or agency subject to the
32 following expenditure limitations:

33	<u>Account</u>	<u>Expenditure Limit</u>
34	State Assessed Fringe Benefit Internal Service Fund	41,383,271

1	Administration Central Utilities Internal Service Fund	22,910,320
2	State Central Mail Internal Service Fund	6,539,120
3	State Telecommunications Internal Service Fund	3,602,419
4	State Automotive Fleet Internal Service Fund	12,549,973
5	Surplus Property Internal Service Fund	3,000
6	Health Insurance Internal Service Fund	251,953,418
7	State Fleet Revolving Loan Fund	273,786
8	Other Post-Employment Benefits Fund	63,858,483
9	Capitol Police Internal Service Fund	1,285,206
10	Corrections Central Distribution Center Internal Service Fund	6,769,493
11	Correctional Industries Internal Service Fund	8,050,590
12	Secretary of State Record Center Internal Service Fund	947,539
13	Human Resources Internal Service Fund	12,127,873
14	DCAMM Facilities Internal Service Fund	39,212,184
15	Information Technology Internal Service Fund	32,281,052

16 SECTION 6. *Legislative Intent* - The General Assembly may provide a written
17 "statement of legislative intent" signed by the chairperson of the House Finance Committee and
18 by the chairperson of the Senate Finance Committee to show the intended purpose of the
19 appropriations contained in Section 1 of this Article. The statement of legislative intent shall be
20 kept on file in the House Finance Committee and in the Senate Finance Committee.

21 At least twenty (20) days prior to the issuance of a grant or the release of funds, which
22 grant or funds are listed on the legislative letter of intent, all department, agency and corporation
23 directors, shall notify in writing the chairperson of the House Finance Committee and the
24 chairperson of the Senate Finance Committee of the approximate date when the funds are to be
25 released or granted.

26 SECTION 7. *Appropriation of Temporary Disability Insurance Funds* -- There is hereby
27 appropriated pursuant to sections 28-39-5 and 28-39-8 of the Rhode Island General Laws all
28 funds required to be disbursed for the benefit payments from the Temporary Disability Insurance
29 Fund and Temporary Disability Insurance Reserve Fund for the fiscal year ending June 30, 2019.

30 SECTION 8. *Appropriation of Employment Security Funds* -- There is hereby
31 appropriated pursuant to section 28-42-19 of the Rhode Island General Laws all funds required to
32 be disbursed for benefit payments from the Employment Security Fund for the fiscal year ending
33 June 30, 2019.

34 SECTION 9. *Appropriation of Lottery Division Funds* -- There is hereby appropriated to

1 the Lottery Division any funds required to be disbursed by the Lottery Division for the purposes
2 of paying commissions or transfers to the prize fund for the fiscal year ending June 30, 2019.

3 SECTION 10. *Appropriation of CollegeBoundSaver Funds* – There is hereby
4 appropriated to the Office of the General Treasurer designated funds received under the
5 CollegeBoundSaver program for transfer to the Division of Higher Education Assistance within
6 the Office of the Postsecondary Commissioner to support student financial aid for the fiscal year
7 ending June 30, 2019.

8 SECTION 11. Departments and agencies listed below may not exceed the number of full-
9 time equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do
10 not include seasonal or intermittent positions whose scheduled period of employment does not
11 exceed twenty-six consecutive weeks or whose scheduled hours do not exceed nine hundred and
12 twenty-five (925) hours, excluding overtime, in a one-year period. Nor do they include
13 individuals engaged in training, the completion of which is a prerequisite of employment.
14 Provided, however, that the Governor or designee, Speaker of the House of Representatives or
15 designee, and the President of the Senate or designee may authorize an adjustment to any
16 limitation. Prior to the authorization, the State Budget Officer shall make a detailed written
17 recommendation to the Governor, the Speaker of the House, and the President of the Senate. A
18 copy of the recommendation and authorization to adjust shall be transmitted to the chairman of
19 the House Finance Committee, Senate Finance Committee, the House Fiscal Advisor and the
20 Senate Fiscal Advisor.

21 State employees whose funding is from non-state general revenue funds that are time
22 limited shall receive limited term appointment with the term limited to the availability of non-
23 state general revenue funding source.

24 FY 2019 FTE POSITION AUTHORIZATION

25	<u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
26	Administration	667.7
27	Business Regulation	170.0
28	Executive Office of Commerce	17.0
29	Labor and Training	428.7
30	Revenue	612.5
31	Legislature	298.5
32	Office of the Lieutenant Governor	8.0
33	Office of the Secretary of State	59.0
34	Office of the General Treasurer	89.0

1	Board of Elections	12.0
2	Rhode Island Ethics Commission	12.0
3	Office of the Governor	45.0
4	Commission for Human Rights	14.5
5	Public Utilities Commission	57.0
6	Office of Health and Human Services	295.0
7	Children, Youth, and Families	619.5
8	Health	504.6
9	Human Services	981.1
10	Behavioral Healthcare, Developmental Disabilities, and Hospitals	1,319.4
11	Office of the Child Advocate	8.6
12	Commission on the Deaf and Hard of Hearing	4.0
13	Governor's Commission on Disabilities	4.0
14	Office of the Mental Health Advocate	4.0
15	Elementary and Secondary Education	141.1
16	School for the Deaf	60.0
17	Davies Career and Technical School	126.0
18	Office of Postsecondary Commissioner	38.0
19	Provided that 1.0 of the total authorization would be available only for positions that are	
20	supported by third-party funds.	
21	University of Rhode Island	2,558.0
22	Provided that 622.8 of the total authorization would be available only for positions that	
23	are supported by third-party funds.	
24	Rhode Island College	949.2
25	Provided that 76.0 of the total authorization would be available only for positions that are	
26	supported by third-party funds.	
27	Community College of Rhode Island	854.1
28	Provided that 89.0 of the total authorization would be available only for positions that are	
29	supported by third-party funds.	
30	Rhode Island State Council on the Arts	8.6
31	RI Atomic Energy Commission	8.6
32	Historical Preservation and Heritage Commission	15.6
33	Office of the Attorney General	235.1
34	Corrections	1,435.0

1	Judicial	723.5
2	Military Staff	92.0
3	Emergency Management Agency	32.0
4	Public Safety	599.6
5	Office of the Public Defender	95.0
6	Environmental Management	400.0
7	Coastal Resources Management Council	29.0
8	Transportation	795.0
9	Total	15,426.3

10 SECTION 12. The amounts reflected in this Article include the appropriation of Rhode
11 Island Capital Plan funds for fiscal year 2019 and supersede appropriations provided for FY 2019
12 within Section 11 of Article 1 of Chapter 302 of the P.L. of 2017.

13 The following amounts are hereby appropriated out of any money in the State’s Rhode
14 Island Capital Plan Fund not otherwise appropriated to be expended during the fiscal years ending
15 June 30, 2020, June 30, 2021, June 30, 2022, and June 30, 2023. These amounts supersede
16 appropriations provided within Section 11 of Article 1 of Chapter 302 of the P.L. of 2017. For the
17 purposes and functions hereinafter mentioned, the State Controller is hereby authorized and
18 directed to draw his or her orders upon the General Treasurer for the payment of such sums and
19 such portions thereof as may be required by him or her upon receipt of properly authenticated
20 vouchers.

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	Ending	Ending	Ending	Ending
<u>Project</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2023</u>
24 DOA – Accessibility	500,000	500,000	1,000,000	1,000,000
25 DOA – Board of Elections/Health/ME Lab	8,000,000	0	0	0
26 DOA – Cannon Building	350,000	3,000,000	3,000,000	1,000,000
27 DOA – Cranston Street Armory	500,000	500,000	2,000,000	3,000,000
28 DOA – Energy Efficiency	500,000	500,000	1,000,000	1,000,000
29 DOA – Hospital Reorganization	4,125,000	0	0	0
30 DOA – Pastore Center Rehab	2,000,000	3,000,000	4,000,000	4,100,000
31 DOA – Security Measures/State				
32 Buildings	250,000	250,000	250,000	250,000
33 DOA – Shepard Building	750,000	750,000	750,000	750,000
34 DOA – State House Renovations	1,000,000	500,000	500,000	1,500,000

1	DOA – State Office Building	1,000,000	1,000,000	1,000,000	1,000,000
2	DOA – Washington County Gov. Center	1,000,000	2,000,000	3,000,000	0
3	DOA – Williams Powers Bldg.	2,000,000	2,000,000	2,250,000	2,250,000
4	DOA – Zambarano Utilities and Mtn.	1,500,000	2,300,000	2,300,000	0
5	EOC – Quonset Point/Davisville Pier	5,000,000	5,000,000	0	0
6	EOC – Quonset Point/EB Pier	4,000,000	6,000,000	0	0
7	DCYF – RITS Repairs	1,700,000	200,000	200,000	200,000
8	EL SEC – Davies School Asset Protection	150,000	150,000	150,000	150,000
9	EL SEC – Met School Asset Protection	250,000	250,000	250,000	250,000
10	OPC- Higher Education Centers	2,000,000	0	0	0
11	URI – Asset Protection	8,326,839	8,531,280	8,700,000	8,874,000
12	URI – Fine Arts Center Renovation	2,000,000	5,000,000	3,000,000	0
13	RIC – Asset Protection	3,669,050	4,150,000	4,233,000	4,318,000
14	RIC – Infrastructure Modernization	3,000,000	3,500,000	4,500,000	2,000,000
15	RIC – Academic Building Phase I	2,000,000	0	0	0
16	CCRI – Asset Protection	2,439,076	2,487,857	2,537,615	2,588,000
17	CCRI – Knight Campus Renewal	2,000,000	2,000,000	0	0
18	CCRI – Flanagan Campus Renewal	0	2,000,000	2,000,000	6,000,000
19	DOC – Asset Protection	3,000,000	3,000,000	4,000,000	4,000,000
20	DOC – ISC Envelope and HVAC	1,500,000	1,550,000	2,000,000	2,500,000
21	DOC – Medium Infrastructure	5,000,000	3,000,000	5,000,000	5,000,000
22	Military Staff Asset Protection	700,000	700,000	800,000	800,000
23	DPS Asset Protection	250,000	250,000	250,000	250,000
24	DEM – Marine Infrastructure/ Pier Development	750,000	1,000,000	1,250,000	1,250,000
26	DOT – Highway Improvement Program	32,451,346	32,451,346	32,451,346	27,200,000
27	DOT – Capital Equipment Replacement	1,500,000	1,500,000	1,500,000	1,500,000
28	DOT – Maintenance Facility Imp.	400,000	400,000	400,000	500,000

29 SECTION 13. [Reappropriation of Funding for Rhode Island Capital Plan Fund Projects.](#)

30 – Any unexpended and unencumbered funds from Rhode Island Capital Plan Fund project
31 appropriations may be reappropriated at the recommendation of the Governor in the ensuing
32 fiscal year and made available for the same purpose. However, any such reappropriations are
33 subject to final approval by the General Assembly as part of the supplemental appropriations act.
34 Any unexpended funds of less than five hundred dollars (\$500) shall be reappropriated at the

1 discretion of the State Budget Officer.

2 SECTION 14. For the Fiscal Year ending June 30, 2019, the Rhode Island Housing and
3 Mortgage Finance Corporation shall provide from its resources such sums as appropriate in
4 support of the Neighborhood Opportunities Program. The Corporation shall provide a report
5 detailing the amount of funding provided to this program, as well as information on the number
6 of units of housing provided as a result to the Director of Administration, the Chair of the
7 Housing Resources Commission, the Chair of the House Finance Committee, the Chair of the
8 Senate Finance Committee and the State Budget Officer.

9 SECTION 15. Notwithstanding any provisions of Chapter 19 in Title 23 of the Rhode
10 Island General Laws, the Resource Recovery Corporation shall transfer to the State Controller the
11 sum of three million dollars (\$3,000,000) by June 30, 2019.

12 SECTION 16. Notwithstanding any provisions of Chapter 55 in Title 42 of the Rhode
13 Island General Laws, the Rhode Island Housing and Mortgage Finance Corporation shall transfer
14 to the State Controller the sum of five million dollars (\$5,000,000) by June 30, 2019.

15 SECTION 17. This article shall take effect as of July 1, 2018.

16 **ARTICLE 2**

17 **RELATING TO STATE FUNDS**

18 SECTION 1. Section 16-59-9 of the General Laws in Chapter 16-59 entitled “Board of
19 Governors for Higher Education [See Title 16 Chapter 97 – The Rhode Island Board of Education
20 Act]” is hereby amended to read as follows:

21 **16-59-9. Educational budget and appropriations.**

22 (a) The general assembly shall annually appropriate any sums it deems necessary for
23 support and maintenance of higher education in the state and the state controller is authorized and
24 directed to draw his or her orders upon the general treasurer for the payment of the appropriations
25 or so much of the sums that are necessary for the purposes appropriated, upon the receipt by him
26 or her of proper vouchers as the council on postsecondary education may by rule provide. The
27 council shall receive, review, and adjust the budget for the office of postsecondary commissioner
28 and present the budget as part of the budget for higher education under the requirements of § 35-
29 3-4.

30 (b) The office of postsecondary commissioner and the institutions of public higher
31 education shall establish working capital accounts.

32 (c) Any tuition or fee increase schedules in effect for the institutions of public higher
33 education shall be received by the council on postsecondary education for allocation for the fiscal
34 year for which state appropriations are made to the council by the general assembly; provided that

1 no further increases may be made by the board of education or the council on postsecondary
2 education for the year for which appropriations are made. Except that these provisions shall not
3 apply to the revenues of housing, dining, and other auxiliary facilities at the university of Rhode
4 Island, Rhode Island college, and the community colleges including student fees as described in
5 P.L. 1962, ch. 257 pledged to secure indebtedness issued at any time pursuant to P.L. 1962, ch.
6 257 as amended.

7 (d) All housing, dining, and other auxiliary facilities at all public institutions of higher
8 learning shall be self-supporting and no funds shall be appropriated by the general assembly to
9 pay operating expenses, including principal and interest on debt services, and overhead expenses
10 for the facilities, with the exception of the mandatory fees covered by the Rhode Island promise
11 scholarship program as established by § 16-107-3. Any debt-service costs on general obligation
12 bonds presented to the voters in November 2000 and November 2004 or appropriated funds from
13 the Rhode Island capital plan for the housing auxiliaries at the university of Rhode Island and
14 Rhode Island college shall not be subject to this self-supporting requirement in order to provide
15 funds for the building construction and rehabilitation program. The institutions of public higher
16 education will establish policies and procedures that enhance the opportunity for auxiliary
17 facilities to be self-supporting, including that all faculty provide timely and accurate copies of
18 booklists for required textbooks to the public higher educational institution's bookstore.

19 (e) The additional costs to achieve self-supporting status shall be by the implementation
20 of a fee schedule of all housing, dining, and other auxiliary facilities, including but not limited to,
21 operating expenses, principal, and interest on debt services, and overhead expenses.

22 (f) The board of education is authorized to establish a restricted-receipt account for the
23 ~~Westerly~~ Higher Education and Industry Centers established throughout the state (also known as
24 ~~the Westerly Job Skills Center or Westerly Higher Education Learning Center)~~ and to collect
25 lease payments from occupying companies, and fees from room and service rentals, to support the
26 operation and maintenance of the ~~facility~~ facilities. All such revenues shall be deposited to the
27 restricted-receipt account.

28 SECTION 2. Section 35-3-15 of the General Laws in Chapter 35-3 entitled "State
29 Budget" is hereby amended to read as follows:

30 **35-3-15. Unexpended and unencumbered balances of revenue appropriations.**

31 (a) All unexpended or unencumbered balances of general revenue appropriations,
32 whether regular or special appropriations, at the end of any fiscal year, shall revert to the surplus
33 account in the general fund, and may be reappropriated by the governor to the ensuing fiscal year
34 and made immediately available for the same purposes as the former appropriations; provided,

1 that the disposition of unexpended or unencumbered appropriations for the general assembly and
2 legislative agencies shall be determined by the joint committee on legislative affairs, and written
3 notification given thereof to the state controller within twenty (20) days after the end of the fiscal
4 year; and furthermore that the disposition of unexpended or unencumbered appropriations for the
5 judiciary, shall be determined by the state court administrator, and written notification given
6 thereof to the state controller within twenty (20) days after the end of the fiscal year.

7 (b) The governor shall submit a report of such reappropriations to the chairperson of the
8 house finance committee and the chairperson of the senate finance committee of each
9 reappropriation stating the general revenue appropriation, the unexpended or unencumbered
10 balance, the amount reappropriated, and an explanation of the reappropriation and the reason for
11 the reappropriation by ~~August 15~~ [September 1](#) of each year.

12 SECTION 3. Sections 35-4-23 and 35-4-27 of the General Laws in Chapter 35-4 entitled
13 “State Funds” is hereby amended to read as follows:

14 **35-4-23. Rhode Island capital plan funds.**

15 (a) From the proceeds of any receipts transferred pursuant to the provisions of the Rhode
16 Island Constitution, the state controller is authorized to create an account or accounts within the
17 bond capital fund. These accounts shall be used to record expenditures from these receipts, which
18 are authorized to be spent with the approval of the governor. Certain of these funds may be
19 allocated to agencies for the purpose of completing preliminary planning studies for proposed
20 projects. In the event the project is completed with funds appropriated from another source, the
21 preliminary planning funds shall be returned to the bond capital fund and shall be placed in a
22 revolving account for future reallocation. The intended use of the Rhode Island capital plan funds
23 shall be determined through the annual capital and operating budget process.

24 (b) [The budget officer under provisions within § 35-3-7.2. “Budget officer as capital
25 development officer” shall implement an indirect cost not to exceed 10% of the project
26 expenditures for the purpose of funding direct project management costs of state employees.](#)

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

28 Indirect cost recoveries of ten percent (10%) of cash receipts shall be transferred from all
29 restricted-receipt accounts, to be recorded as general revenues in the general fund. However, there
30 shall be no transfer from cash receipts with restrictions received exclusively: (1) From
31 contributions from non-profit charitable organizations; (2) From the assessment of indirect cost-
32 recovery rates on federal grant funds; or (3) Through transfers from state agencies to the
33 department of administration for the payment of debt service. These indirect cost recoveries shall
34 be applied to all accounts, unless prohibited by federal law or regulation, court order, or court

1 settlement. The following restricted receipt accounts shall not be subject to the provisions of this
2 section:

- 3 Executive Office of Health and Human Services
- 4 Organ Transplant Fund
- 5 HIV Care Grant Drug Rebates
- 6 Department of Human Services
- 7 Veterans' home – Restricted account
- 8 Veterans' home – Resident benefits
- 9 Pharmaceutical Rebates Account
- 10 Demand Side Management Grants
- 11 Veteran's Cemetery Memorial Fund
- 12 Donations – New Veterans' Home Construction
- 13 Department of Health
- 14 Pandemic medications and equipment account
- 15 Miscellaneous Donations/Grants from Non-Profits
- 16 State Loan Repayment Match
- 17 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
- 18 Eleanor Slater non-Medicaid third-party payor account
- 19 Hospital Medicare Part D Receipts
- 20 RICLAS Group Home Operations
- 21 Commission on the Deaf and Hard of Hearing
- 22 Emergency and public communication access account
- 23 Department of Environmental Management
- 24 National heritage revolving fund
- 25 Environmental response fund II
- 26 Underground storage tanks registration fees
- 27 Rhode Island Historical Preservation and Heritage Commission
- 28 Historic preservation revolving loan fund
- 29 Historic Preservation loan fund – Interest revenue
- 30 Department of Public Safety
- 31 Forfeited property – Retained
- 32 Forfeitures – Federal
- 33 Forfeited property – Gambling
- 34 Donation – Polygraph and Law Enforcement Training

1 Rhode Island State Firefighter's League Training Account
2 Fire Academy Training Fees Account
3 [Municipal Police Training Tuition and Fees](#)
4 Attorney General
5 Forfeiture of property
6 Federal forfeitures
7 Attorney General multi-state account
8 Forfeited property – Gambling
9 Department of Administration
10 OER Reconciliation Funding
11 RI Health Benefits Exchange
12 Information Technology Investment Fund
13 Restore and replacement – Insurance coverage
14 Convention Center Authority rental payments
15 Investment Receipts – TANS
16 OPEB System Restricted Receipt Account
17 Car Rental Tax/Surcharge-Warwick Share
18 Executive Office of Commerce
19 Housing Resources Commission Restricted Account
20 Department of Revenue
21 DMV Modernization Project
22 Jobs Tax Credit Redemption Fund
23 Legislature
24 Audit of federal assisted programs
25 Department of Children, Youth and Families
26 Children's Trust Accounts – SSI
27 Military Staff
28 RI Military Family Relief Fund
29 RI National Guard Counterdrug Program
30 Treasury
31 Admin. Expenses – State Retirement System
32 Retirement – Treasury Investment Options
33 Defined Contribution – Administration - RR
34 Violent Crimes Compensation – Refunds

1 Treasury Research Fellowship
2 Business Regulation
3 Banking Division Reimbursement Account
4 Office of the Health Insurance Commissioner Reimbursement Account
5 Securities Division Reimbursement Account
6 Commercial Licensing and Racing and Athletics Division Reimbursement Account
7 Insurance Division Reimbursement Account
8 Historic Preservation Tax Credit Account
9 Judiciary
10 Arbitration Fund Restricted Receipt Account
11 Third-Party Grants
12 RI Judiciary Technology Surcharge Account
13 Department of Elementary and Secondary Education
14 Statewide Student Transportation Services Account
15 School for the Deaf Fee-for-Service Account
16 [School for the Deaf – School Breakfast and Lunch Program](#)
17 Davies Career and Technical School Local Education Aid Account
18 Davies – National School Breakfast & Lunch Program
19 [School Construction Services](#)
20 Office of the Postsecondary Commissioner
21 ~~Westerly~~ Higher Education and Industry Centers
22 Department of Labor and Training
23 Job Development Fund
24 SECTION 4. Section 42-27-6 of the General Laws in Chapter 42-27 entitled “Atomic
25 Energy Commission” is hereby amended to read as follows:
26 **42-27-6. Reactor usage charges.**
27 [\(a\) Effective July 1, 2018, ~~all~~ all fees collected by the atomic energy commission for use](#)
28 [of the reactor facilities and related services shall be deposited ~~as general revenues.~~ in a restricted](#)
29 [receipt account to support the technical operation and maintenance of the agency’s equipment.](#)
30 [\(b\) All revenues remaining in the restricted receipt account, after expenditures authorized](#)
31 [in subdivision \(a\) of this section, above two hundred thousand dollars \(\\$200,000\) shall be paid](#)
32 [into the state’s general fund. These payments shall be made annually on the last business day of](#)
33 [the fiscal year.](#)
34 [\(c\) A charge of up to forty percent \(40%\), adjusted annually as of July 1, shall be](#)

1 assessed against all University of Rhode Island (URI) sponsored research activity allocations. The
2 charge shall be applied to the existing URI sponsored research expenditures within the atomic
3 energy commission.

4 SECTION 5. Title 35 of the General Laws entitled “Public Finance” is hereby amended
5 by adding thereto the following chapter:

6 CHAPTER 35-4.1

7 PERFORMANCE IMPROVEMENT FUND ACT

8 **35-4.1-1. Legislative findings.**

9 The general assembly finds and recognizes:

10 (a) The importance of pursuing data-driven approaches to improving service delivery,
11 and that limited state resources should be allocated based on proven results, not inputs or
12 promised successes.

13 (b) That pay for success contracts provide an opportunity for the state to address the
14 challenges of improving service delivery with limited resources as these contracts both:

15 (1) Create incentives for improved performance and reduced costs, allow for more rapid
16 learning about which programs work and which do not, and accelerate the adoption of new, more
17 effective solutions, and

18 (2) Provide a mechanism to bring upfront financial support from the private and nonprofit
19 sectors to innovative social programs that the state only repays if contractual performance targets
20 are achieved, thereby reducing the state’s financial risk in supporting innovative initiatives.

21 **35-4.1-2. Definitions.**

22 For the purpose of this chapter:

23 (a) “Performance targets” means the level of performance, as measured by an
24 independent evaluator, which represent success. Success is defined in the pay for success
25 contract.

26 (b) “Independent evaluator” means an independent entity selected by the state whose role
27 includes assessing and reporting on the achievement of performance targets at the frequency
28 required in the pay for success contract.

29 (c) “Success payments” refer to the payments that the state will make only if contractual
30 performance targets are achieved as determined by the independent evaluator and approved by
31 the office of management and budget.

32 (d) “Pay for success contracts” are contracts designed to improve outcomes and lower
33 costs for contracted government services that are subject to the following requirements:

34 (1) A determination that the contract will result in significant performance improvements

1 and budgetary savings across all impacted agencies if the performance targets are achieved;

2 (2) A requirement that a substantial portion of any payment be conditioned on the
3 achievement of specific outcomes based on defined performance targets;

4 (3) An objective process by which an independent evaluator will determine whether the
5 performance targets have been achieved;

6 (4) A calculation of the amount and timing of payments that would be earned by the
7 service provider during each year of the agreement if performance targets are achieved as
8 determined by the independent evaluator; and

9 (5) Payments shall only be made if performance targets are achieved.

10 **35-4.1-3. Creation of the Government Performance Improvement Fund.**

11 (a) There is hereby created and established in the state treasury a fund to be known as the
12 “government performance improvement fund” to which shall be deposited appropriations as may
13 be made from time to time by the general assembly. All money now or hereafter in the
14 government performance improvement fund are hereby dedicated for the purpose of funding pay
15 for success contracts.

16 (b) By signing the pay for success contract, the authorizing department or agency is
17 confirming that the contract has met the requirements established in this chapter.

18 (c) The department of administration is charged with, and may promulgate regulations as
19 necessary for, the administration of this fund for the purposes specified in this section, and may
20 make payments from the fund only in accordance with the terms and conditions of pay for
21 success contracts and upon approval of the director of the office of management and budget. All
22 claims against the fund shall be examined, audited, and allowed in the manner now or hereafter
23 provided by law for claims against the state.

24 (d) The department of administration shall provide an annual status report for the prior
25 fiscal year on all contracts not later than December 31 of each year to the office of the governor,
26 house and senate finance committees.

27 SECTION 6. This Article shall take effect upon passage.

28 **ARTICLE 3**

29 **RELATING TO GOVERNMENT REFORM**

30 SECTION 1. Sections 5-65-5, 5-65-7 and 5-65-9 of the General Laws in Chapter 5-65
31 entitled “Contractors’ Registration and Licensing Board” are hereby amended as follows:

32 **5-65-5. Registered application.**

33 (a) A person who wishes to register as a contractor shall submit an application, ~~under~~
34 ~~oath,~~ upon a form prescribed by the board. The application shall include:

- 1 (1) Workers' compensation insurance account number, or company name if a number has
2 not yet been obtained, if applicable;
- 3 (2) Unemployment insurance account number if applicable;
- 4 (3) State withholding tax account number if applicable;
- 5 (4) Federal employer identification number, if applicable, or if self-employed and
6 participating in a retirement plan;
- 7 (5) The individual(s) name and business address and residential address of:
- 8 (i) Each partner or venturer, if the applicant is a partnership or joint venture;
- 9 (ii) The owner, if the applicant is an individual proprietorship;
- 10 (iii) The corporation officers and a copy of corporate papers filed with the Rhode Island
11 secretary of state's office, if the applicant is a corporation;
- 12 (iv) Post office boxes are not acceptable as the only address.
- 13 (6) A ~~signed affidavit subject to the penalties of perjury of a~~ [statement as to](#) whether or
14 not the applicant has previously applied for registration, or is or was an officer, partner, or
15 venturer of an applicant who previously applied for registration and if so, the name of the
16 corporation, partnership, or venture.
- 17 (7) Valid insurance certificate for the type of work being performed.
- 18 (b) A person may be prohibited from registering or renewing registration as a contractor
19 under the provisions of this chapter or his or her registration may be revoked or suspended if he
20 or she has any unsatisfied or outstanding judgments from arbitration, bankruptcy, courts and/or
21 administrative agency against him or her relating to their work as a contractor, and provided,
22 further, that ~~an affidavit subject to the penalties of perjury a~~ [statement](#) shall be provided to the
23 board attesting to the information herein.
- 24 (c) Failure to provide or falsified information on an application, or any document
25 required by this chapter is punishable by a fine not to exceed ten thousand dollars (\$10,000)
26 [and/or revocation of the registration.](#)
- 27 (d) Applicant must be at least eighteen (18) years of age.
- 28 (e) Satisfactory proof shall be provided to the board evidencing the completion of five (5)
29 hours of continuing education units which will be required to be maintained by residential
30 contractors as a condition of registration as determined by the board pursuant to established
31 regulations.
- 32 (f) ~~An affidavit~~ [A certification in a form](#) issued by the board shall be completed upon
33 registration or license or renewal to assure contractors are aware of certain provisions of this law
34 and shall be signed by the registrant before a registration can be issued or renewed.

1 **5-65-7. Insurance required of contractors.**

2 (a) Throughout the period of registration, the contractor shall have in effect public
3 liability and property damage insurance covering the work of that contractor which shall be
4 subject to this chapter in not less than the following amount: five hundred thousand dollars
5 (\$500,000) combined single limit, bodily injury and property damage.

6 (b) In addition, all contractors shall have in effect worker's compensation insurance as
7 required under chapter 29 of title 28. Failure to maintain required insurance shall not preclude
8 claims from being filed against a contractor.

9 (c) The contractor shall provide satisfactory evidence to the board at the time of
10 registration and renewal that the insurance required by subsection (a) of this section has been
11 procured and is in effect. Failure to maintain insurance shall invalidate registration and may result
12 in a fine to the registrant [and/or suspension or revocation of the registration.](#)

13 **5-65-9. Registration fee.**

14 (a) Each applicant shall pay to the board:

15 (1) For original registration or renewal of registration, a fee of two hundred dollars
16 (\$200).

17 (2) A fee for all changes in the registration, as prescribed by the board, other than those
18 due to clerical errors.

19 (b) All fees and fines collected by the board shall be deposited as general revenues to
20 support the activities set forth in this chapter until June 30, 2008. Beginning July 1, 2008, all fees
21 and fines collected by the board shall be deposited into a restricted receipt account for the
22 exclusive use of supporting programs established by this chapter.

23 (c) On or before January 15, 2018, and annually thereafter, the board shall file a report
24 with the speaker of the house and the president of the senate, with copies to the chairpersons of
25 the house and senate finance committees, detailing:

26 (1) The total number of fines issued, broken down by category, including the number of
27 fines issued for a first violation and the number of fines issued for a subsequent violation;

28 (2) The total dollar amount of fines levied;

29 (3) The total amount of fees, fines, and penalties collected and deposited for the most
30 recently completed fiscal year; and

31 (4) The account balance as of the date of the report.

32 (d) Each year, the ~~executive director~~ [department of business regulation](#) shall prepare a
33 proposed budget to support the programs approved by the board. The proposed budget shall be
34 submitted to the board for its review. A final budget request shall be submitted to the legislature

1 as part of the capital projects and property management annual request.

2 (e) New or renewal registrations may be filed online or with a third-party approved by the
3 board, with the additional cost incurred to be borne by the registrant.

4 SECTION 2. Sections 5-84-1, 5-84-2, 5-84-3, 5-84-5, 5-84-6 and 5-84-7 of the General
5 Laws in Chapter 5-84 entitled "Division of Design Professionals" are hereby amended as follows:

6 The title of Chapter 5-84 of the General Laws entitled "Division of Design Professionals"
7 is hereby changed to "Division of Building, Design and Fire Professionals."

8 **5-84-1. Short title.**

9 This chapter shall be known and may be cited as "The Division of ~~Design~~ [Building,](#)
10 [Design and Fire](#) Professionals Act."

11 **5-84-2. Division of ~~design~~ building, design and fire professionals.**

12 There has been created within the department of business regulation, a division known as
13 the division of ~~design~~ [building, design and fire](#) professionals.

14 **5-84-3. Division membership.**

15 The division consists of the membership of the [office of the state fire marshal, the fire](#)
16 [safety code board of review and appeal, the office of the state building commissioner, the](#) board
17 of registration for professional engineers, board of registration for professional land surveyors,
18 board of examination and registration of architects, ~~and~~ the board of examiners of landscape
19 architects [and the contractors' registration and licensing board.](#)

20 **5-84-5. Imposition of fines for unregistered activity.**

21 (a) In addition to any other provision of law, if a person or business practices or offers to
22 practice architecture, engineering, land surveying, or landscape architecture in the state without
23 being registered or authorized to practice as required by law, the boards within the division may
24 recommend that the director of the department of business regulations ~~s~~ [or the director's designee](#)
25 issue an order imposing a fine; provided, however, that this section shall not apply to issues
26 between the boards referred to in subsection (a) of this section as to the scope of a board
27 registrant's authority to engage in work relating to another board's jurisdiction or to issues relating
28 to ISDS designers licensed by the department of environmental management.

29 (b) A fine ordered under this section may not exceed two thousand five hundred dollars
30 (\$2,500) for each offense. In recommending a fine, the board shall set the amount of the penalty
31 imposed under this section after taking into account factors, including the seriousness of the
32 violation, the economic benefit resulting from the violation, the history of violations, and other
33 matters the board considers appropriate.

34 (c) Before recommending that a fine be order under this section, the board shall provide

1 the person or business written notice and the opportunity to request, with thirty (30) days of
2 issuance of notice by the board, a hearing on the record.

3 (d) A person or business aggrieved by the ordering of a fine under this section may file an
4 appeal with the superior court for judicial review of the ordering of a fine.

5 (e) If a person of business fails to pay the fine within thirty (30) days after entry of an
6 order under (a) of this section, or if the order is stayed pending an appeal, within ten (10) days
7 after the court enters a final judgment in favor of the department of an order appealed under (d) of
8 this section, the director may commence a civil action to recover the amount of the fine.

9 **5-84-6. Cease and Desist Authority.**

10 If the director has reason to believe that any person, firm, corporation, or association is
11 conducting any activity under the jurisdiction of the division of ~~design~~ [building, design and fire](#)
12 professionals including professional engineering, professional land surveying, architecture, and/or
13 landscape architecture without obtaining a license or registration, or who after the denial,
14 suspension, or revocation of a license or registration is conducting that business, the director [or](#)
15 [the director's designee](#) may, either on his or her own initiative or upon recommendation of the
16 appropriate board, issue an order to that person, firm, corporation, or association commanding
17 them to appear before the department at a hearing to be held not sooner than ten (10) days nor
18 later than twenty (20) days after issuance of that order to show cause why the director [or the](#)
19 [director's designee](#) should not issue an order to that person to cease and desist from the violation
20 of the provisions of this chapter and/or chapters 1, 8, 8.1, [51](#) and/or ~~51~~ [65](#) of title 5. That order to
21 show cause may be served on any person, firm, corporation, or association named by any person
22 in the same manner that a summons in a civil action may be served, or by mailing a copy of the
23 order, certified mail, return receipt requested, to that person at any address at which that person
24 has done business or at which that person lives. If during that hearing the director [or the director's](#)
25 [designee](#) is satisfied that the person is in fact violating any provision of this chapter, the director
26 [or the director's designee](#) may order that person, in writing, to cease and desist from that violation
27 and/or impose an appropriate fine under § 5-84-5 or other applicable law and/or refer the matter
28 to the attorney general for appropriate action under chapters 1, 8, 8.1, [51](#) and/or ~~51~~ [65](#) of title 5.
29 All these hearings are governed in accordance with the administrative procedures act. If that
30 person fails to comply with an order of the department after being afforded a hearing, the superior
31 court for Providence county has jurisdiction upon complaint of the department to restrain and
32 enjoin that person from violating chapters 1, 8, 8.1, [51](#), [65](#) and/or 84 of title 5.

33 **5-84-7. Electronic applications for certificates of authorization.**

34 All applications to the division of ~~design~~ [building, design and fire](#) professionals for

1 certificates of authorization shall be submitted electronically through the department's electronic-
2 licensing system, unless special permission to apply in paper format is requested by the applicant
3 and granted by the director [or the director's designee](#).

4 SECTION 3. Sections 23-27.3-100.1.3, 23-27.3-107.3, 23-27.3-107.4 and 23-27.3-108.2
5 of the General Laws in Chapter 23-27.3 entitled "State Building Code" are hereby amended as
6 follows:

7 **23-27.3-100.1.3. Creation of the state building code standards committee.**

8 (a) There is created as an agency of state government a state building code standards
9 committee who shall adopt, promulgate, and administer a state building code for the purpose of
10 regulating the design, construction, and use of buildings or structures previously erected, in
11 accordance with a rehabilitation building and fire code for existing buildings and structures
12 developed pursuant to chapter 29.1 of this title, and to make any amendments to them as they,
13 from time to time, deem necessary or desirable, the building code to include any code, rule, or
14 regulation incorporated in the code by reference.

15 (b) A standing subcommittee is made part of the state building code standards committee
16 to promulgate and administer a state housing and property maintenance code for the purpose of
17 establishing minimum requirements and standards and to regulate the occupancy and use of
18 existing premises, structures, buildings, equipment, and facilities, and to make amendments to
19 them as deemed necessary.

20 (c) A joint committee, with membership as set forth in § 23-29.1-2(a) from the state
21 building code standards committee, shall develop and recommend for adoption and promulgation,
22 a rehabilitation building and fire code for existing buildings and structures, which code shall
23 include building code elements to be administered by the state building code standards committee
24 as the authority having jurisdiction over the elements.

25 [\(d\) The state building code standards committee shall be housed within the office of the](#)
26 [state building commissioner.](#)

27 **23-27.3-107.3. Appointment of personnel by state building commissioner.**

28 (a) The state building commissioner may appoint such other personnel as shall be
29 necessary for the administration of the code. In the absence of a local building official or an
30 alternate, as detailed in § 23-27.3-107.2, the commissioner shall assume the responsibility of the
31 local building official and inspectors as required by § 23-27.3-107.4 and shall designate one of
32 the following agents to enforce the code:

33 (1) A member of the commissioner's staff who meets the qualifications of § 23-27.3-
34 107.5 and is certified in accordance with § 23-27.3-107.6.

1 (2) An architect or engineer contracted by the commissioner through the department of
2 ~~administration~~ [business regulation](#).

3 (3) A building official who is selected from a list of previously certified officials or
4 inspectors.

5 (b) The salary and operating expenses for services provided in accordance with
6 subsection (a)(1), (2), or (3) shall be reimbursed to the state by the city or town receiving the
7 services and shall be deposited as general revenues. The attorney general shall be informed of any
8 failure of the appropriate local authority to appoint a local building official to enforce the code in
9 accordance with §§ 23-27.3-107.1 or 23-27.3-107.2.

10 **23-27.3-107.4. Qualifications and duties of the state building commissioner.**

11 (a) The state building commissioner shall serve as the executive secretary to the state
12 building code standards committee. In addition to the state building commissioner's other duties
13 as set forth in this chapter, the state building commissioner shall assume the authority for the
14 purpose of enforcing the provisions of the state building code in a municipality where there is no
15 local building official.

16 (b) The state building commissioner shall be a member of the classified service, and for
17 administrative purposes shall be assigned a position in the department of ~~administration~~ [business](#)
18 [regulation](#). Qualifications for the position of the state building commissioner shall be established
19 in accordance with provisions of the classified service of the state, and shall include the provision
20 that the qualifications include at least ten (10) years' experience in building or building
21 regulations generally, and that the commissioner be an architect or professional engineer licensed
22 in the state or a certified building official presently or previously employed by a municipality and
23 having at least ten (10) years' experience in the building construction or inspection field.

24 **23-27.3-108.2. State building commissioner's duties.**

25 (a) This code shall be enforced by the state building commissioner as to any structures or
26 buildings or parts thereof that are owned or are temporarily or permanently under the jurisdiction
27 of the state or any of its departments, commissions, agencies, or authorities established by an act
28 of the general assembly, and as to any structures or buildings or parts thereof that are built upon
29 any land owned by or under the jurisdiction of the state.

30 (b) Permit fees for the projects shall be established by the committee. The fees shall be
31 deposited as general revenues.

32 (c)(1) The local cities and towns shall charge each permit applicant an additional .1 (.001)
33 percent (levy) of the total construction cost for each permit issued. The levy shall be limited to a
34 maximum of fifty dollars (\$50.00) for each of the permits issued for one and two (2) family

1 dwellings. This additional levy shall be transmitted monthly to the building commission at the
2 department of ~~administration~~ business regulation, and shall be used to staff and support the
3 purchase or lease and operation of a web-accessible service and/r system to be utilized by the
4 state and municipalities for uniform, statewide electronic plan review, permit management and
5 inspection system and other programs described in this chapter. The fee levy shall be deposited as
6 general revenues.

7 (2) On or before July 1, 2013, the building commissioner shall develop a standard
8 statewide process for electronic plan review, permit management and inspection.

9 (3) On or before December 1, 2013, the building commissioner, with the assistance of the
10 office of regulatory reform, shall implement the standard statewide process for electronic plan
11 review, permit management and inspection. In addition, the building commissioner shall develop
12 a technology and implementation plan for a standard web-accessible service and/r system to be
13 utilized by the state and municipalities for uniform, statewide electronic plan review, permit
14 management and inspection.

15 (d) The building commissioner shall, upon request by any state contractor described in §
16 37-2-38.1, review, and when all conditions for certification have been met, certify to the state
17 controller that the payment conditions contained in § 37-2-38.1 have been met.

18 (e) The building commissioner shall coordinate the development and implementation of
19 this section with the state fire marshal to assist with the implementation of § 23-28.2-6.

20 (f) The building commissioner shall submit, in coordination with the state fire marshal, a
21 report to the governor and general assembly on or before April 1, 2013 and each April 1st
22 thereafter, providing the status of the web-accessible service and/or system implementation and
23 any recommendations for process or system improvement.

24 SECTION 4. Sections 23-28.2-1, 23-28.2-5, 23-28.2-7, 23-28.2-14, 23-28.2-22, 23-28.2-
25 23, 23-28.2-28 and 23-28.2-29 of Chapter 23-28.2 of the General Laws entitled “Division of Fire
26 Safety” are hereby amended as follows:

27 **23-28.2-1. Establishment of ~~division and~~ office of the state fire marshal.**

28 There shall be ~~a division~~ an office of the state fire marshal within the department of
29 ~~public safety~~ business regulations’ division of building, design and fire professionals, the head of
30 which ~~division~~ office shall be the state fire marshal. The state fire marshal shall be appointed by
31 the governor with the advice and consent of the senate and shall serve for a period of five (5)
32 years. During the term the state fire marshal may be removed from office by the governor for just
33 cause. All authority, powers, duties and responsibilities previously vested in the division of fire
34 safety are hereby transferred to the ~~division~~ office of the state fire marshal.

1 **23-28.2-5. Bomb disposal unit.**

2 (a) Within the ~~division~~ [office of the state fire marshal](#), there shall be a bomb disposal unit
3 (bomb squad), accredited by the FBI as a bomb squad, whose duties it will be to handle and
4 dispose of all hazardous devices suspect to be explosive or incendiary in construction which
5 includes any weapons of mass destruction (WMD) that may be explosive or chemical in
6 construction.

7 (b) The State Fire Marshal shall appoint a bomb technician to supervise the operations of
8 this unit and the technician must be certified by the FBI as a bomb technician. The bomb
9 technician must ensure that all bomb technicians are trained and maintain certification, the bomb
10 squad maintains accreditation, and ensures that all equipment belonging to the bomb squad is
11 maintained and in operating condition at all times. The bomb technician must also provide to
12 cities and towns and local businesses or any other organizations procedures in bomb threats, and
13 procedures where explosive devices or suspect devices are located.

14 (c) The State Fire Marshal shall appoint from the local communities volunteer assistant
15 deputy state fire marshals, as bomb squad members only, to assist in carrying on the
16 responsibilities of this unit. The volunteers, who must be available for immediate response when
17 called upon, be available to participate in training sessions, shall be approved by their local fire or
18 police chief, and must have their chief sign an agreement (memorandum of understanding) which
19 provides for their release during emergencies and training and assumes liability for any injuries
20 that may occur to them. All bomb squad members shall operate only under the direction of the
21 State Bomb Squad Commander or senior ranking Deputy State Fire Marshal who is certified as a
22 bomb technician. The bomb squad may also request assistance from the local fire and police
23 authorities when handling any explosive or incendiary device, WMD or post incident
24 investigations.

25 **23-28.2-7. Office of state fire marshal.**

26 The state fire marshal shall be provided adequate offices ~~by the director of~~
27 ~~administration.~~ [through the department of business regulation.](#)

28 **23-28.2-14. Enforcement.**

29 (a) Within the ~~division~~ [office of the state fire marshal](#), there shall be an enforcement unit
30 responsible for the initiation of criminal prosecution of or civil proceedings against any person(s)
31 in violation of the state Fire Safety Code or failure to comply with an order to abate conditions
32 that constitute a violation of the Fire Safety Code, chapters 28.1 – 28.39 of this title, and any rules
33 or regulations added thereunder and/or the general public laws of the state as they relate to fires,
34 fire prevention, fire inspections, and fire investigations. This unit will consist of the state fire

1 marshal, chief deputy state fire marshal, chief of technical services, explosive technician, assistant
2 explosive technicians, and the arson investigative staff, each of whom must satisfactorily
3 complete at the Rhode Island state police training academy an appropriate course of training in
4 law enforcement or must have previously completed a comparable course. To fulfill their
5 responsibilities, this unit shall have and may exercise in any part of the state all powers of
6 sheriffs, deputy sheriffs, town sergeants, chiefs of police, police officers, and constables.

7 (b) The State Fire Marshal shall have the power to implement a system of enforcement to
8 achieve compliance with the fire safety code, which shall include inspections as provided for in §
9 23-28.2-20, the issuance of formal notices of violation in accordance with § 23-28.2-20.1, and the
10 issuance of citations in a form approved by the State Fire Marshal and the Chief Judge of the
11 District Court. The State Fire Marshal, and his or her designee(s) as outlined in this chapter, may
12 use the above systems of enforcement individually or in any combination to enforce the State Fire
13 Safety Code.

14 (c) The State Fire Marshal and all persons designated specifically in writing by the State
15 Fire Marshal shall have the power to issue the citations referenced in this chapter.

16 (d) The following categories of violation of the Fire Safety Code that can be identified
17 through inspection shall be considered criminal violations of the Fire Safety Code and be subject
18 to the above issuance of citations:

19 (1) Impediments to Egress:

20 (A) Exit doors locked so as to prevent egress.

21 (B) Blocked means of egress (other than locking and includes any portion of the exit
22 access, exit or exit discharge).

23 (C) Marking of exits or the routes to exits has become obstructed and is not clearly
24 visible.

25 (D) Artificial lighting needed for orderly evacuation is not functioning properly (this
26 section does not include emergency lighting).

27 (2) Maintenance:

28 (A) Required devices, equipment, system, condition, arrangement, or other features not
29 continuously maintained.

30 (B) Equipment requiring periodic testing or operation, to ensure its maintenance, is not
31 being tested or operated.

32 (C) Owner of building where a fire alarm system is installed has not provided written
33 evidence that there is a testing and maintenance program in force providing for periodic testing of
34 the system.

1 (D) Twenty-four hour emergency telephone number of building owner or owner's
2 representative is not posted at the fire alarm control unit or the posted number is not current.

3 (3) Fire Department Access and Water Supply:

4 (A) The required width or length of a previously approved fire department access road
5 (fire lane) is obstructed by parked vehicles or other impediments.

6 (B) Fire department access to fire hydrants or other approved water supplies is blocked or
7 impeded.

8 (4) Fire Protection Systems:

9 (A) Obstructions are placed or kept near fire department inlet connections or fire
10 protection system control valves preventing them from being either visible or accessible.

11 (B) The owner, designated agent or occupant of the property has not had required fire
12 extinguishers inspected, maintained or recharged.

13 (5) Admissions supervised:

14 (A) Persons responsible for supervising admissions to places of assembly, and/or any
15 sub-classifications thereof, have allowed admissions in excess of the maximum occupancy posted
16 by the State Fire Marshal or his or her designee.

17 The terms used in the above categories of violation are defined in the definition sections
18 of NFPA 1 and NFPA 101 as adopted pursuant to § 23-28.1-2 of this title.

19 (e) A building owner, responsible management, designated agent or occupant of the
20 property receiving a citation may elect to plead guilty to the violation(s) and pay the fine(s)
21 through the mail within ten (10) days of issuance, or appear in district court for an arraignment on
22 the citation.

23 (f) Notwithstanding subsection (e) above, all recipients of third or subsequent citations,
24 within a sixty (60) month period, shall appear in district court for a hearing on the citation. If not
25 paid by mail he, she or it shall appear to be arraigned on the criminal complaint on the date
26 indicated on the citation. If the recipient(s) fails to appear, the district court shall issue a warrant
27 of arrest.

28 (g) The failure of a recipient to either pay the citation through the mail within ten (10)
29 days, where permitted under this section, or to appear in district court on the date specified shall
30 be cause for the district court to issue a warrant of arrest with the penalty assessed and an
31 additional five hundred dollar (\$500) fine.

32 (h) A building owner, responsible management, designated agent or occupant of the
33 property who receives the citation(s) referenced in this section shall be subject to civil fine(s),
34 which fine(s) shall be used for fire prevention purposes by the jurisdiction that issues the

1 citation(s), as follows:

2 (1) A fine of two hundred fifty dollars (\$250) for the first violation within any sixty (60)
3 month period;

4 (2) A fine of five hundred dollars (\$500) for the second violation within any sixty (60)
5 month period;

6 (3) A fine of one thousand dollars (\$1,000) for the third and any subsequent violation(s)
7 within any sixty (60) month period;

8 (i) No citation(s) as defined in this section, shall be issued pursuant to a search conducted
9 under an administrative search warrant secured pursuant to § 23-28.2-20(c) of this code. Any
10 citation mistakenly issued in violation of this subsection (i) shall be void and unenforceable.

11 (j) The District Court shall have full equity power to hear and address these matters.

12 (k) All violations, listed within subsection (d) above, shall further be corrected within a
13 reasonable period of time established by the State Fire Marshal or his or her designee.

14 **23-28.2-22. Fire education and training unit.**

15 (a) There shall be a fire education and training unit within the ~~division of fire safety~~
16 [office of the state fire marshal](#) headed by a director of fire training. The director of fire training
17 shall be appointed by the fire marshal from a list of names submitted by the fire education and
18 training coordinating board based on recommendations of a screening committee of that board.
19 Other staff and resources, such as part time instructors, shall be requested consistent with the state
20 budget process.

21 (b) This unit shall be responsible for implementing fire education and training programs
22 developed by the fire education and training coordinating board.

23 **23-28.2-23. Fire education and training coordinating board.**

24 (a) There is hereby created within the ~~division of fire safety~~ [office of the state fire](#)
25 [marshal](#) a fire education and training coordinating board comprised of thirteen (13) members
26 appointed by the governor with the advice and consent of the senate. In making said
27 appointments, the governor shall give due consideration to including in the board's membership
28 representatives of the following groups:

29 (1) Chiefs of fire departments with predominately fully paid personnel, defined as
30 departments in which the vast majority of members are full-time, salaried personnel.

31 (2) Chiefs of fire departments with part paid/combo personnel, defined as
32 departments in which members consist of both full-time salaried personnel and a large percentage
33 of volunteer or call personnel.

34 (3) Chiefs of fire departments with predominately volunteer personnel, defined as

1 departments in which the vast majority of members respond voluntarily and receive little or no
2 compensation.

3 (4) Rhode Island firefighters' instructor's association.

4 (5) Rhode Island department of environmental management.

5 (6) Rhode Island fire safety association.

6 (7) Rhode Island state firefighter's league.

7 (8) Rhode Island association of firefighters.

8 (9) Regional firefighters leagues.

9 (b) The state fire marshal and the chief of training and education shall serve as ex-officio
10 members.

11 (c) Members of the board as of March 29, 2006 shall continue to serve for the balance of
12 their current terms. Thereafter, members shall be appointed to three (3) year terms. No person
13 shall serve more than two (2) consecutive terms, except that service on the board for a term of
14 less than two (2) years resulting from an initial appointment or an appointment for the remainder
15 of an unexpired term shall not constitute a full term.

16 (d) Members shall hold office until a successor is appointed, and no member shall serve
17 beyond the time he or she ceases to hold office or employment by reason of which he or she was
18 eligible for appointment.

19 (e) All gubernatorial appointments made after March 29, 2006 shall be subject to the
20 advice and consent of the senate. No person shall be eligible for appointment to the board after
21 March 29, 2006 unless he or she is a resident of this state.

22 (f) Members shall serve without compensation, but shall receive travel expenses in the
23 same amount per mile approved for state employees.

24 (g) The board shall meet at the call of the chairperson or upon written petition of a
25 majority of the members, but not less than six (6) times per year.

26 (h) Staff support to the board will be provided by the state fire marshal.

27 (i) The board shall:

28 (1) Establish bylaws to govern operational procedures not addressed by legislation.

29 (2) Elect a chairperson and vice-chairperson of the board in accordance with bylaws to be
30 established by the board.

31 (3) Develop and offer training programs for fire fighters and fire officers based on
32 applicable NFPA standards used to produce training and education courses.

33 (4) Develop and offer state certification programs for instructors based on NFPA
34 standards.

1 (5) Monitor and evaluate all programs to determine their effectiveness.

2 (6) Establish a fee structure in an amount necessary to cover costs of implementing the
3 programs.

4 (7) Within ninety (90) days after the end of each fiscal year, approve and submit an
5 annual report to the governor, the speaker of the house of representatives, the president of the
6 senate, and the secretary of state of its activities during that fiscal year. The report shall provide:
7 an operating statement summarizing meetings or hearing held, including meeting minutes,
8 subjects addressed, decisions rendered, rules or regulations promulgated, studies conducted,
9 policies and plans developed, approved or modified and programs administered or initiated; a
10 consolidated financial statement of all funds received and expended including the source of the
11 funds, a listing of any staff supported by these funds, and a summary of any clerical,
12 administrative or technical support received; a summary of performance during the previous
13 fiscal year including accomplishments, shortcomings and remedies; a synopsis of hearings,
14 complaints, suspensions, or other legal matters related to the authority of the council; a summary
15 of any training courses held pursuant to the provisions of this section; a briefing on anticipated
16 activities in the upcoming fiscal year and findings and recommendations for improvements. The
17 report shall be posted electronically on the general assembly and secretary of state's websites as
18 prescribed in § 42-20-8.2. The director of the department of administration shall be responsible
19 for the enforcement of the provisions of this subsection.

20 (8) Conduct a training course for newly appointed and qualified members within six (6)
21 months of their qualification or designation. The course shall be developed by the chair of the
22 board, approved by the board, and conducted by the chair of the board. The board may approve
23 the use of any board or staff members or other individuals to assist with training. The training
24 course shall include instruction in the following areas: the provisions of chapters 42-46, 36-14,
25 and 38-2; and the commission's rules and regulations. The state fire marshal shall, within ninety
26 (90) days of March 29, 2006, prepare and disseminate training materials relating to the provisions
27 of chapters 42-46, 36-14, and 38-2.

28 (j) In an effort to prevent potential conflicts of interest, any fire education and training
29 coordinating board member shall not simultaneously serve as a paid instructor and/or
30 administrator within the fire education and training unit.

31 (k) A quorum for conducting all business before the board, shall be at least seven (7)
32 members.

33 (l) Members of the board shall be removable by the governor pursuant to the provisions
34 of § 36-1-7 of the general laws and for cause only, and removal solely for partisan or personal

1 reasons unrelated to capacity or fitness for the office shall be unlawful.

2 **23-28.2-28. Rhode Island state firefighter's league grant account.**

3 (a) There is hereby created within the department of ~~public safety~~ [business regulation](#) a
4 restricted receipt account to be known as the Rhode Island state firefighter's league grant account.
5 Donations received from the Rhode Island state firefighter's league shall be deposited into this
6 account, and shall be used solely to fund education and training programs for firefighters in the
7 state.

8 (b) All amounts deposited in the Rhode Island state firefighter's league grant account
9 shall be exempt from the indirect cost recovery provisions of § 35-4-27.

10 **23-28.2-29. Fire academy training fees restricted receipt account.**

11 There is hereby created with the department of ~~public safety~~ [business regulation](#) a
12 restricted receipt account to be known as the fire academy training fees account. All receipts
13 collected pursuant to § 23-28.2-23 shall be deposited in this account and shall be used to fund
14 costs associated with the fire training academy. All amounts deposited into the fire academy
15 training restricted receipt account shall be exempt from the indirect cost recovery provisions of §
16 35-4-27.

17 SECTION 5. Section 23-34.1-3 of Chapter 23-34.1 of the General Laws entitled
18 "Amusement Ride Safety Act" is hereby amended as follows:

19 **23-34.1-3. Definitions.**

20 As used in this chapter:

21 (1) "Altered ride" means a ride or device that has been altered with the approval of the
22 manufacturer.

23 (2) "Amusement attraction" means any building or structure around, over, or through
24 which persons may move to walk, without the aid of any moving device integral to the building
25 or structure, which provides amusement, pleasure, thrills, or excitement. Excluded are air
26 structures ("moonwalks"), arenas, stadiums, theatres, nonmechanical amusement structures
27 commonly located in or around day care centers, schools, commercial establishments, malls, fast
28 food restaurants, and convention halls. This does not include enterprises principally devoted to
29 the exhibition of products of agriculture, industry, education, science, religion, or the arts.

30 (3) "Amusement ride" means any mechanical device which carries, suspends or conveys
31 passengers along, around, or over a fixed or restricted route or course or within a defined area, for
32 the purpose of giving its passengers amusement, pleasure, thrills, or excitement. For the purposes
33 of this act, any dry slide over twenty (20) feet in height is also included. This term shall not
34 include hayrides (whether pulled by motor vehicle or horse), any coin-operated ride that is

1 manually, mechanically or electrically operated and customarily placed in a public location and
2 that does not normally require the supervision or services of an operator or nonmechanical
3 devices with nonmoving parts, including, but not limited to, walk-through amusement attractions,
4 slides, and air structures ("moonwalks").

5 (4) "Bazaar" means an enterprise principally devoted to the exhibition of products of
6 crafts and art, to which the operation of amusement rides or devices or concession booths is an
7 adjunct.

8 (5) "Carnival" means a transient enterprise offering amusement or entertainment to the
9 public in, upon or by means of amusement devices, rides or concession booths.

10 (6) "Certificate to operate" means that document which indicates that the temporary
11 amusement device has undergone the inspection required after setup. It shall show the date of
12 inspection, the location of the inspection, the name of the inspector, and the maximum amount of
13 weight allowed per car or rideable unit.

14 (7) "Commissioner" means the state building commissioner.

15 (8) "Department" means the department of ~~administration~~ [business regulation](#).

16 (9) "Director" means the director of the department of ~~administration~~ [business regulation](#).

17 (10) "Fair" means an enterprise principally devoted to the exhibition of products of
18 agriculture or industry, to which the operation of amusement rides or devices or concession
19 booths is an adjunct.

20 (11) "Home-made ride or device" means a ride or device that was not manufactured by a
21 recognized ride or device manufacturer or any ride or device which has been substantially altered
22 without the approval of the manufacturer.

23 (12) "Inspection" means the physical examination of an amusement ride or device made
24 by the commissioner, or his authorized representative, prior to operating the amusement device
25 for the purpose of approving the application for a license.

26 (13) "Kiddie ride" means a device designed primarily to carry a specific number of
27 children in a fixture suitable for conveying children up to forty-two inches (42") in height or ride
28 manufacturer specifications.

29 (14) "Major alteration" means a change in the type, capacity, structure or mechanism of
30 an amusement device. This includes any change that would require approval of the ride
31 manufacturer or an engineer.

32 (15) "Major ride" means a device designed to carry a specific maximum number of
33 passengers, adults and children, in a fixture suitable for conveying persons.

34 (16) "Manager" means a person having possession, custody, or managerial control of an

1 amusement device, amusement attraction, or temporary structure, whether as owner, lessee, or
2 agent or otherwise.

3 (17) "Owner" means the person or persons holding title to, or having possession or
4 control of the amusement ride or device or concession booth.

5 (18) "Permanent amusement ride" means an amusement ride which is erected to remain a
6 lasting part of the premises.

7 (19) "Permit" means that document which signifies that the amusement device or
8 amusement attraction has undergone and passed its annual inspection. The department shall affix
9 a decal which clearly shows the month and year of expiration.

10 (20) "Qualified licensed engineer" means a licensed mechanical engineer who has at least
11 five (5) years of experience in his or her field and has experience in amusement ride inspection.

12 (21) "Reinspection" means an inspection which is made at any time after the initial
13 inspection.

14 (22) "Repair" means to restore an amusement ride to a condition equal to or better than
15 the original design specifications.

16 (23) "Ride file jacket" means a file concerning an individual amusement ride or device
17 which contains nondestructive test reports on the testing firm's official letterhead; the name of the
18 ride, the manufacturer and date of manufacture; maintenance records; records of any alterations;
19 ride serial number; daily check lists and engineer's reports and proof of insurance. Non-
20 destructive test reports shall not be required on any rides which are nonmechanical and which are
21 not provided by the manufacturer with said amusement ride.

22 (24) "Ride operator" means the person in charge of an amusement ride or device and who
23 causes the amusement ride or device to operate.

24 (25) "Serious injury" means an injury requiring a minimum of one overnight stay in a
25 hospital for treatment or observation.

26 (26) "Stop order" means any order issued by an inspector for the temporary cessation of a
27 ride or device.

28 (27) "Temporary amusement device" means a device which is used as an amusement
29 device or amusement attraction that is regularly relocated from time to time, with or without
30 disassembly.

31 SECTION 6. Section 42-7.3-3 of the General Laws in Chapter 42-7.3 entitled
32 "Department of Public Safety" is hereby amended as follows:

33 **42-7.3-3. Powers and duties of the department.**

34 The department of public safety shall be responsible for the management and

1 administration of the following divisions and agencies:

2 (a) Office of the capitol police (chapter 2.2 of title 12).

3 (b) ~~State fire marshal (chapter 28.2 of title 23)~~

4 ~~(e)~~ E-911 emergency telephone system division (chapter 28.2 of title 39).

5 ~~(c)~~ Rhode Island state police (chapter 28 of title 42).

6 ~~(d)~~ Municipal police training academy (chapter 28.2 of title 42).

7 ~~(e)~~ Division of sheriffs (chapter 7.3 of title 42).

8 SECTION 7. Section 42-11-2.9 of the General Laws in Chapter 42-11 entitled
9 “Department of Administration” is hereby amended as follows:

10 **42-11-2.9. Division of capital asset management and maintenance established.**

11 (a) Establishment. Within the department of administration there shall be established the
12 division of capital asset management and maintenance (“DCAMM”). Any prior references to the
13 division of facilities management and/or capital projects, if any, shall now mean DCAMM.
14 Within the DCAMM there shall be a director of DCAMM who shall be in the classified service
15 and shall be appointed by the director of administration. The director of DCAMM shall have the
16 following responsibilities:

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

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

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

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

26 (c) Duties and responsibilities of DCAMM. DCAMM shall have the following duties and
27 responsibilities:

28 (1) To oversee all new construction and rehabilitation projects on state property, not
29 including property otherwise assigned outside of the executive department by Rhode Island
30 general laws or under the control and supervision of the judicial branch;

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

- 1 (i) To maintain, equip, and keep in repair the state house, state office buildings, and other
2 premises, owned or rented by the state, for the use of any department or agency, excepting those
3 buildings, the control of which is vested by law in some other agency;
- 4 (ii) To provide for the periodic inspection, appraisal, or inventory of all state buildings
5 and property, real and personal;
- 6 (iii) To require reports from state agencies on the buildings property in their custody;
- 7 (iv) To issue regulations to govern the protection and custody of the property of the state;
- 8 (v) To assign office and storage space, and to rent and lease land and buildings, for the
9 use of the several state departments and agencies in the manner provided by law;
- 10 (vi) To control and supervise the acquisition, operation, maintenance, repair, and
11 replacement of state-owned motor vehicles by state agencies;
- 12 (3) To generally manage, oversee, protect, and care for the state's properties and facilities,
13 not otherwise assigned by Rhode Island general laws, including, but not limited to, the following
14 duties:
- 15 (i) Space management, procurement, usage, and/or leasing of private or public space;
- 16 (ii) Care, maintenance, cleaning, and contracting for such services as necessary for state
17 property;
- 18 (iii) Capital equipment replacement;
- 19 (iv) Security of state property and facilities unless otherwise provided by law;
- 20 (v) Ensuring Americans with Disabilities Act (ADA) compliance;
- 21 (vi) Responding to facilities emergencies;
- 22 (vii) Managing traffic flow on state property;
- 23 (viii) Grounds keeping/landscaping/snow-removal services;
- 24 (ix) Maintenance and protection of artwork and historic artifacts;
- 25 (4) To manage and oversee state fleet operations.
- 26 (d) All state agencies shall participate in a statewide database and/or information system
27 for capital assets, that shall be established and maintained by DCAMM.
- 28 (e) Offices and boards assigned to DCAMM. DCAMM shall oversee the following
29 boards, offices, and functions:
- 30 (1) Office of planning, design, and construction (PDC);
- 31 (2) Office of facilities management and maintenance (OFMM);
- 32 (3) ~~Contractors' registration and licensing board (§ 5-65-1 seq.);~~
- 33 ~~(4) State building code (§ 23-27.3-1 et seq.);~~
- 34 ~~(5) Office of risk management (§ 37-11-1 et seq.);~~

1 ~~(6) Fire safety code board of appeal and review (§ 23-28.3-1 et seq.);~~

2 ~~(7-4)~~ Office of state fleet operations (§ 42-11-2.4(d)).

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

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

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

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

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

14 SECTION 8. Sections 42-14-1, 42-14-2, 42-14-4, 42-14-5, 42-14-6, 42-14-7, 42-14-8,
15 42-14-11, 42-14-16 and 42-14-16.1 of the General Laws in Chapter 42-14 entitled “Department
16 of Business Regulation” are hereby amended as follows:

17 **42-14-1. Establishment – Head of department.**

18 There shall be a department of business regulation. The head of the department shall be
19 the director of business regulation who ~~shall carry out~~, except as otherwise provided by this title,
20 shall carry out this chapter; ~~chapters 1, 2, and 4—12, inclusive, of title 3; chapters 3, 20.5, 38, 49,~~
21 ~~52, 53 and 58 of title 5; chapter 31 of title 6; chapter 11 of title 7; chapters 1—29, inclusive, of~~
22 ~~title 19, except § 19-24-6; chapter 28.6 of title 21; chapter 26 of title 23; chapters 1—36,~~
23 ~~inclusive, of title 27. The director of business regulation shall also~~ and perform the duties
24 required by any and all other provisions of the general laws and public laws insofar as those
25 provisions relate to ~~the director of revenue and regulation, chief of the division of banking and~~
26 ~~insurance, chief of the division of intoxicating beverages, and~~ each of the divisions and licensing
27 and regulatory areas within the jurisdiction of the department, ~~except as otherwise provided by~~
28 ~~this title.~~

29 **42-14-2. Functions of department.**

30 (a) It shall be the function of the department of business regulation:

31 ~~(1) To regulate and control banking and insurance, foreign surety companies, sale of~~
32 ~~securities, building and loan associations, fraternal benefit and beneficiary societies;~~

33 ~~(2) To regulate and control the manufacture, transportation, possession, and sale of~~
34 ~~alcoholic beverages;~~

1 ~~(3) To license and regulate the manufacture and sale of articles of bedding, upholstered~~
2 ~~furniture, and filling materials;~~

3 ~~(4) To regulate the licensing of compassion centers, licensed cultivators, and cooperative~~
4 ~~cultivations pursuant to chapter 28.6 of title 21 of the general laws to license, regulate and control~~
5 ~~all areas as required by this chapter and any and all other provisions of the general laws and~~
6 ~~public laws.~~

7 (b) Whenever any hearing is required or permitted to be held pursuant to law or
8 regulation of the department of business regulation, and whenever no statutory provision exists
9 providing that notice be given to interested parties prior to the hearing, no such hearing shall be
10 held without notice in writing being given at least ten (10) days prior to such hearing to all
11 interested parties. For purposes of this section, an "interested party" shall be deemed to include
12 the party subject to regulation hereunder, ~~the Rhode Island consumers' council~~, and any party
13 entitled to appear at the hearing. Notice to the party that will be subject to regulation, ~~the Rhode~~
14 ~~Island consumers' council [Repealed]~~, and any party who has made known his or her intention to
15 appear at the hearing shall be sufficient if it be in writing and mailed, first class mail, to the party
16 at his or her regular business address. Notice to the general public shall be sufficient hereunder if
17 it be ~~by publication in a newspaper of general circulation in the municipality affected by the~~
18 ~~regulation~~ posted on the department's website.

19 **42-14-4. Banking and insurance financial services divisions.**

20 Within the department of business regulation there shall be a division of financial
21 services that oversees the regulation and control of banking ~~division~~ and ~~an~~ insurance ~~division~~
22 and such other matters within the jurisdiction of the department as determined by the director.
23 The ~~divisions~~ shall have offices which shall be assigned to ~~them~~ it by the department of
24 administration.

25 ~~A-s~~ Superintendents ~~shall be in charge of each division, of banking and insurance~~
26 reporting to the director, ~~deputy director~~ and/or health insurance commissioner as appropriate
27 shall be in charge of all matters relating to banking and insurance.

28 **42-14-5. Administrator Superintendents of banking and insurance.**

29 (a) The ~~director of business regulation shall, in addition to his or her regular duties, act as~~
30 ~~administrator of banking and insurance and~~ superintendents of banking and insurance shall
31 administer the functions of the department relating to the regulation and control of banking and
32 insurance, ~~foreign surety companies, sale of securities, building and loan associations, and~~
33 ~~fraternal benefit and beneficiary societies.~~

34 (b) Wherever the words "banking administrator" or "banking commissioner" or

1 "insurance administrator" or "insurance commissioner" occur in this chapter or any general law,
2 public law, act, or resolution of the general assembly or department regulation, they shall be
3 construed to mean superintendent of banking ~~commissioner~~ and superintendent of insurance
4 ~~commissioner~~ except as delineated in subsection (d) below.

5 (c) "Health insurance" shall mean "health insurance coverage," as defined in §§ 27-18.5-2
6 and 27-18.6-2, "health benefit plan," as defined in § 27-50-3 and a "medical supplement policy,"
7 as defined in § 27-18.2-1 or coverage similar to a Medicare supplement policy that is issued to an
8 employer to cover retirees, and dental coverage, including, but not limited to, coverage provided
9 by a nonprofit dental service plan as defined in subsection 27-20.1-1(3).

10 (d) Whenever the words "commissioner," "insurance commissioner", "Health insurance
11 commissioner" or "director" appear in Title 27 or Title 42, those words shall be construed to
12 mean the health insurance commissioner established pursuant to § 42-14.5-1 with respect to all
13 matters relating to health insurance. The health insurance commissioner shall have sole and
14 exclusive jurisdiction over enforcement of those statutes with respect to all matters relating to
15 health insurance.

16 (e) Whenever the word "director" appears or is a defined term in Title 19, this word shall
17 be construed to mean the superintendent of banking established pursuant to this section.

18 (f) Whenever the word "director" or "commissioner" appears or is a defined term in Title
19 27, this word shall be construed to mean the superintendent of insurance established pursuant to
20 this section except as delineated in subsection (d) above.

21 **42-14-6. Restrictions on interests of ~~administrator~~ superintendents.**

22 The ~~administrator~~ superintendents of banking and insurance shall not engage in any other
23 business or be an officer of or directly or indirectly interested in any national bank doing business
24 in this state, or in any bank, savings bank, or trust company organized under the laws of this state,
25 nor be directly or indirectly interested in any corporation, business, or occupation that requires his
26 or her official supervision; absent compliance with § 42-14-6.1, ~~nor shall the administrator no~~
27 superintendent shall become indebted to any bank, savings bank, or trust company organized
28 under the laws of this state, nor shall he or she engage or be interested in the sale of securities as a
29 business, or in the negotiation of loans for others.

30 **42-14-7. Deputies to ~~administrator~~ superintendents.**

31 The ~~administrator~~ superintendent of banking and the superintendent of insurance may
32 appoint one or more deputies to assist him or her in the performance of his or her duties, who
33 shall be removable at the pleasure of the ~~administrator~~ superintendent, and the ~~administrator~~
34 superintendent in his or her official capacity shall be liable for any deputy's misconduct or neglect

1 of duty in the performance of his or her official duties. Service of process upon any deputy, or at
2 the office of the ~~administrator~~ superintendent upon some person there employed, at any time,
3 shall be as effectual as service upon the ~~administrator~~ superintendent.

4 **42-14-8. Clerical assistance and expenses.**

5 The ~~administrator~~ superintendent of banking and the superintendent of insurance may
6 employ such clerical assistance and incur such office and traveling expenses for him or herself,
7 his or her deputies and assistants as may be necessary in the performance of his or her other
8 duties, and as provided by this title, within the amounts appropriated therefor.

9 **42-14-11. Subpoena power – False swearing.**

10 (a) In connection with any matters having to do with the discharge of his or her duties
11 pursuant to this chapter, the director or his or her designee, in all cases of every nature pending
12 before him or her, is hereby authorized and empowered to summon witnesses to attend and testify
13 in like manner as in either the supreme or the superior courts. The director or his or her designee
14 is authorized to compel the production of all papers, books, documents, records, certificates or
15 other legal evidence that may be necessary for the determination and the decision of any question
16 or the discharge of any duty required by law of the department, including the functions of the
17 ~~director as a member of the board of bank incorporation and board of building loan association~~
18 ~~incorporation~~ superintendents of banking and insurance, by issuing a subpoena duces tecum
19 signed by the director or his or her designee.

20 (b) Every person who disobeys this writ shall be considered in contempt of the
21 department, and the department may punish that and any other contempt of the authority in like
22 manner as contempt may be punished in either the supreme or the superior court.

23 (c) Any person who shall willfully swear falsely in any proceedings, matter or hearing
24 before the department shall be deemed guilty of the crime of perjury.

25 **42-14-16. Insurance – Administrative penalties.**

26 (a) Whenever the director or his or her designee shall have cause to believe that a
27 violation of title 27 and/or chapters 14, 14.5, 62 or 128.1 of title 42 or the regulations
28 promulgated thereunder has occurred by a licensee, or any person or entity conducting any
29 activities requiring licensure under title 27, the director or his or her designee may, in accordance
30 with the requirements of the Administrative Procedures Act, chapter 35 of this title:

31 (1) Revoke or suspend a license;

32 (2) Levy an administrative penalty in an amount not less than one hundred dollars (\$100)
33 nor more than fifty thousand dollars (\$50,000);

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

1 (4) Require the licensee or person or entity conducting any activities requiring licensure
2 under title 27 to take such actions as are necessary to comply with title 27 and/or chapters 14,
3 14.5, 62, or 128.1 of title 42, or the regulations thereunder; or

4 (5) Any combination of the above penalties.

5 (b) Any monetary penalties assessed pursuant to this section shall be as general revenues.

6 **42-14-16.1. Order to cease and desist.**

7 (a) If the director or his or her designee has reason to believe that any person, firm,
8 corporation or association is conducting any activities requiring licensure under title 27 or any
9 other provisions of the general laws or public laws within the jurisdiction of the department
10 without obtaining a license, or who after the denial, suspension or revocation of a license
11 conducts any activities requiring licensure under title 27 or any other provisions of the general
12 laws or public laws within the jurisdiction of the department, the department may issue its order
13 to that person, firm, corporation or association commanding them to appear before the department
14 at a hearing to be held no sooner than ten (10) days nor later than twenty (20) days after issuance
15 of that order to show cause why the department should not issue an order to that person to cease
16 and desist from the violation of the provisions of ~~title 27~~ applicable law.

17 (b) The order to show cause may be served on any person, firm, corporation or
18 association named in the order in the same manner that summons in a civil action may be served,
19 or by mailing a copy of the order, certified mail, return receipt requested, to that person at any
20 address at which he or she has done business or at which he or she lives. If, upon that hearing, the
21 department is satisfied that the person is in fact violating any provision of ~~title 27~~ applicable law,
22 then the department may order that person, in writing, to cease and desist from that violation.

23 (c) All hearings shall be governed in accordance with chapter 35 of this title, the
24 "Administrative Procedures Act." If that person fails to comply with an order of the department
25 after being afforded a hearing, the superior court in Providence county has jurisdiction upon
26 complaint of the department to restrain and enjoin that person from violating this chapter.

27 SECTION 9. Section 42-28-3 of the General Laws in Chapter 42-28 entitled "State
28 Police" is hereby amended as follows:

29 **42-28-3. Scope of responsibilities.**

30 (a) The Rhode Island state police and the superintendent shall be charged with the
31 responsibility of:

32 (1) Providing a uniformed force for law enforcement;

33 (2) Preparing rules and regulations for law enforcement;

34 (3) Maintaining facilities for crime detection and suppression; and

1 (4) Controlling traffic and maintaining safety on the highways.

2 (b) ~~The superintendent shall be ex-officio state fire marshal.~~

3 ~~(e)~~The superintendent shall also serve as the director of the department of public safety.

4 SECTION 10. Section 36-10-14 of the General Laws in Chapter 36-10 entitled
5 “Retirement System – Contributions and Benefits” is hereby amended to read as follows:

6 **36-10-14. Retirement for accidental disability.** (a) Medical examination of an active
7 member for accidental disability and investigation of all statements and certificates by him or her
8 or in his or her behalf in connection therewith shall be made upon the application of the head of
9 the department in which the member is employed or upon application of the member, or of a
10 person acting in his or her behalf, stating that the member is physically or mentally incapacitated
11 for the performance of service as a natural and proximate result of an accident while in the
12 performance of duty, and certify the definite time, place, and conditions of the duty performed by
13 the member resulting in the alleged disability, and that the alleged disability is not the result of
14 willful negligence or misconduct on the part of the member, and is not the result of age or length
15 of service, and that the member should, therefore, be retired.

16 (b) The application shall be made within five (5) years of the alleged accident from which
17 the injury has resulted in the members present disability and shall be accompanied by an accident
18 report and a physicians report certifying to the disability; provided that if the member was able to
19 return to his or her employment and subsequently reinjures or aggravates the same injury, the
20 application shall be made within the later of five (5) years of the alleged accident or three (3)
21 years of the reinjury or aggravation. The application may also state the member is permanently
22 and totally disabled from any employment.

23 (c) Notwithstanding subsection (b), state employees who are receiving benefits under the
24 injured on duty provisions of RIGL §45-19-1 shall be subject to the provisions of Section RIGL
25 §45-19-1[j] for all matters relating to the application and processing of disability benefits.

26 (d) If a medical examination conducted by three (3) physicians engaged by the retirement
27 board and such investigation as the retirement board may desire to make shall show that the
28 member is physically or mentally incapacitated for the performance of service as a natural and
29 proximate result of an accident, while in the performance of duty, and that the disability is not the
30 result of willful negligence or misconduct on the part of the member, and is not the result of age
31 or length of service, and that the member has not attained the age of sixty-five (65), and that the
32 member should be retired, the physicians who conducted the examination shall so certify to the
33 retirement board stating the time, place, and conditions of service performed by the member
34 resulting in the disability and the retirement board may grant the member an accidental disability

1 benefit.

2 ~~(d)~~(e) The retirement board shall establish uniform eligibility requirements, standards,
3 and criteria for accidental disability which shall apply to all members who make application for
4 accidental disability benefits.

5 SECTION 11. Section 45-19-1 of the General Laws in Chapter 45-19 entitled "Relief of
6 Injured and Deceased Fire Fighters and Police Officer is hereby amended to read as follows:

7 **45-19-1. Salary payment during line of duty illness or injury.**

8 (a) Whenever any police officer of the Rhode Island Airport Corporation or whenever
9 any police officer, fire fighter, crash rescue crewperson, fire marshal, chief deputy fire marshal,
10 or deputy fire marshal of any city, town, fire district, or the state of Rhode Island is wholly or
11 partially incapacitated by reason of injuries received or sickness contracted in the performance of
12 his or her duties or due to their rendering of emergency assistance within the physical boundaries
13 of the state of Rhode Island at any occurrence involving the protection or rescue of human life
14 which necessitates that they respond in a professional capacity when they would normally be
15 considered by their employer to be officially off-duty, the respective city, town, fire district, state
16 of Rhode Island or Rhode Island Airport Corporation by which the police officer, fire fighter,
17 crash rescue crewperson, fire marshal, chief deputy fire marshal, or deputy fire marshal, is
18 employed, shall, during the period of the incapacity, pay the police officer, fire fighter, crash
19 rescue crewperson, fire marshal, chief deputy fire marshal, or deputy fire marshal, the salary or
20 wage and benefits to which the police officer, fire fighter, crash rescue crewperson, fire marshal,
21 chief deputy fire marshal, or deputy fire marshal, would be entitled had he or she not been
22 incapacitated, and shall pay the medical, surgical, dental, optical, or other attendance, or
23 treatment, nurses, and hospital services, medicines, crutches, and apparatus for the necessary
24 period, except that if any city, town, fire district, the state of Rhode Island or Rhode Island
25 Airport Corporation provides the police officer, fire fighter, crash rescue crewperson, fire
26 marshal, chief deputy fire marshal, or deputy fire marshal, with insurance coverage for the related
27 treatment, services, or equipment, then the city, town, fire district, the state of Rhode Island or
28 Rhode Island Airport Corporation is only obligated to pay the difference between the maximum
29 amount allowable under the insurance coverage and the actual cost of the treatment, service, or
30 equipment. In addition, the cities, towns, fire districts, the state of Rhode Island or Rhode Island
31 Airport Corporation shall pay all similar expenses incurred by a member who has been placed on
32 a disability pension and suffers a recurrence of the injury or illness that dictated his or her
33 disability retirement, subject to the provisions of subsection (j) herein.

34 (b) As used in this section, "police officer" means and includes any chief or other

1 member of the police department of any city or town regularly employed at a fixed salary or wage
2 and any deputy sheriff, member of the fugitive task force, or capitol police officer, permanent
3 environmental police officer or criminal investigator of the department of environmental
4 management, or airport police officer.

5 (c) As used in this section, "fire fighter" means and includes any chief or other member of
6 the fire department or rescue personnel of any city, town, or fire district, and any person
7 employed as a member of the fire department of the town of North Smithfield, or fire department
8 or district in any city or town.

9 (d) As used in this section, "crash rescue crewperson" means and includes any chief or
10 other member of the emergency crash rescue section, division of airports, or department of
11 transportation of the state of Rhode Island regularly employed at a fixed salary or wage.

12 (e) As used in this section, "fire marshal," "chief deputy fire marshal", and "deputy fire
13 marshal" mean and include the fire marshal, chief deputy fire marshal, and deputy fire marshals
14 regularly employed by the state of Rhode Island pursuant to the provisions of chapter 28.2 of title
15 23.

16 (f) Any person employed by the state of Rhode Island, except for sworn employees of the
17 Rhode Island State Police, who is otherwise entitled to the benefits of chapter 19 of this title shall
18 be subject to the provisions of chapters 29 – 38 of title 28 for all case management procedures
19 and dispute resolution for all benefits.

20 (g) In order to receive the benefits provided for under this section, a police officer or
21 firefighter must prove to their employer that he or she had reasonable grounds to believe that
22 there was an emergency which required an immediate need for their assistance for the protection
23 or rescue of human life.

24 (h) Any claims to the benefits provided for under this section resulting from the rendering
25 of emergency assistance in the state of Rhode Island at any occurrence involving the protection or
26 rescue of human life while off-duty, shall first require those covered by this section to submit a
27 sworn declaration to their employer attesting to the date, time, place and nature of the event
28 involving the protection or rescue of human life causing the professional assistance to be rendered
29 and the cause and nature of any injuries sustained in the protection or rescue of human life. Sworn
30 declarations shall also be required from any available witness to the alleged emergency involving
31 the protection or rescue of human life.

32 (i) All declarations required under this section shall contain the following language:

33 "Under penalty of perjury, I declare and affirm that I have examined this declaration,
34 including any accompanying schedules and statements, and that all statements contained herein

1 are true and correct."

2 (j) Any person receiving injured on duty benefits pursuant to this section, and subject to
3 the jurisdiction of the state retirement board for accidental retirement disability, for an injury
4 occurring on or after July 1, 2011, shall apply for an accidental disability retirement allowance
5 from the state retirement board not later than the later of eighteen (18) months after the date of the
6 person's injury that resulted in said person's injured on duty status or sixty (60) days from the
7 date on which ~~a the~~ treating physician or an independent medical examiner certifies that the
8 person has reached maximum medical improvement. ~~Nothing herein shall be construed to limit or~~
9 ~~alter any and all rights of the parties with respect to independent medical examinations or~~
10 ~~otherwise, as set forth in the applicable collective bargaining agreement.~~ Notwithstanding the
11 foregoing, any person receiving injured on duty benefits as the result of a static and incapacitating
12 injury whose permanent nature is readily obvious and ascertainable shall be required to apply for
13 an accidental disability retirement allowance within sixty (60) days from the date on which ~~a the~~
14 treating physician or an independent medical examiner certifies that the person's injury is
15 permanent, ~~or sixty (60) days from the date on which such determination of permanency is made~~
16 ~~in accordance with the independent medical examination procedures as set forth in the applicable~~
17 ~~collective bargaining agreement.~~ Nothing herein shall be construed to limit or alter any and all
18 rights of the parties with respect to independent medical examinations or otherwise, as set forth in
19 the applicable collective bargaining agreement.

20 (1) If a person with injured on duty status fails to apply for an accidental disability
21 retirement allowance from the state retirement board within the time frame set forth above, that
22 person's injured on duty payment shall terminate. Further, any person suffering a static and
23 incapacitating injury as set forth in subsection (j) above and who fails to apply for an accidental
24 disability benefit allowance as set forth in subsection (j) shall have his or her injured on duty
25 payment terminated.

26 (2) A person who so applies shall continue to receive injured on duty payments, and the
27 right to continue to receive IOD payments of a person who so applies shall terminate in the event
28 of the final ruling of the workers' compensation court, any other court of competent jurisdiction,
29 or the state retirement board allowing accidental disability benefits. Nothing herein shall be
30 construed to limit or alter any and all rights of the parties with respect to independent medical
31 examination or otherwise, as set forth in the applicable collective bargaining agreement.

32 SECTION 12. Chapter 39-3 of the General Laws entitled "Regulatory Powers of
33 Administration" is hereby amended by adding thereto the following section:

34 **39-3-45. Transfer of powers, functions and resources from the water resources**

1 **board.**

2 (a) There are hereby transferred to the division of public utilities and carriers those
3 powers and duties formerly administered by the employees of the water resources board as
4 provided for in chapter 46-15 (“Water Resources Management”) through 46-15.8 (“Water Use
5 and Efficiency Act”), inclusive, and any other applicable provisions of the general laws;
6 provided, however, the governor shall submit to the 2019 assembly any recommended statutory
7 changes necessary to facilitate the merger.

8 (b) All resources of the water resources board, including, but not limited to, property,
9 employees and accounts, are hereby transferred to the division of public utilities and carriers.

10 (c) As part of the above transfer, except for the general manager, all employees of the
11 water resources board currently subject to the provisions of chapter 4 of title 36 shall continue to
12 be subject to those provisions.

13 SECTION 13. Section 42-11-10 of the General Laws in Chapter 42-11 entitled
14 "Department of Administration" is hereby amended to read as follows:

15 **42-11-10. Statewide planning program.**

16 (a) *Findings.* - The general assembly finds that the people of this state have a
17 fundamental interest in the orderly development of the state; the state has a positive interest and
18 demonstrated need for establishment of a comprehensive strategic state planning process and the
19 preparation, maintenance, and implementation of plans for the physical, economic, and social
20 development of the state; the continued growth and development of the state presents problems
21 that cannot be met by the cities and towns individually and that require effective planning by the
22 state; and state and local plans and programs must be properly coordinated with the planning
23 requirements and programs of the federal government.

24 (b) *Establishment of statewide planning program.*

25 (1) A statewide planning program is hereby established to prepare, adopt, and amend
26 strategic plans for the physical, economic, and social development of the state and to recommend
27 these to the governor, the general assembly, and all others concerned.

28 (2) All strategic planning, as defined in subsection (c) of this section, undertaken by the
29 executive branch for those departments and other agencies enumerated in subsection (g) of this
30 section, ~~all departments and agencies of the executive branch unless specifically exempted,~~ shall
31 be conducted by or under the supervision of the statewide planning program. The statewide
32 planning program shall consist of a state planning council, and the office of strategic planning and
33 the office of systems planning of the division of planning, which shall be a division within the
34 department of administration.

1 (c) *Strategic planning.* Strategic planning includes the following activities:

2 (1) Establishing or identifying general goals.

3 (2) Refining or detailing these goals and identifying relationships between them.

4 (3) Formulating, testing, and selecting policies and standards that will achieve desired
5 objectives.

6 (4) Preparing long-range or system plans or comprehensive programs that carry out the
7 policies and set time schedules, performance measures, and targets.

8 (5) Preparing functional short-range plans or programs that are consistent with
9 established or desired goals, objectives, and policies, and with long-range or system plans or
10 comprehensive programs where applicable, and that establish measurable intermediate steps
11 toward their accomplishment of the goals, objectives, policies, and/or long-range system plans.

12 (6) Monitoring the planning of specific projects and designing of specific programs of
13 short duration by the operating departments, other agencies of the executive branch, and political
14 subdivisions of the state to insure that these are consistent with and carry out the intent of
15 applicable strategic plans.

16 (7) Reviewing the execution of strategic plans and the results obtained and making
17 revisions necessary to achieve established goals.

18 (d) *State guide plan.* Components of strategic plans prepared and adopted in accordance
19 with this section may be designated as elements of the state guide plan. The state guide plan shall
20 be comprised of functional elements or plans dealing with land use; physical development and
21 environmental concerns; economic development; housing production; energy supply, including
22 the development of renewable energy resources in Rhode Island, and energy access, use, and
23 conservation; human services; and other factors necessary to accomplish the objective of this
24 section. The state guide plan shall be a means for centralizing, integrating, and monitoring long-
25 range goals, policies, plans, and implementation activities related thereto. State agencies
26 concerned with specific subject areas, local governments, and the public shall participate in the
27 state guide planning process, which shall be closely coordinated with the budgeting process.

28 (e) *Membership of state planning council.* The state planning council shall consist of ~~the~~
29 ~~following members:~~

30 (1) The director of the department of administration as chairperson;

31 (2) The director, policy office, in the office of the governor, as vice-chairperson;

32 (3) The governor, or his or her designee;

33 (4) The budget officer;

34 (5) The chairperson of the housing resources commission;

- 1 (6) The chief of statewide ~~highest ranking administrative officer of the division~~
2 ~~of~~ planning, as secretary;
- 3 (7) The president of the League of Cities and Towns or his or her designee and one
4 official of local government, who shall be appointed by the governor from a list of not less than
5 three (3) submitted by the Rhode Island League Cities and Towns; and
- 6 (8) The executive director of the League of Cities and Towns;
- 7 (9) One representative of a nonprofit community development or housing organization;
- 8 (10) Four (4) ~~Six (6)~~ public members, appointed by the governor ~~one of whom shall be an~~
9 ~~employer with fewer than fifty (50) employees and one of whom shall be an employer with~~
10 ~~greater than fifty (50) employees;~~
- 11 (11) Two (2) representatives of a private, nonprofit environmental advocacy organization,
12 both to be appointed by the governor; and
- 13 (12) The director of planning and development for the city of Providence.
- 14 (13) The director of the department of transportation;
- 15 (14) The director of the department of environmental management;
- 16 (15) The director of the department of health;
- 17 (16) The chief executive officer of the commerce corporation;
- 18 (17) The commissioner of the Rhode Island office of energy resources;
- 19 (18) The chief executive officer of the Rhode Island public transit authority;
- 20 (19) The executive director of Rhode Island housing; and
- 21 (20) The executive director of the coastal resources management council.
- 22 (f) *Powers and duties of state planning council.* The state planning council shall have the
23 following powers and duties:
- 24 (1) To adopt strategic plans as defined in this section and the long-range state guide plan,
25 and to modify and amend any of these, following the procedures for notification and public
26 hearing set forth in section 42-35-3, and to recommend and encourage implementation of these
27 goals to the general assembly, state and federal agencies, and other public and private bodies;
28 approval of strategic plans by the governor; ~~and to ensure that strategic plans and the long range~~
29 ~~state guide plan are consistent with the findings, intent, and goals set forth in § 45-22.2-3, the~~
30 ~~"Rhode Island Comprehensive Planning and Land Use Regulation Act";~~
- 31 (2) To coordinate the planning and development activities of all state agencies, in
32 accordance with strategic plans prepared and adopted as provided for by this section;
- 33 (3) To review and comment on the proposed annual work program of the statewide
34 planning program;

1 (4) To adopt rules and standards and issue orders concerning any matters within its
2 jurisdiction as established by this section and amendments to it;

3 (5) To establish advisory committees and appoint members thereto representing diverse
4 interests and viewpoints as required in the state planning process and in the preparation or
5 implementation of strategic plans. The state planning council shall appoint a permanent
6 committee comprised of:

7 (i) Public members from different geographic areas of the state representing diverse
8 interests, and

9 (ii) Officials of state, local and federal government, which shall review all proposed
10 elements of the state guide plan, or amendment or repeal of any element of the plan, and shall
11 advise the state planning council thereon before the council acts on any such proposal. This
12 committee shall also advise the state planning council on any other matter referred to it by the
13 council; and

14 (6) To establish and appoint members to an executive committee consisting of major
15 participants of a Rhode Island geographic information system with oversight responsibility for its
16 activities.

17 (7) To adopt; on or before July 1, 2007, and to amend and maintain as an element of the
18 state guide plan or as an amendment to an existing element of the state guide plan, standards and
19 guidelines for the location of eligible renewable energy resources and renewable energy facilities
20 in Rhode Island with due consideration for the location of such resources and facilities in
21 commercial and industrial areas, agricultural areas, areas occupied by public and private
22 institutions, and property of the state and its agencies and corporations, provided such areas are of
23 sufficient size, and in other areas of the state as appropriate.

24 ~~(8) To act as the single, statewide metropolitan planning organization for transportation~~
25 ~~planning, and to promulgate all rules and regulations that are necessary thereto.~~

26 (g) *Division of planning.*

27 (1) The division of planning shall be the principal staff agency of the state planning
28 council for preparing and/or coordinating strategic plans for the comprehensive management of
29 the state's human, economic, and physical resources. The division of planning shall recommend
30 to the state planning council specific guidelines, standards, and programs to be adopted to
31 implement strategic planning and the state guide plan and shall undertake any other duties
32 established by this section and amendments thereto.

33 (2) The division of planning shall maintain records (which shall consist of files of
34 complete copies) of all plans, recommendations, rules, and modifications or amendments thereto

1 adopted or issued by the state planning council under this section. The records shall be open to
2 the public.

3 (3) The division of planning shall manage and administer the Rhode Island geographic
4 information system of land-related resources, and shall coordinate these efforts with other state
5 departments and agencies, including the University of Rhode Island, which shall provide
6 technical support and assistance in the development and maintenance of the system and its
7 associated data base.

8 (4) The division of planning shall coordinate and oversee the provision of technical
9 assistance to political subdivisions of the state in preparing and implementing plans to accomplish
10 the purposes, goals, objectives, policies, and/or standards of applicable elements of the state guide
11 plan and shall make available to cities and towns data and guidelines that may be used in
12 preparing comprehensive plans and elements thereof and in evaluating comprehensive plans and
13 elements thereby.

14 (h) [Deleted by P.L. 2011, ch. 215, § 4, and by P.L. 2011, ch. 313, § 4]

15 ~~(i) The division of planning shall be the principal staff agency of the water resources~~
16 ~~board established pursuant to chapter 46-15 ("Water Resources Board") and the water resources~~
17 ~~board corporate established pursuant to chapter 46-15.1 ("Water Supply Facilities").~~

18 SECTION 14. Section 42-11-10.1 of the General Laws in Chapter 42-11 entitled
19 "Department of Administration" is hereby repealed.

20 ~~**42-11-10.1. Transfer of powers, functions and resources from the water resources**~~
21 ~~**board.**~~

22 ~~(a) There are hereby transferred to the division of planning within the department of~~
23 ~~administration those powers and duties formerly administered by the employees of the water~~
24 ~~resources board as provided for in chapter 46-15 ("Water Resources Board") through 46-15.8~~
25 ~~("Water Use and Efficiency Act"), inclusive, and any other applicable provisions of the general~~
26 ~~laws; provided, however, the governor shall submit to the 2012 assembly any recommended~~
27 ~~statutory changes necessary to facilitate the merger.~~

28 ~~(b) All resources of the water resources board, including, but not limited to, property,~~
29 ~~employees and accounts, are hereby transferred to the division of planning.~~

30 ~~(c) As part of the above transfer, except for the general manager, all employees of the~~
31 ~~water resources board currently subject to the provisions of chapter 4 of title 36 shall continue to~~
32 ~~be subject to those provisions.~~

33 SECTION 15. Section 46-15.1-19.1 of the General Laws in Chapter 46-15.1 entitled
34 "Water Supply Facilities" is hereby amended to read as follows:

1 **46-15.1-19.1. Big River Reservoir – Administration.**

2 The Rhode Island ~~water resources board, established pursuant to this chapter and chapter~~
3 ~~15 of this title,~~ department of administration shall be the ~~only~~-designated agency which will
4 administer those lands acquired for the Big River Reservoir as established under section 23 of
5 chapter 133 of the Public Laws of 1964. The director of the department of environmental
6 management and the director's authorized agents, employees, and designees shall, together with
7 the ~~water resources board~~ department of administration in accordance with the Big River
8 management area land use plan for the lands, protect the natural resources of the Big River
9 Reservoir lands. The lands of the Big River Reservoir are subject to enforcement authority of the
10 department of environmental management, as provided for in chapter 17.1 of title 42, and as
11 provided for in title 20 of the General Laws.

12 SECTION 16. Section 42-133-6 of the General Laws in Chapter entitled "Tobacco
13 Settlement Financing Corporation Act" is hereby amended to read as follows:

14 **42-133-6. Board and officers.**

15 (a)(1) The powers of the corporation shall be vested in a board consisting of five (5)
16 members, which shall constitute the governing body of the corporation, and which shall be
17 comprised as follows: ~~two (2) members of the state investment commission to be appointed by~~
18 ~~the governor who shall give due consideration to the recommendation of the chair of the~~
19 ~~investment commission,~~ the state budget officer, who shall serve as chairperson, the general
20 treasurer or designee, the director of revenue or designee and ~~three (3)~~ two (2) members of the
21 general public appointed by the governor with the advice and consent of the senate. Each public
22 member shall serve for a term of ~~two (2)~~ four (4) years, except that any member appointed to fill
23 a vacancy shall serve only until the expiration of the unexpired term of such member's
24 predecessor in office. Each member shall continue to hold office until a successor has been
25 appointed. Members shall be eligible for reappointment. No person shall be eligible for
26 appointment unless such person is a resident of the state. Each member, before entering upon the
27 duties of the office of member, shall swear or solemnly affirm to administer the duties of office
28 faithfully and impartially, and such oath or affirmation shall be filed in the office of the secretary
29 of state.

30 ~~(2) Those members of the board as of July 9, 2005 who were appointed to the board by~~
31 ~~members of the general assembly shall cease to be members of the board on July 9, 2005, and the~~
32 ~~governor shall thereupon seek recommendations from the chair of the state investment~~
33 ~~commission for him or her duly to consider for the appointment of two (2) members thereof.~~
34 ~~Those members of the board as of July 9, 2005 who were appointed to the board by the governor~~

1 ~~shall continue to serve the balance of their current terms.~~

2 ~~(3)~~(2) Newly appointed and qualified public members shall, within six (6) months of their
3 qualification or designation, attend a training course that shall be developed with board approval
4 and conducted by the chair of the board and shall include instruction in the subject area of
5 chapters 46 of this title, 133 of this title, 14 of title 36, and 2 of title 38; and the board's rules and
6 regulations. The director of the department of administration shall, within ninety (90) days of July
7 9, 2005, prepare and disseminate training materials relating to the provisions of chapters 46 of
8 this title, 14 of title 36 and 2 of title 38.

9 (b) Members shall receive no compensation for the performance of their duties.

10 (c) ~~The board shall elect one of its members to serve as chairperson.~~ Three (3) members
11 shall constitute a quorum, and any action to be taken by the corporation under the provisions of
12 this chapter may be authorized by resolution approved by a majority of the members present and
13 voting at any regular or special meeting at which a quorum is present.

14 (d) ~~In addition to electing a chairperson, the~~ The board shall appoint a secretary and such
15 additional officers as it shall deem appropriate.

16 (e) Any action taken by the corporation under the provisions of this chapter may be
17 authorized by vote at any regular or special meeting, and the vote shall take effect immediately.

18 (f) Any action required by this chapter to be taken at a meeting of the board shall comply
19 with chapter 46 of this title, entitled "Open Meetings."

20 (g) To the extent that administrative assistance is needed for the functions and operations
21 of the board, the corporation may by contract or agreement obtain this assistance from the
22 director of administration, the attorney general, and any successor officer at such cost to the
23 corporation as shall be established by such contract or agreement. The board, however, shall
24 remain responsible for, and provide oversight of, proper implementation of this chapter.

25 (h) Members of the board and persons acting on the corporation's behalf, while acting
26 within the scope of their employment or agency, are not subject to personal liability resulting
27 from carrying out the powers and duties conferred on them under this chapter.

28 (i) The state shall indemnify and hold harmless every past, present, or future board
29 member, officer or employee of the corporation who is made a party to or is required to testify in
30 any action, investigation, or other proceeding in connection with or arising out of the performance
31 or alleged lack of performance of that person's duties on behalf of the corporation. These persons
32 shall be indemnified and held harmless, whether they are sued individually or in their capacities
33 as board members, officers or employees of the corporation, for all expenses, legal fees and/or
34 costs incurred by them during or resulting from the proceedings, and for any award or judgment

1 arising out of their service to the corporation that is not paid by the corporation and is sought to
2 be enforced against a person individually, as expenses, legal fees, costs, awards or judgments
3 occur; provided, that neither the state nor the corporation shall indemnify any member, officer, or
4 employee:

5 (1) For acts or omissions not in good faith or which involve intentional misconduct or a
6 knowing violation of law;

7 (2) For any transaction from which the member derived an improper personal benefit; or

8 (3) For any malicious act.

9 (j) Public members of the board shall be removable by the governor, pursuant to the
10 provisions of § 36-1-7, for cause only, and removal solely for partisan or personal reasons
11 unrelated to capacity or fitness for the office shall be unlawful.

12 SECTION 17. Sections 44-31.2-2 and 44-31.2-6 of the General Laws in Chapter 44-31.2
13 entitled "Motion Picture Production Tax Credits" are hereby amended to read as follows:

14 **44-31.2-2. Definitions.**

15 For the purposes of this chapter:

16 (1) "Accountant's certification" as provided in this chapter means a certified audit by a
17 Rhode Island certified public accountant licensed in accordance with chapter 3.1 of title 5.

18 (2) "Application year" means within the calendar year the motion picture production
19 company files an application for the tax credit.

20 (3) "Base investment" means the actual investment made and expended by a state-
21 certified production in the state as production-related costs.

22 (4) "Documentary production" means a non-fiction production intended for educational
23 or commercial distribution that may require out-of-state principal photography.

24 (5) "Domiciled in Rhode Island" means a corporation incorporated in Rhode Island or a
25 partnership, limited liability company, or other business entity formed under the laws of the state
26 of Rhode Island for the purpose of producing motion pictures as defined in this section, or an
27 individual who is a domiciled resident of the state of Rhode Island as defined in chapter 30 of this
28 title.

29 (6) "Final production budget" means and includes the total pre-production, production,
30 and post-production out-of-pocket costs incurred and paid in connection with the making of the
31 motion picture. The final production budget excludes costs associated with the promotion or
32 marketing of the motion picture.

33 (7) "Motion picture" means a feature-length film, documentary production, video,
34 television series, or commercial made in Rhode Island, in whole or in part, for theatrical or

1 television viewing or as a television pilot or for educational distribution. The term "motion
2 picture" shall not include the production of television coverage of news or athletic events, nor
3 shall it apply to any film, video, television series, or commercial or a production for which
4 records are required under 18 U.S.C. § 2257, to be maintained with respect to any performer in
5 such production or reporting of books, films, etc. with respect to sexually explicit conduct.

6 (8) "Motion picture production company" means a corporation, partnership, limited
7 liability company, or other business entity engaged in the business of producing one or more
8 motion pictures as defined in this section. Motion picture production company shall not mean or
9 include:

10 (a) Any company owned, affiliated, or controlled, in whole or in part, by any company or
11 person who or that is in default:

12 (i) On taxes owed to the state; or

13 (ii) On a loan made by the state in the application year; or

14 (iii) On a loan guaranteed by the state in the application year; or

15 (b) Any company or person who or that has discharged an obligation to pay or repay
16 public funds or monies by:

17 (i) Filing a petition under any federal or state bankruptcy or insolvency law;

18 (ii) Having a petition filed under any federal or state bankruptcy or insolvency law
19 against such company or person;

20 (iii) Consenting to, or acquiescing or joining in, a petition named in (i) or (ii);

21 (iv) Consenting to, or acquiescing or joining in, the appointment of a custodian, receiver,
22 trustee, or examiner for such company's or person's property; or

23 (v) Making an assignment for the benefit of creditors or admitting in writing or in any
24 legal proceeding its insolvency or inability to pay debts as they become due.

25 (9) "Primary locations" means the locations that (1) At least fifty-one percent (51%) of
26 the motion picture principal photography days are filmed; or (2) At least fifty-one percent (51%)
27 of the motion picture's final production budget is spent and employs at least five (5) individuals
28 during the production in this state; or (3) For documentary productions, the location of at least
29 fifty-one percent (51%) of the total productions days, which shall include pre-production and
30 post-production locations.

31 (10) "Rhode Island film and television office" means an office ~~within the department of~~
32 ~~administration~~ [Rhode Island Council on the Arts](#) that has been established in order to promote
33 and encourage the locating of film and television productions within the state of Rhode Island.
34 The office is also referred to within as the "film office".

1 (11) "State-certified production" means a motion picture production approved by the
2 Rhode Island film office and produced by a motion picture production company domiciled in
3 Rhode Island, whether or not such company owns or controls the copyright and distribution rights
4 in the motion picture; provided, that such company has either:

5 (a) Signed a viable distribution plan; or

6 (b) Is producing the motion picture for:

7 (i) A major motion picture distributor;

8 (ii) A major theatrical exhibitor;

9 (iii) Television network; or

10 (iv) Cable television programmer.

11 (12) "State-certified production cost" means any pre-production, production, and post-
12 production cost that a motion picture production company incurs and pays to the extent it occurs
13 within the state of Rhode Island. Without limiting the generality of the foregoing, "state-certified
14 production costs" include: set construction and operation; wardrobes, make-up, accessories, and
15 related services; costs associated with photography and sound synchronization, lighting, and
16 related services and materials; editing and related services, including, but not limited to: film
17 processing, transfers of film to tape or digital format, sound mixing, computer graphics services,
18 special effects services, and animation services, salary, wages, and other compensation, including
19 related benefits, of persons employed, either directly or indirectly, in the production of a film
20 including writer, motion picture director, producer (provided the work is performed in the state of
21 Rhode Island); rental of facilities and equipment used in Rhode Island; leasing of vehicles; costs
22 of food and lodging; music, if performed, composed, or recorded by a Rhode Island musician, or
23 released or published by a person domiciled in Rhode Island; travel expenses incurred to bring
24 persons employed, either directly or indirectly, in the production of the motion picture, to Rhode
25 Island (but not expenses of such persons departing from Rhode Island); and legal (but not the
26 expense of a completion bond or insurance and accounting fees and expenses related to the
27 production's activities in Rhode Island); provided such services are provided by Rhode Island
28 licensed attorneys or accountants.

29 **44-31.2-6. Certification and administration.**

30 (a) *Initial certification of a production.* The applicant shall properly prepare, sign and
31 submit to the film office an application for initial certification of the Rhode Island production.
32 The application shall include such information and data as the film office deems necessary for the
33 proper evaluation and administration of said application, including, but not limited to, any
34 information about the motion picture production company, and a specific Rhode Island motion

1 picture. The film office shall review the completed application and determine whether it meets
2 the requisite criteria and qualifications for the initial certification for the production. If the initial
3 certification is granted, the film office shall issue a notice of initial certification of the motion
4 picture production to the motion picture production company and to the tax administrator. The
5 notice shall state that, after appropriate review, the initial application meets the appropriate
6 criteria for conditional eligibility. The notice of initial certification will provide a unique
7 identification number for the production and is only a statement of conditional eligibility for the
8 production and, as such, does not grant or convey any Rhode Island tax benefits.

9 **(b) Final certification of a production.** Upon completion of the Rhode Island production
10 activities, the applicant shall request a certificate of good standing from the Rhode Island division
11 of taxation. Such certificates shall verify to the film office the motion picture production
12 company's compliance with the requirements of subsection 44-31.2-2(5). The applicant shall
13 properly prepare, sign and submit to the film office an application for final certification of the
14 production and which must include the certificate of good standing from the division of taxation.
15 In addition, the application shall contain such information and data as the film office determines
16 is necessary for the proper evaluation and administration, including, but not limited to, any
17 information about the motion picture production company, its investors and information about the
18 production previously granted initial certification. The final application shall also contain a cost
19 report and an "accountant's certification". The film office and tax administrator may rely without
20 independent investigation, upon the accountant's certification, in the form of an opinion,
21 confirming the accuracy of the information included in the cost report. Upon review of a duly
22 completed and filed application, the film office will make a determination pertaining to the final
23 certification of the production. Within ninety (90) days after the division of taxation's receipt of
24 the motion picture production company final certification and cost report, the division of taxation
25 shall issue a certification of the amount of credit for which the motion picture production
26 company qualifies under § 44-31.2-5. To claim the tax credit, the division of taxation's
27 certification as to the amount of the tax credit shall be attached to all state tax returns on which
28 the credit is claimed.

29 **(c) Final certification and credits.** Upon determination that the motion picture production
30 company qualifies for final certification, the film office shall issue a letter to the production
31 company indicating "certificate of completion of a state certified production". A motion picture
32 production company is prohibited from using state funds, state loans or state guaranteed loans to
33 qualify for the motion picture tax credit. All documents that are issued by the film office pursuant
34 to this section shall reference the identification number that was issued to the production as part

1 of its initial certification.

2 (d) The director of ~~the department of administration,~~ [the Rhode Island Council on the](#)
3 [Arts](#), in consultation as needed with the tax administrator, shall promulgate such rules and
4 regulations as are necessary to carry out the intent and purposes of this chapter in accordance with
5 the general guidelines provided herein for the certification of the production and the resultant
6 production credit.

7 (e) The tax administrator of the division of taxation, in consultation with the director of
8 the Rhode Island film and television office, shall promulgate such rules and regulations as are
9 necessary to carry out the intent and purposes of this chapter in accordance with the general
10 guidelines for the tax credit provided herein.

11 (f) Any motion picture production company applying for the credit shall be required to
12 reimburse the division of taxation for any audits required in relation to granting the credit.

13 SECTION 18. Section 42-63.1-3 of the General Laws in Chapter 42-63.1 entitled
14 “Tourism and Development” is hereby amended to read as follows:

15 **42-63.1-3. Distribution of tax.**

16 (a) For returns and tax payments received on or before December 31, 2015, except as
17 provided in § 42-63.1-12, the proceeds of the hotel tax, excluding such portion of the hotel tax
18 collected from residential units offered for tourist or transient use through a hosting platform,
19 shall be distributed as follows by the division of taxation and the city of Newport:

20 (1) Forty-seven percent (47%) of the tax generated by the hotels in the district, except as
21 otherwise provided in this chapter, shall be given to the regional tourism district wherein the hotel
22 is located; provided, however, that from the tax generated by the hotels in the city of Warwick,
23 thirty-one percent (31%) of the tax shall be given to the Warwick regional tourism district
24 established in § 42-63.1-5(a)(5) and sixteen percent (16%) of the tax shall be given to the Greater
25 Providence-Warwick Convention and Visitors' Bureau established in § 42-63.1-11; and provided
26 further, that from the tax generated by the hotels in the city of Providence, sixteen percent (16%)
27 of that tax shall be given to the Greater Providence-Warwick Convention and Visitors' Bureau
28 established by § 42-63.1-11, and thirty-one percent (31%) of that tax shall be given to the
29 Convention Authority of the city of Providence established pursuant to the provisions of chapter
30 84 of the public laws of January, 1980; provided, however, that the receipts attributable to the
31 district as defined in § 42-63.1-5(a)(7) shall be deposited as general revenues, and that the
32 receipts attributable to the district as defined in § 42-63.1-5(a)(8) shall be given to the Rhode
33 Island commerce corporation as established in chapter 64 of title 42.

34 (2) Twenty-five percent (25%) of the hotel tax shall be given to the city or town where

1 the hotel, which generated the tax, is physically located, to be used for whatever purpose the city
2 or town decides. [The tax administrator is authorized to withhold and offset from any distribution](#)
3 [pursuant to this section any amounts owed to state agencies consistent with the requirements of](#)
4 [R.I. Gen. Laws § 45-13-1.1.](#)

5 (3) Twenty-one (21%) of the hotel tax shall be given to the Rhode Island commerce
6 corporation established in chapter 64 of title 42, and seven percent (7%) to the Greater
7 Providence-Warwick Convention and Visitors' Bureau.

8 (b) For returns and tax payments received after December 31, 2015, except as provided in
9 § 42-63.1-12, the proceeds of the hotel tax, excluding such portion of the hotel tax collected from
10 residential units offered for tourist or transient use through a hosting platform, shall be distributed
11 as follows by the division of taxation and the city of Newport:

12 (1) For the tax generated by the hotels in the Aquidneck Island district, as defined in §
13 42-63.1-5, forty-two percent (42%) of the tax shall be given to the Aquidneck Island district,
14 twenty-five (25%) of the tax shall be given to the city or town where the hotel, which generated
15 the tax, is physically located, five percent (5%) of the tax shall be given to the Greater
16 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-
17 eight percent (28%) of the tax shall be given to the Rhode Island commerce corporation
18 established in chapter 64 of title 42.

19 (2) For the tax generated by the hotels in the Providence district as defined in § 42-63.1-
20 5, twenty eight percent (28%) of the tax shall be given to the Providence district, twenty-five
21 percent (25%) of the tax shall be given to the city or town where the hotel, which generated the
22 tax, is physically located, twenty-three (23%) of the tax shall be given to the Greater Providence-
23 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-four (24%) of
24 the tax shall be given to the Rhode Island commerce corporation established in chapter 64 of title
25 42.

26 (3) For the tax generated by the hotels in the Warwick district as defined in § 42-63.1-5,
27 twenty-eight percent (28%) of the tax shall be given to the Warwick District, twenty-five percent
28 (25%) of the tax shall be given to the city or town where the hotel, which generated the tax, is
29 physically located, twenty-three percent (23%) of the tax shall be given to the Greater
30 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-
31 four (24%) of the tax shall be given to the Rhode Island commerce corporation established in
32 chapter 64 of title 42.

33 (4) For the tax generated by the hotels in the Statewide district, as defined in § 42-63.1-5,
34 twenty-five percent (25%) of the tax shall be given to the city or town where the hotel, which

1 generated the tax, is physically located, five percent (5%) of the tax shall be given to the Greater
2 Providence-Warwick Convention and Visitors Bureau established in § 42-63.1-11, and seventy
3 percent (70%) of the tax shall be given to the Rhode Island commerce corporation established in
4 chapter 64 of title 42.

5 (5) With respect to the tax generated by hotels in districts other than those set forth in
6 subdivisions (b)(1) through (b)(4), forty-two percent (42%) of the tax shall be given to the
7 regional tourism district, as defined in § 42-63.1-5, wherein the hotel is located, twenty-five
8 percent (25%) of the tax shall be given to the city or town where the hotel, which generated the
9 tax, is physically located, five percent (5%) of the tax shall be given to the Greater Providence-
10 Warwick Convention and Visitors Bureau established in § 42-63.1-11, and twenty-eight (28%) of
11 the tax shall be given to the Rhode Island commerce corporation established in chapter 64 of title
12 42.

13 (c) The proceeds of the hotel tax collected from residential units offered for tourist or
14 transient use through a hosting platform shall be distributed as follows by the division of taxation
15 and the city of Newport: twenty-five percent (25%) of the tax shall be given to the city or town
16 where the residential unit, which generated the tax, is physically located, and seventy-five percent
17 (75%) of the tax shall be given to the Rhode Island commerce corporation established in chapter
18 64 of title 42.

19 (d) The Rhode Island commerce corporation shall be required in each fiscal year to spend
20 on the promotion and marketing of Rhode Island as a destination for tourists or businesses an
21 amount of money of no less than the total proceeds of the hotel tax it receives pursuant to this
22 chapter for such fiscal year.

23 (e) Notwithstanding the foregoing provisions of this section, for returns and tax payments
24 received on or after July 1, 2016 and on or before June 30, 2017, except as provided in § 42-63.1-
25 12, the proceeds of the hotel tax, excluding such portion of the hotel tax collected from residential
26 units offered for tourist or transient use through a hosting platform, shall be distributed in
27 accordance with the distribution percentages established in § 42-63.1-3(a)(1) through § 42-63.1-
28 3(a)(3) by the division of taxation and the city of Newport.

29 SECTION 19. Section 44-13-13 of the General Laws in Chapter 44-13 entitled “Public
30 Service Corporation Tax” is hereby amended to read as follows:

31 **44-13-13. Taxation of certain tangible personal property.**

32 The lines, cables, conduits, ducts, pipes, machines and machinery, equipment, and other
33 tangible personal property within this state of telegraph, cable, and telecommunications
34 corporations and express corporations, used exclusively in the carrying on of the business of the

1 corporation shall be exempt from local taxation; provided, that nothing in this section shall be
2 construed to exempt any "community antenna television system company" (CATV) from local
3 taxation; and provided, that the tangible personal property of companies exempted from local
4 taxation by the provisions of this section shall be subject to taxation in the following manner:

5 (1) *Definitions.* Whenever used in this section and in §§ 44-13-13.1 and 44-13-13.2,
6 unless the context otherwise requires:

7 (i) "Average assessment ratio" means the total assessed valuation as certified on tax rolls
8 for the reference year divided by the full market value of the valuation as computed by the Rhode
9 Island department of revenue in accordance with § 16-7-21;

10 (ii) "Average property tax rate" means the statewide total property levy divided by the
11 statewide total assessed valuation as certified on tax rolls for the most recent tax year;

12 (iii) "Company" means any telegraph, cable, telecommunications, or express company
13 doing business within the state of Rhode Island;

14 (iv) "Department" means the department of revenue;

15 (v) "Population" shall mean the population as determined by the most recent census;

16 (vi) "Reference year" means the calendar year two (2) years prior to the calendar year
17 preceding that in which the tax payment provided for by this section is levied;

18 (vii) "Value of tangible personal property" of companies means the net book value of
19 tangible personal property of each company doing business in this state as computed by the
20 department of revenue. "Net book value" means the original cost less accumulated depreciation;
21 provided, that no tangible personal property shall be depreciated more than seventy-five percent
22 (75%) of its original cost.

23 (2) On or before March 1 of each year, each company shall declare to the department, on
24 forms provided by the department, the value of its tangible personal property in the state of
25 Rhode Island on the preceding December 31.

26 (3) On or before April 1, 1982 and each April 1 thereafter of each year, the division of
27 property valuation shall certify to the tax administrator the average property tax rate, the average
28 assessment ratio, and the value of tangible personal property of each company.

29 (4) The tax administrator shall apply the average assessment ratio and the average tax rate
30 to the value of tangible personal property of each company and, by April 15 of each year, shall
31 notify the companies of the amount of tax due. For each filing relating to tangible personal
32 property as of December 31, 2008 and thereafter the tax rate applied by the tax administrator shall
33 be not less than the rate applied in the prior year.

34 (5) The tax shall be due and payable within sixty (60) days of the mailing of the notice by

1 the tax administrator. If the entire tax is not paid to the tax administrator when due, there shall be
2 added to the unpaid portion of the tax, and made a part of the tax, interest at the rate provided for
3 in § 44-1-7 from the date the tax was due until the date of the payment. The amount of any tax,
4 including interest, imposed by this section shall be a debt due from the company to the state, shall
5 be recoverable at law in the same manner as other debts, and shall, until collected, constitute a
6 lien upon all the company's property located in this state.

7 (6) The proceeds from the tax shall be allocated in the following manner:

8 (i) Payment of reasonable administrative expenses incurred by the department of revenue,
9 not to exceed three quarters of one percent (.75%), the payment to be identified as general
10 revenue and appropriated directly to the department;

11 (ii) The remainder of the proceeds shall be deposited in a restricted revenue account and
12 shall be apportioned to the cities and towns within this state on the basis of the ratio of the city or
13 town population to the population of the state as a whole. Estimated revenues shall be distributed
14 to cities and towns by July 30 and may be recorded as a receivable by each city and town for the
15 prior fiscal year. [The Department is authorized to withhold and offset from any distribution](#)
16 [pursuant to this section any amounts owed to state agencies consistent with the requirements of](#)
17 [R.I. Gen. Laws § 45-13-1.1.](#)

18 SECTION 20. Section 44-18-18.1 of the General Laws in Chapter 44-18 entitled “Sales
19 and Use Taxes – Liability and Computation” is hereby amended to read as follows:

20 **44-18-18.1. Local meals and beverage tax.**

21 (a) There is hereby levied and imposed, upon every purchaser of a meal and/or beverage,
22 in addition to all other taxes and fees now imposed by law, a local meals and beverage tax upon
23 each and every meal and/or beverage sold within the state of Rhode Island in or from an eating
24 and/or drinking establishment, whether prepared in the eating and/or drinking establishment or
25 not and whether consumed at the premises or not, at a rate of one percent of the gross receipts.
26 The tax shall be paid to the tax administrator by the retailer at the time and in the manner
27 provided.

28 (b) All sums received by the division of taxation under this section as taxes, penalties, or
29 forfeitures, interest, costs of suit, and fines shall be distributed at least quarterly and credited and
30 paid by the state treasurer to the city or town where the meals and beverages are delivered. [The](#)
31 [tax administrator is authorized to withhold and offset from any distribution pursuant to this](#)
32 [section any amounts owed to state agencies consistent with the requirements of R.I. Gen. Laws §](#)
33 [45-13-1.1.](#)

34 (c) When used in this section, the following words have the following meanings:

1 (1) "Beverage" means all nonalcoholic beverages, as well as alcoholic beverages, beer,
2 lager beer, ale, porter, wine, similar fermented malt, or vinous liquor.

3 (2) "Eating and/or drinking establishment" means and includes restaurants, bars, taverns,
4 lounges, cafeterias, lunch counters, drive-ins, roadside ice cream and refreshment stands, fish-
5 and-chip places, fried chicken places, pizzerias, food-and-drink concessions, or similar facilities
6 in amusement parks, bowling alleys, clubs, caterers, drive-in theatres, industrial plants, race
7 tracks, shore resorts or other locations, lunch carts, mobile canteens and other similar vehicles,
8 and other like places of business that furnish or provide facilities for immediate consumption of
9 food at tables, chairs, or, counters or from trays, plates, cups, or other tableware, or in parking
10 facilities provided primarily for the use of patrons in consuming products purchased at the
11 location. Ordinarily, eating establishment does not mean and include food stores and
12 supermarkets. Eating establishments does not mean "vending machines," a self-contained
13 automatic device that dispenses for sale foods, beverages, or confection products. Retailers
14 selling prepared foods in bulk, either in customer-furnished containers or in the seller's
15 containers, for example "Soup and Sauce" establishments, are deemed to be selling prepared
16 foods ordinarily for immediate consumption and, as such, are considered eating establishments.

17 (3) "Meal" means any prepared food or beverage offered or held out for sale by an eating
18 and/or drinking establishment for the purpose of being consumed by any person to satisfy the
19 appetite and that is ready for immediate consumption. All such food and beverage, unless
20 otherwise specifically exempted or excluded herein shall be included, whether intended to be
21 consumed on the seller's premises or elsewhere, whether designated as breakfast, lunch, snack,
22 dinner, supper, or by some other name, and without regard to the manner, time, or place of
23 service.

24 (d) This local meals and beverage tax shall be administered and collected by the division
25 of taxation, and unless provided to the contrary in this chapter, all of the administration,
26 collection, and other provisions of chapters 18 and 19 of this title apply.

27 In recognition of the work being performed by the streamlined sales and use tax
28 governing board, upon passage of any federal law that authorizes states to require remote sellers
29 to collect and remit sales and use taxes, the rate imposed under this section shall be increased
30 from one percent (1%) to one and one-half percent (1.5%). The one and one-half percent (1.5%)
31 rate shall take effect on the date that the state requires remote sellers to collect and remit sales and
32 use taxes.

33 SECTION 21. Section 45-13-1.1 of the General Laws in Chapter 45-13 entitled "Aid
34 reduced by amounts owed state entities" is hereby amended to read as follows:

1 **45-13-1.1. Aid reduced by amounts owed state entities.**

2 If any city or town fails to pay any assessment, bill, or charge levied, presented, or
3 imposed by any public or quasi-public board, commission, corporation, council, authority,
4 agency, department, committee or other similar body organized under the laws of this state,
5 within ninety (90) ~~one hundred eighty (180)~~ days of the presentment for payment of the
6 assessment, bill, or charge to the city or town, then there shall be deducted from any state aid
7 determined to be due under the provisions of this chapter, or from any funds distributed pursuant
8 to chapters 44-18 (sales and use tax) and 44-13 (public service corporation tax) of Title 44, and an
9 amount equal to that due and owing any or all of those commissions; provided, that the amount of
10 any deduction shall be reduced by the amount of any bill or charge presented for payment by city
11 or town to the state, which bill or charge has not been paid by the state within ninety (90) ~~one~~
12 ~~hundred eighty (180)~~ days of presentment.

13 SECTION 22. This Article shall take effect upon passage.

14 **ARTICLE 4**

15 **RELATING TO TAXES AND REVENUE**

16 SECTION 1. Sections 42-61-4 and 42-61-15 of the General Laws in Chapter 61 entitled
17 “State Lottery” are hereby amended to read as follows:

18 **42-61-4. Powers and duties of director.**

19 The director shall have the power and it shall be his or her duty to:

20 (1) Supervise and administer the operation of lotteries in accordance with this chapter,
21 chapter 61.2 of this title and with the rules and regulations of the division;

22 (2) Act as the chief administrative officer having general charge of the office and records
23 and to employ necessary personnel to serve at his or her pleasure and who shall be in the
24 unclassified service and whose salaries shall be set by the director of the department of revenue,
25 pursuant to the provisions of § 42-61-3.

26 (3) In accordance with this chapter and the rules and regulations of the division, license
27 as agents to sell lottery tickets those persons, as in his or her opinion, who will best serve the
28 public convenience and promote the sale of tickets or shares. The director may require a bond
29 from every licensed agent, in an amount provided in the rules and regulations of the division.
30 Every licensed agent shall prominently display his or her license, or a copy of their license, as
31 provided in the rules and regulations of the committee;

32 (4) Confer regularly as necessary or desirable, and not less than nine (9) times per year,
33 with the permanent joint committee on state lottery on the operation and administration of the
34 lotteries; make available for inspection by the committee, upon request, all books, records, files,

1 and other information, and documents of the division; advise the committee and recommend
2 those matters that he or she deems necessary and advisable to improve the operation and
3 administration of the lotteries;

4 (5) Suspend or revoke any license issued pursuant to this chapter, chapter 61.2 of this title
5 or the rules and regulations promulgated under this chapter and chapter 61.2 of this title;

6 (6) Enter into contracts for the operation of the lotteries, or any part of the operation of
7 the lotteries, and into contracts for the promotion of the lotteries;

8 (7) Ensure that monthly financial reports are prepared providing gross monthly revenues,
9 prize disbursements, other expenses, net income, and the amount transferred to the state general
10 fund for keno and for all other lottery operations; submit this report to the state budget officer, the
11 auditor general, the permanent joint committee on state lottery, the legislative fiscal advisors, and
12 the governor no later than the twentieth business day following the close of the month; the
13 monthly report shall be prepared in a manner prescribed by the members of the revenues
14 estimating conference; at the end of each fiscal year the director shall submit an annual report
15 based upon an accrual system of accounting which shall include a full and complete statement of
16 lottery revenues, prize disbursements and expenses, to the governor and the general assembly,
17 which report shall be a public document and shall be filed with the secretary of state;

18 (8) Carry on a continuous study and investigation of the state lotteries throughout the
19 state, and the operation and administration of similar laws, which may be in effect in other states
20 or countries; and the director shall continue to exercise his authority to study, evaluate and where
21 deemed feasible and advisable by the director, implement lottery-related initiatives, including but
22 not limited to, pilot programs for limited periods of time, with the goal of generating additional
23 revenues to be transferred by the Lottery to the general fund pursuant to R.I. Gen. Laws §42-61-
24 15(3). Each such initiative shall be subjectively evaluated from time to time using measurable
25 criteria to determine whether the initiative is generating revenue to be transferred by the Lottery
26 to the general fund. Nothing herein shall be deemed to permit the implementation of an initiative
27 that would constitute an expansion of gambling requiring voter approval under applicable Rhode
28 Island law.

29 (9) Implement the creation and sale of commercial advertising space on lottery tickets as
30 authorized by § 42-61-4 of this chapter as soon as practicable after June 22, 1994;

31 (10) Promulgate rules and regulations, which shall include, but not be limited to:

32 (i) The price of tickets or shares in the lotteries;

33 (ii) The number and size of the prizes on the winning tickets or shares;

34 (iii) The manner of selecting the winning tickets or shares;

- 1 (iv) The manner of payment of prizes to the holders of winning tickets or shares;
- 2 (v) The frequency of the drawings or selections of winning tickets or shares;
- 3 (vi) The number and types of location at which tickets or shares may be sold;
- 4 (vii) The method to be used in selling tickets or shares;
- 5 (viii) The licensing of agents to sell tickets or shares, except that a person under the age
- 6 of eighteen
- 7 (18) shall not be licensed as an agent;
- 8 (ix) The license fee to be charged to agents;
- 9 (x) The manner in which the proceeds of the sale of lottery tickets or shares are
- 10 maintained, reported, and otherwise accounted for;
- 11 (xi) The manner and amount of compensation to be paid licensed sales agents necessary
- 12 to provide for the adequate availability of tickets or shares to prospective buyers and for the
- 13 convenience of the general public;
- 14 (xii) The apportionment of the total annual revenue accruing from the sale of lottery
- 15 tickets or shares and from all other sources for the payment of prizes to the holders of winning
- 16 tickets or shares, for the payment of costs incurred in the operation and administration of the
- 17 lotteries, including the expense of the division and the costs resulting from any contract or
- 18 contracts entered into for promotional, advertising, consulting, or operational services or for the
- 19 purchase or lease of facilities, lottery equipment, and materials, for the repayment of moneys
- 20 appropriated to the lottery fund;
- 21 (xiii) The superior court upon petition of the director after a hearing may issue subpoenas
- 22 to compel the attendance of witnesses and the production of documents, papers, books, records,
- 23 and other evidence in any matter over which it has jurisdiction, control or supervision. If a person
- 24 subpoenaed to attend in the proceeding or hearing fails to obey the command of the subpoena
- 25 without reasonable cause, or if a person in attendance in the proceeding or hearing refuses
- 26 without lawful cause to be examined or to answer a legal or pertinent question or to exhibit any
- 27 book, account, record, or other document when ordered to do so by the court, that person may be
- 28 punished for contempt of the court;
- 29 (xiv) The manner, standards, and specification for the process of competitive bidding for
- 30 division purchases and contracts; and
- 31 (xv) The sale of commercial advertising space on the reverse side of, or in other available
- 32 areas upon, lottery tickets provided that all net revenue derived from the sale of the advertising
- 33 space shall be deposited immediately into the state's general fund and shall not be subject to the
- 34 provisions of § 42-61-15.

1 **42-61-15. State lottery fund.**

2 (a) There is created the state lottery fund, into which shall be deposited all revenues
3 received by the division from the sales of lottery tickets and license fees. The fund shall be in the
4 custody of the general treasurer, subject to the direction of division for the use of the division, and
5 money shall be disbursed from it on the order of the controller of the state, pursuant to vouchers
6 or invoices signed by the director and certified by the director of administration. The moneys in
7 the state lottery fund shall be allotted in the following order, and only for the following purposes:

8 (1) Establishing a prize fund from which payments of the prize awards shall be disbursed
9 to holders of winning lottery tickets on checks signed by the director and countersigned by the
10 controller of the state or his or her designee.

11 (i) The amount of payments of prize awards to holders of winning lottery tickets shall be
12 determined by the division, but shall not be less than forty-five percent (45%) nor more than
13 sixty-five percent (65%) of the total revenue accruing from the sale of lottery tickets.

14 (ii) For the lottery game commonly known as "Keno", the amount of prize awards to
15 holders of winning Keno tickets shall be determined by the division, but shall not be less than
16 forty-five percent (45%) nor more than seventy-two percent (72%) of the total revenue accruing
17 from the sale of Keno tickets.

18 (2) Payment of expenses incurred by the division in the operation of the state lotteries
19 including, but not limited to, costs arising from contracts entered into by the director for
20 promotional, consulting, or operational services, salaries of professional, technical, and clerical
21 assistants, and purchases or lease of facilities, lottery equipment, and materials; provided
22 however, solely for the purpose of determining revenues remaining and available for transfer to
23 the state's general fund, ~~beginning in fiscal year 2015~~ expenses incurred by the division in the
24 operation of state lotteries shall reflect (i) beginning in fiscal year 2015, the actuarially
25 determined employer contribution to the Employees' Retirement System consistent with the
26 state's adopted funding policy and (ii) beginning in fiscal year 2018, the actuarially determined
27 employer contribution to the State Employees and Electing Teachers' OPEB System consistent
28 with the state's adopted funding policy. For financial reporting purposes, the state lottery fund
29 financial statements shall be prepared in accordance with generally accepted accounting
30 principles as promulgated by the Governmental Accounting Standards Board; and

31 (3) Payment into the general revenue fund of all revenues remaining in the state lottery
32 fund after the payments specified in subdivisions (a)(1) – (a)(2) of this section.

33 (b) The auditor general shall conduct an annual post audit of the financial records and
34 operations of the lottery for the preceding year in accordance with generally accepted auditing

1 standards and government auditing standards. In connection with the audit, the auditor general
2 may examine all records, files, and other documents of the division, and any records of lottery
3 sales agents that pertain to their activities as agents, for purposes of conducting the audit. The
4 auditor general, in addition to the annual post audit, may require or conduct any other audits or
5 studies he or she deems appropriate, the costs of which shall be borne by the division.

6 (c) Payments into the state's general fund specified in subsection (a)(3) of this section
7 shall be made on an estimated quarterly basis. Payment shall be made on the tenth business day
8 following the close of the quarter except for the fourth quarter when payment shall be on the last
9 business day.

10 SECTION 2. Sections 42-142-1 and 42-142-2 of the General Laws in Chapter entitled
11 "Department of Revenue" are hereby amended to read as follows:

12 **42-142-1. Department of revenue.**

13 (a) There is hereby established within the executive branch of state government a
14 department of revenue.

15 (b) The head of the department shall be the director of revenue, who shall be appointed
16 by the governor, with the advice and consent of the senate, and shall serve at the pleasure of the
17 governor.

18 (c) The department shall contain the division of taxation (chapter 1 of title 44), the
19 division of motor vehicles (chapter 2 of title 31), the division of state lottery (chapter 61 of title
20 42), the office of revenue analysis (chapter 142 of title 42), the division of municipal finance
21 (chapter 142 of title 42), and a collection unit (chapter 142 of title 42). Any reference to the
22 division of property valuation, division of property valuation and municipal finance, or office of
23 municipal affairs in the Rhode Island general laws shall mean the division of municipal finance.

24 **42-142-2. Powers and duties of the department.**

25 The department of revenue shall have the following powers and duties:

- 26 (a) To operate a division of taxation-;
- 27 (b) To operate a division of motor vehicles;
- 28 (c) To operate a division of state lottery;
- 29 (d) To operate an office of revenue analysis; ~~and~~
- 30 (e) To operate a division of property valuation- and;
- 31 (f) To operate a collection unit.

32 SECTION 3. Chapter 42-142 of the General Laws entitled "Department of Revenue" is
33 hereby amended by adding thereto the following section:

34 **42-142-8. Collection unit.**

1 (a) The director of the department of revenue is authorized to establish within the
2 department of revenue a collections unit for the purpose of assisting state agencies in the
3 collection of debts owed to the state. The director of the department of revenue may enter into an
4 agreement with any state agency(ies) to collect any delinquent debt owed to the state.

5 (b) The director of the department of revenue shall initially implement a pilot program to
6 assist the agency(ies) with the collection of delinquent debts owed to the state.

7 (c) The agency(ies) participating in the pilot program shall refer to the collection unit
8 within department of revenue, debts owed by delinquent debtors where the nature and amount of
9 the debt owed has been determined and reconciled by the agency and the debt is (i) the subject of
10 a written settlement agreement and/or written waiver agreement and the delinquent debtor has
11 failed to timely make payments under said agreement and/or waiver and is therefore in violation
12 of the terms of said agreement and/or waiver; (ii) the subject of a final administrative order or
13 decision and the debtor has not timely appealed said order or decision; (iii) the subject of final
14 order, judgement or decision of a court of competent jurisdiction and the debtor has not timely
15 appealed said order, judgement or decision. The collections unit shall not accept a referral of any
16 delinquent debt unless it satisfies (c)(i), (ii) or (iii) above.

17 (d) Any agency(ies) entering into an agreement with the department of revenue to allow
18 the collection unit of the department to collect a delinquent debt owed to the state shall indemnify
19 the department of revenue against injuries, actions, liabilities, or proceedings arising from the
20 collection, or attempted collection, by the collection unit of the debt owed to the state.

21 (e) Before referring a delinquent debt to the collection unit, the agency(ies) must (i)
22 notify the debtor of its intention to submit the debt to the collection unit for collection and of the
23 debtor's right to appeal that decision not less than thirty (30) days before the debt is submitted to
24 the collection unit.

25 (f) At such time as the agency(ies) refers a delinquent debt to the collection unit, the
26 agency shall (i) represent in writing to the collection unit that it has complied with all applicable
27 state and federal laws and regulations relating to the collection of the debt, including, but not
28 limited to, the requirement to provide the debtor with the notice of referral to the collection unit
29 under section (e) above; and (ii) provide the collection unit personnel with all relevant supporting
30 documentation including, not limited to notices, invoices, ledgers, correspondence, agreements,
31 waivers, decisions, orders and judgements necessary for the collection unit to attempt to collect
32 the delinquent debt.

33 (g) The referring agency(ies) shall assist the collection unit by providing any and all
34 information, expertise and resources deemed necessary by the collection unit to collect the

1 delinquent debts referred to the collection unit.

2 (h) Upon receipt of a referral of a delinquent debt from an agency(ies), the amount of the
3 delinquent debt shall accrue interest at an annual rate with such rate determined by adding two (2)
4 percent to the prime rate which was in effect on October 1 of the preceding year; provided
5 however, in no event shall the rate of interest exceed twenty-two (21%) per annum nor be less
6 than eighteen percent (18%) per annum.

7 (i) Upon receipt of a referral of a delinquent debt from the agency(ies), the collection unit
8 shall provide the delinquent debtor with a "Notice of Referral" advising the debtor that: (i) the
9 delinquent debt has been referred to the collection unit for collection; (ii) if payment in full of the
10 delinquent debt has not been received by the collection unit within thirty (30) days of the date of
11 the Notice of Referral, the debtor will be responsible to pay a fee of twelve percent (12%) of the
12 amount of the outstanding delinquent debt, with such fee to be applied to the costs and expenses
13 of the collection unit, including costs and expenses incurred to take further collection efforts; this
14 fee shall be in addition to any principal and interest owed; and (iii) the collection unit will initiate,
15 in its names, any action that is available under state law for the collection of the delinquent debt,
16 including, but not limited to, referring the debt to a third party to initiate said action.

17 (j) In the event that the delinquent debtor has not paid the delinquent debt in full within
18 thirty (30) days of the issuance of a "Notice of Referral" pursuant to subsection (i) above, the
19 collection unit shall impose upon each delinquent debtor a fee equal to twelve percent (12%) of
20 the amount of the outstanding delinquent debt.

21 (k) Upon receipt of a referral of a delinquent debt from an agency(ies), the collection unit
22 shall have the authority to institute, in its name, any action(s) that are available under state law for
23 collection of the delinquent debt and interest, penalties and/or fees thereon and to, with or without
24 suit, settle the delinquent debt.

25 (l) In exercising its authority under this section, the collection unit shall comply with all
26 state and federal laws and regulations related to the collection of debts.

27 (m) The director of the department may enter into contracts with any person or entity to
28 be paid on a contingent or fee or other basis, for services rendered to the collection unit where the
29 contract is for the collection of delinquent debt, interest, penalty and/or fee owed by the debtor.
30 Under such contracts, the contingent fee shall be based on the actual amount of the debt, interest,
31 penalties or fee collected.

32 (n) Upon of the receipt of payment from a delinquent debtor, whether a full or partial
33 payment, the collection unit shall disburse/deposit the proceeds of said payment in the following
34 order:

1 (i) to any person or entity owed for services under a contract entered into pursuant to
2 section (m) above;

3 (ii) to the appropriate federal account to reimburse the federal government funds owed to
4 them by the state from funds recovered;

5 (iii) into a restricted receipt account in the department of revenue, twelve percent (12%)
6 of the total amount collected from the delinquent debtor to be used to help defray the costs and
7 expenses of operating the collection unit; and

8 (iv) the balance of the amount collected to the referring agency.

9 (o) Notwithstanding the above, the establishment of a collection unit within the
10 department of revenue shall be contingent upon an annual appropriation by the general assembly
11 of amounts necessary and sufficient to cover the costs and expenses to establish, maintain and
12 operate the collection unit including, but not limited, computer hardware and software,
13 maintenance of the computer system to manage the system and personnel perform work within
14 the collection unit. In the event that the amount of the annual appropriation was sufficient to fund
15 the costs and expenses of operating the collection unit in any year, the amount in the restricted
16 receipt at the end of that fiscal year shall be deposited into the general fund or credited against
17 any future appropriation by the general assembly.

18 (p) In addition to the implementation of any pilot program, the collection unit shall
19 comply with the provisions of this section in the collection of all delinquent debts under to this
20 section.

21 (q) The department of revenue is authorized to promulgate rules and regulations as it
22 deems appropriate with respect to the collection unit.

23 SECTION 4. Sections 44-18-7, 44-18-7.1, 44-18-7.3, 44-18-8, 44-18-15, 44-18-20, 44-
24 18-21, 44-18-22, 44-18-23, 44-18-25, and 44-19-7 of the General Laws in Chapter 44-18 entitled
25 "Sales and Use Taxes – Liability and Computation" are hereby amended to read as follows:

26 **44-18-7. Sales defined.**

27 "Sales" means and includes:

28 (1) Any transfer of title or possession, exchange, barter, lease, or rental, conditional or
29 otherwise, in any manner or by any means of tangible personal property for a consideration.
30 "Transfer of possession", "lease", or "rental" includes transactions found by the tax administrator
31 to be in lieu of a transfer of title, exchange, or barter.

32 (2) The producing, fabricating, processing, printing, or imprinting of tangible personal
33 property for a consideration for consumers who furnish either directly or indirectly the materials
34 used in the producing, fabricating, processing, printing, or imprinting.

1 (3) The furnishing and distributing of tangible personal property for a consideration by
2 social, athletic, and similar clubs and fraternal organizations to their members or others.

3 (4) The furnishing, preparing, or serving for consideration of food, meals, or drinks,
4 including any cover, minimum, entertainment, or other charge in connection therewith.

5 (5) A transaction whereby the possession of tangible personal property is transferred, but
6 the seller retains the title as security for the payment of the price.

7 (6) Any withdrawal, except a withdrawal pursuant to a transaction in foreign or interstate
8 commerce, of tangible personal property from the place where it is located for delivery to a point
9 in this state for the purpose of the transfer of title or possession, exchange, barter, lease, or rental,
10 conditional or otherwise, in any manner or by any means whatsoever, of the property for a
11 consideration.

12 (7) A transfer for a consideration of the title or possession of tangible personal property,
13 which has been produced, fabricated, or printed to the special order of the customer, or any
14 publication.

15 (8) The furnishing and distributing of electricity, natural gas, artificial gas, steam,
16 refrigeration, and water.

17 (9)(i) The furnishing for consideration of intrastate, interstate and international
18 telecommunications service sourced in this state in accordance with subsections 44-18.1(15) and
19 (16) and all ancillary services, any maintenance services of telecommunication equipment other
20 than as provided for in subdivision 44-18-12(b)(ii). For the purposes of chapters 18 and 19 of this
21 title only, telecommunication service does not include service rendered using a prepaid telephone
22 calling arrangement.

23 (ii) Notwithstanding the provisions of paragraph (i) of this subdivision, in accordance
24 with the Mobile Telecommunications Sourcing Act (4 U.S.C. §§ 116 – 126), subject to the
25 specific exemptions described in 4 U.S.C. § 116(c), and the exemptions provided in §§ 44-18-8
26 and 44-18-12, mobile telecommunications services that are deemed to be provided by the
27 customer's home service provider are subject to tax under this chapter if the customer's place of
28 primary use is in this state regardless of where the mobile telecommunications services originate,
29 terminate or pass through. Mobile telecommunications services provided to a customer, the
30 charges for which are billed by or for the customer's home service provider, shall be deemed to be
31 provided by the customer's home service provider.

32 (10) The furnishing of service for transmission of messages by telegraph, cable, or radio
33 and the furnishing of community antenna television, subscription television, and cable television
34 services.

1 (11) The rental of living quarters in any hotel, rooming house, or tourist camp.

2 (12) The transfer for consideration of prepaid telephone calling arrangements and the
3 recharge of prepaid telephone calling arrangements sourced to this state in accordance with §§
4 44-18.1-11 and 44-18.1-15. "Prepaid telephone calling arrangement" means and includes prepaid
5 calling service and prepaid wireless calling service.

6 (13) The sale, storage, use or other consumption of over-the-counter drugs as defined in
7 paragraph 44-18-7.1(h)(ii).

8 (14) The sale, storage, use or other consumption of prewritten computer software
9 delivered electronically or by load and leave as defined in paragraph 44-18-7.1(g)(v).

10 [\(15\) The sale, storage, use or other consumption of vendor-hosted prewritten computer](#)
11 [software as defined in paragraph 44-18-7.1\(g\)\(vii\).](#)

12 (16) The sale, storage, use or other consumption of medical marijuana as defined in §
13 21-28.6-3. (17) The furnishing of services in this state as defined in § 44-18-7.3.

14 **44-18-7.1. Additional Definitions.**

15 (a) "Agreement" means the streamlined sales and use tax agreement.

16 (b) "Alcoholic beverages" means beverages that are suitable for human consumption and
17 contain one-half of one percent (.5%) or more of alcohol by volume.

18 (c) "Bundled transaction" is the retail sale of two or more products, except real property
19 and services to real property, where (1) The products are otherwise distinct and identifiable, and
20 (2) The products are sold for one non-itemized price. A "bundled transaction" does not include
21 the sale of any products in which the "sales price" varies, or is negotiable, based on the selection
22 by the purchaser of the products included in the transaction.

23 (i) "Distinct and identifiable products" does not include:

24 (A) Packaging – such as containers, boxes, sacks, bags, and bottles – or other materials –
25 such as wrapping, labels, tags, and instruction guides – that accompany the "retail sale" of the
26 products and are incidental or immaterial to the "retail sale" thereof. Examples of packaging that
27 are incidental or immaterial include grocery sacks, shoeboxes, dry cleaning garment bags, and
28 express delivery envelopes and boxes.

29 (B) A product provided free of charge with the required purchase of another product. A
30 product is "provided free of charge" if the "sales price" of the product purchased does not vary
31 depending on the inclusion of the products "provided free of charge."

32 (C) Items included in the member state's definition of "sales price," pursuant to appendix
33 C of the agreement.

34 (ii) The term "one non-itemized price" does not include a price that is separately

1 identified by product on binding sales or other supporting sales-related documentation made
2 available to the customer in paper or electronic form including, but not limited to, an invoice, bill
3 of sale, receipt, contract, service agreement, lease agreement, periodic notice of rates and
4 services, rate card, or price list.

5 (iii) A transaction that otherwise meets the definition of a "bundled transaction" as
6 defined above, is not a "bundled transaction" if it is:

7 (A) The "retail sale" of tangible personal property and a service where the tangible
8 personal property is essential to the use of the service, and is provided exclusively in connection
9 with the service, and the true object of the transaction is the service; or

10 (B) The "retail sale" of services where one service is provided that is essential to the use
11 or receipt of a second service and the first service is provided exclusively in connection with the
12 second service and the true object of the transaction is the second service; or

13 (C) A transaction that includes taxable products and nontaxable products and the
14 "purchase price" or "sales price" of the taxable products is de minimis.

15 1. De minimis means the seller's "purchase price" or "sales price" of the taxable products
16 is ten percent (10%) or less of the total "purchase price" or "sales price" of the bundled products.

17 2. Sellers shall use either the "purchase price" or the "sales price" of the products to
18 determine if the taxable products are de minimis. Sellers may not use a combination of the
19 "purchase price" and "sales price" of the products to determine if the taxable products are de
20 minimis.

21 3. Sellers shall use the full term of a service contract to determine if the taxable products
22 are de minimis; or

23 (D) The "retail sale" of exempt tangible personal property and taxable tangible personal
24 property where:

25 1. The transaction includes "food and food ingredients", "drugs", "durable medical
26 equipment", "mobility enhancing equipment", "over-the-counter drugs", "prosthetic devices" (all
27 as defined in this section) or medical supplies; and

28 2. Where the seller's "purchase price" or "sales price" of the taxable tangible personal
29 property is fifty percent (50%) or less of the total "purchase price" or "sales price" of the bundled
30 tangible personal property. Sellers may not use a combination of the "purchase price" and "sales
31 price" of the tangible personal property when making the fifty percent (50%) determination for a
32 transaction.

33 (d) "Certified automated system (CAS)" means software certified under the agreement to
34 calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to

1 remit to the appropriate state, and maintain a record of the transaction.

2 (e) "Certified service provider (CSP)" means an agent certified under the agreement to
3 perform all the seller's sales and use tax functions, other than the seller's obligation to remit tax on
4 its own purchases.

5 *(f) Clothing and Related Items*

6 (i) "Clothing" means all human wearing apparel suitable for general use.

7 (ii) "Clothing accessories or equipment" means incidental items worn on the person or in
8 conjunction with "clothing." "Clothing accessories or equipment" does not include "clothing",
9 "sport or recreational equipment", or "protective equipment."

10 (iii) "Protective equipment" means items for human wear and designed as protection of
11 the wearer against injury or disease or as protections against damage or injury of other persons or
12 property but not suitable for general use. "Protective equipment" does not include "clothing",
13 "clothing accessories or equipment", and "sport or recreational equipment."

14 (iv) "Sport or recreational equipment" means items designed for human use and worn in
15 conjunction with an athletic or recreational activity that are not suitable for general use. "Sport or
16 recreational equipment" does not include "clothing", "clothing accessories or equipment", and
17 "protective equipment."

18 *(g) Computer and Related Items*

19 (i) "Computer" means an electronic device that accepts information in digital or similar
20 form and manipulates it for a result based on a sequence of instructions.

21 (ii) "Computer software" means a set of coded instructions designed to cause a
22 "computer" or automatic data processing equipment to perform a task.

23 (iii) "Delivered electronically" means delivered to the purchaser by means other than
24 tangible storage media.

25 (iv) "Electronic" means relating to technology having electrical, digital, magnetic,
26 wireless, optical, electromagnetic, or similar capabilities.

27 (v) "Load and leave" means delivery to the purchaser by use of a tangible storage media
28 where the tangible storage media is not physically transferred to the purchaser.

29 (vi) "Prewritten computer software" means "computer software," including prewritten
30 upgrades, that is not designed and developed by the author or other creator to the specifications of
31 a specific purchaser. The combining of two (2) or more "prewritten computer software" programs
32 or prewritten portions thereof does not cause the combination to be other than "prewritten
33 computer software." "Prewritten computer software" includes software designed and developed
34 by the author or other creator to the specifications of a specific purchaser when it is sold to a

1 person other than the specific purchaser. Where a person modifies or enhances "computer
2 software" of which the person is not the author or creator, the person shall be deemed to be the
3 author or creator only of such person's modifications or enhancements. "Prewritten computer
4 software" or a prewritten portion thereof that is modified or enhanced to any degree, where such
5 modification or enhancement is designed and developed to the specifications of a specific
6 purchaser, remains "prewritten computer software"; provided, however, that where there is a
7 reasonable, separately stated charge or an invoice or other statement of the price given to the
8 purchaser for such modification or enhancement, such modification or enhancement shall not
9 constitute "prewritten computer software."

10 [\(vii\) "Vendor-hosted prewritten computer software" means prewritten computer software](#)
11 [that is accessed through the Internet and/or a vendor-hosted server regardless of whether the](#)
12 [access is permanent or temporary and regardless of whether any downloading occurs.](#)

13 *(h) Drugs and Related Items*

14 (i) "Drug" means a compound, substance, or preparation, and any component of a
15 compound, substance, or preparation, other than "food and food ingredients," "dietary
16 supplements" or "alcoholic beverages":

17 (A) Recognized in the official United States Pharmacopoeia, official Homeopathic
18 Pharmacopoeia of the United States, or official National Formulary, and supplement to any of
19 them; or

20 (B) Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of
21 disease; or

22 (C) Intended to affect the structure or any function of the body.

23 "Drug" shall also include insulin and medical oxygen whether or not sold on prescription.

24 (ii) "Over-the-counter drug" means a drug that contains a label that identifies the product
25 as a drug as required by 21 C.F.R. § 201.66. The "over-the-counter drug" label includes:

26 (A) A "Drug Facts" panel; or

27 (B) A statement of the "active ingredient(s)" with a list of those ingredients contained in
28 the compound, substance, or preparation.

29 "Over-the-counter drug" shall not include "grooming and hygiene products."

30 (iii) "Grooming and hygiene products" are soaps and cleaning solutions, shampoo,
31 toothpaste, mouthwash, antiperspirants, and suntan lotions and screens, regardless of whether the
32 items meet the definition of "over-the-counter drugs."

33 (iv) "Prescription" means an order, formula, or recipe issued in any form of oral, written,
34 electronic, or other means of transmission by a duly licensed practitioner authorized by the laws

1 of the member state.

2 (i) "Delivery charges" means charges by the seller of personal property or services for
3 preparation and delivery to a location designated by the purchaser of personal property or services
4 including, but not limited to: transportation, shipping, postage, handling, crating, and packing.

5 "Delivery charges" shall not include the charges for delivery of "direct mail" if the
6 charges are separately stated on an invoice or similar billing document given to the purchaser.

7 (j) "Direct mail" means printed material delivered or distributed by United States mail or
8 other delivery service to a mass audience or to addressees on a mailing list provided by the
9 purchaser or at the direction of the purchaser when the cost of the items are not billed directly to
10 the recipients. "Direct mail" includes tangible personal property supplied directly or indirectly by
11 the purchaser to the direct mail seller for inclusion in the package containing the printed material.
12 "Direct mail" does not include multiple items of printed material delivered to a single address.

13 (k) "Durable medical equipment" means equipment including repair and replacement
14 parts for same which:

15 (i) Can withstand repeated use; and

16 (ii) Is primarily and customarily used to serve a medical purpose; and

17 (iii) Generally is not useful to a person in the absence of illness or injury; and

18 (iv) Is not worn in or on the body.

19 Durable medical equipment does not include mobility enhancing equipment.

20 *(l) Food and Related Items*

21 (i) "Food and food ingredients" means substances, whether in liquid, concentrated, solid,
22 frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are
23 consumed for their taste or nutritional value ~~and seeds and plants used to grow food and food~~
24 ~~ingredients.~~ "Food and food ingredients" does not include "alcoholic beverages", "tobacco",
25 "candy", "dietary supplements", and "soft drinks.", ~~or "marijuana seeds or plants."~~

26 (ii) "Prepared food" means:

27 (A) Food sold in a heated state or heated by the seller;

28 (B) Two (2) or more food ingredients mixed or combined by the seller for sale as a single
29 item; or

30 (C) Food sold with eating utensils provided by the seller, including: plates, knives, forks,
31 spoons, glasses, cups, napkins, or straws. A plate does not include a container or packaging used
32 to transport the food.

33 "Prepared food" in (B) does not include food that is only cut, repackaged, or pasteurized
34 by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring

1 cooking by the consumer as recommended by the Food and Drug Administration in chapter 3,
2 part 401.11 of its Food Code so as to prevent food borne illnesses.

3 (iii) "Candy" means a preparation of sugar, honey, or other natural or artificial sweeteners
4 in combination with chocolate, fruits, nuts, or other ingredients or flavorings in the form of bars,
5 drops, or pieces. "Candy" shall not include any preparation containing flour and shall require no
6 refrigeration.

7 (iv) "Soft drinks" means non-alcoholic beverages that contain natural or artificial
8 sweeteners. "Soft drinks" do not include beverages that contain milk or milk products, soy, rice,
9 or similar milk substitutes, or greater than fifty percent (50%) of vegetable or fruit juice by
10 volume.

11 (v) "Dietary supplement" means any product, other than "tobacco", intended to
12 supplement the diet that:

13 (A) Contains one or more of the following dietary ingredients:

- 14 1. A vitamin;
- 15 2. A mineral;
- 16 3. An herb or other botanical;
- 17 4. An amino acid;
- 18 5. A dietary substance for use by humans to supplement the diet by increasing the total
19 dietary intake; or
- 20 6. A concentrate, metabolite, constituent, extract, or combination of any ingredient
21 described above; and

22 (B) Is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or
23 if not intended for ingestion in such a form, is not represented as conventional food and is not
24 represented for use as a sole item of a meal or of the diet; and

25 (C) Is required to be labeled as a dietary supplement, identifiable by the "supplemental
26 facts" box found on the label and as required pursuant to 21 C.F.R. § 101.36.

27 (m) "Food sold through vending machines" means food dispensed from a machine or
28 other mechanical device that accepts payment.

29 (n) "Hotel" means every building or other structure kept, used, maintained, advertised as,
30 or held out to the public to be a place where living quarters are supplied for pay to transient or
31 permanent guests and tenants and includes a motel.

32 (i) "Living quarters" means sleeping rooms, sleeping or housekeeping accommodations,
33 or any other room or accommodation in any part of the hotel, rooming house, or tourist camp that
34 is available for or rented out for hire in the lodging of guests.

1 (ii) "Rooming house" means every house, boat, vehicle, motor court, or other structure
2 kept, used, maintained, advertised, or held out to the public to be a place where living quarters are
3 supplied for pay to transient or permanent guests or tenants, whether in one or adjoining
4 buildings.

5 (iii) "Tourist camp" means a place where tents or tent houses, or camp cottages, or cabins
6 or other structures are located and offered to the public or any segment thereof for human
7 habitation.

8 (o) "Lease or rental" means any transfer of possession or control of tangible personal
9 property for a fixed or indeterminate term for consideration. A lease or rental may include future
10 options to purchase or extend. Lease or rental does not include:

11 (i) A transfer of possession or control of property under a security agreement or deferred
12 payment plan that requires the transfer of title upon completion of the required payments;

13 (ii) A transfer of possession or control of property under an agreement that requires the
14 transfer of title upon completion of required payments and payment of an option price does not
15 exceed the greater of one hundred dollars (\$100) or one percent of the total required payments; or

16 (iii) Providing tangible personal property along with an operator for a fixed or
17 indeterminate period of time. A condition of this exclusion is that the operator is necessary for the
18 equipment to perform as designed. For the purpose of this subsection, an operator must do more
19 than maintain, inspect, or set-up the tangible personal property.

20 (iv) Lease or rental does include agreements covering motor vehicles and trailers where
21 the amount of consideration may be increased or decreased by reference to the amount realized
22 upon sale or disposition of the property as defined in 26 U.S.C. § 7701(h)(1).

23 (v) This definition shall be used for sales and use tax purposes regardless if a transaction
24 is characterized as a lease or rental under generally accepted accounting principles, the Internal
25 Revenue Code, the Uniform Commercial Code, or other provisions of federal, state, or local law.

26 (vi) This definition will be applied only prospectively from the date of adoption and will
27 have no retroactive impact on existing leases or rentals. This definition shall neither impact any
28 existing sale-leaseback exemption or exclusions that a state may have, nor preclude a state from
29 adopting a sale-leaseback exemption or exclusion after the effective date of the agreement.

30 (p) "Mobility enhancing equipment" means equipment, including repair and replacement
31 parts to same, that:

32 (i) Is primarily and customarily used to provide or increase the ability to move from one
33 place to another and that is appropriate for use either in a home or a motor vehicle; and

34 (ii) Is not generally used by persons with normal mobility; and

1 (iii) Does not include any motor vehicle or equipment on a motor vehicle normally
2 provided by a motor vehicle manufacturer.

3 Mobility enhancing equipment does not include durable medical equipment.

4 (q) "Model 1 Seller" means a seller that has selected a CSP as its agent to perform all the
5 seller's sales and use tax functions, other than the seller's obligation to remit tax on its own
6 purchases.

7 (r) "Model 2 Seller" means a seller that has selected a CAS to perform part of its sales
8 and use tax functions, but retains responsibility for remitting the tax.

9 (s) "Model 3 Seller" means a seller that has sales in at least five member states, has total
10 annual sales revenue of at least five hundred million dollars (\$500,000,000), has a proprietary
11 system that calculates the amount of tax due each jurisdiction, and has entered into a performance
12 agreement with the member states that establishes a tax performance standard for the seller. As
13 used in this definition, a seller includes an affiliated group of sellers using the same proprietary
14 system.

15 (t) "Prosthetic device" means a replacement, corrective, or supportive device including
16 repair and replacement parts for same worn on or in the body to:

17 (i) Artificially replace a missing portion of the body;

18 (ii) Prevent or correct physical deformity or malfunction; or

19 (iii) Support a weak or deformed portion of the body.

20 (u) "Purchaser" means a person to whom a sale of personal property is made or to whom
21 a service is furnished.

22 (v) "Purchase price" applies to the measure subject to use tax and has the same meaning
23 as sales price.

24 (w) "Seller" means a person making sales, leases, or rentals of personal property or
25 services.

26 (x) "State" means any state of the United States and the District of Columbia.

27 (y) "Telecommunications" tax base/exemption terms

28 (i) Telecommunication terms shall be defined as follows:

29 (A) "Ancillary services" means services that are associated with or incidental to the
30 provision of "telecommunications services", including, but not limited to, "detailed
31 telecommunications billing", "directory assistance", "vertical service", and "voice mail services".

32 (B) "Conference bridging service" means an "ancillary service" that links two (2) or more
33 participants of an audio or video conference call and may include the provision of a telephone
34 number. "Conference bridging service" does not include the "telecommunications services" used

1 to reach the conference bridge.

2 (C) "Detailed telecommunications billing service" means an "ancillary service" of
3 separately stating information pertaining to individual calls on a customer's billing statement.

4 (D) "Directory assistance" means an "ancillary service" of providing telephone number
5 information, and/or address information.

6 (E) "Vertical service" means an "ancillary service" that is offered in connection with one
7 or more "telecommunications services", which offers advanced calling features that allow
8 customers to identify callers and to manage multiple calls and call connections, including
9 "conference bridging services".

10 (F) "Voice mail service" means an "ancillary service" that enables the customer to store,
11 send, or receive recorded messages. "Voice mail service" does not include any "vertical services"
12 that the customer may be required to have in order to utilize the "voice mail service".

13 (G) "Telecommunications service" means the electronic transmission, conveyance, or
14 routing of voice, data, audio, video, or any other information or signals to a point, or between or
15 among points. The term "telecommunications service" includes such transmission, conveyance,
16 or routing in which computer processing applications are used to act on the form, code, or
17 protocol of the content for purposes of transmission, conveyance, or routing without regard to
18 whether such service is referred to as voice over internet protocol services or is classified by the
19 Federal Communications Commission as enhanced or value added. "Telecommunications
20 service" does not include:

21 (1) Data processing and information services that allow data to be generated, acquired,
22 stored, processed, or retrieved and delivered by an electronic transmission to a purchaser where
23 such purchaser's primary purpose for the underlying transaction is the processed data or
24 information;

25 (2) Installation or maintenance of wiring or equipment on a customer's premises;

26 (3) Tangible personal property;

27 (4) Advertising, including, but not limited to, directory advertising;

28 (5) Billing and collection services provided to third parties;

29 (6) Internet access service;

30 (7) Radio and television audio and video programming services, regardless of the
31 medium, including the furnishing of transmission, conveyance, and routing of such services by
32 the programming service provider. Radio and television audio and video programming services
33 shall include, but not be limited to, cable service as defined in 47 U.S.C. § 522(6) and audio and
34 video programming services delivered by commercial mobile radio service providers as defined

1 in 47 C.F.R. § 20.3;

2 (8) "Ancillary services"; or

3 (9) Digital products "delivered electronically", including, but not limited to: software,
4 music, video, reading materials or ring tones.

5 (H) "800 service" means a "telecommunications service" that allows a caller to dial a toll-
6 free number without incurring a charge for the call. The service is typically marketed under the
7 name "800", "855", "866", "877", and "888" toll-free calling, and any subsequent numbers
8 designated by the Federal Communications Commission.

9 (I) "900 service" means an inbound toll "telecommunications service" purchased by a
10 subscriber that allows the subscriber's customers to call in to the subscriber's prerecorded
11 announcement or live service. "900 service" does not include the charge for: collection services
12 provided by the seller of the "telecommunications services" to the subscriber, or service or
13 product sold by the subscriber to the subscriber's customer. The service is typically marketed
14 under the name "900 service," and any subsequent numbers designated by the Federal
15 Communications Commission.

16 (J) "Fixed wireless service" means a "telecommunications service" that provides radio
17 communication between fixed points.

18 (K) "Mobile wireless service" means a "telecommunications service" that is transmitted,
19 conveyed, or routed regardless of the technology used, whereby the origination and/or
20 termination points of the transmission, conveyance, or routing are not fixed, including, by way of
21 example only, "telecommunications services" that are provided by a commercial mobile radio
22 service provider.

23 (L) "Paging service" means a "telecommunications service" that provides transmission of
24 coded radio signals for the purpose of activating specific pagers; such transmissions may include
25 messages and/or sounds.

26 (M) "Prepaid calling service" means the right to access exclusively "telecommunications
27 services", which must be paid for in advance and that enables the origination of calls using an
28 access number or authorization code, whether manually or electronically dialed, and that is sold
29 in predetermined units or dollars of which the number declines with use in a known amount.

30 (N) "Prepaid wireless calling service" means a "telecommunications service" that
31 provides the right to utilize "mobile wireless service", as well as other non-telecommunications
32 services, including the download of digital products "delivered electronically", content and
33 "ancillary services" which must be paid for in advance that is sold in predetermined units of
34 dollars of which the number declines with use in a known amount.

1 (O) "Private communications service" means a telecommunications service that entitles
2 the customer to exclusive or priority use of a communications channel or group of channels
3 between or among termination points, regardless of the manner in which such channel or
4 channels are connected, and includes switching capacity, extension lines, stations, and any other
5 associated services that are provided in connection with the use of such channel or channels.

6 (P) "Value-added non-voice data service" means a service that otherwise meets the
7 definition of "telecommunications services" in which computer processing applications are used
8 to act on the form, content, code, or protocol of the information or data primarily for a purpose
9 other than transmission, conveyance, or routing.

10 (ii) "Modifiers of Sales Tax Base/Exemption Terms" – the following terms can be used to
11 further delineate the type of "telecommunications service" to be taxed or exempted. The terms
12 would be used with the broader terms and subcategories delineated above.

13 (A) "Coin-operated telephone service" means a "telecommunications service" paid for by
14 inserting money into a telephone accepting direct deposits of money to operate.

15 (B) "International" means a "telecommunications service" that originates or terminates in
16 the United States and terminates or originates outside the United States, respectively. United
17 States includes the District of Columbia or a U.S. territory or possession.

18 (C) "Interstate" means a "telecommunications service" that originates in one United
19 States state, or a United States territory or possession, and terminates in a different United States
20 state or a United States territory or possession.

21 (D) "Intrastate" means a "telecommunications service" that originates in one United
22 States state or a United States territory or possession, and terminates in the same United States
23 state or a United States territory or possession.

24 (E) "Pay telephone service" means a "telecommunications service" provided through any
25 pay telephone.

26 (F) "Residential telecommunications service" means a "telecommunications service" or
27 "ancillary services" provided to an individual for personal use at a residential address, including
28 an individual dwelling unit such as an apartment. In the case of institutions where individuals
29 reside, such as schools or nursing homes, "telecommunications service" is considered residential
30 if it is provided to and paid for by an individual resident rather than the institution.

31 The terms "ancillary services" and "telecommunications service" are defined as a broad
32 range of services. The terms "ancillary services" and "telecommunications service" are broader
33 than the sum of the subcategories. Definitions of subcategories of "ancillary services" and
34 "telecommunications service" can be used by a member state alone or in combination with other

1 subcategories to define a narrower tax base than the definitions of "ancillary services" and
2 "telecommunications service" would imply. The subcategories can also be used by a member
3 state to provide exemptions for certain subcategories of the more broadly defined terms.

4 A member state that specifically imposes tax on, or exempts from tax, local telephone or
5 local telecommunications service may define "local service" in any manner in accordance with §
6 44-18.1-28, except as limited by other sections of this Agreement.

7 (z) "Tobacco" means cigarettes, cigars, chewing, or pipe tobacco, or any other item that
8 contains tobacco.

9 **44-18-7.3. Services defined.**

10 (a) "Services" means all activities engaged in for other persons for a fee, retainer,
11 commission, or other monetary charge, which activities involve the performance of a service in
12 this state as distinguished from selling property.

13 (b) The following businesses and services performed in this state, along with the
14 applicable 2007 North American Industrial Classification System (NAICS) codes, are included in
15 the definition of services:

16 (1) Taxicab and limousine services including but not limited to:

17 (i) Taxicab services including taxi dispatchers (485310); and

18 (ii) Limousine services (485320).

19 (2) Other road transportation service including but not limited to:

20 (i) Charter bus service (485510);

21 (ii) "Transportation network companies" (TNC) defined as an entity that uses a digital
22 network to connect transportation network company riders to transportation network operators
23 who provide prearranged rides. Any TNC operating in this state is a retailer as provided in § 44-
24 18-15 and is required to file a business application and registration form and obtain a permit to
25 make sales at retail with the tax administrator, to charge, collect, and remit Rhode Island sales
26 and use tax; and

27 (iii) All other transit and ground passenger transportation (485999).

28 (3) Pet care services (812910) except veterinary and testing laboratories services.

29 (4)(i) "Room reseller" or "reseller" means any person, except a tour operator as defined in
30 § 42-63.1-2, having any right, permission, license, or other authority from or through a hotel as
31 defined in § 42-63.1-2, to reserve, or arrange the transfer of occupancy of, accommodations the
32 reservation or transfer of which is subject to this chapter, such that the occupant pays all or a
33 portion of the rental and other fees to the room reseller or reseller, room reseller or reseller shall
34 include, but not be limited to, sellers of travel packages as defined in this section.

1 Notwithstanding the provisions of any other law, where said reservation or transfer of occupancy
2 is done using a room reseller or reseller, the application of the sales and use tax under §§ 44-18-
3 18 and 44-18-20, and the hotel tax under § 44-18-36.1 shall be as follows: The room reseller or
4 reseller is required to register with, and shall collect and pay to, the tax administrator the sales
5 and use and hotel taxes, with said taxes being calculated upon the amount of rental and other fees
6 paid by the occupant to the room reseller or reseller, less the amount of any rental and other fees
7 paid by the room reseller or reseller to the hotel. The hotel shall collect and pay to the tax
8 administrator said taxes upon the amount of rental and other fees paid to the hotel by the room
9 reseller or reseller and/or the occupant. No assessment shall be made by the tax administrator
10 against a hotel because of an incorrect remittance of the taxes under this chapter by a room
11 reseller or reseller. No assessment shall be made by the tax administrator against a room reseller
12 or reseller because of an incorrect remittance of the taxes under this chapter by a hotel. If the
13 hotel has paid the taxes imposed under this chapter, the occupant and/or room reseller or reseller,
14 as applicable, shall reimburse the hotel for said taxes. If the room reseller or reseller has paid said
15 taxes, the occupant shall reimburse the room reseller or reseller for said taxes. Each hotel and
16 room reseller or reseller shall add and collect, from the occupant or the room reseller or the
17 reseller, the full amount of the taxes imposed on the rental and other fees. When added to the
18 rental and other fees, the taxes shall be a debt owed by the occupant to the hotel or room reseller
19 or reseller, as applicable, and shall be recoverable at law in the same manner as other debts. The
20 amount of the taxes collected by the hotel and/or room reseller or reseller from the occupant
21 under this chapter shall be stated and charged separately from the rental and other fees, and shall
22 be shown separately on all records thereof, whether made at the time the transfer of occupancy
23 occurs, or on any evidence of the transfer issued or used by the hotel or the room reseller or the
24 reseller. A room reseller or reseller shall not be required to disclose to the occupant the amount of
25 tax charged by the hotel; provided, however, the room reseller or reseller shall represent to the
26 occupant that the separately stated taxes charged by the room reseller or reseller include taxes
27 charged by the hotel. No person shall operate a hotel in this state, or act as a room reseller or
28 reseller for any hotel in the state, unless the tax administrator has issued a permit pursuant to §
29 44-19-1.

30 (ii) "Travel package" means a room, or rooms, bundled with one or more other, separate
31 components of travel such as air transportation, car rental, or similar items, which travel package
32 is charged to the customer or occupant for a single, retail price. When the room occupancy is
33 bundled for a single consideration, with other property, services, amusement charges, or any other
34 items, the separate sale of which would not otherwise be subject to tax under this chapter, the

1 entire single consideration shall be treated as the rental or other fees for room occupancy subject
2 to tax under this chapter; provided, however, that where the amount of the rental, or other fees for
3 room occupancy is stated separately from the price of such other property, services, amusement
4 charges, or other items, on any sales slip, invoice, receipt, or other statement given the occupant,
5 and such rental and other fees are determined by the tax administrator to be reasonable in relation
6 to the value of such other property, services, amusement charges, or other items, only such
7 separately stated rental and other fees will be subject to tax under this chapter. The value of the
8 transfer of any room, or rooms, bundled as part of a travel package may be determined by the tax
9 administrator from the room reseller's and/or reseller's and/or hotel's books and records that are
10 kept in the regular course of business.

11 [\(5\) Investigation, Guard, and Armored Car Services \(56161\).](#)

12 (c) All services as defined herein are required to file a business application and
13 registration form and obtain a permit to make sales at retail with the tax administrator, to charge,
14 collect, and remit Rhode Island sales and use tax.

15 (d) The tax administrator is authorized to promulgate rules and regulations in accordance
16 with the provisions of chapter 42-35 to carry out the provisions, policies, and purposes of this
17 chapter.

18 **44-18-8. Retail sale or sale at retail defined.**

19 A "retail sale" or "sale at retail" means any sale, lease or rentals of tangible personal
20 property, prewritten computer software delivered electronically or by load and leave, [vendor-](#)
21 [hosted prewritten computer software](#), or services as defined in § 44-18-7.3 for any purpose other
22 than resale, sublease or subrent in the regular course of business. The sale of tangible personal
23 property to be used for purposes of rental in the regular course of business is considered to be a
24 sale for resale. In regard to telecommunications service as defined in § 44-18-7(9), retail sale does
25 not include the purchase of telecommunications service by a telecommunications provider from
26 another telecommunication provider for resale to the ultimate consumer; provided, that the
27 purchaser submits to the seller a certificate attesting to the applicability of this exclusion, upon
28 receipt of which the seller is relieved of any tax liability for the sale.

29 **44-18-15. "Retailer" defined.**

30 (a) "Retailer" includes:

31 (1) Every person engaged in the business of making sales at retail including prewritten
32 computer software delivered electronically or by load and leave, [vendor-hosted prewritten](#)
33 [computer software](#), sales of services as defined in § 44-18-7.3, and sales at auction of tangible
34 personal property owned by the person or others.

1 (2) Every person making sales of tangible personal property including prewritten
2 computer software delivered electronically or by load and leave, [or vendor-hosted prewritten](#)
3 [computer software](#), or sales of services as defined in § 44-18-7.3, through an independent
4 contractor or other representative, if the retailer enters into an agreement with a resident of this
5 state, under which the resident, for a commission or other consideration, directly or indirectly
6 refers potential customers, whether by a link on an Internet website or otherwise, to the retailer,
7 provided the cumulative gross receipts from sales by the retailer to customers in the state who are
8 referred to the retailer by all residents with this type of an agreement with the retailer, is in excess
9 of five thousand dollars (\$5,000) during the preceding four (4) quarterly periods ending on the
10 last day of March, June, September and December. Such retailer shall be presumed to be
11 soliciting business through such independent contractor or other representative, which
12 presumption may be rebutted by proof that the resident with whom the retailer has an agreement
13 did not engage in any solicitation in the state on behalf of the retailer that would satisfy the nexus
14 requirement of the United States Constitution during such four (4) quarterly periods.

15 (3) Every person engaged in the business of making sales for storage, use, or other
16 consumption of: (i) tangible personal property, (ii) sales at auction of tangible personal property
17 owned by the person or others, (iii) prewritten computer software delivered electronically or by
18 load and leave, [\(iv\) vendor-hosted prewritten computer software](#), and (v) services as defined in
19 § 44-18-7.3.

20 (4) A person conducting a horse race meeting with respect to horses, which are claimed
21 during the meeting.

22 (5) Every person engaged in the business of renting any living quarters in any hotel as
23 defined in § 42-63.1-2, rooming house, or tourist camp.

24 (6) Every person maintaining a business within or outside of this state who engages in the
25 regular or systematic solicitation of sales of tangible personal property, prewritten computer
26 software delivered electronically or by load and leave, [vendor-hosted prewritten computer](#)
27 [software](#):

28 (i) Advertising in newspapers, magazines, and other periodicals published in this state,
29 sold over the counter in this state or sold by subscription to residents of this state, billboards
30 located in this state, airborne advertising messages produced or transported in the airspace above
31 this state, display cards and posters on common carriers or any other means of public conveyance
32 incorporated or operated primarily in this state, brochures, catalogs, circulars, coupons,
33 pamphlets, samples, and similar advertising material mailed to, or distributed within this state to
34 residents of this state;

- 1 (ii) Telephone;
- 2 (iii) Computer assisted shopping networks; and
- 3 (iv) Television, radio or any other electronic media, which is intended to be broadcast to
- 4 consumers located in this state.

5 (b) When the tax administrator determines that it is necessary for the proper

6 administration of chapters 18 and 19 of this title to regard any salespersons, representatives,

7 truckers, peddlers, or canvassers as the agents of the dealers, distributors, supervisors, employers,

8 or persons under whom they operate or from whom they obtain the tangible personal property

9 sold by them, irrespective of whether they are making sales on their own behalf or on behalf of

10 the dealers, distributors, supervisors, or employers, the tax administrator may so regard them and

11 may regard the dealers, distributors, supervisors, or employers as retailers for purposes of

12 chapters 18 and 19 of this title.

13 **44-18-20. Use tax imposed.**

14 (a) An excise tax is imposed on the storage, use, or other consumption in this state of

15 tangible personal property; prewritten computer software delivered electronically or by load and

16 leave; [vendor-hosted prewritten computer software](#); or services as defined in § 44-18-7.3,

17 including a motor vehicle, a boat, an airplane, or a trailer, purchased from any retailer at the rate

18 of six percent (6%) of the sale price of the property.

19 (b) An excise tax is imposed on the storage, use, or other consumption in this state of a

20 motor vehicle, a boat, an airplane, or a trailer purchased from other than a licensed motor vehicle

21 dealer or other than a retailer of boats, airplanes, or trailers respectively, at the rate of six percent

22 (6%) of the sale price of the motor vehicle, boat, airplane, or trailer.

23 (c) The word "trailer," as used in this section and in § 44-18-21, means and includes those

24 defined in § 31-1-5(a) – (e) and also includes boat trailers, camping trailers, house trailers, and

25 mobile homes.

26 (d) Notwithstanding the provisions contained in this section and in § 44-18-21 relating to

27 the imposition of a use tax and liability for this tax on certain casual sales, no tax is payable in

28 any casual sale:

29 (1) When the transferee or purchaser is the spouse, mother, father, brother, sister, or child

30 of the transferor or seller;

31 (2) When the transfer or sale is made in connection with the organization, reorganization,

32 dissolution, or partial liquidation of a business entity, provided:

33 (i) The last taxable sale, transfer, or use of the article being transferred or sold was

34 subjected to a tax imposed by this chapter;

1 (ii) The transferee is the business entity referred to or is a stockholder, owner, member, or
2 partner; and

3 (iii) Any gain or loss to the transferor is not recognized for income tax purposes under the
4 provisions of the federal income tax law and treasury regulations and rulings issued thereunder;

5 (3) When the sale or transfer is of a trailer, other than a camping trailer, of the type
6 ordinarily used for residential purposes and commonly known as a house trailer or as a mobile
7 home; or

8 (4) When the transferee or purchaser is exempt under the provisions of § 44-18-30 or
9 other general law of this state or special act of the general assembly of this state.

10 (e) The term "casual" means a sale made by a person other than a retailer, provided, that
11 in the case of a sale of a motor vehicle, the term means a sale made by a person other than a
12 licensed motor vehicle dealer or an auctioneer at an auction sale. In no case is the tax imposed
13 under the provisions of subsections (a) and (b) of this section on the storage, use, or other
14 consumption in this state of a used motor vehicle less than the product obtained by multiplying
15 the amount of the retail dollar value at the time of purchase of the motor vehicle by the applicable
16 tax rate; provided, that where the amount of the sale price exceeds the amount of the retail dollar
17 value, the tax is based on the sale price. The tax administrator shall use as his or her guide the
18 retail dollar value as shown in the current issue of any nationally recognized, used-vehicle guide
19 for appraisal purposes in this state. On request within thirty (30) days by the taxpayer after
20 payment of the tax, if the tax administrator determines that the retail dollar value as stated in this
21 subsection is inequitable or unreasonable, he or she shall, after affording the taxpayer reasonable
22 opportunity to be heard, re-determine the tax.

23 (f) Every person making more than five (5) retail sales of tangible personal property or
24 prewritten computer software delivered electronically or by load and leave, or vendor-hosted
25 prewritten computer software, or services as defined in § 44-18-7.3 during any twelve-month (12)
26 period, including sales made in the capacity of assignee for the benefit of creditors or receiver or
27 trustee in bankruptcy, is considered a retailer within the provisions of this chapter.

28 (g)(1) "Casual sale" includes a sale of tangible personal property not held or used by a
29 seller in the course of activities for which the seller is required to hold a seller's permit or permits
30 or would be required to hold a seller's permit or permits if the activities were conducted in this
31 state, provided that the sale is not one of a series of sales sufficient in number, scope, and
32 character (more than five (5) in any twelve-month (12) period) to constitute an activity for which
33 the seller is required to hold a seller's permit or would be required to hold a seller's permit if the
34 activity were conducted in this state.

1 (2) Casual sales also include sales made at bazaars, fairs, picnics, or similar events by
2 nonprofit organizations, that are organized for charitable, educational, civic, religious, social,
3 recreational, fraternal, or literary purposes during two (2) events not to exceed a total of six (6)
4 days duration each calendar year. Each event requires the issuance of a permit by the division of
5 taxation. Where sales are made at events by a vendor that holds a sales tax permit and is not a
6 nonprofit organization, the sales are in the regular course of business and are not exempt as casual
7 sales.

8 (h) The use tax imposed under this section for the period commencing July 1, 1990, is at
9 the rate of seven percent (7%). In recognition of the work being performed by the streamlined
10 sales and use tax governing board, upon passage of any federal law that authorizes states to
11 require remote sellers to collect and remit sales and use taxes, effective the first (1st) day of the
12 first (1st) state fiscal quarter following the change, the rate imposed under § 44-18-18 shall be
13 reduced from seven percent (7.0%) to six and one-half percent (6.5%). The six and one- half
14 percent (6.5%) rate shall take effect on the date that the state requires remote sellers to collect and
15 remit sales and use taxes.

16 **44-18-21. Liability for use tax.**

17 (a) Every person storing, using, or consuming in this state tangible personal property,
18 including a motor vehicle, boat, airplane, or trailer, purchased from a retailer, and a motor
19 vehicle, boat, airplane, or trailer, purchased from other than a licensed motor vehicle dealer or
20 other than a retailer of boats, airplanes, or trailers respectively; or storing, using or consuming
21 specified prewritten computer software delivered electronically or by load and leave, or vendor-
22 hosted prewritten computer software, or services as defined in § 44-18-7.3 is liable for the use
23 tax. The person's liability is not extinguished until the tax has been paid to this state, except that a
24 receipt from a retailer engaging in business in this state or from a retailer who is authorized by the
25 tax administrator to collect the tax under rules and regulations that he or she may prescribe, given
26 to the purchaser pursuant to the provisions of § 44-18-22, is sufficient to relieve the purchaser
27 from further liability for the tax to which the receipt refers.

28 (b) Each person before obtaining an original or transferral registration for any article or
29 commodity in this state, which article or commodity is required to be licensed or registered in the
30 state, shall furnish satisfactory evidence to the tax administrator that any tax due under this
31 chapter with reference to the article or commodity has been paid, and for the purpose of effecting
32 compliance, the tax administrator, in addition to any other powers granted to him or her, may
33 invoke the provisions of § 31-3-4 in the case of a motor vehicle. The tax administrator, when he
34 or she deems it to be for the convenience of the general public, may authorize any agency of the

1 state concerned with the licensing or registering of these articles or commodities to collect the use
2 tax on any articles or commodities which the purchaser is required by this chapter to pay before
3 receiving an original or transferral registration. The general assembly shall annually appropriate a
4 sum that it deems necessary to carry out the purposes of this section. Notwithstanding the
5 provisions of §§ 44-18-19, 44-18-22, and 44-18-24, the sales or use tax on any motor vehicle
6 and/or recreational vehicle requiring registration by the administrator of the division of motor
7 vehicles shall not be added by the retailer to the sale price or charge but shall be paid directly by
8 the purchaser to the tax administrator, or his or her authorized deputy or agent as provided in this
9 section.

10 (c) In cases involving total loss or destruction of a motor vehicle occurring within one
11 hundred twenty (120) days from the date of purchase and upon which the purchaser has paid the
12 use tax, the amount of the tax constitutes an overpayment. The amount of the overpayment may
13 be credited against the amount of use tax on any subsequent vehicle which the owner acquires to
14 replace the lost or destroyed vehicle or may be refunded, in whole or in part.

15 **44-18-22. Collection of use tax by retailer.**

16 Every retailer engaging in business in this state and making sales of tangible personal
17 property or prewritten computer software delivered electronically or by load and leave, [or vendor-](#)
18 [hosted prewritten computer software](#), or services as defined in § 44-18-7.3, for storage, use, or
19 other consumption in this state, not exempted under this chapter shall, at the time of making the
20 sales, or if the storage, use, or other consumption of the tangible personal property, prewritten
21 computer software delivered electronically or by load and leave, [vendor-hosted prewritten](#)
22 [computer software](#), or services as defined in § 44-18-7.3, is not then taxable under this chapter, at
23 the time the storage, use, or other consumption becomes taxable, collect the tax from the
24 purchaser and give to the purchaser a receipt in the manner and form prescribed by the tax
25 administrator.

26 **44-18-23. "Engaging in business" defined.**

27 As used in §§ 44-18-21 and 44-18-22 the term "engaging in business in this state" means
28 the selling or delivering in this state, or any activity in this state related to the selling or delivering
29 in this state of tangible personal property or prewritten computer software delivered electronically
30 or by load and leave, [or vendor-hosted prewritten computer software](#), for storage, use, or other
31 consumption in this state; or services as defined in § 44-18-7.3 in this state. This term includes,
32 but is not limited to, the following acts or methods of transacting business:

33 (1) Maintaining, occupying, or using in this state permanently or temporarily, directly or
34 indirectly or through a subsidiary, representative, or agent by whatever name called and whether

1 or not qualified to do business in this state, any office, place of distribution, sales or sample room
2 or place, warehouse or storage place, or other place of business;

3 (2) Having any subsidiary, representative, agent, salesperson, canvasser, or solicitor
4 permanently or temporarily, and whether or not the subsidiary, representative, or agent is
5 qualified to do business in this state, operate in this state for the purpose of selling, delivering, or
6 the taking of orders for any tangible personal property, or prewritten computer software delivered
7 electronically or by load and leave, [or vendor-hosted prewritten computer software](#), or services as
8 defined in § 44-18-7.3;

9 (3) The regular or systematic solicitation of sales of tangible personal property, or
10 prewritten computer software delivered electronically or by load and leave, [or vendor-hosted](#)
11 [prewritten computer software](#), or services as defined in § 44-18-7.3, in this state by means of:

12 (i) Advertising in newspapers, magazines, and other periodicals published in this state,
13 sold over the counter in this state or sold by subscription to residents of this state, billboards
14 located in this state, airborne advertising messages produced or transported in the air space above
15 this state, display cards and posters on common carriers or any other means of public conveyance
16 incorporated or operating primarily in this state, brochures, catalogs, circulars, coupons,
17 pamphlets, samples, and similar advertising material mailed to, or distributed within this state to
18 residents of this state;

19 (ii) Telephone;

20 (iii) Computer-assisted shopping networks; and

21 (iv) Television, radio or any other electronic media, which is intended to be broadcast to
22 consumers located in this state.

23 **44-18-25. Presumption that sale is for storage, use, or consumption – Resale**
24 **certificate.**

25 It is presumed that all gross receipts are subject to the sales tax, and that the use of all tangible
26 personal property, or prewritten computer software delivered electronically or by load and leave,
27 [or vendor-hosted prewritten computer software](#), or services as defined in § 44-18-7.3, are subject
28 to the use tax, and that all tangible personal property, or prewritten computer software delivered
29 electronically or by load and leave, [or vendor-hosted prewritten computer software](#), or services as
30 defined in § 44-18-7.3, sold or in processing or intended for delivery or delivered in this state is
31 sold or delivered for storage, use, or other consumption in this state, until the contrary is
32 established to the satisfaction of the tax administrator. The burden of proving the contrary is upon
33 the person who makes the sale and the purchaser, unless the person who makes the sale takes
34 from the purchaser a certificate to the effect that the purchase was for resale. The certificate shall

1 contain any information and be in the form that the tax administrator may require.

2 **44-19-7. Registration of retailers.**

3 Every retailer selling tangible personal property or prewritten computer software
4 delivered electronically or by load and leave [or vendor-hosted prewritten computer software](#) for
5 storage, use, or other consumption in this state, as well as services as defined in § 44-18-7.3, in
6 this state, or renting living quarters in any hotel as defined in § 42-63.1-2, rooming house, or
7 tourist camp in this state must register with the tax administrator and give the name and address
8 of all agents operating in this state, the location of all distribution or sales houses or offices, or of
9 any hotel as defined in § 42-63.1-2, rooming house, or tourist camp or other places of business in
10 this state, and other information that the tax administrator may require.

11 SECTION 5. Sections 44-20-1, 44-20-8.2, 44-20-12, 44-20-13 and 44-20-13.2 of the
12 General Laws in Chapter 44-20 entitled “Cigarette and Other Tobacco Products Tax” are hereby
13 amended to read as follows:

14 **44-20-1. Definitions.** Whenever used in this chapter, unless the context requires
15 otherwise:

16 (1) "Administrator" means the tax administrator;

17 (2) "Cigarettes" means and includes any cigarettes suitable for smoking in cigarette form,
18 and each sheet of cigarette rolling paper, including but not limited to, paper made into a hollow
19 cylinder or cone, made with paper or any other material, with or without a filter suitable for use in
20 making cigarettes;

21 (3) "Dealer" means any person whether located within or outside of this state, who sells
22 or distributes cigarettes and/or other tobacco products to a consumer in this state;

23 (4) "Distributor" means any person:

24 (A) Whether located within or outside of this state, other than a dealer, who sells or
25 distributes cigarettes and/or other tobacco products within or into this state. Such term shall not
26 include any cigarette or other tobacco product manufacturer, export warehouse proprietor, or
27 importer with a valid permit under 26 U.S.C. § 5712, if such person sells or distributes cigarettes
28 and/or other tobacco products in this state only to licensed distributors, or to an export warehouse
29 proprietor or another manufacturer with a valid permit under 26 U.S.C. § 5712;

30 (B) Selling cigarettes and/or other tobacco products directly to consumers in this state by
31 means of at least twenty-five (25) vending machines;

32 (C) Engaged in this state in the business of manufacturing cigarettes and/or other tobacco
33 products or any person engaged in the business of selling cigarettes and/or other tobacco products
34 to dealers, or to other persons, for the purpose of resale only; provided, that seventy-five percent

1 (75%) of all cigarettes and/or other tobacco products sold by that person in this state are sold to
2 dealers or other persons for resale and selling cigarettes and/or other tobacco products directly to
3 at least forty (40) dealers or other persons for resale; or

4 (D) Maintaining one or more regular places of business in this state for that purpose;
5 provided, that seventy-five percent (75%) of the sold cigarettes and/or other tobacco products are
6 purchased directly from the manufacturer and selling cigarettes and/or other tobacco products
7 directly to at least forty (40) dealers or other persons for resale;

8 (5) "Electronic cigarette" means: (i) a personal vaporizer, electronic nicotine delivery
9 system or an electronic inhaler which generally utilizes a heating element that vaporizes a liquid
10 solution containing nicotine or nicotine derivative; (ii) the liquid solution containing nicotine or
11 nicotine derivative; or, (iii) any combination thereof.

12 ~~(5)~~ (6) "Importer" means any person who imports into the United States, either directly or
13 indirectly, a finished cigarette or other tobacco product for sale or distribution;

14 ~~(6)~~ (7) "Licensed", when used with reference to a manufacturer, importer, distributor or
15 dealer, means only those persons who hold a valid and current license issued under § 44-20-2 for
16 the type of business being engaged in. When the term "licensed" is used before a list of entities,
17 such as "licensed manufacturer, importer, wholesale dealer, or retailer dealer," such term shall be
18 deemed to apply to each entity in such list;

19 ~~(7)~~ (8) "Manufacturer" means any person who manufactures, fabricates, assembles,
20 processes, or labels a finished cigarette and/or other tobacco products;

21 ~~(8)~~ (9) "Other tobacco products" (OTP) means any cigars (excluding Little Cigars, as
22 defined in § 44-20.2-1, which are subject to cigarette tax), cheroots, stogies, smoking tobacco
23 (including granulated, plug cut, crimp cut, ready rubbed and any other kinds and forms of tobacco
24 suitable for smoking in a otherwise), chewing tobacco (including Cavendish, twist, plug, scrap
25 and any other kinds and forms of tobacco suitable for chewing), any and all forms of hookah,
26 shisha and "mu'assel" tobacco, snuff, Electronic cigarettes, and shall include any other articles or
27 products made of or containing tobacco, in whole or in part, or any tobacco substitute, except
28 cigarettes;

29 ~~(9)~~ (10) "Person" means any individual, including an employee or agent, firm, fiduciary,
30 partnership, corporation, trust, or association, however formed;

31 ~~(10)~~ (11) "Pipe" means an apparatus made of any material used to burn or vaporize
32 products so that the smoke or vapors can be inhaled or ingested by the user;

33 ~~(11)~~ (12) "Place of business" means any location where cigarettes and/or other tobacco
34 products are sold, stored, or kept, including, but not limited to; any storage room, attic, basement,

1 garage or other facility immediately adjacent to the location. It also includes any receptacle, hide,
2 vessel, vehicle, airplane, train, or vending machine;

3 ~~(12)~~ (13) "Sale" or "sell" means gifts, exchanges, and barter of cigarettes and/or other
4 tobacco products. The act of holding, storing, or keeping cigarettes and/or other tobacco products
5 at a place of business for any purpose shall be presumed to be holding the cigarettes and/or other
6 tobacco products for sale. Furthermore, any sale of cigarettes and/or other tobacco products by
7 the servants, employees, or agents of the licensed dealer during business hours at the place of
8 business shall be presumed to be a sale by the licensee;

9 ~~(13)~~ (14) "Stamp" means the impression, device, stamp, label, or print manufactured,
10 printed, or made as prescribed by the administrator to be affixed to packages of cigarettes, as
11 evidence of the payment of the tax provided by this chapter or to indicate that the cigarettes are
12 intended for a sale or distribution in this state that is exempt from state tax under the provisions of
13 state law; and also includes impressions made by metering machines authorized to be used under
14 the provisions of this chapter.

15 **44-20-8.2. Transactions only with licensed manufacturers, importers, distributors,**
16 **and dealers.**

17 A manufacturer or importer may sell or distribute cigarettes and/or other tobacco
18 products to a person located or doing business within this state, only if such person is a licensed
19 importer or distributor. An importer may obtain cigarettes and/or other tobacco products only
20 from a licensed manufacturer. A distributor may sell or distribute cigarettes and/or other tobacco
21 products to a person located or doing business within the state, only if such person is a licensed
22 distributor or dealer. A distributor may obtain cigarettes and/or other tobacco products only from
23 a licensed manufacturer, importer, or distributor. A dealer may obtain cigarettes and/or other
24 tobacco products only from a licensed distributor.

25 **44-20-13.2. Tax imposed on other tobacco products, smokeless tobacco, cigars, and**
26 **pipe tobacco products.**

27 (a) A tax is imposed on all other tobacco products, smokeless tobacco, cigars, electronic
28 cigarettes, and pipe tobacco products sold, ~~or~~ held for sale in the state by any person, the payment
29 of the tax to be accomplished according to a mechanism established by the administrator, division
30 of taxation, department of revenue. The tax imposed by this section shall be as follows:

31 (1) At the rate of eighty percent (80%) of the wholesale cost of other tobacco products,
32 cigars, pipe tobacco products and smokeless tobacco other than snuff.

33 (2) Notwithstanding the eighty percent (80%) rate in subsection (a) above, in the case of
34 cigars, the tax shall not exceed ~~fifty cents (\$.50)~~ eighty cents (\$.80) for each cigar.

1 (3) At the rate of one dollar (\$1.00) per ounce of snuff, and a proportionate tax at the like
2 rate on all fractional parts of an ounce thereof. Such tax shall be computed based on the net
3 weight as listed by the manufacturer; provided, however, that any product listed by the
4 manufacturer as having a net weight of less than 1.2 ounces shall be taxed as if the product has a
5 net weight of 1.2 ounces.

6 (b) Any dealer having in his or her possession any other tobacco, cigars, and pipe tobacco
7 products with respect to the storage or use of which a tax is imposed by this section shall, within
8 five (5) days after coming into possession of the other tobacco, cigars, and pipe tobacco in this
9 state, file a return with the tax administrator in a form prescribed by the tax administrator. The
10 return shall be accompanied by a payment of the amount of the tax shown on the form to be due.
11 Records required under this section shall be preserved on the premises described in the relevant
12 license in such a manner as to ensure permanency and accessibility for inspection at reasonable
13 hours by authorized personnel of the administrator.

14 (c) The proceeds collected are paid into the general fund.

15 SECTION 6. Sections 44-20-12 and 44-20-13 of the General Laws in Chapter 44-20
16 entitled “Cigarette and Other Tobacco Products Tax” are hereby amended to read as follows:

17 **44-20-12. Tax imposed on cigarettes sold.**

18 A tax is imposed on all cigarettes sold or held for sale in the state. The payment of the tax
19 to be evidenced by stamps, which may be affixed only by licensed distributors to the packages
20 containing such cigarettes. Any cigarettes on which the proper amount of tax provided for in this
21 chapter has been paid, payment being evidenced by the stamp, is not subject to a further tax under
22 this chapter. The tax is at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred
23 twenty-five (225) mills for each cigarette.

24 **44-20-13. Tax imposed on unstamped cigarettes.**

25 A tax is imposed at the rate of ~~two hundred twelve and one half (212.5)~~ two hundred
26 twenty-five (225) mills for each cigarette upon the storage or use within this state of any
27 cigarettes not stamped in accordance with the provisions of this chapter in the possession of any
28 consumer within this state.

29 SECTION 7. Chapter 44-20 of the General Laws entitled “Cigarette and Other Tobacco
30 Products Tax” is hereby amended by adding thereto the following section:

31 **44-20-12.7. Floor stock tax on cigarettes and stamps.**

32 (a) Each person engaging in the business of selling cigarettes at retail in this state shall
33 pay a tax or excise to the state for the privilege of engaging in that business during any part of the
34 calendar year 2018. In calendar year 2018, the tax shall be measured by the number of cigarettes

1 held by the person in this state at 12:01 a.m. on August 1, 2018 and is computed at the rate thirty-
2 seven and one-half (37.5) mills for each cigarette on August 1, 2018.

3 (b) Each distributor licensed to do business in this state pursuant to this chapter shall pay
4 a tax or excise to the state for the privilege of engaging in that business during any part of the
5 calendar year 2018. The tax is measured by the number of stamps, whether affixed or to be
6 affixed to packages of cigarettes, as required by § 44-20-28. In calendar year 2018 the tax is
7 measured by the number of stamps), whether affixed or to be affixed, held by the distributor at
8 12:01 a.m. on August 1, 2018, and is computed at the rate of thirty-seven and one-half mills per
9 cigarette in the package to which the stamps are affixed or to be affixed.

10 (c) Each person subject to the payment of the tax imposed by this section shall, on or
11 before August 15, 2018, file a return, under oath or certified under the penalties of perjury, with
12 the tax administrator on forms furnished by him or her, showing the amount of cigarettes and the
13 number of stamps in that person's possession in this state at 12:01 a.m. on August 1, 2018, as
14 described in this section above, and the amount of tax due, and shall at the time of filing the
15 return pay the tax to the tax administrator. Failure to obtain forms shall not be an excuse for the
16 failure to make a return containing the information required by the tax administrator.

17 (d) The tax administrator may prescribe rules and regulations, not inconsistent with law,
18 with regard to the assessment and collection of the tax imposed by this section.

19 SECTION 8. This Article shall take effect as of July 1, 2018, except for Section 7 and
20 Section 8, which will take effect on August 1, 2018.

21 **ARTICLE 5**

22 **RELATING TO CAPITAL DEVELOPMENT PROGRAM**

23 SECTION 1. **Proposition to be submitted to the people. --** At the general election to be
24 held on the Tuesday next after the first Monday in November 2018, there shall be submitted to
25 the people ("People") of the State of Rhode Island ("State"), for their approval or rejection, the
26 following proposition:

27 "Shall the action of the general assembly, by an act passed at the January 2018 session,
28 authorizing the issuance of bonds, refunding bonds, and/or temporary notes of the State of Rhode
29 Island for the capital projects and in the amount with respect to each such project listed below be
30 approved, and the issuance of bonds, refunding bonds, and/or temporary notes authorized in
31 accordance with the provisions of said act?"

32 **Project**

33 (1) Rhode Island School Buildings \$250,000,000

34 Approval of this question will allow the State of Rhode Island to issue general obligation

1 bonds, refunding bonds, and/or temporary notes in an amount not to exceed two-hundred-fifty
2 million dollars (\$250,000,000) over a five (5) year period, and not to exceed one-hundred million
3 dollars (\$100,000,000) in any one (1) year, to provide direct funding for foundational level school
4 housing aid and the school building authority capital fund with the amount of the allocation
5 between the two (2) programs to be determined by the School Building Authority as designated in
6 Chapter 105, Title 16 of the General Laws.

7 (2) Higher Education Facilities \$70,000,000

8 Approval of this question will allow the State of Rhode Island to issue general obligation
9 bonds, refunding bonds, and/or temporary notes in an amount not to exceed seventy million
10 dollars (\$70,000,000) to higher education facilities, to be allocated as follows:

11 (a) University of Rhode Island Narragansett Bay Campus \$45,000,000

12 Provides forty-five million dollars (\$45,000,000) to fund repairs and construct new
13 facilities on the University of Rhode Island's Narragansett Bay campus in support of the
14 educational and research needs for the marine disciplines.

15 (b) Rhode Island College School of Education and Human Development \$25,000,000

16 Provides twenty-five million dollars (\$25,000,000) to fund the renovation of Horace
17 Mann Hall on the campus of Rhode Island College, which houses the School of Education and
18 Human Development.

19 (3) Green Economy and Clean Water \$48,500,000

20 Approval of this question will allow the State of Rhode Island to issue general obligation
21 bonds, refunding bonds, and/or temporary notes in an amount not to exceed forty-eight million
22 five hundred thousand dollars (\$48,500,000) for environmental and recreational purposes, to be
23 allocated as follows:

24 (a) Coastal Resiliency and Public Access Projects \$5,000,000

25 Provides five million dollars (\$5,000,000) for up to seventy-five percent (75%) matching
26 grants to public and non-profit entities for restoring and/or improving resiliency of vulnerable
27 coastal habitats, and restoring rivers and stream floodplains. These funds are expected to leverage
28 significant matching funds to support local programs to improve community resiliency and public
29 safety in the face of increased flooding, major storm events, and environmental degradation.

30 (b) Capital for Clean Water and Drinking Water \$6,100,000

31 Provides six million one hundred thousand dollars (\$6,100,000) for clean water and
32 drinking water infrastructure improvements. Projects range from wastewater treatment upgrades
33 and storm water quality improvements to combine sewer overflow abatement projects.

34 (c) Wastewater Treatment Facility Resilience Improvements \$5,000,000

1 Provides five million dollars (\$5,000,000) for up to fifty percent (50%) matching grants
2 for wastewater treatment facility resiliency improvements for facilities vulnerable to increased
3 flooding, major storm events and environmental degradation.

4 (d) Dam Safety \$4,400,000

5 Provides four million four hundred thousand dollars (\$4,400,000) for repairing and/or
6 removing state-owned dams.

7 (e) State Recreation Projects Program \$10,000,000

8 Provides ten million dollars (\$10,000,000) for capital improvements to state recreational
9 facilities, including Fort Adams State Park.

10 (f) State Bikeway Development Program \$5,000,000

11 Provides five million dollars (\$5,000,000) for the State to design, repair, and construct
12 bikeways, including the East Bay bike path.

13 (g) Brownfield Remediation and Economic Development \$4,000,000

14 Provides four million dollars (\$4,000,000) for up to eighty percent (80%) matching grants
15 to public, private, and/or non-profit entities for brownfield remediation projects.

16 (h) Local Recreation Projects \$5,000,000

17 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
18 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
19 growing needs for active recreational facilities.

20 (i) Access to Farmland \$2,000,000

21 Provides two million dollars (\$2,000,000) to protect the State's working farms through
22 the State Farmland Access Program and the purchase of Development Rights by the Agricultural
23 Lands Preservation Commission

24 (j) Local Open Space \$2,000,000

25 Provides two million dollars (\$2,000,000) for up to fifty percent (50%) matching grants
26 to municipalities, local land trusts and nonprofit organizations to acquire fee-simple interest,
27 development rights, or conservation easements on open space and urban parklands.

28 SECTION 2. Ballot labels and applicability of general election laws. -- The Secretary
29 of State shall prepare and deliver to the State Board of Elections ballot labels for each of the
30 projects provided for in Section 1 hereof with the designations "approve" or "reject" provided
31 next to the description of each such project to enable voters to approve or reject each such
32 proposition. The general election laws, so far as consistent herewith, shall apply to this
33 proposition.

34 SECTION 3. Approval of projects by people. -- If a majority of the People voting on

1 the proposition in Section 1 hereof shall vote to approve any project stated therein, said project
2 shall be deemed to be approved by the People. The authority to issue bonds, refunding bonds
3 and/or temporary notes of the State shall be limited to the aggregate amount for all such projects
4 as set forth in the proposition, which has been approved by the People.

5 SECTION 4. **Bonds for capital development program.** -- The General Treasurer is
6 hereby authorized and empowered, with the approval of the Governor, and in accordance with the
7 provisions of this Act to issue capital development bonds in serial form, in the name of and on
8 behalf of the State of Rhode Island, in amounts as may be specified by the Governor in an
9 aggregate principal amount not to exceed the total amount for all projects approved by the People
10 and designated as "capital development loan of 2018 bonds." Provided, however, that the
11 aggregate principal amount of such capital development bonds and of any temporary notes
12 outstanding at any one time issued in anticipation thereof pursuant to Section 7 hereof shall not
13 exceed the total amount for all such projects approved by the People. All provisions in this Act
14 relating to "bonds" shall also be deemed to apply to "refunding bonds."

15 Capital development bonds issued under this Act shall be in denominations of one
16 thousand dollars (\$1,000) each, or multiples thereof, and shall be payable in any coin or currency
17 of the United States which at the time of payment shall be legal tender for public and private
18 debts. These capital development bonds shall bear such date or dates, mature at specified time or
19 times, but not mature beyond the end of the twentieth (20th) State fiscal year following the fiscal
20 year in which they are issued; bear interest payable semi-annually at a specified rate or different
21 or varying rates: be payable at designated time or times at specified place or places; be subject to
22 express terms of redemption or recall, with or without premium; be in a form, with or without
23 interest coupons attached; carry such registration, conversion, reconversion, transfer, debt
24 retirement, acceleration and other provisions as may be fixed by the General Treasurer, with the
25 approval by the Governor, upon each issue of such capital development bonds at the time of each
26 issue. Whenever the Governor shall approve the issuance of such capital development bonds, the
27 Governor's approval shall be certified to the Secretary of State; the bonds shall be signed by the
28 General Treasurer and countersigned by Secretary of State and shall bear the seal of the State.
29 The signature approval of the Governor shall be endorsed on each bond.

30 SECTION 5. **Refunding bonds for 2018 capital development program.** -- The General
31 Treasurer is hereby authorized and empowered, with the approval of the Governor, and in
32 accordance with the provisions of this Act, to issue bonds to refund the 2018 capital development
33 program bonds, in the name of and on behalf of the state, in amounts as may be specified by the
34 Governor in an aggregate principal amount not to exceed the total amount approved by the

1 People, to be designated as "capital development program loan of 2018 refunding bonds"
2 (hereinafter "Refunding Bonds").

3 The General Treasurer with the approval of the Governor shall fix the terms and form of
4 any Refunding Bonds issued under this Act in the same manner as the capital development bonds
5 issued under this Act, except that the Refunding Bonds may not mature more than twenty (20)
6 years from the date of original issue of the capital development bonds being refunded.

7 The proceeds of the Refunding Bonds, exclusive of any premium and accrual interest and
8 net the underwriters' cost, and cost of bond insurance, shall, upon their receipt, be paid by the
9 General Treasurer immediately to the paying agent for the capital development bonds which are
10 to be called and prepaid. The paying agent shall hold the Refunding Bond proceeds in trust until
11 they are applied to prepay the capital development bonds. While such proceeds are held in trust,
12 the proceeds may be invested for the benefit of the State in obligations of the United States of
13 America or the State of Rhode Island.

14 If the General Treasurer shall deposit with the paying agent for the capital development
15 bonds the proceeds of the Refunding Bonds, or proceeds from other sources, amounts that, when
16 invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all
17 principal, interest, and premium, if any, on the capital development bonds until these bonds are
18 called for prepayment, then such capital development bonds shall not be considered debts of the
19 State of Rhode Island for any purpose starting from the date of deposit of such moneys with the
20 paying agent. The Refunding Bonds shall continue to be a debt of the State until paid.

21 The term "bond" shall include "note," and the term "refunding bonds" shall include
22 "refunding notes" when used in this Act.

23 SECTION 6. Proceeds of capital development program. -- The General Treasurer is
24 directed to deposit the proceeds from the sale of capital development bonds issued under this Act,
25 exclusive of premiums and accrued interest and net the underwriters' cost, and cost of bond
26 insurance, in one or more of the depositories in which the funds of the State may be lawfully kept
27 in special accounts (hereinafter cumulatively referred to as "such capital development bond
28 fund") appropriately designated for each of the projects set forth in Section 1 hereof which shall
29 have been approved by the People to be used for the purpose of paying the cost of all such
30 projects so approved.

31 All monies in the capital development bond fund shall be expended for the purposes
32 specified in the proposition provided for in Section 1 hereof under the direction and supervision
33 of the Director of Administration (hereinafter referred to as "Director"). The Director or his or her
34 designee shall be vested with all power and authority necessary or incidental to the purposes of

1 this Act, including but not limited to, the following authority: (a) to acquire land or other real
2 property or any interest, estate or right therein as may be necessary or advantageous to
3 accomplish the purposes of this Act; (b) to direct payment for the preparation of any reports,
4 plans and specifications, and relocation expenses and other costs such as for furnishings,
5 equipment designing, inspecting and engineering, required in connection with the implementation
6 of any projects set forth in Section 1 hereof; (c) to direct payment for the costs of construction,
7 rehabilitation, enlargement, provision of service utilities, and razing of facilities, and other
8 improvements to land in connection with the implementation of any projects set forth in Section 1
9 hereof; and (d) to direct payment for the cost of equipment, supplies, devices, materials and labor
10 for repair, renovation or conversion of systems and structures as necessary for the 2018 capital
11 development program bonds or notes hereunder from the proceeds thereof. No funds shall be
12 expended in excess of the amount of the capital development bond fund designated for each
13 project authorized in Section 1 hereof. With respect to the bonds and temporary notes described
14 in Section 1, the proceeds shall be used for the following purposes:

15 Question 1, relating to bonds in the amount of two hundred-fifty million dollars
16 (\$250,000,000) to provide funding for the construction, renovation, and rehabilitation of the
17 state's public schools.

18 Question 2, relating to bonds in the amount of seventy million dollars (\$70,000,000) to
19 provide funding for higher education facilities to be allocated as follows:

20 (a) Rhode Island College School of Education and Human Development \$25,000,000

21 Provides twenty-five million dollars (\$25,000,000) to renovate Horace Mann Hall on the
22 campus of Rhode Island College in Providence. Horace Mann Hall houses the Feinstein School of
23 Education and Human Development, the historical leader in producing Rhode Island's public
24 school teachers. The facility has exceeded its useful life with no major renovations since it was
25 constructed in 1969. The renovation will allow the Feinstein School of Education and Human
26 Development to ensure its curriculum and programming are among the best in the nation and
27 create a top learning environment for students.

28 (b) University of Rhode Island Narragansett Bay Campus \$45,000,000

29 Provides forty-five million dollars (\$45,000,000) to renovate, build additions, and
30 construct new facilities, including a new Ocean Innovation Center building, to support the
31 ongoing and evolving educational and research needs in marine biology, oceanography, oceanic
32 instrumentation and other marine disciplines at the Narragansett Bay Campus. Constructing new
33 facilities will allow the University to accommodate a new one hundred twenty-five million
34 dollars (\$125,000,000) National Science Foundation federal research vessel and other University-

1 supported research vessels at the University’s Narragansett Bay campus facilities.

2 Question 3, relating to bonds in the amount of exceed forty-eight million five hundred
3 thousand dollars (\$48,500,000) for environmental and recreational purposes, to be allocated as
4 follows:

5 (a) Coastal Resiliency and Public Access Projects \$5,000,000

6 Provides five million dollars (\$5,000,000) for up to seventy-five percent (75%) matching
7 grants to public and non-profit entities for restoring and/or improving resiliency of vulnerable
8 coastal habitats, and restoring rivers and stream floodplains.

9 (b) Capital for Clean Water and Drinking Water \$6,100,000

10 Provides six million one hundred thousand dollars (\$6,100,000) for clean water and
11 drinking water infrastructure improvements such as from wastewater treatment upgrades and
12 storm water quality improvements to combined sewer overflow abatement projects.

13 (c) Wastewater Treatment Facility Resilience Improvements \$5,000,000

14 Provides five million dollars (\$5,000,000) for up to fifty percent (50%) matching grants
15 for wastewater treatment facility resiliency improvements for facilities vulnerable to increased
16 flooding, major storm events, and environmental degradation.

17 (d) Dam Safety \$4,400,000

18 Provides four million four hundred thousand dollars (\$4,400,000) for repairing and/or
19 removing State-owned dams.

20 (e) State Recreation Projects Program \$10,000,000

21 Provides ten million dollars (\$10,000,000) for capital improvements to State recreational
22 facilities, including Fort Adams State Park.

23 (f) State Bikeway Development Program \$5,000,000

24 Provides five million dollars (\$5,000,000) for the State to design, repair, and construct
25 bikeways, including the East Bay bike path.

26 (g) Brownfield Remediation and Economic Development \$4,000,000

27 Provides four million dollars (\$4,000,000) for up to eighty percent (80%) matching grants
28 to public, private, and/or non-profit entities for brownfield remediation projects.

29 (h) Local Recreation Projects \$5,000,000

30 Provides five million dollars (\$5,000,000) for up to eighty percent (80%) matching grants
31 for municipalities to acquire, develop, or rehabilitate local recreational facilities to meet the
32 growing needs for active recreational facilities.

33 (i) Access to Farmland \$2,000,000

34 Provides two million dollars (\$2,000,000) to protect the State’s working farms through

1 the State Farmland Access Program and the purchase of Development Rights by the Agricultural
2 Lands Preservation Commission

3 (j) Local Open Space \$2,000,000

4 Provides two million dollars (\$2,000,000) for up to fifty percent (50%) matching grants
5 to municipalities, local land trusts and nonprofit organizations to acquire fee-simple interest,
6 development rights, or conservation easements on open space and urban parklands.

7 SECTION 7. Sale of bonds and notes. -- Any bonds or notes issued under the authority
8 of this Act shall be sold at not less than the principal amount thereof, in such mode and on such
9 terms and conditions as the General Treasurer, with the approval of the Governor, shall deem to
10 be in the best interests of the State.

11 Any premiums and accrued interest, net of the cost of bond insurance and underwriter's
12 discount, which may be received on the sale of the capital development bonds or notes shall
13 become part of the Rhode Island Capital Plan Fund of the State, unless directed by federal law or
14 regulation to be used for some other purpose.

15 In the event that the amount received from the sale of the capital development bonds or
16 notes exceeds the amount necessary for the purposes stated in Section 6 hereof, the surplus may
17 be used to the extent possible to retire the bonds as the same may become due, to redeem them in
18 accordance with the terms thereof or otherwise to purchase them as the General Treasurer, with
19 the approval of the Governor, shall deem to be in the best interests of the state.

20 Any bonds or notes issued under the provisions of this Act and coupons on any capital
21 development bonds, if properly executed by the manual or electronic signatures of officers of the
22 State in office on the date of execution, shall be valid and binding according to their tenor,
23 notwithstanding that before the delivery thereof and payment therefor, any or all such officers
24 shall for any reason have ceased to hold office.

25 SECTION 8. Bonds and notes to be tax exempt and general obligations of the State. -
26 - All bonds and notes issued under the authority of this Act shall be exempt from taxation in the
27 State and shall be general obligations of the State, and the full faith and credit of the State is
28 hereby pledged for the due payment of the principal and interest on each of such bonds and notes
29 as the same shall become due.

30 SECTION 9. Investment of moneys in fund. -- All moneys in the capital development
31 fund not immediately required for payment pursuant to the provisions of this act may be invested
32 by the investment commission, as established by Chapter 10 of Title 35, entitled "State
33 Investment Commission," pursuant to the provisions of such chapter; provided, however, that the
34 securities in which the capital development fund is invested shall remain a part of the capital

1 development fund until exchanged for other securities; and provided further, that the income from
2 investments of the capital development fund shall become a part of the general fund of the State
3 and shall be applied to the payment of debt service charges of the State, unless directed by federal
4 law or regulation to be used for some other purpose, or to the extent necessary, to rebate to the
5 United States treasury any income from investments (including gains from the disposition of
6 investments) of proceeds of bonds or notes to the extent deemed necessary to exempt (in whole or
7 in part) the interest paid on such bonds or notes from federal income taxation.

8 SECTION 10. Appropriation. -- To the extent the debt service on these bonds is not
9 otherwise provided, a sum sufficient to pay the interest and principal due each year on bonds and
10 notes hereunder is hereby annually appropriated out of any money in the treasury not otherwise
11 appropriated.

12 SECTION 11. Advances from general fund. -- The General Treasurer is authorized,
13 with the approval of the Director and the Governor, in anticipation of the issue of notes or bonds
14 under the authority of this Act, to advance to the capital development bond fund for the purposes
15 specified in Section 6 hereof, any funds of the State not specifically held for any particular
16 purpose; provided, however, that all advances made to the capital development bond fund shall be
17 returned to the general fund from the capital development bond fund forthwith upon the receipt
18 by the capital development fund of proceeds resulting from the issue of notes or bonds to the
19 extent of such advances.

20 SECTION 12. Federal assistance and private funds. -- In carrying out this act, the
21 Director, or his or her designee, is authorized on behalf of the State, with the approval of the
22 Governor, to apply for and accept any federal assistance which may become available for the
23 purpose of this Act, whether in the form of loan or grant or otherwise, to accept the provision of
24 any federal legislation therefor, to enter into, act and carry out contracts in connection therewith,
25 to act as agent for the federal government in connection therewith, or to designate a subordinate
26 so to act. Where federal assistance is made available, the project shall be carried out in
27 accordance with applicable federal law, the rules and regulations thereunder and the contract or
28 contracts providing for federal assistance, notwithstanding any contrary provisions of State law.
29 Subject to the foregoing, any federal funds received for the purposes of this Act shall be
30 deposited in the capital development bond fund and expended as a part thereof. The Director or
31 his or her designee may also utilize any private funds that may be made available for the purposes
32 of this Act.

33 SECTION 13. Effective Date. -- Sections 1, 2, 3, 11 and 12 of this article shall take
34 effect upon passage. The remaining sections of this article shall take effect when and if the State

1 Board of Elections shall certify to the Secretary of State that a majority of the qualified electors
2 voting on the proposition contained in Section 1 hereof have indicated their approval of all or any
3 projects thereunder.

4 ARTICLE 6

5 RELATING TO LICENSING

6 SECTION 1. Section 3-5-18 of the General Laws in Chapter 3-5 entitled "Licenses
7 Generally" is hereby amended to read as follows:

8 **3-5-18. Signature on licenses – Posting and exhibition.**

9 (a) All retail licenses issued under chapter 7 of this title shall bear the signature ~~written by~~
10 ~~hand, or electronic signature,~~ of the clerk of the licensing board, body, or officials issuing them,
11 and shall not be printed, stamped, typewritten, engraved, photographed or cut from one
12 instrument and attached to another and shall be displayed by the licensee, on the premises and
13 shall be exhibited on demand to any deputy sheriff, to any city or town sergeant, constable,
14 officer or member of the city or town police or to any member of the department of state police or
15 agent of the department.

16 (b) All retail licenses shall be displayed within the premises but need not be posted. The
17 license shall be exhibited to any deputy sheriff of the county, to any city or town sergeant,
18 constable, officer or member of the city or town police or to any member of the department of
19 state police or agent of the department who request proof that the establishment is duly licensed.

20 SECTION 2. Section 3-6-13 of the General Laws in Chapter 3-6 entitled "Manufacturing
21 and Wholesale Licenses" is hereby repealed.

22 ~~**3-6-13. License bonds to state.**~~

23 ~~As conditions precedent to the issuance by the department of any manufacturer's license,~~
24 ~~rectifier's license, wholesaler's Class A license, wholesaler's Class B license, and wholesaler's~~
25 ~~Class C license under the provisions of this chapter, the person applying for a license shall give~~
26 ~~bond to the general treasurer of the state in a penal sum in the amount that the department of~~
27 ~~business regulation requests with at least two (2) resident sureties satisfactory to the department~~
28 ~~of business regulation, or a surety company authorized to do business in this state as surety,~~
29 ~~which bond shall be on condition that the licensee will not violate, or suffer to be violated, on any~~
30 ~~licensed premises under his or her control any of the provisions of this chapter or of chapter 5 of~~
31 ~~this title or of chapters 10, 34, or 45 of title 11 or §§ 11-2-1, 11-9-13, 11-9-15, 11-11-5, 11-18-2—~~
32 ~~11-18-4, 11-20-1, 11-20-2, 11-23-4, 11-31-1 or 11-37-2—11-37-4 and on condition that the~~
33 ~~licensee will pay all costs and damages incurred by any violation of any of those chapters or~~
34 ~~sections and shall also pay to the division of taxation the license fee required by this chapter.~~

1 SECTION 3. Sections 3-6-1, 3-6-1.2, 3-6-3, 3-6-9, 3-6-10, 3-6-11, 3-6-12 of the General
2 Laws in Chapter 3-6 entitled “Manufacturing and Wholesale Licenses” are hereby amended to
3 read as follows:

4 **3-6-1. Manufacturer's license.**

5 (a) A manufacturer's license authorizes the holder to establish and operate a brewery,
6 distillery, or winery at the place described in the license for the manufacture of beverages within
7 this state. The license does not authorize more than one of the activities of operator of a brewery
8 or distillery or winery and a separate license shall be required for each plant.

9 (b) The license also authorizes the sale at wholesale, at the licensed place by the
10 manufacturer of the product of the licensed plant, to another license holder and the transportation
11 and delivery from the place of sale to a licensed place or to a common carrier for that delivery.
12 The license does authorize the sale of beverages for consumption on premises where sold;
13 provided that the manufacturer does not sell an amount in excess of thirty-six ounces (36 oz.) of
14 malt beverage or four and one-half ounces (4.5 oz.) of distilled spirits per visitor, per day, or a
15 combination not greater than three (3) drinks where a drink is defined as twelve ounces (12 oz.)
16 of beer or one and one-half ounces (1.5 oz.) of spirits, for consumption on the premises. The
17 license also authorizes the sale of beverages produced on the premises in an amount not in excess
18 of two hundred eighty-eight ounces (288 oz.) of malt beverages, or seven hundred fifty milliliters
19 (750 ml) of distilled spirits per visitor, per day, to be sold in containers that may hold no more
20 than seventy-two ounces (72 oz.) each. These beverages may be sold to the consumers for off-
21 premises consumption, and shall be sold pursuant to the laws governing retail Class A
22 establishments. The containers for the sale of beverages for off-premises consumption shall be
23 sealed. The license does not authorize the sale of beverages in this state for delivery outside this
24 state in violation of the law of the place of delivery. The license holder may provide to visitors, in
25 conjunction with a tour and/or tasting, samples, clearly marked as samples, not to exceed three
26 hundred seventy-five milliliters (375 ml) per visitor for distilled spirits and seventy-two ounces
27 (72 oz.) per visitor for malt beverages at the licensed plant by the manufacturer of the product of
28 the licensed plant to visitors for off-premises consumption. The license does not authorize
29 providing samples to a visitor of any alcoholic beverages for off-premises consumption that are
30 not manufactured at the licensed plant.

31 (c) The annual fee for the license is three thousand dollars (\$3,000) for a distillery
32 producing more than fifty thousand (50,000) gallons per year and five hundred dollars (\$500) for
33 a distillery producing less than or equal to fifty thousand (50,000) gallons per year; five hundred
34 dollars (\$500) for a brewery; and one thousand five hundred dollars (\$1,500) for a winery

1 producing more than fifty thousand (50,000) gallons per year and five hundred dollars (\$500) per
2 year for a winery producing less than fifty thousand (50,000) gallons per year. All those fees are
3 prorated to the year ending December 1 in every calendar year and shall be ~~paid to the division of~~
4 ~~taxation and be~~ turned over to the general treasurer for the use of the state.

5 **3-6-1.2. Brewpub manufacturer's license.**

6 (a) A brewpub manufacturer's license shall authorize the holder to establish and operate a
7 brewpub within this state. The brewpub manufacturer's license shall authorize the retail sale of
8 the beverages manufactured on the location for consumption on the premises. The license shall
9 not authorize the retail sale of beverages from any location other than the location set forth in the
10 license. A brewpub may sell at retail alcoholic beverages produced on the premises by the half-
11 gallon bottle known as a "growler" to consumers for off the premises consumption to be sold
12 pursuant to the laws governing retail Class A establishments.

13 (b) The license shall also authorize the sale at wholesale at the licensed place by the
14 manufacturer of the product of his or her licensed plant as well as beverages produced for the
15 brewpub and sold under the brewpub's name to a holder of a wholesaler's license and the
16 transportation and delivery from the place of sale to the licensed wholesaler or to a common
17 carrier for that delivery.

18 (c) The brewpub manufacturer's license further authorizes the sale of beverages
19 manufactured on the premises to any person holding a valid wholesaler's and importer's license
20 under § 3-6-9 or 3-6-11.

21 (d) The annual fee for the license is one thousand dollars (\$1,000) for a brewpub
22 producing more than fifty thousand (50,000) gallons per year and five hundred dollars (\$500) per
23 year for a brewpub producing less than fifty thousand (50,000) gallons per year. The annual fee is
24 prorated to the year ending December 1 in every calendar year and ~~paid to the division of taxation~~
25 ~~and~~ turned over to the general treasurer for the use of the state.

26 **3-6-3. Rectifier's license.**

27 The department is authorized to issue rectifiers' licenses in accordance with the
28 provisions of §§ 3-6-4 – 3-6-8. The fee provided shall be prorated to the year ending December 1
29 in every calendar year and be ~~paid to the division of taxation and~~ turned over to the general
30 treasurer for the use of the state.

31 **3-6-9. Wholesaler's license – Class A.**

32 A wholesaler's license, Class A, authorizes the holder to keep for sale and to sell malt
33 beverages and wines at wholesale at the place described to holders of licenses under this title
34 within this state and to holders of wholesale licenses in other states and the transportation and

1 delivery from the place of sale to those license holders or to a common carrier for that delivery.
2 Sales by a wholesaler in this state to a holder of a wholesale license in another state shall be only
3 to a wholesaler who is a distributor of the same brand of malt beverages or wines subject to
4 permission by the department. The license shall not authorize the sale of malt beverages or wines
5 for consumption on the premises where sold nor their sale for their delivery outside this state in
6 violation of the law of the place of delivery. The annual fee for the license is two thousand dollars
7 (\$2,000) prorated to the year ending December 1 in every calendar year, and shall be ~~paid to the~~
8 ~~division of taxation and~~ turned over to the general treasurer for the use of the state. Whenever any
9 malt beverages or wines are sold outside the state pursuant to this section, refunds or credits of
10 import fees previously paid on those malt beverages or wines shall be made to holders of
11 wholesaler's licenses under this title in accordance with regulations promulgated by the division
12 of taxation.

13 **3-6-10. Wholesaler's license – Class B.**

14 (a) A wholesaler's license, Class B, authorizes the holder to keep for sale and to sell malt
15 and vinous beverages and distilled spirits at wholesale, at the place described in the license, to
16 holders of licenses under this title within this state and to holders of wholesale licenses in other
17 states and authorizes the transportation and delivery from the place of sale to those license
18 holders or to a common carrier for that delivery. Sales by a wholesaler in this state to a holder of
19 a wholesale license in another state shall be only to a wholesaler who is a distributor of the same
20 brand of malt beverages, vinous beverages, and distilled spirits subject to permission by the state
21 liquor control administrator. The license shall not authorize the sale of beverages for consumption
22 on the premises where sold nor the sale of beverages for delivery outside this state in violation of
23 the law of the place of delivery.

24 (b) The annual fee for the license is four thousand dollars (\$4,000) prorated to the year
25 ending December 1 in every calendar year, and shall be ~~paid to the division of taxation and~~ turned
26 over to the general treasurer for the use of the state whenever any malt beverages, vinous
27 beverages, and distilled spirits are sold outside the state pursuant to this section. Refunds or
28 credits of import fees previously paid on malt beverages, vinous beverages and distilled spirits
29 shall be made to holders of wholesaler's licenses under this title in accordance with regulations
30 promulgated by the division of taxation.

31 **3-6-11. Wholesaler's Class C license.**

32 A wholesaler's Class C license authorizes the holder to manufacture, transport, import,
33 export, deliver, and sell alcohol for mechanical, manufacturing, medicinal, or chemical purposes
34 only, or to any registered pharmacist, licensed pharmacy, drug store, or apothecary shop, or to

1 any registered physician or dentist, or to any hospital or educational or scientific institution, for
2 use other than beverage purposes. The annual fee for the license is two hundred dollars (\$200)
3 and shall be ~~paid to the division of taxation and~~ turned over to the general treasurer for the use of
4 the state.

5 **3-6-12. Agents' licenses.**

6 Any person who represents a distillery, winery, or brewery is deemed and taken to be
7 acting as an agent for and on behalf of that distillery, winery, or brewery, and is required to have
8 received from the department a license to act as an agent. The annual fee for that license is fifty
9 dollars (\$50.00) ~~paid to the division of taxation~~. The department may, after notice, suspend or
10 revoke any license for cause.

11 SECTION 4. Section 3-7-15 of the General Laws in Chapter 3-7 entitled "Retail
12 Licenses" is hereby amended to read as follows:

13 **3-7-15. Class G license.**

14 (a) A Class G retailer's license shall be issued only to any dining car company, sleeping
15 car company, parlor car company, and railroad company operating in this state, or any company
16 operating passenger carrying marine vessels in this state, or any airline operating in this state, and
17 authorizes the holder of the license to keep for sale and to sell in its dining cars, sleeping cars,
18 buffet cars, club cars, lounge cars and any other cars used for the transportation or
19 accommodation of passengers, and in or on any passenger-carrying marine vessel, and in any
20 airplane, beverages for consumption therein or thereon, but only when actually en route.

21 (b) In addition, the holder of the Class G license for a passenger-carrying marine vessel
22 may serve alcoholic beverages at retail aboard the vessel during the period thirty (30) minutes
23 prior to the scheduled departure and until departure, provided that the local licensing board
24 annually consents.

25 (c) Each company or airline to which the license is issued shall pay to the department an
26 annual fee of two hundred fifty dollars (\$250) for the license, ~~and one dollar (\$1.00) for each~~
27 ~~duplicate of the license, which fees are~~ paid into the state treasury.

28 (d) The license expires one year from its date and is good throughout the state as a state
29 license, and only one license is required for all cars or airplanes, but a license issued to any
30 company or person operating passenger-carrying marine vessels in this state shall authorize the
31 sale of beverages only in the passenger-carrying marine vessel designated and no further license
32 shall be required or tax levied by any city or town for the privilege of selling beverages for
33 consumption in those cars or on those vessels or in those airplanes. Each licensed dining car
34 company, sleeping car company, and railroad car company shall keep a duplicate of the license

1 posted in each car where beverages are sold. The department shall issue duplicates of the license
2 from time to time upon the request of any licensed company ~~upon the payment of the fee of one~~
3 ~~dollar (\$1.00).~~

4 SECTION 5. Sections 5-10-16 and 5-10-33 of General Laws in Chapter 5-10 entitled
5 "Barbers, Hairdressers, Cosmeticians, Manicurists and Estheticians" are hereby repealed.

6 ~~**5-10-16. Application of zoning laws.**~~

7 ~~The practice of barbering, manicuring and/or hairdressing, and cosmetic therapy shall be~~
8 ~~considered a business under the zoning laws of the several cities and towns, and licenses are~~
9 ~~issued only in compliance with the zoning laws of the city or town in which the shop, place of~~
10 ~~business, or establishment is located.~~

11 ~~**5-10-33. Payment of fees.**~~

12 ~~All fees that are required to be paid under the provisions of this chapter shall be paid to~~
13 ~~the department of health and deposited as general revenues.~~

14 SECTION 6. Sections 5-10-1, 5-10-2, 5-10-4, 5-10-8, 5-10-9, 5-10-9.1, 5-10-10, 5-10-11,
15 5-10-15, 5-10-23, 5-10-25, 5-10-28, 5-10-32, and 5-10-39 of the General Laws in Chapter 5-10-
16 entitled "Barbers, Hairdressers, Cosmeticians, Manicurists and Estheticians" are hereby amended
17 to read as follows:

18 **5-10-1. Definitions.**

19 The following words and phrases, when used in this chapter, are construed as follows:

20 (1) "Apprentice barber" means an employee whose principal occupation is service with a
21 barber who has held a current license as a barber for at least three (3) years with a view to
22 learning the art of barbering, as defined in subdivision (15) of this section.

23 (2) "Barber" means any person who shaves or trims the beard; waves, dresses, sings,
24 shampoos, or dyes the hair; or applies hair tonics, cosmetic preparations, antiseptics, powders, oil
25 clays, or lotions to scalp, face, or neck of any person; or cuts the hair of any person; gives facial
26 and scalp massages; or treatments with oils, creams, lotions, or other preparations.

27 (3) "Board" means the state board of barbering and hairdressing as provided for in this
28 chapter.

29 (4) "Department" means the Rhode Island department of ~~health~~ [business regulation](#).

30 (5) "Division" means the division of ~~professional regulation~~ [commercial licensing](#) within
31 the department of ~~health~~ [business regulation](#).

32 (6) "Esthetician" means a person who engages in the practice of esthetics, and is licensed
33 as an esthetician.

34 (7) "Esthetician shop" means a shop licensed under this chapter to do esthetics of any

1 person.

2 (8) "Esthetics" means the practice of cleansing, stimulating, manipulating, and
3 beautifying skin, including, but not limited to, the treatment of such skin problems as
4 dehydration, temporary capillary dilation, excessive oiliness, and clogged pores.

5 (9) "Hair design shop" means a shop licensed under this chapter to do barbering or
6 hairdressing/cosmetology, or both, to any person.

7 (10) "Hairdresser and cosmetician" means any person who arranges, dresses, curls, cuts,
8 waves, singes, bleaches, or colors the hair or treats the scalp, or manicures the nails of any person,
9 either with or without compensation, or who, by the use of the hands or appliances, or of cosmetic
10 preparations, antiseptics, tonics, lotions, creams, powders, oils or clays, engages, with or without
11 compensation, in massaging, cleansing, stimulating, manipulating, exercising, or beautifying, or
12 in doing similar work upon the neck, face, or arms, or who removes superfluous hair from the
13 body of any person.

14 (11) "Instructor" means any person licensed as an instructor under the provisions of this
15 chapter.

16 (12) "Manicuring shop" means a shop licensed under this chapter to do manicuring only
17 on the nails of any person.

18 (13) "Manicurist" means any person who engages in manicuring for compensation and is
19 duly licensed as a manicurist.

20 (14) "School" means a school approved under chapter 40 of title 16, as amended, devoted
21 to the instruction in, and study of, the theory and practice of barbering, hairdressing, and cosmetic
22 therapy, esthetics, and/or manicuring.

23 (15) "The practice of barbering" means the engaging by any licensed barber in all, or any
24 combination of, the following practices: shaving or trimming the beard or cutting the hair; giving
25 facial and scalp massages or treatments with oils, creams, lotions, or other preparations, either by
26 hand or mechanical appliances; singeing, shampooing, arranging, dressing, curling, waving,
27 chemical waving, hair relaxing, or dyeing the hair or applying hair tonics; or applying cosmetic
28 preparations, antiseptics, powders, oils, clays, or lotions to scalp, face, or neck.

29 (16) "The practice of hairdressing and cosmetic therapy" means the engaging by any
30 licensed hairdresser and cosmetician in any one or more of the following practices: the
31 application of the hands or of mechanical or electrical apparatus, with or without cosmetic
32 preparations, tonics, lotions, creams, antiseptics, or clays, to massage, cleanse, stimulate,
33 manipulate, exercise, or otherwise to improve or to beautify the scalp, face, neck, shoulders,
34 arms, bust, or upper part of the body; or the manicuring of the nails of any person; or the

1 removing of superfluous hair from the body of any person; or the arranging, dressing, curling,
2 waving, weaving, cleansing, cutting, singeing, bleaching, coloring, or similarly treating the hair
3 of any person.

4 (17) "The practice of manicuring" means the cutting, trimming, polishing, tinting,
5 coloring, or cleansing the nails of any person.

6 **5-10-2. ~~Creation of~~ division of ~~professional regulation~~ commercial licensing and board**
7 **of barbering and hairdressing – Powers and duties.**

8 (a) Within the department of ~~health~~ business regulation there is a division of ~~professional~~
9 ~~regulation~~ commercial licensing and a board of barbering and hairdressing. The division shall:

10 (1) Approve all written and practical examinations;

11 (2) Issue all licenses and permits subsequently provided for in this chapter;

12 (3) Serve as the sole inspector of sanitation of all establishments licensed under this
13 chapter;

14 (4) Make any rules and regulations that the division deems necessary or expedient, in
15 conformity with the provisions of this chapter and not contrary to law, for the conduct of the
16 business of barbering and hairdressing and cosmetic therapy or esthetics and manicuring, for the
17 use of appliances, apparatus, and electrical equipment and machines and the establishment of
18 sanitary requirements in all establishments and of all persons licensed under the provisions of this
19 chapter;

20 (5) Keep a register of all persons and places of business licensed under this chapter;

21 (6) Keep complete records of all persons and establishments licensed under this chapter;

22 (7) Summon witnesses and administer oaths; and

23 (8) Do all things and perform all acts necessary to enforce the provisions of this chapter.

24 (b) The board of barbering and hairdressing shall have a policy-making role in selection
25 of the examinations. Subsequent to the administration of the examination, the board of examiners
26 shall review the examinations to evaluate their effectiveness. The board shall ~~supervise the~~
27 ~~operations of~~ provide the division of ~~professional regulation~~ commercial licensing ~~in an advisory~~
28 ~~capacity~~ advice in promulgating any policy that is necessary to improve the operations of the
29 division in their areas of expertise. The promulgation of that policy is subject to the approval of
30 the director of the department. Members of the board are subject to the provisions of chapter 14
31 of title 36.

32 **5-10-4. Board of barbering and hairdressing – Compensation of members.**

33 No member of the board shall be compensated for his or her services for attendance at
34 meetings of the board, attendance at examinations, but shall be reimbursed by the department of

1 ~~health~~ [business regulation](#) for his or her traveling and other expenses incurred in the performance
2 of his or her duties provided in this chapter.

3 **5-10-8. Issuance of licenses – Qualifications of applicants.**

4 (a) The division shall issue licenses to persons engaged in, or desiring to engage in, the
5 practice of barbering, hairdressing and cosmetic therapy and/or manicuring or esthetics and for
6 instructing in any approved school of barbering or hairdressing and cosmetic therapy and
7 manicuring or esthetics; provided, that no license shall be issued to any person under this chapter
8 unless the applicant for the license:

9 (1) Is at least eighteen (18) years of age;

10 (2) Is a citizen of the United States of America or has legal entry into the country;

11 (3) Is of good moral character;

12 (4) Is a high school graduate or holds the equivalent ~~or has twenty five (25) or more years~~
13 ~~of prior experience in the practice for which the license is sought;~~

14 (5) Has satisfactorily completed the course of instruction in an approved school of
15 barbering, hairdressing and cosmetic therapy and/or manicuring or esthetics;

16 (6) Has satisfactorily passed a written and a practical examination approved by the
17 division to determine the fitness of the applicant to receive a license; and

18 (7) Has complied with § 5-10-10 and any other qualifications that the division prescribes
19 by regulation.

20 ~~(b) Notwithstanding the provision of subdivision (a)(4), on and after July 1, 1997, an~~
21 ~~applicant seeking licensure as a barber must be a high school graduate or hold the equivalent~~
22 ~~combination of education and experience.~~

23 (c) The division may license, on a case-by-case basis, with or without examination, any
24 individual who has been licensed as an esthetician, barber, cosmetologist, electrologist or
25 manicurist under the laws of another state, which, in the opinion of the division, maintains a
26 standard substantially equivalent to that of the state of Rhode Island.

27 **5-10-9. Classes of licenses.**

28 Licenses shall be divided into the following classes and shall be issued by the division to
29 applicants for the licenses who have qualified for each class of license:

30 (1) A "hairdresser's and cosmetician's license" shall be issued by the division to every
31 applicant for the license who meets the requirements of § 5-10-8 and has completed a course of
32 instruction in hairdressing and cosmetology consisting of not less than fifteen hundred (1,500)
33 ~~twelve hundred (1,200)~~ hours of continuous study and practice.

34 (2) An "instructor's license" shall be granted by the division to any applicant for the

1 license who has held a hairdresser's and cosmetician's license, a barber's license, a manicurist's
2 license, or an esthetician's license, issued under the laws of this state or another state, for at least
3 the three (3) years preceding the date of application for an instructor's license and:

4 (i) Meets the requirements of § 5-10-8;

5 (ii) Has satisfactorily completed three hundred (300) hours of instruction in hairdressing
6 and cosmetology, barber, manicurist, or esthetician teacher training approved by the division as
7 prescribed by regulation;

8 (iii) Has satisfactorily passed a written and a practical examination approved by the
9 division to determine the fitness of the applicant to receive an instructor's license;

10 (iv) Has complied with § 5-10-10; and

11 (v) Has complied with any other qualifications that the division prescribes by regulation.

12 (3) A "manicurist license" shall be granted to any applicant for the license who meets the
13 following qualifications:

14 (i) Meets the requirements of § 5-10-8; and

15 (ii) Has completed a course of instruction, consisting of not less than three hundred (300)
16 hours of professional training in manicuring, in an approved school.

17 (4) An "esthetician license" shall be granted to any applicant for the license who meets
18 the following qualifications:

19 (i) Meets the requirements of § 5-10-8;

20 (ii) Has completed a course of instruction in esthetics, consisting of not less than six
21 hundred (600) hours of continuous study and practice over a period of not less than four (4)
22 months, in an approved school of hairdressing and cosmetology; and

23 (iii) Any applicant who holds a diploma or certificate from a skin-care school, that is
24 recognized as a skin-care school by the state or nation in which it is located, and meets the
25 requirements of [paragraph \(i\) of this](#) subdivision ~~(i)~~, shall be granted a license to practice
26 esthetics; provided, that the skin-care school has a requirement that, in order to graduate from the
27 school, a student must have completed a number of hours of instruction in the practice of skin
28 care, which number is at least equal to the number of hours of instruction required by the
29 division.

30 (5) A "barber" license shall be issued by the division to every applicant for the license
31 who meets the requirements of § 5-10-8 and:

32 (i) Has completed a course of instruction in barbering consisting of not less than one
33 thousand five hundred (1,500) hours of continuous study and practice in an approved school;

34 (ii) Has possessed, for at least two (2) years prior to the filing of the application, a

1 certificate of registration in full force and effect from the ~~department of health of the~~ state
2 specifying that person as a registered, apprentice barber, and the application of that applicant is
3 accompanied by an affidavit, or affidavits, from his or her employer, or former employers, or
4 other reasonably satisfactory evidence showing that the applicant has been actually engaged in
5 barbering as an apprentice barber in the state during those two (2) years; or

6 (iii) A combination of barber school training and apprenticeship training as determined
7 by the rules and regulations prescribed by the division.

8 **5-10-9.1. License portability.**

9 Notwithstanding any general law, special law, public law, or rule or regulation to the
10 contrary, any licensed barber, hairdresser, cosmetician, manicurist, or esthetician who operates as
11 an independent contractor at any "hair-design shop" licensed pursuant to § 5-10-15, shall be
12 permitted to relocate, without obtaining a new license, to another licensed, hair-design shop once
13 during the term of their one-year license issued by the department of ~~health~~ [business regulation](#).

14 **5-10-10. Application form – Fee – Expiration and renewal of licenses – Fees.**

15 (a) Applications for licenses under § 5-10-9 shall be made upon any forms that are
16 prescribed by the division and are accompanied by an application fee established in regulation.
17 The license of every person licensed under §§ 5-10-8 and 5-10-9 shall expire on the thirtieth
18 (30th) day of October of every other year following the date of license. This is determined on an
19 odd-even basis. On or before the first day of September of every year, the ~~administrator of~~
20 ~~professional regulation~~ [department](#) shall ~~mail an application for~~ [provide notice of](#) renewal of
21 license to people scheduled to be licensed that year on an odd or even basis as to the license
22 number. Every person who wishes to renew his or her license must file with the ~~administrator of~~
23 ~~professional regulation~~ [department](#) a renewal application duly executed together with the renewal
24 fee as set ~~forth in § 23-1-54~~ [by the department](#). Applications, accompanied by the fee for renewal,
25 shall be filed with the division on or before the fifteenth (15th) day of October in each renewal
26 year. Upon receipt of the application and fee, the ~~administrator of professional regulation~~
27 [department](#) shall grant a renewal license effective October 1st and expiring two (2) years later on
28 September 30th.

29 (b) Every person who fails to renew his or her license on or before September 30th
30 following the date of issuance as provided in subsection (a) of this section may be reinstated by
31 the division upon payment of the current renewal fee [and a late fee](#) as set ~~forth in § 23-1-54~~ [by the](#)
32 [department](#).

33 (c) The license shall be on the person at all times while performing the services for which
34 they are licensed.

1 **5-10-11. Persons licensed in other states.**

2 (a) Any person licensed to practice barbering, hairdressing, and cosmetic therapy and/or
3 manicuring or esthetics in another state where the requirements are the equivalent of those of this
4 state is entitled to a license as a barber, hairdresser, and cosmetician and/or manicurist or
5 esthetician operator upon the acceptance of his or her credentials by the division; provided, that
6 the state in which that person is licensed extends a similar privilege to licensed barbers,
7 hairdressers, and cosmetic therapists and/or manicurists or esthetics of this state. If a person
8 applies for a hairdressing license who was licensed in another state where the requirements are
9 not equivalent to those of this state, the division shall give to that person one hundred (100) hours
10 instructional credit for three (3) months that the person was licensed and in actual practice, up to a
11 limit of five hundred (500) hours, in order for that person to meet the requirements for a
12 hairdressing license in this state as established under the provisions of §§ 5-10-8 and 5-10-9.

13 (b) If a person applies for a manicurist or esthetician license and is currently licensed in
14 another state, that person may be granted a license if he or she passes the written and practical
15 examinations conducted by the division.

16 (c) The fee for the application is as set ~~forth in § 23-1-54~~ [by the department](#); provided,
17 that the provisions of this chapter shall not be construed as preventing persons who have been
18 licensed by examination under the laws of other states of the United States or territories and the
19 District of Columbia from practicing barbering, hairdressing, and cosmetic therapy and/or
20 manicuring or esthetics in this state for a period of three (3) months; provided, that they apply for
21 and are licensed in this state within three (3) months from the commencement of their
22 employment. Nor shall it be construed as prohibiting persons who have been licensed under the
23 laws of another country or territory from practicing barbering, hairdressing, and cosmetic therapy
24 and/or manicuring or esthetics in this state; provided, that practice is in conformity with the rules
25 and regulations of the division; and provided, that in no case shall that practice cover a period of
26 more than three (3) months from the commencement of that employment.

27 **5-10-15. Licensing of shops.**

28 (a) No shop, place of business or establishment shall be opened or conducted within the
29 state by any person, association, partnership, corporation, or otherwise for the practice of
30 barbering, manicuring and/or hairdressing and cosmetic therapy or esthetics until the time that
31 application for a license to operate that shop, place of business or establishment for the practice of
32 manicuring and/or hairdressing and cosmetic therapy or esthetics is made, to the division, in the
33 manner and on the forms that it prescribes, and a license, under the terms and conditions, not
34 contrary to law, that the division requires shall be granted for it and a license issued.

1 (1) No licenses shall be granted to any shop, place of business, or establishment for the
2 practice of hairdressing and cosmetic therapy unless the proprietor or a supervising manager in
3 the practice of barbering, hairdressing and cosmetic therapy, of the shop, place of business, or
4 establishment is licensed and has been licensed as a licensed barber or hairdresser and
5 cosmetician for a period of at least one year immediately prior to the filing of the application for
6 the license.

7 (2) No license shall be granted to any shop, place of business, or establishment for the
8 practice of manicuring or esthetics unless the proprietor or a supervising manager of the
9 proprietor is licensed and has been licensed as a licensed barber, hairdresser and cosmetician,
10 manicurist or esthetician for a period of at least one year immediately prior to the filing of the
11 application for the license.

12 (3) The supervising manager shall be registered with the division as the manager of a
13 licensed shop and shall only be registered to manage one shop at a time. The proprietor of the
14 licensed shop and the manager shall notify the division, in writing, within ten (10) days upon the
15 termination of employment as the manager of the licensed shop. The license of the shop shall
16 expire forty-five (45) days after the division is notified by the proprietor if no new manager is
17 registered with the division as the supervising manager of the shop.

18 (b) All licenses issued under this section shall terminate on the first day of July following
19 the date of issue. The fee for the license is as set ~~forth in § 23-1-54~~ [by the department](#).

20 **5-10-23. Fixed place of business.**

21 (a) Except as provided in this section, manicuring, esthetics, barbering and/or
22 hairdressing and cosmetic therapy, as defined in this chapter, shall be practiced only in a shop
23 licensed under § 5-10-15. Nothing contained in this chapter shall be construed to prohibit the
24 practice of barbering, manicuring, and hairdressing and cosmetic therapy and esthetics in the
25 same shop or place of business.

26 (b) Nothing in this section shall restrict a hairdresser licensed pursuant to this chapter,
27 operating in a licensed nursing service agency, from providing services to an individual who is
28 homebound at their home. For purposes of this section, "homebound" is defined as any person
29 who is considered housebound for purpose of federal Medicare eligibility.

30 (c) Nothing in this section shall restrict any person licensed pursuant to this chapter from
31 providing services to an individual who is homebound at their home as verified by a licensed
32 health care professional.

33 (d) Nothing in this section shall restrict or prohibit any person licensed pursuant to this
34 chapter from providing services to an individual residing in any Department of Housing and

1 Urban Development (H.U.D.) recognized housing for the elderly in the H.U.D. recognized
2 housing in which the individual resides. Those services shall be provided in a separate room
3 inspected by the department of ~~health~~ [business regulation](#). Students enrolled in programs of
4 hairdressing, barbering and/or cosmetology are prohibited in H.U.D. recognized housing.

5 (e) Nothing in this section shall restrict or prohibit any person licensed pursuant to this
6 chapter from providing services to an individual outside a licensed shop as part of a special
7 occasion event, such as a wedding or prom, so long as those services are limited to hair styling
8 and makeup, and the health and sanitation standards expected of licensees in licensed shops are
9 followed.

10 **5-10-25. Inspection powers of the division – Denial of access.**

11 Any person employed, authorized and empowered by the division ~~of professional~~
12 ~~regulation~~ may enter any shop, place of business, or establishment licensed under the provisions
13 of this chapter during the hours the shop, place of business, establishment, or school of barbering,
14 manicuring, or hairdressing and cosmetic therapy is open for business, for the purpose of
15 inspecting its sanitary conditions and ascertaining if the provisions of this chapter and the rules
16 and regulations for the practice of barbering, hairdressing, and cosmetic therapy as established by
17 the division are being observed in the operation of that shop or place of business, and failure or
18 refusal of the person in charge of that shop, place of business, establishment, or school to permit
19 inspection at all reasonable times is deemed sufficient cause for the revocation of any license
20 issued to that shop, place of business, or establishment and any certificate of approval issued by
21 the division.

22 **5-10-28. Appeals.**

23 Any person aggrieved by any decision or ruling of the division may appeal it to the
24 ~~administrator of the division or his or her designee. A further appeal may then be made to the~~
25 ~~appropriate~~ board of examiners. Any person aggrieved by any decision or ruling of the board may
26 appeal it to the director of the department. Any further appeal from the action of the director is in
27 accordance with the provisions of chapter 35 of title 42. For the purpose of this section the
28 division is considered a person.

29 **5-10-32. Enforcement of chapter – Annual reports.**

30 The division is specifically charged with the enforcement of this chapter, shall investigate
31 all complaints for violations of the provisions of this chapter, ~~and shall hold a hearing upon any~~
32 ~~complaint for any violation of the chapter within thirty (30) days after the filing of the complaint~~
33 ~~and render a decision, in writing, within ten (10) days from the close of the hearing.~~ If the
34 division finds that any of the provisions of this chapter have been violated, it shall immediately

1 institute ~~any criminal~~ prosecution that the violation warrants.

2 **5-10-39. Demonstrator's permit.**

3 The division may, in its discretion, issue to any person recognized by the division as an
4 authority on, or an expert in, the theory or practice of barbering, hairdressing, and cosmetic
5 therapy and/or manicuring or esthetics, and is the holder of a current esthetician's, manicurist's or
6 a barber's, hairdresser's, and cosmetician's license in this state, another state, or the District of
7 Columbia, a demonstrator's permit for not more than six (6) days' duration for educational and
8 instructive demonstrations; provided, that the permit shall not be used in the sense of a license to
9 practice barbering, manicuring, esthetics, or hairdressing and cosmetic therapy. The fee for the
10 permit is as set ~~forth in § 23-1-54~~ [by the department](#).

11 SECTION 7. Section 5-25-10 of the General Laws in Chapter 5-25 entitled "Veterinary
12 Practice" is hereby amended to read as follows:

13 **5-25-10. Qualifications for licensure.**

14 Any applicant for licensure shall submit to the department written evidence on forms
15 furnished by the department ~~verified by oath~~ that the applicant meets all of the following
16 requirements:

17 (1) Is a graduate of a school or college of veterinary medicine recognized and accredited
18 by the American Veterinary Medical Association and by the department or certification by the
19 Educational Council for Foreign Veterinary Graduates;

20 (2) Pays an application fee as set forth in § 23-1-54 at the time of submitting the
21 application, which, in no case is returned to the applicant;

22 (3) Is of good moral character, evidenced in the manner prescribed by the department;
23 and

24 (4) Complies with any other qualifications that the department prescribes by regulation;
25 and

26 (5) Comply with the continuing education requirements adopted by the department.

27 SECTION 8. Section 5-30-6 of the General Laws in Chapter 5-30 entitled "Chiropractic
28 Physicians" is hereby amended to read as follows:

29 **5-30-6. Qualifications and examinations of applicants.**

30 Every person desiring to begin the practice of chiropractic medicine, except as provided
31 in this chapter, shall present satisfactory evidence to the division of professional regulation of the
32 department of health, ~~verified by oath~~, that he or she is more than twenty-three (23) years of age,
33 of good moral character, and that before he or she commenced the study of chiropractic medicine
34 had satisfactorily completed credit courses equal to four (4) years of pre-professional study

1 acceptable by an accredited academic college and obtained a bachelor of science or bachelor of
2 arts degree and subsequently graduated from a school or college of chiropractic medicine
3 approved by the division of professional regulation of the department of health, and has
4 completed a residential course of at least four (4) years, each year consisting of at least nine (9)
5 months study. Any qualified applicant shall take an examination before the state board of
6 chiropractic examiners to determine his or her qualifications to practice chiropractic medicine.
7 Every applicant for an examination shall pay a fee as set forth in § 23-1-54 for the examination to
8 the division of professional regulation. Every candidate who passes the examination shall be
9 recommended by the division of professional regulation of the department of health to the
10 director of the department of health to receive a certificate of qualification to practice chiropractic
11 medicine.

12 SECTION 9. Sections 5-26-2 and 5-26-3 of the General Laws in Chapter 5-26 entitled
13 “Division of Profession Regulation” are hereby amended to read as follows:

14 **5-26-2. Boards of examiners appointed by director of health.**

15 The director of health, with the approval of the governor, shall also appoint to the
16 division of professional regulation a board of nursing registration and education as provided by
17 chapter 34 of this title, and a board of examiners of each of the following arts, practices, sciences,
18 or callings: ~~barbering~~, podiatry, chiropractic, (except as provided in § 5-30-1.1) psychology,
19 optometry, ~~electrolysis~~, and physical therapy; ~~and a board of five (5) examiners in speech~~
20 ~~pathology, audiology, and embalming.~~ Those boards shall perform the duties prescribed by
21 chapters ~~10~~, 29, 30, (except as provided in § 5-30-1.1), ~~32, 33~~, 34, 35, 40, ~~and 44, and 48~~ of this
22 title.

23 **5-26-3. Qualifications of examiners.**

24 The examiners appointed for each specific art, practice, science, or calling referred to in §
25 5-26-2 shall be persons competent to give those examinations and shall be appointed from
26 persons licensed to practice such an art, practice, science, or calling in this state, except that one
27 member of each of the chiropractic, ~~and electrolysis~~ boards shall be a physician licensed to
28 practice medicine in the state.

29 SECTION 10. Sections 5-32-2, 5-32-3, 5-32-4, 5-32-6, 5-32-7, 5-32-9, 5-32-11, 5-32-12,
30 5-32-13, 5-32-19 and 5-32-20 of the General Laws in Chapter 5-32 entitled “Electrolysis” are
31 hereby amended to read as follows:

32 **5-32-2. Penalty for unlicensed practice.**

33 Every person who subsequently engages in the practice of electrolysis in this state
34 without being licensed by the board of examiners in electrolysis is practicing illegally and, ~~upon~~

1 ~~conviction~~, shall be fined not more than twenty-five dollars (\$25.00) and every day of the
2 continuation of illegal practice is a separate ~~offense violation~~.

3 **5-32-3. Certificates – Applications – Penalty for violations.**

4 The division of ~~professional regulation~~ [commercial licensing](#) of the department of ~~health~~
5 [business regulation](#) shall issue certificates to practice electrolysis, as defined in this chapter, to
6 any persons that comply with the provisions of this chapter. Any person who desires to engage in
7 that practice shall submit, in writing, in any form that is required by the ~~board~~ department, an
8 application for a certificate to engage in that practice. The application shall be accompanied by a
9 fee as set ~~forth in § 23-1-54~~ [by the department of business regulation](#). Any person, firm,
10 corporation or association violating any of the provisions of this chapter ~~commits a misdemeanor~~
11 ~~and, upon conviction~~, shall be punished by a fine not to exceed two hundred dollars (\$200), ~~or~~
12 ~~imprisoned for a period not to exceed three (3) months, or both the fine and imprisonment.~~

13 **5-32-4. Qualifications of applicants.**

14 Licenses to engage in the practice of electrolysis shall be issued to the applicants who
15 comply with the following requirements:

16 (1) Are citizens or legal residents of the United States.

17 (2) Have attained the age of eighteen (18) years.

18 (3) Have graduated from a high school or whose education is the equivalent of a high
19 school education.

20 (4) Have satisfactorily completed a course of training and study in electrolysis, as a
21 registered apprentice under the supervision of a licensed Rhode Island electrologist who is
22 qualified to teach electrolysis to apprentices as prescribed in § 5-32-20, or has graduated from a
23 school of electrolysis after having satisfactorily completed a program consisting of not less than
24 six hundred fifty (650) hours of study and practice in the theory and practical application of
25 electrolysis. That apprenticeship includes at least six hundred and fifty (650) hours of study and
26 practice in the theory and practical application of electrolysis within a term of nine (9) months;
27 provided, that the apprentice registers with the division of professional regulation of the
28 department of health upon beginning his or her course of instruction, and the licensed person with
29 whom they serve that apprenticeship keeps a record of the hours of that instruction, and, upon the
30 completion of that apprenticeship, certifies that fact to the board of examiners in electrolysis.

31 (5) Is of good moral character.

32 (6) Passes an examination approved by the department of ~~health~~ [Business Regulation](#).

33 **5-32-6. Examination of applicants – Expiration and renewal of certificates.**

34 (a) Examination of applicants for certificates shall be held at least twice a year in the city

1 of Providence and may be held elsewhere at the discretion of the division of ~~professional~~
2 ~~regulation~~ commercial licensing of the department of ~~health~~ business regulation. The division has
3 the power to adopt, change, alter and amend, rules and regulations for the conducting of those
4 examinations, and may fix the fee for reexamination. The division shall issue to each person
5 successfully passing the examination, where an examination is required, and who satisfies the
6 division of his or her qualifications, a certificate, signed ~~by the administrator~~ an authorized person
7 of the division, entitling him or her to practice that business in this state for the annual period
8 stated in the certificate, or until the certificate is revoked or suspended, as subsequently provided.

9 (b) All certificates shall expire on the 30th day of April of each year, unless sooner
10 suspended or revoked, and shall be renewed for the next ensuing year by the division upon
11 payment to the division of an annual renewal fee as set ~~forth in § 23-1-54~~ by the department for
12 each renewal.

13 **5-32-7. Certification of licensees from other states.**

14 Any person licensed to practice electrolysis in any other state or states, ~~who is, or in good~~
15 ~~faith intends to become, a resident of this state,~~ where the requirements are the equivalent of those
16 of this state and who meets the requirements of this chapter shall be entitled to take that
17 examination and, if he or she passes that examination, shall be, upon the payment of a fee as set
18 ~~forth in § 23-1-54~~ by the department of business regulation, entitled to be licensed under the
19 provisions of this chapter.

20 **5-32-9. Fixed place of business – Sanitary regulation.**

21 The practice of electrolysis shall be engaged in only in a fixed place or establishment,
22 which place or establishment shall be provided with any instruments, implements, and equipment
23 and subject to any sanitary regulation and inspection that the division of ~~professional regulation~~
24 commercial licensing of the department of ~~health~~ business regulation prescribes.

25 **5-32-11. Display of licenses – Revocation or suspension of licenses for gross**
26 **unprofessional misconduct.**

27 (a) Every license issued under this chapter shall specify the name of the person to whom
28 it was issued and shall be displayed prominently in the place of business or employment. The
29 division of ~~professional regulation~~ commercial licensing of the department of ~~health~~ business
30 regulation has the power to revoke or suspend any license of registration issued under this chapter
31 for gross unprofessional conduct. Gross unprofessional conduct is defined as including, but not
32 limited to:

33 (1) The use of any false or fraudulent statement in any document connected with the
34 practice of electrolysis.

1 (2) The obtaining of any fee by fraud or misrepresentation either to a patient or insurance
2 plan.

3 (3) The violation of a privileged communication.

4 (4) Knowingly performing any act which in any way aids or assists an unlicensed person
5 to practice electrolysis in violation of this chapter.

6 (5) The practice of electrolysis under a false or assumed name.

7 (6) The advertising for the practice of electrolysis in a deceptive or unethical manner.

8 (7) Habitual intoxication or addiction to the use of drugs to the extent it impairs the
9 licensee's ability to engage in the practice of his or her profession.

10 (8) Violations of any of the rules or regulations of the state department of ~~health-business~~
11 regulation, or the violation of any section of this chapter.

12 (9) Gross incompetence in the practice of his or her profession.

13 (10) Repeated acts ~~of immorality or repeated acts~~ of gross misconduct in the practice of
14 his or her profession.

15 (b) Before any license is suspended or revoked, its holder shall be notified, ~~in writing, of~~
16 ~~the charge or charges preferred against him or her and shall have a reasonable time to prepare his~~
17 ~~or her defense and has the right to be represented by counsel and to be heard and to present his or~~
18 ~~her defense~~ and afforded an opportunity for hearing in accordance with the Administrative
19 Procedures Act, chapter 35 of title 42. Any person whose license has been suspended or revoked
20 may apply to have the license reissued and the license may be reissued to him or her upon a
21 satisfactory showing that the cause for disqualification has ceased. The division of ~~professional~~
22 ~~regulation~~ commercial licensing of the department of ~~health-business regulation~~ has power ~~by its~~
23 ~~administrator~~ to summon any person to appear as a witness and testify at any hearing of the
24 division, to examine witnesses, administer oaths and punish for contempt any person refusing to
25 appear or testify. The division shall ~~serve~~ provide a copy of its decision or ruling upon any person
26 whose license has been revoked or refused.

27 **5-32-12. Appeals from division.**

28 Any person aggrieved by any decision or ruling of the division of ~~professional regulation~~
29 commercial licensing of the department of ~~health-business regulation~~ may appeal that decision to
30 the superior court in the manner provided in the Administrative Procedures Act, chapter 35 of
31 title 42.

32 **5-32-13. Annual renewal of certificates.**

33 All certificates issued under the provisions of this chapter shall be renewed annually by
34 the holders of the certificate at an annual renewal fee as set ~~forth in § 23-1-54~~ by ~~the division of~~

1 ~~professional regulation of~~ the department ~~of health~~.

2 **5-32-19. Apprenticeship register.**

3 The division of ~~professional regulation~~ commercial licensing of the department of ~~health~~
4 business regulation shall keep a ~~register in which~~ record of the names of all persons serving
5 apprenticeships licensed under this chapter shall be recorded. This register is open to public
6 inspection.

7 **5-32-20. Qualifications for teaching electrolysis.**

8 (a) A person, in order to qualify as an instructor or teacher of electrolysis to apprentices,
9 must:

10 (1) Have been actively engaged as a licensed practitioner of electrolysis for at least five
11 (5) years.

12 (2) Pass a state board examination specifically designed to evaluate his or her
13 qualifications to teach electrolysis.

14 (3) Be a high school graduate or the equivalent.

15 (b) Upon satisfactorily passing this examination, the division of ~~professional regulation~~
16 commercial licensing of the department of ~~health~~ business regulation shall issue a license to the
17 person upon the payment of a fee as set ~~forth in § 23-1-54~~ by the department.

18 (c) A qualified licensed electrologist shall not register more than one apprentice for each
19 nine-month (9) training period.

20 SECTION 11. Sections 5-33.2-1, 5-33.2-2, 5-33.2-3, 5-33.2-5, 5-33.2-12, 5-33.2-13, 5-
21 33.2-13.1, 5-33.2-13.2, 5-33.2-15, 5-33.2-16, 5-33.2-18, 5-33.2-19, 5-33.2-20 and 5-33.2-22 of
22 the General Laws in Chapter 5-33.2 entitled "Funeral Director/Embalmer Funeral Service
23 Establishments" are hereby amended to read as follows:

24 **5-33.2-1. Definitions.**

25 As used in this chapter:

26 (1) "Board" means the state board of funeral directors/embalmers.

27 (2) "Cremation" means a two (2) part procedure where a dead human body or body parts
28 are reduced by direct flames to residue which includes bone fragments and the pulverization of
29 the bone fragments to a coarse powdery consistency.

30 (3) "Department" means the Rhode Island department of ~~health~~ business regulation.

31 (4) "Division" means the division of ~~professional regulation~~ commercial licensing created
32 under chapter 26 of this title.

33 (5) "Embalmer" means any person who has completed an internship, full course of study
34 at an accredited mortuary science school, has passed the national board examination and is

1 engaged in the practice or profession of embalming, as defined in this section.

2 (6) "Embalming" means the practice, science or profession of preserving, disinfecting,
3 and preparing in any manner, dead human bodies for burial, cremation or transportation.

4 (7) "Funeral" means a period following death in which there are religious services or
5 other rites or ceremonies with the body of the deceased present.

6 (8)(i) "Funeral directing" means:

7 (A) Conducting funeral services; or

8 (B) The arrangement for disposition of dead human bodies, except in the case of any
9 religion where the preparation of the body or the provision of funeral services should be done
10 according to religious custom or belief.

11 (ii) Only funeral directors/embalmers, working for a licensed funeral establishment are
12 allowed to meet with families for the purpose of arranging funerals. Provided, that any person
13 who assumed an ownership interest from their spouse or any widow or widower of a licensed
14 funeral director who at the time of November 1, 1995 has been meeting with families to arrange
15 for the conducting of funeral services are allowed to continue this practice.

16 (9) "Funeral director/embalmer" means any person engaged, or holding himself or herself
17 out as engaged in the practice or profession of funeral directing, and the science, practice or
18 profession of embalming as previously defined, including a funeral director of record, who may
19 be a funeral director at more than one establishment or any other word or title intending to imply
20 or designate him or her as a funeral director/embalmer, undertaker, or mortician. The holder of
21 this license must be the holder of an embalmer's license.

22 (10) "Funeral director/embalmer intern" means any person engaged in learning the
23 practice, or profession of funeral directing and the science, practice or profession of embalming
24 under the instruction and supervision of a funeral director/embalmer licensed and registered under
25 the provisions of this chapter and actively engaged in the practice, or profession of funeral
26 directing and embalming in this state.

27 (11) "Funeral establishment" means a fixed place, establishment or premises, licensed by
28 the department, devoted to the activities which are incident, convenient, or related to the care and
29 preparation, arrangement, financial and otherwise, for the funeral, transportation, burial or other
30 disposition of human dead bodies and including, but not limited to, a suitable room with all
31 instruments and supplies used for the storage and/or preparation of dead human bodies for burial
32 or other disposition.

33 (12) "Funeral merchandise" means those items which are normally presented for sale as
34 part of the funeral home operation on a for profit basis. These items include caskets, sealed

1 warranted outer burial containers, and burial clothing. Not included are urns, grave markers, and
2 non-sealed outer burial containers. All persons engaged in the sale of funeral merchandise must
3 comply with the provisions of chapter 33 of this title.

4 (13) "Person" includes individuals, partnership, corporations, limited liability companies,
5 associations and organization of all kinds.

6 (14) "Practice of funeral service" means a person engaging in providing shelter, care and
7 custody of human dead remains; in the practice of preparing of the human dead remains by
8 embalming or other methods for burial or other disposition; in entering into a funeral service
9 contract; engaging in the functions of funeral directing and/or embalming as presently known
10 including those stipulated within this chapter and as defined in the federal trade commission
11 "funeral rule". The practice of conducting funeral services is conducted in the presence of a
12 licensed funeral director/embalmer.

13 **5-33.2-2. Board of examiners – Qualifications and removal of members – Vacancies.**

14 (a) The members of the board of examiners in embalming shall be residents of this state
15 for at least five (5) years; three (3) of whom shall have had at least five (5) years' practical
16 experience in embalming dead human bodies and in funeral directing, and shall have been
17 actually engaged in these professions in this state and two (2) of whom shall be private citizens
18 who represent the consumer and who are not involved with or affiliated with, financial or
19 otherwise, any funeral establishment and/or funeral director/embalmer. The current members
20 shall serve their present term as they fulfill the requirements of this section. No member shall
21 serve more than two (2) consecutive terms.

22 (b) The director of the department of [health business regulation](#) may remove any member
23 of the board for cause. Vacancies are filled ~~pursuant to § 5-26-4~~ [by the director of the department](#).

24 **5-33.2-3. Rules and regulations.**

25 The director of the department of [health business regulation](#) has the power to adopt any
26 rules and regulations not inconsistent with law, which he or she deems necessary, in carrying out
27 the purposes of this chapter ~~and for the prevention of and transmission of disease~~.

28 **5-33.2-5. Application for license – Application fee.**

29 Any person who desires to engage in embalming or funeral directing, or both, shall
30 submit, in writing, to the division of professional regulation, an application for a license. That
31 application shall be accompanied by a fee set by the department of [health business regulation](#).

32 **5-33.2-12. Funeral establishment and branch offices licenses.**

33 (a) No person, association, partnership, corporation, limited liability company or
34 otherwise, shall conduct, maintain, manage, or operate a funeral establishment or branch office

1 unless a license for each funeral establishment and branch office has been issued by the
2 department and is conspicuously displayed. In the case of funeral services conducted under the
3 license of a funeral establishment held in any private residence, public building or church, no
4 separate establishment license shall be required. A licensed funeral establishment must be distinct
5 and separate from other non- funeral service related activity for which it is licensed. No license to
6 operate a funeral establishment shall be issued by the department unless the applicant for the
7 funeral establishment license has registered with the department a licensed funeral
8 director/embalmer who shall be in charge as the funeral director of record. The branch office of a
9 funeral establishment must have a separate branch office establishment license but not a separate
10 funeral director of record. One branch office shall be allowed to operate under the funeral
11 establishment license, and this one branch office may be permitted to operate without a
12 preparation room. Applications for the funeral establishment license and branch office shall be
13 made on forms furnished by the division accompanied by the application fees as set ~~forth in § 23-~~
14 ~~1-54~~ [by the department](#). Upon receipt of a completed application and the recommendation of the
15 board, the division shall issue a license. All funeral establishment and branch office licenses shall
16 expire on the thirty-first day of December of each year, unless sooner suspended or revoked. A
17 license shall be issued to a specific licensee for a specific location and is not transferable. The
18 funeral establishment licensee shall notify the division, in writing, delivered in person or by
19 certified mail, within ten (10) days from the date of termination of employment, for any cause, of
20 the funeral director/embalmer of record with the division for the funeral establishment. The
21 license of the funeral establishment shall expire forty-five (45) days from the date the division
22 was notified by the licensee, if no new funeral director/embalmer is registered with the division.
23 No funeral services shall be conducted at the funeral establishment without a funeral
24 director/embalmer being registered with the division as the funeral director of record for that
25 funeral establishment. Two (2) licensed funeral directors may operate jointly at one location if
26 one of their existing funeral establishments closes its place of business and joins an existing
27 licensed funeral establishment. Each firm will hold its own separate establishment license. One
28 cannot operate a branch office by invoking this section. Human dead remains shall not be held
29 more than forty-eight (48) hours without embalming or without refrigeration for the purpose of
30 maintaining public health. A funeral establishment must at the minimum contain a preparation
31 room equipped with tile, cement, or composition floor, necessary drainage and ventilation, and
32 containing necessary instruments and supplies for the preparation and embalming of dead human
33 remains for burial, transportation, or other disposition.

34 (b) Any person who inherits any ownership interest to a funeral establishment may

1 continue to conduct the business of that establishment as their ownership interest would allow
2 upon the following:

3 (1) Filing with the division a statement of change of fact concerning that inheritance.

4 (2) Conducting the business of the establishment in compliance with all the requirements
5 of this chapter.

6 **5-33.2-13. Funeral establishment and branch officer – Crematories – Inspections –**
7 **Denial of access.**

8 (a) Any licensed funeral director/embalmer employed, authorized and empowered by the
9 division of ~~professional regulation~~ [commercial licensing](#) may enter any funeral establishment,
10 funeral establishment branch office or crematory licensed under the provisions of this chapter,
11 during the hours the funeral establishment, funeral establishment branch office or crematory is
12 open for business, for the purpose of inspecting the sanitary conditions, complaint investigations,
13 and ascertaining if the provisions of this chapter and the rules and regulations are being observed
14 in the operation of the funeral establishment, funeral establishment branch office or crematory.
15 The inspector may request permission from the department to be accompanied by another
16 employee of the department of ~~health~~ [business regulation](#) prior to an inspection. Failure or refusal
17 of the person in charge of that funeral establishment, funeral establishment branch office or
18 crematory to permit the inspection at all reasonable times shall be deemed sufficient cause for the
19 revocation of any license issued to the funeral establishment, funeral establishment branch office
20 or crematory and any certificate of approval issued by the division.

21 (b) Funeral establishments and branch offices and crematories licensed under the
22 provisions of this chapter shall be inspected at least ~~twice~~ [once](#) each year. Inspections shall
23 include all areas of sanitation and public health, complaint investigations, as well as conformity
24 with applicable section of this chapter and the rules and regulations.

25 **5-33.2-13.1. Crematories – License and inspection.**

26 No crematory owned or operated by or located on property licensed as a funeral
27 establishment or at another location or by a cemetery shall conduct cremations without first
28 having applied for and obtained a license from the department. Applications for the crematory
29 license shall be made on forms furnished by the division accompanied by the application fee as
30 set ~~forth in § 23-1-54~~ [by the department](#). Upon receipt of a completed application, the department
31 shall issue a license. A license shall be issued to a specific licensee for a specific location and is
32 not transferable. The facility and licensee shall meet all requirements as prescribed by the rules
33 and regulations established by the department, not inconsistent with this chapter.

34 **5-33.2-13.2. Cremation of human remains.**

1 (a)(1) Cremation shall not take place until the necessary permits and consents are issued
2 pursuant to § 23-3-18.

3 (2) A crematory shall not take custody of unidentified human remains.

4 (3) Human remains designated for cremation shall be cremated without unreasonable
5 delay.

6 (4) When the crematory is unable to cremate the human remains immediately upon taking
7 custody, the crematory shall provide a holding facility that complies with any applicable public
8 health law that preserves the dignity of the human remains.

9 (5) Holding facilities must be secure from access by all unauthorized persons;

10 (6) A crematory shall not simultaneously cremate more than one human remain within
11 the same cremation chamber. The processing, packaging, storage and disposition of cremated
12 remains shall be as prescribed in the rules and regulations promulgated by the department of
13 ~~health-business regulation~~ division of ~~professional-regulation~~ [commercial licensing](#).

14 (7) A crematory or funeral home shall be authorized to dispose of the cremated remains
15 which have been abandoned at the crematory or funeral home for more than six (6) months. All
16 reasonable attempts must be made and diligence exercised to contact the person in charge who
17 authorized the cremation.

18 (b) This section does not apply to the cremation of various body parts from different
19 human bodies

20 **5-33.2-15. Annual renewal of licenses.**

21 All licenses issued under the provisions of this chapter must be renewed annually by their
22 holders, who shall pay to the division a yearly renewal fee for the renewal of a funeral
23 director/embalmer's license, and additional fees for each funeral establishment branch office
24 license and for the crematory license. These fees are as set ~~forth in § 23-1-54~~ [by the department](#).
25 On or before the fifteenth day of November in each year, the division shall ~~mail to~~ [notify](#) each
26 licensed funeral director/embalmer and to each licensed funeral establishment, funeral
27 establishment branch office and crematory ~~an application for the~~ [of their obligation to](#) renewal.
28 Applications, accompanied by the fee for renewal, shall be filed with the division on or before the
29 thirty-first day of December in each year. Applications filed after the thirty-first of December and
30 on or before the fifteenth of January must be accompanied by a [late](#) fee as set ~~forth in § 23-1-54~~
31 [by the department](#) for funeral director/embalmers and funeral establishments in addition to the
32 previously established renewal fees. Any funeral director/embalmer who acts or holds himself or
33 herself out as a funeral director/embalmer after his or her certificate has been lapsed shall be
34 punished as provided in this chapter. Any funeral establishment, funeral establishment branch

1 office or crematory who acts or holds itself out as a funeral establishment after its license has
2 lapsed shall be punished as provided in this chapter.

3 **5-33.2-16. Funeral director/Embalmer – Internship.**

4 (a) Nothing in this chapter shall be construed as prohibiting any person from serving as a
5 funeral director/embalmer intern. Before an internship begins the person desiring to become an
6 intern shall register with the division on any forms that it prescribes. No person under the age of
7 eighteen (18) years shall be permitted to register as an intern. The division may make any rules
8 and regulations that it deems advisable for the supervision of interns. All persons registering as an
9 intern shall pay a fee as set forth in ~~§ 23-1-54~~ by the department at the time of the registration.
10 That intern is not permitted to advertise or hold himself or herself out to the public as a registered
11 funeral director/embalmer. The term of internship shall be not less than one year; provided, that if
12 an intern after having served his or her internship fails to pass the examination for a funeral
13 director/embalmer's license or fails to embalm fifty (50) human remains during their internship,
14 he or she may continue their internship. The total term of internship must be completed within
15 five (5) years from the date of original registration.

16 (b) The intern must have assisted in embalming at least fifty (50) bodies if the period for
17 registered internship is to be satisfied in one year. If the internship is for more than one year, the
18 applicant must embalm at least twenty-five (25) bodies for each year of their internship. Each
19 licensed funeral establishment embalming up to one hundred fifty (150) human remains per year
20 shall be allowed to register one intern at one time. Each establishment embalming more than one
21 hundred fifty (150) but less than three hundred (300) human remains per year shall be allowed to
22 register two (2) interns at one time. Each establishment embalming three hundred (300) or more
23 human remains per year shall be allowed to register three (3) interns at one time.

24 **5-33.2-18. Summons of witnesses.**

25 The ~~division~~ department has power ~~by its administrator~~ to summon any person to appear
26 as a witness and testify at any hearing of the division under the provisions of this chapter and to
27 examine and to administer oaths to those witnesses.

28 **5-33.2-19. Appeals.**

29 Any person aggrieved by any decision or ruling of the division may appeal ~~that decision~~
30 ~~to the administrator of the division or his or her designee. A further appeal may then be made~~ to
31 the appropriate board of examiners. Any person aggrieved by any decision or ruling of that board
32 may appeal the decision to the director of the department. Any further appeal from the action of
33 the director shall be in accordance with the provisions of chapter 35 of title 42, "Administrative
34 Procedures Act." The division shall be considered a person for the purposes of this section.

1 **5-33.2-20. Restricted receipts accounts for fees.**

2 All the proceeds of any fees collected pursuant to the provisions of this chapter, shall be
3 placed in a restricted receipts accounts, which is used for the general purposes of the division of
4 ~~professional regulation~~ [commercial licensing](#) with the department of ~~health~~ [Business Regulation](#).

5 **5-33.2-22. Complaints of violations.**

6 (a) Complaints for violation of the provisions of this chapter or of any lawful rules or
7 regulation made under this chapter by the division may be made by the administrator of the
8 division or by any person authorized by the administrator [or a member of the public](#), who shall be
9 exempt from giving surety for costs on that complaint.

10 (b) ~~All complaints filed with the division charging a person or establishment with having~~
11 ~~been guilty of any actions specified in this chapter or the rules and regulations must be sworn and~~
12 ~~notarized.~~ Complaints for violation of the provisions of this chapter or of any lawful rules or
13 regulation made under this chapter by the division may be made by the administrator of the
14 division or by any person authorized by the administrator [or a member of the public](#), who shall be
15 exempt from giving surety for costs on that complaint.

16 SECTION 12. Sections 5-35.2-1, 5-35.2-2, 5-35.2-3, 5-35.2-4, 5-35.2-6, 5-35.2-11 and 5-
17 35.2-12 of the General Laws in Chapter 5-35.2 entitled "Opticians" are hereby amended to read
18 as follows:

19 **5-35.2-1. Definitions.**

20 As used in this chapter:

21 (1) "Advisory committee" means the advisory committee of opticianry as established
22 herein.

23 (2) "Department" means the department of ~~health~~ [business regulation](#).

24 (3) "Director" means the director of the department of ~~health~~ [business regulation](#).

25 (4) "Optician" means a person licensed in this state to practice opticianry pursuant to the
26 provisions of this chapter.

27 (5) "The Practice of Opticianry" means the preparation or dispensing of eyeglasses,
28 spectacles, lenses, or related appurtenances, for the intended wearers, or users, on prescription
29 from licensed physicians or optometrists, or duplications or reproductions of previously prepared
30 eyeglasses, spectacles, lenses, or related appurtenances; or the person who, in accordance with
31 such prescriptions, duplications or reproductions, measures, adapts, fits, and adjusts eyeglasses,
32 spectacles, lenses, including spectacles add powers for task specific use or occupational
33 applications, or appurtenances, to the human face. Provided, however, a person licensed under the
34 provisions of this chapter shall be specifically prohibited from engaging in the practice of ocular

1 refraction, orthoptics, visual training, the prescribing of subnormal vision aids, telescopic
2 spectacles, fitting, selling, replacing, or dispensing contact lenses.

3 **5-35.2-2. Qualification of optician applicants.**

4 (a) Every applicant for licensure shall present satisfactory evidence, ~~in the form of~~
5 ~~affidavits properly sworn to,~~ that he or she:

6 (1) Is of good moral character; and

7 (2) Has graduated from a two (2) year school of opticianry approved by the New England
8 Association of Schools and Colleges or an equivalent regional accrediting authority or other
9 accrediting authority as may be approved by the department with consultation from the advisory
10 committee; and

11 (3) Has successfully passed the national opticianry competency examination or any other
12 written examination approved by the department with consultation from the advisory committee;
13 and

14 (4) Has successfully passed a practical examination approved by the department with
15 consultation from the advisory committee.

16 (b) Every applicant for licensure who is or has been licensed in an alternate jurisdiction
17 shall present satisfactory evidence ~~in the form of affidavits properly sworn to~~ that he or she:

18 (1) Is of good moral character; and

19 (2) Has graduated from high school; and

20 (3) Has graduated from a two (2) year school of opticianry approved by the New England
21 Association of Schools and Colleges or an equivalent regional accrediting authority or other
22 accrediting authority as may be approved by the department with consultation from the advisory
23 committee; or has successfully completed a two (2) year opticianry apprenticeship program; and

24 (4) Has held a valid license to practice opticianry in another state for at least one year and
25 was in good standing during that time; and

26 (5) Has practiced opticianry in this or any other state for a period of not less than one
27 year; and

28 (6) Has successfully passed the national opticianry competency examination or any other
29 written examination approved by the department with consultation from the advisory committee;
30 and

31 (7) Has successfully passed a practical exam approved by the department with
32 consultation from the advisory committee.

33 **5-35.2-3. Optician's biennial license fee.**

34 Every applicant shall pay to the department a fee as set ~~forth in § 23-1-54~~ [by the](#)

1 [department](#) which shall accompany his or her application for a license. No one shall be permitted
2 to practice opticianry without a valid license.

3 **5-35.2-4. Advertising by opticians.**

4 This division of ~~professional regulation~~ [commercial licensing](#), in addition to conducting
5 the examinations, licensing, and registering of opticians, shall make rules and regulations
6 governing advertising by opticians. The division shall have the power to revoke the license of any
7 optician violating those rules and regulations.

8 **5-35.2-6. Freedom of choice for eye care.**

9 Where the contracts call for the expenditure of public or private funds involving
10 Medicaid and RIte Care, Medicare, or supplemental coverage for any purpose relating to
11 eyewear, and as it pertains to opticianry, the distribution, dispensing, filling, duplication and
12 fabrication of eyeglasses or optical prosthesis by opticians as defined in § ~~5-35.1-1~~ [5-35.2-1](#),
13 those health plans or contracts are required to notify by publication in a public newspaper
14 published within and circulated and distributed throughout the state of Rhode Island, to all
15 providers, including, but not limited to, opticians, within the health plan's or contract's geographic
16 service area, of the opportunity to apply for credentials, and there is no discrimination as to the
17 rate or reimbursement for health care provided by an optician for similar services as rendered by
18 other professions pursuant to this section. Nothing contained in the chapter shall require health
19 plans to contract with any particular class of providers.

20 **5-35.2-11. Construction of glass lenses – violations – penalty.**

21 (a) No person shall distribute, sell, or delivery any eyeglasses or sunglasses unless those
22 eyeglasses or sunglasses are fitted with heat-treated glass lenses, plastic lenses, laminated lenses,
23 or lenses made impact resistant by other methods. The provisions of this subsection do not apply
24 if a physician or optometrist, having found that those lenses will not fulfill the visual
25 requirements of a particular patient, directs, in writing, the use of other lenses and gives written
26 notification to the patient. Before they are mounted in frames, all impact-resistant eyeglasses and
27 sunglass lenses, except plastic lenses, laminated lenses, and raised ledge multifocal lenses must
28 withstand an impact test of a steel ball five-eighths (5/8) of an inch in diameter weighing
29 approximately fifty-six hundredths of an ounce (0.56 oz) dropped from a height of fifty inches
30 (50"). Raised ledge multifocal lenses are capable of withstanding the impact test but do not need
31 to be tested beyond initial design testing. To demonstrate that all plastic lenses and laminated
32 lenses are capable of withstanding the impact test, the manufacturer of the lenses shall subject to
33 the impact test a statistically significant sampling of lenses from each production batch, and the
34 tested lenses are representative of the finished forms as worn by the wearer. Plastic prescription

1 and plastic non-prescription lenses, tested on the basis of statistical significance, may be tested in
2 uncut finished or semi-finished form at the point of original manufacture.

3 (b) Any person ~~convicted of~~ who ~~violating~~ violates the provisions of this section shall be
4 punished by a fine of not less than five hundred dollars (\$500) for each violation.

5 **5-35.2-12. Penalty for violations.**

6 Any person who violates the provisions of this chapter shall be punished by a fine or not
7 more than two hundred dollars (\$200) or shall be imprisoned for not more than three (3) months
8 for each ~~offense~~ violation.

9 SECTION 13. Sections 5-48-1, 5-48-2, 5-48-3 and 5-48-9 of the General Laws in
10 Chapter 5-48 entitled "Speech Pathology and Audiology" are hereby amended to read as follows:

11 **5-48-1. Purpose and legislative intent – Definitions.**

12 (a) It is declared to be a policy of this state that the practice of speech language pathology
13 and audiology is a privilege granted to qualified persons and that, in order to safeguard the public
14 health, safety, and welfare, protect the public from being misled by incompetent, unscrupulous,
15 and unauthorized persons, and protect the public from unprofessional conduct by qualified speech
16 language pathologists and audiologists, it is necessary to provide regulatory authority over
17 persons offering speech language pathology and audiology services to the public.

18 (b) The following words and terms when used in this chapter have the following meaning
19 unless otherwise indicated within the context:

20 (1) "Audiologist" means an individual licensed by the board to practice audiology.

21 (2) "Audiology" means the application of principles, methods, and procedures related to
22 hearing and the disorders of the hearing and balance systems, to related language and speech
23 disorders, and to aberrant behavior related to hearing loss. A hearing disorder in an individual is
24 defined as altered sensitivity, acuity, function, processing, and/or damage to the integrity of the
25 physiological auditory/vestibular systems.

26 (3) "Board" means the state board of examiners for speech language pathology and
27 audiology.

28 (4) "Clinical fellow" means the person who is practicing speech language pathology
29 under the supervision of a licensed speech language pathologist while completing the
30 postgraduate professional experience as required by this chapter.

31 (5) "Department" means the Rhode Island department of ~~health~~ business regulation.

32 (6) "Director" means the director of the Rhode Island department of ~~health~~ business
33 regulation.

34 (7) "Person" means an individual, partnership, organization, or corporation, except that

1 only individuals can be licensed under this chapter.

2 (8)(i) "Practice of audiology" means rendering or offering to render any service in
3 audiology, including prevention, screening, and identification, evaluation, habilitation,
4 rehabilitation; participating in environmental and occupational hearing conservation programs,
5 and habilitation and rehabilitation programs including hearing aid and assistive listening device
6 evaluation, prescription, preparation, dispensing, and/or selling and orientation; auditory training
7 and speech reading; conducting and interpreting tests of vestibular function and nystagmus;
8 conducting and interpreting electrophysiological measures of the auditory pathway; cerumen
9 management; evaluating sound environment and equipment; calibrating instruments used in
10 testing and supplementing auditory function; and planning, directing, conducting or supervising
11 programs that render or offer to render any service in audiology.

12 (ii) The practice of audiology may include speech and/or language screening to a pass or
13 fail determination, for the purpose of initial identification of individuals with other disorders of
14 communication.

15 (iii) A practice is deemed to be the "practice of audiology" if services are offered under
16 any title incorporating such word as "audiology", "audiologist", "audiometry", "audiometrist",
17 "audiological", "audiometrics", "hearing therapy", "hearing therapist", "hearing clinic", "hearing
18 clinician", "hearing conservation", "hearing conservationist", "hearing center", "hearing aid
19 audiologist", or any similar title or description of services.

20 (9)(i) "Practice of speech language pathology" means rendering or offering to render any
21 service in speech language pathology including prevention, identification, evaluation,
22 consultation, habilitation, rehabilitation; determining the need for augmentative communication
23 systems, dispensing and selling these systems, and providing training in the use of these systems;
24 and planning, directing, conducting, or supervising programs that render or offer to render any
25 service in speech language pathology.

26 (ii) The practice of speech language pathology may include nondiagnostic pure tone air
27 conduction screening, screening tympanometry, and acoustic reflex screening, limited to a pass or
28 fail determination, for the purpose of performing a speech and language evaluation or for the
29 initial identification of individuals with other disorders of communication.

30 (iii) The practice of speech language pathology also may include aural rehabilitation,
31 which is defined as services and procedures for facilitating adequate receptive and expressive
32 communication in individuals with hearing impairment.

33 (iv) A practice is deemed to be the "practice of speech language pathology" if services are
34 offered under any title incorporating such words as "speech pathology", "speech pathologist",

1 "speech therapy", "speech therapist", "speech correction", "speech correctionist", "speech clinic",
2 "speech clinician", "language pathology", "language pathologist", "voice therapy", "voice
3 therapist", "voice pathology", "voice pathologist", "logopedics", "logopedist", "communicology",
4 "communicologist", "aphasiology", "aphasiologist", "phoniatriest", or any similar title or
5 description of services.

6 (10) "Regionally accredited" means the official guarantee that a college or university or
7 other educational institution is in conformity with the standards of education prescribed by a
8 regional accrediting commission recognized by the United States Secretary of Education.

9 (11) "Speech language pathologist" means an individual who is licensed by the board to
10 practice speech language pathology.

11 (12) "Speech language pathology" means the application of principles, methods, and
12 procedures for prevention, identification, evaluation, consultation, habilitation, rehabilitation,
13 instruction, and research related to the development and disorders of human communication.
14 Disorders are defined to include any and all conditions, whether of organic or non-organic origin,
15 that impede the normal process of human communication in individuals or groups of individuals
16 who have or are suspected of having these conditions, including, but not limited to, disorders and
17 related disorders of:

18 (i) Speech: articulation, fluency, voice, (including respiration, phonation and resonance);

19 (ii) Language (involving the parameters of phonology, morphology, syntax, semantics
20 and pragmatics; and including disorders of receptive and expressive communication in oral,
21 written, graphic, and manual modalities);

22 (iii) Oral, pharyngeal, laryngeal, cervical esophageal, and related functions (e.g.,
23 dysphasia, including disorders of swallowing and oral function for feeding; oro-facial
24 myofunctional disorders);

25 (iv) Cognitive aspects of communication (including communication disability and other
26 functional disabilities associated with cognitive impairment); and

27 (v) Social aspects of communication (including challenging behavior, ineffective social
28 skills, lack of communication opportunities).

29 **5-48-2. Board of examiners – Composition – Appointments, terms and qualifications**
30 **of members.**

31 (a) There exists within the department of ~~health~~ [business regulation](#) a board of examiners
32 of speech language pathology and audiology. The board shall consist of five (5) persons who are
33 residents of the state, and who have worked within the state for at least one year prior to their
34 appointments.

1 (1) Two (2) members shall be speech language pathologists who have practiced speech
2 language pathology for at least five (5) years preceding appointment, are currently practicing
3 speech language pathology, and hold active and valid licensure for the practice of speech
4 language pathology in this state.

5 (2) One member shall be an audiologist who has practiced audiology for at least five (5)
6 years immediately preceding appointment, is currently practicing audiology, and holds active and
7 valid licensure for the practice of audiology in this state.

8 (3) One member shall be an otolaryngologist who holds certification by the American
9 Academy of Otolaryngology – head and neck surgery, who is currently practicing
10 otolaryngology, and holds active and valid licensure as a physician within this state.

11 (4) One member shall be a representative of the consumer public who is not associated
12 with or financially interested in the practice or business of speech language pathology or
13 audiology.

14 (b) All appointments to the board shall be for the term of three (3) years. Members shall
15 serve until the expiration of the term for which they have been appointed or until their appointed
16 successors are qualified.

17 (c) When a vacancy upon the board occurs, the director of the department of ~~health~~
18 business regulation shall, with the approval of the governor, appoint persons who are working
19 within the state to fill the remainder of the vacant term.

20 (d) The board shall reorganize annually during the month of January and shall select a
21 chairperson.

22 (e) A majority of currently filled positions shall constitute a quorum to do business.

23 (f) No person shall be appointed to serve more than two (2) consecutive terms.

24 ~~(g) The first board and all future members shall be appointed by the director of the~~
25 ~~department of health, with the approval of the governor.~~

26 (h g) The director of the department of ~~health~~ business regulation, with the approval of
27 the governor, may remove any member of the board for dishonorable conduct, incompetency, or
28 neglect of duty.

29 **5-48-3. Board of examiners – Duties and powers – Meetings – Compensation of**
30 **members.**

31 (a) The board shall administer, coordinate, and enforce the provisions of this chapter,
32 evaluate the qualifications of applicants, and may issue subpoenas, examine witnesses, and
33 administer oaths, conduct hearings, and at its discretion investigate allegations of violations of
34 this chapter and impose penalties if any violations of the chapter have occurred.

1 (b) The board shall conduct hearings and keep records and minutes as necessary to an
2 orderly dispatch of business.

3 (c) The board shall, with the approval of the director of the department of ~~health~~ [business](#)
4 [regulation](#), adopt, amend or repeal rules and regulations, including, but not limited to, regulations
5 that delineate qualifications for licensure and establish standards of professional conduct.
6 Following their adoption, the rules and regulations shall govern and control the professional
7 conduct of every person who holds a license to practice speech language pathology or audiology
8 in this state.

9 (d) The board shall make available complete lists of the names and addresses of all
10 licensed speech language pathologists and/or audiologists.

11 (e) The board may request legal advice and assistance from the appropriate state legal
12 officer.

13 (f) Regular meetings of the board shall be held at the times and places that it prescribes,
14 and special meetings may be held upon the call of the chairperson; provided, that at least one
15 regular meeting shall be held each year.

16 (g) The conferral or enumeration of specific powers in this chapter shall not be construed
17 as a limitation of the general powers conferred by this section. No member of the board shall be
18 liable to civil action for any act performed in good faith in the performance of his or her duties as
19 prescribed by this chapter.

20 (h) Board members shall serve without compensation.

21 (i) The board may suspend the authority of any registered speech language pathologist or
22 audiologist to practice speech language pathology or audiology for failure to comply with any of
23 the requirements of this chapter.

24 **5-48-9. Fees – Late filing – Inactive status.**

25 (a) The board may charge an application fee; a biennial license renewal fee payable
26 before July 1 of even years (biennially); or a provisional license renewal fee as set ~~forth in § 23-1-~~
27 ~~54~~ [by the department](#) payable annually from the date of issue.

28 (b) Any person who allows his or her license to lapse by failing to renew it on or before
29 the thirtieth (30th) day of June of even years (biennially), may be reinstated by the board on
30 payment of the current renewal fee plus an additional late filing fee as set ~~forth in § 23-1-54~~ [by](#)
31 [the department](#).

32 (c) An individual licensed as a speech language pathologist and/or audiologist in this
33 state, not in the active practice of speech-language pathology or audiology within this state during
34 any year, may upon request to the board, have his or her name transferred to an inactive status

1 and shall not be required to register biennially or pay any fee as long as he or she remains
2 inactive. Inactive status may be maintained for no longer than two (2) consecutive licensing
3 periods, after which period licensure shall be terminated and reapplication to the board shall be
4 required to resume practice.

5 (d) Any individual whose name has been transferred to an inactive status may be restored
6 to active status within two (2) licensing periods without a penalty fee, upon the filing of:

7 (1) An application for licensure renewal, with a licensure renewal fee as set ~~forth in § 23-~~
8 ~~4-54~~ by the department made payable by check to the general treasurer of the state of Rhode
9 Island; and

10 (2) Any other information that the board may request.

11 SECTION 14. Sections 5-49-1, 5-49-2.1, 5-49-2.2, 5-49-2.3, 5-49-3, 5-49-6, 5-49-8, 5-
12 49-10, 5-49-11, 5-49-12, 5-49-17 and 5-49-19 of the General Laws in Chapter 5-49 entitled
13 "Hearing Aid Dealers and Fitters" are hereby amended to read as follows:

14 **5-49-1. Definitions.**

15 As used in this chapter, except as the context may require:

16 (1) "Audiologist" means a person who has been awarded a certificate of competency by
17 the American Speech and Hearing Association and who is duly licensed by the department.

18 (2) "Board" means the board of hearing aid dealers and fitters.

19 (3) "Department" means the department of ~~health~~ business regulation.

20 (4) "Hearing aid" means any wearable instrument or device designed for or offered for
21 the purpose of aiding or compensating for impaired human hearing, and any parts, attachments, or
22 accessories, including ear mold, but excluding batteries and cords.

23 (5) "License" means a license issued by the state under this chapter to hearing aid dealers
24 and fitters.

25 (6) "Practice of fitting and dealing in hearing aids" means the evaluation and
26 measurement of human hearing by means of an audiometer or by any other means solely for the
27 purpose of making selections, adaptations, or sale of hearing aids. The term also includes the
28 making of impressions for ear molds. This term does not include the making of audiograms for a
29 physician or a member of related professions for use in consultation with the hard of hearing.

30 (7) "Sell" or "sale" means any transfer of title or of the right to use by lease, bailment, or
31 any other contract, excluding wholesale transactions with distributors or dealers.

32 (8) "Temporary permit" means a permit issued while the applicant is in training to
33 become a licensed hearing aid dealer and fitter.

34 **5-49-2.1. Certificates of need.**

1 (a) No person, firm, association, or corporation shall sell or attempt to sell, or make
2 available, any hearing aid instrument or hearing prosthetic device to a prospective consumer or
3 purchaser, unless that consumer or purchaser has first obtained and presented to the seller a
4 certificate of need on forms prescribed and furnished by the director of the department of ~~health~~
5 [business regulation](#).

6 (b) The certificate shall be signed by a physician licensed in the state under the provisions
7 of chapter 37 of this title and attest that, pursuant to an otological examination, it is his or her
8 diagnosis that the prospective patient-purchaser has a hearing impediment of a nature as to
9 indicate the need for a hearing aid instrument or hearing prosthetic device.

10 **5-49-2.2. Records of transactions.**

11 (a) Every person, firm, association, or corporation shall keep a permanent record of all
12 sales or other transactions where a hearing aid instrument or hearing prosthetic device is made
13 available.

14 (b) Each record of a transaction shall have attached to it the certificate of need presented
15 by the prospective purchaser.

16 (c) Each record of a transaction shall be retained for a period of five (5) years, and shall
17 be kept open for inspection by any official designated by the director of the department of ~~health~~
18 [business regulation](#).

19 **5-49-2.3. Penalty for violations of Sections 5-49-2.1 and 5-49-2.2.**

20 Any person, firm, association, or corporation who sells or attempts to sell, or makes
21 available, a hearing aid instrument or hearing prosthetic device without a certificate of need,
22 and/or fails to keep records as prescribed in § 5-49-2.2, and any physician who issues a certificate
23 of need not in conformance with Section 5-49-2.1, ~~is guilty of a misdemeanor and, upon~~
24 ~~conviction,~~ shall be fined not more than five hundred dollars (\$500) for each ~~offense-violation~~.
25 Each violation of a provision of this chapter shall constitute a separate offense.

26 **5-49-3. Receipt required to be furnished to a person supplied with hearing aid.**

27 (a) Any person who practices the fitting and sale of hearing aids shall deliver to each
28 person supplied with a hearing aid a receipt, which shall contain the licensee's signature and show
29 his or her business address and the number of his or her certificate, together with specifications as
30 to the make and model of the hearing aid furnished, and the full terms of sale clearly stated. If a
31 hearing aid which is not new is sold, the receipt and the container shall be clearly marked as
32 "used" or "reconditioned" whichever is applicable, with terms of guarantee, if any.

33 (b) The receipt shall bear in no smaller type than the largest used in the body copy
34 portion the following: "The purchaser has been advised at the outset of his or her relationship

1 with the hearing aid dealer that any examination(s) or representation(s) made by a licensed
2 hearing aid dealer and fitter in connection with the fitting and selling of this hearing aid(s) is not
3 an examination, diagnosis, or prescription by a person licensed to practice medicine in this state
4 and therefore must not be regarded as medical opinion or advice."

5 (c) The receipt, covering agreements consummated at any place other than at an address
6 of the seller, shall contain the following statement: "You may cancel this agreement if it has been
7 consummated by a party at any place other than at a business address of the seller by a written
8 notice directed to a business address of the seller by [certified mail](#), registered mail, telegram, or
9 delivery, not later than midnight of the third business day following the signing of the
10 agreement."

11 (d) The receipt shall contain language that verifies that the client has been informed about
12 the benefits of audio switch technology, including increased access to telephones and assistive
13 listening systems required under the "American with Disabilities Act of 1990", and section 504 of
14 the Rehabilitation Act of 1973. The client shall be informed that an audio switch is also referred
15 to as a telecoil, t-coil or t-switch.

16 (e) The receipt shall contain language that informs the client about the Rhode Island
17 adaptive telephone equipment loan program committee established by chapter 39-23 that provides
18 assistive communications devices to residents of this state who have hearing loss and about the
19 Rhode Island commission on the deaf and hard of hearing established by chapter 23-1.8 that
20 provides resources related to hearing loss.

21 (f) Any person engaging in the fitting and sale of hearing aids will, when dealing with a
22 child ten (10) years of age or under, ascertain whether the child has been examined by an
23 otolaryngologist, or primary care physician and an audiologist for his or her recommendation
24 within ninety (90) days prior to the fitting. If that is not the case, a recommendation to do so must
25 be made, and this examination must be conducted before the sale of any hearing aid.

26 (g) Prior to delivery of services or products to the prospective purchaser, a licensee shall
27 provide discussion of amplification or aural rehabilitation options appropriate to the hearing loss
28 and communication needs presented by the patient.

29 (h) A licensee delivers information, either written or oral, appropriate to the patient's
30 needs and options under discussion, including, but not limited to, types of circuitry, telecoils, or
31 programmability, and if applicable, estimated unit prices for the following service, hearing aid(s),
32 accessories, service contracts, hearing aid (loss and damage) insurance, health care coverage,
33 warranty, financing, and related goods and services.

34 (i) At the time of delivery of selected amplification, the dispenser shall deliver a written

1 delivery receipt containing the following:

2 (1) Business name, full address, and department ~~of health~~-license number of the
3 dispenser;

4 (2) Name, full address of patient and purchaser;

5 (3) The instrument identification including manufacturer, model, serial number;

6 (4) Identification of used or reconditioned units;

7 (5) The total price and applicable warranty time periods of instrumentation and
8 accessories such as earmolds, batteries, cords, etc.;

9 (6) Any additional insurance that has been placed on the instrument;

10 (7) All services included by the dispenser program as part of the complete amplification
11 package, i.e. follow-up visits, or reprogramming visits in the event the instrument is
12 programmable;

13 (8) A notice conspicuously in type that is at least four (4) points larger than the
14 surrounding text: "A hearing aid will not restore normal hearing. The purchaser has a thirty (30)
15 day trial period during which time the purchaser may return the instrument, in the original
16 condition less normal wear, with no further financial obligation. This product is protected by
17 chapter 45 of title 6 entitled "Enforcement of Assistive Technology Warranties", which shall be
18 made available by the dispenser, upon request". The purchaser has access to the dispenser during
19 the trial period, in order to receive appropriate follow-up monitoring, i.e. modification,
20 adjustment, reprogramming, or shell refit, in order to optimize comfort and instrument benefit.
21 The trial period may be extended beyond thirty (30) days if agreed to, in writing, by the dispenser
22 and the consumer.

23 (9) All professional and service fees shall be clearly stated in the contract. Refund shall
24 be made to the customer within ten (10) days of return;

25 (10) Signature of dispenser and name in print;

26 (11) Signature of patient;

27 (12) Date of purchase; and

28 (13) Department ~~of health~~-license number.

29 (14) Language that verifies that the client has been informed of subsections 5-49-3(d) and
30 (e).

31 **5-49-6. Issuance of licenses and certificates of endorsement.**

32 (a) The department shall register each applicant without discrimination who passes an
33 examination as provided in § 5-49-7. Upon the applicant's payment as set ~~forth in § 23-1-54~~ [by](#)
34 [the department of a fee](#) per annum for each year of the term of license, the department shall issue

1 to the applicant a license signed by the department. The total fee for the entire term of licensure
2 shall be paid prior to the issuance of the license.

3 (b) Whenever the board determines that another state or jurisdiction has requirements
4 equivalent to or higher than those in effect pursuant to this chapter, and that this state or
5 jurisdiction has a program equivalent to or stricter than the program for determining whether
6 applicants pursuant to this chapter are qualified to dispense and fit hearing aids, the department
7 may issue certificates of endorsement to applicants who hold current, unsuspended, and
8 unrevoked certificates or licenses to fit and sell hearing aids in that other state or jurisdiction.

9 (c) No applicant for certificate of endorsement shall be required to submit to or undergo a
10 qualifying examination, etc., other than the payment of fees, as set ~~forth in § 23-1-54~~ [by the](#)
11 [department](#).

12 (d) The holder of a certificate of endorsement shall be registered in the same manner as a
13 licensee. The fee for an initial certificate of endorsement shall be the same as the fee for an initial
14 license. Fees, grounds for renewal, and procedures for the suspension and revocation of
15 certificates of endorsement shall be the same as for renewal, suspension, and revocation of a
16 license.

17 **5-49-8. Temporary permits.**

18 (a) An applicant who fulfills the requirements regarding age, character, education, and
19 health as provided in § 5-49-7, may obtain a temporary permit upon application to the
20 department. Previous experience or a waiting period shall not be required to obtain a temporary
21 permit.

22 (b) Upon receiving an application as provided under this section, and accompanied by a
23 fee as set ~~forth in § 23-1-54~~ [by the department](#), the department shall issue a temporary permit
24 which entitles the applicant to engage in the fitting and sale of hearing aids for a period of one
25 year.

26 (c) A person holding a valid hearing aid dealer's and fitter's license is responsible for the
27 supervision and training of that applicant and maintain adequate personal contact.

28 (d) If a person who holds a temporary permit under this section has not successfully
29 passed the licensing examination within one year from the date of issuance of the permit, the
30 temporary permit may be renewed or reissued once upon payment of a fee as set ~~forth in § 23-1-~~
31 ~~54~~ [by the department](#).

32 **5-49-10. Notice to department of place of business – Notice to holders of license.**

33 (a) A person who holds a license shall notify the department, in writing, of the regular
34 address of the place or places where he or she engages or intends to engage in the fitting or the

1 sale of hearing aids.

2 (b) The department shall keep a record of the place of business of licensees.

3 (c) Any notice required to be given by the department to a person who holds a license
4 shall be mailed to him or her, ~~by certified mail~~, at the address of the last place of business which
5 he or she has provided the department.

6 **5-49-11. Duration of license – Renewal of license – Fees – Effect of failure to renew.**

7 (a) The department shall promulgate rules and regulations mandating the term of license
8 for each category of license issued pursuant to this chapter. No license shall remain in force for a
9 period in excess of two (2) years.

10 (1) Each person who engages in the fitting and sale of hearing aids shall pay to the
11 department a per annum fee, as set ~~forth in § 23-1-54~~ by the department ~~per annum~~ for each year
12 of the term of license, for a renewal of his or her license.

13 (2) The renewal certificate shall be conspicuously posted in his or her office or place of
14 business at all times.

15 (3) Where more than one office is operated by the licensee, duplicate certificates shall be
16 issued by the department for posting in each location.

17 (b) A thirty (30) day grace period shall be allowed during which time licenses may be
18 renewed on payment of a per annum fee ~~to the department~~ as set ~~forth in § 23-1-54~~ by the
19 department ~~per annum~~ for each year of the term of renewal.

20 (c) After expiration of the grace period, the department may renew those certificates upon
21 payment to the department of a per annum fee as set ~~forth in § 23-1-54~~ by the department ~~per~~
22 ~~annum~~ for each year of the term of renewal.

23 (d) The total fee for the entire term of license or renewal shall be paid prior to the
24 issuance of the license.

25 (e) No person who applies for renewal, whose license has expired, shall be required to
26 submit to any examination as a condition to renewal; provided, that the renewal application is
27 made within two (2) years from the date of that expiration.

28 **5-49-12. Complaints – Grounds and proceedings for revocation or suspension of**
29 **licenses.**

30 (a)(1) Any person wishing to make a complaint against a licensee under this chapter shall
31 file this complaint, in writing, with the department, within one year from the date of the action
32 upon which the complaint is based.

33 (2) If the department determines the charges made in the complaint are sufficient to
34 warrant a hearing to determine whether the license issued under this chapter should be suspended

1 or revoked, it shall make an order fixing a time and place for a hearing and shall require the
2 licensee complained against to appear and defend against the complaint. The order shall have
3 annexed to it a copy of the complaint.

4 (3) The order and copy of the complaint shall be served upon the licensee, either
5 personally or by ~~registered~~-certified mail sent to the licensee's last known address, at least twenty
6 (20) days before the date set for the hearing.

7 (4) Continuances or an adjournment of the hearing shall be made if for good cause.

8 (5) At the hearing, the licensee complained against may be represented by counsel.

9 (6) The licensee complained against and the department shall have the right to take
10 depositions in advance of the hearing and after service of the complaint, and either may compel
11 the attendance of witness by subpoenas issued by the department ~~under its seal~~.

12 (7) Either party taking depositions shall give at least five (5) days' written notice to the
13 other party of the time and place of those depositions, and the other party has the right to attend
14 (with counsel if desired) and cross-examine.

15 (8) Appeals from suspension or revocation may be made through the appropriate
16 administrative procedures act.

17 (b) Any person registered under this chapter may have his or her license revoked or
18 suspended for a fixed period by the department for any of the following causes:

19 (1) The conviction of a felony, or a misdemeanor involving moral turpitude. The record
20 of conviction, or a certified copy, certified by the clerk of the court or by the judge in whose court
21 the conviction was had, shall be conclusive evidence of this conviction.

22 (2) Procuring a license by fraud or deceit practiced upon the department.

23 (3) Unethical conduct, including:

24 (i) Obtaining any fee or making any sale by fraud or misrepresentation.

25 (ii) Knowingly employing, directly or indirectly, any suspended or unregistered person to
26 perform any work covered by this chapter.

27 (iii) Using, or causing, or promoting the use of, any advertising matter, promotional
28 literature, testimonial, guarantee, warranty, label, brand, insignia or any other representation,
29 however disseminated or published, which is misleading, deceptive, or untruthful.

30 (iv) Advertising a particular model or type of hearing aid for sale when purchasers or
31 prospective purchasers responding to the advertisement cannot purchase the advertised model or
32 type, where it is established that the purpose of the advertisement is to obtain prospects for the
33 sale of a different model or type than that advertised.

34 (v) Representing that the service or advice of a person licensed to practice medicine will

1 be used or made available in the selection, fitting, adjustment, maintenance, or repair of hearing
2 aids when that is not true.

3 (vi) Habitual intemperance [to the extent it impairs the licensee's ability to engage in the](#)
4 [practice of his or her profession.](#)

5 (vii) ~~Gross immorality.~~

6 ~~(viii)~~ Permitting another's use of a license.

7 ~~(ix)~~ Advertising a manufacturer's product or using a manufacturer's name or
8 trademark which implies a relationship with the manufacturer that does not exist.

9 (ix) Directly or indirectly giving or offering to give, or permitting or causing to be given,
10 money or anything of value to any person who advises another in a professional capacity, as an
11 inducement to influence him or her, or have him or her influence others, to purchase or contract
12 to purchase products sold or offered for sale by a hearing aid dealer or fitter, or influencing
13 persons to refrain from dealing in the products of competitors.

14 (xi) Representing, when this is not the case, that the hearing aid is or will be "custom-
15 made", "made to order", or "prescription-made", or in any other sense specially fabricated for an
16 individual person.

17 (4) Knowingly placing the health of a client at serious risk without maintaining proper
18 precautions;

19 (5) Engaging in the fitting and sale of hearing aids under a false name or alias with
20 fraudulent intent.

21 (6) Selling a hearing aid to a person who has not been given tests utilizing appropriate
22 established procedures and instrumentation in fitting of hearing aids, except in cases of selling
23 replacement hearing aids. Selling a hearing aid to a person who has discharge from the ear, loss
24 of balance and dizzy spells, or a loss of hearing for less than ninety (90) days, unless that person
25 has received a prescription from a physician.

26 (7) Gross incompetence or negligence in fitting and selling hearing aids.

27 (8) Violating any provisions of this chapter.

28 **5-49-17. Board – Meetings.**

29 The board shall meet ~~not less than six (6) times each year~~ [on the call of the chairperson or](#)
30 [at the written request of any three \(3\) members of the board](#) at a place, day, and hour determined
31 by the board. The board shall also meet at any other times and places as requested by the
32 department.

33 **5-49-19. Penalty for violations.**

34 Violation of any provisions of this chapter shall be punishable, ~~upon conviction,~~ by a fine

1 of not more than five hundred dollars (\$500) ~~or by imprisonment for not more than ninety (90)~~
2 ~~days, or both~~ [for each violation.](#)

3 SECTION 15. Sections 5-60-2, 5-60-4 and 5-60-11 of the General Laws in Chapter 5-60
4 entitled "Athletic Trainers" are hereby amended to read as follows:

5 **5-60-2. Definitions.**

6 As used in this chapter:

7 (1) "Athletic trainer" means a person with the specific qualifications established in § 5-
8 60-10 who, upon the direction of his or her team physician and/or consulting physician, carries
9 out the practice of athletic training to athletic injuries incurred by athletes in preparation of or
10 participation in an athletic program being conducted by an educational institution under the
11 jurisdiction of an interscholastic or intercollegiate governing body, a professional athletic
12 organization, or a board sanctioned amateur athletic organization; provided, that no athlete shall
13 receive athletic training services if classified as geriatric by the consulting physician. No athlete
14 shall receive athletic training services if non-athletic or age-related conditions exist or develop
15 that render the individual debilitated or non-athletic. To carry out these functions, the athletic
16 trainer is authorized to utilize modalities such as heat, light, sound, cold, electricity, exercise, or
17 mechanical devices related to care and reconditioning. The athletic trainer, as defined in this
18 chapter, shall not represent himself or herself or allow an employer to represent him or her to be,
19 any other classification of healthcare professional governed by a separate and distinct practice act.
20 This includes billing for services outside of the athletic trainer's scope of practice, including, but
21 not limited to services labeled as physical therapy.

22 (2) "Board" means the Rhode Island board of athletic trainers established under § 5-60-4.

23 (3) "Department of ~~health~~ [business regulation](#)" means the department of state under
24 which the board of athletic trainers is listed.

25 (4) "Director" means the director or state official in charge of the department of ~~health~~
26 [business regulation](#).

27 **5-60-4. Board – Composition – Appointment, terms, oaths, and removal of members**
28 **– Officers – Meetings.**

29 (a) The director of the department of ~~health~~ [business Regulation](#), with the approval of the
30 governor, shall appoint the members of the Rhode Island board of athletic trainers, which shall be
31 composed of three (3) licensed athletic trainers and one public member and one physician
32 licensed to practice medicine and with an interest in sports medicine. In making appointments to
33 the board, the director shall give consideration to recommendations made by professional
34 organizations of athletic trainers and physicians. Each appointee shall be licensed and practicing

1 in the state, except that the director in appointing the athletic trainer members of the first board
2 may appoint any practicing athletic trainer who possesses the qualification required by § 5-60-10.
3 To qualify as a member, a person must be a citizen of the United States-and a resident of the state
4 for five (5) years immediately preceding appointment.

5 (b) The members of the board shall be appointed for terms of three (3) years which expire
6 on August 1 of even numbered years, ~~except that in making the initial appointments the director~~
7 ~~shall designate one member to serve one year, two (2) members to serve two (2) years, and two~~
8 ~~(2) members to serve three (3) years.~~ In the event of death, resignation, or removal of any
9 member, the vacancy shall be filled for the unexpired portion of the term in the same manner as
10 the original appointment. The director may remove any member for cause at any time prior to the
11 expiration of his or her term. No member shall serve for more than two (2) consecutive three (3)
12 year terms.

13 (c) Each appointee to the board shall qualify by taking the constitutional oath of office
14 within thirty (30) days from the date of his or her appointment. On presentation of the oath, the
15 director shall issue commissions to appointees as evidence of their authority to act as members of
16 the board.

17 (d) The board shall elect from its members for a term of one year, a chairperson, vice-
18 chairperson, and secretary-treasurer, and may appoint committees that it considers necessary to
19 carry out its duties. The board shall meet ~~at least two (2) times a year. Additional meetings may~~
20 ~~be held~~ on the call of the chairperson or at the written request of any three (3) members of the
21 board. The quorum required for any meeting of the board shall be three (3) members. No action
22 by the board or its members has any effect unless a quorum of the board is present.

23 **5-60-11. Fees.**

24 Applicants for athletic trainer licenses shall pay a license fee, and, if applicable, a
25 biennial license renewal fee as set ~~forth in § 23-1-54~~ [by the department](#). Any person allowing
26 their license to lapse shall pay a late fee as set ~~forth in § 23-1-54~~ [by the department](#).

27 SECTION 16. Sections 5-71-3, 5-71-4, 5-71-5, 5-71-6, 5-71-8, 5-71-9 and 5-71-13 of the
28 General Laws in Chapter 5-71 entitled "Licensure of Interpreters for the Deaf" are hereby
29 amended to read as follows:

30 **5-71-3. Definitions.**

31 (1) "Board" means the state board of examiners for interpreters for the deaf.

32 (2) "Certified" means any individual who is a certified member of the Registry of
33 Interpreters for the Deaf, Inc., (RID), its successor agency, or other agencies as approved by the
34 department in consultation with the board.

1 (3) "Certified deaf interpreter", "deaf interpreter", or "deaf intermediary interpreter"
2 means any individual who is deaf or hard of hearing and who is a certified member of the
3 Registry of Interpreters for the Deaf, Inc. (RID) or its successor agency approved by the
4 department in consultation with the board.

5 (4) "Consumer" is an individual who is deaf, deaf-blind, hard of hearing, hearing, or an
6 individual with a disability who does not share a common means of communication. This may
7 include, without limitation, American Sign Language (ASL), visual, gestural, auditory, and tactile
8 made of communication.

9 (5) "Department" means the Rhode Island department of ~~health-business regulation~~.

10 (6) "Director" means the director of the department of ~~health-business regulation~~.

11 (7) "Educational Interpreter" means an individual who has specialized certification
12 (elementary and secondary education for grades kindergarten (K) through twelve (12)) and is a
13 certified member of RID or its successor agency approved by the department in consultation with
14 the board in the provision of sign language interpreting to students who are deaf, hard of hearing,
15 or deaf-blind in grades preschool through twelve (12).

16 (8) "Emergency" means an urgent circumstance that demands immediate action in order
17 for a consumer to avoid imminent harm or loss. In the event of an emergency, the consumer may
18 elect to use the services of a nonlicensed interpreter as set forth in regulations promulgated by the
19 department.

20 (9) "Interpreter" means any person who engages in the practice of interpreting as defined
21 in subdivisions (10), (11), (14), and (15).

22 (10) "Interpreting" means conveying spoken English into American Sign Language
23 (ASL), or conveying American Sign Language into English, or interpreting English to and/or
24 from a visual gestural system.

25 (11) "Intermediary interpreting" means interpreting services rendered by a deaf person to
26 facilitate communication between another deaf person and a licensed interpreter.

27 (12) "Screened interpreter" means any person who presents proof of an active state
28 screening or its equivalent and presents proof of successful completion of an examination as
29 approved by the department in consultation with the board.

30 (13) "Screened deaf interpreter" means any person who is deaf or hard of hearing and
31 who presents proof of an active state screening, or its equivalent, and presents proof of successful
32 completion of an examination as approved by the department in consultation with the board.

33 (14) "Transliterating" means conveying spoken English into manually coded English, or
34 conveying manually coded English into spoken English (sign-to-voice), or conveying English on

1 the lips so that it is accessible to speech reading (e.g. oral transliterating, or any auditory
2 communication as a visual form in English such as cued speech).

3 (15) "Deaf-blind interpreting" means linguistic information through sign language
4 acquired by individuals who are deaf-blind through their preferred methods depending on the
5 causes of their combined vision and hearing loss, their background, and their education, such as
6 close-vision interpreting and tactile interpreting, while spoken language is conveyed into sign
7 language (e.g. ASL), and sign language (ASL) is conveyed into spoken language.

8 **5-71-4. Board of examiners – Creation – Compensation – Appointment, terms and**
9 **qualifications of members.**

10 (a) There shall exist within the state department of ~~health~~ [Business Regulation](#) a board of
11 examiners of interpreters for the deaf. The board shall consist of five (5) persons who shall be
12 residents of the state of Rhode Island for at least two (2) years prior to their appointments: three
13 (3) nationally certified interpreters, and two (2) consumers.

14 (b) All appointments made under this section shall be made by the governor with the
15 advice and consent of the senate. In making appointments to the board, the governor shall give
16 consideration to recommendations made by the commission on the deaf and hard-of-hearing
17 established pursuant to § 23-1.8-1. All members shall serve terms of three (3) years. Members
18 shall serve until the expiration of the term for which they have been appointed or until their
19 successor is appointed. No person shall be appointed to serve more than two (2) consecutive
20 terms. When a vacancy upon the board occurs, a replacement shall be appointed for the remainder
21 of that term as prescribed in this section.

22 (c) The board shall reorganize annually during the month of December and shall elect a
23 chairperson and vice chairperson for the subsequent calendar year. The board may elect from
24 among its members such other officers as it deems necessary.

25 (d) Three (3) members of the board shall constitute a quorum to do business. A majority
26 vote of those present shall be required for action.

27 (e) Members of the board shall be removable by the governor pursuant to the provisions
28 of § 36-1-7 of the general laws and for cause only, and removal solely for partisan or personal
29 reasons unrelated to capacity or fitness for the office shall be unlawful.

30 **5-71-5. Board of examiners – Duties and powers – Meetings – Compensation of**
31 **members.**

32 (a) The department, with the assistance of the board, shall administer, coordinate, and
33 enforce the provisions of this chapter, evaluate the qualifications of applicants, and may issue
34 subpoenas, examine witnesses, administer oaths, and investigate persons engaging in practices

1 that violate the provisions of this chapter.

2 (b) The department shall conduct hearings and shall keep records and minutes that are
3 necessary for the orderly dispatch of business.

4 (c) The department shall hold public hearings regarding rules and regulations.

5 (d) The department in consultation with the board, in accordance with the rule-making
6 provisions of the "Administrative Procedures Act", (chapter 35 of title 42), shall adopt
7 responsible rules and regulations and may amend or repeal those rules and regulations. Following
8 their adoption, the rules and regulations shall govern and control the professional conduct of
9 every person who holds a license to practice interpreting or transliterating in the state of Rhode
10 Island.

11 (e) ~~Regular M~~meetings of the board shall be held, and special meetings may be held,
12 upon the call of the chairperson as often as necessary ~~to~~ for the transaction of any business within
13 the jurisdiction of the board. ~~deal with such issues as violations of this chapter; provided, that at~~
14 ~~least one regular meeting is held each calendar year.~~

15 (f) The conferral or enumeration of specific powers in this chapter shall not be construed
16 as a limitation of the general powers conferred by the section. No member of the board shall be
17 liable to civil action for any act performed in good faith in the performance of his or her duties as
18 prescribed by this chapter.

19 (g) Board members shall serve on an honorable basis without compensation.

20 (h) The board may request legal advice and assistance from the appropriate legal officer.

21 (i) The board shall conduct a training course for newly appointed and qualified members
22 within six (6) months of their appointment. The course shall be developed and conducted by the
23 chair of the board, approved by the department, and shall include instruction in the subject areas
24 of this chapter, and chapter 46 of title 42, chapter 14 of title 36, and chapter 2 of title 38, and the
25 board's rules and regulations. The ~~director of the~~ department ~~of health~~ shall, within ninety (90)
26 days, prepare and disseminate training materials relating to the provisions of chapter 46 of title
27 42, chapter 14 of title 36, and chapter 2 of title 38.

28 ~~(j) Within ninety (90) days after the end of each fiscal year, the board shall approve and~~
29 ~~submit an annual report to the governor, the speaker of the house of representatives, the president~~
30 ~~of the senate, and the secretary of state of its activities during that fiscal year. The report shall~~
31 ~~provide: an operating statement summarizing meetings or hearings held, including meeting~~
32 ~~minutes, subjects addressed, decisions rendered, licenses considered and their dispositions, rules~~
33 ~~or regulations promulgated, studies conducted, policies and plans developed, approved or~~
34 ~~modified, and programs administered or initiated; a consolidated financial statement of all funds~~

1 ~~received and expended including the source of the funds, a listing of any staff supported by these~~
2 ~~funds, and a summary of any clerical, administrative or technical support received; a summary of~~
3 ~~performance during the previous fiscal year including accomplishments, shortcomings and~~
4 ~~remedies; a synopsis of hearings, complaints, suspensions or other legal matters related to the~~
5 ~~authority of the board; a summary of any training courses held pursuant to the provisions of~~
6 ~~paragraph 5-71-5(i); a briefing on anticipated activities in the upcoming fiscal year; and findings~~
7 ~~and recommendations for improvements. The report shall be posted electronically on the general~~
8 ~~assembly and the secretary of state's websites as prescribed in § 42-20-8.2. The director of the~~
9 ~~department of health shall be responsible for the enforcement of this provision.~~

10 **5-71-6. Board of examiners – Seal – Authentication of records.**

11 The board shall ~~adopt the state seal by which it shall~~ authenticate its proceedings. Copies
12 of the proceedings, records and acts of the board, and certificates purporting to relate the facts
13 concerning those proceedings, records, and acts, signed by the secretary shall be deemed ~~and~~
14 authenticated ~~by that seal,~~ and shall be evidence in all courts of this state.

15 **5-71-8. Qualifications of applicants for licenses.**

16 (a) To be eligible for licensure by the board as an interpreter for the deaf or transliterator,
17 the applicant must submit written evidence on forms furnished by the department, ~~verified by~~
18 ~~oath,~~ that the applicant meets all of the following requirements:

19 (1) Is of good moral character;

20 (2) Meets the screened requirements as defined in regulations promulgated by the
21 department or meets the certification requirements set forth by RID or its successor agency
22 approved by the department in consultation with the board;

23 (3) Pays the department a license fee as set ~~forth in § 23-1-54~~ by the department;

24 (4) Adheres to the National Association of the Deaf (NAD) and the Registry of
25 Interpreters for the Deaf, Inc., (RID) code of professional conduct; and

26 (5) Provides verification of a background check with the bureau of criminal investigation
27 in the office of attorney general at the time of the initial application for license.

28 (b) To be eligible for licensure by the board as an educational interpreter for the deaf, the
29 applicant must meet all of the requirements as described in subsection (a) and must further
30 present proof of successful completion of the educational interpreter performance assessment
31 (EIPA), written and performance tests, or a similar test as approved by the board, at a
32 performance level established by the board.

33 (c) An individual whose license, certification, permit, or equivalent form of permission
34 issued within another state has been revoked, suspended, or currently placed on probation shall

1 not be eligible for consideration for licensure unless they have first disclosed to the department
2 about such disciplinary actions.

3 **5-71-9. Licensure and regulations of interpreters for the deaf.**

4 (a) Licensure shall be granted when a person meets the certification requirements as
5 defined in regulations promulgated by the department. A person only needs one license under
6 "certified" or "screened" if he or she is qualified as defined in § 5-71-8(a) and recognized by the
7 RID and the NAD or its successor agency approved by the department in consultation with the
8 board as outlined in § 5-71-3.

9 (b) No person shall practice or hold him or herself out as being able to practice
10 interpreting, educational interpreting, or intermediary interpreting as defined in § 5-71-3 unless he
11 or she shall be licensed in accordance with the provisions of this chapter. No person shall hold
12 himself or herself out as being an educational interpreter as defined in § 5-71-3 unless he or she is
13 licensed in accordance with the provisions of this chapter.

14 (c) All licensed interpreters upon commencing to practice, and upon any change in
15 address, shall promptly notify the department of said change in home or office address and shall
16 furnish any other information to the department that it may require. All licensed interpreters shall
17 annually, before July 1st, pay the department a license renewal fee, as set forth in ~~§ 23-1-54~~ by
18 [the department](#), for each license. The department may suspend the authority of any licensed
19 interpreter to practice for failure to comply with any of the requirements of this chapter or the
20 regulations promulgated thereunder. The department makes available for public inspection a
21 complete list of the names of all interpreters licensed and practicing in the state.

22 (d) Three (3) types of licensure may be issued to interpreters:

23 (1) A certified license shall be granted to interpreters who have met the certification
24 requirements as set forth in regulations promulgated by the department. The two (2) licenses
25 under "certified" are called "certified interpreter" and "certified deaf interpreter";

26 (2) A screened license of limited duration determined by the board shall be granted to
27 interpreters who have met the educational requirements as set forth in regulations promulgated by
28 the department and who have successfully completed a recognized state screening or state
29 equivalent as determined by the department in consultation with the board. The two (2) licenses
30 under "screened" are called "screened interpreter" and "screened deaf interpreter";

31 (3) An educational interpreter license may be granted to interpreters who meet the
32 requirements of § 5-71-8(b). This license is called "educational interpreter".

33 (e) All certified licensed interpreters shall be required to complete continuing education
34 as set forth by RID or its successor agency approved by the department in consultation with the

1 board. All licensed screened interpreters shall be required to complete continuing education as set
2 forth in the regulations promulgated by the department.

3 **5-71-13. Grounds for suspension or revocation of licenses.**

4 (a) The board may recommend to the director of the department of ~~health-business~~
5 regulation the issuance, renewal, or revocation of a license, or suspension, placement on
6 probation, censure or reprimand a licensee, or any other disciplinary action that the board may
7 deem appropriate, for conduct that may result from, but not necessarily be limited to:

8 (1) Obtaining his or her license by means of fraud, misrepresentation, or concealment of
9 material facts;

10 (2) Being guilty of fraud, misrepresentation, concealment, or material misstatement of
11 facts or deceit in connection with his or her services rendered as an interpreter;

12 (3) Being guilty of unprofessional conduct as defined by the rules established by the
13 department in consultation with the board, and/or violating any standard of professional or ethical
14 conduct adopted by the National Registry of Interpreters for the Deaf;

15 (4) Violating the continuing education requirements of this chapter, as defined in § 5-71-
16 9(e), and rules and regulations as promulgated by the department;

17 (5) Violating any lawful order, or any provision of this chapter or of the rules or
18 regulations promulgated in this chapter;

19 (6) Aiding or assisting another person in violating any provision of this chapter or any
20 rule or regulation adopted under this chapter;

21 (7) Departure from or failure to conform to the current standards of acceptable and
22 prevailing practice of interpreting.

23 (b) Working under a license that is expired or on inactive status, working under a license
24 when certification is expired or on inactive status, and practicing interpreting without being
25 exempt under § 5-71-10 shall be considered to be practicing without a license.

26 ~~(c) The department shall respond to all recommendations from the board under this~~
27 ~~section within thirty (30) calendar days.~~

28 SECTION 17. Section 5-34-10 of the General Laws in Chapter 5-34 entitled “Nurses” is
29 hereby amended to read as follows:

30 **5-34-10. Qualifications of professional nurse applicants.**

31 An applicant for licensure to practice as a professional nurse shall submit to the board
32 written evidence on forms furnished by the division of professional regulation, ~~verified by oath,~~
33 that the applicant:

34 (1) Has completed at least an approved high school course of study or the equivalent

1 supported by diploma or certificate of the course of study as determined by the rules and
2 regulations of the state board of education;

3 (2) Has successfully completed the prescribed curriculum in an approved basic
4 professional nursing education program and holds a diploma from the program; and

5 (3) Is of good moral character.

6 SECTION 18. Section 5-35.1-3 of the General Laws in Chapter 5-35.1 entitled
7 “Optometrists” is hereby amended to read as follows:

8 **5-35.1-3. Application for examination and license.**

9 Every person desiring to be licensed to practice optometry as provided in this chapter
10 shall file with the department, in the form prescribed by the department, an application, ~~verified~~
11 ~~by oath~~, presenting the facts which entitle the applicant to a license to practice optometry under
12 this chapter. No one shall be permitted to practice optometry in this state without a valid license.

13 SECTION 19. Section 5-37.2-12.1 of the General Laws in Chapter 5-37.2 entitled “The
14 Healing Art of Acupuncture and Oriental Medicine” is hereby amended to read as follows:

15 **5-37.2-12.1. Examination requirements and issuance of license.**

16 (a) No person shall be licensed as a doctor of acupuncture and Oriental medicine unless
17 he or she has passed the examination by the ~~National Commission of Certification of~~
18 ~~Acupuncture and Oriental Medicine.~~ [National Certification Commission for Acupuncture and](#)
19 [Oriental Medicine or successor entity.](#)

20 (b) Before any applicant is eligible for licensure, he or she shall furnish satisfactory proof
21 that he or she:

22 (1) Is a United States citizen or legal alien;

23 (2) Has demonstrated proficiency in the English language;

24 (3) Is at least twenty one (21) years of age;

25 (4) Is of good moral character;

26 (5) Has completed an accredited program of at least thirty-six (36) months and not less
27 than twenty-five hundred (2,500) hours of training and has received a certificate or diploma from
28 an institute approved by the Accreditation Commission for Schools and Colleges of Acupuncture
29 and Oriental Medicine, according to the provisions of this chapter; provided, that this subdivision
30 does not apply to anyone licensed to practice under chapter 37 of this title who is qualified to take
31 and pass the test by the National Commission for the Certification of Acupuncture and Oriental
32 Medicine;

33 (6) Has completed a clinical internship training that is designated as appropriate by the
34 National Commission for the Certification of Acupuncture and Oriental Medicine; and

1 (7) Has three (3) letters of reference from reputable individuals other than relatives and at
2 least two (2) of which are from licensed or registered doctors of acupuncture and Oriental
3 medicine.

4 SECTION 20. Sections 5-40-6 and 5-40-6.1 of the General Laws in Chapter 5-40 entitled
5 “Physical Therapists” are hereby amended to read as follows:

6 **5-40-6. Qualification of physical therapists.**

7 Any applicant for licensure shall submit to the board written evidence on forms furnished
8 by the department of health, ~~verified by oath~~, that the applicant meets all of the following
9 requirements:

10 (1) Is at least eighteen (18) years of age;

11 (2) Is of good moral character;

12 (3) Has graduated from an education program in physical therapy accredited by the
13 Commission on Accreditation of Physical Therapy Education (CAPTE) or other accrediting
14 agency as approved by the department in consultation with the board, in the year of the
15 applicant's graduation; and

16 (4) Has passed the National Physical Therapy Examination (NPTE) of the Federation of
17 State

18 Boards of Physical Therapy (FSBPT) or other physical therapy certification examination
19 as approved by the department in consultation with the board to determine the applicant's fitness
20 to engage in the practice of physical therapy.

21 **5-40-6.1. Qualifications of physical therapist assistants.**

22 Any applicant for licensure shall submit to the board written evidence on forms furnished
23 by the department of health, ~~verified by oath~~, that the applicant meets all of the following
24 requirements:

25 (1) Is at least eighteen (18) years of age;

26 (2) Is of good moral character;

27 (3) Has graduated from an educational program in physical therapy accredited by the
28 Commission on Accreditation of Physical Therapy Education (CAPTE) or other accrediting
29 agency as approved by the department in consultation with the board, in the year of said
30 applicant's graduation; and

31 (4) Has passed the National Physical Therapy Examination (NPTE) of the Federation of
32 State Boards of Physical Therapy (FSBPT) or other physical therapy assistant certification
33 examination as approved by the department in consultation with the board to determine the
34 applicant's fitness to engage in the practice of physical therapy.

1 SECTION 21. Section 5-40.1-8 of the General Laws in Chapter 5-40.1 entitled
2 “Occupational Therapy” is hereby amended to read as follows:

3 **5-40.1-8. Requirements for licensure.**

4 (a) Any applicant seeking licensure as an occupational therapist or occupational therapy
5 assistant in this state must:

6 (1) Be at least eighteen (18) years of age;

7 (2) Be of good moral character;

8 (3) Have successfully completed the academic requirements of an education program in
9 occupational therapy accredited by the American Occupational Therapy Association's
10 Accreditation Council for Occupational Therapy Education or other therapy accrediting agency
11 that may be approved by the board;

12 (4) Have successfully completed a period of supervised fieldwork experience arranged by
13 the recognized educational institution where he or she met the academic requirements:

14 (i) For an occupational therapist, a minimum of twenty-four (24) weeks of supervised
15 fieldwork experience shall be required;

16 (ii) For an occupational therapy assistant, a minimum of twelve (12) weeks shall be
17 required;

18 (5) Have successfully passed the National Certification Examination for Occupational
19 Therapists, Registered, or National Certification Examination for Occupational Therapy
20 Assistants, of the National Board for Certification in Occupational Therapy (NBCOT) or other
21 occupational therapy certification examination as approved by the board.

22 (b) Application for licensure to practice occupational therapy in this state either by
23 endorsement or by examination shall be made on forms provided by the division, which shall be
24 completed, ~~notarized,~~ and submitted to the board thirty (30) days prior to the scheduled date of
25 the board meeting. The application shall be accompanied by the following documents:

26 (1) ~~Three (3) affidavits from responsible persons attesting to the applicant's good moral~~
27 ~~character;~~ Is of good moral character, evidenced in the manner prescribed by the department.

28 (2) For U.S. citizens: a certified copy of birth record or naturalization papers;

29 (3) For non-U.S. citizens: documented evidence of alien status, such as immigration
30 papers or resident alien card or any other verifying papers acceptable to the administrator;

31 (4) Documented evidence and supporting transcripts of qualifying credentials as
32 prescribed in this section;

33 ~~(5) One unmounted passport photograph of the applicant (head and shoulder view)~~
34 ~~approximately 2x3 inches in size;~~

1 ~~(5)~~ (5) A statement from the board of occupational therapy in each state in which the
2 applicant has held or holds licensure, or is otherwise subject to state regulation, to be submitted to
3 the board of this state attesting to the licensure status of the applicant during the time period the
4 applicant held licensure in that state; and

5 ~~(6)~~ (6) The results of the written national examination of the National Board for
6 Certification in Occupational Therapy (NBCOT).

7 (c)(1) Applicants seeking licensure as occupational therapists or occupational therapy
8 assistants are required to pass the national written examination of the National Board for
9 Certification in Occupational Therapy (NBCOT) approved by the board to test the applicant's
10 fitness to engage in the practice of occupational therapy pursuant to the provisions of this chapter.

11 (2) The date, time, and place of examinations shall be available from the National Board
12 for Certification in Occupational Therapy (NBCOT).

13 (d) In case any applicant fails to satisfactorily pass an examination, the applicant shall be
14 entitled to re-examination.

15 (e) Occupational therapists and occupational therapy assistants who are licensed or
16 regulated to practice under laws of another state or territory or the District of Columbia may,
17 upon receiving a receipt from the division, perform as an occupational therapist or occupational
18 therapy assistant under the supervision of a qualified and licensed occupational therapist or
19 occupational therapy assistant. If this applicant fails to receive licensure when the board reviews
20 the application, all previously mentioned privileges automatically cease.

21 (f) Applicants from foreign occupational therapy schools must meet the requirements of
22 the National Board for Certification in Occupational Therapy (NBCOT) and present evidence of
23 passage of the National Certification Examination for Occupational Therapists or the National
24 Certification Examination for Occupational Therapy Assistants of the NBCOT. Applicants must
25 meet all of the appropriate requirements for licensure to the satisfaction of the board and in
26 accordance with the statutory and regulatory provisions of this chapter.

27 SECTION 22. Section 5-44-9 of the General Laws in Chapter 5-44 entitled
28 "Psychologists" is hereby amended to read as follows:

29 **5-44-9. Qualifications of psychologists.**

30 An applicant for licensure shall submit to the board written evidence acceptable to the
31 department, ~~verified under oath~~, that the applicant:

32 (1) Is of good moral character;

33 (2) Has received a doctorate degree in psychology from a college or university whose
34 program of study for that degree at that time meets or exceeds the stated requirements for

1 approval by the American Psychological Association, or its equivalent in terms of excellence of
2 education and training, or a doctorate degree in an allied field whose education and training
3 requirements are substantially similar to current American Psychological Association standards of
4 accreditation for the granting of a doctorate in psychology;

5 (3) Has had the requisite supervised experience as deemed acceptable to the board as
6 delineated in the rules and regulations;

7 (4) Has passed an examination conducted by the board to determine his or her
8 qualification for licensure as a psychologist, or is applying under the provisions of § 5-44-11;

9 SECTION 23. Sections 5-63.2-9 and 5-63.2-10 of the General Laws in Chapter 5-63.2
10 entitled “Mental Health Counselors and Marriage and Family Therapists” is hereby amended to
11 read as follows:

12 **5-63.2-9. Qualifications of licensed clinical mental health counselors.**

13 (a) An applicant for licensure shall submit to the board written evidence on forms
14 furnished by the division of professional regulation ~~verified under oath~~ that the applicant:

15 (1) Is of good character; and

16 (2) Has received a graduate degree specializing in counseling/therapy from a college or
17 university accredited by the New England Association of Schools and Colleges, or an equivalent
18 regional accrediting agency, and which has the approval by a cognizable national or regional
19 certifying authority; and

20 (3) Has completed sixty (60) semester hours or ninety (90) quarter hours within their
21 graduate counseling/therapy program; and

22 (4) Has completed a minimum of twelve (12) semester hours or eighteen (18) quarter
23 hours of supervised practicum and a minimum of one calendar year of supervised internship
24 consisting of twenty (20) hours per week or its equivalent with emphasis in mental health
25 counseling supervised by the department within the college or university granting the requisite
26 degree or by an accredited postgraduate clinical training program recognized by the United States
27 Department of Education, or education and/or experience which is deemed equivalent by the
28 board; and

29 (5) Has completed a minimum of two (2) years of relevant postgraduate experience,
30 including at least two thousand (2,000) hours of direct client contact offering clinical or
31 counseling or therapy services with emphasis in mental health counseling subsequent to being
32 awarded a master's degree, certificate of advanced graduate study or doctorate; and

33 (6) A minimum of one hundred (100) hours of post-degree supervised case work spread
34 over a two (2) year period; provided, that the supervision was provided by a person who at the

1 time of rendering the supervision was recognized by the board as an approved supervisor; and

2 (7) Has passed to the satisfaction of the board an examination conducted by it to
3 determine the applicant's qualification for licensure as a clinical mental health counselor or is
4 applying for licensure under the provisions of § 5-63.2-15.

5 (b) A candidate shall be held to have qualified for licensure as a clinical mental health
6 counselor upon the affirmative vote of at least four (4) members of the board, two (2) of whom
7 must be mental health counselors on the board.

8 **5-63.2-10. Qualifications of licensed – Marriage and family therapists.**

9 (a) An applicant for licensure shall submit to the board written evidence on forms
10 furnished by the division of professional regulation ~~verified under oath~~ that the applicant:

11 (1) Is of good character; and

12 (2) Has completed a graduate degree program specializing in marital and family therapy
13 from a college or university accredited by the New England Association of Schools and Colleges,
14 or an equivalent regional accreditation agency; and

15 (3) Has completed sixty (60) semester hours or ninety (90) quarter hours within their
16 graduate degree program specializing in marital and family therapy; and

17 (4) Has completed a minimum of twelve (12) semester hours or eighteen (18) quarter
18 hours of supervised practicum and a one calendar year of supervised internship consisting of
19 twenty (20) hours per week or its equivalent with emphasis in marriage and family therapy
20 supervised by the department within the college or university granting the requisite degree or by
21 an accredited postgraduate clinical training program, approved by the commission on
22 accreditation for marriage and family therapy education recognized by the United States
23 department of education or education and/or experience which is deemed equivalent by the board;
24 and

25 (5) Has had a minimum of two (2) years of relevant postgraduate experience, including at
26 least two thousand (2,000) hours of direct client contact offering clinical or counseling or therapy
27 services with emphasis in marriage and family therapy subsequent to being awarded a master's
28 degree or doctorate; and

29 (6) Has had a minimum of one hundred (100) hours of post-degree supervised case
30 spread over two (2) years; provided, that the supervision was provided by a person who at the
31 time of rendering the supervision was recognized by the board as an approved supervisor; and

32 (7) Has passed to the satisfaction of the board an examination conducted by it to
33 determine the applicant's qualifications for licensure as a marriage and family therapist or is
34 applying for licensure under the provisions of § 5-63.2-15.

1 (b) A candidate shall be qualified for licensure as a marriage and family therapist upon
2 the affirmative vote of at least four (4) members of the board, two (2) of whom must be marriage
3 and family therapists on the board.

4 SECTION 24. Section 5-86-9 of the General Laws in Chapter 5-86 entitled "Licensing of
5 Applied Behavior Analysts" is hereby amended to read as follows:

6 **5-86-9. Qualifications and examinations for licensing.**

7 (a) An applicant for licensure as a licensed applied behavior analyst shall submit to the
8 board written evidence on forms furnished by the department ~~verified under oath (i.e. notarized)~~
9 that said applicant:

10 (1) Be of good moral character;

11 (2) Has obtained a graduate degree in applied behavior analysis or a related field, as
12 approved by the board, from a college or university accredited by the New England association of
13 schools and colleges, or an equivalent regional accrediting agency, and which has the approval by
14 a national or regional certifying authority, including but not limited to the applied behavior
15 analyst licensing board;

16 (3) Has successfully completed the amount of coursework in applied behavior analysis
17 acceptable to the board;

18 (4) Has appropriate supervised experience to include either: (i) One year, including one
19 thousand five hundred (1,500) hours of supervised independent fieldwork in applied behavior
20 analysis. The distribution of supervised independent fieldwork hours must be at least ten (10)
21 hours per week, but not more than thirty (30) hours per week, for a minimum of three (3) weeks
22 per month; (ii) One thousand (1,000) hours of practicum in behavior analysis within a university
23 experience program approved by the national or regional certifying authority. The distribution of
24 practicum hours must be at least ten (10) hours per week, but not more than twenty-five (25)
25 hours per week, for a minimum of three (3) weeks per month; or (iii) Seven hundred fifty (750)
26 hours of intensive practicum in behavior analysis within a university experience program
27 approved by the national or regional certifying authority. The distribution of intensive practicum
28 hours must be at least ten (10) hours per week, but not more than twenty-five (25) hours per
29 week, for a minimum of three (3) weeks per month;

30 (5) Has passed the relevant examination administered by an appropriate nationally
31 recognized accrediting organization as approved by the department of health for this function;

32 (6) Maintain active status and fulfill all relevant requirements for renewal and relicensing
33 with the nationally recognized and accredited organization(s) as approved by the department of
34 health licensing;

1 (7) Conducts his or her professional activities in accordance with accepted standards for
2 responsible professional conduct, as approved by the Rhode Island applied behavior analyst
3 licensing board; and

4 (8) Meets the criteria as established in § 5-86-12.

5 (b) An applicant for licensure as a licensed applied behavior assistant analyst shall submit
6 to the board written evidence on forms furnished by the department ~~verified under oath (i.e.,~~
7 ~~notarized)~~ that said applicant:

8 (1) Be of good moral character;

9 (2) Has obtained a bachelor's degree in behavior analysis or a related field, as approved
10 by the board, from a college or university accredited by the New England Association of Schools
11 and Colleges, or an equivalent regional accrediting agency, and which has the approval by a
12 national or regional certifying authority, including, but not limited to, the applied behavior analyst
13 licensing board;

14 (3) Has successfully completed the amount of coursework in applied behavior analysis
15 acceptable to the board;

16 (4) Has appropriate supervised experience to include either: (i) One thousand (1,000)
17 hours of supervised independent fieldwork in applied behavior analysis. The distribution of
18 supervised independent fieldwork hours must be at least ten (10) hours per week, but not more
19 than thirty (30) hours per week, for a minimum of (3) three weeks per month; (ii) Six hundred
20 seventy (670) hours of practicum in behavior analysis within a university experience program
21 approved by the national or regional certifying board. The distribution of practicum hours must
22 be at least ten (10) hours per week, but not more than twenty-five (25) hours per week, for a
23 minimum of three (3) weeks per month; or (iii) Five hundred (500) hours of intensive practicum
24 in behavior analysis within a university experience program approved by the national or regional
25 certifying board. The distribution of intensive practicum hours must be at least ten (10) hours per
26 week, but

27 not more than twenty-five (25) hours per week, for a minimum of three (3) weeks per
28 month.

29 (5) Is supervised by a licensed applied behavior analyst in a manner consistent with the
30 board's requirements for supervision of licensed applied behavior assistant analysts;

31 (6) Has passed the examination administered by an appropriate nationally recognized
32 accrediting organization as approved by department of health licensing for this function;

33 (7) Maintain active status and fulfill all relevant requirements for renewal and relicensing
34 with the nationally recognized and accredited organization(s) as approved by the department of

1 health licensing;

2 (8) Conduct his or her professional activities in accordance with accepted standards for
3 responsible professional conduct, as required by the Rhode Island applied behavior analyst
4 licensure board; and

5 (9) Meet the criteria as established in § 5-86-11.

6 (c) applicant shall be judged to hold the equivalent requirement of a licensure as an
7 applied behavior analyst upon submission to the board, written evidence on forms furnished by
8 the department ~~verified under oath (i.e., notarized)~~, if the following equivalency requirements are
9 met to the satisfaction of the licensing board:

10 (1) Has received a doctoral degree in psychology from a college or university accredited
11 by the New England association of schools and colleges, or an equivalent regional accrediting
12 agency, and which has the approval by a national or regional certifying authority;

13 (2) Be individually licensed by the department of health as a psychologist subject to
14 chapter 5-44;

15 (3) Be of good moral character;

16 (4) Has completed coursework in applied behavior analysis supervised by the department
17 within the college or university granting the requisite degree or by an accredited postgraduate
18 clinical training program recognized by the United States department of education, or education
19 and/or experience which is deemed equivalent by the board;

20 (5) Has completed one thousand five hundred (1,500) hours of direct client contact
21 offering applied behavior analysis services subsequent to being awarded a doctoral degree in
22 psychology;

23 (6) Conducts his or her professional activities in accordance with accepted standards for
24 responsible professional conduct, as required by the Rhode Island applied behavior analyst
25 licensure board; and

26 (7) Meets the criteria as established in 5-86-12.

27 SECTION 25. Section 21-9-3 of the General Laws in Chapter 21-9 entitled “Frozen
28 Desserts” is hereby amended to read as follows:

29 **21-9-3. License fee.**

30 (a) The annual fees for the following licenses shall be as set forth in § 23-1-54:

31 (1) Instate wholesale frozen dessert processors;

32 (2) Out of state wholesale frozen dessert processors; and

33 (3) Retail frozen dessert processors.

34 (b) Where a retail frozen dessert processor is also registered as a food service

1 [establishment under §21-27-10 within a single location, the business shall not be required to pay](#)
 2 [more than one single fee for the highest classified activity listed in §21-27-10\(e\) or subsection \(a\)](#)
 3 [of this section.](#)

4 SECTION 26. Section 21-27-11.5 of the General Laws in Chapter 21-27 entitled
 5 “Sanitation in Food Establishments” is hereby amended to read as follows:

6 **21-27-11.5. Recertification – Renewal.**

7 Every holder of a certificate issued pursuant to these sections shall ~~triennially~~, [every five](#)
 8 [years](#), present evidence to the division of continued eligibility as established by regulations. All
 9 certificates issued pursuant to these sections shall expire ~~triennially~~ [every five years](#) on a date as
 10 established in the rules and regulations unless sooner suspended or revoked. Application for
 11 certification renewal shall be made as described in the rules and regulations. A ~~triennial~~ renewal
 12 fee shall be required [every five years](#). Managers of municipal or state food establishments shall be
 13 exempt from payment of the fee set forth in this section.

14 SECTION 27. Section 23-1-54 of the General Laws in Chapter 23-1 entitled “Department
 15 of Health” is hereby amended to read as follows:

16 **23-1-54. Fees payable to the department of health.**

17 Fees payable to the department shall be as follows:

18	PROFESSION	RIGL Section	Description of Fee	FEE
19	Barbers/hairdressers	5-10-10(a)	Renewal application	\$25.00
20	Barbers/hairdressers	5-10-10(a)	Renewal application:	
21	Manicuring		Instructors and manicurists	\$25.00
22	Barbers/hairdressers	5-10-10(b)	Minimum late renewal fee	\$25.00
23	Barbers/hairdressers	5-10-10(b)	Maximum late renewal fee	\$100.00
24	Barbers/hairdressers	5-10-11[c]	Application fee	\$25.00
25	Barbers/hairdressers	5-10-11[c]	Application fee: manicuring	
26			Instructors and manicurists	\$25.00
27	Barbers/hairdressers	5-10-13	Demonstrator's permit	\$90.00
28	Barbers/hairdressers	5-10-15	Shop license: initial	\$170.00
29	Barbers/hairdressers	5-10-15	Shop license: renewal	\$170.00
30	Barbers/hairdressers	5-10-15(b)	Initial: per licensed chair/station	\$50.00
31	Veterinarians	5-25-10	Application fee	\$40.00
32	Veterinarians	5-25-11	Examination fee	\$540.00
33	Veterinarians	5-25-12(a)	Renewal fee	\$580.00
34	Veterinarians	5-25-12[c]	Late renewal fee	\$120.00

1	Podiatrists	5-29-7	Application fee	\$240.00
2	Podiatrists	5-29-11	Renewal fee: minimum	\$240.00
3	Podiatrists	5-29-11	Renewal fee: maximum	\$540.00
4	Podiatrists	5-29-13	Limited registration	\$65.00
5	Podiatrists	5-29-14	Limited registration:	
6			Academic faculty	\$240.00
7	Podiatrists	5-29-14	Application fee:	
8			Renewal minimum	\$240.00
9	Podiatrists	5-29-14	Application fee:	
10			Renewal maximum	\$440.00
11	Chiropractors	5-30-6	Examination fee:	\$210.00
12	Chiropractors	5-30-7	Examination exemption fee:	\$210.00
13	Chiropractors	5-30-8(b)	Exam Physiotherapy	\$210.00
14	Chiropractors	5-30-8(b)	Exam chiro and physiotherapy	\$210.00
15	Chiropractors	5-30-12	Renewal fee	\$210.00
16	Dentists/dental hygienists	5-31.1-6(d)	Dentist: application fee	\$965.00
17	Dentists/dental hygienists	5-31.1-6(d)	Dental hygienist: application fee	\$65.00
18	Dentists/dental hygienists	5-31.1-6(d)	Reexamination: dentist	\$965.00
19	Dentists/dental hygienists	5-31.1-6(d)	Reexamination: hygienist	\$65.00
20	Dentists/dental hygienists	5-31.1-21(b)	Reinstatement fee dentist	\$90.00
21	Dentists/dental hygienists	5-31.1-21(b)	Reinstatement fee hygienist	\$90.00
22	Dentists/dental hygienists	5-31.1-21(c)	Inactive status: dentist	\$220.00
23	Dentists/dental hygienists	5-31.1-21(c)	Inactive status: hygienist	\$40.00
24	Dentists/dental hygienists	5-31.1-22	Limited registration	\$65.00
25	Dentists/dental hygienists	5-31.1-23[c]	Limited reg:	
26			Academic faculty	\$965.00
27	Dentists/dental hygienists	5-31.1-23[c]	Limited reg:	
28			Academic faculty renewal	\$500.00
29	Electrolysis	5-32-3	Application fee	\$25.00
30	Electrolysis	5-32-6(b)	Renewal fee	\$25.00
31	Electrolysis	5-32-7	Reciprocal license fee	\$25.00
32	Electrolysis	5-32-17	Teaching license	\$25.00
33	Funeral directors/embalmers	5-33.2-12	Funeral establishment license	\$120.00
34	Funeral services establishments			

1	Funeral directors/embalmers	5-33.2-15	Renewal: funeral/director	\$90.00
2	funeral-services establishments embalmer			\$30.00
3	Funeral directors/embalmers	5-33.2-12	Funeral branch ofc license	\$90.00
4	Funeral directors/embalmers	5-33.2-13.1	Crematories: application fee	\$120.00
5	Funeral services establishments —			
6	Funeral directors/embalmers	5-33.2-15	Renewal: funeral/director	
7	Funeral Svcs establishments establishment			\$120.00
8	Funeral directors/embalmers	5-33.2-15	Additional branch office	
9	Funeral services Establishments licenses			\$120.00
10	Funeral directors/embalmers	5-33.2-15	Crematory renewal fee	
11	Funeral svcs establishments			\$120.00
12	Funeral directors/embalmers	5-33.2-15	Late renewal fee	
13	Funeral svcs establishments (All license types)			\$25.00
14	Funeral directors/embalmers	5-33.2-16(a)	Intern registration fee	
15	Funeral Services establishments			\$25.00
16	Nurses	5-34-12	RN Application fee	\$135.00
17	Nurses	5-34-16	LPN Application fee	\$45.00
18	Nurses	5-34-19	Renewal fee: RN	\$135.00
19	Nurses	5-34-19	Renewal fee: LPN	\$45.00
20	Nurses	5-34-37	RNP application fee	\$80.00
21	Nurses	5-34-37	RNP renewal fee	\$80.00
22	Nurses	5-34-37	RNP prescriptive privileges	\$65.00
23	Nurses	5-34-40.3	Clin nurse spec application	\$80.00
24	Nurses	5-34-40.3	Clin nurse spec renewal	\$80.00
25	Nurses	5-34-40.3	Clin nurse spec Rx privilege	\$65.00
26	Nurse anesthetists	5-34.2-4(a)	CRNA application fee	\$80.00
27	Nurse anesthetists	5-34.2-4(b)	CRNA renewal fee	\$80.00
28	Optometrists	5-35.1-4	Application fee	\$280.00
29	Optometrists	5-35.1-7	Renewal fee	\$280.00
30	Optometrists	5-35.1-7	Late fee	\$90.00
31	Optometrists	5-35.1-7	Reactivation of license fee	\$65.00
32	Optometrists	5-35.1-19(b)	Violations of section	\$650.00
33	Optometrists	5-35.1-20	Violations of chapter	\$260.00
34	Opticians	5-35.2-3	Application fee	\$30.00

1	Physicians	5-37-2	Application fee	\$1,090.00
2	Physicians	5-37-2	Re-examination fee	\$1,090.00
3	Physicians	5-37-10(b)	Late renewal fee	\$170.00
4	Physicians	5-37-16	Limited registration fee	\$65.00
5	Physicians	5-37-16.1	Ltd reg: academic faculty	\$600.00
6	Physicians	5-37-16.1	Ltd reg: academic	
7			Faculty renewal	\$170.00
8	Acupuncture	5-37.2-10	Application fee	\$310.00
9	Acupuncture	5-37.2-13(4)	Acupuncture assistant	\$310.00
10			Licensure fee	\$170.00
11	Social workers	5-39.1-9	Application fee	\$70.00
12	Social workers	5-39.1-9	Renewal fee	\$70.00
13	Physical therapists	5-40-8	Application fee	\$155.00
14	Physical therapists	5-40-8.1	Application:	
15			physical therapy assistants	\$50.00
16	Physical therapists	5-40-10(a)	Renewal fee:	
17			Physical therapists	\$155.00
18	Physical therapists	5-40-10(a)	Renewal fee: Physical therapy	
19			assistants	\$50.00
20	Physical therapists	5-40-10[c]	Late renewals	\$50.00
21				
22	Occupational therapists	5-40.1-12(2)	Renewal fee	\$140.00
23	Occupational therapists	5-40.1-12(5)	Late renewal fee	\$50.00
24	Occupational therapists	5-40.1-12(b)	Reactivation fee	\$140.00
25	Occupational therapists	5-40.1-13	Application fee	\$140.00
26	Psychologists	5-44-12	Application fee	\$230.00
27	Psychologists	5-44-13	Temporary permit	\$120.00
28	Psychologists	5-44-15[c]	Renewal fee	\$230.00
29	Psychologists	5-44-15(e)	Late renewal fee	\$50.00
30	Nursing home administrators	5-45-10	Renewal fee	\$160.00
31	Speech pathologist/audiologists	5-48-1(14)	Speech lang support personnel:	
32			late filing	\$90.00
33	Speech pathologist/audiologists	5-48-9(a)	Application fee: Audiologist	\$65.00
34	Speech pathologist/audiologists	5-48-9(a)	Application fee:	

1			speech Pathologist	\$145.00
2	Speech pathologist/audiologists	5-48-9(a)	Renewal fee: Audiologist	\$65.00
3	Speech pathologist/audiologists	5-48-9(a)	Renewal fee: Speech	
4			Pathologist	\$145.00
5	Speech pathologist/audiologists	5-48-9(a)	Provisional license: renewal fee	\$65.00
6	Speech pathologist/audiologists	5-48-9(b)	Late renewal fee	\$50.00
7	Speech pathologist/audiologists	5-48-9(d)(1)	Reinstatement fee: audiologist	\$65.00
8	Speech pathologist/audiologists	5-48-9(d)(1)	Reinstatement fee: audiologist	\$65.00
9			speech pathologists	\$145.00
10			personnel: late filing	\$65.00
11	Hearing aid dealers/fitters	5-49-6(a)	License endorsement	
12			Examination fee	\$25.00
13	Hearing aid dealers/fitters	5-49-8(b)	Temporary permit fee	\$25.00
14	Hearing aid dealers/fitters	5-49-8(d)	Temporary permit renewal fee	\$35.00
15	Hearing aid dealers/fitters	5-49-11(1)	License fee	\$25.00
16	Hearing aid dealers/fitters	5-49-11(b)	License renewal fee	\$25.00
17	Hearing aid dealers/fitters	5-49-11(c)	License renewal late fee	\$25.00
18	Physician assistants	5-54-9(4)	Application fee	\$110.00
19	Physician assistants	5-54-11(b)	Renewal fee	\$110.00
20	Orthotics/prosthetic practice	5-59.1-5	Application fee	\$120.00
21	Orthotics/prosthetic practice	5-59.1-12	Renewal fee	\$120.00
22	Athletic trainers	5-60-11	Application fee	\$60.00
23	Athletic trainers	5-60-11	Renewal fee	\$60.00
24	Athletic trainers	5-60-11	Late renewal fee	\$25.00
25	Mental health counselors	5-63.2-16	Application fee: marriage	
26	Marriage and family therapists		Family therapist	\$130.00
27	Mental health counselors	5-63.2-16	Application fee: mental	
28	Marriage and family therapists		Health counselors	\$70.00
29	Mental health counselors	5-63.2-16	Reexamination fee:	
30	Marriage and family therapists		Marriage/family therapist	\$130.00
31	Mental health counselors	5-63.2-16	Reexamination fee:	
32	Marriage and family therapists		Mental health counselors	\$ 70.00
33	Mental health counselors	5-63.2-17(a)	Renewal fee: marriage	
34	Marriage and Family therapists		Family therapist	\$130.00

1	Mental health counselors	5-63.2-17(a)	Renewal fee:	
2	Marriage and Family therapist		Mental health counselor	\$50.00
3	Mental health counselors	5-63.2-17(b)	Late renewal fee	
4	Marriage and Family therapist		Marriage and family therapist	\$90.00
5	Dieticians/nutritionists	5-64-6(b)	Application fee	\$75.00
6	Dieticians/nutritionists	5-64-7	Graduate status:	
7			Application fee:	\$75.00
8	Dieticians/nutritionists	5-64-8	Renewal fee	\$75.00
9	Dieticians/nutritionists	5-64-8	Reinstatement fee	\$75.00
10	Radiologic technologists	5-68.1-10	Application fee maximum	\$190.00
11	Licensed chemical dependency professionals	5-69-9	Application	fee
12			\$75.00	
13	Licensed chemical dependency professionals	5-69-9	Renewal	fee
14			\$75.00	
15	Licensed chemical	5-69-9	Application fee	\$75.00
16	Licensed chemical	5-69-9	Application fee	\$75.00
17	dependency clinical supervisor			
18	Licensed chemical	5-69-9	Renewal fee	\$75.00
19	dependency clinical supervisor			
20	Deaf interpreters	5-71-8(3)	License fee maximum	\$25.00
21	Deaf interpreters	5-71-8(3)	License renewal fee	\$25.00
22	Milk producers	21-2-7(g)(1)	In-state milk processor	\$160.00
23	Milk producers	21-2-7(g)(2)	Out-of-state milk processor	\$160.00
24	Milk producers	21-2-7(g)(3)	Milk distributors	\$160.00
25	Frozen desserts	21-9-3(1)	In-state wholesale	\$550.00
26	Frozen desserts	21-9-3(2)	Out-of-state wholesale	\$160.00
27	Frozen desserts	21-9-3(3)	Retail frozen dess processors	\$160.00
28	Meats	21-11-4	Wholesale	\$160.00
29	Meats	21-11-4	Retail	\$40.00
30	Shellfish packing houses	21-14-2	License fee:	
31			Shipper/reshipper	\$320.00
32	Shellfish packing houses	21-14-2	License fee:	
33			Shucker packer/repacker	\$390.00
34	Non-alcoholic bottled	21-23-2	Bottler permit	

1	Beverages, Drinks & juices			\$550.00
2	Non-alcoholic bottled	21-23-2	Bottle apple cider fee	
3	beverages, drinks and juices			\$60.00
4	Farm home food manufacturers	21-27-6.1(4)	Registration fee	\$65.00
5	Food businesses	21-27-10(e)(1)	Food processors wholesale	\$500.00 \$300.00
6	Food businesses	21-27-10(e)(2)	Food processors retail	\$120.00
7	Food businesses	21-27-10(e)(3)	Food service establishments	
8			>50 seats	\$160.00
9	Food businesses	21-27-10(e)(3)	Food service establishments	
10			>50 seats	\$240.00
11	Food businesses	21-27-10(e)(3)	Mobile food service units	\$100.00
12	Food businesses	21-27-10(e)(3)	Industrial caterer or food vending	
13			Machine commissary	\$280.00
14	Food businesses	21-27-10(e)(3)	Cultural heritage educational	
15			Facility	\$ 80.00
16	Food businesses	21-27-10(e)(4)	Vending Machine Location	
17			> 3 units	\$50.00
18	Food businesses	21-27-10(e)(4)	Vending Machine	
19			Location 4-10 units	\$100.00
20	Food businesses	21-27-10(e)(4)	Vending Machine Location	= 11 units
21				\$120.00
22	Food businesses	21-27-10(e)(5)	Retail Mkt	
23			1-2 cash registers	\$120.00
24	Food businesses	21-27-10(e)(5)	Retail Market	
25			3-5 cash registers	\$240.00
26	Food businesses	21-27-10(e)(5)	Retail Market = 6	
27			Cash registers	\$510.00
28	Food businesses	21-27-10(e)(6)	Retail food peddler	\$100.00
29	Food businesses	21-27-10(e)(7)	Food warehouses	\$190.00
30	Food businesses	21-27-11.2	Certified food safety mgr	\$50.00
31	License verification fee	23-1-16.1	All license types	\$50.00
32	Tattoo and body piercing	23-1-39	Annual registration fee:	
33			Person	\$90.00
34	Tattoo and body piercing	23-1-39	Annual registration fee:	

1			establishment	\$90.00
2	Vital records	23-3-25(a)(1)	Certificate of birth, fetal death,	
3			Death, marriage, birth, or	
4			Certification that such record	
5			Cannot be found	\$20.00
6	Vital records	23-3-25(a)(1)	Each duplicate of certificate	
7			of birth, fetal death, death, marriage,	
8			Birth, or certification that such record	
9			cannot be found	\$15.00
10	Vital records	23-3-25(a)(2)	Each additional calendar year	
11			Search, if within 3 months of	
12			original search and if receipt of original	
13			search presented	\$2.00
14	Vital records	23-3-25(a)(3)	Expedited service	\$7.00
15	Vital records	23-3-25(a)(4)	Adoptions, legitimations, or	
16			Paternity determinations	\$15.00
17	Vital records	23-3-25(a)(5)	Authorized corrections,	
18			Alterations, and additions	\$10.00
19	Vital records	23-3-25(a)(6)	Filing of delayed record and	
20			Examination of documentary	
21			Proof	\$20.00
22	Vital records	23-3-25(a)(6)	Issuance of certified copy	
23			of a delayed record	\$20.00
24	Medical Examiner	23-4-13	Autopsy reports	\$40.00
25	Medical Examiner	23-4-13	Cremation certificates	
26			and statistics	\$30.00
27	Medical Examiner	23-4-13	Testimony in civil suits:	
28			Minimum/day	\$650.00
29	Medical Examiner	23-4-13	Testimony in civil suits:	
30			Maximum/day	\$3,250.00
31	Emergency medical technicians	23-4.1-10[c]	Annual fee: ambulance	
32			Service maximum	\$540.00
33	Emergency medical technicians	23-4.1-10[c]	Annual fee: vehicle license	
34			maximum	\$275.00

1	Emergency medical technicians	23-4.1-10(c)	Triennial fee: EMT license	
2			maximum	\$120.00
3	Emergency medical technicians	23-4.1-10(2)	Exam fee maximum: EMT	\$120.00
4	Emergency medical technicians	23-4.1-10(2)	Vehicle inspection	
5			Maximum	\$190.00
6	Clinical laboratories	23-16.2-4(a)	Clinical laboratory license	
7			per specialty	\$650.00
8	Clinical laboratories	23-16.2-4(a)	Laboratory station license	\$650.00
9	Clinical laboratories	23-16.2-4(b)	Permit fee	\$70.00
10	Health care facilities	23-17-38	Hospital: base fee annual	\$16,900.00
11	Health care facilities	23-17-38	Hospital: annual per bed fee	\$120.00
12	Health care facilities	23-17-38	ESRD: annual fee	\$3,900.00
13	Health care facilities	23-17-38	Home nursing-care/home	
14			care providers	\$650.00
15	Health care facilities	23-17-38	OACF: annual fee	\$650.00
16	Assisted living residences/ administrators	23-17.4-15.2(d)	License application fee:	\$220.00
17				
18	Assisted living residences/ administrators	23-17.4-15.2(d)	License renewal fee:	\$220.00
19				
20	Assisted living residences	23-17.4-31	Annual facility fee: base	\$330.00
21	Assisted living residences	23-17.4-31	Annual facility per bed	\$70.00
22	Nursing assistant registration	23-17.9-3	Application: competency	
23			evaluation training	
24			program maximum	\$325.00
25	Nursing assistant registration	23-17.9-5	Application fee	\$35.00
26	Nursing assistant registration	23-17.9-5	Exam fee: skills proficiency	\$170.00
27	Nursing assistant registration	23-17.9-6	Registration fee	\$35.00
28	Nursing assistant registration	23-17.9-7	Renewal fee	\$35.00
29	Sanitarians	23-19.3-5(a)	Registration fee	\$25.00
30	Sanitarians	23-19.3-5(b)	Registration renewal	\$25.00
31	Massage therapy	23-20.8-3(e)	Massage therapist appl fee	\$65.00
32	Massage therapy	23-20.8-3(e)	Massage therapist renewal fee	\$65.00
33	Recreational facilities	23-21-2	Application fee	\$160.00
34	Swimming pools	23-22-6	Application license:	

1			first pool	\$250.00
2	Swimming pools	23-22-6	Additional pool	
3			fee at same location	\$75.00
4	Swimming pools	23-22-6	Seasonal application license:	
5			first pool	\$150.00
6	Swimming pools	23-22-6	Seasonal additional pool	
7			fee at same location	\$75.00
8	Swimming pools	23-22-6	Year-round license	
9			for non-profit	\$25.00
10	Swimming pools	23-22-10	Duplicate license	\$2.00
11	Swimming pools	23-22-12	Penalty for violations	\$50.00
12	Respiratory care practitioners	23-39-11	Application fee	\$60.00
13	Respiratory care practitioners	23-39-11	Renewal fee	\$60.00

14 SECTION 28. Section 23-20.8-5 of the General Laws in Chapter 23-20.8 entitled
15 “Licensing of Massage Therapists” is hereby amended to read as follows:

16 **23-20.8-5. Application for license – Issuance or denial of license – Minimum**
17 **qualifications.**

18 (a) Every person desiring to begin the practice of massage therapy, except exempt
19 persons as provided in this chapter, shall present satisfactory evidence to the division of
20 professional regulation of the department of health, ~~verified by oath,~~ that he or she is:

21 (1) Over eighteen (18) years of age; (2) Of good moral character (via background check
22 in accordance with § 23-20.8-3); (3) Has successfully completed an educational program, meeting
23 minimum requirements established by the board, including at least five hundred (500) hours of
24 in-class, hands-on and supervised coursework and clinical work; and

25 (4) Has successfully completed an examination approved by the board. Any examination
26 approved by the board must meet generally recognized standards including development through
27 the use of a job-task analysis and must meet appropriate psychometric standards.

28 (b) The department may grant a license to any applicant satisfying the requirements of
29 subdivisions 23-20.8-5(a)(1) and (2), has completed all appropriate forms, paid all appropriate
30 fees and has met substantially equivalent standards in obtaining a valid license, permit, certificate
31 or registration issued by any other state or territory of the United States or by a foreign country.

32 (c) The department shall, within sixty (60) days from the time any application for a
33 license is received, grant the applications and issue a license to practice massage for a year from
34 that date if the department is satisfied that the applicant complies with the rules and regulations

1 promulgated in accordance with this chapter. An applicant, whose criminal records check reveals
2 a conviction for any sexual offense, including, but not limited to, those offenses defined in
3 chapters 34 and 37 of title 11, shall be denied a license under this chapter.

4 (d) The fee for original application for licensure as a massage therapist and the fee for
5 annual license renewal shall be determined by the board and shall not exceed one hundred dollars
6 (\$100).

7 SECTION 29. Sections 23-20.8.1-1 and 23-20.8.1-6 of the General Laws in Chapter 23-
8 20.8.1 entitled "Registration of Music Therapists" are hereby amended to read as follows:

9 **23-20.8.1-1. Definitions.**

10 As used in this chapter:

11 (1) "Board certified music therapist" means an individual who has completed the
12 education and clinical training requirements established by the American Music Therapy
13 Association; has passed the certification board for music therapists certification examination; or
14 transitioned into board certification, and remains actively certified by the certification board for
15 music therapists.

16 (2) "Music therapist" means a person registered to practice music therapy pursuant to this
17 chapter.

18 (3) "Music therapy" means the clinical and evidence based use of music interventions to
19 accomplish individualized goals within a therapeutic relationship through an individualized music
20 therapy treatment plan for the client that identifies the goals, objectives, and potential strategies of
21 the music therapy services appropriate for the client using music therapy interventions, which
22 may include music improvisation, receptive music listening, song writing, lyric discussion, music
23 and imagery, music performance, learning through music, and movement to music. Music therapy
24 is a distinct and separate profession from other licensed, certified, or regulated professions,
25 including speech-language pathology. The practice of music therapy does not include the
26 diagnosis of any physical, mental, or communication disorder. This term may include:

27 (i) Accepting referrals for music therapy services from medical, developmental, mental
28 health, or education professionals; family members; clients; or caregivers. Before providing
29 music therapy services to a client for a medical, developmental, or mental health condition, the
30 registrant shall collaborate, as applicable, with the client's physician, psychologist, or mental
31 health professional to review the client's diagnosis, treatment needs, and treatment plan. During
32 the provision of music therapy services to a client, the registrant shall collaborate, as applicable,
33 with the client's treatment team;

34 (ii) Conducting a music therapy assessment of a client to collect systematic,

1 comprehensive, and accurate information necessary to determine the appropriate type of music
2 therapy services to provide for the client;

3 (iii) Developing an individualized music therapy treatment plan for the client;

4 (iv) Carrying out an individualized music therapy treatment plan that is consistent with
5 any other medical, developmental, mental health, or educational services being provided to the
6 client;

7 (v) Evaluating the client's response to music therapy and the individualized music therapy
8 treatment plan and suggesting modifications, as appropriate;

9 (vi) Developing a plan for determining when the provision of music therapy services is
10 no longer needed in collaboration with the client, any physician, or other provider of healthcare or
11 education of the client, any appropriate member of the family of the client, and any other
12 appropriate person upon whom the client relies for support;

13 (vii) Minimizing any barriers so that the client may receive music therapy services in the
14 least restrictive environment; and

15 (viii) Collaborating with and educating the client and the family or caregiver of the client
16 or any other appropriate person about the needs of the client that are being addressed in music
17 therapy and the manner in which the music therapy addresses those needs.

18 (4) "Office" means the department of [health-business regulation](#).

19 (5) "Director" means the director of the department of [health-business regulation](#) or his or
20 her designee.

21 **23-20.8.1-6. Rules and regulations.**

22 The director is authorized to adopt, modify, repeal, and promulgate rules and regulations
23 in accordance with the purposes of this chapter, and only after procedures in accordance with the
24 administrative procedures act (chapter 35 of title 42) have been followed. The director is further
25 authorized to assess fees for registrations ~~as set by the department issued in accordance with rules~~
26 ~~and regulations promulgated pursuant to the authority conferred by this chapter, provided that~~
27 ~~those fees are assessed only after procedures in accordance with the administrative procedures act~~
28 ~~(chapter 35 of title 42) have been followed. All fees shall be deposited into the general fund as~~
29 ~~general revenue.~~

30 SECTION 30. Section 31-44-17 of the General Laws in Chapter 31-44 entitled "Mobile
31 and Manufactured Homes" is hereby amended to read as follows:

32 **31-44-17. Filing of complaint with department – Notice – Rules of evidence not**
33 **binding.**

34 (a) Any resident of a mobile and manufactured housing park or any owner of a mobile

1 and manufactured housing park may petition the director by filing a complaint with the
2 department of business regulation. ~~and paying a twenty five dollar (\$25.00) filing fee which shall~~
3 ~~be used to defray the costs of the director. The filing fee may be waived by the director if he or~~
4 ~~she or his or her agent determines that the fee will cause an unfair financial burden on the~~
5 ~~petitioner.~~ After review of the claim and a decision by the director that the matter has merit and is
6 not frivolous, the director shall schedule a hearing within sixty (60) days from receipt of the
7 claim. If the director finds the claim to be without merit or to be frivolous, the director shall
8 dismiss the complaint and explain in writing to the complainant his or her reasons for dismissing
9 the complaint.

10 (b) The director or his or her agent shall serve notice, in writing, of the time and place of
11 the hearing upon all appropriate parties at least twenty (20) days prior to the date of the hearing.
12 Both parties to the complaint may be represented by counsel.

13 (c) The director or his or her agent shall not be bound by common law or statutory rules
14 of evidence but may admit all testimony having a reasonable probative value. Complaints filed
15 shall be handled in accordance with the departments' rules of practice and the Administrative
16 Procedures Act, chapter 35 of title 42. It may exclude evidence which, in the opinion of the
17 director or his or her agent, is immaterial, irrelevant, or unduly repetitious.

18 SECTION 31. Section 39-12-7 of the General Laws in Chapter 39-12 entitled "Motor
19 Carriers of Property" is hereby amended to read as follows:

20 **39-12-7. Issuance of certificate to common carrier.**

21 A certificate shall be issued by the administrator, after a hearing, to any qualified
22 applicant therefor, authorizing the whole or any part of the operations covered by the application,
23 if it is found that the applicant is fit, willing, and able properly to perform the service proposed
24 and to conform to the provisions of this chapter and the requirements, orders, rules, and
25 regulations of the administrator thereunder, ~~and that the proposed service, to the extent to be~~
26 ~~authorized by the certificate, is or will be required by the present or future public convenience~~
27 ~~and necessity;~~ otherwise the application shall be denied. Any certificate issued under this chapter
28 shall specify the service to be rendered. ~~and the routes over which, the fixed termini, if any,~~
29 ~~between which, if any, at which, and, in case of operations not over specified routes or between~~
30 ~~fixed termini, the points and places within which, or between which the motor carrier is~~
31 ~~authorized to operate; and there shall, at the time of the issuance and from time to time thereafter,~~
32 ~~be attached to the exercise of the privileges granted by the certificate such reasonable terms,~~
33 ~~conditions, and limitations as the public convenience and necessity may from time to time~~
34 ~~require; provided, however, that no terms, conditions, or limitations shall restrict the right of the~~

1 ~~carrier to add to his or her or its equipment and facilities, between which or within the territory~~
2 ~~specified in the certificate as the development of the business and the demands of the business~~
3 ~~shall require.~~ Certificates issued under this chapter shall be renewed before the close of business
4 on December 31 of each calendar year. The renewal fee shall be one hundred dollars (\$100) and
5 shall be submitted with the renewal form. All revenues received under this section shall be
6 deposited as general revenues. No certificate shall be issued to a common carrier by motor
7 vehicle or, when issued, shall remain in force authorizing the transportation of property over the
8 publicly used highways of this state, unless the rates and charges upon which the property is
9 transported by the carrier shall have been published in the tariff and filed with the administrator in
10 accordance with this chapter.

11 SECTION 32. Section 44-19-1 of the General Laws in Chapter 44-19 entitled “Sales and
12 Use Taxes – Enforcement and Collection” is hereby amended to read as follows:

13 **44-19-1. Annual permit required – Retail business subject to sales tax – Promotion**
14 **of shows – Revocation of show permit.**

15 (a)(1) Every person desiring to engage in or conduct within this state a business of
16 making sales at retail, or engage in a business of renting living quarters in any hotel, rooming
17 house, or tourist camp, the gross receipts from which sales or rental charges are required to be
18 included in the measure of the tax imposed under chapter 18 of this title, shall file with the tax
19 administrator an application for a permit for each place of business. The application shall be in a
20 form, include information, and bear any signatures that the tax administrator may require. At the
21 time of making an application, the applicant shall pay to the tax administrator a permit fee of ten
22 dollars (\$10.00) for each permit. Every permit issued under this chapter expires on June 30 of
23 each year or at any other date as determined by the tax administrator.

24 (2) Every permit holder shall annually, on or before February 1 of each year, or at any
25 other date as determined by the tax administrator, renew its permit by filing an application for
26 renewal along with a ten dollar (\$10.00) renewal fee. The renewal permit is valid for the period
27 July 1 of that calendar year through June 30 of the subsequent calendar year, or for any other
28 period as determined by the tax administrator, unless otherwise canceled, suspended or revoked.
29 All fees received under this section are allocated to the tax administrator for enforcement and
30 collection of all taxes.

31 (b) Every promoter of a show shall, at least ten (10) days prior to the opening of each
32 show, file with the tax administrator a notice stating the location and dates of the show, in a form
33 prescribed by the tax administrator.

34 (2) The tax administrator shall, within five (5) days after the receipt of that notice, issue

1 to the promoter, without charge, a permit to operate the show, unless the provisions of
2 subdivision (5) of this subsection have been applied to the promoter. No promoter may operate a
3 show without obtaining the permit. The permit shall be prominently displayed at the main
4 entrance of the show.

5 (3) Any promoter who is a retailer shall comply with all of the provisions of this chapter
6 and chapter 18 relating to retailers, in addition to all of the provisions of this chapter relating to
7 promoters.

8 (4) A promoter may not permit any person to display or sell tangible personal property,
9 services, or food and drink at a show unless that person is registered under subsection (a) of this
10 section and displays his or her permit in accordance with the provisions of subsection (a) of this
11 section.

12 (5) Any promoter who permits any person to display or sell tangible personal property,
13 services, or food and drink at a show who is not registered, or does not display a permit, or fails
14 to keep a record or file a monthly report of the name, address and permit number of every person
15 whom the promoter permitted to sell or display tangible personal property, services, or food and
16 drink at a show, is subject to revocation of all existing permits issued pursuant to this section to
17 operate a show, and to the denial of a permit to operate any show for a period of not more than
18 two (2) years, in addition to the provisions of § 44-19-31.

19 SECTION 33. This Article shall take effect July 1, 2018.

20 ARTICLE 7

21 RELATING TO FEES

22 SECTION 1. Section 7-11-307 of the General Laws in Chapter 7-11 entitled “Rhode
23 Island Uniform Securities Act” is hereby amended as follows:

24 **7-11-307. Federal covered securities.**

25 (a) The director may require by rule or order the filing of any or all of the following
26 documents with respect to a covered security under § 18(b)(2) of the Securities Act of 1933, 15
27 U.S.C. § 77r(b)(2):

28 (1) Prior to the initial offer of a federal covered security in this state, all documents that
29 are part of a current federal registration statement filed with the U.S. Securities and Exchange
30 Commission under the Securities Act of 1933, 15 U.S.C. § 77a et seq., or, in lieu of filing the
31 registration statement, a notice as prescribed by the director by rule or otherwise, together with a
32 consent to service of process signed by the issuer and with a nonrefundable fee of one-tenth of
33 one percent (0.1%) of the maximum aggregate offering price at which the federal covered
34 securities are to be offered in this state, but not less than three hundred dollars (\$300) or more

1 than one thousand five hundred dollars (\$1,~~0~~500).

2 (2) An open end management company, a face amount certificate company, or a unit
3 investment trust, as defined in the Investment Company Act of 1940, 15 U.S.C. § 80a-1 et seq.,
4 ~~may~~ shall file a notice for an indefinite amount of securities. The issuer, at the time of filing, shall
5 pay a nonrefundable fee of one thousand five hundred dollars (\$1,~~0~~500).

6 (3) After the initial offer of the federal covered security in this state, all documents that
7 are part of an amendment to a current federal registration statement filed with the U.S. Securities
8 and Exchange Commission under the Securities Act of 1933, are filed concurrently with the
9 director.

10 (4) Unless otherwise extended by the director, an initial notice filing under this
11 subsection or subsection (b) is effective for one year commencing upon the date the notice or
12 registration statement, as applicable, is received by the director unless a later date is indicated by
13 the issuer. A notice filing may be renewed by filing a renewal notice as prescribed by the director
14 and paying a renewal fee of one thousand five hundred dollars (\$1,~~0~~500).

15 (b) Regarding any security that is a covered security under § 18(b)(3) of the Securities
16 Act of 1933, unless the security is exempted by Section 7-11-401 or is sold in an exempt
17 transaction under Section 7-11-402, the issuer shall file a notice prior to the initial offer of such
18 security in this state. Such notice filing shall include a uniform application adopted by the
19 director, a consent to service of process, and the payment of a nonrefundable fee as prescribed in
20 a(1) above.

21 ~~(bc)~~ Regarding any security that is a covered security under § 18(b)(4)(D) of the
22 Securities Act of 1933, 15 U.S.C. § 77r(b)(4)(D), the director may by rule or otherwise require
23 the issuer to file a notice on SEC Form D and a consent to service of process signed by the issuer
24 no later than fifteen (15) days after the first sale of the federal covered security in this state,
25 together with Form U-2, Form D and a nonrefundable fee of three hundred dollars (\$300).

26 ~~(ed)~~ The director may by rule or otherwise require the filing of any document filed with
27 the U.S. Securities and Exchange Commission under the Securities Act of 1933, 15 U.S.C. § 77a
28 et seq., with respect to a covered security under § 18(b)(3) or (4) of the Securities Act of 1933, 15
29 U.S.C. § 77r(b)(3) or (4), together with a notice and fees as defined in subparagraph (a)(1).

30 ~~(de)~~ The director may issue a stop order suspending the offer and sale of a federal
31 covered security, except a covered security under § 18(b)(1) of the Securities Act of 1933, 15
32 U.S.C. § 77r(b)(1), if the director finds that (1) the order is in the public interest and (2) there is a
33 failure to comply with any condition established under this section.

34 ~~(e) Notwithstanding the provisions of this section, until October 11, 1999, the director~~

1 ~~may require the registration of any federal covered security for which the fees required by this~~
2 ~~section have not been paid promptly following written notification from the director to the issuer~~
3 ~~of the nonpayment or underpayment of the fees. An issuer is considered to have promptly paid~~
4 ~~the fees if they are remitted to the director within fifteen (15) days following the person's receipt~~
5 ~~of written notification from the director.~~

6 (f) The director may by rule or order waive any or all of the provisions of this section.

7 SECTION 2. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled
8 "Licensing of Health-Care Facilities" is hereby amended to read as follows:

9 **23-17-38.1. Hospitals – Licensing fee.** ~~(a) There is also imposed a hospital licensing~~
10 ~~fee at the rate of five and six hundred fifty two thousandths percent (5.652%) upon the net~~
11 ~~patient services revenue of every hospital for the hospital's first fiscal year ending on or after~~
12 ~~January 1, 2015, except that the license fee for all hospitals located in Washington County, Rhode~~
13 ~~Island shall be discounted by thirty seven percent (37%). The discount for Washington County~~
14 ~~hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human~~
15 ~~Services of a state plan amendment submitted by the executive office of health and human~~
16 ~~services for the purpose of pursuing a waiver of the uniformity requirement for the hospital~~
17 ~~license fee. This licensing fee shall be administered and collected by the tax administrator,~~
18 ~~division of taxation within the department of revenue, and all the administration, collection, and~~
19 ~~other provisions of chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to~~
20 ~~the tax administrator on or before July 10, 2017, and payments shall be made by electronic~~
21 ~~transfer of monies to the general treasurer and deposited to the general fund. Every hospital shall,~~
22 ~~on or before June 14, 2017, make a return to the tax administrator containing the correct~~
23 ~~computation of net patient services revenue for the hospital fiscal year ending September 30,~~
24 ~~2015, and the licensing fee due upon that amount. All returns shall be signed by the hospital's~~
25 ~~authorized representative, subject to the pains and penalties of perjury.~~

26 (b)(a) There is also imposed a hospital licensing fee at the rate of five and eight hundred
27 fifty-six thousandths percent (5.856%) upon the net patient-services revenue of every hospital for
28 the hospital's first fiscal year ending on or after January 1, 2016, except that the license fee for all
29 hospitals located in Washington County, Rhode Island shall be discounted by thirty-seven percent
30 (37%). The discount for Washington County hospitals is subject to approval by the Secretary of
31 the U.S. Department of Health and Human Services of a state plan amendment submitted by the
32 executive office of health and human services for the purpose of pursuing a waiver of the
33 uniformity requirement for the hospital license fee. This licensing fee shall be administered and
34 collected by the tax administrator, division of taxation within the department of revenue, and all

1 the administration, collection, and other provisions of chapter 51 of title 44 shall apply. Every
2 hospital shall pay the licensing fee to the tax administrator on or before July 10, 2018, and
3 payments shall be made by electronic transfer of monies to the general treasurer and deposited to
4 the general fund. Every hospital shall, on or before June 14, 2018, make a return to the tax
5 administrator containing the correct computation of net patient-services revenue for the hospital
6 fiscal year ending September 30, 2016, and the licensing fee due upon that amount. All returns
7 shall be signed by the hospital's authorized representative, subject to the pains and penalties of
8 perjury.

9 (b) There is also imposed a hospital licensing fee at the rate of five and eight hundred
10 fifty-six thousandths percent (5.856%) of upon the net patient-services revenue of every hospital
11 for the hospital's first fiscal year ending on or after January 1, 2017, except that the license fee for
12 all hospitals located in Washington County, Rhode Island shall be discounted by thirty-seven
13 percent (37%). The discount for Washington County hospitals is subject to approval by the
14 Secretary of the U.S. Department of Health and Human Services of a state plan amendment
15 submitted by the executive office of health and human services for the purpose of pursuing a
16 waiver of the uniformity requirement for the hospital license fee. This licensing fee shall be
17 administered and collected by the tax administrator, division of taxation within the department of
18 revenue, and all the administration, collection, and other provisions of chapter 51 of title 44 shall
19 apply. Every hospital shall pay the licensing fee to the tax administrator on or before July 10,
20 2019, and payments shall be made by electronic transfer of monies to the general treasurer and
21 deposited to the general fund. Every hospital shall, on or before June 14, 2019, make a return to
22 the tax administrator containing the correct computation of net patient-services revenue for the
23 hospital fiscal year ending September 30, 2017, and the licensing fee due upon that amount. All
24 returns shall be signed by the hospital's authorized representative, subject to the pains and
25 penalties of perjury.

26 (c) For purposes of this section the following words and phrases have the following
27 meanings:

28 (1) "Hospital" means the actual facilities and buildings in existence in Rhode Island,
29 licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on
30 that license, regardless of changes in licensure status pursuant to chapter 17.14 of title 23
31 (hospital conversions) and §23-17-6(b) (change in effective control), that provides short-term
32 acute inpatient and/or outpatient care to persons who require definitive diagnosis and treatment
33 for injury, illness, disabilities, or pregnancy. Notwithstanding the preceding language, the
34 negotiated Medicaid managed care payment rates for a court-approved purchaser that acquires a

1 hospital through receivership, special mastership, or other similar state insolvency proceedings
2 (which court-approved purchaser is issued a hospital license after January 1, 2013) shall be based
3 upon the newly negotiated rates between the court-approved purchaser and the health plan, and
4 such rates shall be effective as of the date that the court-approved purchaser and the health plan
5 execute the initial agreement containing the newly negotiated rate. The rate-setting methodology
6 for inpatient hospital payments and outpatient hospital payments set forth in §§ 40-8-
7 13.4(b)(1)(B)(iii) and 40-8-13.4(b)(2), respectively, shall thereafter apply to negotiated increases
8 for each annual twelve-month (12) period as of July 1 following the completion of the first full
9 year of the court-approved purchaser's initial Medicaid managed care contract.

10 (2) "Gross patient-services revenue" means the gross revenue related to patient care
11 services.

12 (3) "Net patient-services revenue" means the charges related to patient care services less
13 (i) charges attributable to charity care; (ii) bad debt expenses; and (iii) contractual allowances.

14 (d) The tax administrator shall make and promulgate any rules, regulations, and
15 procedures not inconsistent with state law and fiscal procedures that he or she deems necessary
16 for the proper administration of this section and to carry out the provisions, policy, and purposes
17 of this section.

18 (e) The licensing fee imposed by this section shall apply to hospitals as defined herein
19 that are duly licensed on July 1, ~~2017~~ 2018, and shall be in addition to the inspection fee imposed
20 by § 23-17-38 and to any licensing fees previously imposed in accordance with § 23-17-38.1.

21 SECTION 3. Section 27-10-3 of the General Laws in Chapter 27-10 entitled "Claim
22 Adjusters" is hereby amended to read as follows:

23 **27-10-3. Issuance of license.**

24 (a) The insurance commissioner may issue to any person a license to act as either a public
25 adjuster; company adjuster; or independent adjuster once that person files an application in a
26 format prescribed by the department and declares under penalty of suspension, revocation, or
27 refusal of the license that the statements made in the application are true, correct, and complete to
28 the best of the individual's knowledge and belief. Before approving the application, the
29 department shall find that the individual:

- 30 (1) Is at least eighteen (18) years of age;
- 31 (2) Is eligible to designate this state as his or her home state;
- 32 (3) Is trustworthy, reliable, and of good reputation, evidence of which shall be determined
33 by the department;
- 34 (4) Has not committed any act that is a ground for probation, suspension, revocation, or

1 refusal of a professional license as set forth in § 27-10-12;

2 (5) Has successfully passed the examination for the line(s) of authority for which the
3 person has applied;

4 (6) Has paid a fee of ~~one~~ two hundred and fifty dollars (~~\$150~~250).

5 (b) A Rhode Island resident business entity acting as an insurance adjuster may elect to
6 obtain an insurance adjusters license. Application shall be made using the uniform business entity
7 application. Prior to approving the application, the insurance commissioner shall find both of the
8 following:

9 (1) The business entity has paid the appropriate fees.

10 (2) The business entity has designated a licensed adjuster responsible for the business
11 entity's compliance with the insurance laws and rules of this state.

12 (c) The department may require any documents reasonably necessary to verify the
13 information contained in the application.

14 SECTION 4. Section 42-28-26 of the General Laws in Chapter 42-28 entitled “State
15 Police” is hereby repealed.

16 ~~**42-28-26. Location of school.**~~

17 ~~The municipal police training school shall be maintained by the state and located on the
18 premises of the University of Rhode Island and such other state-owned property as the
19 superintendent of the state police, with the consent of the governor, may from time to time
20 determine.~~

21 SECTION 5. Chapter 42-28 of the General Laws entitled “State Police” is hereby
22 amended by adding thereto the following section:

23 **42-28-25.2. Establishment of Municipal Police Training Tuition and Fees Account.**

24 (a) There is hereby created within the department of public safety a restricted receipt
25 account to be known as the municipal police training tuition and fees account.

26 (b) Tuition and fees collected pursuant to § 42-28-31, and physical fitness fees collected
27 pursuant to § 42-28-25, shall be deposited in this account and be used to fund costs associated
28 with the municipal police training school.

29 (c) All amounts deposited into the municipal police training tuition and fees account shall
30 be exempt from the indirect cost recovery provisions of § 35-4-27.

31 SECTION 6. Sections 42-28-25 and 42-28-31 of the General Laws in Chapter 42-28
32 entitled “State Police” are hereby amended to read as follows:

33 **42-28-25. State and municipal police training school established.**

34 (a) Within the Rhode Island state police there is hereby created and established a state

1 and municipal police training school.

2 (b) The superintendent of the state police shall have supervision of the state and
3 municipal police training academy and shall establish standards for admission and a course of
4 training. The superintendent shall report to the governor and general assembly a plan for a state
5 and municipal police training academy on or before December 31, 1993. The superintendent
6 shall, in consultation with the Police Chiefs' Association and the chairperson of the Rhode Island
7 commission on standards and training make all necessary rules and regulations relative to the
8 admission, education, physical standards and personal character of the trainees and such other
9 rules and regulations as shall not be inconsistent with law.

10 (c) Applicants to the state and municipal police training academy shall pay an application
11 fee in the amount of fifty dollars (\$50.00); provided, however, the superintendent may waive such
12 application fee if payment thereof would be a hardship to the applicant.

13 (d) Trainees shall pay to the division an amount equal to the actual cost of meals
14 consumed at the state police and municipal police training academy and the actual cost of such
15 training uniforms which remain the personal property of the trainees.

16 (e) The municipal police training school is hereby authorized to hold statewide physical
17 training tests for applicants applying for sworn officer positions in municipal law enforcement
18 agencies. The school shall charge a fee in accordance with its rules and regulations. All fees
19 collected shall be deposited into the municipal police training tuition and fees account, pursuant
20 to § 42-28-25.2

21 ~~(e)~~ (f) All fees and payments received by the division pursuant to this subsections (c) and
22 (d) shall be deposited as general revenues.

23 **45-28-31. Expenses of school – Compensation of candidates.**

24 (a) The municipal police training school is hereby authorized to charge students tuition in
25 accordance with its rules and regulations. All tuition payments shall be deposited into the
26 restricted receipt account established in § 42-28-25.2. ~~No tuition fee or any other charge shall be~~
27 ~~assessed against any city or town for the training of any candidate and the expense of that training~~
28 ~~shall be borne by the state of Rhode Island. If tuition and fees collected are not sufficient for~~
29 proper maintenance and operation of the municipal police training school, the general assembly
30 shall annually appropriate such sum or sums as may be necessary for the proper maintenance of
31 the municipal police training school.

32 ~~(b); provided, however, that~~ Any compensation to any candidate during the period of his
33 or her training shall be fixed and determined by the proper authority within the city or town
34 sponsoring the candidate and such compensation, if any, shall be paid directly to the candidate by

1 the city or town of which he or she is a resident.

2 SECTION 7. This article shall take effect July 1, 2018 except for: Section 1, which will
3 take effect on August 1, 2018; and Section 3, which will take effect on January 1, 2019.

4 **ARTICLE 8**

5 **RELATING TO MOTOR VEHICLES**

6 SECTION 1. Section 31-3-33 of the General Laws in Chapter 31-3 entitled "Registration
7 of Vehicles" is hereby amended to read as follows:

8 **31-3-33. Renewal of registration.**

9 (a) Application for renewal of a vehicle registration shall be made by the owner on a
10 proper application form and by payment of the registration fee for the vehicle as provided by law.

11 (b) The division of motor vehicles may receive applications for renewal of registration,
12 and may grant the renewal and issue new registration cards and plates at any time prior to
13 expiration of registration.

14 (c) Upon renewal, owners will be issued a renewal sticker for each registration plate that
15 shall be placed at the bottom, right-hand corner of the plate. Owners shall be issued a new, fully
16 reflective plate beginning January 1, ~~2019~~2020, at the time of initial registration or at the renewal
17 of an existing registration and reissuance will be conducted no less than every ten (10) years.

18 SECTION 2. Section 31-10-31 of the General Laws in Chapter 31-10 entitled "Operators'
19 and Chauffeurs' Licenses" is hereby amended to read as follows:

20 **31-10-31. Fees.**

21 The following fees shall be paid to the division of motor vehicles:

22 (1) For every operator's first license to operate a motor vehicle, twenty-five dollars
23 (\$25.00);

24 (2) For every chauffeur's first license, twenty-five dollars (\$25.00); provided, that when a
25 Rhode Island licensed operator transfers to a chauffeur's license, the fee for the transfer shall be
26 two dollars (\$2.00);

27 (3) For every learner's permit to operate a motorcycle, twenty-five dollars (\$25.00);

28 (4) For every operator's first license to operate a motorcycle, twenty-five dollars
29 (\$25.00);

30 (5) For every renewal of an operator's or chauffeur's license, thirty dollars (\$30.00); with
31 the exception of any person seventy-five (75) years of age or older for whom the renewal fee will
32 be eight dollars (\$8.00);

33 (6) For every duplicate operator's or chauffeur's license and every routine information
34 update, i.e., name change or address change, twenty-five dollars (\$25.00);

1 (7) For every certified copy of any license, permit, or application issued under this
2 chapter, ten dollars (\$10.00);

3 (8) For every duplicate instruction permit, ten dollars (\$10.00);

4 (9) For every first license examination, five dollars (\$5.00);

5 ~~(10) For every routine information update, i.e., name change or address change, five~~
6 ~~dollars (\$5.00);~~

7 ~~(10)(11)~~ For surrender of an out-of-state license, in addition to the above fees, five dollars
8 (\$5.00).

9 SECTION 3. Section 39-18.1-4 of the General Laws in Chapter 39-18.1 entitled
10 "Transportation Investment and Debt Reduction Act of 2011" is hereby amended to read as
11 follows:

12 **39-18.1-4. Rhode Island highway maintenance account created.**

13 (a) There is hereby created a special account in the intermodal surface transportation fund
14 as established in § 31-36-20 that is to be known as the Rhode Island highway maintenance
15 account.

16 (b) The fund shall consist of all those moneys that the state may from time to time direct
17 to the fund, including, but not necessarily limited to, moneys derived from the following sources:

18 (1) There is imposed a surcharge of thirty dollars (\$30.00) per vehicle or truck, other than
19 those with specific registrations set forth below in subsection (b)(1)(i). Such surcharge shall be
20 paid by each vehicle or truck owner in order to register that owner's vehicle or truck and upon
21 each subsequent biennial registration. This surcharge shall be phased in at the rate of ten dollars
22 (\$10.00) each year. The total surcharge will be ten dollars (\$10.00) from July 1, 2013, through
23 June 30, 2014, twenty dollars (\$20.00) from July 1, 2014, through June 30, 2015, and thirty
24 dollars (\$30.00) from July 1, 2015, through June 30, 2016, and each year thereafter.

25 (i) For owners of vehicles or trucks with the following plate types, the surcharge shall be
26 as set forth below and shall be paid in full in order to register the vehicle or truck and upon each
27 subsequent renewal:

28	Plate Type Surcharge
29	Antique \$5.00
30	Farm \$10.00
31	Motorcycle \$13.00

32 (ii) For owners of trailers, the surcharge shall be one-half (1 / 2) of the biennial
33 registration amount and shall be paid in full in order to register the trailer and upon each
34 subsequent renewal.

1 (2) There is imposed a surcharge of fifteen dollars (\$15.00) per vehicle or truck, other
2 than those with specific registrations set forth in subsection (b)(2)(i) below, for those vehicles or
3 trucks subject to annual registration, to be paid annually by each vehicle or truck owner in order
4 to register that owner's vehicle, trailer or truck and upon each subsequent annual registration. This
5 surcharge will be phased in at the rate of five dollars (\$5.00) each year. The total surcharge will
6 be five dollars (\$5.00) from July 1, 2013, through June 30, 2014, ten dollars (\$10.00) from July 1,
7 2014, through June 30, 2015, and fifteen dollars (\$15.00) from July 1, 2015, through June 30,
8 2016, and each year thereafter.

9 (i) For registrations of the following plate types, the surcharge shall be as set forth below
10 and shall be paid in full in order to register the plate, and upon each subsequent renewal:

11 Plate Type	Surcharge
12 Boat Dealer	\$6.25
13 Cycle Dealer	\$6.25
14 In-transit	\$5.00
15 Manufacturer	\$5.00
16 New Car Dealer	\$5.00
17 Used Car Dealer	\$5.00
18 Racer Tow	\$5.00
19 Transporter	\$5.00
20 Bailee	\$5.00

21 (ii) For owners of trailers, the surcharge shall be one-half (1 / 2) of the annual
22 registration amount and shall be paid in full in order to register the trailer and upon each
23 subsequent renewal.

24 (iii) For owners of school buses, the surcharge will be phased in at the rate of six dollars
25 and twenty-five cents (\$6.25) each year. The total surcharge will be six dollars and twenty-five
26 cents (\$6.25) from July 1, 2013, through June 30, 2014, and twelve dollars and fifty cents
27 (\$12.50) from July 1, 2014, through June 30, 2015, and each year thereafter.

28 (3) There is imposed a surcharge of thirty dollars (\$30.00) per license to operate a motor
29 vehicle to be paid every five (5) years by each licensed operator of a motor vehicle. This
30 surcharge will be phased in at the rate of ten dollars (\$10.00) each year. The total surcharge will
31 be ten dollars (\$10.00) from July 1, 2013, through June 30, 2014, twenty dollars (\$20.00) from
32 July 1, 2014, through June 30, 2015, and thirty dollars (\$30.00) from July 1, 2015, through June
33 30, 2016, and each year thereafter. In the event that a license is issued or renewed for a period of
34 less than five (5) years, the surcharge will be prorated according to the period of time the license

1 will be valid.

2 (c) All funds collected pursuant to this section shall be deposited in the Rhode Island
3 highway maintenance account and shall be used only for the purposes set forth in this chapter.

4 (d) Unexpended balances and any earnings thereon shall not revert to the general fund but
5 shall remain in the Rhode Island highway maintenance account. There shall be no requirement
6 that monies received into the Rhode Island highway maintenance account during any given
7 calendar year or fiscal year be expended during the same calendar year or fiscal year.

8 (e) The Rhode Island highway maintenance account shall be administered by the director,
9 who shall allocate and spend monies from the fund only in accordance with the purposes and
10 procedures set forth in this chapter.

11 (4) All fees assessed pursuant to § 31-47.1-11, and chapters 3, 6, 10, and 10.1 of title 31,
12 except for fees assessed pursuant to § 31-10-31 (6) and (8), shall be deposited into the Rhode
13 Island highway maintenance account, provided that for fiscal years 2016, 2017, and 2018 these
14 fees be transferred as follows:

15 (i) From July 1, 2015, through June 30, 2016, twenty-five percent (25%) will be
16 deposited;

17 (ii) From July 1, 2016, through June 30, 2017, fifty percent (50%) will be deposited; and

18 (iii) From July 1, 2017, through June 30, 2018 ~~eighty percent (80%)~~ sixty percent (60%)
19 will be deposited;

20 (iv) From July 1, 2018, and each year thereafter, one hundred percent (100%) will be
21 deposited;

22 (5) All remaining funds from previous general obligation bond issues that have not
23 otherwise been allocated.

24 SECTION 4. This article shall take effect upon passage.

25 **ARTICLE 9**

26 **RELATING TO SCHOOL CONSTRUCTION AND EDUCATION**

27 SECTION 1. Sections 16-7-36, 16-7-39, 16-7-40, 16-7-41, 16-7-41.1, 16-7-44 of the
28 General Laws in Chapter 16-7 entitled "Foundation Level School Support [See Title 16 Chapter
29 97 – The Rhode Island Board of Education Act]" are hereby amended to read as follows:

30 **16-7-36. Definitions.**

31 The following words and phrases used in §§ 16-7-35 to 16-7-47 have the following
32 meanings:

33 (1) "Adjusted equalized weighted assessed valuation" means the equalized weighted
34 assessed valuation for a community as determined by the division of property valuation within the

1 department of revenue in accordance with § 16-7-21; provided, however, that in the case of a
2 regional school district the commissioner of elementary and secondary education shall apportion
3 the adjusted equalized weighted assessed valuation of the member cities or towns among the
4 regional school district and the member cities or towns according to the proportion that the
5 number of pupils of the regional school district bears to the number of pupils of the member cities
6 or towns.

7 (2) "Approved project" means a project which has complied with the administrative
8 regulations governing §§ 16-7-35 through 16-7-47, and which has been authorized to receive state
9 school housing reimbursement by the commissioner of elementary and secondary education.

10 (3) "Commissioning Agent" means a person or entity who ensures the proper installation
11 and operation of technical building systems.

12 ~~(3)~~(4) "Community" means any city, town, or regional school district established
13 pursuant to law; provided, however, that the member towns of the Chariho regional high school
14 district, created by P.L. 1958, ch. 55, as amended, shall constitute separate and individual
15 communities for the purposes of distributing the foundation level school support for school
16 housing for all grades financed in whole or in part by the towns irrespective of any
17 regionalization.

18 (5) "Facilities Condition Index" means the cost to fully repair the building divided by the
19 cost to replace the building as defined by the school building authority.

20 (6) "Functional Utilization" means the ratio of the student population within a school
21 facility to the capacity of the school facility to adequately serve students, as defined by the school
22 building authority.

23 (7) "Owners Program Manager" means owner's program manager as defined in § 37-2-
24 7(32).

25 (8) "Prime contractor" means the contractor who is responsible for the completion of a
26 project.

27 ~~(4)~~(9) "Reference year" means the year next prior to the school year immediately
28 preceding that in which aid is to be paid.

29 (10) "Subject to inflation" means the base rate multiplied by the percentage of increase in
30 the Producer Price Index (PPI) Data for Nonresidential Building Construction (NAICS 236222)
31 as published by the United States Department of Labor, Bureau of Labor Statistics determined as
32 of September 30 of the prior calendar year.

33 **16-7-39 Computation of school housing aid ratio.**

34 For each community, the percent of state aid for school housing costs shall be computed

1 in the following manner:

2 (1) The adjusted equalized weighted assessed valuation for the district is divided by the
3 resident average daily membership for the district (grades twelve (12) and below); (2) the
4 adjusted equalized weighted assessed valuation for the state is divided by the resident average
5 daily membership for the state (grades twelve (12) and below); (1) is then divided by (2) and the
6 resultant ratio is multiplied by a factor currently set at sixty-two percent (62%) which represents
7 the approximate average district share of school support; the resulting product is then subtracted
8 from one hundred percent (100%) to yield the housing aid share ratio. ~~provided that in no case~~
9 ~~shall the ratio be less than thirty percent (30%). Provided, that effective July 1, 2010, and~~
10 ~~annually at the start of each fiscal year thereafter, the thirty percent (30%) floor on said housing~~
11 ~~aid share shall be increased by five percent (5%) increments each year until said floor on the~~
12 ~~housing aid share ratio reaches a minimum of not less than forty percent (40%). This provision~~
13 ~~shall apply only to school housing projects completed after June 30, 2010 that received approval~~
14 ~~from the board of regents prior to June 30, 2012. Provided further, for the fiscal year beginning~~
15 ~~July 1, 2012 and for subsequent fiscal years, the minimum housing aid share shall be thirty five~~
16 ~~percent (35%) for all projects receiving board of regents approval after June 30, 2012.~~
17 Notwithstanding any other law to the contrary, for the fiscal year beginning July 1, 2012 and for
18 subsequent fiscal years, the minimum housing aid share for all local education agency (LEA)
19 public school construction projects receiving council of elementary and secondary education
20 approval, the minimum housing aid share shall be thirty-five percent (35%) and in no case shall
21 the ratio be less than thirty-five percent (35%). The resident average daily membership shall be
22 determined in accordance with § 16-7-22(1).

23 **16-7-40 Increased school housing ratio for regional schools – Energy conservation –**
24 **Access for people with disabilities – ~~Asbestos removal projects~~ Health and Safety –**
25 **Remediation – Technology Enabled – Space Utilization.**

26 (a)(1) In the case of regional school districts, the school housing aid ratio shall be
27 increased by two percent (2%) for each grade so consolidated.

28 (2) Regional school districts undertaking renovation project(s) shall receive an increased
29 share ratio of four percent (4%) for those specific project(s) only, in addition to the combined
30 share ratio calculated in § 16-7-39 and this subsection.

31 (b) In the case of projects undertaken by regionalized and/or non-regionalized school
32 districts:

33 (i) ~~specifically f~~ For the purposes of energy conservation, access for people with
34 disabilities, and/or asbestos removal, the school housing aid share ratio shall be increased by four

1 percent (4%) for these specific projects only, in the calculation of school housing aid. The
2 increased share ratio shall continue to be applied for as ~~long~~ long as the project(s) receive state
3 housing aid. In order to qualify for the increased share ratio, seventy-five percent (75%) of the
4 project costs must be specifically directed to either energy conservation, access for people with
5 disabilities, and/or asbestos removal or any combination of these projects. The ~~board of regents~~
6 ~~for council on~~ elementary and secondary education shall promulgate rules and regulations for the
7 administration and operation of this section.

8 (ii) For purposes of addressing health and safety deficiencies as defined by the school
9 building authority, including the remediation of hazardous materials, the school housing aid ratio
10 shall be increased by five percent (5%) so long as the construction of the project commences by
11 December 30, 2022. In order to qualify for the increased share ratio, twenty-five percent (25%)
12 of the project costs or a minimum of \$250,000 must be specifically directed to this purpose.

13 (iii) For purposes of educational enhancement, including projects devoted to the
14 enhancement of teaching science, technology, engineering, arts, and math (STEAM), early
15 childhood education, career and technical education and technology enabled facilities, the school
16 housing aid ratio shall be increased by five percent (5%) so long as construction of the project
17 commences by December 30, 2022. In order to qualify for the increased share ratio, twenty-five
18 percent (25%) of the project costs or a minimum of \$250,000 must be specifically directed to this
19 purpose.

20 (iv) For replacement of a facility that has a Facilities Condition Index of 65% or higher,
21 the school housing ratio shall be increased by five percent (5%) so long as construction of the
22 project commences by December 30, 2023. In order to qualify for the increased share ratio,
23 twenty-five percent (25%) of the project costs or a minimum of \$250,000 must be specifically
24 directed to this purpose.

25 (v) For any new construction or renovation that increases the functional utilization of any
26 facility from less than 60% to more than 80%, including the consolidation of buildings within or
27 across districts, the school housing aid ratio shall be increased by five percent (5%) so long as
28 construction of the project commences by December 30, 2023. In order to qualify for the
29 increased share ratio, twenty-five percent (25%) of the project costs or a minimum of \$250,000
30 must be specifically direct to this purpose.

31 (vi) For any new construction or renovation that decreases the functional utilization of
32 any facility from more than 120% to between 85% to 105%, the school housing ratio shall be
33 increased by five percent (5%) so long as construction of the project commences by December
34 30, 2023. In order to qualify for the increased share ratio, twenty-five (25%) of the project costs

1 or a minimum of \$250,000 must be specifically directed to this purpose.

2 (vii) For consolidation of two (2) or more buildings, within or across districts into one
3 building, the school housing aid ratio shall be increased by five percent (5%) so long as
4 construction of the project commences by December 30, 2023. In order to qualify for the
5 increased share ratio, twenty-five percent (25%) of the project costs or a minimum of \$250,000
6 must be specifically directed to this purpose.

7 (c) ~~Upon the transfer of ownership from the state to the respective cities and towns of~~
8 ~~€~~The regional career and technical center buildings located in Coventry, Cranston, East
9 Providence, Newport, Providence, Warwick, Woonsocket and the Chariho regional school
10 district, the school housing aid share ratio shall be increased by four percent (4%) for the
11 renovation and/or repair of these buildings. ~~To qualify for the increased share ratio, as defined in~~
12 ~~§ 16-7-39, renovation and repair projects must be submitted for approval through the necessity of~~
13 ~~school construction process prior to the end of the second full fiscal year following the transfer of~~
14 ~~ownership and assumption of local care and control of the building.~~ Only projects at regional
15 career and technical centers that have full program approval from the department of elementary
16 and secondary education shall be eligible for the increased share ratio. The increased share ratio
17 shall continue to be applied for as long as the renovation and/or repair project receives school
18 housing aid.

19 **16-7-41 Computation of school housing aid.**

20 (a) In each fiscal year the state shall pay to each community a grant to be applied to the
21 cost of school housing equal to the following:

22 The cost of each new school housing project certified to the commissioner of elementary
23 and secondary education not later than July 15 of the fiscal year shall be divided by the actual
24 number of years of the bond issued by the local community, ~~or~~ the Rhode Island Health and
25 Educational Building Corporation, or the Rhode Island Infrastructure Bank in support of the
26 specific project, times the school housing aid ratio; and provided, further, with respect to costs of
27 new school projects financed with proceeds of bonds issued by the local community, ~~or~~ the
28 Rhode Island Health and Educational Building Corporation, or the Rhode Island Infrastructure
29 Bank in support of the specific project, the amount of the school housing aid payable in each
30 fiscal year shall not exceed the amount arrived at by multiplying the principal and interest of the
31 bonds payable in each fiscal year by the school housing aid ratio and which principal and interest
32 amount over the life of the bonds, shall, in no event, exceed the costs of each new school housing
33 project certified to the commissioner of elementary and secondary education. If a community fails
34 to specify or identify the appropriate reimbursement schedule, the commissioner of elementary

1 and secondary education may at his or her discretion set up to a five (5) year reimbursement cycle
2 for projects under five hundred thousand dollars (\$500,000); up to ten (10) years for projects up
3 to three million dollars (\$3,000,000); and up to twenty (20) years for projects over three million
4 dollars (\$3,000,000).

5 (b) Aid shall be provided for the same period as the life of the bonds issued in support of
6 the project and at the school housing aid ratio applicable to the local community at the time of the
7 bonds issued in support of the project as set forth in § 16-7-39.

8 (c) Aid shall be paid either to the community or in the case of projects financed through
9 the Rhode Island Health and Educational Building Corporation [or the Rhode Island Infrastructure](#)
10 [Bank](#), to the Rhode Island Health and Educational Building Corporation [or the Rhode Island](#)
11 [Infrastructure Bank](#) or its designee including, but not limited to, a trustee under a bond indenture
12 or loan and trust agreement, in support of bonds issued for specific projects of the local
13 community in accordance with this section, § 16-7-40 and § 16-7-44. Notwithstanding the
14 preceding, in case of failure of any city, town or district to pay the amount due in support of
15 bonds issued on behalf of a city, town, school or district project financed by the Rhode Island
16 Health and Educational Building Corporation [or the Rhode Island Infrastructure Bank](#), upon
17 notification by the Rhode Island Health and Educational Building Corporation [or the Rhode](#)
18 [Island Infrastructure Bank](#), the general treasurer shall deduct the amount from aid provided under
19 this section, § 16-7-40, § 16-7-44 and § 16-7-15 through § 16-7-34.3 due the city, town or district
20 and direct said funding to the Rhode Island Health and Educational Building Corporation [or the](#)
21 [Rhode Island Infrastructure Bank](#) or its designee.

22 (d) Notwithstanding any provisions of law to the contrary, in connection with the
23 issuance of refunding bonds benefiting any local community, any net interest savings resulting
24 from the refunding bonds issued by such community or a municipal public buildings authority for
25 the benefit of the community or by the Rhode Island health and educational building corporation
26 [or the Rhode Island Infrastructure Bank](#) for the benefit of the community, in each case in support
27 of school housing projects for the community, shall be allocated between the community and the
28 state of Rhode Island, by applying the applicable school housing aid ratio at the time of issuance
29 of the refunding bonds, calculated pursuant to § 16-7-39, that would otherwise apply in
30 connection with school housing projects of the community; provided however, that for any
31 refundings that occur between July 1, 2013 and December 31, 2015, the community shall receive
32 eighty percent (80%) of the total savings and the state shall receive twenty percent (20%). In
33 connection with any such refunding of bonds, the finance director or the chief financial officer of
34 the community shall certify such net interest savings to the commissioner of elementary and

1 secondary education. Notwithstanding § 16-7-44 or any other provision of law to the contrary,
2 school housing projects costs in connection with any such refunding bond issue shall include
3 bond issuance costs incurred by the community, the municipal public buildings authority or the
4 Rhode Island health and educational building corporation [or the Rhode Island Infrastructure](#)
5 [Bank](#), as the case may be, in connection therewith. In connection with any refunding bond issue,
6 school housing project costs shall include the cost of interest payments on such refunding bonds,
7 if the cost of interest payments was included as a school housing cost for the bonds being
8 refunded. A local community or municipal public buildings authority shall not be entitled to the
9 benefits of this subsection (d) unless the net present value savings resulting from the refunding is
10 at least three percent (3%) of the refunded bond issue.

11 (e) Any provision of law to the contrary notwithstanding, the commissioner of
12 elementary and secondary education shall cause to be monitored the potential for refunding
13 outstanding bonds of local communities or municipal public building authorities or of the Rhode
14 Island Health and Educational Building Corporation [or the Rhode Island Infrastructure Bank](#)
15 issued for the benefit of local communities or municipal public building authorities and benefiting
16 from any aid referenced in this section. In the event it is determined by said monitoring that the
17 net present value savings which could be achieved by refunding such bonds of the type
18 referenced in the prior sentence including any direct costs normally associated with such
19 refundings is equal to (i) at least one hundred thousand dollars (\$100,000) and (ii) for the state
20 and the communities or public building authorities at least three percent (3%) of the bond issue to
21 be refunded including associated costs then, in such event, the commissioner (or his or her
22 designee) may direct the local community or municipal public building authority for the benefit
23 of which the bonds were issued, to refund such bonds. Failure of the local community or
24 municipal public buildings authority to timely refund such bonds, except due to causes beyond
25 the reasonable control of such local community or municipal public building authority, shall
26 result in the reduction by the state of the aid referenced in this § 16-7-4.1 associated with the
27 bonds directed to be refunded in an amount equal to ninety percent (90%) of the net present value
28 savings reasonably estimated by the commissioner of elementary and secondary education (or his
29 or her designee) which would have been achieved had the bonds directed to be refunded been
30 refunded by the ninetieth (90th) day (or if such day is not a business day in the state of Rhode
31 Island, the next succeeding business day) following the date of issuance of the directive of the
32 commissioner (or his or her designee) to refund such bonds. Such reduction in the aid shall begin
33 in the fiscal year following the fiscal year in which the commissioner issued such directive for the
34 remaining term of the bond.

1 (f) Payments shall be made in accordance with § 16-7-40 and this section.

2 (g) For purposes of financing or refinancing school facilities in the city of Central Falls
3 through the issuance bonds through the Rhode Island Health and Educational Building
4 Corporation [or the Rhode Island Infrastructure Bank](#), the city of Central Falls shall be considered
5 an "educational institution" within the meaning of subdivision 45-38.1-3(13) of the general laws.

6 **16-7-41.1 Eligibility for reimbursement.**

7 (a) School districts, not municipalities, may apply for and obtain approval for a project
8 under the necessity of school construction process set forth in the regulations of the ~~board of~~
9 ~~regents for council on~~ elementary and secondary education, provided, however, in the case of
10 municipality which issues bonds through the Rhode Island Health and Educational Building
11 Corporation [or the Rhode Island Infrastructure Bank](#) to finance or refinance school facilities for a
12 school district which is not part of the municipality, the municipality may apply for and obtain
13 approval for a project. Such approval will remain valid until June 30 of the third fiscal year
14 following the fiscal year in which the ~~board of regents for council on~~ elementary and secondary
15 education's approval is granted. Only those projects undertaken at school facilities under the care
16 and control of the school committee and located on school property may qualify for
17 reimbursement under §§ 16-7-35 – 16-7-47. Facilities ~~with combined school and municipal uses~~
18 ~~or facilities that are operated jointly with any other profit or non-profit agency that are not~~
19 [primarily used for public elementary or secondary education](#) do not qualify for reimbursement
20 under §§ 16-7-35 – 16-7-47. Projects completed by June 30 of a fiscal year are eligible for
21 reimbursement in the following fiscal year. A project for new school housing or additional
22 housing shall be deemed to be completed when the work has been officially accepted by the
23 school committee or when the housing is occupied for its intended use by the school committee,
24 whichever is earlier.

25 (b) Notwithstanding the provisions of this section, the board of regents shall not grant
26 final approval for any project between June 30, 2011 and May 1, 2015 except for projects that are
27 necessitated by immediate health and safety reasons. In the event that a project is requested
28 during the moratorium because of immediate health and safety reasons, those proposals shall be
29 reported to the chairs of the house and senate finance committees.

30 (c) Any project approval granted prior to the adoption of the school construction
31 regulations in 2007, and which are currently inactive; and any project approval granted prior to
32 the adoption of the school construction regulations in 2007 which did not receive voter approval
33 or which has not been previously financed, are no longer eligible for reimbursement under this
34 chapter. The department of elementary and secondary education shall develop recommendations

1 for further cost containment strategies in the school housing aid program.

2 (d) Beginning July 1, 2015, the council on elementary and secondary education shall
3 approve new necessity of school construction applications on an annual basis. The department of
4 elementary and secondary education shall develop an annual application timeline for LEAs
5 seeking new necessity of school construction approvals.

6 (e) Beginning June 30, 2019, no state funding shall be provided for projects in excess of
7 ten million dollars (\$10,000,000) unless the prime contractor for the project has received
8 certification from the school building authority.

9 (f) Beginning July 1, 2019, the necessity of school construction process set forth in the
10 regulations of the council on elementary and secondary education shall include a single statewide
11 process, developed with the consultation of the department of environmental management, that
12 will ensure community involvement throughout the investigation and remediation of
13 contaminated building sites for possible reuse as the location of a school. That process will fulfill
14 all provisions of § 23-19.14-5 related to the investigation of reuse of such sites for schools.

15 **16-7-44 School housing project costs.**

16 (a) School housing project costs, the date of completion of school housing projects, and
17 the applicable amount of school housing project cost commitments shall be in accordance with
18 the regulations of the commissioner of elementary and secondary education and the provisions of
19 §§ 16-7-35 – 16-7-47; provided, however, that school housing project costs shall include the
20 purchase of sites, buildings, and equipment, the construction of buildings, and additions or
21 renovations of existing buildings and/or facilities. School housing project costs shall include the
22 cost of interest payment on any bond issued after July 1, 1988, provided that such bond is
23 approved by the voters on or before June 30, 2003, or issued by a municipal public building
24 authority or by the appropriate approving authority on or before June 30, 2003. Except as
25 provided in § 16-7-41(d) and § 46-12.2-4.2(g), those projects approved after June 30, 2003,
26 interest payments may only be included in project costs provided that the bonds for these projects
27 are issued through the Rhode Island Health and Educational Building Corporation or the Rhode
28 Island Infrastructure Bank. School housing project costs shall exclude: (1) any bond issuance
29 costs incurred by the municipality or regional school district; (2) demolition costs for buildings,
30 facilities, or sites deemed surplus by the school committee; and (3) restrictions pursuant to § 16-
31 7-44.1 below. A building, facility, or site is declared surplus by a school committee when the
32 committee no longer has such building, facility, or site under its direct care and control and
33 transfers control to the municipality, § 16-2-15. The ~~board of regents for~~ council on elementary
34 and secondary education will promulgate rules and regulations for the administration of this

1 section. These rules and regulations may provide for the use of lease revenue bonds, capital
2 leases, or capital reserve funding, to finance school housing provided that the term of any bond,
3 or capital lease shall not be longer than the useful life of the project and these instruments are
4 subject to the public review and voter approval otherwise required by law for the issuance of
5 bonds or capital leases. Cities or towns issuing bonds, or leases issued by municipal public
6 buildings authority for the benefit of a local community pursuant to chapter 50 of title 45 shall not
7 require voter approval. Effective January 1, 2008, and except for interim finance mechanisms,
8 refunding bonds, borrowing from the school building authority capital fund, and bonds issued by
9 the Rhode Island Health and Educational Building Corporation [or the Rhode Island Infrastructure](#)
10 [Bank](#) to finance school housing projects for towns, cities, or regional school districts borrowing
11 for which has previously been authorized by an enabling act of the general assembly, all bonds,
12 notes and other forms of indebtedness issued in support of school housing projects shall require
13 passage of an enabling act by the general assembly.

14 [\(b\) Beginning July 1, 2019, school housing projects exceeding \\$1,500,000 subject to](#)
15 [inflation shall be assigned an owners program manager and a commissioning agent by the school](#)
16 [building authority. The cost of the program manager and commission agent shall be borne by the](#)
17 [school building authority.](#)

18 [\(c\) Temporary housing, or swing space, for student shall be a reimbursable expense so](#)
19 [long as a district can demonstrate that no other viable option to temporarily house students exists.](#)

20 [\(d\) Environmental site remediation, as defined by the school building authority, shall be a](#)
21 [reimbursable expense up to one million dollars \(\\$1,000,000\) per project.](#)

22 [\(e\) If, within thirty \(30\) years of construction, a newly constructed school is sold to a](#)
23 [private entity, the state shall receive a portion of a sale proceeds equal to that project's housing](#)
24 [aid reimbursement rate at the time of construction.](#)

25 SECTION 2. Sections 16-105-3, 16-105-7, and 16-105-8 of the General Laws in Chapter
26 16-105 entitled "School Building Authority" are hereby amended to read as follows:

27 **16-105-3 Roles and responsibilities.**

28 The school building authority roles and responsibilities shall include:

29 (1) Management of a system with the goal of ensuring equitable and adequate school
30 housing for all public school children in the state;

31 (2) Prevention of the cost of school housing from interfering with the effective operation
32 of the schools;

33 (3) Management of school housing aid in accordance with statute;

34 (4) Reviewing and making recommendations to the council on elementary and secondary

1 education on necessity of school construction applications for state school housing aid and the
2 school building authority capital fund, based on the recommendations of the school building
3 authority advisory board;

4 (5) Promulgating, Managing and maintaining school construction regulations,
5 standards, and guidelines applicable to the school housing program, based on the
6 recommendations of the school building authority advisory board, created in § 16-105-8. Said
7 regulations shall require conformance with the minority business enterprise requirements set forth
8 in § 37-14.1-6;

9 (6) Developing a certification and review process for prime contractors seeking to bid on
10 projects in excess of ten million dollars (\$10,000,000) in total costs subject to inflation.
11 Notwithstanding any general laws to the contrary, certifications shall be valid for a maximum of
12 two (2) years from the date of issuance. Factors to be considered by the school building authority
13 in granting certification to prime contractors shall include, but not be limited to, the contractor's
14 history of completing complex projects on time and on budget, track record of compliance with
15 applicable environmental and safety regulations, evidence that completed prior projects
16 prioritized the facility's future maintainability, and compliance with applicable requirements for
17 the use of women and minority owned subcontractors.

18 (7) Developing a mandatory statewide maintenance checklist and facilities standards for
19 all school buildings that includes a minimum annual spending requirement for maintenance
20 and/or a requirement for capital reserve funds dedicated exclusively for annual maintenance in
21 accordance with national best practices. Districts shall adhere to the maintenance spending
22 requirements beginning June 30, 2019 and facilities standards beginning June 30, 2021.

23 ~~(6)~~(8) Providing technical advice and assistance, training, and education to cities, towns,
24 and/or LEAs and to certified general contractors, subcontractors, construction or project
25 managers, designers and others in planning, maintenance, and establishment of school facility
26 space;

27 ~~(7)~~(9) Developing a project priority system, based on the recommendations of the school
28 building authority advisory board, in accordance with school construction regulations for the state
29 school housing aid set forth in §§ 16-7-35 to 16-7-47 and the school building authority capital
30 fund, subject to review and, if necessary, to be revised on intervals not to exceed five (5) years.
31 Project priorities shall ~~be in accordance with~~ include, but not be limited to, the following order of
32 priorities:

33 (i) Projects to replace or renovate a building that is structurally unsound or otherwise in a
34 condition seriously jeopardizing the health and safety of school children where no alternative

1 exists;

2 (ii) Projects needed to prevent loss of accreditation;

3 (iii) Projects needed for the replacement, renovation, or modernization of the HVAC
4 system in any schoolhouse to increase energy conservation and decrease energy-related costs in
5 said schoolhouse;

6 (iv) Projects needed to replace or add to obsolete buildings in order to provide for a full
7 range of programs consistent with state and approved local requirements; and

8 (v) Projects needed to comply with mandatory, instructional programs.

9 ~~(8)~~(10) Maintaining a current list of requested school projects and the priority given
10 them;

11 ~~(9)~~(11) Collecting and maintaining readily available data on all the public school
12 facilities in the state;

13 (12) Collecting, maintaining, and making publicly available monthly progress reports of
14 ongoing school construction projects that shall include, at a minimum, the costs of the project and
15 the time schedule of each project;

16 ~~(10)~~(13) Recommending policies and procedures designed to reduce borrowing for
17 school construction programs at both state and local levels;

18 ~~(11)~~(14) At least every five (5) years, conducting a needs survey to ascertain the capital
19 construction, reconstruction, maintenance, and other capital needs for schools in each district of
20 the state, including public charter schools;

21 ~~(12)~~(15) Developing a formal enrollment projection model or using projection models
22 already available;

23 ~~(13)~~(16) Encouraging local education agencies to investigate opportunities for the
24 maximum utilization of space in and around the district;

25 ~~(14)~~(17) Collecting and maintaining a clearinghouse of prototypical school plans that
26 may be consulted by eligible applicants;

27 (18) Retaining the services of consultants, construction managers, program managers,
28 architects, engineers and experts, as necessary, to effectuate the roles and responsibilities listed
29 within this section;

30 ~~(15)~~(19) By regulation, offering additional incentive points to the school housing aid ratio
31 calculation set forth in § 16-7-39, as the authority, based upon the recommendation of the
32 advisory board, determines will promote the purposes of this chapter. Said regulations may
33 delineate the type and amounts of any such incentive percentage points; provided, however, that
34 no individual category of incentive points shall exceed ~~two-five~~ ~~(2)~~(5) additional points; and

1 provided further, that no district shall receive a combined total of more than ~~five-twenty (5)(20)~~
2 incentive percentage points for projects that commence construction by December 30, 2023, and
3 five (5) incentive points for projects that commence construction thereafter. Such incentive points
4 may be awarded for a district's use of highly efficient construction delivery methods; remediation
5 of hazardous substances; regionalization with other districts; superior maintenance practices of a
6 district; energy efficient and sustainable design and construction; the use of model schools as
7 adopted by the authority; and other incentives as recommended by the advisory board and
8 determined by the authority to encourage the most cost-effective and quality construction.
9 Notwithstanding any provision of the general laws to the contrary, the reimbursement or aid
10 received under this chapter or chapter 38.2 of title 45 shall not exceed one hundred percent
11 (100%) of the sum of the total project costs plus interest costs nor shall a district's share be
12 decreased by more than half of its regular share irrespective of the number of incentive points
13 received.

14 Projects that were approved prior to July 1, 2017, but have not commenced construction
15 as of January 1, 2018 are eligible to receive a total of five (5) combined incentive points so long
16 as an owners program manager and commissioning agent of the school building authority's
17 choosing has been employed. Any project approved prior to July 1, 2017 that is withdrawn
18 and/or resubmitted for approval shall not be eligible for any incentive points.

19 **16-105-7 Expenses incurred by the ~~department~~ school building authority.**

20 In order to provide for ~~one-time or limited-the~~ expenses of the ~~department of elementary~~
21 ~~and secondary education~~-school building authority under this chapter, the Rhode Island health and
22 education building corporation shall provide funding from the school building authority capital
23 fund, fees generated from the origination of municipal bonds and other financing vehicles used
24 for school construction, and its own reserves. The school building authority shall, by October 1 of
25 each year, report to the governor and the chairs of the senate and house finance committees, the
26 senate fiscal advisor, and the house fiscal advisor the amount sought for expenses for the next
27 fiscal year.

28 There is also hereby established a restricted receipt account within the budget of the
29 department of elementary and secondary education entitled "school construction services", to be
30 financed by the Rhode Island health and education building corporation's sub-allotments of fees
31 generated from the origination of municipal bonds and other financing vehicles used for school
32 construction and its own reserves. Effective July 1, 2018, this account shall be utilized for the
33 express purpose of supporting any departmental expenditures incurred in the administration of the
34 school construction aid program.

1 **16-105-8. School building authority advisory board established.**

2 (a) There is hereby established a school building authority advisory board that shall
3 advise the school building authority regarding the best use of the school building authority capital
4 fund, including the setting of statewide priorities, criteria for project approval, and
5 recommendations for project approval and prioritization.

6 (b) The school building authority advisory board shall consist of ~~seven~~-nine (~~7~~)(9)
7 members as follows:

- 8 (1) The general treasurer;
- 9 (2) The director of the department of administration, who shall serve as chair;
- 10 (3) A member of the governor's staff, as designated by the governor;
- 11 (4) The commissioner of elementary and secondary education, or his or her designee;
- 12 (5) The chair of the Rhode Island health and educational building corporation; and
- 13 (4) Four (4) members of the public, appointed by the governor, and who serve at the

14 pleasure of the governor, each of whom shall have expertise in education and/or construction, real
15 estate, or finance. At least one of these four members shall represent a local education agency.

16 (c) In addition to the purposes in subsection (a), the school building authority advisory
17 board shall advise the school building authority on, including but not limited to, the following:

- 18 (1) The project priorities for the school building authority capital fund;
- 19 (2) Legislation as it may deem desirable or necessary related to the school building
20 authority capital fund and the school housing aid program set forth in §§ 16-7-35 to 16-7-47;
- 21 (3) Policies and procedures designed to reduce borrowing for school construction
22 programs at both state and local levels;
- 23 (4) Development of a formal enrollment projection model or consideration of using
24 projection models already available;
- 25 (5) Processes and procedures necessary to apply for, receive, administer, and comply
26 with the conditions and requirements respecting any grant, gift, or appropriation of property,
27 services, or monies;
- 28 (6) The collection and maintenance of a clearinghouse of prototypical school plans which
29 may be consulted by eligible applicants and recommend incentives to utilize these prototypes;
- 30 (7) The determination of eligible cost components of projects for funding or
31 reimbursement, including partial or full eligibility for project components for which the benefit is
32 shared between the school and other municipal and community entities;
- 33 (8) Development of a long-term capital plan in accordance with needs and projected
34 funding;

1 (9) Collection and maintenance of data on all the public school facilities in the state,
2 including information on size, usage, enrollment, available facility space, and maintenance;

3 (10) Advising districts on the conduct of a needs survey to ascertain the capital
4 construction, reconstruction, maintenance, and other capital needs for schools across the state;

5 (11) The recommendation of policies, rules, and regulations that move the state toward a
6 pay-as-you-go funding system for school construction programs; and

7 (12) Encouraging local education agencies to investigate opportunities for the maximum
8 utilization of space in and around the district.

9 SECTION 3. Section 45-38.2-4 of the General Laws in Chapter 45-38.2 entitled "School
10 Building Authority Capital Fund" are hereby amended to read as follows:

11 **45-38.2-4 Payment of state funds.**

12 (a) Subject to the provisions of subsection (b), upon the written request of the
13 corporation, the general treasurer shall pay to the corporation, from time to time, from the
14 proceeds of any bonds or notes issued by the state for the purposes of this chapter or funds
15 otherwise lawfully payable to the corporation for the purposes of this chapter, such amounts as
16 shall have been appropriated or lawfully designated for the fund. All amounts so paid shall be
17 credited to the fund in addition to any other amounts credited or expected to be credited to the
18 fund.

19 (b) The corporation and the state may enter into, execute, and deliver one or more
20 agreements setting forth or otherwise determining the terms, conditions, and procedures for, and
21 the amount, time, and manner of payment of, all amounts available from the state to the
22 corporation under this section.

23 (c) The corporation, per order of the school building authority capital fund, is authorized
24 to grant a district or municipality its state share of an approved project cost, pursuant to §§ 16-7-
25 39 and 16-77.1-5. Construction pay-as-you-go grants received from the school building authority
26 capital fund shall not be considered a form of indebtedness subject to the provisions of § 16-7-44.

27 (d)(1) Notwithstanding the provisions of §§ 45-12-19 and 45-12-20, and notwithstanding
28 city or town charter provisions to the contrary, prior to July 1, 2016, no voter approval shall be
29 required for loans in any amount made to a city or town for the local education agency's share of
30 total project costs.

31 (2) Notwithstanding the provisions of §§ 45-12-19 and 45-12-20, and notwithstanding
32 city or town charter provisions to the contrary, on or after July 1, 2016, up to five hundred
33 thousand dollars (\$500,000) may be loaned to a city or town for the local education agency's
34 share of total project costs without the requirement of voter approval.

1 (e)(1) If the school building authority deems the amount of funding in the capital fund to
2 be in excess of what is necessary to meet the state obligation for projects receiving support from
3 the capital fund in a given year, the school building authority may direct excess funds to support
4 the state share of foundational housing aid.

5 (2) Funds transferred from the capital fund to support the state share of foundational
6 housing aid shall be offered to LEAs on a pay-as-you-go basis and not as a reimbursement of debt
7 service for previously completed projects.

8 (3) Funds transferred from the capital fund to support the state share of foundational
9 housing aid in a given year on a pay-as-you-go basis shall be offered proportionately to LEAs
10 based on the total state share of foundational housing aid awarded to projects in that year.

11 ~~(e)~~(f) Notwithstanding any provision to the contrary, the term of any bond, capital lease,
12 or other financing instrument shall not exceed the useful life of the project being financed.

13 SECTION 4. Section 46-12.2-4.2 of the General Laws in Chapter 46-12.2 entitled
14 “Rhode Island Infrastructure Bank” is hereby amended to read as follows:

15 **46-12.2-4.2. Establishment of the efficient buildings fund.**

16 (a) There is hereby authorized and created within the Rhode Island infrastructure bank an
17 efficient buildings fund for the purpose of providing technical, administrative and financial
18 assistance to local governmental units for energy efficient and renewable energy upgrades to
19 public buildings and infrastructure, including, but not limited to, streetlights. The Rhode Island
20 infrastructure bank shall review and approve all applications for projects to be financed through
21 the efficient buildings fund.

22 The office of energy resources shall promulgate rules and regulations establishing a
23 project priority list for efficient buildings fund and the process through which a local
24 governmental unit may submit an application for inclusion of a project on the project priority list.
25 Upon issuance of the project priority list by the office of energy resources, the project priority list
26 shall be used by the Rhode Island infrastructure bank to determine the order in which financial
27 assistance shall be awarded. The Rhode Island infrastructure bank shall promulgate rules and
28 regulations to effectuate the provisions of this section which may include, without limitation,
29 forms for financial assistance applications, loan agreements, and other instruments. All rules and
30 regulations promulgated pursuant to this chapter shall be promulgated in accordance with the
31 provisions of chapter 35 of title 42. Eligibility for receipt of this financial assistance by a local
32 governmental unit shall be conditioned upon that local governmental unit reallocating their
33 remaining proportional QECB allocation to the state of Rhode Island.

34 (b) The Rhode Island infrastructure bank shall have all the powers necessary and

1 convenient to carry out and effectuate the purposes and provisions of this section including,
2 without limiting the generality of the preceding statement, the authority:

3 (1) To receive and disburse such funds from the state and federal government as may be
4 available for the purpose of the fund subject to the provisions of this section;

5 (2) To make and enter into binding commitments to provide financial assistance to
6 eligible borrowers from amounts on deposit in the fund;

7 (3) To levy administrative fees on eligible borrowers as necessary to effectuate the
8 provisions of this section, provided the fees have been previously authorized by an agreement
9 between the Rhode Island infrastructure bank and the eligible borrower;

10 (4) To engage the services of third-party vendors to provide professional services;

11 (5) To establish one or more accounts within the fund; and

12 (6) Such other authority as granted to the Rhode Island infrastructure bank under this
13 chapter.

14 (c) Subject to the provisions of this section and to any agreements with the holders of any
15 bonds of the Rhode Island infrastructure bank or any trustee therefor, amounts held by the Rhode
16 Island infrastructure bank for the account of the fund shall be applied by the Rhode Island
17 infrastructure bank, either by direct expenditure, disbursement, or transfer to one or more other
18 funds and accounts held by the Rhode Island infrastructure bank or maintained under any trust
19 agreement pertaining to bonds, either alone or with other funds of the Rhode Island infrastructure
20 bank, to the following purposes:

21 (1) To provide financial assistance to local governmental units to finance costs of
22 approved projects, as set forth in subsection (a), and to refinance the costs of the projects, subject
23 to such terms and conditions, if any, as are determined by the Rhode Island infrastructure bank;

24 (2) To fund reserves for bonds of the Rhode Island infrastructure bank and to purchase
25 insurance and pay the premiums therefor, and pay fees and expenses of letters or lines of credit
26 and costs of reimbursement to the issuers thereof for any payments made thereon or on any
27 insurance, and to otherwise provide security for, and a source of payment for obligations of the
28 Rhode Island infrastructure bank, by pledge, lien, assignment, or otherwise as provided in this
29 chapter;

30 (3) To pay expenses of the Rhode Island infrastructure bank in administering the fund;

31 (4) To provide a reserve for, or to otherwise secure, amounts payable by borrowers on
32 loans and obligations outstanding in the event of default thereof; amounts in any account in the
33 fund may be applied to defaults on loans outstanding to the borrower for which the account was
34 established and, on a parity basis with all other accounts, to defaults on any loans or obligations

1 outstanding; and

2 (5) To provide a reserve for, or to otherwise secure, by pledge, lien, assignment, or
3 otherwise as provided in this chapter, any bonds of the Rhode Island infrastructure bank.

4 (d) In addition to other remedies of the Rhode Island infrastructure bank under any loan
5 agreement or otherwise provided by law, the Rhode Island infrastructure bank may also recover
6 from a borrower, in an action in superior court, any amount due the Rhode Island infrastructure
7 bank together with any other actual damages the Rhode Island infrastructure bank shall have
8 sustained from the failure or refusal of the borrower to make the payments or abide by the terms
9 of the loan agreement.

10 (e) The Rhode Island infrastructure bank may create one or more loan loss reserve funds
11 to serve as further security for any loans made by the Rhode Island infrastructure bank or any
12 bonds of the Rhode Island infrastructure bank issued to fund energy efficiency improvements in
13 public buildings in accordance with this section.

14 (f) To the extent possible, and in accordance with law, the infrastructure bank shall
15 encourage the use of project labor agreements for projects over ten million dollars (\$10,000,000)
16 and local hiring on projects funded under this section.

17 (g) ~~Any financial assistance provided by the Rhode Island infrastructure bank to a public~~
18 ~~entity for the purpose of retrofitting a school building shall not be subject to the match established~~
19 ~~by Rhode Island general laws §§ 16-7-35 to 16-7-47, and shall be made subject to coordination~~
20 ~~with the Rhode Island department of education.~~ Notwithstanding any provisions to the contrary in
21 Chapter 16-7, but subject to Section 16-7-41(c), any approved project as set forth in subsection
22 (a) of this section that is also an “approved project” as defined in §16-7-36 and predominately
23 energy or environmental in nature shall be eligible for school housing assistance under §§ 16-7-
24 35 through 16-7-47, and shall include the payment of interest on bonds, lease revenue bonds,
25 capital leases, or capital reserve funding issued by a local governmental unit.

26 SECTION 5. Sections 16-26-7 and 16-26-12 of the General Laws in Chapter 16-26
27 entitled “School for the Deaf” are hereby amended to read as follows:

28 **16-26-7. Persons admissible.**

29 (a) All children of parents, or under the control of guardians or other persons, legal
30 residents of this state, between the ages from birth to twenty-one (21) years, whose hearing or
31 speech, or both, are impaired as to make it impracticable for this student to make progress toward
32 his or her educational goals by attending the public schools may attend the Rhode Island School
33 for the Deaf, without charge, under any rules and regulations as the board of regents for
34 elementary and secondary education may establish.

1 (b) Deaf persons from birth to twenty-one (21) years, who are legal residents of the state,
2 shall be entitled to the privilege of the school without charge, and for any period of time in each
3 individual case as may be deemed appropriate by the board of regents for elementary and
4 secondary education; residents of other states may be admitted upon the payment of any rates of
5 board and tuition as may be fixed by the board.

6 [\(c\) Students who are not deaf or hard of hearing may be admitted to the Rhode Island](#)
7 [School for the Deaf in accordance with rules and regulations promulgated by the commissioner of](#)
8 [elementary and secondary education.](#)

9 **16-26-12. Other sources of funding.**

10 (a) The 2009 general assembly, through the FY 2010 appropriation act, established a fee
11 for a service program, also known as a tuition program, for the Rhode Island school for the deaf
12 effective July 1, 2009 in accordance with the fee structure developed and implemented by the
13 department of elementary and secondary education. Under this fee for service program, and the
14 provisions of Rhode Island general law § 16-26-7.1 notwithstanding, districts shall be assessed
15 tuition to cover the costs of educational services that are additional to the core deaf and hard-of-
16 hearing education program that is provided to resident students at the Rhode Island school for the
17 deaf.

18 (b) Tuition assessed at the school for the deaf to cover costs of educational services that
19 are additional to the core deaf and hard-of-hearing education program shall be based on a
20 graduated tuition schedule correlating to the varying needs of students. Districts shall receive
21 three (3) times each school year, invoices summarizing the basis for the tuition charged. There
22 shall be deducted from the final aid payment to each school district at the end of the fiscal year
23 any amounts owed to the state for these additional educational services. All tuition paid by
24 districts and any aid deducted for non-payment shall be deposited in a restricted receipt account
25 and shall be exempt from the indirect cost recovery provisions of § 35-4-7.

26 (c) The school for the deaf is hereby authorized to rent or lease space in its school
27 building. The school shall deposit any revenues from such agreements into a restricted receipt
28 account, to be known as the school for the deaf rental income account, to be used for the same
29 educational purposes that its state appropriation is used. Any such rental agreements must receive
30 prior approval from the school's board of trustees and by the state properties committee.

31 [\(d\) For students attending the Rhode Island School for the Deaf, in accordance with § 16-](#)
32 [26-7\(c\), costs for those students shall be funded pursuant to the provisions of § 16-7.2-3, effective](#)
33 [as of July 1, 2018. The state share of the permanent foundation education aid shall be paid](#)
34 [directly to the Rhode Island School for the Deaf pursuant to the provisions of § 16-7.2-7. The](#)

1 [local school district shall transfer the difference between the calculated state share of the](#)
 2 [permanent foundation education aid and the amount calculated pursuant to the provisions of § 16-](#)
 3 [7.2-7 to the Rhode Island School for the Deaf, until the transition of the state share is complete. In](#)
 4 [addition, the local school district shall pay the local share of education funding to the Rhode](#)
 5 [Island School for the Deaf as outlined in § 16-7.2-5.](#)

6 SECTION 6. This article shall take effect upon passage.

7 **ARTICLE 10**

8 RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2018

9 SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained
 10 in this act, the following general revenue amounts are hereby appropriated out of any money in
 11 the treasury not otherwise appropriated to be expended during the fiscal year ending June 30,
 12 2018. The amounts identified for federal funds and restricted receipts shall be made available
 13 pursuant to section 35-4-22 and Chapter 41 of Title 42 of the Rhode Island General Laws. For the
 14 purposes and functions hereinafter mentioned, the state controller is hereby authorized and
 15 directed to draw his or her orders upon the general treasurer for the payment of such sums or such
 16 portions thereof as may be required from time to time upon receipt by him or her of properly
 17 authenticated vouchers.

	FY 2018	FY 2018	FY 018
	<u>Enacted</u>	<u>Change</u>	<u>Final</u>
Administration			
<i>Central Management</i>			
General Revenue	3,048,657	103,305	3,151,962
Total - Central Management	3,048,657	103,305	3,151,962
<i>Legal Services</i>			
General Revenues	2,170,956	(26,682)	2,144,274
Total – Legal Services	2,170,956	(26,682)	2,144,274
<i>Accounts and Control</i>			
General Revenue	4,130,796	870,684	5,001,480
Restricted Receipt – OPEB Board			
Administration	225,000	(257)	224,743
Total - Accounts and Control	4,355,796	870,427	5,226,223
<i>Office of Management and Budget</i>			
General Revenue	8,882,351	784,000	9,666,351
Restricted Receipts	300,000	109,356	409,356

1	Other Funds	1,719,494	(722,905)	996,589
2	Total – Office of Management and			
3	Budget	10,901,845	170,451	11,072,296
4	<i>Purchasing</i>			
5	General Revenue	2,630,843	89,499	2,720,342
6	Restricted Receipts	540,000	(796)	539,204
7	Other Funds	233,525	101,936	335,461
8	Total – Purchasing	3,404,368	190,639	3,595,007
9	<i>Human Resources</i>			
10	General Revenue	8,057,188	(6,898,076)	1,159,112
11	Federal Funds	1,014,410	(1,014,410)	0
12	Restricted Receipts	610,995	(610,955)	0
13	Other Funds	1,591,954	(1,591,954)	0
14	Total - Human Resources	11,274,547	(10,115,435)	1,159,112
15	<i>Personnel Appeal Board</i>			
16	General Revenue	145,130	2,235	147,365
17	Total – Personnel Appeal Board	145,130	2,235	147,365
18	<i>Information Technology</i>			
19	General Revenues	22,146,644	(20,687,630)	1,459,014
20	Federal Funds	6,655,755	(6,473,755)	182,000
21	Restricted Receipts	10,777,319	(794,089)	9,983,230
22	Other Funds	2,699,001	(2,609,827)	89,174
23	Total – Information Technology	42,278,719	(30,565,301)	11,713,418
24	<i>Library and Information Services</i>			
25	General Revenue	1,479,475	(2,716)	1,476,759
26	Federal Funds	1,157,870	130,513	1,288,383
27	Restricted Receipts	5,500	0	5,500
28	Total - Library and Information Services	2,642,845	127,797	2,770,642
29	<i>Planning</i>			
30	General Revenue	1,271,483	(806,112)	465,371
31	Federal Funds	1,000	14,291	15,291
32	Other Funds			
33	Air Quality Modeling	24,000	0	24,000
34	Federal Highway – PL Systems Planning	3,172,497	318,487	3,490,984

1	FTA – Metro Planning Grant	1,033,131	(1,301)	1,031,830
2	Other Funds Total	4,229,628	317,186	4,546,814
3	Total - Planning	5,502,111	(474,635)	5,027,476
4	<i>General</i>			
5	General Revenues	100,000	0	100,000
6	Provided that this amount be allocated to City Year for the Whole School Whole Child Program,			
7	which provides individualized support to at-risk students.			
8	Miscellaneous Grants/Payments			
9	Torts - Courts/Awards	400,000	0	400,000
10	State Employees/Teachers Retiree Health	2,321,057	0	2,321,057
11	Resource Sharing and State Library Aid	9,362,072	0	9,362,072
12	Library Construction Aid	2,161,628	0	2,161,628
13	General Funds Total	14,344,757	0	14,344,757
14	Restricted Receipts	700,000	0	700,000
15	Other Funds			
16	Rhode Island Capital Plan Funds			
17	Security Measures State Buildings	500,000	(250,000)	250,000
18	Energy Efficiency Improvements	1,000,000	(500,000)	500,000
19	Cranston Street Armory	850,000	(350,000)	500,000
20	Zambarano Building Rehabilitation	6,085,000	0	6,085,000
21	Big River Management Area	100,000	2,307	102,307
22	Veterans Memorial Auditorium	205,000	0	205,000
23	RI Convention Center Authority	1,250,000	(250,000)	1,000,000
24	Dunkin Donuts Center	2,350,000	(850,000)	1,500,000
25	Pastore Center Power Plant Rehab.	800,000	0	800,000
26	Virks Building Renovations	5,236,000	1,631,511	6,867,511
27	Accessibility – Facility Renovations	1,000,000	0	1,000,000
28	Cannon Building	700,000	(6,834)	693,166
29	Chapin Health Laboratory	3,550,000	(2,450,000)	1,100,000
30	Environmental Compliance	200,000	200,000	400,000
31	DoIT Operations Center	770,000	(595,000)	175,000
32	Old Colony House	100,000	0	100,000
33	Old State House	1,000,000	(860,000)	140,000
34	Pastore Center Buildings Demolition	175,000	0	175,000

1	Pastore Center Parking	1,300,000	(250,000)	1,050,000
2	Pastore Medical Center Rehab DOA	3,900,000	1,100,000	5,000,000
3	Pastore Center Strategic Plan	600,000	200,092	800,092
4	Pastore Center Utilities Upgrade	2,000,000	1,377,500	3,377,500
5	Pastore Center Water Tanks & Pipes	280,000	465,118	745,118
6	Replacement of Fueling Tanks	450,000	(106,040)	343,960
7	Shepard Building	395,000	(295,000)	100,000
8	State House Energy Mgt Improvement	2,000,000	(2,000,000)	0
9	State House Renovations	1,250,000	1,037,000	2,287,000
10	State Office Building	700,000	1,010,577	1,710,577
11	Washington County Government Center	1,400,000	(975,000)	425,000
12	William Powers Administration Bldg.	1,000,000	385,000	1,385,000
13	Hospital Consolidation	0	7,850,000	7,850,000
14	Mathias Building Upgrades	0	510,000	510,000
15	Total General	56,190,757	6,031,231	62,221,988
16	<i>Debt Service Payments</i>			
17	General Revenue	138,403,065	(1,232,290)	137,170,775
18	Out of the general revenue appropriations for debt service, the General Treasurer is			
19	authorized to make payments for the I-195 Redevelopment District Commission loan up to the			
20	maximum debt service due in accordance with the loan agreement.			
21	Federal Funds	1,870,830	0	1,870,830
22	Other Funds			
23	Transportation Debt Service	40,958,106	(118,865)	39,356,516
24	Investment Receipts – Bond Funds	100,000	0	100,000
25	Total - Debt Service Payments	181,332,001	(1,351,155)	179,980,846
26	<i>Energy Resources</i>			
27	Federal Funds	723,171	42,534	765,705
28	Restricted Receipts	11,410,652	(1,621,791)	9,788,861
29	Total – Energy Resources	12,133,823	(1,579,257)	10,554,566
30	<i>Rhode Island Health Benefits Exchange</i>			
31	General Revenues	2,625,841	0	2,625,841
32	Federal Funds	135,136	4,123,529	4,258,665
33	Restricted Receipts	6,807,845	(768,351)	6,039,494
34	Total - Rhode Island Health Benefits			

1	Exchange	9,568,822	3,355,178	12,924,000
2	<i>Construction Permitting, Approvals and Licensing</i>			
3	General Revenues	1,790,975	296,122	2,087,097
4	Restricted Receipts	1,187,870	443,373	1,631,243
5	Total – Construction Permitting,			
6	Approvals and Licensing	2,978,845	739,495	3,718,340
7	<i>Office of Diversity, Equity, and Opportunity</i>			
8	General Revenue	1,282,250	(195,395)	1,086,855
9	Other Funds	86,623	(1,558)	85,065
10	Total – Office of Diversity, Equity and			
11	Opportunity	1,368,873	(196,953)	1,171,920
12	<i>Capital Asset Management and Maintenance</i>			
13	General Revenue	33,868,627	(24,066,846)	9,801,781
14	Federal Funds	1,603,917	(1,603,917)	0
15	Restricted Receipts	660,725	(660,725)	0
16	Other Funds	3,874,844	(3,874,844)	0
17	Total – Capital Asset Management and			
18	Maintenance	40,008,113	(30,206,332)	9,801,781
19	<i>Undistributed Savings</i>			
20	General Revenues	(30,080,124)	21,330,124	(8,750,000)
21	Grand Total – Administration			
		359,226,084	(41,594,868)	317,631,216
22	Business Regulation			
23	<i>Central Management</i>			
24	General Revenues	1,296,420	793,668	2,090,088
25	Total – Central Management			
		1,296,420	793,668	2,090,088
26	<i>Banking Regulation</i>			
27	General Revenue	1,743,062	(164,554)	1,578,508
28	Restricted Receipts	50,000	25,000	75,000
29	Total–Banking Regulation			
		1,793,062	(139,554)	1,653,508
30	<i>Securities Regulation</i>			
31	General Revenue	974,364	(21,673)	952,691
32	Restricted Receipts	15,000	0	15,000
33	Total - Securities Regulation			
		989,364	(21,673)	967,691
34	<i>Insurance Regulation</i>			

1	General Revenue	3,925,436	(74,213)	3,851,223
2	Restricted Receipts	1,826,495	102,552	1,929,047
3	Total - Insurance Regulation	5,751,931	28,339	5,780,270
4	<i>Office of the Health Insurance Commissioner</i>			
5	General Revenue	1,614,318	(43,562)	1,570,756
6	Federal Funds	892,213	157,056	1,049,269
7	Restricted Receipts	228,768	(103,917)	124,851
8	Total – Office of the Health Insurance			
9	Commissioner	2,735,299	(60,423)	2,674,876
10	<i>Board of Accountancy</i>			
11	General Revenue	6,000	0	6,000
12	Total – Board of Accountancy	6,000	0	6,000
13	<i>Commercial Licensing, Racing & Athletics</i>			
14	General Revenues	893,038	16,334	909,372
15	Restricted Receipts	1,778,614	(39,463)	1,739,151
16	Total - Commercial Licensing, Racing &			
17	Athletics	2,671,652	(23,129)	2,648,523
18	<i>Boards for Design Professionals</i>			
19	General Revenue	362,455	(362,455)	0
20	Restricted Receipts	0	323,703	323,703
21	Total – Boards for Design Professionals	362,455	(38,752)	323,703
22	Grand Total - Business Regulation	15,606,183	214,773	15,820,956
23	Executive Office of Commerce			
24	<i>Central Management</i>			
25	General Revenue	1,138,714	(7,755)	1,130,959
26	<i>Housing and Community Development</i>			
27	General Revenue	642,391	258,461	900,852
28	Federal Funds	17,890,642	980,743	18,871,385
29	Restricted Receipts	4,749,911	1,500,000	6,249,911
30	Total – Housing and Community			
31	Development	23,282,944	2,739,204	26,022,148
32	<i>Quasi-Public Appropriations</i>			
33	General Revenue			
34	Rhode Island Commerce Corporation	7,474,514	(250,000)	7,224,514

1	Airport Impact Aid	1,025,000	0	1,025,000
2	Sixty percent (60%) of the first \$1,000,000 appropriated for airport impact aid shall be			
3	distributed to each airport serving more than 1,000,000 passengers based upon its percentage of			
4	the total passengers served by all airports serving more than 1,000,000 passengers. Forty percent			
5	(40%) of the first \$1,000,000 shall be distributed based on the share of landings during the			
6	calendar year 2017 at North Central Airport, Newport-Middletown Airport, Block Island Airport,			
7	Quonset Airport, T.F. Green Airport and Westerly Airport, respectively. The Rhode Island			
8	Commerce Corporation shall make an impact payment to the towns or cities in which the airport			
9	is located based on this calculation. Each community upon which any parts of the above airports			
10	are located shall receive at least \$25,000.			
11	STAC Research Alliance	1,150,000	(250,000)	900,000
12	Innovative Matching Grants/Internships	1,000,000	0	1,000,000
13	1-195 Redevelopment District Commission	761,000	0	761,000
14	Chafee Center at Bryant	376,200	0	376,200
15	Urban Ventures	140,000	0	140,000
16	Polaris Manufacturing Grant	250,000	0	250,000
17	Other Funds			
18	Rhode Island Capital Plan Funds			
19	I-195 Redevelopment District Commission	300,000	146,053	446,053
20	Quonset Piers	2,600,000	27,341	2,627,341
21	Total- Quasi-Public Appropriations	15,076,714	(326,606)	14,750,108
22	<i>Economic Development Initiatives Fund</i>			
23	General Revenue			
24	Innovation Initiative	1,000,000	0	1,000,000
25	I-195 Redevelopment Fund	2,000,000	0	2,000,000
26	Main Street RI Streetscape Improvements	500,000	0	500,000
27	Rebuild RI Tax Credit Fund	12,500,000	(3,000,000)	9,500,000
28	First Wave Closing Fund	1,800,000	0	1,800,000
29	Total- Economic Development			
30	Initiatives Fund	17,800,000	(3,000,000)	14,800,000
31	<i>Commerce Programs</i>			
32	General Revenue			
33	Wavemaker Fellowship	800,000	0	800,000
34	Air Service Development	500,000	0	500,000

1	Total - Commerce Programs	1,300,000	0	1,300,000
2	Grand Total - Executive Office of			
3	Commerce	58,598,372	(595,157)	58,003,215
4	Labor and Training			
5	<i>Central Management</i>			
6	General Revenue	134,315	561,934	696,249
7	Restricted Receipts	687,604	(490,957)	196,647
8	Other Funds			
9	Rhode Island Capital Plan Funds			
10	Center General Asset Protection	1,630,000	0	1,630,000
11	Other Funds Total	1,630,000	0	1,630,000
12	Total - Central Management	2,451,919	70,977	2,522,896
13	<i>Workforce Development Services</i>			
14	General Revenue	704,517	66,325	770,842
15	Federal Funds	22,792,153	7,739,391	30,531,544
16	Restricted Receipts	12,434,856	8,237,982	20,672,838
17	Other Funds	101,601	205,399	307,000
18	Total - Workforce Development			
19	Services	36,033,127	16,249,097	52,282,224
20	<i>Workforce Regulation and Safety</i>			
21	General Revenue	2,811,148	175,074	2,986,222
22	<i>Income Support</i>			
23	General Revenues	4,046,748	63,054	4,109,802
24	Federal Funds	14,138,705	6,685,476	20,824,181
25	Restricted Receipts	2,500,020	(546,765)	1,953,255
26	Other Funds			
27	Temporary Disability Insurance Fund	197,566,522	912,200	198,478,722
28	Employment Security Fund	161,220,000	(4,110,000)	157,110,000
29	Other Funds	40,418	(40,418)	0
30	Total - Income Support	379,512,413	2,963,547	382,475,960
31	<i>Injured Workers Services</i>			
32	Restricted Receipts	8,701,434	(909,878)	7,791,556
33	Total – Injured Workers Services	8,701,434	(909,878)	7,791,556
34	<i>Labor Relations Board</i>			

1	General Revenue	397,335	15,220	412,555
2	Total - Labor Relations Board	397,335	15,220	412,555
3	Grand Total - Labor and Training	429,907,376	18,564,037	448,471,413
4	Department of Revenue			
5	<i>Director of Revenue</i>			
6	General Revenues	1,244,266	753,621	1,997,887
7	Total – Director of Revenue	1,244,266	753,621	1,997,887
8	<i>Office of Revenue Analysis</i>			
9	General Revenue	788,009	(63,874)	724,135
10	Total – Office of Revenue Analysis	788,009	(63,874)	724,135
11	<i>Lottery Division</i>			
12	Other Funds	375,039,436	(4,814,925)	370,224,511
13	Total – Lottery Division	375,039,436	(4,814,925)	370,224,511
14	<i>Municipal Finance</i>			
15	General Revenue	3,111,025	(183,467)	2,927,558
16	<i>Taxation</i>			
17	General Revenues	22,775,987	(523,006)	22,243,981
18	Federal Funds	1,361,360	(88,354)	1,273,006
19	Restricted Receipts	945,239	(61,850)	883,389
20	Other Funds			
21	Motor Fuel Tax Evasion	176,148	(21,182)	154,966
22	Temporary Disability Insurance	1,004,487	(64,520)	939,967
23	Total – Taxation	26,263,221	(767,912)	25,495,309
24	<i>Registry of Motor Vehicles</i>			
25	General Revenues	21,175,553	5,840,340	27,015,893
26	Federal Funds	206,140	8,147	214,287
27	Restricted Receipts	2,094,763	0	2,094,763
28	Total - Registry of Motor Vehicles	23,476,456	5,848,487	29,324,943
29	<i>State Aid</i>			
30	General Revenue			
31	Distressed Communities Relief Fund	12,384,458	0	12,384,458
32	Payment in Lieu of Tax Exempt Properties	45,205,606	0	45,205,606
33	Motor Vehicle Excise Tax Payments	36,000,000	(1,455,809)	34,544,191
34	Property Revaluation Program	937,228	0	937,228

1	Restricted Receipts	922,013	0	922,013
2	Total – State Aid	95,449,305	(1,455,809)	93,993,496
3	Grand Total – Revenue	525,371,718	(683,879)	524,687,839
4	Legislature			
5	General Revenues	40,522,507	4,896,878	45,419,385
6	Restricted Receipts	1,729,957	(85,200)	1,644,757
7	Grand Total – Legislature	42,252,464	4,811,678	47,064,142
8	Lieutenant Governor			
9	General Revenues	1,084,217	(36,721)	1,047,496
10	Grand Total - Lieutenant Governor	1,084,217	(36,721)	1,047,496
11	Secretary of State			
12	<i>Administration</i>			
13	General Revenue	3,382,625	89,434	3,472,059
14	Total – Administration	3,382,625	89,434	3,472,059
15	<i>Corporations</i>			
16	General Revenue	2,224,127	(4,861)	2,219,266
17	Total – Corporations	2,224,127	(4,861)	2,219,266
18	<i>State Archives</i>			
19	General Revenue	87,150	9,427	96,577
20	Restricted Receipts	414,478	(2,812)	411,666
21	Other Funds			
22	Rhode Island Capital Plan Fund			
23	State Archives	0	107,546	107,546
24	Total - State Archives	501,628	114,161	615,789
25	<i>Elections & Civics</i>			
26	General Revenue	1,906,470	79,692	1,986,162
27	Federal Funds	0	22,859	22,859
28	Total – Elections & Civics	1,906,470	102,551	2,009,021
29	<i>State Library</i>			
30	General Revenue	723,385	(128,922)	594,463
31	Total – State Library	723,385	(128,922)	594,463

32 Provided that \$125,000 be allocated to support the Rhode Island Historical Society
33 pursuant to Rhode Island General Law, Section 29-2-1 and \$18,000 be allocated to support the
34 Newport Historical Society, pursuant to Rhode Island General Law, Section 29-2-2.

1	<i>Office of Public Information</i>			
2	General Revenue	587,562	2,212	589,774
3	Restricted Receipts	25,000	0	25,000
4	Total – Office of Public Information	612,562	2,212	614,774
5	Grand Total – Secretary of State	9,350,797	174,575	9,525,372
6	General Treasurer			
7	<i>Treasury</i>			
8	General Revenue	2,456,017	148,919	2,604,936
9	Federal Funds	290,987	16,356	307,343
10	Other Funds			
11	Temporary Disability Insurance Fund	226,879	45,100	271,979
12	Tuition Savings Program	323,363	48,008	371,371
13	Total – Treasury	3,297,246	258,383	3,555,629
14	<i>State Retirement System</i>			
15	Restricted Receipts			
16	Admin Expenses - State Retirement System	9,244,408	303,749	9,548,157
17	Retirement - Treasury Investment Operations	1,545,880	115,770	1,661,650
18	Defined Contribution – Administration	178,238	(78,308)	99,930
19	Total - State Retirement System	10,968,526	341,211	11,309,737
20	<i>Unclaimed Property</i>			
21	Restricted Receipts	26,324,334	211,948	26,536,282
22	Total – Unclaimed Property	26,324,334	211,948	26,536,282
23	<i>Crime Victim Compensation Program</i>			
24	General Revenue	242,675	29,070	271,745
25	Federal Funds	799,350	(72,682)	726,668
26	Restricted Receipts	1,132,319	(192,350)	939,969
27	Total - Crime Victim Compensation			
28	Program	2,174,344	(235,962)	1,938,382
29	Grand Total – General Treasurer	42,764,450	575,580	43,340,030
30	Board of Elections			
31	General Revenue	1,548,735	141,016	1,689,751
32	Grand Total - Board of Elections	1,548,735	141,016	1,689,751
33	Rhode Island Ethics Commission			
34	General Revenue	1,665,873	67,420	1,733,293

1	Grand Total - Rhode Island Ethics	1,665,873	67,420	1,733,293
2	Office of Governor			
3	General Revenue	5,147,554	75,556	5,223,110
4	Contingency Fund	250,000	67,089	317,089
5	Grand Total – Office of Governor	5,397,554	142,645	5,540,199
6	Commission for Human Rights			
7	General Revenue	1,258,074	34,516	1,292,590
8	Federal Funds	432,028	13,379	445,407
9	Grand Total - Commission for Human			
10	Rights	1,690,102	47,895	1,737,997
11	Public Utilities Commission			
12	Federal Funds	129,225	36,368	165,593
13	Restricted Receipt	9,007,118	801,701	9,808,819
14	Grand Total - Public Utilities			
15	Commission	9,136,343	838,069	9,974,412
16	Office of Health and Human Services			
17	<i>Central Management</i>			
18	General Revenue	26,992,150	242,782	27,234,932
19	Federal Funds	97,940,878	32,844,161	130,785,039
20	Restricted Receipts	7,942,269	6,593,843	14,536,112
21	Total – Central Management	132,875,297	39,680,786	172,556,083
22	<i>Medical Assistance</i>			
23	General Revenue			
24	Managed Care	305,669,199	10,775,609	316,444,808
25	Hospitals	97,204,474	(5,804,130)	91,400,344
26	Nursing Facilities	87,025,458	4,698,642	91,724,100
27	Home and Community Based Services	29,133,178	(2,047,188)	27,085,990
28	Of this amount, \$250,000 will be for home modification and accessibility enhancements to			
29	construct, retrofit and/or renovate residences to allow individuals to remain in community			
30	settings. This will be in consultation with the Governor's Commission on Disabilities.			
31	Other Services	66,474,753	(1,820,693)	64,654,060
32	Pharmacy	63,129,216	(33,604)	63,095,612
33	Rhody Health	288,671,528	8,168,043	296,839,571
34	Federal Funds			

1	Managed Care	384,843,395	11,186,797	396,030,192
2	Hospitals	100,778,630	(1,975,393)	98,803,237
3	Nursing Facilities	91,818,475	4,957,425	96,775,900
4	Home and Community Based Services	30,737,717	(2,423,707)	28,314,010
5	Other Services	507,836,076	(20,915,337)	486,920,739
6	Pharmacy	(1,060,683)	(540)	(1,061,223)
7	Rhody Health	302,930,915	8,629,514	311,560,429
8	Other Programs	42,500,000	0	42,500,000
9	Restricted Receipts	11,274,268	0	11,274,268
10	Total - Medical Assistance	2,408,966,599	13,395,438	2,422,362,037
11	Grand Total – Office of Health and			
12	Human Services	2,541,841,896	53,076,224	2,594,918,120
13	Children, Youth, and Families			
14	<i>Central Management</i>			
15	General Revenue	7,157,480	379,869	7,537,349
16	Federal Funds	2,831,574	1,761,597	4,593,171
17	Total - Central Management	9,989,054	2,141,466	12,130,520
18	Children's Behavioral Health Services			
19	General Revenue	5,099,171	1,543,060	6,642,231
20	Federal Funds	5,447,794	199,111	5,646,905
21	Other Funds			
22	Rhode Island Capital Plan Funds			
23	Training School Repairs/Improvements	550,000	(550,000)	0
24	Total - Children's Behavioral Health			
25	Services	11,096,965	1,192,171	12,289,136
26	<i>Juvenile Correctional Services</i>			
27	General Revenue	22,824,456	1,707,868	24,532,324
28	Federal Funds Total	280,282	5,006	285,288
29	Other Funds			
30	Rhode Island Capital Plan Funds			
31	Training School Maintenance	0	550,000	550,000
32	Generators – Rhode Island Training			
33	School	500,000	150,000	650,000
34	Total - Juvenile Correctional			

1	Services	23,604,738	2,412,874	26,017,612
2	<i>Child Welfare</i>			
3	General Revenue	96,928,649	4,146,618	101,075,267
4	18 to 21 Year Olds	13,646,106	(1,046,490)	12,599,616
5	Federal Funds	43,160,424	1,829,388	44,989,812
6	18 to 21 Year Olds	7,295,085	(5,100,068)	2,195,017
7	Restricted Receipts	3,128,707	(544,598)	2,584,109
8	Total - Child Welfare	164,158,971	(715,150)	163,443,821
9	<i>Higher Education Incentive Grants</i>			
10	General Revenue	200,000	0	200,000
11	Grand Total - Children, Youth, and			
12	Families	209,049,728	5,031,361	214,081,089
13	Health			
14	<i>Central Management</i>			
15	General Revenue	789,523	1,210,538	2,000,061
16	Federal Funds	3,646,373	383,016	4,029,389
17	Restricted Receipts	4,976,359	1,151,222	6,127,581
18	Total - Central Management	9,412,255	2,744,776	12,157,031
19	<i>Community Health and Equity</i>			
20	General Revenue	691,032	(18,981)	672,051
21	Federal Funds	71,790,291	(4,809,603)	66,980,688
22	Restricted Receipts	32,202,603	1,845,336	34,047,939
23	Total – Community Health and Equity	104,683,926	(2,983,248)	101,700,678
24	<i>Environmental Health</i>			
25	General Revenue	5,100,209	65,114	5,165,323
26	Federal Funds	7,325,459	(97,725)	7,227,734
27	Restricted Receipts	239,613	98,117	337,730
28	Total - Environmental Health	12,665,281	65,506	12,730,787
29	<i>Health Laboratories and Medical Examiner</i>			
30	General Revenue	9,531,063	562,485	10,093,548
31	Federal Funds	2,034,544	(120,179)	1,914,365
32	Total - Health Laboratories &			
33	Medical Examiner	11,565,607	442,306	12,007,913
34	<i>Customer Service</i>			

1	General Revenue	6,324,375	(311,501)	6,012,874
2	Federal Funds	4,139,231	(166,613)	4,026,618
3	Restricted Receipts	1,087,647	199,768	1,287,145
4	Total – Customer Service	11,605,253	(278,346)	11,326,907
5	<i>Policy, Information and Communications</i>			
6	General Revenue	837,790	94,764	932,554
7	Federal Funds	2,354,457	380,576	2,735,033
8	Restricted Receipts	872,764	638,185	1,510,949
9	Total – Policy, Information			
10	and Communications	4,065,011	1,113,525	5,178,536
11	<i>Preparedness, Response, Infectious Disease & Emergency Services</i>			
12	General Revenue	1,619,131	(76,186)	1,542,945
13	Federal Funds	14,028,957	(629,068)	13,399,889
14	Total – Preparedness, Response, Infectious			
15	Disease & Emergency Services	15,648,088	(705,254)	14,942,834
16	Grand Total – Health	169,645,421	399,265	170,044,686
17	Human Services			
18	<i>Central Management</i>			
19	General Revenue	3,410,108	56,089	3,466,197
20	Of this amount, \$300,000 is to support the Domestic Violence Prevention Fund to provide			
21	direct services through the Coalition Against Domestic Violence, \$250,000 is to support Project			
22	Reach activities provided by the RI Alliance of Boys and Girls Club, \$217,000 is for outreach and			
23	supportive services through Day One, \$175,000 is for food collection and distribution through the			
24	Rhode Island Community Food Bank, \$300,000 for services provided to the homeless at			
25	Crossroads Rhode Island, and \$520,000 for the Community Action Fund and \$200,000 for the			
26	Institute for the Study and Practice of Nonviolence's Reduction Strategy.			
27	Community Action Fund			
28	This amount shall be used to provide services to individuals and families through the nine			
29	community action agencies.			
30	Federal Funds	3,973,906	797,459	4,771,365
31	Restricted Receipts	507,991	(413,808)	94,183
32	Total - Central Management	7,892,005	439,740	8,331,745
33	<i>Child Support Enforcement</i>			
34	General Revenue	3,081,319	229,237	3,310,556

1	Federal Funds	7,868,794	49,172	7,917,966
2	Total – Child Support Enforcement	10,950,113	278,409	11,228,522
3	<i>Individual and Family Support</i>			
4	General Revenue	20,663,169	4,350,246	25,013,415
5	Federal Funds	99,042,651	2,570,876	101,613,527
6	Restricted Receipts	386,650	44,901	431,551
7	Other Funds			
8	Food Stamp Bonus Funding	0	170,000	170,000
9	Intermodal Surface Transportation Fund	4,428,478	0	4,428,478
10	Rhode Island Capital Plan Funds			
11	Blind Vending Facilities	165,000	0	165,000
12	Total - Individual and Family Support	124,685,948	7,136,023	131,821,971
13	<i>Office of Veterans' Affairs</i>			
14	General Revenue	20,601,826	2,178,776	22,780,602
15	Support services through Veterans' Organizations			
16	Federal Funds	19,211,211	929,886	20,141,097
17	Restricted Receipts	2,241,167	(531,414)	1,709,753
18	Total - Veterans' Affairs	42,054,204	2,577,248	44,631,452
19	<i>Health Care Eligibility</i>			
20	General Revenue	6,045,119	1,190,657	7,235,776
21	Federal Funds	8,001,670	471,989	8,473,659
22	Total - Health Care Eligibility	14,046,789	1,662,646	15,709,435
23	<i>Supplemental Security Income Program</i>			
24	General Revenue	18,548,119	913,481	19,461,600
25	Total - Supplemental Security Income			
26	Program	18,548,119	913,481	19,461,600
27	<i>Rhode Island Works</i>			
28	General Revenue	10,612,819	133,840	10,746,659
29	Federal Funds	82,662,141	696,962	83,359,103
30	Total – Rhode Island Works	93,274,960	830,802	94,105,762
31	<i>Other Programs</i>			
32	General Revenue	1,558,951	(223,551)	1,335,400

33 Of this appropriation, \$180,000 \$90,000 shall be used for hardship contingency
34 payments.

1	Federal Funds	282,060,431	69,325	282,129,756
2	Total - State Funded Programs	283,619,382	(154,226)	283,465,156

3 *Elderly Affairs*

4	General Revenue	6,592,188	650,093	7,242,281
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5 Of this amount, \$140,000 is to provide elder services, including respite, through the
6 Diocese of Providence, \$40,000 for ombudsman services provided by the Alliance for Long Term
7 in accordance with Rhode Island General Law 42-66.7, \$85,000 for security for housing for the
8 elderly in accordance with Rhode Island General Law, Section 42-66.1-3, \$400,000 for Senior
9 Services Support and \$580,000 for elderly nutrition, of which \$530,000 is for Meals on Wheels.

10	Federal Funds	12,763,393	629,253	13,392,646
11	Restricted Receipts	134,428	12,507	146,935
12	RIPAE	120,693	(87,693)	33,000
13	Total – Elderly Affairs	19,610,702	1,204,160	20,814,862
14	Grand Total - Human Services	614,682,222	14,888,283	629,570,505

15 **Behavioral Healthcare, Developmental Disabilities, and Hospitals**

16 *Central Management*

17	General Revenue	1,655,306	270,594	1,925,900
18	Total - Central Management	1,655,306	995,594	2,650,900

19 *Hospital and Community System Support*

20	General Revenue	2,067,954	647,839	2,715,793
21	Rhode Island Capital Plan Funds			
22	Medical Center Rehabilitation	250,000	224,784	474,784
23	Community Facilities Fire Code	400,000	(400,000)	0
24	Other Funds Total			
25	Total - Hospital and Community System			
26	Support	2,717,954	472,623	3,190,577

27 *Services for the Developmentally Disabled*

28	General Revenue	123,584,106	5,596,853	129,180,959
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29 Of this general revenue funding, \$3.0 million shall be expended on private provider direct
30 support staff raises and associated payroll costs as authorized by the Department of Behavioral
31 Healthcare, Developmental Disabilities and Hospitals. Any increases for direct support staff in
32 residential or other community based settings must first receive the approval of the Office of
33 Management and Budget and the Executive Office of Health and Human Services.

34	Federal Funds	130,151,094	9,603,726	139,754,820
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1	Restricted Receipts	1,872,560	(340,310)	1,532,250
2	Other Funds			
3	Rhode Island Capital Plan Funds			
4	Community Facilities Fire Code	0	416,061	416,061
5	DD Private Waiver	100,000	183,299	283,299
6	RICAP – Regional Center Repair/Rehab	300,000	240,275	540,275
7	MR Community Facilities/Access to Ind.	500,000	0	500,000
8	Total - Services for the Developmentally			
9	Disabled	256,507,760	15,699,904	272,207,664
10	<i>Behavioral Healthcare Services</i>			
11	General Revenue	2,543,780	303,651	2,847,431
12	Federal Funds	24,368,659	210,214	24,578,873
13	Of this federal funding, \$900,000 shall be expended on the Municipal Substance Abuse			
14	Task Forces, \$250,000 for the Oasis Wellness and Recovery Center and \$128,000 shall be			
15	expended on NAMI of RI.			
16	Restricted Receipts	100,000	0	100,000
17	Other Funds			
18	Rhode Island Capital Plan Funds			
19	MH Community Facilities Repair	200,000	0	200,000
20	MH Housing Development Thresholds	800,000	0	800,000
21	Substance Abuse Asset Protection	150,000	9,037	159,037
22	Total – Behavioral Healthcare Services	28,162,439	522,902	28,685,341
23	<i>Hospital and Community Rehabilitative Services</i>			
24	General Revenue	46,597,476	8,358,722	54,956,198
25	Federal Funds	49,747,706	8,384,125	58,131,831
26	Restricted Receipts	6,536,595	(2,989,889)	3,546,706
27	Other Funds			
28	Rhode Island Capital Plan Funds			
29	Zambarano Buildings and Utilities	280,000	100,640	380,640
30	Hospital Consolidation	3,310,000	(3,310,000)	0
31	Eleanor Slater HVAC/Elevators	250,000	2,134,265	2,384,265
32	MR Community Facilities	1,025,000	(275,000)	750,000
33	Hospital Equipment	300,000	(4,908)	295,092
34	Total Hospital and Community			

1	Rehabilitative Services	108,046,777	12,397,955	120,444,732
2	Grand Total – Behavioral Healthcare,			
3	Developmental Disabilities, and Hospitals	397,090,236	30,088,978	427,179,214
4	Office of the Child Advocate			
5	General Revenue	781,499	6,382	787,881
6	Federal Funds	144,621	113,317	257,938
7	Grand Total – Office of the Child Advocate	926,120	119,699	1,045,819
8	Commission on the Deaf and Hard of Hearing			
9	General Revenue	498,710	(62,028)	436,682
10	Restricted Receipts	129,200	0	129,200
11	Grand Total – Com on Deaf and Hard of			
12	Hearing	627,910	(62,028)	565,882
13	Governor's Commission on Disabilities			
14	General Revenue	454,938	23,969	478,907
15	Federal Funds	343,542	(8,375)	335,167
16	Restricted Receipts	43,710	9,888	53,598
17	Grand Total - Governor's Commission on			
18	Disabilities	842,190	25,482	867,672
19	Office of the Mental Health Advocate			
20	General Revenue	549,563	79,208	628,771
21	Grand Total - Office of the Mental			
22	Health Advocate	549,563	79,208	628,771
23	Elementary and Secondary Education			
24	<i>Administration of the Comprehensive Education Strategy</i>			
25	General Revenue	20,106,907	346,317	20,453,224
26	Provided that \$90,000 be allocated to support the hospital school at Hasbro Children's			
27	Hospital pursuant to Rhode Island General Law, Section 16-7-20 and that \$245,000 be allocated			
28	to support child opportunity zones through agreements with the department of elementary and			
29	secondary education to strengthen education, health and social services for students and their			
30	families as a strategy to accelerate student achievement.			
31	Federal Funds	201,868,995	5,466,888	207,335,883
32	Restricted Receipts			
33	Restricted Receipts	2,241,390	(195,939)	2,045,451
34	HRIC Adult Education Grants	3,500,000	0	3,500,000

1	Total – Administration of the			
2	Comprehensive Education Strategy	227,717,292	5,617,266	233,334,558
3	<i>Davies Career and Technical School</i>			
4	General Revenue	13,358,058	(82,699)	13,275,359
5	Federal Funds	1,376,685	54,770	1,431,455
6	Restricted Receipts	3,716,922	(21,004)	3,695,918
7	Other Funds			
8	Rhode Island Capital Plan Funds			
9	Davies HVAC	1,000,000	6,155	1,006,155
10	Davies Asset Protection	150,000	324,041	474,041
11	Davies Advanced Manufacturing	3,650,000	0	3,650,000
12	Total - Davies Career and Technical			
13	School	23,251,665	281,263	23,532,928
14	<i>RI School for the Deaf</i>			
15	General Revenue	6,269,979	(19,832)	6,250,147
16	Federal Funds	254,320	299,504	553,824
17	Restricted Receipts	777,791	55,972	833,763
18	Other Funds			
19	RI School for the Deaf - Fee for Service	59,000	0	59,000
20	Total - RI School for the Deaf	7,361,090	335,644	7,696,734
21	<i>Metropolitan Career and Technical School</i>			
22	General Revenue	9,342,007	0	9,342,007
23	Other Funds			
24	Rhode Island Capital Plan Funds			
25	MET Asset Protection	250,000	0	250,000
26	Met School HVAC	2,173,000	428,619	2,601,619
27	Total – Metropolitan Career and			
28	Technical School	11,765,007	428,619	12,193,626
29	<i>Education Aid</i>			
30	General Revenue	890,282,092	(66,040)	890,216,052
31	Restricted Receipts	20,184,044	2,754,585	22,938,629
32	Other Funds			
33	Permanent School Fund Education Aid	300,000	0	300,000
34	Total – Education Aid	910,766,136	2,688,545	913,454,681

1	<i>Central Falls School District</i>			
2	General Revenue	39,878,367	0	39,878,367
3	Total – Central Falls School District	39,878,367	0	39,878,367
4	<i>School Construction Aid</i>			
5	General Revenue			
6	School Housing Aid	70,907,110	(1,827,554)	69,079,556
7	School Building Authority Fund	9,092,890	1,827,554	10,920,444
8	Total – School Construction Aid	80,000,000	0	80,000,000
9	<i>Teachers' Retirement</i>			
10	General Revenue	101,833,986	139,942	101,973,928
11	Grand Total - Elementary and Secondary			
12	Education	1,402,573,543	9,491,279	1,412,064,822
13	Public Higher Education			
14	<i>Office of Postsecondary Commissioner</i>			
15	General Revenue	14,578,459	(496,747)	14,081,712
16	Provided that \$355,000 shall be allocated to Rhode Island College Crusade pursuant to			
17	Rhode Island General Law, Section 16-70-5 and that \$30,000 shall be allocated to Best Buddies			
18	Rhode Island to support its programs for children with developmental and intellectual disabilities.			
19	It is also provided that \$2,750,000 \$2,981,086 shall be allocated to the Rhode Island Promise			
20	Scholarship program.			
21	Federal Funds			
22	Federal Funds	3,707,287	394,000	4,101,287
23	Guaranty Agency Administration	5,576,382	(5,264)	5,571,118
24	WaytogoRI Portal	650,000	(175,000)	475,000
25	Guaranty Agency Operating Fund	4,000,000	0	4,000,000
26	Restricted Receipts	1,490,341	492,852	1,983,193
27	Other Funds			
28	Tuition Savings Program – Dual Enrollment	1,300,000	1,340,000	2,640,000
29	Tuition Savings Program – Scholarship/			
30	Grants	6,095,000	0	6,095,000
31	Nursing Education Center - Operating	5,052,544	(2,545,418)	2,507,126
32	Rhode Island Capital Plan Funds			
33	Westerly Campus	0	98,729	98,729
34	Total – Office of the			

1	Postsecondary Commissioner	42,450,013	(896,848)	41,553,165
2	<i>University of Rhode Island</i>			
3	General Revenue			
4	General Revenue	77,371,073	(366,777)	77,004,296
5	Provided that in order to leverage federal funding and support economic development,			
6	\$350,000 shall be allocated to the Small Business Development Center and that \$50,000 shall be			
7	allocated to Special Olympics Rhode Island to support its mission of providing athletic			
8	opportunities for individuals with intellectual and developmental disabilities.			
9	The University shall not decrease internal student financial aid in the 2017 – 2018 academic year			
10	below the level of the 2016 – 2017 academic year. The President of the institution shall report,			
11	prior to the commencement of the 2017-2018 academic year, to the chair of the Council of			
12	Postsecondary Education that such tuition charges and student aid levels have been achieved at			
13	the start of the FY 2018 as prescribed above.			
14	Debt Service	22,657,568	107,338	22,764,906
15	RI State Forensics Laboratory	1,201,087	(3,876)	1,197,211
16	Other Funds			
17	University and College Funds	645,715,072	(170,646)	645,544,426
18	Debt – Dining Services	1,007,421	(8,280)	999,141
19	Debt – Education and General	3,491,909	(11,370)	3,480,539
20	Debt – Health Services	136,271	0	136,271
21	Debt – Housing Loan Funds	9,984,968	(233,320)	9,751,648
22	Debt – Memorial Union	320,961	0	320,961
23	Debt – Ryan Center	2,423,089	(29,322)	2,393,767
24	Debt – Alton Jones Services	102,964	0	102,964
25	Debt - Parking Authority	1,126,190	(179,673)	946,517
26	Debt – Sponsored Research	84,913	15,409	100,322
27	Debt – Restricted Energy Conservation	810,170	(341,744)	468,426
28	Debt – URI Energy Conservation	1,831,837	(50,551)	1,781,286
29	Rhode Island Capital Asset Plan Funds			
30	Asset Protection	8,030,000	522,287	8,552,287
31	Fine Arts Center Advanced Planning	1,000,000	0	1,000,000
32	White Hall Renovations	0	228,969	228,969
33	Electrical Substation	0	581,000	581,000
34	Fire Safety	0	373,348	373,348

1	Biological Resources Lab	0	4,204,831	4,204,831
2	Total – University of Rhode Island	777,295,493	4,637,623	781,933,116

3 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
4 unencumbered balances as of June 30, 2018 relating to the University of Rhode Island are hereby
5 reappropriated to fiscal year 2019.

6 *Rhode Island College*

7 General Revenue

8	General Revenue	48,188,791	(364,551)	47,824,240
9	Debt Service	4,867,060	1,325,568	6,192,628

10 Rhode Island College shall not decrease internal student financial aid in the 2017 – 2018
11 academic year below the level of the 2016 – 2017 academic year. The President of the institution
12 shall report, prior to the commencement of the 2017 – 2018 academic year, to the chair of the
13 Council of Postsecondary Education that such tuition charges and student aid levels have been
14 achieved at the start of the FY 2018 as prescribed above.

15 Other Funds

16	University and College Funds	127,503,637	(870,851)	126,632,786
17	Debt – Education and General	1,473,919	(592,875)	881,044
18	Debt – Housing	368,262	0	368,262
19	Debt – Student Center and Dining	154,095	0	154,095
20	Debt – Student Union	235,556	(29,006)	206,550
21	Debt – G.O. Debt Service	1,640,974	0	1,640,974
22	Debt – Energy Conservation	592,875	0	592,875
23	Rhode Island Capital Plan Funds			
24	Asset Protection	3,458,431	1,210,476	4,668,907
25	Infrastructure Modernization	4,500,000	1,032,253	5,532,253
26	Academic Building Phase I	6,100,000	0	6,100,000
27	Total – Rhode Island College	199,083,600	1,711,014	200,794,614

28 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
29 unencumbered balances as of June 30, 2018 relating to Rhode Island College are hereby
30 reappropriated to fiscal year 2019.

31 *Community College of Rhode Island*

32 General Revenue

33	General Revenue	49,935,710	(314,554)	49,621,156
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34 The Community College of Rhode Island College shall not decrease internal student

1 financial aid in the 2017 – 2018 academic year below the level as the 2016 – 2017 academic year.
 2 The President of the institution shall report, prior to the commencement of the 2017 – 2018
 3 academic year, to the chair of the Council of Postsecondary Education that such tuition charges
 4 and student aid levels have been achieved at the start of the FY 2018 as prescribed above.

5	Debt Service	2,082,845	0	2,082,845
6	Restricted Receipts	683,649	0	683,649
7	Other Funds			
8	University and College Funds	99,588,610	(830,115)	98,758,495
9	CCRI Debt Service – Energy Conservation	805,025	0	805,025
10	Rhode Island Capital Plan Funds			
11	Asset Protection	2,799,063	1,722,759	4,521,822
12	Knight Campus Lab Renovation	375,000	0	375,000
13	Knight Campus Renewal	5,000,000	2,950,427	7,950,427
14	Total – Community College of RI	161,269,902	3,528,517	164,798,419

15 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
 16 unencumbered balances as of June 30, 2018 relating to the Community College of Rhode Island
 17 are hereby reappropriated to fiscal year 2019.

18	Grand Total – Public Higher			
19	Education	1,180,099,008	8,980,306	1,189,079,314

20 **RI State Council on the Arts**

21	General Revenue			
22	Operating Support Grants	780,056	18,304	798,360
23	Grants	1,165,000	0	1,165,000

24 Provided that \$375,000 be provided to support the operational costs of WaterFire
 25 Providence art installations.

26	Federal Funds	781,454	(29,658)	751,796
27	Restricted Receipts	0	10,881	10,881
28	Other Funds			
29	Arts for Public Facilities	345,800	54,200	400,000
30	Grand Total - RI State Council on the Arts	3,072,310	53,727	3,126,037

31 **RI Atomic Energy Commission**

32	General Revenue	982,157	38,864	1,021,021
33	Federal Funds	0	36,888	36,888
34	Other Funds			

1	URI Sponsored Research	272,216	(454)	271,762
2	Rhode Island Capital Plan Funds			
3	RINSC Asset Protection	50,000	0	50,000
4	Grand Total - RI Atomic Energy			
5	Commission	1,304,373	75,298	1,379,671
6	RI Historical Preservation and Heritage Commission			
7	General Revenue	1,121,134	2,020	1,123,154
8	Provided that \$30,000 support the operational costs of the Fort Adams Trust's restoration			
9	activities.			
10	Federal Funds	860,963	115,240	976,203
11	Restricted Receipts	427,700	4,451	432,151
12	Other Funds			
13	RIDOT – Project Review	80,970	0	80,970
14	Grand Total – RI Historical Preservation			
15	and Heritage Commission	2,490,767	121,711	2,612,478
16	Attorney General			
17	<i>Criminal</i>			
18	General Revenue	16,070,177	93,493	16,163,670
19	Federal Funds	16,988,288	13,012,275	30,000,563
20	Restricted Receipts	164,599	(15,497)	149,102
21	Total – Criminal	33,223,064	13,090,271	46,313,335
22	<i>Civil</i>			
23	General Revenue	5,251,678	(20,872)	5,230,806
24	Restricted Receipts	631,559	11,807	643,366
25	Total – Civil	5,883,237	(9,065)	5,874,172
26	<i>Bureau of Criminal Identification</i>			
27	General Revenue	1,670,102	(17,972)	1,652,130
28	Total – Bureau of Criminal Identification	1,670,102	(17,972)	1,652,130
29	<i>General</i>			
30	General Revenue	3,202,794	(103,339)	3,099,455
31	Other Funds			
32	Rhode Island Capital Plan Fund			
33	Building Renovations and Repairs	150,000	0	150,000
34	Total – General	3,352,794	(103,339)	3,249,455

1	Grand Total - Attorney General	44,129,197	12,959,895	57,089,092
2	Corrections			
3	<i>Central Management</i>			
4	General Revenue	9,994,732	6,294,827	16,289,559
5	Federal Funds	3,743	109,571	113,314
6	Total – Central Management	9,998,475	6,404,398	16,402,873
7	<i>Parole Board</i>			
8	General Revenue	1,420,791	(165,591)	1,255,200
9	Federal Funds	120,827	0	120,827
10	Total – Parole Board	1,541,618	(165,591)	1,376,027
11	<i>Custody and Security</i>			
12	General Revenue	137,893,460	6,695,292	144,588,752
13	Federal Funds	785,392	79,155	864,547
14	Total – Custody and Security	138,678,852	6,774,447	145,453,299
15	<i>Institutional Support</i>			
16	General Revenue	14,915,103	(417,163)	14,497,940
17	Other Funds			
18	Rhode Island Capital Plan Fund			
19	Correctional Facilities Study	0	1,100,000	1,100,000
20	Asset Protection	3,922,042	(922,042)	3,000,000
21	Maximum – General Renovations	1,300,000	63,091	1,363,091
22	Dix Building Renovations	1,075,000	186,143	1,261,143
23	Building State Match – Reintegration C	150,000	1,133	151,133
24	ISC Exterior Envelope and HVAC	2,027,455	0	2,027,455
25	Medium Infrastructure	7,283,688	411,313	7,695,001
26	Total - Institutional Support	30,673,288	422,465	31,095,763
27	<i>Institutional Based Rehab/Population Management</i>			
28	General Revenue	11,694,520	1,703,835	13,398,355
29	Provided that \$1,050,000 be allocated to Crossroads Rhode Island for sex offender			
30	discharge planning.			
31	Federal Funds	584,942	212,901	797,843
32	Restricted Receipts	44,473	5,043	49,516
33	Total – Institutional Based Rehab/Pop/Mgt.	12,323,935	1,921,779	14,245,714
34	<i>Healthcare Services</i>			

1	General Revenue			
2	Total – Healthcare Services	23,800,253	(411,888)	23,388,365
3	<i>Community Corrections</i>			
4	General Revenue	18,581,969	(2,072,961)	16,509,008
5	Federal Funds	86,980	34,286	121,266
6	Restricted Receipts	14,895	0	14,895
7	Total – Community Corrections	18,683,844	(2,038,675)	16,645,169
8	Grand Total – Corrections	235,700,265	12,906,945	248,607,210

9 **Judiciary**

10 *Supreme Court*

11	General Revenue			
12	General Revenue	28,306,302	641,486	28,947,788

13 Provided however, that no more than \$1,183,205 in combined total shall be offset to the
14 Public Defender's Office, the Attorney General's Office, the Department of Corrections, the
15 Department of Children Youth and Families, and the Department of Public Safety for square-
16 footage occupancy costs in public courthouses and further provided that \$230,000 be allocated to
17 the Rhode Island Coalition Against Domestic Violence for the domestic abuse court advocacy
18 project pursuant to Rhode Island General Law, Section 12-29-7 and that \$90,000 be allocated to
19 Rhode Island Legal Services, Inc. to provide housing and eviction defense to indigent individuals.

20	Defense of Indigents	3,803,166	0	3,803,166
21	Federal Funds	121,481	20,270	141,751
22	Restricted Receipts	3,980,969	(598,436)	3,382,533
23	Other Funds			
24	Rhode Island Capital Plan Fund			
25	Judicial HVAC	900,000	0	900,000
26	Judicial Complexes Asset Protection	950,000	82,391	1,032,391
27	Licht Judicial Complex Restoration	750,000	75,956	825,956
28	Licht Window/Exterior Restoration	500,000	0	500,000
29	Noel Shelled Courtroom Build Out	4,000,000	0	4,000,000
30	Total - Supreme Court	43,311,918	221,667	43,533,585

31 *Judicial Tenure and Discipline*

32	General Revenue	146,008	1,017	147,025
33	Total – Judicial Tenure and Discipline	146,008	1,017	147,025

34 *Superior Court*

1	General Revenue	23,379,864	(122,360)	23,257,504
2	Federal Funds	91,739	(485)	91,254
3	Restricted Receipts	370,781	15,170	385,951
4	Total - Superior Court	23,842,384	(107,675)	23,734,709
5	<i>Family Court</i>			
6	General Revenue	20,695,682	(33,366)	20,662,316
7	Federal Funds	2,908,095	(129,952)	2,778,143
8	Total - Family Court	23,603,777	(163,318)	23,440,459
9	<i>District Court</i>			
10	General Revenue	13,165,035	(51,513)	13,113,522
11	Federal Funds	289,829	(145,439)	144,390
12	Restricted Receipts	60,000	0	600,000
13	Total - District Court	13,514,864	(196,952)	13,317,912
14	<i>Traffic Tribunal</i>			
15	General Revenue	9,468,420	(579,187)	8,889,233
16	Total – Traffic Tribunal	9,468,420	(579,187)	8,889,233
17	<i>Workers' Compensation Court</i>			
18	Restricted Receipts	8,118,883	(18,198)	8,100,685
19	Total – Workers' Compensation Court	8,118,883	(18,198)	8,100,685
20	Grand Total – Judiciary	122,006,254	(842,646)	121,163,608
21	Military Staff			
22	General Revenue	2,634,057	1,275,103	3,909,160
23	Federal Funds	27,746,960	(1,446,739)	26,300,221
24	Restricted Receipts			
25	RI Military Family Relief Fund	100,000	0	100,000
26	Restricted Receipts – Total	100,000	0	100,000
27	Other Funds			
28	Rhode Island Capital Plan Fund			
29	Armory of Mounted Command Roof			
30	Replacement	949,775	37,500	987,275
31	Asset Protection	700,000	300,000	1,000,000
32	Benefit Street Arsenal Rehabilitation	0	12,613	12,613
33	Burrillville Regional Training Institute	22,150	(22,150)	0
34	Bristol Readiness Center	125,000	0	125,000

1	Joint Force Headquarters Building	5,900,000	62,064	5,962,064
2	Grand Total – Military Staff	38,177,942	218,391	38,396,333
3	Public Safety			
4	<i>Central Management</i>			
5	General Revenue	1,015,489	99,322	1,114,811
6	Federal Funds 10,918,463	(4,321,111)	6,597,352	
7	Total – Central Management	11,933,952	(4,221,789)	7,712,163
8	<i>E-911 Emergency Telephone System</i>			
9	General Revenue	5,894,522	(444,552)	5,449,970
10	Total - E-911 Emergency Telephone			
11	System	5,894,522	(444,552)	5,449,970
12	<i>State Fire Marshal</i>			
13	General Revenue	3,669,361	(286,054)	3,383,307
14	Federal Funds	277,167	95,678	372,845
15	Restricted Receipts	212,166	0	212,166
16	Other Funds			
17	Rhode Island Capital Plan Fund			
18	Fire Training Academy	0	524,503	524,503
19	Quonset Development Corporation	72,442	(8,979)	63,463
20	Total - State Fire Marshal	4,231,136	325,148	4,556,284
21	<i>Security Services</i>			
22	General Revenue	23,937,443	5,748	23,943,191
23	Total – Security Services	23,937,443	5,748	23,943,191
24	<i>Municipal Police Training Academy</i>			
25	General Revenue	269,414	4,624	274,038
26	Federal Funds	239,365	231,220	470,585
27	Total - Municipal Police Training			
28	Academy	508,779	235,844	744,623
29	<i>State Police</i>			
30	General Revenue	65,492,857	1,249,247	66,742,104
31	Federal Funds	3,444,674	2,511,649	5,956,323
32	Restricted Receipts	203,758	492,549	696,307
33	Other Funds			
34	Lottery Commission Assistance	1,495,293	(189,547)	1,305,746

1	Airport Commission Assistance	150,000	(320)	149,680
2	Road Construction Reimbursement	2,934,672	(733,161)	2,201,511
3	Weight & Measurement Reimbursement	400,000	(95,011)	304,989
4	Rhode Island Capital Plan Funds			
5	DPS Asset Protection	250,000	476,797	726,797
6	Training Academy Upgrades	100,000	427,268	527,268
7	Facilities Master Plan	0	200,000	200,000
8	Total - State Police	74,471,254	4,339,471	78,810,725
9	Grand Total – Public Safety	120,977,086	239,870	121,216,956
10	Office of Public Defender			
11	General Revenue	12,043,006	(217,430)	11,825,576
12	Federal Funds	97,820	3,165	100,985
13	Grand Total - Office of Public Defender	12,140,826	214,265	11,926,561
14	Emergency Management			
15	General Revenue	1,734,470	182,792	1,917,262
16	Federal Funds	14,775,673	356,800	15,132,473
17	Restricted Receipts	450,095	(1,013)	449,082
18	Other Funds			
19	Rhode Island Capital Plan Fund			
20	Emergency Management Building	0	189,750	189,750
21	RI Statewide Communications Network	1,494,414	0	1,494,652
22	Grand Total – Emergency			
23	Management	18,454,652	728,329	19,182,981
24	Environmental Management			
25	<i>Office of the Director</i>			
26	General Revenue	5,541,873	1,588,772	7,130,645
27	Of this general revenue amount, \$50,000 is appropriated to the Conservation Districts.			
28	Federal Funds	0	503	503
29	Restricted Receipts	4,054,487	(134,408)	3,920,079
30	Total – Office of the Director	9,596,360	1,454,867	11,051,227
31	<i>Natural Resources</i>			
32	General Revenue	21,088,161	27,369	21,115,530
33	Federal Funds	23,024,285	711,645	23,735,930
34	Restricted Receipts	3,998,533	426,369	4,424,902

1	Other Funds			
2	DOT Recreational Projects	1,178,375	(107)	1,178,268
3	Blackstone Bikepath Design	2,059,579	(107)	2,059,472
4	Transportation MOU	78,350	(120)	78,230
5	Rhode Island Capital Plan Funds			
6	Dam Repair	2,245,805	136,838	2,382,643
7	Fort Adams Rehabilitation	300,000	0	300,000
8	Fort Adams Sailing Improvements/			
9	Mid-Park	1,750,000	69,851	1,819,851
10	Recreational Facilities Improvements	2,450,000	1,293,225	3,743,225
11	Galilee Piers Upgrade	1,250,000	28,767	1,278,767
12	Newport Piers	137,500	72,662	210,162
13	Fish & Wildlife Maintenance Facilities	150,000	(150,000)	0
14	Greenway Blackstone Valley Park			
15	Improvements	359,170	387,100	746,270
16	Natural Resources Offices/Visitor's			
17	Center	1,000,000	(77,256)	922,744
18	Rocky Point Acquisition/Renovations	150,000	87,768	237,768
19	Marine Infrastructure/Pier Development	500,000	100,000	600,000
20	State Recreation Building Demolition	100,000	100,000	200,000
21	World War II Facility	0	50,861	50,861
22	Total - Natural Resources	61,819,758	3,264,685	65,084,443
23	<i>Environmental Protection</i>			
24	General Revenue	12,674,150	(485,246)	12,188,904
25	Federal Funds	10,375,027	375,711	10,750,738
26	Restricted Receipts	9,321,063	(11,826)	9,309,237
27	Other Funds			
28	Transportation MOU	164,734	(134)	164,600
29	Total - Environmental Protection	32,534,974	(121,495)	32,413,479
30	Grand Total - Environmental Management	103,951,092	4,598,057	108,549,149
31	Coastal Resources Management Council			
32	General Revenue	2,487,578	2,945	2,490,523
33	Federal Funds	1,649,291	2,564,530	4,213,821
34	Restricted Receipts	250,000	0	250,000

1	Other Funds			
2	Rhode Island Capital Plan Funds			
3	Rhode Island Coastal Storm Risk Study	150,000	0	150,000
4	Narragansett Bay SAMP	250,000	(150,000)	100,000
5	Green Pond Dredging Study	50,000	0	50,000
6	Grand Total - Coastal Resources Mgmt.	4,836,869	2,417,475	7,254,344
7	Transportation			
8	<i>Central Management</i>			
9	Federal Funds	6,756,379	1,305,324	8,061,703
10	Other Funds			
11	Gasoline Tax	4,799,653	99,923	4,899,576
12	Total – Central Management	11,556,032	1,405,247	12,961,279
13	<i>Management and Budget</i>			
14	Other Funds			
15	Gasoline Tax	2,942,455	2,344,474	5,286,929
16	<i>Infrastructure Engineering – GARVEE/Motor Fuel Tax Bonds</i>			
17	Federal Funds			
18	Federal Funds	274,247,090	3,641,321	277,888,411
19	Federal Funds – Stimulus	4,386,593	621,134	5,007,727
20	Restricted Receipts	3,168,128	(82,050)	3,086,078
21	Other Funds			
22	Gasoline Tax	76,170,795	(1,096,165)	75,074,630
23	Land Sale Revenue	2,673,125	(41,997)	2,631,128
24	Toll Revenue	0	4,000,000	4,000,000
25	Rhode Island Capital Plan Fund			
26	RIPTA Land and Buildings	90,000	0	90,000
27	T.F. Greene Airport Improvements	2,000,000	0	2,000,000
28	RIPTA Pawtucket Bus Hub	313,018	0	313,018
29	RIPTA Providence Transit Connector	470,588	0	470,588
30	Highway Improvement Program	35,851,346	7,054,211	42,905,557
31	Total – Infrastructure Engineering	399,370,683	14,096,454	413,467,137
32	<i>Infrastructure Maintenance</i>			
33	Other Funds			
34	Gasoline Tax	20,612,520	(4,685,719)	15,926,801

1	Non-Land Surplus Property	50,000	0	50,000
2	Outdoor Advertising	100,000	0	100,000
3	Rhode Island Highway Maintenance			
4	Account	74,433,382	67,537,472	141,970,854
5	Rhode Island Capital Plan Fund			
6	Maintenance Facilities Improvements	400,000	123,989	523,989
7	Salt Storage Facilities	1,750,000	0	1,750,000
8	Maintenance-Capital Equip.			
9	Replacement	2,500,000	156,324	2,656,324
10	Train Station Maintenance and Repairs	350,000	0	350,000
11	Total – Infrastructure Maintenance	100,195,902	63,132,066	163,327,968
12	Grand Total – Transportation	514,065,072	80,978,241	595,043,313
13	Statewide Totals			
14	General Revenue	3,767,715,656	34,005,942	3,806,721,598
15	Federal Funds	3,134,144,774	87,899,494	3,222,044,286
16	Restricted Receipts	261,725,805	14,083,993	275,809,798
17	Other Funds	2,079,248,575	78,430,325	2,157,678,900
18	Statewide Grand Total			

19 SECTION 2. Each line appearing in Section 1 of this Article shall constitute an
20 appropriation.

21 SECTION 3. The general assembly authorizes the state controller to establish the internal
22 service accounts shown below, and no other, to finance and account for the operations of state
23 agencies that provide services to other agencies, institutions and other governmental units on a
24 cost reimbursed basis. The purpose of these accounts is to ensure that certain activities are
25 managed in a businesslike manner, promote efficient use of services by making agencies pay the
26 full costs associated with providing the services, and allocate the costs of central administrative
27 services across all fund types, so that federal and other non-general fund programs share in the
28 costs of general government support. The controller is authorized to reimburse these accounts for
29 the cost of work or services performed for any other department or agency subject to the
30 following expenditure limitations:

31		FY 2018	FY 2018	FY2018
32	Account	Enacted	Change	Final
33	State Assessed Fringe Benefit Internal Service Fund	41,229,448	(2,787,454)	38,441,994
34	Administration Central Utilities Internal Service Fund	24,910,320	(2,000,000)	22,910,320

1	State Central Mail Internal Service Fund	6,838,505	(252,910)	6,585,595
2	State Telecommunications Internal Service Fund	3,244,413	309,509	3,553,922
3	State Automotive Fleet Internal Service Fund	12,510,602	(198,418)	12,312,184
4	Surplus Property Internal Service Fund	3,000	0	3,000
5	Health Insurance Internal Service Fund	251,804,700	325,267	252,129,967
6	State Fleet Revolving Loan Fund	273,786	0	273,786
7	Other Post-Employment Benefits Fund	63,852,483	0	63,852,483
8	Capital Police Internal Service Fund	1,306,128	(226,206)	1,079,922
9	Corrections Central Distribution Center Internal			
10	Service Fund	6,784,478	333,580	7,118,058
11	Correctional Industries Internal Service Fund	7,581,704	428,666	8,010,370
12	Secretary of State Record Center Internal Service Fund	807,345	133,146	940,491
13	Human Resources Internal Service Fund	0	12,012,230	12,012,230
14	DCAMM Facilities Internal Service Fund	0	37,286,593	37,286,593
15	Information Technology Internal Service Fund	0	32,179,344	32,179,344

16 SECTION 4. Departments and agencies listed below may not exceed the number of full-time
17 equivalent (FTE) positions shown below in any pay period. Full-time equivalent positions do not
18 include seasonal or intermittent positions whose scheduled period of employment does not exceed
19 twenty-six consecutive weeks or whose scheduled hours do not exceed nine hundred and twenty-
20 five (925) hours, excluding overtime, in a one-year period. Nor do they include individuals
21 engaged in training, the completion of which is a prerequisite of employment. Provided, however,
22 that the Governor or designee, Speaker of the House of Representatives or designee, and the
23 President of the Senate or designee may authorize an adjustment to any limitation. Prior to the
24 authorization, the State Budget Officer shall make a detailed written recommendation to the
25 Governor, the Speaker of the House, and the President of the Senate. A copy of the
26 recommendation and authorization to adjust shall be transmitted to the chairman of the House
27 Finance Committee, Senate Finance Committee, the House Fiscal Advisor and the Senate Fiscal
28 Advisor.

29 State employees whose funding is from non-state general revenue funds that are time limited shall
30 receive limited term appointment with the term limited to the availability of non-state general
31 revenue funding source.

32 FY 2018 FTE POSITION AUTHORIZATION

33	Departments and Agencies	Full-Time Equivalent
34	Administration	696.7

1	Business Regulation	101.0 <u>106.0</u>
2	Executive Office of Commerce	17.0
3	Labor and Training	428.7
4	Revenue	533.5 <u>529.5</u>
5	Legislature	298.5
6	Office of the Lieutenant Governor	8.0
7	Office of the Secretary of State	59.0
8	Office of the General Treasurer	89.0
9	Board of Elections	12.0
10	Rhode Island Ethics Commission	12.0
11	Office of the Governor	45.0
12	Commission for Human Rights	14.5
13	Public Utilities Commission	51.0 <u>54.0</u>
14	Office of Health and Human Services	285.0
15	Children, Youth, and Families	616.5 <u>612.5</u>
16	Health	493.6 <u>506.6</u>
17	Human Services	981.1
18	Behavioral Health, Developmental Disabilities, and Hospitals	1,319.4
19	Office of the Child Advocate	8.0
20	Commission on the Deaf and Hard of Hearing	4.0
21	Governor's Commission on Disabilities	4.0
22	Office of the Mental Health Advocate	4.0
23	Elementary and Secondary Education	139.1
24	School for the Deaf	60.0
25	Davies Career and Technical School	126.0
26	Office of the Postsecondary Commissioner	37.0 <u>38.0</u>
27	Provided that 1.0 of the total authorization would be available only for positions that are	
28	supported by third-party funds.	
29	University of Rhode Island	2,489.5
30	Provided that 573.8 of the total authorization would be available only for positions that are	
31	supported by third-party funds.	
32	Rhode Island College	926.2
33	Provided that 76.0 of the total authorization would be available only for positions that are	
34	supported by third-party funds.	

1	Community College of Rhode Island	854.1
2	Provided that 89.0 of the total authorization would be available only for positions that are	
3	supported by third-party funds.	
4	Rhode Island State Council on the Arts	8.6
5	RI Atomic Energy Commission	8.6
6	Historical Preservation and Heritage Commission	15.6
7	Office of the Attorney General	235.1
8	Corrections	1,423.0 <u>1,435.0</u>
9	Judicial	723.3
10	Military Staff	92.0
11	Public Safety	611.6
12	Office of the Public Defender	93.0
13	Emergency Management	32.0
14	Environmental Management	400.0
15	Coastal Resources Management Council	29.0
16	Transportation	775.0
17	Total	15,160.2 <u>15,186.2</u>

18 SECTION 5. Notwithstanding any provisions of Chapter 12.2 in Title 46 of the Rhode
19 Island General Laws, the Rhode Island Infrastructure Bank shall transfer to the State Controller
20 the sum of ~~three million five hundred thousand dollars (\$3,500,000)~~ eight million five hundred
21 thousand dollars (\$8,500,000) by June 30, 2018.

22 SECTION 6. ~~Rhode Island Housing~~. Notwithstanding any provision of Chapter 55 in Title
23 42 of the Rhode Island General Laws, the Rhode Island Housing shall transfer to the State
24 Controller the sum of ~~one million dollars (\$1,000,000)~~ six million dollars (\$6,000,000) by June
25 30, 2018.

26 SECTION 7. Notwithstanding any provisions of Chapter 19 in Title 23 of the Rhode Island
27 General Laws, the Resource Recovery Corporation shall transfer to the State Controller the sum
28 of three million dollars (\$3,000,000) by June 30, 2018.

29 SECTION 8. Notwithstanding any provisions of Chapter 12 in Title 24 of the Rhode Island
30 General Laws, the Rhode Island Turnpike and Bridge Authority shall transfer to the State
31 Controller the sum of one million five hundred thousand dollars (\$1,500,000) by June 30, 2018.

32 SECTION 9. Notwithstanding any provisions of Chapter 62 in Title 16 of the Rhode Island
33 General Laws, the Rhode Island Student Loan Authority shall transfer to the State Controller the
34 sum of three million dollars (\$3,000,000) by June 30, 2018.

1 SECTION 10. Notwithstanding any general laws to the contrary, the Department of
2 Business Regulation shall transfer to the State Controller the sum of seven hundred fifty thousand
3 dollars (\$750,000) from the Insurance Companies Assessment for Actuary Costs restricted
4 receipts account by June 30, 2018.

5 SECTION 11. Notwithstanding any general laws to the contrary, the Department of
6 Business Regulation shall transfer to the State Controller the sum of eight hundred thousand
7 dollars (\$800,000) from the Commercial Licensing, Racing and Athletics Reimbursement
8 restricted receipts account by June 30, 2018.

9 SECTION 12. Notwithstanding any provisions of Chapter 15.1 in Title 46 of the Rhode
10 Island General Laws or other laws to the contrary, the Department of Administration shall
11 transfer to the State Controller the sum of one million fifty thousand three hundred thirty nine
12 dollars (\$1,050,339) from the Water Resources Board Corporate escrow account by June 30,
13 2018.

14 SECTION 13. This article shall take effect upon passage

15 **ARTICLE 11**

16 **RELATING TO WORKFORCE DEVELOPMENT**

17 SECTION 1. Sections 28-14-19 and 28-14-19.1 and of the General Laws in Chapter 28-
18 14 entitled "Payment of Wages" are hereby amended to read as follows:

19 **28-14-19. Enforcement powers and duties of director of labor and training.**

20 (a) It shall be the duty of the director to insure compliance with the provisions of this chapter 28-
21 14 and 28-12. The director or his or her designee may investigate any violations thereof, institute
22 or cause to be instituted actions for the collection of wages and institute action for penalties or
23 other relief as provided for within and pursuant to those chapters. The director or his or her
24 authorized representatives are empowered to hold hearings and he or she shall cooperate with any
25 employee in the enforcement of a claim against his or her employer in any case whenever, in his
26 or her opinion, the claim is just and valid.

27 (b) Upon receipt of a complaint or conducting an inspection under applicable law, the
28 director or his or her appropriate departmental designee is authorized to investigate to determine
29 compliance with the chapters 28-12 and/or 28-14.

30 (c) With respect to all complaints deemed just and valid, the director or his or her
31 designee shall order a hearing thereon at a time and place to be specified, and shall give notice
32 thereof, together with a copy of the complaint or the purpose thereof, or a statement of the facts
33 disclosed upon investigation, which notice shall be served personally or by mail on any person,
34 business, corporation, or entity of any kind affected thereby. The hearing shall be scheduled

1 within thirty (30) days of service of a formal complaint as provided herein. The person, business,
2 corporation, or entity shall have an opportunity to be heard in respect to the matters complained
3 of at the time and place specified in the notice. The hearing shall be conducted by the director or
4 his or her designee. The hearing officer in the hearing shall be deemed to be acting in a judicial
5 capacity, and shall have the right to issue subpoenas, administer oaths, and examine witnesses.
6 The enforcement of a subpoena issued under this section shall be regulated by Rhode Island civil
7 practice law and rules. The hearing shall be expeditiously conducted and upon such hearing the
8 hearing officer shall determine the issues raised thereon and shall make a determination and enter
9 an order within thirty (30) days of the close of the hearing, and forthwith serve a copy of the
10 order, with a notice of the filing thereof, upon the parties to the proceeding, personally or by mail.
11 The order shall dismiss the complaint or direct payment of any wages and/or benefits found to be
12 due and/or award such other appropriate relief or penalties authorized under chapter 28-12 and/or
13 28-14, and the order may direct payment of reasonable attorneys' fees and costs to the
14 complaining party. Interest at the rate of twelve percent (12%) per annum shall be awarded in the
15 order from the date of the nonpayment to the date of payment.

16 (d) The order shall also require payment of a further sum as a civil penalty in an amount
17 up to two (2) times the total wages and/or benefits found to be due, exclusive of interest, which
18 shall be shared equally between the department and the aggrieved party. In determining the
19 amount of any penalty to impose, the director or his or her designee shall consider the size of the
20 employer's business, the good faith of the employer, the gravity of the violation, the previous
21 violations and whether or not the violation was an innocent mistake or willful.

22 (e) The director may institute any action to recover unpaid wages or other compensation
23 or obtain relief as provided under this section with or without the consent of the employee or
24 employees affected.

25 (f) No agreement between the employee and employer to work for less than the
26 applicable wage and/or benefit rate or to otherwise work under and/or conditions in violation of
27 applicable law is a defense to an action brought pursuant to this section.

28 (g) The director shall notify the contractors' registration board of any order issued or any
29 determination hereunder that an employer has violated chapters 28-12, 28-14 and/or 37-13. The
30 director shall notify the tax administrator of any determination hereunder that may affect liability
31 for an employer's payment of wages and/or payroll taxes.

32 (h) There is hereby established a restricted receipt account within the department of labor
33 and training, which shall be entitled the "misclassification task force and workplace fraud unit."
34 Revenues collected under this section for the department and under § 28-14-19.1 shall be

1 [deposited into the misclassification task force and workplace fraud unit account. Any additional](#)
2 [revenues, after expenses for the misclassification task force and workplace fraud unit, shall be](#)
3 [paid into the state's general fund annually on the last business day of the fiscal year.](#)

4 **28-14-19.1. Misclassification of employees.**

5 (a) The misclassification of a worker whether performing work as a natural person,
6 business, corporation, or entity of any kind, as an independent contractor when the worker should
7 be considered and paid as an employee shall be considered a violation of this chapter.

8 (b) In addition to any other relief to which any department or an aggrieved party may be
9 entitled for such a violation, the employer shall be liable for a civil penalty in an amount not less
10 than one thousand five hundred dollars (\$1,500) and not greater than three thousand dollars
11 (\$3,000) for each misclassified employee for a first offense and up to five thousand dollars
12 (\$5,000) for each misclassified employee for any subsequent offense, which shall be shared
13 equally between the department and the aggrieved party.

14 (c) In determining the amount of any penalty imposed under this section, the director or
15 his or her designee shall consider the size of the employer's business; the good faith of the
16 employer; the gravity of the violation; the history of previous violations; and whether or not the
17 violation was an innocent mistake or willful.

18 (d) A violation of this section may be adjudicated under § 28-14-19 and consolidated
19 with any labor standards violation or under §§ 37-13-14.1 and 37-13-15 and consolidated with
20 any prevailing wage violation.

21 (e) A violation of this section may be brought or adjudicated by any division of the
22 department of labor and training.

23 (f) The department shall notify the contractor's registration board and the tax
24 administrator of any violation of this section.

25 [\(g\) Revenues generated from this section shall be deposited into the misclassification task](#)
26 [force and workplace fraud unit fund restricted receipt account established by § 28-14-19\(h\) to](#)
27 [cover the expenses of the misclassification task force and workplace fraud unit. Any additional](#)
28 [revenues, after expenses for the misclassification task force and workplace fraud unit, shall be](#)
29 [paid into the state's general fund annually on the last business day of the fiscal year..](#)

30 SECTION 2. Section 28-42-84 of the General Laws in Chapter 28-42 entitled
31 “Employment Security – General Provisions” is hereby amended to read as follows:

32 **28-42-84. Job development fund – Disbursements – Unexpended balance.**

33 (a) The moneys in the job development fund shall be used for the following purposes:

34 (1) To reimburse the department of labor and training for the loss of any federal funds

1 resulting from the collection and maintenance of the fund by the department;

2 (2) To make refunds of contributions erroneously collected and deposited in the fund;

3 (3) To pay any administrative expenses incurred by the department of labor and training
4 associated with the collection of the contributions for employers paid pursuant to § 28-43-8.5, and
5 any other administrative expenses associated with the maintenance of the fund, including the
6 payment of all premiums upon bonds required pursuant to § 28-42-85;

7 (4) To provide for job training, counseling and assessment services, and other related
8 activities and services. Services will include, but are not limited to, research, development,
9 coordination, and training activities to promote workforce development and business
10 development as established by the governor's workforce board Rhode Island (workforce board);

11 (5) To support the state's job training for economic development;

12 (6) Beginning January 1, 2001, two-hundredths of one percent (0.02%) out of the job
13 development assessment paid pursuant to § 28-43-8.5 shall be used to support necessary, core
14 services in the unemployment insurance and employment services programs operated by the
15 department of labor and training; ~~and~~

16 (7) Beginning January 1, 2011, and ending in tax year 2014, three tenths of one percent
17 (0.3%) out of the fifty-one hundredths of one percent (0.51%) job development assessment paid
18 pursuant to § 28-43-8.5 shall be deposited into a restricted receipt account to be used solely to pay
19 the principal and/or interest due on Title XII advances received from the federal government in
20 accordance with the provisions of Section 1201 of the Social Security Act [42 U.S.C. § 1321];
21 provided, however, that if the federal Title XII loans are repaid through a state revenue bond or
22 other financing mechanism, then these funds may also be used to pay the principal and/or interest
23 that accrues on that debt. Any remaining funds in the restricted receipt account, after the
24 outstanding principal and interest due has been paid, shall be transferred to the employment
25 security fund for the payment of benefits; and

26 (8) Beginning January 1, 2019, the amount of the job development assessment paid
27 pursuant to § 28-43-8.5, nineteen-hundredths of one percent (0.19%) shall be used to support
28 necessary, core services in the unemployment insurance and employment services programs
29 operated by the department of labor and training.

30 (b) The general treasurer shall pay all vouchers duly drawn by the workforce board upon
31 the fund, in any amounts and in any manner that the workforce board may prescribe. Vouchers so
32 drawn upon the fund shall be referred to the controller within the department of administration.
33 Upon receipt of those vouchers, the controller shall immediately record and sign them and shall
34 promptly transfer those signed vouchers to the general treasurer. Those expenditures shall be used

1 solely for the purposes specified in this section and its balance shall not lapse at any time but shall
2 remain continuously available for expenditures consistent with this section. The general assembly
3 shall annually appropriate the funds contained in the fund for the use of the workforce board and,
4 in addition, for the use of the department of labor and training effective July 1, 2000, and for the
5 payment of the principal and interest due on federal Title XII loans beginning July 1, 2011;
6 provided, however, that if the federal Title XII loans are repaid through a state revenue bond or
7 other financing mechanism, then the funds may also be used to pay the principal and/or interest
8 that accrues on that debt.

9 SECTION 3. Section 28-43-8.5 of the General Laws in Chapter 28-43 entitled
10 “Employment Security – Contributions” is hereby amended to read as follows:

11 **28-43-8.5. Job development assessment.**

12 (a) For the tax years 2011 through 2014, each employer subject to this chapter shall be
13 required to pay a job development assessment of fifty-one hundredths of one percent (0.51%) of
14 that employer's taxable payroll, in addition to any other payment which that employer is required
15 to make under any other provision of this chapter; provided, that the assessment shall not be
16 considered as part of the individual employer's contribution rate for the purpose of determining
17 the individual employer's balancing charge pursuant to § 28-43-9; provided, further, upon full
18 repayment of any outstanding principal and/or interest due on Title XII advances received from
19 the federal government in accordance with the provisions of section 1201 of the Social Security
20 Act [42 U.S.C. § 1321], including any principal and/or interest that accrues on debt from a state
21 revenue bond or other financing mechanism used to repay the Title XII advances, then the job
22 development assessment shall be reduced to twenty-one hundredths of one percent (0.21%)
23 beginning the tax quarter after the full repayment occurs. The tax rate for all employer's subject
24 to the contribution provisions of chapters 42 – 44 of this title shall be reduced by twenty-one
25 hundredths of one percent (0.21%). For tax year 2015 ~~and subsequent years~~ through 2018, each
26 employer subject to this chapter shall be required to pay a job development assessment of twenty-
27 one hundredths of one percent (0.21%) of that employer's taxable payroll, in addition to any other
28 payment which that employer is required to make under any other provision of this chapter;
29 provided, that the assessment shall not be considered as part of the individual employer's
30 contribution rate for the purpose of determining the individual employer's balancing charge
31 pursuant to § 28-43-9. The tax rate for all employers subject to contribution provisions of
32 chapters 42 – 44 of this title shall be reduced by twenty-one hundredths of one percent (0.21%).
33 For tax year 2019 and subsequent years, each employer subject to this chapter shall be required to
34 pay a base job development assessment of twenty-one hundredths of one percent (0.21%) of that

1 employer's taxable payroll, plus a job development assessment add-on as computed annually
2 pursuant to subsection (b) of this section, in addition to any other payment which that employer is
3 required to make under any other provision of this chapter; provided, that the assessment shall not
4 be considered as part of the individual employer's contribution rate for the purpose of determining
5 the individual employer's balancing charge pursuant to § 28-43-9.

6 (b) On September 30, 2018, and each September 30 thereafter, the job development
7 assessment add-on shall be computed by dividing the amount of interest earned by the
8 employment security fund in the prior calendar year by one hundred and ten percent (110%) of
9 the taxable wages in the prior calendar year. The result shall be rounded down to the nearest one
10 hundredth of a percent (.01%). This amount shall be in effect during the next ensuing calendar
11 year provided, however, that no job development assessment add-on shall apply if:

12 (1) tax schedule I is scheduled to be in effect for the ensuing calendar year; or

13 (2) the employment security fund did not earn interest during the prior calendar year.

14 (c) The tax rate for all employers subject to contribution provisions of chapters 42 – 44 of
15 this title shall be reduced by the total job development assessment as determined under subsection
16 (b) of this section.

17 SECTION 4. Chapter 42-64.6 of the General Laws entitled “Jobs Training Tax Credit
18 Act” is hereby amended by adding thereto the following section:

19 **42-64.6-9. Sunset.**

20 No credits authorized under this chapter shall be awarded for tax years beginning on or
21 after January 1, 2018.

22 SECTION 5. Section 42-102-11 of the General Laws in Chapter 42-102 entitled
23 “Governor’s Workforce Board Rhode Island” is hereby amended to read as follows:

24 **42-102-11. State Work Immersion Program.**

25 (a)(1) The workforce board (“board”) shall develop a state work immersion program and
26 a non-trade, apprenticeship program. For the purposes of this section work immersion shall mean
27 a temporary, paid, work experience that provides a meaningful learning opportunity and increases
28 the employability of the participant. The programs shall be designed in order to provide ~~post-~~
29 ~~secondary school students, recent college graduates, and unemployed adults~~ Rhode Island
30 residents and/or students attending secondary schools, post-secondary schools or training
31 programs with a meaningful work experience, and to assist employers by training individuals for
32 potential employment.

33 (2) Funding for the work immersion program will be allocated from the job development
34 fund account and/or from funds appropriated in the annual appropriations act. Appropriated funds

1 will match investments made by employers in providing meaningful work immersion positions
2 and non-trade apprenticeships.

3 (b) ~~For each participant in the work immersion program, the program shall reimburse~~
4 ~~eligible employers up to fifty percent (50%) of the cost of not more than four hundred~~
5 ~~(400) hours of work experience and during a period of ten (10) weeks. If an eligible employer~~
6 ~~hires a program participant at the completion of such a program, the state may provide~~
7 ~~reimbursement for a total of seventy five percent (75%) of the cost of the work immersion~~
8 ~~position.~~ Employers participating in the work immersion program may be eligible to receive a
9 reimbursement of up to seventy-five percent (75%) of the approved program participant's wages
10 paid during their work experience.

11 (c) The board shall create a non-trade apprenticeship program and annually award
12 funding on a competitive basis to at least one (1) new initiative ~~proposed and operated by~~
13 ~~the~~
14 ~~Governor's Workforce Board Industry Partnerships.~~ This program shall meet the
15 standards of apprenticeship programs defined pursuant to § 28-45-9 of the general laws. The
16 board shall present the program to the state apprenticeship council, established pursuant to
17 chapter 28-45 of the general laws, for review and consideration.

18 (d) An eligible participant in programs established in subsections (b) and (c) ~~must be at~~
19 ~~least eighteen (18) years of age and~~ must be a Rhode Island resident. Provided, however,
20 any
21 non-Rhode Island resident, who is enrolled in a college or university, located in Rhode
22 Island, is eligible to participate while enrolled at the college or university.

23 (e) In order to fully implement the provisions of this section, the board is authorized to
24 promulgate rules and regulations. The rules and regulations shall define eligible employers that
25 can participate in the programs created by this section.

26 SECTION 6. Chapter 42-102 of the General Laws entitled "Governor's Workforce Board
27 Rhode Island" is hereby amended by adding thereto the following sections:

28 **42-102-14. Real Jobs Rhode Island program established.**

29 (a) There is hereby established within the governor's workforce board Rhode Island, the
30 "Real Jobs Rhode Island program" to serve as the primary program by which the state creates,
31 coordinates, supports and holds accountable industry-led partnerships to help place new
32 employees into immediate job openings, and up-skill existing employees to remain competitive
33 and create pipelines of talent for future workforce needs; and by this means provide Rhode Island
34 companies with the talent necessary to thrive in a competitive, global economy, and provide

1 Rhode Island residents with opportunity to participate in shared prosperity by securing
2 meaningful employment.

3 **42-102-14.1. Definitions.**

4 (a) As used in this chapter, the following terms are defined as follows:

5 (1) “Credential” means a recognized:

6 (i) Educational diploma;

7 (ii) Certificate or degree;

8 (iii) Occupational license;

9 (iv) Apprenticeship certificate;

10 (v) Industry recognized certification; or

11 (vi) Certificate or award issued for skills attainment and/or completion of an approved
12 training program.

13 (2) “Department” means the department of labor and training.

14 (3) “Real Jobs Rhode Island program” means the Real Jobs Rhode Island program as
15 established under this chapter.

16 (4) “Real Jobs Rhode Island partnership” means an industry or sector collaboration that
17 brings together a group that may include employers, institutions of higher education, local
18 government, trade associations, non-profit or community based agencies, or other relevant
19 partners to:

20 (i) Identify common workforce needs within an industry or sector of the state’s economy;

21 and

22 (ii) Develop and implement industry strategies to meet identified workforce needs.

23 **42-102-14.2. Administration of Real Jobs Rhode Island.**

24 (a) The Real Jobs Rhode Island program shall be administered by the governor’s
25 workforce board Rhode Island as part of the department.

26 (b) The Real Jobs Rhode Island program, shall:

27 (1) Provide grants on a competitive basis for:

28 (i) An approved sector partnership for the development of a strategy consistent with the
29 purpose of the Real Jobs Rhode Island program; and

30 (ii) Workforce training programs and other qualified programs that lead to placement in a
31 job, or provide industry recognized skills training to individuals that result in a credential or
32 attainment of an identifiable skill consistent with an approved Real Jobs Rhode Island partnership
33 strategy.

34 (2) An application for a Real Jobs Rhode Island grant shall include:

1 (i) A description of a specific action plan to be carried out by the partnership, including a
2 description of the workforce need the plan seeks to address; and

3 (ii) A collaborative approach demonstrated by participation from groups with varied
4 backgrounds, which may include, but is not limited to: employers, industry associations, training
5 providers, institutes of higher education and community based or non-profit institutions.

6 (3) Evidence of proactive engagement of Rhode Island’s employer community to
7 ascertain real-time workforce needs and identifiable skills gaps commonly presented by
8 applicants;

9 (4) Develop performance goals and metrics for each approved Real Jobs Rhode Island
10 partnership and review such goals and metrics with each partnership continuously to ascertain
11 any areas where the partnership or the program should adjust to meet desired outcomes or address
12 issues to better serve employers, their workforce and program participants alike;

13 (c) The governor’s workforce board may revoke grant funding from a Real Jobs Rhode
14 Island partnership for cause, as determined by the department, with an administrative appeal to
15 the governor’s workforce board.

16 **42-102-14.3. Regulations.**

17 (a) The department may promulgate appropriate guidelines or regulations regarding the
18 implementation of the Real Jobs Rhode Island program and any terms and conditions required to
19 participate in the program.

20 **42-102-14.4. Public education and outreach.**

21 (a) The governor’s workforce board shall inform employers, employees, industry
22 associations, educational institutions, community based groups, non-profit institutions and the
23 public about the program, its benefits and opportunities.

24 SECTION 7. This Article shall take effect upon passage.

25 **ARTICLE 12**

26 **RELATING TO ECONOMIC DEVELOPMENT**

27 SECTION 1. Section 42-64-36 of the General Laws in Chapter 42-64 entitled “Rhode
28 Island Commerce Corporation” is hereby amended to read as follows:

29 **42-64-36. Program accountability.**

30 (a) The board of the Rhode Island commerce corporation shall be responsible for
31 establishing accountability standards, reporting standards and outcome measurements for each of
32 its programs to include, but not be limited to, the use of tax credits, loans, loan guarantees and
33 other financial transactions managed or utilized by the corporation. Included in the standards shall
34 be a set of principles and guidelines to be followed by the board to include:

1 (1) A set of outcomes against which the board will measure each program's and offering's
2 effectiveness;

3 (2) A set of standards for risk analysis for all of the programs especially the loans and
4 loan guarantee programs; and

5 (3) A process for reporting out all loans, loan guarantees and any other financial
6 commitments made through the corporation that includes the purpose of the loan, financial data
7 as to payment history and other related information.

8 (b) The board shall annually prepare a report starting in January 2015 which shall be
9 submitted to the house and senate.

10 (c) The report shall summarize the above listed information on each of its programs and
11 offerings and contain recommendations for modification, elimination or continuation.

12 (d) The board shall coordinate its efforts with the office of revenue to not duplicate
13 information on the use of tax credits and other tax expenditures.

14 (e) In addition to its annual reporting process to the General Assembly and public, which
15 includes the corporation's annual performance report submitted pursuant to this section and § 42-
16 64-28, and reports submitted pursuant to §§ 42-64.20-9(b), 42-64.21-8(a) and (c), 42-64.22-14(a),
17 42-64.23-5(d), 42-64.24-5(d), 42-64.25-12, 42-64.26-6, 42-64.27-4, 42-64.28-9, 42-64.29-7(a),
18 42-64.31-3, 44-48.3-13(b) and (c), the corporation will also specifically assess the performance,
19 effectiveness, and economic impact of the incentive programs associated with §§ 42-64.20, 42-
20 64.21, 42-64.22, 42-64.23, 42-64.24, 42-64.25, 42-64.26, 42-64.27, 42-64.28, 42-64.29, 42-64.31,
21 and 44-48.3-13.

22 (1) The reports required by § 42-64-36(e) shall be provided to the chairpersons of the
23 house and senate finance committees, the director of the office of management and budget, and
24 the board of the commerce corporation by or before January 1 of each year. The reports shall be
25 presented in a public meeting to the board of the commerce corporation.

26 SECTION 2. Section 42-64.20-10 of the General Laws in Chapter 42-64.20 entitled
27 "Rebuild Rhode Island Tax Credit" is hereby repealed.

28 ~~42-64.20-10, Sunset.~~
29 ~~No credits shall be authorized to be reserved pursuant to this chapter after December 31,~~
30 ~~2018.~~

31 SECTION 3. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled
32 "Rhode Island Tax Increment Financing" is hereby repealed.

33 ~~42-64.21-9, Sunset.~~
34 ~~The commerce corporation shall enter into no agreement under this chapter after~~

1 ~~December 31, 2018.~~

2 SECTION 4. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled “Tax
3 Stabilization Incentive” is hereby repealed.

4 ~~42-64.22-15, Sunset.~~

5 ~~The commerce corporation shall enter into no agreement under this chapter after
6 December 31, 2018.~~

7 SECTION 5. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled “First
8 Wave Closing Fund” is hereby repealed.

9 ~~42-64.23-8, Sunset.~~

10 ~~No financing shall be authorized to be reserved pursuant to this chapter after December
11 31, 2018.~~

12 SECTION 6. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled “I-195
13 Redevelopment Project Fund” is hereby repealed.

14 ~~42-64.24-8, Sunset.~~

15 ~~No funding, credits, or incentives shall be authorized or authorized to be reserved
16 pursuant to this chapter after December 31, 2018.~~

17 SECTION 7. Section 42-64.25-14 of the General Laws in Chapter 42-64.25 entitled
18 “Small Business Assistance Program” is hereby repealed.

19 ~~42-64.25-14, Sunset.~~

20 ~~No grants, funding, or incentives shall be authorized pursuant to this chapter after
21 December 31, 2018.~~

22 SECTION 8. Section 42-64.26-12 of the General Laws in Chapter 42-64.26 entitled
23 “Stay Invested in RI Wavemaker Fellowship” is hereby repealed.

24 ~~42-64.26-12, Sunset.~~

25 ~~No incentives or credits shall be authorized pursuant to this chapter after December 31,
26 2018.~~

27 SECTION 9. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled “Main
28 Street Rhode Island Streetscape Improvement Fund” is hereby repealed.

29 ~~42-64.27-6, Sunset.~~

30 ~~No incentives shall be authorized pursuant to this chapter after December 31, 2018.~~

31 SECTION 10. Section 42-64.28-10 of the General Laws in Chapter 42-64.28 entitled
32 “Innovation Initiative” is hereby repealed.

33 ~~42-64.28-10, Sunset.~~

34 ~~No vouchers, grants, or incentives shall be authorized pursuant to this chapter after~~

1 ~~December 31, 2018.~~

2 SECTION 11. Section 42-64.29-8 of the General Laws in Chapter 42-64.29 entitled
3 “Industry Cluster Grants” is hereby repealed.

4 ~~42-64.29-8. Sunset.~~

5 ~~No grants or incentives shall be authorized to be reserved pursuant to this chapter after~~
6 ~~December 31, 2018.~~

7 SECTION 12. Section 42-64.31-4 of the General Laws in Chapter 42-64.31 entitled
8 “High School, College, and Employer Partnerships” is hereby repealed.

9 ~~42-64.31-4. Sunset.~~

10 ~~No grants shall be authorized pursuant to this chapter after December 31, 2018.~~

11 SECTION 13. Section 44-48.3-14 of the General Laws in Chapter 44-48.3 entitled
12 “Rhode Island New Qualified Jobs Incentive Act 2015” is hereby repealed.

13 ~~44-48.3-14. Sunset.~~

14 ~~No credits shall be authorized to be reserved pursuant to this chapter after December 31,~~
15 ~~2018.~~

16 SECTION 14. Sections 42-64.20-3 and 42-64.20-5 of the General Laws in Chapter 42-
17 64.20 entitled "Rebuild Rhode Island Tax Credit" are hereby amended to read as follows:

18 **42-64.20-3. Definitions.**

19 As used in this chapter:

20 (1) "Adaptive reuse" means the conversion of an existing structure from the use for which
21 it was constructed to a new use by maintaining elements of the structure and adapting such
22 elements to a new use.

23 (2) "Affiliate" means an entity that directly or indirectly controls, is under common
24 control with, or is controlled by the business. Control exists in all cases in which the entity is a
25 member of a controlled group of corporations as defined pursuant to § 1563 of the Internal
26 Revenue Code of 1986 (26 U.S.C. § 1563) or the entity is an organization in a group of
27 organizations under common control as defined pursuant to subsection (b) or (c) of § 414 of the
28 Internal Revenue Code of 1986 (26 U.S.C. § 414). A taxpayer may establish by clear and
29 convincing evidence, as determined by the tax administrator, that control exists in situations
30 involving lesser percentages of ownership than required by those statutes. An affiliate of a
31 business may contribute to meeting either the capital investment or full-time employee
32 requirements of a business that applies for a credit under this chapter.

33 (3) "Affordable housing" means housing for sale or rent with combined rental costs or
34 combined mortgage loan debt service, property taxes, and required insurance that do not exceed

1 thirty percent (30%) of the gross annual income of a household earning up to eighty percent
2 (80%) of the area median income, as defined annually by the United States Department of
3 Housing and Urban Development.

4 (4) "Applicant" means a developer applying for a rebuild Rhode Island tax credit under
5 this chapter.

6 (5) "Business" means a corporation as defined in general laws § 44-11-1(4), or a
7 partnership, an S corporation, a non-profit corporation, a sole proprietorship, or a limited liability
8 corporation. A business shall include an affiliate of the business if that business applies for a
9 credit based upon any capital investment made by an affiliate.

10 (6) "Capital investment" in a real estate project means expenses by a developer incurred
11 after application for:

12 (i) Site preparation and construction, repair, renovation, improvement, equipping, or
13 furnishing on real property or of a building, structure, facility, or improvement to real property;

14 (ii) Obtaining and installing furnishings and machinery, apparatus, or equipment,
15 including but not limited to material goods for the operation of a business on real property or in a
16 building, structure, facility, or improvement to real property.

17 In addition to the foregoing, if a developer acquires or leases a qualified development
18 project, the capital investment made or acquired by the seller or owner, as the case may be, if
19 pertaining primarily to the premises of the qualified development project, shall be considered a
20 capital investment by the developer and, if pertaining generally to the qualified development
21 project being acquired or leased, shall be allocated to the premises of the qualified development
22 project on the basis of the gross leasable area of the premises in relation to the total gross leasable
23 area in the qualified development project. The capital investment described herein shall be
24 defined through rules and regulations promulgated by the commerce corporation.

25 (7) "Certified historic structure" means a property which is located in the state of Rhode
26 Island and is

27 (i) Listed individually on the national register of historic places; or

28 (ii) Listed individually in the state register of historic places; or

29 (iii) Located in a registered historic district and certified by either the Rhode Island
30 historical preservation and heritage commission created pursuant to § 42-45-2 or the Secretary of
31 the Interior as being of historic significance to the district.

32 (8) "Commerce corporation" means the Rhode Island commerce corporation established
33 pursuant to general laws § 42-64-1 et seq.

34 (9) "Commercial" shall mean non-residential development.

1 (10) "Developer" means a person, firm, business, partnership, association, political
2 subdivision, or other entity that proposes to divide, divides, or causes to be divided real property
3 into a subdivision or proposes to build, or builds a building or buildings or otherwise improves
4 land or existing structures, which division, building, or improvement qualifies for benefits under
5 this chapter.

6 (11) "Development" means the improvement of land through the carrying out of building,
7 engineering, or other operations in, on, over, or under land, or the making of any material change
8 in the use of any buildings or land for the purposes of accommodating land uses.

9 (12) "Eligibility period" means the period in which a developer may claim a tax credit
10 under this act, beginning with the tax period in which the commerce corporation accepts
11 certification from the developer that it has met the requirements of the act and extending
12 thereafter for a term of five (5) years.

13 (13) "Full-time employee" means a person who is employed by a business for
14 consideration for a minimum of at least thirty-five (35) hours per week, or who renders any other
15 standard of service generally accepted by custom or practice as full-time employment, or who is
16 employed by a professional employer organization pursuant to an employee leasing agreement
17 between the business and the professional employer organization for a minimum of thirty-five
18 (35) hours per week, or who renders any other standard of service generally accepted by custom
19 or practice as full-time employment, and whose wages are subject to withholding.

20 (14) "Hope community" means a municipality for which the five (5) year average
21 percentage of families with income below the federal poverty level exceeds the state five (5) year
22 average percentage, both as most recently reported by the U.S. Department of Commerce, Bureau
23 of the Census.

24 (15) "Mixed use" means a development comprising both commercial and residential
25 components.

26 (16) "Manufacturer" shall mean any entity that:

27 (a) Uses any premises within the state primarily for the purpose of transforming raw
28 materials into a finished product for trade through any or all of the following operations:
29 adapting, altering, finishing, making, processing, refining, metalworking, and ornamenting, but
30 shall not include fabricating processes incidental to warehousing or distribution of raw materials,
31 such as alteration of stock for the convenience of a customer; or

32 (b) Is described in codes 31-33 of the North American Industry Classification System, as
33 revised from time to time.

34 ~~(16)~~(17) "Partnership" means an entity classified as a partnership for federal income tax

1 purposes.

2 ~~(17)~~(18) "Placed in service" means the earlier of i) substantial construction or
3 rehabilitation work has been completed which would allow for occupancy of an entire structure or
4 some identifiable portion of a structure, as established in the application approved by the
5 commerce corporation board or ii) receipt by the developer of a certificate, permit or other
6 authorization allowing for occupancy of the project or some identifiable portion of the project by
7 the municipal authority having jurisdiction.

8 ~~(18)~~(19) "Project" means qualified development project as defined under subsection (22).

9 ~~(19)~~(20) "Project area" means land or lands under common ownership or control in which
10 a qualified development project is located.

11 ~~(20)~~(21) "Project cost" means the costs incurred in connection with the qualified
12 development project or qualified residential or mixed use project by the applicant until the
13 issuance of a permanent certificate of occupancy, or until such other time specified by the
14 commerce corporation, for a specific investment or improvement, as defined through rules and
15 regulations promulgated by the commerce corporation.

16 ~~(21)~~(22) "Project financing gap" means

17 (i) The part of the total project cost that remains to be financed after all other sources of
18 capital have been accounted for (such sources will include, but not be limited to, developer-
19 contributed capital), which shall be defined through rules and regulations promulgated by the
20 commerce corporation, or

21 (ii) The amount of funds that the state may invest in a project to gain a competitive
22 advantage over a viable and comparable location in another state by means described in this
23 chapter.

24 ~~(22)~~(23) "Qualified development project" means a specific construction project or
25 improvement, including lands, buildings, improvements, real and personal property or any
26 interest therein, including lands under water, riparian rights, space rights and air rights, acquired,
27 owned, leased, developed or redeveloped, constructed, reconstructed, rehabilitated or improved,
28 undertaken by a developer, owner or tenant, or both, within a specific geographic area, meeting
29 the requirements of this chapter, as set forth in an application made to the commerce corporation.

30 (24) "Qualified small business project" means a commercial project that is located
31 within one block of a project awarded funding under the Main Street Rhode Island
32 Streetscape Improvement Fund Act, chapter 64.27 of title 42, or as determined by the commerce
33 corporation to be located in a local business district consistent with the purposes of chapter 64.27
34 of title 42.

1 ~~(23)~~(25) "Recognized historical structure" means a property which is located in the state
2 of Rhode Island and is commonly considered to be of historic or cultural significance as
3 determined by the commerce corporation in consultation with the state historic preservation
4 officer.

5 ~~(24)~~(26) "Residential" means a development of residential dwelling units.

6 ~~(25)~~(27) "Targeted industry" means any advanced, promising or otherwise prioritized
7 industry identified in the economic development vision and policy promulgated pursuant General
8 Laws § 42-64.17-1 or, until such time as any such economic development vision and policy is
9 promulgated, as identified by the commerce corporation.

10 ~~(26)~~(28) "Transit oriented development area" means an area in proximity to transit
11 infrastructure that will be further defined by regulation of the commerce corporation in
12 consultation with the Rhode Island department of transportation.

13 ~~(27)~~(29) "Workforce housing" means housing for sale or rent with combined rental costs
14 or combined mortgage loan debt service, property taxes, and required insurance that do not
15 exceed thirty percent (30%) of the gross annual income of a household earning between eighty
16 percent (80%) and one hundred and forty percent (140%) of the area median income, as defined
17 annually by the United States Department of Housing and Urban Development.

18 **42-64.20-5. Tax Credits.**

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

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

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

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

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

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

34 (ii) It (A) is a commercial development consisting of at least 25,000 square feet occupied

1 by at least one business employing at least 25 full-time employees after construction or such
2 additional full-time employees as the commerce corporation may determine; (B) is a multi-family
3 residential development in a new, adaptive reuse, certified historic structure, or recognized
4 historical structure consisting of at least 20,000 square feet and having at least 20 residential units
5 in a hope community; or (C) is a mixed-use development in a new, adaptive reuse, certified
6 historic structure, or recognized historical structure consisting of at least 25,000 square feet
7 occupied by at least one business, subject to further definition through rules and regulations
8 promulgated by the commerce corporation; and

9 (iii) Involves a total project cost of not less than \$5,000,000, except for a qualified
10 development project located in a hope community or redevelopment area designated under § 45-
11 32-4 or in which event the commerce corporation shall have the discretion to modify the
12 minimum project cost requirement.

13 (c) Applicants qualifying for a tax credit pursuant to chapter 33.6 of title 44 shall be
14 exempt from the requirements of subparagraphs (b)(3)(ii) and (b)(3)(iii). The following procedure
15 shall apply to such applicants:

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

18 (2) The commerce corporation shall retain sole authority for determining the eligibility of
19 an applicant for tax credits awarded under this chapter; and

20 (3) The commerce corporation shall not award in excess of fifteen percent (15%) of the
21 annual amount appropriated in any fiscal year to applicants seeking tax credits pursuant to
22 subsection (c).

23 (d) Applicants whose project is occupied by at least one manufacturer or is a qualified
24 small business project shall be exempt from the requirements of subparagraphs (b)(3)(ii) and
25 (b)(3)(iii), and the commerce corporation may establish minimum project cost amounts required
26 for eligibility under this paragraph. In the case of qualified small business projects, the commerce
27 corporation may require a plan for the area and/or demonstration of support from a municipality,
28 local business association, or chamber of commerce.

29 ~~(e)~~ (e) *Maximum project credit.*

30 (i) For qualified development projects, the maximum tax credit allowed under this
31 chapter shall be the lesser of (1) thirty percent (30%) of the total project cost; or (2) the amount
32 needed to close a project financing gap (after taking into account all other private and public
33 funding sources available to the project), as determined by the commerce corporation.

34 (ii) The credit allowed pursuant to this chapter shall not exceed fifteen million dollars

1 (\$15,000,000) for any qualified development project under this chapter. No building or qualified
2 development project to be completed in phases or in multiple projects shall exceed the maximum
3 project credit of fifteen million dollars (\$15,000,000) for all phases or projects involved in the
4 rehabilitation of such building. Provided, however, that for purposes of this subsection and no
5 more than once in a given fiscal year, the commerce corporation may consider the development
6 of land and buildings by a developer on the "I-195 land" (as defined in section 42-64.24-3(6) of
7 the general laws) as a separate, qualified development project from a qualified development
8 project by a tenant or owner of a commercial condominium or similar legal interest including
9 leasehold improvement, fit out, and capital investment. Such qualified development project by a
10 tenant or owner of a commercial condominium or similar legal interest on the I-195 land may be
11 exempted from subparagraph (d)(i)(1).

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

17 (1) The project includes adaptive reuse or development of a recognized historical
18 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%)
22 of 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, sections 23-19.14-1 et seq.; or

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

28 ~~(f)~~(g) *Maximum aggregate credits.* The aggregate sum authorized pursuant to this chapter
29 shall not exceed one hundred and fifty million dollars (\$150,000,000).

30 ~~(g)~~(h) Tax credits shall not be allowed under this chapter prior to the taxable year in
31 which the project is placed in service.

32 ~~(h)~~(i) The amount of a tax credit allowed under this chapter shall be allowable to the
33 taxpayer in up to five, annual increments; no more than thirty percent (30%) and no less than
34 fifteen percent (15%) of the total credits allowed to a taxpayer under this chapter may be

1 allowable for any taxable year, except for projects with a project financing gap of less than
2 \$500,000.

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

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

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

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

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

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

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

1 the 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 such
3 project: (1) Furniture, fixtures and equipment, except automobiles, trucks, or other motor
4 vehicles; or (2) Such other materials, including construction materials and supplies, that are
5 depreciable and have a useful life of one year or more and are essential to the project.

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

10 ~~(q)~~(r) The commerce corporation shall not have any obligation to make any award or
11 grant any benefits under this chapter.

12 SECTION 15. Section 42-64.25-6 of the General Laws in Chapter 42-64.25 entitled
13 "Small Business Assistance Program" is hereby amended to read as follows:

14 **42-64.25-6. Micro-loan allocation.**

15 Notwithstanding anything to the contrary in this chapter, not less than ten percent (10%)
16 and not more than twenty-five percent (25%) of program funds will be allocated to "micro loans"
17 with a principal amount between two thousand dollars (\$2,000) and twenty-five thousand dollars
18 (\$25,000). Micro loans will be administered by lending organizations, which will be selected by
19 the commerce corporation on a competitive basis and shall have experience in providing technical
20 and financial assistance to microenterprises.

21 SECTION 16. Title 42 of the General Laws entitled "State Affairs and Government" is
22 hereby amended by adding thereto the following chapter:

23 CHAPTER 64.33

24 REFUNDABLE INVESTMENT TAX CREDIT ACT

25 **42-64.33-1. Short title.** This chapter shall be known and may be cited as the "Refundable
26 Investment Tax Credit Act."

27 **42-64.33-2. Legislative findings.** Although chapter 31 of title 44 of the Rhode Island
28 general laws (the "Investment Tax Credit statute") establishes tax credits for eligible taxpayers
29 for certain investments for the construction of facilities, the acquisition of tangible personal
30 property, and the training of employees, the Investment Tax Credit statute does not allow for the
31 taking of such tax credits by certain business entities and further does not provide for refunds to
32 the extent that the tax credits exceed the eligible taxpayers' tax liability. Through the
33 establishment of a refundable investment tax credit program for manufacturers, Rhode Island can
34 foster further investment by manufacturing businesses and thereby encourage businesses to

1 contribute in a meaningful way to the economic development of this state. In so doing, this
2 program will further advance the competitiveness of Rhode Island and its companies in the
3 national and global economies and result in the creation and/or retention of jobs and tax revenues
4 for the state.

5 **42-64.33-3. Definitions.**

6 As used in this chapter:

7 (1) “Business” means a manufacturer that is a C corporation, S corporation, partnership,
8 limited partnership, limited liability partnership, limited liability company, or sole proprietorship;

9 (2) “Commerce corporation” means the Rhode Island commerce corporation established
10 pursuant to general laws 42-64-1 et. seq.;

11 (3) “Eligible taxpayer” means a taxpayer eligible for an investment tax credit pursuant to
12 general law 44-31-1;

13 (4) “Manufacturing” and “Manufacturer” shall have the same meanings as provided in
14 44-

15 31-1(b)(1) and (2) and shall further include any entity described in major groups 20
16 through 39 in the Standard Industrial Classification Manual prepared by the technical committee
17 on industrial classification, office of statistical standards, executive office of the president, United
18 States Bureau of Budget, as revised from time to time.

19 (5) “Refund or redemption” for purposes of this chapter means the taking of a tax credit
20 against a tax liability or obtaining a refund for a tax credit or a portion thereof.

21 (6) “Targeted industries” shall have the same meaning as provide din general law 42-
22 64.20-

23 3 (Rebuild Rhode Island Tax Credit Program) and the regulations promulgated
24 thereunder.

25 (7) “Tax liability” for purposes of this chapter means (i) the amount of tax owed to the
26 state of Rhode Island calculated as the Rhode Island adjusted taxable income minus any Rhode
27 Island tax credit on Schedule B-CR other than credits allowed under this chapter; or (ii) the
28 minimum tax for filers of Form RI 11120S; or (iii) the Rhode Island annual fee for file.

29 **42-64.33-4. Establishment of program.**

30 A refundable investment tax credit program is hereby established as a program under the
31 jurisdiction of and administered by the commerce corporation.

32 **42-64.33-5. Refundable Tax credits.**

33 (a) To be eligible to take and or redeem tax credits under this chapter, a business must
34 submit a completed application to the commerce corporation for approval prior to making the

1 investment that will give rise to the requested tax credit. Such application shall be developed by
2 the commerce corporation.

3 (b) The commerce corporation may take into account the following factors in
4 determining whether to approve an application for a refundable investment tax credit pursuant to
5 this chapter: the nature and amount of the business's investment; the necessity of the investment
6 and/or credit; whether the business is engaged in a targeted industry; the number of jobs created
7 by the business's investment; whether the investment took place in a Hope community as defined
8 in general law 42-64.20-3 and the regulations promulgated thereunder; and such other factors as
9 the commerce corporation deems relevant.

10 (c) The refundable tax credit shall be available only to the extent that the business's
11 investment credit exceeds that business's tax liability for the tax year in which the credit is
12 available.

13 (d) The amount of the refundable tax credit available to any business in any given tax
14 year shall not exceed the sum of one-hundred thousand dollars (\$100,000).

15 (e) Prior to approving an application for refundable credits, the commerce corporation
16 shall require the business to enter into an incentive agreement setting forth the business's
17 eligibility to use or redeem the tax credits and the terms and conditions governing the approval
18 and receipt of the refundable tax credits.

19 (f) To take or redeem refundable tax credit authorized by the corporation, an eligible
20 business shall apply annually to the commerce corporation for a certification that the business has
21 met all the requirements of this chapter and the incentive agreement. The commerce corporation
22 shall either issue a certification to the business or provide a written response detailing any
23 deficiencies precluding certification. The commerce corporation may deny an applicant for
24 certification, or declare the incentive agreement null and void if the business does not meet all
25 requirements of this chapter and/or any additional terms and conditions of the incentive
26 agreement.

27 (g) Upon issuance of a certification by the commerce corporation under subsection (f)
28 above, and at the request of the business, the division of taxation shall, on behalf of the State of
29 Rhode Island issue redemption tax certificate(s) as specified in the certification issued by the
30 commerce corporation pursuant to section (f) above.

31 (h) A taxpayer shall be entitled to take investment tax credits, up to the limit authorized
32 in this chapter, against taxes imposed pursuant to chapters 11 and 30 of title 44.

33 (i) Subject to annual appropriation in the state budget and upon written request of a
34 taxpayer, the state shall refund the amount of tax credit provided under this chapter in whole or in

1 part up to one hundred percent (100%) of the value of the redemption certificates issued under
2 subsection (g) reduced by the amount of the tax credit taken, if any; provided however, that
3 taxpayer may only claim a refund of a credit amount, in whole or part, for the year for which the
4 tax credit was issued. Credits carried over pursuant to subsection (j) shall not be refundable.

5 (j) If the tax credit allowed under this chapter exceeds the taxpayer's total tax liability for
6 the year in which the credit is allowed, the amount that exceeds the taxpayer's tax liability after
7 taking account any credit taken under this chapter may either be refunded pursuant to subsection
8 (i) or carried forward for credit against the tax liability for the succeeding years, or until the tax
9 credit is used in full, whichever occurs first.

10 (k) In the case of a corporation that files a consolidated return, this credit shall only be
11 allowed against the tax of a corporation included in a consolidated return that qualifies for the
12 credit and not against the tax of other corporations that may join in the filing of a consolidated tax
13 return.

14 (l) Credits allowed to a partnership, a limited liability company taxed as a partnership, or
15 multiple owners of property shall be passed through to the persons designated as partners,
16 members or owners respectively pro rata or pursuant to an executed agreement among such
17 persons designated as partners, members or owners documenting an alternate distribution method
18 without regard to their sharing of other tax or economic attributes of such entity.

19 (m) Any expenses used for calculating the tax credit under this chapter cannot be used in
20 calculating a tax credit under any other tax credit program in Rhode Island law.

21 (n) In the event any taxpayer seeking a refund under this chapter has outstanding Rhode
22 Island tax obligations, the division of taxation shall be permitted to apply said refund to the
23 outstanding tax obligations.

24 **42-64.33-6. Refundable investment tax credit fund.**

25 There is hereby established at the commerce corporation a restricted account known as
26 the refundable investment tax credit fund (the "fund") into which all amounts appropriated in the
27 state budget for the redemption of tax credits under this chapter shall be deposited. The fund shall
28 be used to pay for the redemption of investment tax credits pursuant to the provisions of this
29 chapter and for which a taxpayer is eligible under general laws 44-31-1. The fund shall be exempt
30 from attachment, levy or any other process at law or in equity. The director of the department of
31 revenue shall make a requisition to the commerce corporation for funding during any fiscal year
32 as may be necessary to pay for the redemption pursuant to this chapter. The commerce
33 corporation shall pay from the fund such amounts as requested by the director of the department
34 of revenue necessary to redeem tax credits pursuant to this chapter.

1 **42-64.33-7. Program integrity.**

2 (a) Program integrity being of paramount importance, the commerce corporation shall
3 establish procedures to ensure ongoing compliance with the terms and conditions of the program
4 established herein, including procedures to safeguard approval of redemption of the credits and to
5 ensure that authorized redemptions further the objectives of the program.

6 (b) The commerce corporation and division of taxation may promulgate such rules and
7 regulations pursuant to chapter 35 of title 42 of the general laws as deemed necessary to carry out
8 the intent, purpose and implementation of the program established under this chapter.

9 **42-64.33-8. Reporting requirements.**

10 (a) By September 1, 2018 and each year thereafter, the commerce corporation shall report
11 the name and address of each business entering into an incentive agreement during the previous
12 state fiscal year to the division of taxation. The commerce corporation shall also make this
13 information publicly available on its website. In addition, the commerce corporation shall provide
14 the division of taxation a copy of each incentive agreement as they are executed.

15 (b) By December 1, 2018 and each year thereafter, the office of management and budget
16 shall provide the governor with the sum, if any, to be appropriated to fund the refundable
17 investment tax credit program.

18 SECTION 17. Title 42 of the General Laws entitled "State Affairs and Government" is
19 hereby amended by adding thereto the following chapter:

20 CHAPTER 64.34

21 MANUFACTURING SITE READINESS ACT

22 **42-64.34-1. Short title.**

23 This chapter shall be known as the "Manufacturing Site Readiness Act."

24 **42-64.34-2. Statement of intent.**

25 The purpose of this act is to develop an inventory of vetted, pad-ready sites in the state
26 capable of supporting large scale economic development.

27 **42-64.34-3. Definitions.**

28 As used in this chapter:

29 (1) "Commerce corporation" means the Rhode Island commerce corporation established
30 pursuant to General Laws section 42-64-1 et. seq.

31 (2) "Program" means the manufacturing site readiness program established by this act.

32 (3) "Qualifying property" means a property capable of supporting large-scale economic
33 development and including, but not limited to, manufacturing, industrial, and distribution uses.

34 **42-64.34-4. Establishment of program.**

1 There is hereby established the manufacturing site readiness program to be administered
2 by the commerce corporation as set forth in this chapter.

3 **42-64.34-4. Establishment of manufacturing site readiness fund.**

4 (a) The manufacturing site readiness fund is hereby created within the commerce
5 corporation. The commerce corporation is authorized, within available appropriations, to award
6 grants as more particularly set forth in this chapter. The fund shall consist of:

7 (1) Money appropriated in the state budget to fund the program;

8 (2) Money made available to the program through federal or private sources; and

9 (3) Any other money made available to the program.

10 (b) Funding for the program shall only be used for program purposes.

11 **42-64.34-5. Powers of commerce corporation.**

12 (a) The commerce corporation shall issue one or more requests for expressions of interest
13 to solicit participants in the program.

14 (b) Subject to available funding and at its discretion, the commerce corporation may
15 undertake a review of a qualifying property to determine its suitability for funding under the
16 program and may consider, among other attributes, the following in making a grant award:

17 (1) The location, size and suitability of the qualified property for development;

18 (2) Liens and encumbrances on the qualified property;

19 (3) Zoning of the qualified property for industrial use and/ or host community support for
20 rezoning;

21 (4) Site conditions of the qualified property;

22 (5) Existing due diligence on the qualified property;

23 (6) The cost to develop a pad-ready site on the qualified property; and

24 (7) The willingness of the property owner to commit to development of a pad-ready
25 industrial site. The commerce corporation may provide a grant to undertake due diligence for a
26 qualifying property, which may include, but not be limited to, site surveys, topographic surveys,
27 wetland determinations, phase 1 environmental site assessments, applicable zoning reviews,
28 utility availability studies, and preliminary site engineering to determine building potential and
29 site improvement costs.

30 (c) The commerce corporation shall qualify consultants, engineers and/or professionals
31 eligible to complete the due diligence in connection with an award under this chapter.

32 (d) Grant funding under this chapter shall be paid by the commerce corporation to such
33 qualified consultant, engineer and/or professional performing the services of a qualifying
34 property.

1 (e) The commerce corporation shall have no obligation to make any award under this
2 chapter.

3 **42-64.34-6. Implementation guidelines, directives, criteria, rules, regulations.**

4 The commerce corporation may adopt implementation guidelines, directives, criteria,
5 rules and regulations pursuant to section 42-35-3 of the General Laws as are necessary for the
6 implementation and administration of the program.

7 **42-64.34-7. Program integrity.**

8 Program integrity being of paramount importance, the commerce corporation shall
9 establish procedures to ensure ongoing compliance with the terms and conditions of the program
10 established herein, including procedures to safeguard the expenditure of public funds and to
11 ensure that the funds further the objectives of the program.

12 **42-64.34-8. Reporting requirements.**

13 The commerce corporation shall publish a report on the program at the end of each fiscal
14 year. The report shall contain information on the commitment, disbursement, and use of funds
15 allocated under the program. The report is due no later than sixty (60) days after the end of the
16 fiscal year, and shall be provided to the speaker of the house of representatives and the president
17 of the senate.

18 SECTION 18. Title 42 of the General Laws entitled "State Affairs and Government" is
19 hereby amended by adding thereto the following chapter:

20 CHAPTER 64.35

21 TECHNICAL ASSISTANCE FOR MUNICIPAL ZONING AND PERMITTING FUND

22 **42-64.35-1. Short title.-** This chapter shall be known and may be cited as the "Technical
23 Assistance for Municipal Zoning and Permitting Fund."

24 **42-64.35-2. Statement of intent. -** Outdated and overly burdensome zoning, planning,
25 and permitting codes and processes can inhibit the establishment of sustained economic
26 development at the local level. It is the intention of the general assembly to assist municipalities
27 in addressing and streamlining their respective zoning, planning, and permitting codes and
28 processes by creating a funding program to provide access to technical assistance for the
29 evaluation and betterment of such codes and processes.

30 **42-64.35-3. Fund established. -** The technical assistance for municipal zoning and
31 permitting fund is hereby created within the Rhode Island commerce corporation (the "fund").
32 The commerce corporation is authorized, within available appropriations, to award loans, grants,
33 and other forms of financing to provide access by municipalities to technical assistance to
34 evaluate and streamline their respective zoning, planning, and permitting codes and processes to

1 foster economic development and business attraction within their respective municipalities.
2 Applications and awards of grants, loans, and other forms of financing shall be on a rolling basis.
3 The corporation may, however, periodically set deadlines and make awards. There is established
4 an account in the name of the "technical assistance for municipal zoning and permitting fund"
5 under the control of the commerce corporation, and the commerce corporation shall pay into such
6 account any eligible funds available to the commerce corporation from any source, including
7 funds appropriated by the state and any grants made available by the United States or any agency
8 of the United States.

9 **42-64.35-4. Rules and regulations.** - The commerce corporation is hereby authorized to
10 promulgate such rules and regulations as are necessary to fulfill the purposes of this chapter,
11 including the criteria by which grant, loan, or other form of financing applications will be judged
12 and awarded.

13 **42-64.35-5. Reporting requirements.** - The commerce corporation shall publish a report
14 on the fund at the end of each fiscal year, which shall contain information on the commitment,
15 disbursement, and use of funds allocated under the fund. The report shall also, to the extent
16 practicable, track the economic impact of projects that have been completed using the fund. The
17 report is due no later than sixty (60) days after the end of the fiscal year, and shall be provided to
18 the speaker of the house of representatives and the president of the senate.

19 **42-64.35-6. Program integrity.** - Program integrity being of paramount importance, the
20 commerce corporation shall establish procedures to ensure ongoing compliance with the terms
21 and conditions of the program established herein, including procedures to safeguard the
22 expenditure of public funds and to ensure that the funds further the objectives of the program.

23 SECTION 19. "Rhode Island New Qualified Jobs Incentive Act 2015" are hereby
24 amended to read as follows:

25 **44-48.3-3. Definitions.**

26 As used in this chapter, unless the context clearly indicates otherwise, the following
27 words and phrases shall have the following meanings:

28 (1) "Affiliate" or "affiliated entity" means an entity that directly or indirectly controls, is
29 under common control with, or is controlled by the business. Control exists in all cases in which
30 the entity is a member of an affiliated group of corporations as defined pursuant to § 1504 of the
31 Internal Revenue Code of 1986 (26 U.S.C. § 1504) or the entity is an organization in a group of
32 organizations under common control as defined pursuant to subsection (b) or (c) of § 414 of the
33 Internal Revenue Code of 1986 (26 U.S.C. § 414). A taxpayer may establish by clear and
34 convincing evidence, as determined by the commerce corporation, that control exists in situations

1 involving lesser percentages of ownership than required by those statutes. An affiliate of a
2 business may contribute to meeting full-time employee requirements of a business that applies for
3 a credit under this chapter.

4 (2) "Business" means an applicant that is a corporation, state bank, federal savings bank,
5 trust company, national banking association, bank holding company, loan and investment
6 company, mutual savings bank, credit union, building and loan association, insurance company,
7 investment company, broker-dealer company or surety company, limited liability company,
8 partnership or sole proprietorship.

9 (3) "Commerce corporation" means the Rhode Island commerce corporation established
10 pursuant to chapter 64 of title 42.

11 (4) "Commitment period" means the period of time that at a minimum is twenty percent
12 (20%) greater than the eligibility period.

13 (5) "Eligibility period" means the period in which a business may claim a tax credit under
14 the program, beginning at the end of the tax period in which the commerce corporation issues a
15 certification for the business that it has met the employment requirements of the program and
16 extending thereafter for a term of not more than ten (10) years.

17 (6) "Eligible position" or "full-time job" means a full-time position in a business which
18 has been filled with a full-time employee who earns no less than the median hourly wage as
19 reported by the United States Bureau of Labor Statistics for the state of Rhode Island, provided,
20 that for economically fragile industries such as manufacturing, the commerce corporation may
21 reduce the wage threshold. An economically fragile industry shall not include retail.

22 (7) "Full-time employee" means a person who is employed by a business for
23 consideration for at least thirty-five (35) hours a week, or who is employed by a professional
24 employer organization pursuant to an employee leasing agreement between the business and the
25 professional employer organization for at least thirty-five (35) hours a week, and whose wages
26 are subject to withholding.

27 (8) "Hope community" means municipalities with a percentage of families below the
28 poverty level that is greater than the percentage of families below the poverty level for the state as
29 a whole as determined by the United States Census Bureau's most recent American Community
30 Survey.

31 (9) "Incentive agreement" means the contract between the business and the commerce
32 corporation, which sets forth the terms and conditions under which the business shall be eligible
33 to receive the incentives authorized pursuant to the program.

34 (10) "Incentive effective date" means the date the commerce corporation issues a

1 certification for issuance of tax credit based on documentation submitted by a business pursuant
2 to § 44-48.3-7.

3 (11) "Manufacturer" shall mean any entity that:

4 (a) Uses any premises within the state primarily for the purpose of transforming raw
5 materials into a finished product for trade through any or all of the following operations:
6 adapting, altering, finishing, making, processing, refining, metalworking, and ornamenting, but
7 shall not include fabricating processes incidental to warehousing or distribution of raw materials,
8 such as alteration of stock for the convenience of a customer; or

9 (b) Is described in codes 31-33 of the North American Industry Classification System, as
10 revised from time to time.

11 ~~(11)~~(12) "New full-time job" means an eligible position created by the business that did
12 not previously exist in this state and which is created after approval of an application to the
13 commerce corporation under the program. Such job position cannot be the result of an acquisition
14 of an existing company located in Rhode Island by purchase, merger, or otherwise. For the
15 purposes of determining the number of new full-time jobs, the eligible positions of an affiliate
16 shall be considered eligible positions of the business so long as such eligible position(s) otherwise
17 meets the requirements of this section.

18 ~~(12)~~(13) "Partnership" means an entity classified as a partnership for federal income tax
19 purposes.

20 ~~(13)~~(14) "Program" means the incentive program established pursuant to this chapter.

21 ~~(14)~~(15) "Targeted industry" means any industry identified in the economic development
22 vision and policy promulgated under § 42-64.17-1 or, until such time as any economic
23 development vision and policy is promulgated, as identified by the commerce corporation.

24 ~~(15)~~(16) "Taxpayer" means a business granted a tax credit under this chapter or such
25 person entitled to the tax credit because the business is a pass through entity such as a partnership,
26 S corporation, sole proprietorship or limited liability company taxed as a partnership.

27 ~~(16)~~(17) "Transit oriented development area" means an area in proximity to mass-transit
28 infrastructure including, but not limited to, an airport, rail or intermodal facility that will be
29 further defined by regulation of the commerce corporation in consultation with the Rhode Island
30 department of transportation.

31 **44-48.3-4. Rhode Island qualified jobs incentive program.** – (a) The Rhode Island
32 qualified jobs incentive program is hereby established as a program under the jurisdiction of and
33 shall be administered by the commerce corporation. The program may provide tax credits to
34 eligible businesses for an eligibility period not to exceed ten (10) years.

1 (b) An eligible business under the program shall be entitled to a credit against taxes
2 imposed pursuant to chapters 11, 13, 14, 17 or 30 of title 44 as further provided under this
3 chapter.

4 (c) The minimum number of new full-time jobs required to be eligible for a tax credit
5 under this program shall be as follows:

6 (1) For a business in a targeted industry that employs not more than one hundred (100)
7 full-time employees on the date of application to the commerce corporation, the creation of at
8 least ten (10) new full-time jobs in this state;

9 (2) For a business in a targeted industry that employs more than one hundred (100) full-
10 time employees on the date of application to the commerce corporation, either the creation of new
11 full-time jobs in this state in an amount not less than ten percent (10%) of the business's existing
12 number of full-time employees or the creation of at least one hundred (100) new full-time jobs in
13 this state;

14 (3) For a business in a non-targeted industry that employs not more than two hundred
15 (200) full-time employees on the date of application to the commerce corporation, the creation of
16 at least twenty (20) new full-time jobs in this state; or

17 (4) For a business in a non-targeted industry that employs more than two hundred (200)
18 full-time employees on the date of application to the commerce corporation, either the creation of
19 new full-time jobs in this state in an amount not less than ten percent (10%) of the business's
20 existing number of full-time employees or the creation of at least one hundred (100) new full-
21 time jobs in this state.

22 (5) Notwithstanding subsections (c)(1) through (4):

23 (i) For a manufacturer the creation of new full-time jobs in this state in an amount not
24 less than ten percent (10%) of the manufacturer's existing number of full-time employees or the
25 creation of at least one hundred (100) new full-time jobs in this state.

26 (d) When a business applies for an incentive under this chapter, in order to assist the
27 commerce corporation in determining whether the business is eligible for the incentives under
28 this chapter, the business's chief executive officer, or equivalent officer, shall attest under oath:

29 (1) That any projected creation of new full-time jobs would not occur, or would not occur
30 in the state of Rhode Island, but for the provision of tax credits under the program;

31 (2) The business will create new full-time jobs in an amount equal to or greater than the
32 applicable number set forth in subsection (c) of this section;

33 (3) That the business's chief executive officer, or equivalent officer, has reviewed the
34 information submitted to the commerce corporation and that the representations contained therein

1 are accurate and complete.

2 (e) The commerce corporation shall establish, by regulation, the documentation an
3 applicant shall be required to provide under this subsection. Such documentation may include
4 documentation showing that the applicant could reasonably locate the new positions outside of
5 this state, or that the applicant is considering locating the positions outside of this state, or that it
6 would not be financially feasible for the applicant to create the positions without the tax credits
7 provided in this chapter.

8 (f) In the event that this attestation by the business's chief executive officer, or equivalent
9 officer, required under subsection (d) of this section is found to be willfully false, the commerce
10 corporation may revoke any award of tax credits in their entirety, which revocation shall be in
11 addition to any other criminal or civil penalties that the business and/or the officer may be subject
12 to under applicable law. Additionally, the commerce corporation may revoke any award of tax
13 credits in its entirety if the eligible business is convicted of bribery, fraud, theft, embezzlement,
14 misappropriation, and/or extortion involving the state, any state agency or political subdivision of
15 the state.

16 (g) The definition of manufacturer in this chapter is limited to the eligibility for the
17 program in this chapter only and shall not modify or define the legal standing of a manufacturer
18 for any other purpose in Title 44 of the Rhode Island general laws.

19 SECTION 20. This Article shall take effect upon passage.

20 ARTICLE 13

21 RELATING TO MEDICAL ASSISTANCE

22 SECTION 1. Sections 40-8-4, 40-8-13.4, 40-8-15 and 40-8-19 of the General Laws in
23 Chapter 40-8 entitled "Medical Assistance" are hereby amended to read as follows:

24 **40-8-4. ~~Direct vendor payment plan.~~ Medicaid vendor payment and beneficiary**
25 **copayment.**

26 (a) The ~~department~~ executive office of health and human services ("executive office")
27 shall furnish medical care benefits to eligible beneficiaries through ~~a direct vendor payment plan~~
28 and/or other methodologies and plans authorized in this chapter. ~~The plan shall include, but need~~
29 ~~not be limited to, any or all of the following benefits, which benefits shall be contracted for by the~~
30 ~~director.~~ Such plans and methodologies shall cover the services and supports approved as eligible
31 for federal financial participation identified in the Medicaid state plan and any active waivers.:

32 ~~(1) Inpatient hospital services, other than services in a hospital, institution, or facility for~~
33 ~~tuberculosis or mental diseases;~~

34 ~~(2) Nursing services for such period of time as the director shall authorize;~~

- 1 ~~(3) Visiting nurse service;~~
2 ~~(4) Drugs for consumption either by inpatients or by other persons for whom they are~~
3 ~~prescribed by a licensed physician;~~
4 ~~(5) Dental services; and~~
5 ~~(6) Hospice care up to a maximum of two hundred and ten (210) days as a lifetime~~
6 ~~benefit.~~

7 ~~(b) For purposes of this chapter, the payment of federal Medicare premiums or other~~
8 ~~health insurance premiums by the department on behalf of eligible beneficiaries in accordance~~
9 ~~with the provisions of Title XIX of the federal Social Security Act, 42 U.S.C. § 1396 et seq., shall~~
10 ~~be deemed to be a direct vendor payment.~~

11 ~~(e)~~ With respect to medical care benefits furnished ~~to eligible individuals~~ under this
12 chapter, ~~or Title XIX, or Title XXI~~ of the federal Social Security Act, the ~~department~~ executive
13 office is authorized and directed to impose:

14 ~~(i) Nominal~~ nominal co-payments or similar charges upon ~~eligible individuals~~ adults over
15 the age of nineteen (19) who are not living with a disability and eligible for Medicaid pursuant to
16 §§ 40-8.4-4(b), 40-8.5-1, 40-8.12-2(a), the total of which is not to exceed five (5) percent of
17 annual countable income in a year eligibility period, as follows:

18 (i) Copayments in the amount of eight dollars (\$8.00) per visit for non-emergency
19 services provided in a hospital emergency room; three dollars (\$3.00) per inpatient hospital visit;
20 and three dollars (\$3.00) per non-preventive health physical office visit.

21 (ii) Co-payments for prescription drugs in the amount of ~~one dollar (\$1.00)~~ two dollars
22 and fifty cents (\$2.50) for generic drug prescriptions and ~~three~~ four ~~dollars (\$3.00~~ 4.00) for brand
23 name drug prescriptions in accordance with the provisions of 42 U.S.C. § 1396, et seq.

24 ~~(d)~~(b) The ~~department~~ executive office is authorized and directed to promulgate rules and
25 regulations to impose such co-payments or charges and to provide that, with respect to
26 subdivision (ii) above, those regulations shall be effective upon filing.

27 ~~(e)~~ (c) No state agency shall pay a vendor for medical benefits provided to a ~~recipient of~~
28 ~~assistance~~ beneficiary under this chapter until and unless the vendor has submitted a claim for
29 payment to a commercial insurance plan, Medicare, and/or a Medicaid managed care plan, if
30 applicable for that ~~recipient~~ beneficiary, in that order. This includes payments for skilled nursing
31 and therapy services specifically outlined in Chapter 7, 8 and 15 of the Medicare Benefit Policy
32 Manual.

33 **40-8-13.4. Rate methodology for payment for in state and out of state hospital**
34 **services.**

1 (a) The executive office of health and human services ("executive office") shall
2 implement a new methodology for payment for in-state and out-of-state hospital services in order
3 to ensure access to, and the provision of, high-quality and cost-effective hospital care to its
4 eligible recipients.

5 (b) In order to improve efficiency and cost effectiveness, the executive office shall:

6 (1)(i) With respect to inpatient services for persons in fee-for-service Medicaid, which is
7 non-managed care, implement a new payment methodology for inpatient services utilizing the
8 Diagnosis Related Groups (DRG) method of payment, which is a patient-classification method
9 that provides a means of relating payment to the hospitals to the type of patients cared for by the
10 hospitals. It is understood that a payment method based on DRG may include cost outlier
11 payments and other specific exceptions. The executive office will review the DRG-payment
12 method and the DRG base price annually, making adjustments as appropriate in consideration of
13 such elements as trends in hospital input costs; patterns in hospital coding; beneficiary access to
14 care; and the Centers for Medicare and Medicaid Services national CMS Prospective Payment
15 System (IPPS) Hospital Input Price index. For the twelve-month (12) period beginning July 1,
16 2015, the DRG base rate for Medicaid fee-for-service inpatient hospital services shall not exceed
17 ninety-seven and one-half percent (97.5%) of the payment rates in effect as of July 1, 2014. [For](#)
18 [the twelve \(12\) month period beginning July 1, 2018, there shall be no increase in the DRG base](#)
19 [rate for Medicaid fee-for-service inpatient hospital services.](#)

20 (ii) With respect to inpatient services, (A) It is required as of January 1, 2011 until
21 December 31, 2011, that the Medicaid managed care payment rates between each hospital and
22 health plan shall not exceed ninety and one tenth percent (90.1%) of the rate in effect as of June
23 30, 2010. Increases in inpatient hospital payments for each annual twelve-month (12) period
24 beginning January 1, 2012 may not exceed the Centers for Medicare and Medicaid Services
25 national CMS Prospective Payment System (IPPS) Hospital Input Price index for the applicable
26 period; (B) Provided, however, for the twenty-four-month (24) period beginning July 1, 2013, the
27 Medicaid managed care payment rates between each hospital and health plan shall not exceed the
28 payment rates in effect as of January 1, 2013, and for the twelve-month (12) period beginning
29 July 1, 2015, the Medicaid managed-care payment inpatient rates between each hospital and
30 health plan shall not exceed ninety-seven and one-half percent (97.5%) of the payment rates in
31 effect as of January 1, 2013; (C) Increases in inpatient hospital payments for each annual twelve-
32 month (12) period beginning July 1, 2017, shall be the Centers for Medicare and Medicaid
33 Services national CMS Prospective Payment System (IPPS) Hospital Input Price Index, less
34 Productivity Adjustment, for the applicable period and shall be paid to each hospital retroactively

1 to July 1; (D) [For the twelve \(12\) month period beginning July 1, 2018, the Medicaid managed](#)
2 [care payment rates between each hospital and health plan shall not exceed the payment rates in](#)
3 [effect as of January 1, 2017.](#) The executive office will develop an audit methodology and process
4 to assure that savings associated with the payment reductions will accrue directly to the Rhode
5 Island Medicaid program through reduced managed-care-plan payments and shall not be retained
6 by the managed-care plans; (E) All hospitals licensed in Rhode Island shall accept such payment
7 rates as payment in full; and (F) For all such hospitals, compliance with the provisions of this
8 section shall be a condition of participation in the Rhode Island Medicaid program.

9 (2) With respect to outpatient services and notwithstanding any provisions of the law to
10 the contrary, for persons enrolled in fee-for-service Medicaid, the executive office will reimburse
11 hospitals for outpatient services using a rate methodology determined by the executive office and
12 in accordance with federal regulations. Fee-for-service outpatient rates shall align with Medicare
13 payments for similar services. Notwithstanding the above, there shall be no increase in the
14 Medicaid fee-for-service outpatient rates effective on July 1, 2013, July 1, 2014, or July 1, 2015.
15 For the twelve-month (12) period beginning July 1, 2015, Medicaid fee-for-service outpatient
16 rates shall not exceed ninety-seven and one-half percent (97.5%) of the rates in effect as of July 1,
17 2014. Increases in the outpatient hospital payments for the twelve-month (12) period beginning
18 July 1, 2016, may not exceed the CMS national Outpatient Prospective Payment System (OPPS)
19 Hospital Input Price Index. [Effective July 1, 2018, there shall be no increase in the Medicaid fee-](#)
20 [for-service outpatient hospital rates.](#) With respect to the outpatient rate, (i) It is required as of
21 January 1, 2011, until December 31, 2011, that the Medicaid managed-care payment rates
22 between each hospital and health plan shall not exceed one hundred percent (100%) of the rate in
23 effect as of June 30, 2010; (ii) Increases in hospital outpatient payments for each annual twelve-
24 month (12) period beginning January 1, 2012 until July 1, 2017, may not exceed the Centers for
25 Medicare and Medicaid Services national CMS Outpatient Prospective Payment System OPPS
26 hospital price index for the applicable period; (iii) Provided, however, for the twenty-four-month
27 (24) period beginning July 1, 2013, the Medicaid managed-care outpatient payment rates between
28 each hospital and health plan shall not exceed the payment rates in effect as of January 1, 2013,
29 and for the twelve-month (12) period beginning July 1, 2015, the Medicaid managed-care
30 outpatient payment rates between each hospital and health plan shall not exceed ninety-seven and
31 one-half percent (97.5%) of the payment rates in effect as of January 1, 2013; (iv) Increases in
32 outpatient hospital payments for each annual twelve-month (12) period beginning July 1, 2017,
33 shall be the Centers for Medicare and Medicaid Services national CMS OPPS Hospital Input
34 Price Index, less Productivity Adjustment, for the applicable period and shall be paid to each

1 hospital retroactively to July 1. For the twelve (12) month period beginning July 1, 2018, the
2 Medicaid managed-care outpatient payment rates between each hospital and health plan shall not
3 exceed the payment rates in effect as of January 1, 2017.

4 (3) "Hospital", as used in this section, shall mean the actual facilities and buildings in
5 existence in Rhode Island, licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter
6 any premises included on that license, regardless of changes in licensure status pursuant to
7 chapter 17.14 of title 23 (hospital conversions) and § 23-17-6(b) (change in effective control),
8 that provides short-term, acute inpatient and/or outpatient care to persons who require definitive
9 diagnosis and treatment for injury, illness, disabilities, or pregnancy. Notwithstanding the
10 preceding language, the Medicaid managed care payment rates for a court-approved purchaser
11 that acquires a hospital through receivership, special mastership or other similar state insolvency
12 proceedings (which court-approved purchaser is issued a hospital license after January 1, 2013)
13 shall be based upon the new rates between the court-approved purchaser and the health plan, and
14 such rates shall be effective as of the date that the court-approved purchaser and the health plan
15 execute the initial agreement containing the new rates. The rate-setting methodology for
16 inpatient-hospital payments and outpatient-hospital payments set forth in subdivisions
17 (b)(1)(ii)(C) and (b)(2), respectively, shall thereafter apply to increases for each annual twelve-
18 month (12) period as of July 1 following the completion of the first full year of the court-
19 approved purchaser's initial Medicaid managed care contract.

20 (c) It is intended that payment utilizing the DRG method shall reward hospitals for
21 providing the most efficient care, and provide the executive office the opportunity to conduct
22 value-based purchasing of inpatient care.

23 (d) The secretary of the executive office is hereby authorized to promulgate such rules
24 and regulations consistent with this chapter, and to establish fiscal procedures he or she deems
25 necessary, for the proper implementation and administration of this chapter in order to provide
26 payment to hospitals using the DRG-payment methodology. Furthermore, amendment of the
27 Rhode Island state plan for Medicaid, pursuant to Title XIX of the federal Social Security Act, is
28 hereby authorized to provide for payment to hospitals for services provided to eligible recipients
29 in accordance with this chapter.

30 (e) The executive office shall comply with all public notice requirements necessary to
31 implement these rate changes.

32 (f) As a condition of participation in the DRG methodology for payment of hospital
33 services, every hospital shall submit year-end settlement reports to the executive office within one
34 year from the close of a hospital's fiscal year. Should a participating hospital fail to timely submit

1 a year-end settlement report as required by this section, the executive office shall withhold
2 financial-cycle payments due by any state agency with respect to this hospital by not more than
3 ten percent (10%) until said report is submitted. For hospital fiscal year 2010 and all subsequent
4 fiscal years, hospitals will not be required to submit year-end settlement reports on payments for
5 outpatient services. For hospital fiscal year 2011 and all subsequent fiscal years, hospitals will not
6 be required to submit year-end settlement reports on claims for hospital inpatient services.
7 Further, for hospital fiscal year 2010, hospital inpatient claims subject to settlement shall include
8 only those claims received between October 1, 2009, and June 30, 2010.

9 (g) The provisions of this section shall be effective upon implementation of the new
10 payment methodology set forth in this section and § 40-8-13.3, which shall in any event be no
11 later than March 30, 2010, at which time the provisions of §§ 40-8-13.2, 27-19-14, 27-19-15, and
12 27-19-16 shall be repealed in their entirety.

13 **40-8-15. Lien on deceased recipient's estate for assistance.**

14 (a)(1) Upon the death of a recipient of ~~medical assistance~~ Medicaid under Title XIX of
15 the federal Social Security Act, 42 U.S.C. § 1396 et seq., (42 U.S.C. § 1396 et seq and referred to
16 hereinafter as the "Act"), the total sum ~~of medical assistance~~ for Medicaid benefits so paid on
17 behalf of a ~~recipient~~ beneficiary who was fifty-five (55) years of age or older at the time of
18 receipt ~~of the assistance~~ shall be and constitute a lien upon the estate, as defined in subdivision
19 (a)(2) below, of the ~~recipient~~ beneficiary in favor of the executive office of health and human
20 services ("executive office"). The lien shall not be effective and shall not attach as against the
21 estate of a ~~recipient~~ beneficiary who is survived by a spouse, or a child who is under the age of
22 twenty-one (21), or a child who is blind or permanently and totally disabled as defined in Title
23 XVI of the federal Social Security Act, 42 U.S.C. § 1381 et seq. The lien shall attach against
24 property of a ~~recipient~~ beneficiary, which is included or includible in the decedent's probate
25 estate, regardless of whether or not a probate proceeding has been commenced in the probate
26 court by the executive office ~~of health and human services~~ or by any other party. Provided,
27 however, that such lien shall only attach and shall only be effective against the ~~recipient's~~
28 beneficiary's real property included or includible in the ~~recipient's~~ beneficiary's probate estate if
29 such lien is recorded in the land evidence records and is in accordance with subsection 40-8-15(f).
30 Decedents who have received ~~medical assistance~~ Medicaid benefits are subject to the assignment
31 and subrogation provisions of §§ 40-6-9 and 40-6-10.

32 (2) For purposes of this section, the term "estate" with respect to a deceased individual
33 shall include all real and personal property and other assets included or includable within the
34 individual's probate estate.

1 (b) The executive office ~~of health and human services~~ is authorized to promulgate
2 regulations to implement the terms, intent, and purpose of this section and to require the legal
3 representative(s) and/or the heirs-at-law of the decedent to provide reasonable written notice to
4 the executive office ~~of health and human services~~ of the death of a ~~recipient~~ beneficiary of
5 ~~medical assistance~~ Medicaid benefits who was fifty-five (55) years of age or older at the date of
6 death, and to provide a statement identifying the decedent's property and the names and addresses
7 of all persons entitled to take any share or interest of the estate as legatees or distributees thereof.

8 (c) The amount of ~~medical assistance~~ reimbursement for Medicaid benefits imposed
9 under this section shall also become a debt to the state from the person or entity liable for the
10 payment thereof.

11 (d) Upon payment of the amount of reimbursement for ~~medical assistance~~ Medicaid
12 benefits imposed by this section, the secretary of the executive office ~~of health and human~~
13 ~~services~~, or his or her designee, shall issue a written discharge of lien.

14 (e) Provided, however, that no lien created under this section shall attach nor become
15 effective upon any real property unless and until a statement of claim is recorded naming the
16 debtor/owner of record of the property as of the date and time of recording of the statement of
17 claim, and describing the real property by a description containing all of the following: (1) tax
18 assessor's plat and lot; and (2) street address. The statement of claim shall be recorded in the
19 records of land evidence in the town or city where the real property is situated. Notice of said lien
20 shall be sent to the duly appointed executor or administrator, the decedent's legal representative,
21 if known, or to the decedent's next of kin or heirs at law as stated in the decedent's last application
22 for ~~medical assistance~~ Medicaid benefits.

23 (f) The executive office ~~of health and human services~~ shall establish procedures, in
24 accordance with the standards specified by the secretary, U.S. Department of Health and Human
25 Services, under which the executive office ~~of health and human services~~ shall waive, in whole or
26 in part, the lien and reimbursement established by this section if such lien and reimbursement
27 would ~~work~~ cause an undue hardship, as determined by the executive office ~~of health and human~~
28 ~~services~~, on the basis of the criteria established by the secretary in accordance with 42 U.S.C. §
29 1396p(b)(3).

30 (g) Upon the filing of a petition for admission to probate of a decedent's will or for
31 administration of a decedent's estate, when the decedent was fifty-five (55) years or older at the
32 time of death, a copy of said petition and a copy of the death certificate shall be sent to the
33 executive office ~~of health and human services~~. Within thirty (30) days of a request by the
34 executive office ~~of health and human services~~, an executor or administrator shall complete and

1 send to the executive office ~~of health and human services~~ a form prescribed by that office and
2 shall provide such additional information as the office may require. In the event a petitioner fails
3 to send a copy of the petition and a copy of the death certificate to the executive office ~~of health~~
4 ~~and human services~~ and a decedent has received ~~medical assistance~~ Medicaid benefits for which
5 the executive office of ~~health and human services~~ is authorized to recover, no distribution and/or
6 payments, including administration fees, shall be disbursed. Any person and /or entity that receive
7 a distribution of assets from the decedent's estate shall be liable to the executive office ~~of health~~
8 ~~and human services~~ to the extent of such distribution.

9 (h) Compliance with the provisions of this section shall be consistent with the
10 requirements set forth in § 33-11-5 and the requirements of the affidavit of notice set forth in §
11 33-11-5.2. Nothing in these sections shall limit the executive office ~~of health and human services~~
12 from recovery, to the extent of the distribution, in accordance with all state and federal laws.

13 (i)To assure the financial integrity of the Medicaid eligibility determination, benefit
14 renewal, and estate recovery processes in this and related sections, the secretary of health and
15 human services is authorized and directed to, by no later than August 1, 2018: (1), implement an
16 automated asset verification system, as mandated by §1940 of the of Act that uses electronic data
17 sources to verify the ownership and value of countable resources held in financial institutions and
18 any real property for applicants and beneficiaries subject to resource and asset tests pursuant in
19 the Act in §1902(e)(14)(D); (2) Apply the provisions required under §§1902(a)(18) and 1917(c)
20 of the Act pertaining to the disposition of assets for less than fair market value by applicants and
21 beneficiaries for Medicaid long-term services and supports and their spouses, without regard to
22 whether they are subject to or excepted from resources and asset tests as mandated by federal
23 guidance; and.(3) Pursue any state plan or waiver amendments from the U.S. Centers for
24 Medicare and Medicaid Services and promulgate such rules, regulations, and procedures he or
25 she deems necessary to carry out the requirements set forth herein and ensure the state plan and
26 Medicaid policy conform and comply with applicable provisions Title XIX.

27 **40-8-19. Rates of payment to nursing facilities.**

28 (a) Rate reform.

29 (1) The rates to be paid by the state to nursing facilities licensed pursuant to chapter 17 of
30 title 23, and certified to participate in the Title XIX Medicaid program for services rendered to
31 Medicaid-eligible residents, shall be reasonable and adequate to meet the costs which must be
32 incurred by efficiently and economically operated facilities in accordance with 42 U.S.C.
33 §1396a(a)(13). The executive office of health and human services ("executive office") shall
34 promulgate or modify the principles of reimbursement for nursing facilities in effect as of July 1,

1 2011 to be consistent with the provisions of this section and Title XIX, 42 U.S.C. § 1396 et seq.,
2 of the Social Security Act.

3 (2) The executive office shall review the current methodology for providing Medicaid
4 payments to nursing facilities, including other long-term care services providers, and is
5 authorized to modify the principles of reimbursement to replace the current cost based
6 methodology rates with rates based on a price based methodology to be paid to all facilities with
7 recognition of the acuity of patients and the relative Medicaid occupancy, and to include the
8 following elements to be developed by the executive office:

9 (i) A direct care rate adjusted for resident acuity;

10 (ii) An indirect care rate comprised of a base per diem for all facilities;

11 (iii) A rerearray of costs for all facilities every three (3) years beginning October, 2015,
12 which may or may not result in automatic per diem revisions;

13 (iv) Application of a fair rental value system;

14 (v) Application of a pass-through system; and

15 (vi) Adjustment of rates by the change in a recognized national nursing home inflation
16 index to be applied on October 1st of each year, beginning October 1, 2012. This adjustment will
17 not occur on October 1, 2013 or October 1, 2015, but will occur on April 1, 2015. [The rate
18 adjustment that occurs on October 1, 2018 will not exceed an increase of one \(1\) percent.](#) Said
19 inflation index shall be applied without regard for the transition factors in subsections [\(b\)\(1\) and
20 \(b\)\(2\)](#) below. For purposes of October 1, 2016, adjustment only, any rate increase that results
21 from application of the inflation index to subparagraphs (a)(2)(i) and (a)(2)(ii) shall be dedicated
22 to increase compensation for direct-care workers in the following manner: Not less than 85% of
23 this aggregate amount shall be expended to fund an increase in wages, benefits, or related
24 employer costs of direct-care staff of nursing homes. For purposes of this section, direct-care staff
25 shall include registered nurses (RNs), licensed practical nurses (LPNs), certified nursing
26 assistants (CNAs), certified medical technicians, housekeeping staff, laundry staff, dietary staff,
27 or other similar employees providing direct care services; provided, however, that this definition
28 of direct-care staff shall not include: (i) RNs and LPNs who are classified as "exempt employees"
29 under the Federal Fair Labor Standards Act (29 U.S.C. § 201 et seq.); or (ii) CNAs, certified
30 medical technicians, RNs, or LPNs who are contracted, or subcontracted, through a third-party
31 vendor or staffing agency. By July 31, 2017, nursing facilities shall submit to the secretary, or
32 designee, a certification that they have complied with the provisions of this subparagraph
33 (a)(2)(vi) with respect to the inflation index applied on October 1, 2016. Any facility that does not
34 comply with terms of such certification shall be subjected to a clawback, paid by the nursing

1 facility to the state, in the amount of increased reimbursement subject to this provision that was
2 not expended in compliance with that certification.

3 (b) Transition to full implementation of rate reform. For no less than four (4) years after
4 the initial application of the price-based methodology described in subdivision (a)(2) to payment
5 rates, the executive office of health and human services shall implement a transition plan to
6 moderate the impact of the rate reform on individual nursing facilities. Said transition shall
7 include the following components:

8 (1) No nursing facility shall receive reimbursement for direct-care costs that is less than
9 the rate of reimbursement for direct-care costs received under the methodology in effect at the
10 time of passage of this act; for the year beginning October 1, 2017, the reimbursement for direct-
11 care costs under this provision will be phased out in twenty-five-percent (25%) increments each
12 year until October 1, 2021, when the reimbursement will no longer be in effect. ~~No nursing
13 facility shall receive reimbursement for direct care costs that is less than the rate of
14 reimbursement for direct care costs received under the methodology in effect at the time of
15 passage of this act;~~ and

16 (2) No facility shall lose or gain more than five dollars (\$5.00) in its total per diem rate
17 the first year of the transition. An adjustment to the per diem loss or gain may be phased out by
18 twenty-five percent (25%) each year; except, however, for the years beginning October 1, 2015,
19 there shall be no adjustment to the per diem gain or loss, but the phase out shall resume
20 thereafter; and

21 (3) The transition plan and/or period may be modified upon full implementation of
22 facility per diem rate increases for quality of care related measures. Said modifications shall be
23 submitted in a report to the general assembly at least six (6) months prior to implementation.

24 (4) Notwithstanding any law to the contrary, for the twelve (12) month period beginning
25 July 1, 2015, Medicaid payment rates for nursing facilities established pursuant to this section
26 shall not exceed ninety-eight percent (98%) of the rates in effect on April 1, 2015.

27 SECTION 2. Section 40-8.3-10 of the General Laws in Chapter 40-8.3 entitled
28 “Uncompensated Care” is hereby amended to read as follows:

29 **40-8.3-10. Hospital adjustment payments.**

30 Effective July 1, 2012 and for each subsequent year, the executive office of health and
31 human services is hereby authorized and directed to amend its regulations for reimbursement to
32 hospitals for ~~inpatient and~~ outpatient services as follows:

33 (a) Each hospital in the state of Rhode Island, as defined in subdivision 23-17-38.1(c)(1),
34 shall receive a quarterly outpatient adjustment payment each state fiscal year of an amount

1 determined as follows:

2 (1) Determine the percent of the state's total Medicaid outpatient and emergency
3 department services (exclusive of physician services) provided by each hospital during each
4 hospital's prior fiscal year;

5 (2) Determine the sum of all Medicaid payments to hospitals made for outpatient and
6 emergency department services (exclusive of physician services) provided during each hospital's
7 prior fiscal year;

8 (3) Multiply the sum of all Medicaid payments as determined in subdivision (2) by a
9 percentage defined as the total identified upper payment limit for all hospitals divided by the sum
10 of all Medicaid payments as determined in subdivision (2); and then multiply that result by each
11 hospital's percentage of the state's total Medicaid outpatient and emergency department services
12 as determined in subdivision (1) to obtain the total outpatient adjustment for each hospital to be
13 paid each year;

14 (4) Pay each hospital on or before July 20, October 20, January 20, and April 20 one
15 quarter (1/4) of its total outpatient adjustment as determined in subdivision (3) above.

16 ~~(b) Each hospital in the state of Rhode Island, as defined in subdivision 3-17-38.19(b)(1),
17 shall receive a quarterly inpatient adjustment payment each state fiscal year of an amount
18 determined as follows:~~

19 ~~(1) Determine the percent of the state's total Medicaid inpatient services (exclusive of
20 physician services) provided by each hospital during each hospital's prior fiscal year;~~

21 ~~(2) Determine the sum of all Medicaid payments to hospitals made for inpatient services
22 (exclusive of physician services) provided during each hospital's prior fiscal year;~~

23 ~~(3) Multiply the sum of all Medicaid payments as determined in subdivision (2) by a
24 percentage defined as the total identified upper payment limit for all hospitals divided by the sum
25 of all Medicaid payments as determined in subdivision (2); and then multiply that result by each
26 hospital's percentage of the state's total Medicaid inpatient services as determined in subdivision
27 (1) to obtain the total inpatient adjustment for each hospital to be paid each year;~~

28 ~~(4) Pay each hospital on or before July 20, October 20, January 20, and April 20 one
29 quarter (1/4) of its total inpatient adjustment as determined in subdivision (3) above.~~

30 (e b) The amounts determined in subsections (a) ~~and (b)~~ are in addition to Medicaid
31 ~~inpatient and~~ outpatient payments and emergency services payments (exclusive of physician
32 services) paid to hospitals in accordance with current state regulation and the Rhode Island Plan
33 for Medicaid Assistance pursuant to Title XIX of the Social Security Act and are not subject to
34 recoupment or settlement.

1 SECTION 3. Section 40-8.4-12 of the General Laws in Chapter 40-8.4 entitled "Health
2 Care for Families" is hereby amended to read as follows:

3 **40-8.4-12. RIte Share Health Insurance Premium Assistance Program.**

4 (a) Basic RIte Share Health Insurance Premium Assistance Program. ~~The office of health~~
5 ~~and human services is authorized and directed to amend the medical assistance Title XIX state~~
6 ~~plan to implement the provisions of section 1906 of Title XIX of the Social Security Act, 42~~
7 ~~U.S.C. section 1396e, and establish the Rhode Island health insurance premium assistance~~
8 ~~program for RIte Care eligible families with incomes up to two hundred fifty percent (250%) of~~
9 ~~the federal poverty level who have access to employer based health insurance. The state plan~~
10 ~~amendment shall require eligible families with access to employer based health insurance to~~
11 ~~enroll themselves and/or their family in the employer based health insurance plan as a condition~~
12 ~~of participation in the RIte Share program under this chapter and as a condition of retaining~~
13 ~~eligibility for medical assistance under chapters 5.1 and 8.4 of this title and/or chapter 12.3 of title~~
14 ~~42 and/or premium assistance under this chapter, provided that doing so meets the criteria~~
15 ~~established in section 1906 of Title XIX for obtaining federal matching funds and the department~~
16 ~~has determined that the person's and/or the family's enrollment in the employer based health~~
17 ~~insurance plan is cost effective and the department has determined that the employer based health~~
18 ~~insurance plan meets the criteria set forth in subsection (d). The department shall provide~~
19 ~~premium assistance by paying all or a portion of the employee's cost for covering the eligible~~
20 ~~person or his or her family under the employer based health insurance plan, subject to the cost~~
21 ~~sharing provisions in subsection (b), and provided that the premium assistance is cost effective in~~
22 ~~accordance with Title XIX, 42 U.S.C. section 1396 et seq. - Under the terms of Section 1906 of~~
23 Title XIX of the U.S. Social Security Act, states are permitted to pay a Medicaid eligible person's
24 share of the costs for enrolling in employer-sponsored health insurance (ESI) coverage if it is cost
25 effective to do so. Pursuant to general assembly's direction in Rhode Island Health Reform Act of
26 2000, the Medicaid agency requested and obtained federal approval under § 1916 to establish the
27 RIte Share premium assistance program to subsidize the costs of enrolling Medicaid eligible
28 persons and families in employer sponsored health insurance plans that have been approved as
29 meeting certain cost and coverage requirements. The Medicaid agency also obtained, at the
30 general assembly's direction, federal authority to require any such persons with access to ESI
31 coverage to enroll as a condition of retaining eligibility providing that doing so meets the criteria
32 established in Title XIX for obtaining federal matching funds.

33 (b) ~~Individuals who can afford it shall share in the cost. The office of health and human~~
34 ~~services is authorized and directed to apply for and obtain any necessary waivers from the~~

~~secretary of the United States Department of Health and Human Services, including, but not limited to, a waiver of the appropriate sections of Title XIX, 42 U.S.C. section 1396 et seq., to require that families eligible for RItE Care under this chapter or chapter 12.3 of title 42 with incomes equal to or greater than one hundred fifty percent (150%) of the federal poverty level pay a share of the costs of health insurance based on the person's ability to pay, provided that the cost sharing shall not exceed five percent (5%) of the person's annual income. The department of human services shall implement the cost sharing by regulation, and shall consider co-payments, premium shares or other reasonable means to do so.~~ Definitions. - For the purposes of this subsection, the following definitions apply:

(1) "Cost-effective" means that the portion of the ESI that the state would subsidize, as well as wrap-around costs, would on average cost less to the State than enrolling that same person/family in a managed care delivery system.

(2) "Cost sharing" means any co-payments, deductibles or co-insurance associated with ESI.

(3) "Employee premium" means the monthly premium share a person or family is required to pay to the employer to obtain and maintain ESI coverage.

(4) "Employer-Sponsored Insurance or ESI" means health insurance or a group health plan offered to employees by an employer. This includes plans purchased by small employers through the State health insurance marketplace, Healthsource, RI (HSRI).

(5) "Policy holder" means the person in the household with access to ESI, typically the employee.

(6) "RItE Share-approved employer-sponsored insurance (ESI)" means an employer-sponsored health insurance plan that meets the coverage and cost-effectiveness criteria for RItE Share.

(7) "RItE Share buy-in" means the monthly amount an Medicaid-ineligible policy holder must pay toward RItE Share-approved ESI that covers the Medicaid-eligible children, young adults or spouses with access to the ESI. The buy-in only applies in instances when household income is above 150% the FPL.

(8) "RItE Share premium assistance program" means the Rhode Island Medicaid premium assistance program in which the State pays the eligible Medicaid member's share of the cost of enrolling in a RItE Share-approved ESI plan. This allows the State to share the cost of the health insurance coverage with the employer.

(9) "RItE Share Unit" means the entity within EOHHS responsible for assessing the cost-effectiveness of ESI, contacting employers about ESI as appropriate, initiating the RItE Share

1 enrollment and disenrollment process, handling member communications, and managing the
2 overall operations of the RItE Share program.

3 (10) “Third Party Liability (TPL)” means other health insurance coverage. This insurance
4 is in addition to Medicaid and is usually provided through an employer. Since Medicaid is always
5 the payer of last resort, the TPL is always the primary coverage.

6 (11) “Wrap-around services or coverage” means any health care services not included in
7 the ESI plan that would have been covered had the Medicaid member been enrolled in a RItE
8 Care or Rhody Health Partners plan. Coverage of deductibles and co-insurance is included in the
9 wrap. Co-payments to providers are not covered as part of the wrap-around coverage.

10 (c) ~~Current RItE Care enrollees with access to employer based health insurance. The~~
11 ~~office of health and human services shall require any family who receives RItE Care or whose~~
12 ~~family receives RItE Care on the effective date of the applicable regulations adopted in~~
13 ~~accordance with subsection (f) to enroll in an employer based health insurance plan at the~~
14 ~~person's eligibility redetermination date or at an earlier date determined by the department,~~
15 ~~provided that doing so meets the criteria established in the applicable sections of Title XIX, 42~~
16 ~~U.S.C. section 1396 et seq., for obtaining federal matching funds and the department has~~
17 ~~determined that the person's and/or the family's enrollment in the employer based health~~
18 ~~insurance plan is cost-effective and has determined that the health insurance plan meets the~~
19 ~~criteria in subsection (d). The insurer shall accept the enrollment of the person and/or the family~~
20 ~~in the employer based health insurance plan without regard to any enrollment season restrictions.~~

21 RItE Share Populations. Medicaid beneficiaries subject to RItE Share include: children, families,
22 parent and caretakers eligible for Medicaid or the Children’s Health Insurance Program under this
23 chapter or chapter 42-12.3; and adults between the ages of 19 and 64 who are eligible under
24 chapters 40-8.5 and 40-8.12, not receiving or eligible to receive Medicare, and are enrolled in
25 managed care delivery systems. The following conditions apply:

26 (1) The income of Medicaid beneficiaries shall affect whether and in what manner they
27 must participate in RItE Share as follows:

28 (i) Income at or below 150% of FPL -- Persons and families determined to have
29 household income at or below 150% of the Federal Poverty Level (FPL) guidelines based on the
30 modified adjusted gross income (MAGI) standard or other standard approved by the secretary are
31 required to participate in RItE Share if a Medicaid-eligible adult or parent/caretaker has access to
32 cost-effective ESI. Enrolling in ESI through RItE Share shall be a condition of maintaining
33 Medicaid health coverage for any eligible adult with access to such coverage.

34 (ii) Income above 150% FPL and policy holder is not Medicaid-eligible -- Premium

1 assistance is available when the household includes Medicaid-eligible members, but the ESI
2 policy holder (typically a parent/ caretaker or spouse) is not eligible for Medicaid. Premium
3 assistance for parents/caretakers and other household members who are not Medicaid-eligible
4 may be provided in circumstances when enrollment of the Medicaid-eligible family members in
5 the approved ESI plan is contingent upon enrollment of the ineligible policy holder and the
6 executive office of health and human services (executive office) determines, based on a
7 methodology adopted for such purposes, that it is cost-effective to provide premium assistance for
8 family or spousal coverage.

9 (d) RItE Share Enrollment as a Condition of Eligibility. For Medicaid beneficiaries over
10 the age of nineteen (19) enrollment in RItE Share shall be a condition of eligibility except as
11 exempted below and by regulations promulgated by the executive office.

12 (1) Medicaid-eligible children and young adults up to age nineteen (19) shall not be
13 required to enroll in a parent/caretaker relative's ESI as a condition of maintaining Medicaid
14 eligibility if the person with access to RItE Share-approved ESI does not enroll as required. These
15 Medicaid-eligible children and young adults shall remain eligible for Medicaid and shall be
16 enrolled in a RItE Care plan

17 (2) There shall be a limited six (6) month exemption from the mandatory enrollment
18 requirement for persons participating in the RI Works program pursuant to § 40-5.2.

19 ~~(d)~~ (e) Approval of health insurance plans for premium assistance. The office of health
20 and human services shall adopt regulations providing for the approval of employer-based health
21 insurance plans for premium assistance and shall approve employer-based health insurance plans
22 based on these regulations. In order for an employer-based health insurance plan to gain approval,
23 the ~~department~~ executive office must determine that the benefits offered by the employer-based
24 health insurance plan are substantially similar in amount, scope, and duration to the benefits
25 provided to ~~RItE-Care~~ Medicaid-eligible persons ~~by the RItE-Care program~~ enrolled in Medicaid
26 managed care plan, when the plan is evaluated in conjunction with available supplemental
27 benefits provided by the office. The office shall obtain and make available as to persons
28 otherwise eligible for ~~RItE-Care~~ Medicaid identified in this section as supplemental benefits those
29 benefits not reasonably available under employer-based health insurance plans which are required
30 for ~~RItE-Care-eligible persons~~ Medicaid beneficiaries by state law or federal law or regulation.
31 Once it has been determined by the Medicaid agency that the ESI offered by a particular
32 employer is RItE Share-approved, all Medicaid members with access to that employer's plan are
33 required participate in RItE Share. Failure to meet the mandatory enrollment requirement shall
34 result in the termination of the Medicaid eligibility of the policy holder and other Medicaid

1 members nineteen (19) or older in the household that could be covered under the ESI until the
2 policy holder complies with the RIte Share enrollment procedures established by the executive
3 office.

4 (f) Premium Assistance. The executive office shall provide premium assistance by paying
5 all or a portion of the employee's cost for covering the eligible person and/or his or her family
6 under such a RIte Share-approved ESI plan subject to the buy-in provisions in this section.

7 (g) Buy-in. Persons who can afford it shall share in the cost. - The executive office is
8 authorized and directed to apply for and obtain any necessary state plan and/or waiver
9 amendments from the secretary of the U.S. DHHS to require that person enrolled in a RIte Share-
10 approved employer-based health plan who have income equal to or greater than one hundred fifty
11 percent (150%) of the FPL to buy-in to pay a share of the costs based on the ability to pay,
12 provided that the buy-in cost shall not exceed five percent (5%) of the person's annual income.
13 The executive office shall implement the buy-in by regulation, and shall consider co-payments,
14 premium shares or other reasonable means to do so.

15 ~~(e)~~ (h) Maximization of federal contribution. The office of health and human services is
16 authorized and directed to apply for and obtain federal approvals and waivers necessary to
17 maximize the federal contribution for provision of medical assistance coverage under this section,
18 including the authorization to amend the Title XXI state plan and to obtain any waivers necessary
19 to reduce barriers to provide premium assistance to recipients as provided for in Title XXI of the
20 Social Security Act, 42 U.S.C. section 1397 et seq.

21 ~~(f)~~ (i) Implementation by regulation. The office of health and human services is
22 authorized and directed to adopt regulations to ensure the establishment and implementation of
23 the premium assistance program in accordance with the intent and purpose of this section, the
24 requirements of Title XIX, Title XXI and any approved federal waivers.

25 SECTION 4. Section 15 of Article 5 of Chapter 141 of the Public Laws of 2015 is hereby
26 amended to read as follows:

27 A pool is hereby established of up to \$~~4.0~~ 1.5 million to support Medicaid Graduate
28 Education funding for Academic Medical Centers with level I Trauma Centers who provide care
29 to the state's critically ill and indigent populations. ~~The office of Health and Human Services shall~~
30 ~~utilize this pool to provide up to \$5 million per year in additional Medicaid payments to support~~
31 ~~Graduate Medical Education programs to hospitals meeting all of the following criteria:~~

32 ~~(a) Hospital must have a minimum of 25,000 inpatient discharges per year for all patients~~
33 ~~regardless of coverage.~~

34 ~~(b) Hospital must be designated as Level I Trauma Center.~~

1 ~~(e) Hospital must provide graduate medical education training for at least 250 interns and~~
2 ~~residents per year.~~

3 The Secretary of the Executive Office of Health and Human Services shall determine the
4 appropriate Medicaid payment mechanism to implement this program and amend any state plan
5 documents required to implement the payments.

6 Payments for Graduate Medical Education programs shall be made annually.

7 SECTION 5. This Article shall take effect upon passage.

8 **ARTICLE 14**

9 **RELATING TO MEDICAID REFORM ACT OF 2008 RESOLUTION**

10 **SECTION 1. *Rhode Island Medicaid Reform Act of 2008 Resolution.***

11 WHEREAS, the General Assembly enacted Chapter 12.4 of Title 42 entitled “The Rhode
12 Island Medicaid Reform Act of 2008”; and

13 WHEREAS, a legislative enactment is required pursuant to Rhode Island General Laws
14 42-12.4-1, *et seq.*; and

15 WHEREAS, Rhode Island General Law 42-7.2-5(3)(a) provides that the Secretary of the
16 Executive Office of Health and Human Services (“Executive Office”) is responsible for the
17 review and coordination of any Medicaid section 1115 demonstration waiver requests and
18 renewals as well as any initiatives and proposals requiring amendments to the Medicaid state plan
19 or category II or III changes as described in the demonstration, “with potential to affect the scope,
20 amount, or duration of publicly-funded health care services, provider payments or
21 reimbursements, or access to or the availability of benefits and services provided by Rhode Island
22 general and public laws”; and

23 WHEREAS, in pursuit of a more cost-effective consumer choice system of care that is
24 fiscally sound and sustainable, the Secretary requests legislative approval of the following
25 proposals to amend the demonstration:

26 (a) *Provider Rates -- Adjustments.* The Executive Office proposes to:

27 (i) Maintain in-patient and out-patient hospital payment rates at SFY 2018 levels.

28 (ii) The nursing facility rate adjustment that would otherwise take-effect on October 1,
29 2018 will not exceed an increase of one percent; and

30 (iii) Reduce rates for Medicaid managed care plan administration.

31 Implementation of adjustments may require amendments to the Rhode Island’s Medicaid
32 State Plan and/or Section 1115 waiver under the terms and conditions of the demonstration.
33 Further, adoption of new or amended rules, regulations and procedures may also be required.

34 (b) *Section 1115 Demonstration Waiver – Implementation of Existing Authorities.* To

1 achieve the objectives of the State’s demonstration waiver, the Executive Office proposes to
2 implement the following approved authorities:

3 (i) Upon meeting federal guidelines for the timely processing of applications, elimination
4 of retroactive coverage for Medicaid beneficiaries, except for pregnant women and newborn
5 infants, and promulgate rules, regulations, and/or procedures that establish criteria to provide a
6 hardship exemption for eligible persons who have a significant need;

7 (ii) Expanded expedited eligibility for long-term services and supports (LTSS) applicants
8 who are transitioning to a home or community-based setting from a health facility, including a
9 hospital or nursing home; and

10 (iii) Institute the multi-tiered needs-based criteria for determining the level of care and
11 scope of services available to applicants with developmental disabilities seeking Medicaid home
12 and community-based services in lieu of institutional care.

13 (c) *Section 1115 Demonstration Waiver – Extension Request* – The Executive Office
14 proposes to seek approval from our federal partners to extend the Section 1115 demonstration as
15 authorized in §42-12.4. In addition to maintaining existing waiver authorities, the Executive
16 Office proposes to seek additional federal authorities to:

17 (i) Further the goals of LTSS rebalancing set forth in §40-8.9, by expanding the array of
18 health care stabilization and maintenance services eligible for federal financial participation
19 which are available to beneficiaries residing in home and community-based settings. Such
20 services include adaptive and home-based monitoring technologies, transition help, and peer and
21 personal supports that assist beneficiaries in better managing and optimizing their own care. The
22 Executive Office proposes to pursue alternative payment strategies financed through the Health
23 System Transformation Project (HSTP) to cover the state’s share of the cost for such services and
24 to expand on-going efforts to identify and provide cost-effective preventive services to persons
25 at-risk for LTSS and other high cost interventions.

26 (ii) Leverage existing resources and the flexibility of alternative payment methodologies
27 to provide integrated medical and behavioral services to children and youth at risk and in
28 transition, including targeted family visiting nurses, peer supports, and specialized networks of
29 care.

30 (d) *Financial Integrity – Asset Verification and Transfers*. To comply with federal
31 mandates pertaining to the integrity of the determination of eligibility and estate recoveries, the
32 Executive Office plans to adopt an automated asset verification system which uses electronic data
33 sources to verify ownership and the value of the financial resources and real property of
34 applicants and beneficiaries and their spouses who are subject to asset and resource limits under

1 Title XIX. In addition, the Executive Office proposes to adopt new or amended rules, policies and
2 procedures for LTSS applicants and beneficiaries, inclusive of those eligible pursuant to §40-
3 8.12, that conform to federal guidelines related to the transfer of assets for less than fair market
4 value established in Title XIX and applicable federal guidelines. State plan amendments are
5 required to comply fully with these mandates.

6 (e) *Service Delivery*. To better leverage all available health care dollars and promote
7 access and service quality, the Executive Office proposes to:

8 (i) Restructure delivery systems for dual Medicare and Medicaid eligible LTSS
9 beneficiaries who have chronic or disabling conditions to provide the foundation for
10 implementing more cost-effective and sustainable managed care LTSS arrangements. Additional
11 state plan authorities may be required.

12 (ii) Expand the reach of the RIte Share premium assistance program through amendments
13 to the Medicaid state plan to cover all adults, ages 19 and older, who have access to a cost-
14 effective Executive Office approved employer-sponsored health insurance program.

15 (f) *Non-Emergency Transportation Program (NEMT)*. To implement cost effective
16 delivery of services and to enhance consumer satisfaction with transportation services by:

17 (i) Expanding reimbursement methodologies; and

18 (ii) Removing transportation restrictions to align with Title XIX of Federal law.

19 (g) *Community First Choice (CFC)*. To seek Medicaid state plan and any additional
20 waiver authority necessary to implement the CFC option.

21 (h) *Alternative Payment Methodology*. To develop, in collaboration with the Department
22 of Behavioral Healthcare, Development Disabilities and Hospitals (BHDDH), a health home for
23 providing conflict free person-centered planning and a quality and value based alternative
24 payment system that advances the goal of improving service access, quality and value.

25 (i) *Opioid and Behavioral Health Crisis Management*. To implement in collaboration
26 with the Department of Behavioral Healthcare, Development Disabilities and Hospitals
27 (BHDDH), a community based alternative to emergency departments for addiction and mental
28 health emergencies.

29 (j) *Federal Financing Opportunities*. The Executive Office proposes to review Medicaid
30 requirements and opportunities under the U.S. Patient Protection and Affordable Care Act of
31 2010 (PPACA) and various other recently enacted federal laws and pursue any changes in the
32 Rhode Island Medicaid program that promote service quality, access and cost-effectiveness that
33 may warrant a Medicaid State Plan amendment or amendment under the terms and conditions of
34 Rhode Island's Section 1115 Waiver, its successor, or any extension thereof. Any such actions by

1 the Executive Office shall not have an adverse impact on beneficiaries or cause there to be an
2 increase in expenditures beyond the amount appropriated for state fiscal year 2019.

3 Now, therefore, be it: RESOLVED, the General Assembly hereby approves proposals
4 and be it further;

5 RESOLVED, the Secretary of the Executive Office is authorized to pursue and
6 implement any waiver amendments, State Plan amendments, and/or changes to the applicable
7 department's rules, regulations and procedures approved herein and as authorized by 42-12.4; and
8 be it further

9 RESOLVED, that this Joint Resolution shall take effect upon passage.

10 SECTION 2. This Article shall take effect upon passage

11 **ARTICLE 15**

12 **RELATING TO CHILDREN AND FAMILIES**

13 SECTION 1. Sections 14-1-3, 14-1-6 and 14-1-11.1 of the General Laws in Chapter 14-1
14 entitled "Proceedings in Family Court" are hereby amended to read as follows:

15 **14-1-3. Definitions.**

16 The following words and phrases when used in this chapter shall, unless the context
17 otherwise requires, be construed as follows:

18 (1) "Adult" means a person eighteen (18) years of age or older, except that "adult"
19 includes any person seventeen (17) years of age or older who is charged with a delinquent offense
20 involving murder, first-degree sexual assault, first-degree child molestation, or assault with intent
21 to commit murder, and that person shall not be subject to the jurisdiction of the family court as set
22 forth in §§ 14-1-5 and 14-1-6 if, after a hearing, the family court determines that probable cause
23 exists to believe that the offense charged has been committed and that the person charged has
24 committed the offense.

25 (2) "Appropriate person", as used in §§ 14-1-10 and 14-1-11, except in matters relating to
26 adoptions and child marriages, means and includes:

27 (i) Any police official of this state, or of any city or town within this state;

28 (ii) Any duly qualified prosecuting officer of this state, or of any city or town within this
29 state;

30 (iii) Any director of public welfare of any city or town within this state, or his or her duly
31 authorized subordinate;

32 (iv) Any truant officer or other school official of any city or town within this state;

33 (v) Any duly authorized representative of any public or duly licensed private agency or
34 institution established for purposes similar to those specified in § 8-10-2 or 14-1-2; or

1 (vi) Any maternal or paternal grandparent, who alleges that the surviving parent, in those
2 cases in which one parent is deceased, is an unfit and improper person to have custody of any
3 child or children.

4 (3) "Child" means a person under eighteen (18) years of age.

5 (4) "The court" means the family court of the state of Rhode Island.

6 (5) "Delinquent", when applied to a child, means and includes any child who has
7 committed any offense that, if committed by an adult, would constitute a felony, or who has on
8 more than one occasion violated any of the other laws of the state or of the United States or any
9 of the ordinances of cities and towns, other than ordinances relating to the operation of motor
10 vehicles.

11 (6) "Dependent" means any child who requires the protection and assistance of the court
12 when his or her physical or mental health or welfare is harmed, or threatened with harm, due to
13 the inability of the parent or guardian, through no fault of the parent or guardian, to provide the
14 child with a minimum degree of care or proper supervision because of:

15 (i) The death or illness of a parent; or

16 (ii) The special medical, educational, or social-service needs of the child which the parent
17 is unable to provide.

18 (7) "Justice" means a justice of the family court.

19 (8) "Neglect" means a child who requires the protection and assistance of the court when
20 his or her physical or mental health or welfare is harmed, or threatened with harm, when the
21 parents or guardian:

22 (i) Fails to supply the child with adequate food, clothing, shelter, or medical care, though
23 financially able to do so or offered financial or other reasonable means to do so;

24 (ii) Fails to provide the child proper education as required by law; or

25 (iii) Abandons and/or deserts the child.

26 (9) "Wayward", when applied to a child, means and includes any child:

27 (i) Who has deserted his or her home without good or sufficient cause;

28 (ii) Who habitually associates with dissolute, vicious, or immoral persons;

29 (iii) Who is leading an immoral or vicious life;

30 (iv) Who is habitually disobedient to the reasonable and lawful commands of his or her
31 parent or parents, guardian, or other lawful custodian;

32 (v) Who, being required by chapter 19 of title 16 to attend school, willfully and habitually
33 absents himself or herself from school or habitually violates the rules and regulations of the
34 school when he or she attends;

1 (vi) Who has, on any occasion, violated any of the laws of the state or of the United
2 States or any of the ordinances of cities and towns, other than ordinances relating to the operation
3 of motor vehicles; or

4 (vii) Any child under seventeen (17) years of age who is in possession of one ounce (1
5 oz.) or less of marijuana, as defined in § 21-28-1.02, and who is not exempted from the penalties
6 pursuant to chapter 28.6 of title 21.

7 (10) "Young adult" means an individual who has attained the age of eighteen (18) years
8 but has not reached the age of twenty-one (21) years and was in the legal custody of the
9 department on their eighteenth birthday pursuant to an abuse, neglect or dependency petition; or
10 was a former foster child who was adopted or placed in a guardianship after attaining age sixteen
11 (16).

12 (11) "Voluntary placement agreement for extension of care" means a written agreement
13 between the state agency and a young adult who meets the eligibility conditions specified in §14-
14 1-6(c), acting as their own legal guardian that is binding on the parties to the agreement. At a
15 minimum, the agreement recognizes the voluntary nature of the agreement, the legal status of the
16 young adult and the rights and obligations of the young adult, as well as the services and supports
17 the agency agrees to provide during the time that the young adult consents to giving the
18 department legal responsibility for care and placement.

19 (12) "Supervised independent living setting" means a supervised setting in which a young
20 adult is living independently, that meets any safety and or licensing requirements established by
21 the department for this population, and is paired with a supervising agency or a supervising
22 worker, including, but not limited to, single or shared apartments or houses, host homes, relatives'
23 and mentors' homes, college dormitories or other post-secondary educational or vocational
24 housing. All or part of the financial assistance that secures an independent supervised setting for a
25 young adult may be paid directly to the young adult if there is no provider or other child placing
26 intermediary, or to a landlord, a college, or to a supervising agency, or to other third parties on
27 behalf of the young adult in the discretion of the department.

28 ~~(10)~~ (13) The singular shall be construed to include the plural, the plural the singular, and
29 the masculine the feminine, when consistent with the intent of this chapter.

30 ~~(11)~~ (14) For the purposes of this chapter, "electronic surveillance and monitoring
31 devices" means any "radio frequency identification device (RFID)" or "global positioning device"
32 that is either tethered to a person or is intended to be kept with a person and is used for the
33 purposes of tracking the whereabouts of that person within the community.

34 **14-1-6. Retention of jurisdiction.**

1 (a) When the court shall have obtained jurisdiction over any child prior to the child
2 having attained the age of eighteen (18) years by the filing of a petition alleging that the child is
3 wayward or delinquent pursuant to § 14-1-5, the child shall, except as specifically provided in
4 this chapter, continue under the jurisdiction of the court until he or she becomes nineteen (19)
5 years of age, unless discharged prior to turning nineteen (19).

6 (b) When the court shall have obtained jurisdiction over any child prior to the child's
7 eighteenth (18th) birthday by the filing of a miscellaneous petition or a petition alleging that the
8 child is dependent, neglected, ~~and or~~ abused pursuant to §§ 14-1-5 and 40-11-7 or 42-72-14,
9 ~~including any child under the jurisdiction of the family court on petitions filed and/or pending~~
10 ~~before the court prior to July 1, 2007,~~ the child shall, except as specifically provided in this
11 chapter, continue under the jurisdiction of the court until he or she becomes eighteen (18) years of
12 age; provided, that at least six (6) months prior to a child turning eighteen (18) years of age, the
13 court shall require the department of children, youth and families to provide a description of the
14 transition services including the child's housing, health insurance, education and/or employment
15 plan, available mentors and continuing support services, including workforce supports and
16 employment services afforded the child in placement or a detailed explanation as to the reason
17 those services were not offered. As part of the transition planning, the child shall be informed by
18 the department of the opportunity to voluntarily agree to extended care and placement by the
19 department and legal supervision by the court until age twenty-one (21). The details of a child's
20 transition plan shall be developed in consultation with the child, wherever possible, and approved
21 by the court prior to the dismissal of an abuse, neglect, dependency, or miscellaneous petition
22 before the child's twenty-first birthday.

23 (c) A child, who is in foster care on their eighteenth birthday due to the filing of a
24 miscellaneous petition or a petition alleging that the child is dependent, neglected, or abused
25 pursuant to §§14-1-5, 40-11-7 or 42-72-14 may voluntarily elect to continue responsibility for
26 care and placement from DCYF and to remain under the legal supervision of the court as a young
27 adult until age twenty-one (21), provided:

28 (1) The young adult was in the legal custody of the department at age eighteen (18); or

29 (2) Was a former foster child who was adopted or placed in a guardianship with an
30 adoption assistance agreement that was effective upon attaining age sixteen (16); and

31 (3) The young adult is participating in at least one of the following:

32 (i) Completing the requirements to receive a high school diploma or GED;

33 (ii) Completing a secondary education or a program leading to an equivalent credential;
34 enrolled in an institution that provides post-secondary or vocational education;

1 (iii) Participating in a job training program or an activity designed to promote or remove
2 barriers to employment;

3 (iv) Be employed for at least eighty (80) hours per month; or

4 (v) Incapable of doing any of the foregoing due to a medical condition that is regularly
5 updated and documented in the case plan;

6 (4) Upon the request of the young adult, the court's legal supervision and the department's
7 responsibility for care and placement may be terminated. Provided, however, the young adult may
8 request reinstatement of responsibility and resumption of the court's legal supervision at any time
9 prior to their twenty-first birthday if the young adult meets the requirements set forth in §14-1-
10 6(c)(3). If the department wishes to terminate the court's legal supervision and its responsibility
11 for care and placement, it may file a motion for good cause. The court may exercise its discretion
12 to terminate legal supervision over the young adult at any time.

13 ~~(b)~~ (d) The court may retain jurisdiction of any child who is seriously emotionally
14 disturbed or developmentally delayed pursuant to § 42-72-5(b)(24)(v) until that child turns age
15 twenty-one (21) when the court shall have obtained jurisdiction over any child prior to the child's
16 eighteenth birthday by the filing of a miscellaneous petition or a petition alleging that the child is
17 dependent, neglected and or abused pursuant to §§ 14-1-5, and 40-11-7, or 42-72-14.

18 ~~(c)~~ (e) The department of children, youth and families shall work collaboratively with the
19 department of behavioral healthcare, developmental disabilities and hospitals, and other agencies,
20 in accordance with § 14-1-59, to provide the family court with a transition plan for those
21 individuals who come under the court's jurisdiction pursuant to a petition alleging that the child is
22 dependent, neglected, and/or abused and who are seriously emotionally disturbed or
23 developmentally delayed pursuant to § 42-72-5(b)(24)(v). This plan shall be a joint plan
24 presented to the court by the department of children, youth and families and the department of
25 behavioral healthcare, developmental disabilities and hospitals. The plan shall include the
26 behavioral healthcare, developmental disabilities and hospitals' community or residential service
27 level, health insurance option, education plan, available mentors, continuing support services,
28 workforce supports and employment services, and the plan shall be provided to the court at least
29 twelve (12) months prior to discharge. At least three (3) months prior to discharge, the plan shall
30 identify the specific placement for the child, if a residential placement is needed. The court shall
31 monitor the transition plan. In the instance where the department of behavioral healthcare,
32 developmental disabilities and hospitals has not made timely referrals to appropriate placements
33 and services, the department of children, youth and families may initiate referrals.

34 ~~(a)~~ (f) The parent and/or guardian and/or guardian ad litem of a child who is seriously

1 emotionally disturbed or developmentally delayed pursuant to § 42-72-5(b)(24)(v), and who is
2 before the court pursuant to §§ 14-1-5(1)(iii) through 14-1-5(1)(v), 40-11-7 or 42-72-14, shall be
3 entitled to a transition hearing, as needed, when the child reaches the age of twenty (20) if no
4 appropriate transition plan has been submitted to the court by the department of children, person
5 and families and the department of behavioral healthcare, developmental disabilities and
6 hospitals. The family court shall require that the department of behavioral healthcare,
7 developmental disabilities, and hospitals shall immediately identify a liaison to work with the
8 department of children, youth, and families until the child reaches the age of twenty-one (21) and
9 an immediate transition plan be submitted if the following facts are found:

10 (1) No suitable transition plan has been presented to the court addressing the levels of
11 service appropriate to meet the needs of the child as identified by the department of behavioral
12 healthcare, developmental disabilities and hospitals; or

13 (2) No suitable housing options, health insurance, educational plan, available mentors,
14 continuing support services, workforce supports, and employment services have been identified
15 for the child.

16 ~~(e) Provided, further, that any youth who comes within the jurisdiction of the court by the~~
17 ~~filing of a wayward or delinquent petition based upon an offense that was committed prior to July~~
18 ~~1, 2007, including youth who are adjudicated and committed to the Rhode Island training school~~
19 ~~and who are placed in a temporary community placement as authorized by the family court, may~~
20 ~~continue under the jurisdiction of the court until he or she turns twenty one (21) years of age.~~

21 ~~(f)~~ (g) In any case where the court shall not have acquired jurisdiction over any person
22 prior to the person's eighteenth (18th) birthday by the filing of a petition alleging that the person
23 had committed an offense, but a petition alleging that the person had committed an offense that
24 would be punishable as a felony if committed by an adult has been filed before that person attains
25 the age of nineteen (19) years of age, that person shall, except as specifically provided in this
26 chapter, be subject to the jurisdiction of the court until he or she becomes nineteen (19) years of
27 age, unless discharged prior to turning nineteen (19).

28 ~~(g)~~ (h) In any case where the court shall not have acquired jurisdiction over any person
29 prior to the person attaining the age of nineteen (19) years by the filing of a petition alleging that
30 the person had committed an offense prior to the person attaining the age of eighteen (18) years
31 which would be punishable as a felony if committed by an adult, that person shall be referred to
32 the court that had jurisdiction over the offense if it had been committed by an adult. The court
33 shall have jurisdiction to try that person for the offense committed prior to the person attaining
34 the age of eighteen (18) years and, upon conviction, may impose a sentence not exceeding the

1 maximum penalty provided for the conviction of that offense.

2 ~~(i)~~ (i) In any case where the court has certified and adjudicated a child in accordance
3 with the provisions of §§ 14-1-7.2 and 14-1-7.3, the jurisdiction of the court shall encompass the
4 power and authority to sentence the child to a period in excess of the age of nineteen (19) years.
5 However, in no case shall the sentence be in excess of the maximum penalty provided by statute
6 for the conviction of the offense.

7 ~~(j)~~ (j) Nothing in this section shall be construed to affect the jurisdiction of other courts
8 over offenses committed by any person after he or she reaches the age of eighteen (18) years.

9 **14-1-11.1. Commitment of voluntary placements.**

10 (a) The department of children, youth, and families shall petition the family court and
11 request the care, custody, and control of any child who is voluntarily placed with the department
12 for the purpose of foster care by a parent or other person previously having custody and who
13 remains in foster care for a period of twelve (12) months. However, there shall be no requirement
14 for the department to seek custody of any child with an emotional, behavioral or mental disorder
15 or developmental or physical disability if the child is voluntarily placed with the department by a
16 parent or guardian of the child for the purpose of accessing an out-of-home program for the child
17 in a program which provides services for children with disabilities, including, but not limited to,
18 residential treatment programs, residential counseling centers, and therapeutic foster care
19 programs.

20 (b) In a hearing on a petition alleging that a child is dependent, competent and creditable
21 evidence that the child has remained in foster care for a period of twelve (12) months shall
22 constitute prima facie evidence sufficient to support the finding by the court that the child is
23 "dependent" in accordance with § 14-1-3.

24 (c) In those cases where a young adult who meets the eligibility criteria in §14-1-6(c)
25 wishes to continue in foster care after age eighteen (18), the young adult and an authorized
26 representative of DCYF shall, before the youth reaches age eighteen (18), discuss the terms of a
27 voluntary placement agreement for extension of care to be executed upon or after the young
28 adult's eighteenth birthday.

29 (d) In those cases where a young adult who meets the eligibility criteria in §14-1-6(c)
30 exits foster care at or after age eighteen (18), but wishes to return to foster care before age
31 twenty-one (21), DCYF shall file a petition for legal supervision of the young adult, with a
32 voluntary placement agreement for extension of care, executed by the young adult and an
33 authorized representative of DCYF attached.

34 SECTION 2. Section 40-11-14 of the General Laws in Chapter 40-11 entitled "Abused

1 and Neglected Children" is hereby amended to read as follows:

2 **40-11-14. Right to representation in court proceedings.**

3 (a) Any child who is alleged to be abused or neglected as a subject of a petition filed in
4 family court under this chapter, shall have a guardian ad litem appointed by the court to represent
5 this child. In addition, any young adult, who is eligible for extended foster care pursuant to §14-1-
6 6(c) and who has executed a voluntary agreement for extension of care may request the
7 appointment of guardian ad litem or court-appointed counsel. An appointment shall be in the
8 discretion of the court. The cost of counsel in those instances shall be paid by the state.

9 (b) A volunteer court-appointed special advocate may be assigned to assist the guardian
10 ad litem, in the court-appointed special advocate's office (CASA):

11 (1) In order to assist the family court with the ability to ensure that these volunteers,
12 whose activity involves routine contact with minors, are of good moral character, all persons
13 seeking to volunteer for CASA shall be required to undergo a national criminal records check for
14 the purpose of determining whether the prospective volunteer has been convicted of any crime.

15 (i) A national criminal records check shall include fingerprints submitted to the Federal
16 Bureau of Investigation (FBI) by the department of children, youth and families (DCYF) for a
17 national criminal records check. The national criminal records check shall be processed prior to
18 the commencement of volunteer activity.

19 (ii) For the purposes of this section, "conviction" means, in addition to judgments of
20 conviction entered by a court subsequent to a finding of guilty or a plea of guilty, those instances
21 where the defendant has entered a plea of nolo contendere and has received a sentence of
22 probation and that sentence has not expired and those instances where a defendant has entered
23 into a deferred sentence agreement with the attorney general.

24 (iii) For the purposes of this section, "disqualifying information" means information
25 produced by a national criminal records check pertaining to conviction for the offenses
26 designated as "disqualifying information" pursuant to DCYF policy.

27 (iv) The department of children, youth and families (DCYF) shall inform the applicant, in
28 writing, of the nature of the disqualifying information; and, without disclosing the nature of the
29 disqualifying information, shall notify the family court, in writing, that disqualifying information
30 has been discovered.

31 (v) In those situations in which no disqualifying information has been found, DCYF shall
32 inform the applicant and the family court, in writing, of this fact.

33 (vi) The family court shall maintain on file evidence that national criminal records checks
34 have completed on all volunteer court-appointed special advocates.

1 (vii) The criminal record check shall be conducted without charge to the prospective
2 CASA volunteers. At the conclusion of the background check required pursuant to this section,
3 DCYF shall promptly destroy the fingerprint record of the applicant obtained pursuant to this
4 chapter.

5 (2) All persons seeking to volunteer for CASA must submit a satisfactory DCYF
6 clearance and participate in a program of training offered by the CASA office.

7 (c) If the parent or other person responsible for the child's care is financially unable to
8 engage counsel as determined by the court, the court may, at the request of that person, and in its
9 discretion, appoint the public defender, or other counsel, to represent the person. The cost of other
10 counsel in those instances shall be paid by the state. In every court proceeding under this chapter
11 in which it is a party, the department shall be represented by its legal counsel.

12 SECTION 3. Chapter 40-11 of the General Laws entitled "Abused and Neglected
13 Children" is hereby amended by adding thereto the following section:

14 **40-11-12.5. Review of young adults under the court's legal supervision and receiving**
15 **care and placement services from DCYF.**

16 (a) In the case of a young adult, between the ages of eighteen (18) and twenty-one (21),
17 who has executed a voluntary placement agreement for continued care and placement
18 responsibility from the department and for legal supervision of the court, the permanency plan
19 shall document the reasonable efforts made by the department and the young adult to finalize a
20 permanency plan that addresses the goal of preparing the young adult for independence and
21 successful adulthood. This includes, but is not limited to, housing assistance to obtain supervised
22 independent living arrangements, shared living arrangements or extended foster and kinship care:
23 education, vocational assessment, job training and employment plan needed to transition the
24 young adult to self-sufficiency: assisting the young adult in obtaining educational goals: a job,
25 employment/vocational skills: any other services and supports that will assist the young adult in
26 accessing available services; applying for public benefits; acquiring important documents, such as
27 ID card, driver's license, birth certificate, social security card, health insurance cards, medical
28 records; attending to physical and mental health needs; maintaining relationships with individuals
29 who are important to them and acquiring information about siblings and other maternal and
30 paternal relatives.

31 (b) Initial judicial determination - Within one hundred eighty (180) days of signing the
32 voluntary placement agreement, the department must petition the court to make a determination
33 whether remaining in foster care is in the young adult's best interests.

34 (c) The court shall conduct a permanency hearing within one year after the young adult

1 and the department execute a voluntary placement agreement and annually thereafter. At the
2 permanency hearing, the department shall present a written case plan to the court for approval
3 that details the necessary services, care and placement the young adult shall receive to assist the
4 transition to independence and successful adulthood. The court shall also review the efforts made
5 to assist the youth in forming permanent connections with caring adults, or otherwise establish
6 positive, supportive relationships. The young adult is expected to be present at each permanency
7 hearing, except for good cause shown. The young adult shall be expected to guide the
8 development of the permanency plan. The court shall determine permanency plan for the young
9 adult and whether continued care and placement responsibility from the department is in the best
10 interests of the young adult. The best interests of the young adult shall be paramount.

11 (d) Notice of the court hearings shall be served by the department upon all parties in
12 interest in accordance with the rules of child welfare procedure of the family court.

13 (e) Periodic formal reviews, shall be held not less than once every one hundred eighty
14 (180) days to assess the progress and case plan of any young adult under the court's legal
15 supervision and under the care and placement responsibility of DCYF pursuant to a voluntary
16 agreement for extension of care.

17 The permanency plan shall be reviewed by the court at least once every twelve (12)
18 months at a permanency hearing and by the department in an administrative review within one
19 hundred eighty (180) days after the permanency hearing. The young adult is expected to
20 participate in case planning and periodic reviews.

21 (f) At the administrative review and the permanency hearing the department and the court
22 shall ascertain:

23 (1) Whether the young adult continues to be compliant with the conditions for eligibility
24 for extended care and placement responsibility;

25 (2) Whether the department has made reasonable efforts to finalize a permanency plan
26 that prepares the young adult for a successful transition to independence;

27 (3) Whether the young adult is safe in their placement and continued foster care is
28 appropriate;

29 (4) Whether the young adult has been provided appropriate services or requires additional
30 services and support to achieve the goals documented in the case plan for a successful transition
31 under state or federal law;

32 (5) Whether progress has been made to achieve independence on a projected date;

33 (g) The court may order the department or any other department of state government,
34 consistent with §14-1-59 to take action to access transition services, particularly those necessary

1 [to secure affordable housing, to provide vocational testing, assessment and guidance, to acquire](#)
2 [job training opportunities and apprenticeships and to apply for any applicable state or federal](#)
3 [benefits to ensure that the young adult receives the support and care necessary to achieve](#)
4 [independence and successful adulthood.](#)

5 SECTION 4. Section 42-102-10 of the General Laws in Chapter 42-102 entitled
6 "Governor's Workforce Board Rhode Island" is hereby amended to read as follows:

7 **42-102-10. State Career-Pathways System.**

8 The workforce board ("board") shall support and oversee statewide efforts to develop and
9 expand career pathways that enable individuals to secure employment within a specific industry
10 or occupational sector and to advance over time to successively higher levels of education and
11 employment in that sector. Towards this purpose, the board shall convene an advisory committee
12 comprised of representatives from business, labor, adult education, secondary education, higher
13 education, the department of corrections, the executive office of health and human services, [the](#)
14 [department of children, youth and families](#), the department of behavioral healthcare,
15 developmental disabilities and hospitals, the office of library and information services,
16 community-based organizations, consumers, and the public-workforce system. Included in the
17 state career-pathways system, shall be the creation of pathways and workforce training programs
18 to fill skill gaps and employment opportunities in the clean-energy sector.

19 SECTION 5. Sections 40-72.1-2, 42-72.1-3, and 42-72.1-6 of the General Laws in
20 Chapter 40-72.1 entitled "Licensing and Monitoring of Child Care Providers and Child-Placing
21 Agencies" are hereby amended to read as follows:

22 **42-72.1-2. Definitions.**As used in this chapter:

23 (1) "Administrator of licensing" means the director of the licensing unit (or his/her
24 designee) that carries out the provisions of this chapter, hereafter referred to as the
25 "administrator".

26 (2) "Applicant" means a child-placing agency or childcare provider that applies for a
27 license to operate.

28 (3) "Child" means any person less than eighteen (18) years of age; provided, that a child
29 over eighteen (18) years of age who is nevertheless subject to continuing jurisdiction of the
30 family court, pursuant to chapter 1 of title 14, or defined as emotionally disturbed according to
31 chapter 7 of title 40.1, shall be considered a child for the purposes of this chapter.

32 (4) "Childcare provider" means a person or agency, which offers residential or
33 nonresidential care and/or treatment for a child outside of his/her natural home.

34 (5) "Child day care [or child care](#)" means daily care and/or supervision offered

1 commercially to the public for any part of a twenty-four (24) hour day to children away from
2 their homes.

3 (6) "Child day care center or child care center" means any person, firm, corporation,
4 association, or agency who, on a regular or irregular basis, receives any child under the age of
5 sixteen (16) years, for the purpose of care and/or supervision, not in a home or residence, apart
6 from the child's parent or guardian for any part of a twenty-four (24) hour day irrespective of
7 compensation or reward. It shall include childcare programs that are offered to employees at the
8 worksite. It does not include nursery schools or other programs of educational services subject to
9 approval by the commissioner of elementary and secondary education.

10 (7) "Child-placing agency" means any private or public agency, which receives children
11 for placement into independent living arrangements, supervised apartment living, residential
12 group care facilities, family foster homes, or adoptive homes.

13 (8) "Department" means the department of children, youth, and families (DCYF).

14 (9) "Director" means the director of the department of children, youth, and families, or
15 the director's designee.

16 (10) "Family day care home" means any home other than the child's home in which child
17 day care in lieu of parental care and/or supervision is offered at the same time to four (4) or more
18 children who are not relatives of the care giver.

19 (11) "Group family day care home" means a residence occupied by an individual of at
20 least twenty-one (21) years of age who provides care for not less than nine (9) and not more than
21 twelve (12) children, with the assistance of one or more approved adults, for any part of a twenty-
22 four (24) hour day. The maximum of twelve (12) children shall include children under six (6)
23 years of age who are living in the home, school-age children under the age of twelve (12) years
24 whether they are living in the home or are received for care, and children related to the provider
25 who are received for care. These programs shall be subject to yearly licensing as addressed in this
26 chapter and shall comply with all applicable state and local fire, health, and zoning regulations.

27 (12) "Licensee" means any person, firm, corporation, association, or agency, which holds
28 a valid license under this chapter.

29 (13) "Regulation" means any requirement for licensure, promulgated pursuant to this
30 chapter having the force of law.

31 (14) "Related" means any of the following relationships, by marriage, blood or adoption,
32 even following the death or divorce of a natural parent: parent, grandparent, brother, sister, aunt,
33 uncle, and first cousin. In a prosecution under this chapter or of any law relating thereto, a
34 defendant who relies for a defense upon the relationship of any child to him or herself, the

1 defendant shall have the burden of proof as to the relationship.

2 **42-72.1-3. Powers and scope of activities.**

3 (a) The department shall issue, deny, and revoke licenses for, and monitor the operation
4 of, facilities and programs by child placing agencies and child care providers, as defined in § 42-
5 72.1-2 [or assess administrative penalty under the provisions of §42-72.11 of this chapter relating](#)
6 [to licensed child care centers, family child care homes, group family child care homes.](#)

7 (b) The department shall adopt, amend, and rescind regulations in accordance with this
8 chapter and implement its provisions. The regulations shall be promulgated and become effective
9 in accordance with the provisions of the Administrative Procedures Act, chapter 35 of title 42.

10 (c) The department through its licensing unit shall administer and manage the regulations
11 pertaining to the licensing and monitoring of those agencies, and shall exercise all statutory and
12 administrative powers necessary to carry out its functions.

13 (d) The administrator shall investigate complaints of noncompliance, and shall take
14 licensing action as required.

15 (e) Regulations formulated pursuant to the foregoing authority shall include, but need not
16 be limited to, the following:

- 17 (1) Financial, administrative and organizational ability, and stability of the applicant;
- 18 (2) Compliance with specific fire and safety codes and health regulations;
- 19 (3) Character, health suitability, qualifications of child care providers;
- 20 (4) Staff/child ratios and workload assignments of staff providing care or supervision to
21 children;
- 22 (5) Type and content of records or documents that must be maintained to collect and
23 retain information for the planning and caring for children;
- 24 (6) Procedures and practices regarding basic child care and placing services to ensure
25 protection to the child regarding the manner and appropriateness of placement;
- 26 (7) Service to families of children in care;
- 27 (8) Program activities, including components related to physical growth, social,
28 emotional, educational, and recreational activities, social services and habilitative or rehabilitative
29 treatment;
- 30 (9) Investigation of previous employment, criminal record check and department records
31 check; and
- 32 (10) Immunization and testing requirements for communicable diseases, including, but
33 not limited to, tuberculosis, of child care providers and children at any child day-care center or
34 family day-care home as is specified in regulations promulgated by the director of the department

1 of health. Notwithstanding the foregoing, all licensing and monitoring authority shall remain with
2 the department of children, youth, and families.

3 (f) The administrator may:

4 (1) Prescribe any forms for reports, statements, notices, and other documents deemed
5 necessary;

6 (2) Prepare and publish manuals and guides explaining this chapter and the regulations to
7 facilitate compliance with and enforcement of the regulations;

8 (3) Prepare reports and studies to advance the purpose of this chapter;

9 (4) Provide consultation and technical assistance, as requested, to assist licensees in
10 maintaining compliance; and

11 (5) Refer to the advisory council for children and families for advice and consultation on
12 licensing matter.

13 (g) The department may promulgate rules and regulations for the establishment of child
14 day care centers located on the second floor.

15 (h) When the department is otherwise unsuccessful in remedying noncompliance with the
16 provisions of this chapter and the regulations promulgated under it, it ~~shall~~ may petition the
17 family court for an order enjoining the noncompliance or for any order that equity and justice
18 may require.

19 (i) The department shall collaborate with the departments of human services, elementary
20 and secondary education, and health to provide monitoring, mentoring, training, technical
21 assistance, and other services which are necessary and appropriate to improving the quality of
22 child care offered by child care providers who are certified, licensed, or approved by the
23 department or the department of elementary and secondary education or who are seeking
24 certification, licensure, or approval pursuant to § 42-72-1 or § 16-48-2, including non-English
25 speaking providers.

26 (j) The department shall adopt, amend, and rescind regulations in the same manner as set
27 forth above in order to permit the placement of a pregnant minor in a group residential facility
28 which provides a shelter for pregnant adults as its sole purpose.

29 **42-72.1-6. Violations, suspensions and revocations of license.**

30 (a) When a licensee violates the terms of the license, the provisions of this chapter, or any
31 regulation thereunder, the department may pursue the administrative remedies herein provided,
32 including the assessment administrative penalties under the provisions of §42-72.11 of this
33 chapter relating to licensed child care centers, family child care homes, group family child care
34 homes, in addition to other civil or criminal remedies according to the general laws.

1 (b) After notice and hearing, as provided by the Administrative Procedures Act, chapter
2 35 of title 42, the administrator may revoke the license, or suspend the license for a period not
3 exceeding six (6) months.

4 (c) During a suspension, the agency, facility or program shall cease operation.

5 (d) To end a suspension, the licensee shall, within thirty (30) days of the notice of
6 suspension, submit a plan of corrective action to the administrator. The plan shall outline the
7 steps and timetables for immediate correction of the areas of noncompliance and is subject to the
8 approval of the administrator.

9 (e) At the end of the suspension, the administrator may reinstate the license for the term
10 of the original license, revoke the license, issue a new license, or deny a reapplication.

11 (f) Upon revocation, the licensed agency, program or facility shall cease operation. The
12 licensee whose license has been revoked may not apply for a similar license within a three (3)
13 year period from the date of revocation.

14 (g) Except in those instances wherein there is a determination that there exists a danger to
15 the public health, safety, or welfare or there is a determination that the child care provider has
16 committed a serious breach of State law, orders, or regulation, the director shall utilize
17 progressive penalties for noncompliance of any rule, regulation or order relating to child care
18 providers. Progressive penalties could include written notice of noncompliance, education and
19 training, suspending enrollment to the program, assessing fines, suspension of license, and
20 revocation of license.

21 SECTION 6. Title 42 of the General Laws entitled "State Affairs and Government" is
22 hereby amended by adding thereto the following chapter:

23 CHAPTER 42-72.11

24 ADMINISTRATIVE PENALTIES FOR CHILD CARE LICENSING VIOLATIONS

25 **42-72.11-1. Definitions.**

26 As used in this chapter, the following words, unless the context clearly requires
27 otherwise, shall have the following meanings:

28 (1) "Administrative penalty" means a monetary penalty not to exceed the civil penalty
29 specified by statute or, where not specified by statute, an amount not to exceed five hundred
30 dollars (\$500).

31 (2) "Director" means the director of the department of children, youth and families or his
32 or her duly authorized agent.

33 (3) "Person" means any public or private corporation, individual, partnership, association,
34 or other entity that is licensed as a child care center, family child care home, group family child

1 care home or any officer, employee or agent thereof.

2 (4) “Citation” means a notice of an assessment of an administrative penalty issued by the
3 director or his or her duly authorized agent.

4 **42-72.11-2. Authority of director to assess penalty.**

5 The director may assess an administrative penalty on a person who fails to comply with
6 any provision of any rule, regulation, order, permit, license, or approval issued or adopted by the
7 director, or of any law which the director has the authority or responsibility to enforce.

8 **42-72.11-3. Notice of violation and assessment of penalty.**

9 (a) Whenever the director seeks to assess an administrative penalty on any person, the
10 director shall cause to be served upon the person, either by service, in hand, or by certified mail,
11 return receipt requested, a written notice of its intent to assess an administrative penalty which
12 shall include:

13 (1) A concise statement of the alleged act or omission for which the administrative
14 penalty is sought to be assessed;

15 (2) Each law, rule, regulation, or order which has not been complied with as a result of
16 the alleged act or omission;

17 (3) The amount which the director seeks to assess as an administrative penalty for each
18 alleged act or omission;

19 (4) A statement of the person's right to an adjudicatory hearing on the proposed
20 assessment;

21 (5) The requirements the person must comply with to avoid being deemed to have waived
22 the right to an adjudicatory hearing; and

23 (6) The manner of payment thereof if the person elects to pay the penalty and waive an
24 adjudicatory hearing.

25 **42-72.11-4. Right to adjudicatory hearing.**

26 (a) Whenever the director seeks to assess an administrative penalty on any person the
27 person shall have the right to an adjudicatory hearing under chapter 35 of this title, the provisions
28 of which shall apply except when they are inconsistent with the provisions of this chapter.

29 (b) A person shall be deemed to have waived his or her right to an adjudicatory hearing
30 unless, within ten (10) days of the date of the director's notice that he or she seeks to assess an
31 administrative penalty, the person files with the director a written statement denying the
32 occurrence of any of the acts or omissions alleged by the director in the notice, or asserting that
33 the money amount of the proposed administrative penalty is excessive. In any adjudicatory
34 hearing authorized pursuant to chapter 35 of title 42, the director shall, by a preponderance of the

1 evidence, prove the occurrence of each act or omission alleged by the director.

2 (c) If a person waives his or her right to an adjudicatory hearing, the proposed
3 administrative penalty shall be final immediately upon the waiver.

4 **42-72.11-5. Judicial review.**

5 (a) If an administrative penalty is assessed at the conclusion of an adjudicatory hearing
6 the administrative penalty shall be final upon the expiration of thirty (30) days if no action for
7 judicial review of the decision is commenced pursuant to chapter 35 of this title.

8 (b) The family court shall have exclusive jurisdiction to review all appeals filed under
9 this chapter.

10 **42-72.11-6. Determination of administrative penalty.**

11 In determining the amount of each administrative penalty, the director shall include, but
12 not be limited to, the following to the extent practicable in his or her considerations:

13 (1) The actual and potential impact on health, safety and welfare of children impacted the
14 alleged noncompliance;

15 (2) Whether the person being assessed the administrative penalty took steps to prevent
16 noncompliance, and to promptly come into compliance;

17 (3) Whether the person being assessed the administrative penalty has previously failed to
18 comply with any rule, regulation, or order issued or adopted by the director, or any law which the
19 director has the authority or responsibility to enforce;

20 (4) Making compliance less costly than noncompliance;

21 (5) Deterring future noncompliance;

22 (7) The amount necessary to eliminate the economic advantage of noncompliance;

23 (8) Whether the failure to comply was intentional, willful, or knowing or was the result of
24 error;

25 (9) Any amount specified by state and/or federal statute for a similar violation or failure
26 to comply;

27 (10) Any other factor(s) that may be relevant in determining the amount of a penalty,
28 provided that the other factors shall be set forth in the written notice of assessment of the penalty;
29 and

30 (11) The public interest.

31 **42-72.11-7. Limitations on amount of penalty.**

32 The administrative penalty shall be not more than one thousand dollars (\$1,000) for each
33 violation or failure to comply unless a different amount is authorized by statute as a civil penalty
34 for the subject violation. Each and every occurrence and/or day during which the violation or

1 failure to comply is repeated shall constitute a separate and distinct violation.

2 **42-72.11-8. Rules and regulations.**

3 No administrative penalty shall be assessed by the director pursuant to this chapter until
4 the director has promulgated rules and regulations for assessing administrative penalties in
5 accordance with the provisions of chapter 35 of this title.

6 **42-72.11-9. Severability.**

7 If any provision of this chapter or the application thereof to any person or circumstances
8 is held invalid, that invalidity shall not affect other provisions or applications of the chapter,
9 which can be given effect without the invalid provision or application, and to this end the
10 provisions of this chapter are declared to be severable.

11 SECTION 7. Sections 23-24.6-14 and 23-24.6-14.1 of the General Laws in Chapter 23-
12 24.6 entitled "Lead Poisoning Prevention Act" are hereby amended to read as follows:

13 **23-24.6-14. Inspection of child care facilities.**

14 (a) The director shall promulgate regulations requiring that as a condition of licensure all
15 ~~preschools, day care facilities, nursery schools,~~ group family child care homes, family child care
16 homes, child care centers, residential facilities, and public and private elementary schools ~~and~~
17 ~~schoolyards, and public playgrounds, and shelters and foster homes~~ serving children under the
18 age of six (6) years in Rhode Island:

19 (1) Receive comprehensive environmental lead inspections at specified intervals; and

20 (2) Demonstrate that they are either lead free or lead safe.

21 ~~(b) The director, shall, using state inspectors, conduct comprehensive environmental lead~~
22 ~~inspections for all these facilities at the specified intervals.~~

23 **23-24.6-14.1. Inspection of foster homes.**

24 (a) The director shall promulgate regulations that subject foster homes to, at a minimum,
25 a visual lead inspection to assess whether there are any potential lead hazards in the home. The
26 department of health shall review the results of all lead inspections of foster homes and shall
27 ensure that owners receive all information needed to remediate the lead hazards identified in the
28 inspection.

29 SECTION 8. Section 40-5.2-20 of the General Laws in Chapter 40-5.2 entitled "The
30 Rhode Island Works Program" is hereby amended to read as follows:

31 **40-5.2-20. Child-care assistance.**

32 Families or assistance units eligible for childcare assistance.

33 (a) The department shall provide appropriate child care to every participant who is
34 eligible for cash assistance and who requires child care in order to meet the work requirements in

1 accordance with this chapter.

2 (b) *Low-Income child care.* The department shall provide child care to all other working
3 families with incomes at or below one hundred eighty percent (180%) of the federal poverty level
4 if, and to the extent, such other families require child care in order to work at paid employment as
5 defined in the department's rules and regulations. Beginning July 1, 2018, and contingent on the
6 availability of funding, the department shall provide child care to families with incomes at or
7 below one hundred eighty percent (180%) of the federal poverty level if, and to the extent, such
8 families are enrolled in studies, as defined in the department's rules and regulations, at a Rhode
9 Island institution of higher education, and need child care in order to attend. Beginning October 1,
10 2013, the department shall also provide child care to families with incomes at or below one
11 hundred eighty percent (180%) of the federal poverty level if, and to the extent, such families
12 require child care to participate on a short-term basis, as defined in the department's rules and
13 regulations, in training, apprenticeship, internship, on-the-job training, work experience, work
14 immersion, or other job-readiness/job-attachment program sponsored or funded by the human
15 resource investment council (governor's workforce board) or state agencies that are part of the
16 coordinated program system pursuant to § 42-102-11.

17 (c) No family/assistance unit shall be eligible for child care assistance under this chapter
18 if the combined value of its liquid resources exceeds ten thousand dollars (\$10,000). Liquid
19 resources are defined as any interest(s) in property in the form of cash or other financial
20 instruments or accounts that are readily convertible to cash or cash equivalents. These include,
21 but are not limited to: cash, bank, credit union, or other financial institution savings, checking,
22 and money market accounts; certificates of deposit or other time deposits; stocks; bonds; mutual
23 funds; and other similar financial instruments or accounts. These do not include educational
24 savings accounts, plans, or programs; retirement accounts, plans, or programs; or accounts held
25 jointly with another adult, not including a spouse. The department is authorized to promulgate
26 rules and regulations to determine the ownership and source of the funds in the joint account.

27 (d) As a condition of eligibility for child care assistance under this chapter, the parent or
28 caretaker relative of the family must consent to, and must cooperate with, the department in
29 establishing paternity, and in establishing and/or enforcing child support and medical support
30 orders for all children in the family in accordance with title 15, as amended, unless the parent or
31 caretaker relative is found to have good cause for refusing to comply with the requirements of this
32 subsection.

33 (e) For purposes of this section, "appropriate child care" means child care, including
34 infant, toddler, pre-school, nursery school, school-age, that is provided by a person or

1 organization qualified, approved, and authorized to provide such care by the department of
2 children, youth, and families, or by the department of elementary and secondary education, or
3 such other lawful providers as determined by the department of human services, in cooperation
4 with the department of children, youth and families and the department of elementary and
5 secondary education.

6 (f) (1) Families with incomes below one hundred percent (100%) of the applicable
7 federal poverty level guidelines shall be provided with free childcare. Families with incomes
8 greater than one hundred percent (100%) and less than one hundred eighty (180%) of the
9 applicable federal poverty guideline shall be required to pay for some portion of the childcare
10 they receive, according to a sliding-fee scale adopted by the department in the department's rules.

11 (2) Families who are receiving childcare assistance and who become ineligible for
12 childcare assistance as a result of their incomes exceeding one hundred eighty percent (180%) of
13 the applicable federal poverty guidelines shall continue to be eligible for childcare assistance until
14 their incomes exceed two hundred twenty-five percent (225%) of the applicable federal poverty
15 guidelines. To be eligible, such families must continue to pay for some portion of the childcare
16 they receive, as indicated in a sliding-fee scale adopted in the department's rules and in
17 accordance with all other eligibility standards.

18 (g) In determining the type of childcare to be provided to a family, the department shall
19 take into account the cost of available childcare options; the suitability of the type of care
20 available for the child; and the parent's preference as to the type of child care.

21 (h) For purposes of this section, "income" for families receiving cash assistance under §
22 40-5.2-11 means gross earned income and unearned income, subject to the income exclusions in
23 subdivisions §§ 40-5.2-10(g)(2) and 40-5.2-10(g)(3), and income for other families shall mean
24 gross, earned and unearned income as determined by departmental regulations.

25 (i) The caseload estimating conference established by chapter 17 of title 35 shall forecast
26 the expenditures for childcare in accordance with the provisions of § 35-17-1.

27 (j) In determining eligibility for child care assistance for children of members of reserve
28 components called to active duty during a time of conflict, the department shall freeze the family
29 composition and the family income of the reserve component member as it was in the month prior
30 to the month of leaving for active duty. This shall continue until the individual is officially
31 discharged from active duty.

32 SECTION 9. Section 40-6.2-1.1 of the General Laws in Chapter 40-6.2 entitled "Child
33 Care – State Subsidies" is hereby amended to read as follows:

34 **40-6.2-1.1. Rates established.**

1 (a) Through June 30, 2015, subject to the payment limitations in section (b), the
2 maximum reimbursement rates to be paid by the departments of human services and children,
3 youth and families for licensed child care centers and ~~certified~~ licensed family-child care
4 providers shall be based on the following schedule of the 75th percentile of the 2002 weekly
5 market rates adjusted for the average of the 75th percentile of the 2002 and the 2004 weekly
6 market rates:

7 LICENSED CHILD CARE CENTERS	75th PERCENTILE OF WEEKLY MARKET RATE	
8 INFANT		\$182.00
9 PRESCHOOL		\$150.00
10 SCHOOL-AGE		\$135.00
11 CERTIFIED FAMILY CHILD CARE	75th PERCENTILE OF WEEKLY MARKET RATE	
12 CHILD CARE PROVIDERS		
13 INFANT		\$150.00
14 PRESCHOOL		\$150.00
15 SCHOOL-AGE		\$135.00

16 ~~Effective July 1, 2015,~~ Through June 30, 2018, subject to the payment limitations in
17 subsection (b), the maximum reimbursement rates to be paid by the departments of human
18 services and children, youth and families for licensed child care centers and ~~certified~~ licensed
19 family-child care providers shall be based on the above schedule of the 75th percentile of the
20 2002 weekly market rates adjusted for the average of the 75th percentile of the 2002 and the 2004
21 weekly market rates. These rates shall be increased by ten dollars (\$10.00) per week for
22 infant/toddler care provided by ~~certified~~ licensed family-child care providers and license-exempt
23 providers and then the rates for all providers for all age groups shall be increased by three percent
24 (3%). Effective July 1, 2018, subject to the payment limitations in subsection (b), the maximum
25 infant/toddler reimbursement rate to be paid by the departments of human services and children,
26 youth and families for licensed child care centers and licensed family-child care providers shall
27 be implemented in a tiered manner, reflective of the quality rating the provider has achieved
28 within the State's Quality Rating System outlined in § 42-12-23.1. The rates shall be based on the
29 2015 market rate survey and shall be updated when future market rate surveys are completed.
30 Rates will be established by the department of human services. No rate shall be below \$193 for
31 licensed child care centers, and \$169 for licensed family child care homes, and the rate for
32 Providers achieving a five-star rating in the quality rating system will be no less than the 75th
33 percentile of the market rate.

34 (b) The departments shall pay child care providers based on the lesser of the applicable

1 rate specified in subsection (a), or the lowest rate actually charged by the provider to any of its
2 public or private child care customers with respect to each of the rate categories, infant, preschool
3 and school-age.

4 (c) By June 30, 2004 and biennially through June 30, 2014, the department of labor and
5 training shall conduct an independent survey or certify an independent survey of the then current
6 weekly market rates for child care in Rhode Island and shall forward such weekly market rate
7 survey to the department of human services. The next survey shall be conducted by June 30,
8 2016, and triennially thereafter. The departments of human services and labor and training will
9 jointly determine the survey criteria including, but not limited to, rate categories and sub-
10 categories.

11 (d) In order to expand the accessibility and availability of quality child care, the
12 department of human services is authorized to establish by regulation alternative or incentive
13 rates of reimbursement for quality enhancements, innovative or specialized child care and
14 alternative methodologies of child care delivery, including non-traditional delivery systems and
15 collaborations.

16 (e) ~~On or before~~ Effective January 1, 2007, all child care providers have the option to be
17 paid every two (2) weeks and have the option of automatic direct deposit and/or electronic funds
18 transfer of reimbursement payments.

19 SECTION 10. This Article shall take effect upon passage.

20 **ARTICLE 16**

21 **RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS**

22 SECTION 1. This article shall serve as joint resolution required pursuant to Rhode Island
23 General Law § 35-18-1, et seq.

24 SECTION 2. *University of Rhode Island - Repaving, Hardscape & Landscape*

25 WHEREAS, the Rhode Island Council on Postsecondary Education is proposing a project
26 which involves the re-pavement and reconstruction of major parking facilities, internal roadways,
27 and walkways and associated infrastructure on the University's Kingston, Narragansett Bay, and
28 W. Alton Jones; and

29 WHEREAS, the University has made progress in the improvement of its extensive
30 inventory of paved surfaces on its Campuses, the scope of repaving and reconstruction of major
31 parking facilities, internal roadways, and walkways and associated infrastructure is substantial and
32 ongoing; and

33 WHEREAS, a recent Transportation and Parking Master Plan recommends the
34 redevelopment of campus roadways into "complete streets" allowing safe travel for pedestrians,

1 cyclists, vehicles and other modes of travel; and

2 WHEREAS, the design and execution of this Master Plan will improve the campus's
3 environmental impact; and

4 WHEREAS, these timely project commitments serve the objectives of both the University
5 and the local community; and

6 WHEREAS, the Rhode Island Public Corporation Debt Management Act requires the
7 General Assembly to provide its consent to the issuance or incurring by the State of Rhode Island
8 and other public agencies of certain obligations including financing guarantees or other
9 agreements; and

10 WHEREAS, the design and paving work will be financed through Rhode Island Health
11 and Education Building Corporation revenue bonds, with an expected term of twenty (20) years;
12 and

13 WHEREAS, the project costs associated with completion of the project and proposed
14 financing method is eleven million dollars (\$11,000,000), including cost of issuance. Debt
15 Service payments would be supported by both University's unrestricted general revenues and
16 enterprise funding from the University of Rhode Island Parking Services operation. Total debt
17 service on the bonds is not expected to exceed eight hundred eighty three thousand dollars
18 (\$883,000) annually and seventeen million six hundred sixty thousand dollars (\$17,660,000) in
19 the aggregate based on an average interest rate of five percent (5%); now, therefore be it

20 RESOLVED, that this General Assembly hereby approves financing in an amount not to
21 exceed eleven million dollars (\$11,000,000) for the Repaving, Hardscape & Landscape project at
22 the University of Rhode Island; and be it further

23 RESOLVED, that, this Joint Resolution shall take effect upon passage by this General
24 Assembly.

25 SECTION 3. *University of Rhode Island – Utility Infrastructure Upgrade Phase I.*

26 WHEREAS, the Council on Postsecondary Education and the University of Rhode
27 Island are proposing a project which involves the engineering and construction of upgrades and
28 component replacements to five municipal-level Kingston Campus utility systems; and

29 WHEREAS, the University has engaged qualified engineering firms to examine its major
30 infrastructure systems; and

31 WHEREAS, based on the condition and capabilities of these systems, the studies have
32 concluded that replacement of components and reconfiguration was advisable for each of these
33 extensive systems to ensure necessary steam, water, sanitary and electrical support for the next
34 20-40 years; and

1 WHEREAS, the University has also developed the required Storm Water Management
2 Plan for the Kingston Campus, which provides guidelines that are being incorporated into
3 new building projects under development and are driving stand-alone storm water infrastructure
4 projects as well; and

5 WHEREAS, the University has successfully completed many extremely important
6 individual utility infrastructure projects in its continuing progression of work to upgrade and
7 replace infrastructure systems within the Kingston Campus but now needs dedicated
8 investments beyond annual capital resources; and

9 WHEREAS, this project is the first phase in a phased implementation plan to upgrade
10 and improve the reliability of the University of Rhode Island's Kingston campus infrastructure;
11 and

12 WHEREAS, the utility infrastructure work will be financed through Rhode Island Health
13 and Education Building Corporation revenue bonds, with an expected term of twenty (20) years;
14 and

15 WHEREAS, the total project costs associated with completion of this project and
16 proposed financing method is six million five hundred thousand dollars (\$6,500,000),
17 including cost of issuance. Debt service payments would be supported by revenues derived from
18 the University's unrestricted general revenues. Total debt service on the bonds is not expected to
19 exceed five hundred twenty two thousand dollars (\$522,000) annually and ten million four
20 hundred forty thousand dollars (\$10,440,000) in the aggregate based on an average interest rate
21 of five (5%) percent; now, therefore be it

22 RESOLVED, that this General Assembly hereby approves financing in an amount not to
23 exceed six million five hundred thousand dollars (\$6,500,000) for the Utility Infrastructure
24 Upgrade Phase I project at the University of Rhode Island; and be it further

25 RESOLVED, that, this Joint Resolution shall take effect upon passage by this General
26 Assembly.

27 SECTION 4. *University of Rhode Island – Fire Safety & Protection – Auxiliary*
28 *Enterprise Buildings Phase Two.*

29 WHEREAS, the Council on Postsecondary Education and the University of Rhode
30 Island are proposing a project which involves the installation of upgraded fire alarm and sprinkler
31 systems as well as life safety improvements in auxiliary enterprise buildings, in accordance with
32 the State Fire Code; and

33 WHEREAS, the Council on Postsecondary Education and the University have a long
34 standing commitment to the improvement and maintenance of fire safety conditions in all of the

1 buildings under their responsibility; and

2 WHEREAS, the University has already completed extensive fire safety
3 improvements during the Fire Safety & Protection – Auxiliary Enterprise Buildings Phase One;
4 and

5 WHEREAS, the University engaged a qualified fire code compliance engineering firm to
6 examine all of its occupied buildings and the firm has recommended fire safety improvements
7 needed to satisfy the Rhode Island Fire Code; and

8 WHEREAS, there remains fire safety compliance investments, identified by the
9 University's fire compliance engineering firm, in its Auxiliary Enterprise building complement
10 that the University is prepared to advance; and

11 WHEREAS, the Rhode Island Public Corporation Debt Management Act requires the
12 General Assembly to provide its consent to the issuance or incurring by the State of Rhode
13 Island and other public agencies of certain obligations including financing guarantees or other
14 agreements; and

15 WHEREAS, the design and construction associated with this fire safety compliance
16 work in Auxiliary Enterprise buildings will be financed through the Rhode Island Health and
17 Education Building Corporation (RIHEBC) revenue bonds, with an expected term of twenty
18 (20) years; and

19 WHEREAS, the total project costs associated with completion of the project and
20 proposed financing method is two million three hundred thousand dollars (\$2,300,000),
21 including cost of issuance. Debt service payments would be supported by revenues derived from
22 student fees associated with the respective Auxiliary Enterprises of the University of Rhode Island
23 occupying said facilities. Total debt service on the bonds is not expected to exceed one hundred
24 eighty five thousand dollars (\$185,000) annually and three million seven hundred thousand
25 dollars (\$3,700,000) in the aggregate based on an average interest rate of five (5%) percent; now,
26 therefore be it

27 RESOLVED, that this General Assembly hereby approves financing in an amount
28 not to exceed two million three hundred thousand dollars (\$2,300,000) for the fire safety and
29 protection project for the auxiliary enterprise buildings on the University of Rhode Island
30 campus; and be it further

31 RESOLVED, that, this Joint Resolution shall take effect upon passage by this General
32 Assembly.

33 SECTION 5. This Article shall take effect upon passage.

34 **ARTICLE 17**

1 RELATING TO THE EDWARD O. HAWKINS AND THOMAS C. SLATER MEDICAL
2 MARIJUANA ACT

3 SECTION 1. Sections 21-28.6-3, 21-28.6-4, 21-28.6-5, 21-28.6-6, 21-28.6-7, 21-28.6-8,
4 21-28.6-9, 21-28.6-12, 21-28.6-15, 21-28.6-16, and 21-28.6-17 of the General Laws in Chapter
5 21-28.6 entitled "The Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" are
6 hereby amended as follows:

7 **21-28.6-3. Definitions.**

8 For the purposes of this chapter:

9 (1) "Acute pain" means the normal, predicted physiological response to a noxious
10 chemical, thermal, or mechanical stimulus and typically is associated with invasive procedures,
11 trauma, and disease. Acute pain generally is resulting from nociceptor activation due to damage
12 to tissues. Acute pain typically resolves once the tissue damage is repaired. The duration of acute
13 pain varies.

14 ~~(1)(2)~~ (2) "Authorized purchaser" means a natural person who is at least twenty-one (21)
15 years old and who ~~is registered with the department of health~~ holds a registry identification card
16 for the purposes of assisting a qualifying patient in purchasing marijuana from a compassion
17 center. An authorized purchaser may assist no more than one patient, and is prohibited from
18 consuming marijuana obtained for the use of the qualifying patient. An authorized purchaser shall
19 be registered with the ~~department of health~~ division and shall possess a valid registry
20 identification card.

21 ~~(2)(3)~~ (3) "Cardholder" means a person who has been registered or licensed with the
22 department of health or the department of business regulation pursuant to this chapter and
23 possesses a valid registry identification card or license.

24 ~~(3)(4)~~ (4) "Commercial unit" means a building, office, suite, or room within a commercial or
25 industrial building for use by one business or person and is rented or owned by that business or
26 person.

27 ~~(4)(5)(i)~~ (5)(i) "Compassion center" means a not-for-profit corporation, subject to the
28 provisions of chapter 6 of title 7, and registered under § 21-28.6-12, that acquires, possesses,
29 ~~cultivates, manufactures,~~ delivers, transfers, transports, supplies, or dispenses marijuana, and/or
30 related supplies and educational materials, to patient cardholders and/or their registered caregiver
31 cardholder or authorized purchaser pursuant to regulations promulgated by the department of
32 business regulation.

33 (ii) "Compassion center cardholder" means a principal officer, board member, employee,
34 volunteer, or agent of a compassion center who has registered with the ~~department of health or~~

1 ~~the~~ department of business regulation and has been issued and possesses a valid, registry
2 identification card.

3 ~~(5)~~(6) "Debilitating medical condition" means:

4 (i) Cancer, glaucoma, positive status for human immunodeficiency virus, acquired
5 immune deficiency syndrome, Hepatitis C, post-traumatic stress disorder, acute pain, or the
6 treatment of these conditions;

7 (ii) A chronic or debilitating disease or medical condition, or its treatment, that produces
8 one or more of the following: cachexia or wasting syndrome; severe, debilitating, chronic pain;
9 severe nausea; seizures, including but not limited to, those characteristic of epilepsy; or severe
10 and persistent muscle spasms, including but not limited to, those characteristic of multiple
11 sclerosis or Crohn's disease; or agitation of Alzheimer's Disease; or

12 (iii) Any other medical condition or its treatment approved by the department, as
13 provided for in § 21-28.6-5.

14 ~~(6)~~(7) "Department of business regulation" means the Rhode Island department of
15 business regulation or its successor agency.

16 ~~(7)~~(8) "Department of health" means the Rhode Island department of health or its
17 successor agency.

18 (9) "Division" means the marijuana regulation division within the department of business
19 regulation, or its successor division or unit within the department of business regulation.

20 ~~(8)~~(10) "Department of public safety" means the Rhode Island department of public
21 safety or its successor agency.

22 ~~(9)~~(11) "Dried, useable marijuana" means the dried leaves and flowers of the marijuana
23 plant as defined by regulations promulgated by the departments of health and business regulation.

24 ~~(10)~~(12) "Dwelling unit" means the room, or group of rooms, within a dwelling used or
25 intended for use by one family or household, or by no more than three (3) unrelated individuals,
26 for living, sleeping, sanitation, cooking, and eating.

27 ~~(11)~~(13) "Equivalent amount" means the portion of usable marijuana, be it in extracted,
28 edible, concentrated, or any other form, found to be equal to a portion of dried, usable marijuana,
29 as defined by regulations promulgated by the departments of ~~health and~~ business regulation.

30 ~~(12)~~(14) "Licensed cultivator" means a person or entity, as identified in § 43-3-6, who
31 has been licensed by the department of business regulation to cultivate marijuana pursuant to §
32 21-28.6-16.

33 (15) "Licensed manufacturer" means a person or entity, as identified in § 43-3-6, who has
34 been licensed by the department of business regulation to manufacture and/or process marijuana

1 [products pursuant to § 21-28.6-16.1.](#)

2 ~~(13)~~(16) "Marijuana" has the meaning given that term in § 21-28-1.02(29).

3 ~~(14)~~(17) "Mature marijuana plant" means a marijuana plant that has flowers or buds that
4 are readily observable by an unaided visual examination.

5 [\(18\) "Medical marijuana emporium" means any establishment, or club, whether for-profit](#)
6 [or nonprofit, or any commercial unit or other premises as further defined through regulations](#)
7 [promulgated by the department of business regulation, at which the sale, distribution, transfer or](#)
8 [use of medical marijuana or medical marijuana products is proposed and/or occurs to, by or](#)
9 [among registered patients, registered caregivers, authorized purchaser cardholders or other](#)
10 [persons as further defined through regulations promulgated by the department of business](#)
11 [regulation. This shall not include a compassion center regulated and licensed by the department](#)
12 [of business regulation pursuant to the terms of this chapter.](#)

13 ~~(15)~~(19) "Medical use" means the acquisition, possession, cultivation, manufacture, use,
14 delivery, transfer, or transportation of marijuana or paraphernalia relating to the consumption of
15 marijuana to alleviate a patient cardholder's debilitating medical condition or symptoms
16 associated with the medical condition [in accordance with the provisions of this chapter.](#)

17 [\(20\) "Medical marijuana plant tag set" or "plant tag" means any tag, identifier,](#)
18 [registration, certificate, or inventory tracking system authorized or issued by the division or](#)
19 [which the division requires be used for the lawful possession and cultivation of medical](#)
20 [marijuana plants in accordance with this chapter.](#)

21 [\(21\) "Medical marijuana testing laboratory" means a third party analytical testing](#)
22 [laboratory licensed by the department of health to collect and test samples of medical marijuana](#)
23 [pursuant to regulations promulgated by the department.](#)

24 ~~(16)~~(22) "Practitioner" means a person who is licensed with authority to prescribe drugs
25 pursuant to chapter 37 of title 5 ~~or a physician licensed with authority to prescribe drugs in~~
26 ~~Massachusetts or Connecticut,~~ [who may provide a qualifying patient with a written certification](#)
27 [in accordance with regulations promulgated by the departments of health and business regulation.](#)

28 ~~(17)~~(23) "Primary caregiver" means a natural person who is at least twenty-one (21) years
29 old. A primary caregiver may assist no more than five (5) qualifying patients with their medical
30 use of marijuana [in accordance with regulations promulgated by the department of business](#)
31 [regulation.](#)

32 ~~(18)~~(24) "Qualifying patient" means a person who has been diagnosed by a practitioner as
33 having a debilitating medical condition and is a resident of Rhode Island.

34 ~~(19)~~(25) "Registry identification card" means a document issued by the department of

1 health [or the division](#) that identifies a person as a registered qualifying patient, a registered
2 primary caregiver, or authorized purchaser, or a document issued by the department of business
3 regulation that identifies a person as a registered principal officer, board member, employee,
4 volunteer, or agent of a compassion center, [licensed cultivator, manufacturer, testing lab, or any](#)
5 [other medical marijuana licensee.](#)

6 ~~(20)~~(26) "[Seedling Immature marijuana plant](#) " means a marijuana plant with no
7 observable flowers or buds.

8 ~~(21)~~(27) "Unusable marijuana" means marijuana seeds, stalks, ~~seedlings~~, and unusable
9 roots.

10 ~~(22)~~(28) "Usable marijuana" means the ~~dried~~ leaves and flowers of the marijuana plant,
11 and any mixture or preparation thereof, but does not include the seeds, stalks, and roots of the
12 plant.

13 ~~(23)~~(29) "Wet marijuana" means the harvested leaves and flowers of the marijuana plant
14 before they have reached a dry useable state, as defined by regulations promulgated by the
15 departments of health and business regulation.

16 ~~(24)~~(30) "Written certification" means ~~the qualifying patient's medical records, and a~~
17 statement signed by a practitioner, stating that, in the practitioner's professional opinion, the
18 potential benefits of the medical use of marijuana would likely outweigh the health risks for the
19 qualifying patient. A written certification shall be made only in the course of a bona fide,
20 practitioner-patient relationship after the practitioner has completed a full assessment of the
21 qualifying patient's medical history. The written certification shall specify the qualifying patient's
22 debilitating medical condition or conditions [and include any other information required by](#)
23 [regulations promulgated by the department of health which may include the qualifying patient's](#)
24 [medical records.](#)

25 **21-28.6-4. Protections for the medical use of marijuana.**

26 (a) A qualifying patient cardholder who has in his or her possession a registry
27 identification card shall not be subject to arrest, prosecution, or penalty in any manner, or denied
28 any right or privilege, including, but not limited to, civil penalty or disciplinary action by a
29 business or occupational or professional licensing board or bureau, for the medical use of
30 marijuana; provided;

31 ~~(1) Before July 1, 2018, t~~The qualifying patient cardholder possesses an amount of
32 marijuana that does not exceed twelve (12) mature marijuana plants [and twelve \(12\) immature](#)
33 [marijuana plants](#) that are accompanied by valid medical marijuana tags [\(provided that if a](#)
34 [qualifying patient cardholder has valid medical marijuana tags that were ordered and processed](#)

1 prior to July 1, 2018, and such tags have an expiration date that is on or after July 1, 2018, the
2 plant possession limits set forth in this subsection shall apply to such qualifying patient until the
3 expiration date of the issued tags), ~~two and one half (2.5)~~ three (3) ounces of dried usable
4 marijuana, or its equivalent amount, and an amount of wet marijuana to be set by regulations
5 promulgated by the departments of ~~health and~~ business regulation. Said plants shall be stored in
6 an indoor facility. Marijuana plants and the marijuana they produce shall be grown, stored,
7 manufactured, and processed in accordance with regulations promulgated by the department of
8 business regulation; and

9 (2) On and after July 1, 2018, a qualifying patient cardholder who has in his or her
10 possession a registry identification card shall not be subject to arrest, prosecution, or penalty in
11 any manner, or denied any right or privilege, including, but not limited to, civil penalty or
12 disciplinary action by a business or occupational or professional licensing board or bureau, for the
13 medical use of marijuana; provided, that the qualifying patient cardholder possesses an amount of
14 marijuana that does not exceed eight (8) mature marijuana plants and eight (8) immature
15 marijuana plants that are accompanied by valid medical marijuana tags (provided that if a
16 qualifying patient cardholder has valid medical marijuana tags that were ordered and processed
17 prior to July 1, 2018, and such tags have an expiration date that is on or after July 1, 2018, the
18 plant possession limits set forth in subsection (1) above shall apply to such qualifying patient
19 until the expiration date of the issued tags), three (3) ounces of dried usable marijuana, or its
20 equivalent amount, and an amount of wet marijuana to be set by regulations promulgated by the
21 department of business regulation. Said plants shall be stored in an indoor facility. Marijuana
22 plants and the marijuana they produce shall be grown, stored, manufactured, and processed in
23 accordance with regulations promulgated by the department of business regulation.

24 (b) An authorized purchaser who has in his or her possession a registry identification card
25 shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or
26 privilege, including, but not limited to, civil penalty or disciplinary action by a business or
27 occupational or professional licensing board or bureau, for the possession of marijuana; provided
28 that the authorized purchaser possesses an amount of marijuana that does not exceed ~~two and~~
29 ~~one half (2.5)~~ three (3) ounces of dried usable marijuana, or its equivalent amount, and this
30 marijuana was purchased legally from a compassion center for the use of their designated
31 qualifying patient.

32 (c) A qualifying patient cardholder, who has in his or her possession a registry
33 identification card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied
34 any right or privilege, including, but not limited to, civil penalty or disciplinary action by a

1 business or occupational or professional licensing board or bureau, for selling, giving, or
2 distributing, on or before December 31, 2016 to a compassion center cardholder, marijuana of the
3 type, and in an amount not to exceed, that set forth in subsection (a), that he or she has cultivated
4 or manufactured pursuant to this chapter.

5 (d) No school, employer, or landlord may refuse to enroll, employ, or lease to, or
6 otherwise penalize, a person solely for his or her status as a cardholder. Provided, however, due to
7 the safety and welfare concern for other tenants, the property, and the public, as a whole, a
8 landlord may have the discretion not to lease, or continue to lease, to a cardholder who cultivates
9 marijuana in the leased premises.

10 (e) A primary caregiver cardholder, who has in his or her possession a registry
11 identification card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied
12 any right or privilege, including, but not limited to, civil penalty or disciplinary action by a
13 business or occupational or professional licensing board or bureau, for assisting a patient
14 cardholder, to whom he or she is connected through the ~~department of health~~ division's
15 registration process, with the medical use of marijuana; provided, that;

16 (1) Before July 1, 2018, the primary caregiver cardholder possesses an amount of
17 marijuana that does not exceed twelve (12) mature marijuana plants and twelve (12) immature
18 marijuana plants that are accompanied by valid medical marijuana tags (provided that if a primary
19 caregiver cardholder has valid medical marijuana tags that were ordered and processed prior to
20 July 1, 2018, and such tags have an expiration date that is on or after July 1, 2018, the plant
21 possession limits set forth in this subsection shall apply to such primary caregiver until the
22 expiration date of the issued tags), ~~two and one-half (2.5)~~ three (3) ounces of dried usable
23 marijuana, or its equivalent amount, and an amount of wet marijuana set in regulations
24 promulgated by the departments of ~~health and~~ business regulation for each qualified patient
25 cardholder to whom he or she is connected through the ~~department of health~~ division's
26 registration process. Said plants shall be stored in an indoor facility. Marijuana plants and the
27 marijuana they produce shall be grown, stored, manufactured, processed, and distributed to
28 qualified patient cardholders in accordance with regulations promulgated by the department of
29 business regulation; and

30 (2) On and after July 1, 2018, the primary caregiver cardholder possesses an amount of
31 marijuana that does not exceed eight (8) mature marijuana plants and eight (8) immature
32 marijuana plants that are accompanied by valid medical marijuana tags (provided that if a primary
33 caregiver cardholder has valid medical marijuana tags that were ordered and processed prior to
34 July 1, 2018, and such tags have an expiration date that is on or after July 1, 2018, the plant

1 possession limits set forth in subsection (1) above shall apply to such primary caregiver until the
2 expiration date of the issued tags), three (3) ounces of dried usable marijuana, or its equivalent
3 amount, and an amount of wet marijuana set in regulations promulgated by the department of
4 business regulation for each qualified patient cardholder to whom he or she is connected through
5 the division's registration process. Said plants shall be stored in an indoor facility. Marijuana
6 plants and the marijuana they produce shall be grown, stored, manufactured, processed, and
7 distributed to qualified patient cardholders in accordance with regulations promulgated by the
8 department of business regulation.

9 ~~(f) A qualifying patient cardholder shall be allowed to possess a reasonable amount of~~
10 ~~unusable marijuana, including up to twelve (12) seedlings that are accompanied by valid medical~~
11 ~~marijuana tags. A primary caregiver cardholder shall be allowed to possess a reasonable amount~~
12 ~~of unusable marijuana, including up to twenty four (24) seedlings that are accompanied by valid~~
13 ~~medical marijuana tags and an amount of wet marijuana set in regulations promulgated by the~~
14 ~~departments of health and business regulation.~~

15 ~~(g)~~(f) There shall exist a presumption that a cardholder is engaged in the medical use of
16 marijuana if the cardholder:

17 (1) Is in possession of a registry identification card; and

18 (2) Is in possession of an amount of marijuana that does not exceed the amount permitted
19 under this chapter. Such presumption may be rebutted by evidence that conduct related to
20 marijuana was not for the purpose of alleviating the qualifying patient's debilitating medical
21 condition or symptoms associated with the medical condition.

22 ~~(h)~~(g) A primary caregiver cardholder may receive reimbursement for costs associated
23 with assisting a qualifying patient cardholder's medical use of marijuana. Compensation shall not
24 constitute sale of controlled substances. The department of business regulation may promulgate
25 regulations for the documentation and tracking of reimbursements and the transfer of marijuana
26 between caregivers and their registered patients.

27 ~~(i)~~(h) A primary caregiver cardholder, who has in his or her possession a registry
28 identification card, shall not be subject to arrest, prosecution, or penalty in any manner, or denied
29 any right or privilege, including, but not limited to, civil penalty or disciplinary action by a
30 business or occupational or professional licensing board or bureau, for selling, giving, or
31 distributing, on or before December 31, 2016 to a compassion center cardholder, marijuana, of
32 the type, and in an amount not to exceed that set forth in subsection (e), if:

33 (1) The primary caregiver cardholder cultivated the marijuana pursuant to this chapter,
34 not to exceed the limits of subsection (e); and

1 (2) Each qualifying patient cardholder the primary caregiver cardholder is connected with
2 through the department of health's registration process has been provided an adequate amount of
3 the marijuana to meet his or her medical needs, not to exceed the limits of subsection (a).

4 ~~(i)~~ A practitioner shall not be subject to arrest, prosecution, or penalty in any manner,
5 or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action
6 by the Rhode Island board of medical licensure and discipline, or by any other business or
7 occupational or professional licensing board or bureau solely for providing written certifications
8 in accordance with this chapter and regulations promulgated hereunder, or for otherwise stating
9 that, in the practitioner's professional opinion, the potential benefits of the medical marijuana
10 would likely outweigh the health risks for a patient.

11 ~~(j)~~ Any interest in, or right to, property that is possessed, owned, or used in connection
12 with the lawful medical use of marijuana, or acts incidental to such use, shall not be forfeited.

13 ~~(k)~~ No person shall be subject to arrest or prosecution for constructive possession,
14 conspiracy, aiding and abetting, being an accessory, or any other offense, for simply being in the
15 presence or vicinity of the medical use of marijuana as permitted under this chapter, or for
16 assisting a qualifying patient cardholder with using or administering marijuana.

17 ~~(l)~~ A practitioner, nurse, nurse practitioner, physician's assistant, or pharmacist shall
18 not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege,
19 including, but not limited to, civil penalty or disciplinary action by a business or occupational or
20 professional licensing board or bureau solely for discussing the benefits or health risks of medical
21 marijuana or its interaction with other substances with a patient.

22 ~~(m)~~ A qualifying patient or primary caregiver registry identification card, or its
23 equivalent, issued under the laws of another state, U.S. territory, or the District of Columbia, to
24 permit the medical use of marijuana by a patient with a debilitating medical condition, or to
25 permit a person to assist with the medical use of marijuana by a patient with a debilitating
26 medical condition, shall have the same force and effect as a registry identification card.

27 ~~(n)~~ Notwithstanding the provisions of § 21-28.6-4(e), no primary caregiver cardholder
28 shall;

29 (1) Before July 1, 2018, p Possess an amount of marijuana in excess of twenty-four (24)
30 mature marijuana plants and twenty-four (24) immature marijuana plants that are accompanied by
31 valid medical marijuana tags (provided that if a primary caregiver cardholder has valid medical
32 marijuana tags that were ordered and processed prior to July 1, 2018, and such tags have an
33 expiration date that is on or after July 1, 2018, the plant possession limits set forth in this
34 subsection (1) shall apply to such primary caregiver until the expiration date of the issued tags)

1 and ~~five (5)~~ six (6) ounces of dried usable marijuana, or its equivalent, and an amount of wet
2 marijuana set in regulations promulgated by the departments of ~~health and~~ business regulation for
3 patient cardholders to whom he or she is connected through the ~~department of health division's~~
4 registration process.

5 (2) On or after July 1, 2018, possess an amount of marijuana in excess of sixteen (16)
6 mature marijuana plants and sixteen (16) immature marijuana plants that are accompanied by
7 valid medical marijuana tags (provided that if a primary caregiver cardholder has valid medical
8 marijuana tags that were ordered and processed prior to July 1, 2018, and such tags have an
9 expiration date that is on or after July 1, 2018, the plant possession limits set forth in subsection
10 (1) above shall apply to such primary caregiver until the expiration date of the issued tags) and
11 six (6) ounces of dried usable marijuana, or its equivalent, and an amount of wet marijuana set in
12 regulations promulgated by the department of business regulation for patient cardholders to
13 whom he or she is connected through the division 's registration process.

14 (o) Notwithstanding any other provision of this chapter, a qualifying patient whose
15 written certification specifies that their debilitating medical condition is acute pain shall:

16 (1) Be issued a patient registration card which shall be valid for a period of time
17 determined by the recommending practitioner and noted on the written certification in accordance
18 with regulations promulgated by the department of health and which shall expire no later than six
19 (6) months after issuance.

20 (2) Not be eligible to obtain medical marijuana grow tags nor have the protections to
21 grow, cultivate, manufacture, or process marijuana unless they have also been issued a valid
22 primary caregiver registration card.

23 (3) Only lawfully obtain marijuana and marijuana products from a licensed Compassion
24 Center.

25 (4) Not be eligible to appoint or register with a primary caregiver.

26 ~~(p) A qualifying patient or primary caregiver cardholder may give marijuana to another~~
27 ~~qualifying patient or primary caregiver cardholder to whom they are not connected by the~~
28 ~~department's registration process, provided that no consideration is paid for the marijuana, and~~
29 ~~that the recipient does not exceed the limits specified in § 21-28.6-4.~~

30 ~~(p)~~ (p) Qualifying patient cardholders and primary caregiver cardholders electing to grow
31 marijuana shall only grow at one premises, and this premises shall be registered with the division
32 ~~department of health~~. Except for compassion centers, cooperative cultivations, and licensed
33 cultivators, no more than ~~twenty-four (24)~~ sixteen (16) mature marijuana plants and sixteen (16)
34 immature marijuana plants that are accompanied by valid medical marijuana tags shall be grown

1 or otherwise located at any one dwelling unit or commercial unit (provided that if a qualifying
2 patient cardholder or a primary caregiver cardholder has valid medical marijuana tags for the
3 plants grown at such registered premises that were ordered and processed prior to July 1, 2018,
4 and such tags have an expiration date that is on or after July 1, 2018, the plant possession limit of
5 twenty-four (24) mature marijuana plants and twenty-four (24) immature marijuana plants shall
6 apply to such qualifying patient or primary caregiver until the expiration date of the issued tags).

7 The number of qualifying patients or primary caregivers residing, owning, renting, growing, or
8 otherwise operating at a dwelling or commercial unit does not affect this limit. The department of
9 ~~health~~ business regulation shall promulgate regulations to enforce this provision.

10 ~~(s)(q)~~ For the purposes of medical care, including organ transplants, a patient cardholder's
11 authorized use of marijuana shall be considered the equivalent of the authorized use of any other
12 medication used at the direction of a physician, and shall not constitute the use of an illicit
13 substance.

14 ~~(s)(r)~~ Notwithstanding any other provisions of the general laws, the manufacture of
15 marijuana using a solvent extraction process that includes the use of a compressed, flammable gas
16 as a solvent by a patient cardholder or primary caregiver cardholder shall not be subject to the
17 protections of this chapter.

18 **21-28.6-5. Departments of health and business regulation to issue regulations.**

19 (a) Not later than ninety (90) days after the effective date of this chapter, the department
20 of health shall promulgate regulations governing the manner in which it shall consider petitions
21 from the public to add debilitating medical conditions to those included in this chapter. In
22 considering such petitions, the department of health shall include public notice of, and an
23 opportunity to comment in a public hearing, upon such petitions. The department of health shall,
24 after hearing, approve or deny such petitions within one hundred eighty (180) days of submission.
25 The approval or denial of such a petition shall be considered a final department of health action,
26 subject to judicial review. Jurisdiction and venue for judicial review are vested in the superior
27 court. The denial of a petition shall not disqualify qualifying patients with that condition, if they
28 have a debilitating medical condition as defined in § 21-28.6-3~~(5 6)~~. The denial of a petition shall
29 not prevent a person with the denied condition from raising an affirmative defense.

30 (b) Not later than ninety (90) days after the effective date of this chapter, the department
31 of health shall promulgate regulations governing the manner in which it shall consider
32 applications for, and renewals of, registry identification cards for qualifying patients, ~~primary~~
33 ~~caregivers, and authorized purchasers~~. The department of health's regulations shall establish
34 application and renewal fees ~~that generate revenues sufficient to offset all expenses of~~

1 ~~implementing and administering this chapter.~~ The department of health may vary the application
2 and renewal fees along a sliding scale that accounts for a qualifying patient's or caregiver's
3 income. The department of health may accept donations from private sources in order to reduce
4 the application and renewal fees.

5 (c) Not later than October 1, 2018, the department of business regulation shall
6 promulgate regulations governing the manner in which it shall consider applications for, and
7 renewals of, registry identification cards for, primary caregivers, and authorized purchasers. The
8 division's regulations shall establish application and renewal fees. The department of business
9 regulation may vary the application and renewal fees along a sliding scale that accounts for a
10 qualifying patient's or caregiver's income. The department of business regulation may accept
11 donations from private sources in order to reduce the application and renewal fees.

12 **21-28.6-6. Administration of department of health and business regulation**
13 **regulations.**

14 (a) The department of health shall issue registry identification cards to qualifying patients
15 who ~~submit~~ the following, in accordance with the department's regulations: Applications shall
16 include but not be limited to:

17 (1) Written certification as defined in § 21-28.6-3(~~24~~ 30) of this chapter;

18 (2) Application ~~or renewal~~ fee;

19 (3) Name, address, and date of birth of the qualifying patient; provided, however, that if
20 the patient is homeless, no address is required;

21 (4) Name, address, and telephone number of the qualifying patient's practitioner;

22 (5) Whether the patient elects to grow medical marijuana plants for himself or herself;

23 and

24 (6) Name, address, and date of birth of one primary caregiver of the qualifying patient
25 and ~~one~~ any authorized purchasers for the qualifying patient, if any is chosen by the patient or
26 allowed in accordance with regulations promulgated by the department of business regulation.

27 (b) The department of health shall not issue a registry identification card to a qualifying
28 patient under the age of eighteen (18) unless:

29 (1) The qualifying patient's practitioner has explained the potential risks and benefits of
30 the medical use of marijuana to the qualifying patient and to a parent, guardian, or person having
31 legal custody of the qualifying patient; and

32 (2) A parent, guardian, or person having legal custody consents in writing to:

33 (i) Allow the qualifying patient's medical use of marijuana;

34 (ii) Serve as the qualifying patient's primary caregiver or authorized purchaser; and

1 (iii) Control the acquisition of the marijuana, the dosage, and the frequency of the
2 medical use of marijuana by the qualifying patient.

3 (c) The department of health shall renew registry identification cards to qualifying
4 patients in accordance with regulations promulgated by the department of health.

5 (d) The department of health shall not issue a registry identification card to a qualifying
6 patient seeking treatment for post-traumatic stress disorder (PTSD) under the age of eighteen
7 (18).

8 ~~(e)~~(e) The department of health shall verify the information contained in an application or
9 renewal submitted pursuant to this section, and shall approve or deny an application or renewal
10 within thirty-five (35) days of receiving it. The department may deny an application or renewal
11 only if the applicant did not provide the information required pursuant to this section, or if the
12 department determines that the information provided was falsified, or if the renewing patient has
13 violated this chapter under their previous registration. Rejection of an application or renewal is
14 considered a final department action, subject to judicial review. Jurisdiction and venue for
15 judicial review are vested in the superior court.

16 ~~(f)~~(f) If the qualifying patient's practitioner notifies the department in a written statement
17 that the qualifying patient is eligible for hospice care or chemotherapy, the department of health
18 and department of business regulation shall give priority to these applications when verifying the
19 information in accordance with subsection ~~(e)~~(e) ~~Effective January 1, 2017, the department of~~
20 ~~health shall approve or deny~~ and issue a registry identification card to these qualifying patients,
21 primary caregivers and authorized purchasers within ~~five (5) days~~ seventy-two (72) hours of
22 receipt of ~~an~~ the completed application. The departments shall not charge a registration fee to the
23 patient, caregivers or authorized purchasers named in the application. The department of health
24 may identify through regulation a list of other conditions qualifying a patient for expedited
25 application processing.

26 ~~(g)~~(g) The ~~department of health shall~~ division may issue or renew a registry identification
27 card to the qualifying patient cardholder's primary caregiver or authorized purchaser(s), if any,
28 who is named in the qualifying patient's approved application provided the qualifying patient is
29 eligible to appoint a primary caregiver or authorized purchaser(s) pursuant to regulations
30 promulgated by the division and the caregiver or authorized purchaser applicant has submitted all
31 necessary application or renewal materials and fees pursuant to regulations promulgated by the
32 department of business regulation. The division shall verify the information contained in
33 applications and renewal forms submitted pursuant to this chapter prior to issuing any registry
34 identification card. The department of business regulation may deny an application or renewal

1 only if the applicant or appointing patient did not provide the information required pursuant to
2 this section, or if the department determines that the information provided was falsified, or if the
3 applicant or appointing patient has violated this chapter under their previous registration.
4 Rejection of an application or renewal is considered a final department action, subject to judicial
5 review. Jurisdiction and venue for judicial review are vested in the superior court.

6 (1) Any qualifying patient who elects to grow medical marijuana for themselves shall not
7 be allowed to appoint a caregiver unless said qualifying patient is able to demonstrate the
8 necessity of appointing a caregiver in accordance with regulations promulgated by the department
9 of business regulation.

10 (2) A primary caregiver shall only be registered with and assist one patient cardholder
11 with their medical use of marijuana except as allowed in subdivision (g)(3) of this section.

12 (3) A primary caregiver may be registered with and assist more than one patient
13 cardholder with their medical use of marijuana provided that any additional patient is an
14 immediate family member of the primary caregiver or is able to demonstrate the necessity of
15 appointing the caregiver in accordance with regulations promulgated by the department of
16 business regulation.

17 ~~(4)~~(4) A primary caregiver applicant or an authorized purchaser applicant shall apply to
18 the bureau of criminal identification of the department of attorney general, department of public
19 safety division of state police, or local police department for a national criminal records check
20 that shall include fingerprints submitted to the Federal Bureau of Investigation. Upon the
21 discovery of any disqualifying information as defined in subdivision ~~(e)(4)~~ (g)(8), and in
22 accordance with the rules promulgated by the director, the bureau of criminal identification of the
23 department of attorney general, department of public safety division of state police, or the local
24 police department shall inform the applicant, in writing, of the nature of the disqualifying
25 information; and, without disclosing the nature of the disqualifying information, shall notify the
26 ~~department~~ division, in writing, that disqualifying information has been discovered.

27 ~~(5)~~(5) In those situations in which no disqualifying information has been found, the
28 bureau of criminal identification of the department of attorney general, department of public
29 safety division of state police, or the local police shall inform the applicant and the ~~department~~
30 division in writing, of this fact.

31 ~~(3)~~(6) The ~~department of health~~ division shall maintain on file evidence that a criminal
32 records check has been initiated on all applicants seeking a primary caregiver registry
33 identification card or an authorized purchaser registry identification card and the results of the
34 checks. The primary caregiver cardholder shall not be required to apply for a national criminal

1 records check for each patient he or she is connected to through the department's registration
2 process, provided that he or she has applied for a national criminal records check within the
3 previous two (2) years in accordance with this chapter. The ~~department~~ division shall not require
4 a primary caregiver cardholder or an authorized purchaser cardholder to apply for a national
5 criminal records check more than once every two (2) years.

6 (7) Notwithstanding any other provision of this chapter, the division may revoke or refuse
7 to issue any class or type of registry identification card or license if it determines that failing to do
8 so would conflict with any federal guidance intended to help states, businesses, or other
9 institutions avoid federal intervention or enforcement. This provision shall not be construed to
10 prohibit the overall implementation and administration of this chapter on account of the federal
11 classification of marijuana as a class I substance or any other federal prohibitions or restrictions.

12 ~~(4)~~(8) Information produced by a national criminal records check pertaining to a
13 conviction for any felony offense under chapter 28 of title 21 ("Rhode Island Controlled
14 Substances Act"), murder, manslaughter, rape, first-degree sexual assault, second-degree sexual
15 assault, first-degree child molestation, second-degree child molestation, kidnapping, first-degree
16 arson, second-degree arson, mayhem, robbery, burglary, breaking and entering, assault with a
17 dangerous weapon, assault or battery involving grave bodily injury, and/or assault with intent to
18 commit any offense punishable as a felony or a similar offense from any other jurisdiction shall
19 result in a letter to the applicant and the ~~department of health~~ division disqualifying the applicant.
20 If disqualifying information has been found, the ~~department~~ division may use its discretion to
21 issue a primary caregiver registry identification card or an authorized purchaser registry
22 identification card if the applicant's connected patient is an immediate family member and the
23 card is restricted to that patient only.

24 ~~(5)~~(9) The primary caregiver or authorized purchaser applicant shall be responsible for
25 any expense associated with the national criminal records check.

26 ~~(6)~~(10) For purposes of this section, "conviction" means, in addition to judgments of
27 conviction entered by a court subsequent to a finding of guilty or a plea of guilty, those instances
28 where the defendant has entered a plea of nolo contendere and has received a sentence of
29 probation and those instances where a defendant has entered into a deferred sentence agreement
30 with the attorney general.

31 ~~(f)~~(h) On or before December 31, 2016, the department of health shall issue registry
32 identification cards within five (5) business days of approving an application or renewal that shall
33 expire two (2) years after the date of issuance.

34 (ii) Effective January 1, 2017, and thereafter, the department of health or the division, as

1 [applicable](#), shall issue registry identification cards within five (5) business days of approving an
2 application or renewal that shall expire one year after the date of issuance.

3 (iii) Registry identification cards shall contain:

4 (1) The date of issuance and expiration date of the registry identification card;

5 (2) A random registry identification number;

6 (3) A photograph; and

7 (4) Any additional information as required by regulation or the department of health [or](#)
8 [business regulation](#).

9 ~~(e)~~(i) Persons issued registry identification cards by the department of health [or division](#)
10 shall be subject to the following:

11 (1) A qualifying patient cardholder shall notify the department of health of any change in
12 his or her name, address, primary caregiver, or authorized purchaser; or if he or she ceases to
13 have his or her debilitating medical condition, within ten (10) days of such change.

14 (2) A qualifying patient cardholder who fails to notify the department of health of any of
15 these changes is responsible for a civil infraction, punishable by a fine of no more than one
16 hundred fifty dollars (\$150). If the patient cardholder has ceased to suffer from a debilitating
17 medical condition, the card shall be deemed null and void and the person shall be liable for any
18 other penalties that may apply to the person's nonmedical use of marijuana.

19 (3) A primary caregiver cardholder or authorized purchaser shall notify the ~~department of~~
20 ~~health~~ [division](#) of any change in his or her name or address within ten (10) days of such change.

21 A primary caregiver cardholder or authorized purchaser who fails to notify the ~~department~~
22 [division](#) of any of these changes is responsible for a civil infraction, punishable by a fine of no
23 more than one hundred fifty dollars (\$150).

24 (4) When a qualifying patient cardholder or primary caregiver cardholder notifies the
25 department of health [or division](#) of any changes listed in this subsection, the department of health
26 [or division](#) shall issue the qualifying patient cardholder and each primary caregiver cardholder a
27 new registry identification card within ten (10) days of receiving the updated information and a
28 ten-dollar (\$10.00) fee.

29 (5) When a qualifying patient cardholder changes his or her primary caregiver or
30 authorized purchaser, the ~~department of health~~ [division](#) shall notify the primary caregiver
31 cardholder or authorized purchaser within ten (10) days. The primary caregiver cardholder's
32 protections as provided in this chapter as to that patient shall expire ten (10) days after
33 notification by the ~~department~~ [division](#). If the primary caregiver cardholder or authorized
34 purchaser is connected to no other qualifying patient cardholders in the program, he or she must

1 return his or her registry identification card to the ~~department~~ division.

2 (6) If a cardholder or authorized purchaser loses his or her registry identification card, he
3 or she shall notify the department of health or division that issued the card and submit a ten-dollar
4 (\$10.00) fee within ten (10) days of losing the card. Within five (5) days, the department of health
5 or division shall issue a new registry identification card with new random identification number.

6 (7) Effective January 1, 2019, if a patient cardholder chooses to alter his or her
7 registration with regard to the growing of medical marijuana for himself or herself, he or she shall
8 notify the ~~department~~ division prior to the purchase of medical marijuana tags or the growing of
9 medical marijuana plants.

10 (8) If a cardholder or authorized purchaser willfully violates any provision of this chapter
11 as determined by the department of health or the division, his or her registry identification card
12 may be revoked.

13 ~~(h)~~(j) Possession of, or application for, a registry identification card shall not constitute
14 probable cause or reasonable suspicion, nor shall it be used to support the search of the person or
15 property of the person possessing or applying for the registry identification card, or otherwise
16 subject the person or property of the person to inspection by any governmental agency.

17 ~~(h)~~(k)(1) Applications and supporting information submitted by qualifying patients,
18 including information regarding their primary caregivers, authorized purchaser, and practitioners,
19 are confidential and protected ~~under~~ in accordance with the federal Health Insurance Portability
20 and Accountability Act of 1996, and shall be exempt from the provisions of chapter 2 of title 38
21 et seq. (Rhode Island access to public records act) and not subject to disclosure, except to
22 authorized employees of the departments of health and business regulation as necessary to
23 perform official duties of the departments, and pursuant to subsection ~~(j)~~(l) and (m).

24 (2) The application for qualifying patient's registry identification card shall include a
25 question asking whether the patient would like the department of health to notify him or her of
26 any clinical studies about marijuana's risk or efficacy. The department of health shall inform
27 those patients who answer in the affirmative of any such studies it is notified of, that will be
28 conducted in Rhode Island. The department of health may also notify those patients of medical
29 studies conducted outside of Rhode Island.

30 (3) The department of health and the division shall maintain a confidential list of the
31 persons to whom the department of health or division has issued registry identification cards.
32 Individual names and other identifying information on the list shall be confidential, exempt from
33 the provisions of Rhode Island access to public information, chapter 2 of title 38, and not subject
34 to disclosure, except to authorized employees of the departments of health and business

1 [regulation](#) as necessary to perform official duties of the departments [and pursuant to subsections](#)
2 [\(l\) and \(m\)](#).

3 ~~(l)~~ Notwithstanding subsections ~~(k) and (m)~~, the departments of health [and business](#)
4 [regulation](#) ~~shall~~ [may](#) verify to law enforcement personnel whether a registry identification card is
5 valid [or whether a cardholder is compliant with the provisions of this chapter and the regulations](#)
6 [promulgated hereunder](#). ~~solely by confirming the random registry identification number or name~~.
7 This verification may occur through the use of a shared database, provided that any [medical](#)
8 [records or](#) confidential information in this database [related to a cardholder's specific medical](#)
9 [condition](#) is protected in accordance with subdivision ~~(k)~~(1).

10 ~~(m)~~ It shall be a crime, punishable by up to one hundred eighty (180) days in jail and a
11 one thousand dollar (\$1,000) fine, for any person, including an employee or official of the
12 departments of health, business regulation, public safety, or another state agency or local
13 government, to breach the confidentiality of information obtained pursuant to this chapter.
14 Notwithstanding this provision, the department [of health and department of business regulation](#)
15 employees may notify law enforcement about falsified or fraudulent information submitted to the
16 department [or violations of this chapter](#).

17 ~~(m)~~ On or before the fifteenth day of the month following the end of each quarter of
18 the fiscal year, the department [of health and the division](#) shall report to the governor, the speaker
19 of the House of Representatives, and the president of the senate on applications for the use of
20 marijuana for symptom relief. The report shall provide:

21 (1) The number of applications for registration as a qualifying patient, primary caregiver,
22 or authorized purchaser that have been made to the department [of health and the division](#) during
23 the preceding quarter, the number of qualifying patients, primary caregivers, and authorized
24 purchasers approved, the nature of the debilitating medical conditions of the qualifying patients,
25 the number of registrations revoked, and the number and specializations, if any, of practitioners
26 providing written certification for qualifying patients.

27 ~~(m)~~(n) On or before September 30 of each year, the department of health [and the division](#)
28 shall report to the governor, the speaker of the House of Representatives, and the president of the
29 senate on the use of marijuana for symptom relief. The report shall provide:

30 (1) The total number of applications for registration as a qualifying patient, primary
31 caregiver, or authorized purchaser that have been made to the department [of health and the](#)
32 [division](#), the number of qualifying patients, primary caregivers, and authorized purchasers
33 approved, the nature of the debilitating medical conditions of the qualifying patients, the number
34 of registrations revoked, and the number and specializations, if any, of practitioners providing

1 written certification for qualifying patients;

2 (2) The number of active qualifying patient, primary caregiver, and authorized purchaser
3 registrations as of June 30 of the preceding fiscal year;

4 (3) An evaluation of the costs permitting the use of marijuana for symptom relief,
5 including any costs to law enforcement agencies and costs of any litigation;

6 (4) Statistics regarding the number of marijuana-related prosecutions against registered
7 patients and caregivers, and an analysis of the facts underlying those prosecutions;

8 (5) Statistics regarding the number of prosecutions against physicians for violations of
9 this chapter; and

10 (6) Whether the United States Food and Drug Administration has altered its position
11 regarding the use of marijuana for medical purposes or has approved alternative delivery systems
12 for marijuana.

13 **21-28.6-7. Scope of chapter.**

14 (a) This chapter shall not permit:

15 (1) Any person to undertake any task under the influence of marijuana, when doing so
16 would constitute negligence or professional malpractice;

17 (2) The smoking of marijuana:

18 (i) In a school bus or other form of public transportation;

19 (ii) On any school grounds;

20 (iii) In any correctional facility;

21 (iv) In any public place;

22 (v) In any licensed drug treatment facility in this state; or

23 (vi) Where exposure to the marijuana smoke significantly adversely affects the health,
24 safety, or welfare of children.

25 (3) Any person to operate, navigate, or be in actual physical control of any motor vehicle,
26 aircraft, or motorboat while under the influence of marijuana. However, a registered qualifying
27 patient shall not be considered to be under the influence solely for having marijuana metabolites
28 in his or her system.

29 (4) Any person to operate a medical marijuana emporium, and the operation of a medical
30 marijuana emporium is prohibited in this state.

31 (b) Nothing in this chapter shall be construed to require:

32 (1) A government medical assistance program or private health insurer to reimburse a
33 person for costs associated with the medical use of marijuana; or

34 (2) An employer to accommodate the medical use of marijuana in any workplace.

1 (c) Fraudulent representation to a law enforcement official of any fact or circumstance
2 relating to the medical use of marijuana to avoid arrest or prosecution shall be punishable by a
3 fine of five hundred dollars (\$500) which shall be in addition to any other penalties that may
4 apply for making a false statement for the nonmedical use of marijuana.

5 **21-28.6-8. Affirmative defense and dismissal.**

6 (a) Except as provided in § 21-28.6-7, a qualifying patient may assert the medical
7 purpose for using marijuana as a defense to any prosecution involving marijuana, and such
8 defense shall be presumed valid where the evidence shows that:

9 (1) The qualifying patient's practitioner has stated that, in the practitioner's professional
10 opinion, after having completed a full assessment of the person's medical history and current
11 medical condition made in the course of a bona fide practitioner-patient relationship, the potential
12 benefits of using marijuana for medical purposes would likely outweigh the health risks for the
13 qualifying patient; and

14 (2) The qualifying patient [was compliant with this chapter and all regulations](#)
15 [promulgated hereunder and](#) in possession of a quantity of marijuana that was not more than what
16 is permitted under this chapter to ensure the uninterrupted availability of marijuana for the
17 purpose of alleviating the person's medical condition or symptoms associated with the medical
18 condition.

19 (b) A person may assert the medical purpose for using marijuana in a motion to dismiss,
20 and the charges shall be dismissed following an evidentiary hearing where the defendant shows
21 the elements listed in subsection (a) of this section.

22 (c) Any interest in, or right to, property that was possessed, owned, or used in connection
23 with a qualifying patient's use of marijuana for medical purposes shall not be forfeited if the
24 qualifying patient demonstrates the qualifying patient's medical purpose for using marijuana
25 pursuant to this section.

26 **21-28.6-9. Enforcement.**

27 (a) If the department of health fails to adopt regulations to implement this chapter within
28 one hundred twenty (120) days of the effective date of this act, a qualifying patient may
29 commence an action in a court of competent jurisdiction to compel the department to perform the
30 actions mandated pursuant to the provisions of this chapter.

31 (b) If the department of health or the department of business regulation fails to issue a
32 valid registry identification card in response to a valid application submitted pursuant to this
33 chapter within thirty-five (35) days of its submission, the registry identification card shall be
34 deemed granted and a copy of the registry identification application shall be deemed a valid

1 registry identification card.

2 (c) The department of health and the department of business regulation shall revoke and
3 shall not reissue, the registry identification card of any cardholder or licensee who is convicted of;
4 placed on probation; whose case is filed pursuant to § 12-10-12 where the defendant pleads nolo
5 contendere; or whose case is deferred pursuant to § 12-19-19 where the defendant pleads nolo
6 contendere for any felony offense under chapter 28 of title 21 ("Rhode Island Controlled
7 Substances Act") or a similar offense from any other jurisdiction.

8 (d) If a cardholder exceeds the possession limits set forth in §§ 21-28.6-4 or 21-28.6-14,
9 or is in violation of any other section of this chapter or the regulations promulgated hereunder he
10 or she shall be subject to arrest and prosecution under chapter 28 of title 21 ("Rhode Island
11 Controlled Substances Act").

12 (e) (1) Notwithstanding any other provision of this chapter, if the department of business
13 regulation has reason to believe that any person or entity has in the course of medical marijuana
14 cultivation, manufacturing, and/or distribution violated any provision of chapter 21-28.6 under
15 the department's jurisdiction or violated any rule or regulation promulgated thereunder, including
16 but not limited to engaging in operations or other activity that requires a medical marijuana
17 license without obtaining the appropriate license, and the department finds that public health,
18 safety, or welfare imperatively requires emergency action, and incorporates a finding to that
19 effect in its order, the department may issue an immediate compliance order listing the violation
20 and ordering the person or entity to cease and desist from the violation and/or otherwise remedy
21 the public health, safety, or welfare threat presented by the violation. If a person or entity that is
22 the subject of an immediate compliance order contests the order by requesting a hearing, the order
23 shall remain in effect pending administrative proceedings, which shall be promptly instituted and
24 determined. Orders issued under this section shall be enforceable in the Superior Court for
25 Providence County.

26 (2) In addition its authority to issue immediate compliance orders under section § 21-
27 28.6-9(e)(1), the department of business regulation may issue an order to show cause to any
28 person or entity for whom/which the department has reason to believe has in the course of
29 medical marijuana cultivation, manufacturing, and/or distribution violated any provision of
30 chapter 21-28.6 under the department's jurisdiction or violated any rule or regulation
31 promulgated thereunder, including but not limited to engaging in operations or other activity that
32 requires a medical marijuana license without obtaining the appropriate license, ordering that
33 person or entity to appear before the department at a hearing to show cause why the department
34 should not issue an order to that person or entity to cease and desist from the violation and/or

1 [otherwise remedy the violation. By decision after hearing pursuant to this subsection \(e\)\(2\),](#)
2 [approved by the director, the department may issue a permanent order to cease and desist.](#)

3 **21-28.6-12. Compassion centers.**

4 (a) A compassion center registered under this section may acquire, possess, ~~cultivate,~~
5 ~~manufacture,~~ deliver, transfer, transport, supply, or dispense marijuana, or related supplies and
6 educational materials, to registered qualifying patients and their registered primary caregivers or
7 authorized purchasers. Except as specifically provided to the contrary, all provisions of the
8 Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act, §§ 21-28.6-1 – 21-28.6-11,
9 apply to a compassion center unless they conflict with a provision contained in § 21-28.6-12.

10 (b) *Registration of compassion centers—authority of the departments of health and*
11 *business regulation:*

12 (1) Not later than ninety (90) days after the effective date of this chapter, the department
13 of health shall promulgate regulations governing the manner in which it shall consider
14 applications for registration certificates for compassion centers, including regulations governing:

15 (i) The form and content of registration and renewal applications;

16 (ii) Minimum oversight requirements for compassion centers;

17 (iii) Minimum record-keeping requirements for compassion centers;

18 (iv) Minimum security requirements for compassion centers; and

19 (v) Procedures for suspending, revoking, or terminating the registration of compassion
20 centers that violate the provisions of this section or the regulations promulgated pursuant to this
21 subsection.

22 (2) Within ninety (90) days of the effective date of this chapter, the department of health
23 shall begin accepting applications for the operation of a single compassion center.

24 (3) Within one hundred fifty (150) days of the effective date of this chapter, the
25 department of health shall provide for at least one public hearing on the granting of an application
26 to a single compassion center.

27 (4) Within one hundred ninety (190) days of the effective date of this chapter, the
28 department of health shall grant a single registration certificate to a single compassion center,
29 providing at least one applicant has applied who meets the requirements of this chapter.

30 (5) If at any time after fifteen (15) months after the effective date of this chapter, there is
31 no operational compassion center in Rhode Island, the department of health shall accept
32 applications, provide for input from the public, and issue a registration certificate for a
33 compassion center if a qualified applicant exists.

34 (6) Within two (2) years of the effective date of this chapter, the department of health

1 shall begin accepting applications to provide registration certificates for two (2) additional
2 compassion centers. The department shall solicit input from the public, and issue registration
3 certificates if qualified applicants exist.

4 (7)(i) Any time a compassion center registration certificate is revoked, is relinquished, or
5 expires on or before December 31, 2016, the department of health shall accept applications for a
6 new compassion center.

7 (ii) Any time a compassion center registration certificate is revoked, is relinquished, or
8 expires on or after January 1, 2017, the department of business regulation shall accept
9 applications for a new compassion center.

10 (8) If at any time after three (3) years after the effective date of this chapter and on or
11 before December 31, 2016, fewer than three (3) compassion centers are holding valid registration
12 certificates in Rhode Island, the department of health shall accept applications for a new
13 compassion center. If at any time on or after January 1, 201~~7~~⁸, fewer than ~~three (3)~~ fifteen (15)
14 compassion centers are holding valid registration certificates in Rhode Island, the department of
15 business regulation shall accept applications for a new compassion center. ~~No more than three (3)~~
16 ~~compassion centers may hold valid registration certificates at one time.~~

17 (9) Any compassion center application selected for approval by the department of health
18 on or before December 31, 2016, or selected for approval by the department of business
19 regulation on or after January 1, 2017, shall remain in full force and effect, notwithstanding any
20 provisions of this chapter to the contrary, and shall be subject to state law adopted herein and
21 rules and regulations adopted by the departments of health and business regulation subsequent to
22 passage of this legislation.

23 (c) *Compassion center and agent applications and registration:*

24 (1) Each application for a compassion center shall ~~include~~ be submitted in accordance
25 with regulations promulgated by the department of business regulation and shall include but not
26 be limited to:

27 (i) A non-refundable application fee paid to the department in the amount of ~~two hundred~~
28 ~~fifty dollars (\$250)~~ ten thousand dollars (\$10,000);

29 (ii) The proposed legal name and proposed articles of incorporation of the compassion
30 center;

31 (iii) The proposed physical address of the compassion center, if a precise address has
32 been determined, or, if not, the general location where it would be located. ~~This may include a~~
33 ~~second location for the cultivation of medical marijuana;~~

34 (iv) ~~A description of the enclosed, locked facility that would be used in the cultivation of~~

1 ~~marijuana;~~

2 ~~(v)~~ The name, address, and date of birth of each principal officer and board member of
3 the compassion center;

4 ~~(vi)~~(v) Proposed security and safety measures that shall include at least one security
5 alarm system for each location, planned measures to deter and prevent the unauthorized entrance
6 into areas containing marijuana and the theft of marijuana, as well as a draft, employee-
7 instruction manual including security policies, safety and security procedures, personal safety,
8 and crime-prevention techniques; and

9 ~~(vii)~~(vi) Proposed procedures to ensure accurate record keeping;

10 (2)(i) For applications submitted on or before December 31, 2016, any time one or more
11 compassion center registration applications are being considered, the department of health shall
12 also allow for comment by the public and shall solicit input from registered qualifying patients,
13 registered primary caregivers; and the towns or cities where the applicants would be located;

14 (ii) For applications submitted on or after January 1, 2017, any time one or more
15 compassion center registration applications are being considered, the department of business
16 regulation shall also allow for comment by the public and shall solicit input from registered
17 qualifying patients, registered primary caregivers; and the towns or cities where the applicants
18 would be located.

19 (3) Each time a new compassion center ~~certificate registration~~ is ~~granted~~ issued, the
20 decision shall be based upon the overall health needs of qualified patients and the safety of the
21 public, including, but not limited to, the following factors:

22 (i) Convenience to patients from underserved areas throughout the state of Rhode Island.
23 ~~to the compassion centers if the applicant were approved;~~

24 (ii) The applicant's ability to provide a steady supply to the registered qualifying patients
25 in the state;

26 (iii) The applicant's experience running a non-profit or business;

27 (iv) The interests of qualifying patients regarding which applicant be granted a
28 registration certificate;

29 (v) The interests of the city or town where the dispensary would be located;

30 (vi) The sufficiency of the applicant's plans for record keeping and security, which
31 records shall be considered confidential health-care information under Rhode Island law and are
32 intended to be deemed protected health-care information for purposes of the Federal Health
33 Insurance Portability and Accountability Act of 1996, as amended; and

34 (vii) The sufficiency of the applicant's plans for safety and security, including proposed

1 location, security devices employed, and staffing;

2 (4) A compassion center approved by the department of health on or before December
3 31, 2016, shall submit the following to the department before it may begin operations:

4 (i) A fee paid to the department in the amount of five thousand dollars (\$5,000);

5 (ii) The legal name and articles of incorporation of the compassion center;

6 (iii) The physical address of the compassion center; ~~this may include a second address for~~
7 ~~the secure cultivation of marijuana;~~

8 (iv) The name, address, and date of birth of each principal officer and board member of
9 the compassion center; and

10 (v) The name, address, and date of birth of any person who will be an agent of, employee,
11 or volunteer of the compassion center at its inception.

12 (5) A compassion center approved or renewed by the department of business regulation
13 on or after January 1, 2017, shall submit materials pursuant to regulations promulgated by the
14 department of business regulation ~~the following to the department~~ before it may begin operations
15 which shall include but not be limited to:

16 (i) A fee paid to the department in the amount of ~~five~~ thirty thousand dollars (\$~~50,000~~);

17 (ii) The legal name and articles of incorporation of the compassion center;

18 (iii) The physical address of the compassion center; ~~this may include a second address for~~
19 ~~the secure cultivation of marijuana~~

20 (iv) The name, address, and date of birth of each principal officer and board member of
21 the compassion center;

22 (v) The name, address, and date of birth of any person who will be an agent of, employee,
23 or volunteer of the compassion center at its inception.

24 (6) Except as provided in subdivision (7), the department of health or the department of
25 business regulation shall issue each principal officer, board member, agent, volunteer, and
26 employee of a compassion center a registry identification card or renewal card after receipt of the
27 person's name, address, date of birth; a fee in an amount established by the department of health
28 or the department of business regulation; and notification to the department of health or the
29 department of business regulation by the department of public safety division of state police,
30 attorney general's office, or local law enforcement that the registry identification card applicant
31 has not been convicted of a felony drug offense or has not entered a plea of nolo contendere for a
32 felony drug offense and received a sentence of probation. Each card shall specify that the
33 cardholder is a principal officer, board member, agent, volunteer, or employee of a compassion
34 center and shall contain the following:

1 (i) The name, address, and date of birth of the principal officer, board member, agent,
2 volunteer, or employee;

3 (ii) The legal name of the compassion center to which the principal officer, board
4 member, agent, volunteer, or employee is affiliated;

5 (iii) A random identification number that is unique to the cardholder;

6 (iv) The date of issuance and expiration date of the registry identification card; ~~and~~

7 (v) A photograph, if the department of health or the department of business regulation
8 decides to require one; and

9 (vi) Any other information or card classification that the department of business
10 regulation requires.

11 (7) Except as provided in this subsection, neither the department of health nor the
12 department of business regulation shall issue a registry identification card to any principal officer,
13 board member, agent, volunteer, or employee of a compassion center who has been convicted of a
14 felony drug offense or has entered a plea of nolo contendere for a felony drug offense and
15 received a sentence of probation. If a registry identification card is denied, the compassion center
16 will be notified in writing of the purpose for denying the registry identification card. A registry
17 identification card may be granted if the offense was for conduct that occurred prior to the
18 enactment of the Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act or that was
19 prosecuted by an authority other than the state of Rhode Island and for which the Edward O.
20 Hawkins and Thomas C. Slater Medical Marijuana Act would otherwise have prevented a
21 conviction.

22 (i) All registry identification card applicants shall apply to the department of public safety
23 division of state police, the attorney general's office, or local law enforcement for a national
24 criminal identification records check that shall include fingerprints submitted to the federal
25 bureau of investigation. Upon the discovery of a felony drug offense conviction or a plea of nolo
26 contendere for a felony drug offense with a sentence of probation, and in accordance with the
27 rules promulgated by the department of health and the department of business regulation, the
28 department of public safety division of state police, the attorney general's office, or local law
29 enforcement shall inform the applicant, in writing, of the nature of the felony and the department
30 of public safety division of state police shall notify the department of health or the department of
31 business regulation, in writing, without disclosing the nature of the felony, that a felony drug
32 offense conviction or a plea of nolo contendere for a felony drug offense with probation has been
33 found.

34 (ii) In those situations in which no felony drug offense conviction or plea of nolo

1 contendere for a felony drug offense with probation has been found, the department of public
2 safety division of state police, [the attorney general's office, or local law enforcement](#) shall inform
3 the applicant and the department of health or the department of business regulation, in writing, of
4 this fact.

5 (iii) All registry identification card applicants shall be responsible for any expense
6 associated with the criminal background check with fingerprints.

7 (8) A registry identification card of a principal officer, board member, agent, volunteer,
8 ~~or~~ employee, [or any other designation required by the division](#) shall expire one year after its
9 issuance, or upon the expiration of the registered organization's registration certificate, or upon
10 the termination of the principal officer, board member, agent, volunteer or employee's
11 relationship with the compassion center, whichever occurs first.

12 (9) A compassion center cardholder shall notify and request approval from the
13 department of business regulation of any change in his or her name or address within ten (10)
14 days of such change. A compassion center cardholder who fails to notify the department of
15 business regulation of any of these changes is responsible for a civil infraction, punishable by a
16 fine of no more than one hundred fifty dollars (\$150).

17 (10) When a compassion center cardholder notifies the department of health or the
18 department of business regulation of any changes listed in this subsection, the department shall
19 issue the cardholder a new registry identification card within ten (10) days of receiving the
20 updated information and a ten-dollar (\$10.00) fee.

21 (11) If a compassion center cardholder loses his or her registry identification card, he or
22 she shall notify the department of health or the department of business regulation and submit a ten
23 dollar (\$10.00) fee within ten (10) days of losing the card. Within five (5) days, the department
24 shall issue a new registry identification card with new random identification number.

25 (12) On or before December 31, 2016, a compassion center cardholder shall notify the
26 department of health of any disqualifying criminal convictions as defined in subdivision (c)(7).
27 The department of health may choose to suspend and/or revoke his or her registry identification
28 card after such notification.

29 (13) On or after January 1, 2017, a compassion center cardholder shall notify the
30 department of business regulation of any disqualifying criminal convictions as defined in
31 subdivision (c)(7). The department of business regulation may choose to suspend and/or revoke
32 his or her registry identification card after such notification.

33 (14) If a compassion center cardholder violates any provision of this chapter or
34 regulations promulgated hereunder as determined by the departments of health and business

1 regulation, his or her registry identification card may be suspended and/or revoked.

2 (d) *Expiration or termination of compassion center:*

3 (1) On or before December 31, 2016, a compassion center's registration shall expire two
4 (2) years after its registration certificate is issued. On or after January 1, 2017, a compassion
5 center's registration shall expire one year after its registration certificate is issued. The
6 compassion center may submit a renewal application beginning sixty (60) days prior to the
7 expiration of its registration certificate;

8 (2) The department of health or the department of business regulation shall grant a
9 compassion center's renewal application within thirty (30) days of its submission if the following
10 conditions are all satisfied:

11 (i) The compassion center submits the materials required under subdivisions (c)(4) and
12 (c)(5), including a ~~five~~ thirty thousand dollar (~~\$530,000~~) fee;

13 (ii) The compassion center's registration has never been suspended for violations of this
14 chapter or regulations issued pursuant to this chapter; and

15 (iii) The ~~department of health and the~~ department of business regulation find that the
16 compassion center is adequately providing patients with access to medical marijuana at
17 reasonable rates;

18 (3) If the department of health or the department of business regulation determines that
19 any of the conditions listed in paragraphs (d)(2)(i) – (iii) have not been met, the department ~~shall~~
20 may begin an open application process for the operation of a compassion center. In granting a
21 new registration certificate, the department of health or the department of business regulation
22 shall consider factors listed in subdivision (c)(3);

23 (4) The ~~department of health or the~~ department of business regulation shall issue a
24 compassion center one or more thirty-day (30) temporary registration certificates after that
25 compassion center's registration would otherwise expire if the following conditions are all
26 satisfied:

27 (i) The compassion center previously applied for a renewal, but the department had not
28 yet come to a decision;

29 (ii) The compassion center requested a temporary registration certificate; and

30 (iii) The compassion center has not had its registration certificate suspended or revoked
31 due to violations of this chapter or regulations issued pursuant to this chapter.

32 (5) A compassion center's registry identification card shall be subject to revocation if the
33 compassion center:

34 (i) Possesses an amount of marijuana exceeding the limits established by this chapter;

- 1 (ii) Is in violation of the laws of this state;
- 2 (iii) Is in violation of other departmental regulations; or
- 3 (iv) Employs or enters into a business relationship with a medical practitioner who
- 4 provides written certification of a qualifying patient's medical condition.

5 (e) *Inspection* Compassion centers are subject to reasonable inspection by the department

6 of health, division of facilities regulation and the department of business regulation. During an

7 inspection, the departments may review the compassion center's confidential records, including

8 its dispensing records, which shall track transactions according to qualifying patients' registry

9 identification numbers to protect their confidentiality.

10 (f) *Compassion center requirements:*

11 (1) A compassion center shall be operated on a not-for-profit basis for the mutual benefit

12 of its patients. A compassion center need not be recognized as a tax-exempt organization by the

13 Internal Revenue Service; . A compassion center shall be subject to regulations promulgated by

14 the department of business regulation for general operations and record keeping which shall

15 include but not be limited to:

16 (i) Minimum security and surveillance requirements;

17 (ii) Minimum requirements for workplace safety and sanitation;

18 (iii) Minimum requirements for product safety and testing;

19 (iv) Minimum requirements for inventory tracking and monitoring;

20 (v) Minimum requirements for the secure transport and transfer of medical marijuana;

21 (vi) Minimum requirements to address odor mitigation;

22 (vii) Minimum requirements for product packaging and labeling;

23 (vii) Minimum requirements for advertising;

24 (ix) Minimum requirements for the testing and destruction of marijuana. Wherever

25 destruction of medical marijuana and medical marijuana product is required to bring a person or

26 entity into compliance with any provision of chapter 21-28.6, any rule or regulation promulgated

27 thereunder, or any administrative order issued in accordance therewith, the director of the

28 department of business regulation may designate his or her employees or agents to facilitate said

29 destruction.

30 (x) If a compassion center violates this chapter, or any regulation thereunder, and the

31 department of business regulation determines that violation does not pose an immediate threat to

32 public health or public safety, the compassion center shall pay to the department of business

33 regulation a fine of no less than five-hundred dollars (\$500).

34 (xi) If a compassion center violates this chapter, or any regulation promulgated

1 [hereunder, and the department of business regulation determines that violation poses an](#)
2 [immediate threat to public health or public safety, the compassion center shall pay to the](#)
3 [department of business regulation a fine of no less than two-thousand dollars \(\\$2,000\) and the](#)
4 [department shall be entitled to pursue any other enforcement action provided for under this](#)
5 [chapter and the regulations.](#)

6 (2) A compassion center may not be located within one thousand feet (1000') of the
7 property line of a preexisting public or private school;

8 (3) On or before December 31, 2016, a compassion center shall notify the department of
9 health within ten (10) days of when a principal officer, board member, agent, volunteer, or
10 employee ceases to work at the compassion center. On or after January 1, 2017, a compassion
11 center shall notify the department of business regulation within ten (10) days of when a principal
12 officer, board member, agent, volunteer, or employee ceases to work at the compassion center.
13 His or her card shall be deemed null and void and the person shall be liable for any penalties that
14 may apply to any nonmedical possession or use of marijuana by the person;

15 (4)(i) On or before December 31, 2016, a compassion center shall notify the department
16 of health in writing of the name, address, and date of birth of any new principal officer, board
17 member, agent, volunteer or employee and shall submit a fee in an amount established by the
18 department for a new registry identification card before that person begins his or her relationship
19 with the compassion center;

20 (ii) On or after January 1, 2017, a compassion center shall notify the department of
21 business regulation, in writing, of the name, address, and date of birth of any new principal
22 officer, board member, agent, volunteer, or employee and shall submit a fee in an amount
23 established by the department [of business regulation](#) for a new registry identification card before
24 that person begins his or her relationship with the compassion center;

25 (5) A compassion center shall implement appropriate security measures to deter and
26 prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and
27 shall insure that each location has an operational security alarm system. Each compassion center
28 shall request that the department of public safety division of state police visit the compassion
29 center to inspect the security of the facility and make any recommendations regarding the security
30 of the facility and its personnel within ten (10) days prior to the initial opening of each
31 compassion center. Said recommendations shall not be binding upon any compassion center, nor
32 shall the lack of implementation of said recommendations delay or prevent the opening or
33 operation of any center. If the department of public safety division of state police does not inspect
34 the compassion center within the ten-day (10) period, there shall be no delay in the compassion

1 center's opening.

2 (6) The operating documents of a compassion center shall include procedures for the
3 oversight of the compassion center and procedures to ensure accurate record keeping.

4 (7) A compassion center is prohibited from acquiring, possessing, ~~cultivating,~~
5 ~~manufacturing,~~ delivering, transferring, transporting, supplying, or dispensing marijuana for any
6 purpose except to assist registered qualifying patients with the medical use of marijuana directly
7 or through the qualifying patient's primary caregiver or authorized purchaser.

8 (8) All principal officers and board members of a compassion center must be residents of
9 the state of Rhode Island.

10 (9) Each time a new, registered, qualifying patient visits a compassion center, it shall
11 provide the patient with a frequently asked questions sheet, designed by the department, that
12 explains the limitations on the right to use medical marijuana under state law.

13 (10) Effective July 1, 2017, each compassion center shall be subject to any regulations
14 promulgated by the departments of health and business regulation that specify how usable
15 marijuana must be tested for items included but not limited to cannabinoid profile and
16 contaminants.

17 (11) Effective January 1, 2017, each compassion center shall be subject to any product
18 labeling requirements promulgated by the department of business regulation.

19 (12) Each compassion center shall develop, implement, and maintain on the premises
20 employee, volunteer, and agent policies and procedures to address the following requirements:

21 (i) A job description or employment contract developed for all employees and agents, and
22 a volunteer agreement for all volunteers, that includes duties, authority, responsibilities,
23 qualifications, and supervision; and

24 (ii) Training in, and adherence to, state confidentiality laws.

25 (13) Each compassion center shall maintain a personnel record for each employee, agent,
26 and volunteer that includes an application and a record of any disciplinary action taken.

27 (14) Each compassion center shall develop, implement, and maintain on the premises an
28 on-site training curriculum, or enter into contractual relationships with outside resources capable
29 of meeting employee training needs, that includes, but is not limited to, the following topics:

30 (i) Professional conduct, ethics, and patient confidentiality; and

31 (ii) Informational developments in the field of medical use of marijuana.

32 (15) Each compassion center entity shall provide each employee, agent, and volunteer, at
33 the time of his or her initial appointment, training in the following:

34 (i) The proper use of security measures and controls that have been adopted; and

1 (ii) Specific procedural instructions on how to respond to an emergency, including
2 robbery or violent accident.

3 (16) All compassion centers shall prepare training documentation for each employee and
4 volunteer and have employees and volunteers sign a statement indicating the date, time, and place
5 the employee and volunteer received said training and topics discussed, to include name and title
6 of presenters. The compassion center shall maintain documentation of an employee's and a
7 volunteer's training for a period of at least six (6) months after termination of an employee's
8 employment or the volunteer's volunteering.

9 (g) *Maximum amount of usable marijuana to be dispensed:*

10 (1) A compassion center or principal officer, board member, agent, volunteer, or
11 employee of a compassion center may not dispense more than ~~two and one-half (2.5)~~ three (3 oz.)
12 of dried usable marijuana, or its equivalent, to a qualifying patient directly or through a qualifying
13 patient's primary caregiver or authorized purchaser during a fifteen-day (15) period;

14 (2) A compassion center or principal officer, board member, agent, volunteer, or
15 employee of a compassion center may not dispense an amount of usable marijuana, or its
16 equivalent, ~~seedlings, or mature marijuana plants,~~ to a qualifying patient, a qualifying patient's
17 primary caregiver, or a qualifying patient's authorized purchaser that the compassion center,
18 principal officer, board member, agent, volunteer, or employee knows would cause the recipient
19 to possess more marijuana than is permitted under the Edward O. Hawkins and Thomas C. Slater
20 Medical Marijuana Act.

21 (3) Compassion centers shall utilize a database administered by the departments of health
22 and business regulation. The database shall contain~~s~~ all compassion centers' transactions
23 according to qualifying patients', authorized purchasers', and primary caregivers', registry
24 identification numbers to protect the confidentiality of patient personal and medical information.
25 Compassion centers will not have access to any applications or supporting information submitted
26 by qualifying patients, authorized purchasers or primary caregivers. Before dispensing marijuana
27 to any patient or authorized purchaser, the compassion center must utilize the database to ensure
28 that a qualifying patient is not dispensed more than ~~two and one-half (2.5)~~ three (3) ounces of
29 dried usable marijuana or its equivalent directly or through the qualifying patient's primary
30 caregiver or authorized purchaser during a fifteen-day (15) period.

31 (h) *Immunity:*

32 (1) No registered compassion center shall be subject to prosecution; search, except by the
33 departments pursuant to subsection (e); seizure; or penalty in any manner, or denied any right or
34 privilege, including, but not limited to, civil penalty or disciplinary action by a business,

1 occupational, or professional licensing board or entity, solely for acting in accordance with this
2 section to assist registered qualifying patients.

3 (2) No registered compassion center shall be subject to prosecution, seizure, or penalty in
4 any manner, or denied any right or privilege, including, but not limited to, civil penalty or
5 disciplinary action, by a business, occupational, or professional licensing board or entity, for
6 selling, giving, or distributing marijuana in whatever form, and within the limits established by,
7 the department of health or the department of business regulation to another registered
8 compassion center.

9 (3) No principal officers, board members, agents, volunteers, or employees of a registered
10 compassion center shall be subject to arrest, prosecution, search, seizure, or penalty in any
11 manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary
12 action by a business, occupational, or professional licensing board or entity, solely for working
13 for or with a compassion center to engage in acts permitted by this section.

14 (4) No state employee shall be subject to arrest, prosecution or penalty in any manner, or
15 denied any right or privilege, including, but not limited to, civil penalty, disciplinary action,
16 termination, or loss of employee or pension benefits, for any and all conduct that occurs within
17 the scope of his or her employment regarding the administration, execution and/or enforcement of
18 this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

19 (i) *Prohibitions:*

20 (1) A compassion center must limit its inventory of ~~seedlings, plants, and~~ usable
21 marijuana to reflect the projected needs of qualifying patients; (i) A compassion center may not
22 cultivate marijuana or manufacture or process marijuana products pursuant to its compassion
23 center registration, provided that cultivation, processing and manufacture may be conducted
24 under a cultivator license or a manufacturer license which has been issued to the compassion
25 center by the department of business regulation pursuant to regulations promulgated by the
26 department.

27 (ii) A compassion center which was approved by the department of health or renewed by
28 the department of business regulation prior to July 1, 2018 may also hold a cultivator license and
29 a manufacturer license and shall be issued said license or licenses in accordance with regulations
30 promulgated by the department of business regulation, provided that the class or classes of said
31 cultivator license and manufacturer license shall correspond to the size of any growing,
32 manufacturing, or processing facility or facilities which were in operation or were approved prior
33 to July 1, 2018.

34 (iii) A compassion center which is approved by the department of health or renewed by

1 [the department of business regulation after July 1, 2018 may also hold a cultivator license and a](#)
2 [manufacturer license in accordance with regulations promulgated by the department of business](#)
3 [regulation, provided the class or classes of said cultivator license and manufacturer license shall](#)
4 [correspond to the size of any growing, manufacturing, or processing facility or facilities which](#)
5 [were in operation or were approved prior to July 1, 2018.](#)

6 (2) A compassion center may not dispense, deliver, or otherwise transfer marijuana to a
7 person other than a **qualifying** patient [cardholder](#) or to such patient's primary caregiver or
8 authorized purchaser;

9 (3) A person found to have violated paragraph (2) of this subsection may not be an
10 employee, agent, volunteer, principal officer, or board member of any compassion center;

11 (4) An employee, agent, volunteer, principal officer or board member of any compassion
12 center found in violation of paragraph (2) shall have his or her registry identification revoked
13 immediately; and

14 (5) No person who has been convicted of a felony drug offense or has entered a plea of
15 nolo contendere for a felony drug offense with a sentence or probation may be the principal
16 officer, board member, agent, volunteer, or employee of a compassion center unless the
17 department has determined that the person's conviction was for the medical use of marijuana or
18 assisting with the medical use of marijuana in accordance with the terms and conditions of this
19 chapter. A person who is employed by or is an agent, volunteer, principal officer, or board
20 member of a compassion center in violation of this section is guilty of a civil violation punishable
21 by a fine of up to one thousand dollars (\$1,000). A subsequent violation of this section is a
22 misdemeanor.

23 *(j) Legislative oversight committee:*

24 (1) The general assembly shall appoint a nine-member (9) oversight committee
25 comprised of: one member of the house of representatives; one member of the senate; one
26 physician to be selected from a list provided by the Rhode Island medical society; one nurse to be
27 selected from a list provided by the Rhode Island state nurses association; two (2) registered
28 qualifying patients; one registered primary caregiver; one patient advocate to be selected from a
29 list provided by the Rhode Island patient advocacy coalition; and the superintendent of the
30 department of public safety, or his/her designee.

31 (2) The oversight committee shall meet at least six (6) times per year for the purpose of
32 evaluating and making recommendations to the general assembly regarding:

33 (i) Patients' access to medical marijuana;

34 (ii) Efficacy of compassion centers;

- 1 (iii) Physician participation in the Medical Marijuana Program;
- 2 (iv) The definition of qualifying medical condition; and
- 3 (v) Research studies regarding health effects of medical marijuana for patients.

4 (3) On or before January 1 of every even numbered year, the oversight committee shall

5 report to the general assembly on its findings.

6 **21-28.6-15. Medical Marijuana Plant Tags.**

7 (a) Effective January 1, 2017, the department of business regulation shall make medical

8 marijuana tag sets available for purchase. Effective April 1, 2017, every marijuana plant, either

9 mature or ~~seedling~~ immature, grown by a registered patient or primary caregiver must be

10 accompanied by a physical medical marijuana tag purchased through the department of business

11 regulation and issued by the ~~department of health~~ division to qualifying patients and primary

12 caregivers ~~or by the department of business regulation to licensed cultivators.~~

13 (1) The department of business regulation shall charge an annual fee for each medical

14 marijuana tag set which shall include one tag for a mature medical marijuana plant and one tag

15 for ~~a seedling~~ an immature plant. If the required fee has not been paid, those medical marijuana

16 tags shall be considered expired and invalid. The fee established by the department of business

17 regulation shall be in accordance with the following requirements:

18 (i) For patient cardholders authorized to grow medical marijuana by the ~~department of~~

19 ~~health~~ division, the fee per tag set shall not exceed twenty-five dollars (\$25);

20 (ii) For primary caregivers, the fee per tag set shall not exceed twenty-five dollars (\$25);

21 (iii) For patients that qualify for reduced-registration due to income or disability status,

22 there shall be no fee per tag set;

23 (iv) For caregivers who provide care for a patient cardholder who qualifies for reduced-

24 registration due to income or disability status, there shall be no fee per tag set for such qualifying

25 patient; and

26 (v) For licensed cultivators, the fee per tag set shall be established in regulations

27 promulgated by the department of business regulation.

28 (2) Effective January 1, 2017, the department of business regulation shall verify ~~with the~~

29 ~~department of health~~ that all medical marijuana tag purchases are made by qualifying patient

30 cardholders or primary caregiver cardholders. ~~The department of health shall provide this~~

31 ~~verification according to qualifying patients' and primary caregivers' registry identification~~

32 ~~numbers and without providing access to any applications or supporting information submitted by~~

33 ~~qualifying patients to protect patient confidentiality;~~

34 (3) Effective January 1, 2019 and thereafter, the department of business regulation shall

1 verify ~~with the department of health~~ that all medical marijuana tag purchases are made by
2 registered patient cardholders who have notified the department of health or the division of their
3 election to grow medical marijuana or primary caregiver cardholders. ~~The department of health~~
4 ~~shall provide this verification according to qualifying patients' and primary caregivers' registry~~
5 ~~identification numbers and without providing access to any applications or supporting~~
6 ~~information submitted by qualifying patients to protect patient confidentiality;~~

7 (4) The department of business regulation shall maintain information pertaining to
8 medical marijuana tags and shall share that information with the department of health.

9 (5) All primary caregivers shall purchase at least one medical marijuana tag set for each
10 patient under their care and all patients growing medical marijuana for themselves shall purchase
11 at least one medical marijuana tag set.

12 (6) All licensed cultivators shall purchase at least one medical marijuana tag set or utilize
13 a seed to sale tracking system in accordance with regulations promulgated by the department of
14 business regulation.

15 (7) The departments of business regulation ~~and health~~ shall jointly promulgate
16 regulations to establish a process by which medical marijuana tags may be returned ~~to either~~
17 ~~department~~. The department of business regulation may choose to reimburse a portion or the
18 entire amount of any fees paid for medical marijuana tags that are subsequently returned.

19 (b) *Enforcement:*

20 (1) If a patient cardholder, primary caregiver cardholder or licensed cultivator violates
21 any provision of this chapter or the regulations promulgated hereunder as determined by the
22 departments of business regulation and health, his or her medical marijuana tags may be revoked.
23 In addition, the department that issued the cardholder's registration or the license may revoke the
24 cardholder's registration or license ~~pursuant to §21-28.6-9~~.

25 (2) The department of business regulation may revoke and not reissue, pursuant to
26 regulations, medical marijuana tags to any cardholder or licensee who is convicted of; placed on
27 probation; whose case is filed pursuant to §12-10-12 where the defendant pleads nolo contendere;
28 or whose case is deferred pursuant to §12-19-19 where the defendant pleads nolo contendere for
29 any felony offense under chapter 28 of title 21 ("Rhode Island Controlled Substances Act") or a
30 similar offense from any other jurisdiction.

31 (3) If a patient cardholder, primary caregiver cardholder, licensed cooperative cultivation
32 or licensed cultivator is found to have ~~mature~~ marijuana plants without valid medical marijuana
33 tags sets or which are not tracked in accordance with regulation, the ~~department of health or~~
34 ~~department of business regulation~~ division shall impose an administrative penalty on the patient

1 cardholder, primary caregiver cardholder, licensed cooperative cultivation or licensed cultivator
2 for each untagged ~~mature~~ marijuana plant ~~not in excess of the limits set forth in §21-28.6-4, §21-~~
3 ~~28.6-14 and §21-28.6-16 of no more than the total fee that would be paid by a cardholder or~~
4 ~~licensee who purchased medical marijuana tags for such plants in compliance with this chapter.~~

5 ~~(4) If a patient cardholder, primary caregiver cardholder, or licensed cooperative~~
6 ~~cultivation is found to have mature marijuana plants exceeding the limits set forth in §21-28.6-4,~~
7 ~~§21-28.6-14, and §21-28.6-16 in addition to any penalties that may be imposed pursuant to §21-~~
8 ~~28.6-9, the department of health or department of business regulation may impose an~~
9 ~~administrative penalty on that cardholder or license holder for each mature marijuana plant in~~
10 ~~excess of the applicable statutory limit of no less than the total fee that would be paid by a~~
11 ~~cardholder who purchased medical marijuana tags for such plants in compliance with this chapter.~~

12 **21-28.6-16. Licensed cultivators.**

13 (a) A licensed cultivator licensed under this section may acquire, possess, cultivate,
14 deliver, or transfer marijuana to licensed compassion centers [or to a licensed manufacturer](#). A
15 licensed cultivator shall not be a primary caregiver cardholder and shall not hold a cooperative
16 cultivation license. Except as specifically provided to the contrary, all provisions of the Edward
17 O. Hawkins and Thomas C. Slater Medical Marijuana Act, §§ 21-28.6-1 – 21-28.6-15, apply to a
18 licensed cultivator unless they conflict with a provision contained in § 21-28.6-16.

19 (b) *Licensing of cultivators – Department of business regulation authority.* The
20 department of business regulation shall promulgate regulations governing the manner in which it
21 shall consider applications for the licensing of cultivators, including regulations governing:

- 22 (1) The form and content of licensing and renewal applications;
23 (2) Minimum oversight requirements for licensed cultivators;
24 (3) Minimum record-keeping requirements for cultivators;
25 (4) Minimum security requirements for cultivators; and

26 (5) Procedures for suspending, revoking, or terminating the license of cultivators that
27 violate the provisions of this section or the regulations promulgated pursuant to this subsection.

28 (c) A licensed cultivator license issued by the department of business regulation shall
29 expire one year after it was issued and the licensed cultivator may apply for renewal with the
30 department in accordance with its regulations pertaining to licensed cultivators.

31 (d) The department of business regulation shall promulgate regulations that govern how
32 many marijuana plants, ~~how many marijuana seedlings~~ [mature and immature](#), how much wet
33 marijuana, and how much usable marijuana a licensed cultivator may possess. Every marijuana
34 plant possessed by a licensed cultivator must be accompanied by valid medical marijuana tag

1 issued by the department of business regulation pursuant to § 21-28.6-15 [or catalogued in a seed](#)
2 [to sale inventory tracking system in accordance with regulations promulgated by the department](#)
3 [of business regulation](#). ~~Each cultivator must purchase at least one medical marijuana tag or in~~
4 ~~order to remain a licensed cultivator.~~

5 (e) Cultivators shall only sell marijuana to compassion centers [or a licensed](#)
6 [manufacturer](#). All marijuana possessed by a cultivator in excess of the possession limit
7 established pursuant to subsection (d) shall be under formal agreement to be purchased by a
8 compassion center [or by a licensed manufacturer](#). If such excess marijuana is not under formal
9 agreement to be purchased, the cultivator will have a period of time, specified in regulations
10 promulgated by the department of business regulation, to sell or destroy that excess marijuana.
11 The department may suspend and/or revoke the cultivator's license and the license of any officer,
12 director, employee, or agent of such cultivator and/or impose an administrative penalty in
13 accordance with such regulations promulgated by the department for any violation of this section
14 or the regulations. In addition, any violation of this section or the regulations promulgated
15 pursuant to this subsection and subsection (d) shall cause a licensed cultivator to lose the
16 protections described in subsection (m) and may subject the licensed cultivator to arrest and
17 prosecution under Chapter 28 of title 21 (the Rhode Island Controlled Substances Act).

18 (f) Cultivators shall be subject to any regulations promulgated by the department of
19 health or department of business regulation that specify how marijuana must be tested for items,
20 including, but not limited to, potency, cannabinoid profile, and contaminants;

21 (g) Cultivators shall be subject to any product labeling requirements promulgated by the
22 department of business regulation and the department of health;

23 (h) Notwithstanding any other provisions of the general laws, the manufacture of
24 marijuana using a solvent extraction process that includes the use of a compressed, flammable gas
25 as a solvent by a licensed cultivator shall not be subject to the protections of this chapter.

26 (i) Cultivators shall only be licensed to grow, marijuana at a single location, registered
27 with the department of business regulation and the department of public [safety unless the](#)
28 [cultivator's license is held by a compassion center which was approved by the department of](#)
29 [health or renewed by the department of business regulation prior to July 1, 2018](#). The department
30 of business regulation may promulgate regulations governing where cultivators are allowed to
31 grow. Cultivators must abide by all local ordinances, including zoning ordinances.

32 (j) *Inspection* Cultivators shall be subject to reasonable inspection by the department of
33 business regulation or the department of health for the purposes of enforcing regulations
34 promulgated pursuant to this chapter and all applicable Rhode Island general laws.

1 (k) The cultivator applicant shall apply to the bureau of criminal identification of the
2 department of attorney general, department of public safety division of state police, or local
3 police department for a national criminal records check that shall include fingerprints submitted
4 to the Federal Bureau of Investigation. Upon the discovery of any disqualifying information as
5 defined in subdivision (k)(2), and in accordance with the rules promulgated by the director of the
6 department of business regulation, the bureau of criminal identification of the department of
7 attorney general, department of public safety division of state police, or the local police
8 department shall inform the applicant, in writing, of the nature of the disqualifying information;
9 and, without disclosing the nature of the disqualifying information, shall notify the department of
10 business regulation, in writing, that disqualifying information has been discovered.

11 (1) In those situations in which no disqualifying information has been found, the bureau
12 of criminal identification of the department of attorney general, department of public safety
13 division of state police, or the local police department shall inform the applicant and the
14 department of business regulation, in writing, of this fact.

15 (2) Information produced by a national criminal records check pertaining to a conviction
16 for a felony drug offense or a plea of nolo contendere for a felony drug offense and received a
17 sentence of probation shall result in a letter to the applicant and the department of business
18 regulation disqualifying the applicant.

19 (3) The cultivator applicant shall be responsible for any expense associated with the
20 national criminal records check.

21 (l) Persons issued cultivator licenses shall be subject to the following:

22 (1) A licensed cultivator [cardholder](#) shall notify and request approval from the
23 department of business regulation of any change in his or her name or address within ten (10)
24 days of such change. A cultivator [cardholder](#) who fails to notify the department of business
25 regulation of any of these changes is responsible for a civil infraction, punishable by a fine of no
26 more than one hundred fifty dollars (\$150).

27 (2) When a licensed cultivator [cardholder](#) notifies the department of business regulation
28 of any changes listed in this subsection, the department of business regulation shall issue the
29 cultivator [cardholder](#) a new ~~license~~ [registry identification card](#) after the department approves the
30 changes and receives from the licensee payment of a fee specified in regulation.

31 (3) If a licensed cultivator [cardholder](#) loses his or her ~~license~~ [card](#), he or she shall notify
32 the department of business regulation and submit a fee specified in regulation within ten (10)
33 days of losing the ~~license~~ [card](#). The department of business regulation shall issue a new ~~license~~
34 [card](#) with a new random identification number.

1 (4) A licensed cultivator [cardholder](#) shall notify the department of business regulation of
2 any disqualifying criminal convictions as defined in subdivision (k)(2). The department of
3 business regulation may choose to suspend and/or revoke his or her ~~license~~ [card](#) after such
4 notification.

5 (5) If a licensed cultivator [or cultivator cardholder](#) violates any provision of this chapter
6 or regulations promulgated hereunder as determined by the department of business regulation, his
7 or her [card and the issued](#) license may be suspended and/or revoked.

8 (m) *Immunity:*

9 (1) No licensed cultivator shall be subject to prosecution; search, except by the
10 departments pursuant to subsection (j); seizure; or penalty in any manner, or denied any right or
11 privilege, including, but not limited to, civil penalty or disciplinary action by a business,
12 occupational, or professional licensing board or entity, solely for acting in accordance with this
13 section ~~to assist registered-qualifying;~~

14 (2) No licensed cultivator shall be subject to prosecution, seizure, or penalty in any
15 manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary
16 action by a business, occupational, or professional licensing board or entity, for selling, giving, or
17 distributing marijuana in whatever form and within the limits established by the department of
18 business regulation to a [licensed manufacturer or](#) registered compassion center;

19 (3) No principal officers, board members, agents, volunteers, or employees of a licensed
20 cultivator shall be subject to arrest, prosecution, search, seizure, or penalty in any manner, or
21 denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a
22 business, occupational, or professional licensing board or entity, solely for working for or with a
23 licensed cultivator to engage in acts permitted by this section.

24 (4) No state employee shall be subject to arrest, prosecution, or penalty in any manner, or
25 denied any right or privilege, including, but not limited to, civil penalty, disciplinary action,
26 termination, or loss of employee or pension benefits, for any and all conduct that occurs within
27 the scope of his or her employment regarding the administration, execution, and/or enforcement
28 of this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

29 **21-28.6-17. Revenue.**

30 (a) Effective July 1, 2016, all fees collected by the departments of health and business
31 regulation from applicants, registered patients, primary caregivers, authorized purchasers,
32 licensed cultivators, [licensed manufacturers,](#) cooperative cultivations, compassion centers, [other](#)
33 [licensees licensed pursuant to this chapter,](#) and compassion-center [and other registry](#)
34 [identification](#) cardholders shall be placed in restricted-receipt accounts to support the state's

1 medical marijuana program, including but not limited to, payment of expenses incurred by the
2 departments of health and business regulation for the administration of the program.

3 (b) All revenues remaining in the restricted-receipt accounts after payments specified in
4 subsection (a) of this section shall first be paid to cover any existing deficit in the department of
5 health's restricted-receipt account or the department of business regulation's restricted-receipt
6 account. These transfers shall be made annually on the last business day of the fiscal year.

7 (c) All revenues remaining in the restricted-receipt accounts after payments specified in
8 subsections (a) and (b) shall be paid into the state's general fund. These payments shall be made
9 annually on the last business day of the fiscal year.

10 SECTION 2. Chapter 21-28.6 of the General Laws entitled "The Edward O. Hawkins and
11 Thomas C. Slater Medical Marijuana Act" are hereby amended by adding thereto the following
12 sections:

13 **21-28.6-16.1. Licensed manufacturers.**

14 (a) A marijuana manufacturer licensed under this section may acquire marijuana from
15 licensed cultivators or compassion centers. A licensed manufacturer may possess, manufacture, or
16 process marijuana into marijuana products in accordance with regulations promulgated by the
17 department of business regulation. A licensed manufacturer may deliver, or transfer marijuana
18 products to licensed compassion centers or another licensed manufacturer in accordance with
19 regulations promulgated by the department of business regulation. A licensed manufacturer shall
20 not be a primary caregiver cardholder and shall not hold a cooperative cultivation license. A
21 licensed manufacturer shall not grow, cultivate, sell, or dispense medical marijuana unless the
22 licensed manufacturer has also been issued a cultivator license or compassion center registration
23 pursuant to regulations promulgated by the department of business regulation. The department of
24 business regulation may restrict the number, types, and classes of medical marijuana licenses an
25 applicant may be issued through regulations promulgated by the department. Except as
26 specifically provided to the contrary, all provisions of the Edward O. Hawkins and Thomas C.
27 Slater Medical Marijuana Act, §§ 21-28.6-1 – 21-28.6-15, apply to a licensed manufacturer
28 unless they conflict with a provision contained in § 21-28.6-16.1.

29 (b) Licensing of manufacturers – Department of business regulation authority. The
30 department of business regulation shall promulgate regulations governing the manner in which it
31 shall consider applications for the licensing of manufacturers, including but not limited to
32 regulations governing:

33 (1) The form and content of licensing and renewal applications;

34 (2) Minimum oversight requirements for licensed manufacturers;

1 (3) Minimum record-keeping requirements for manufacturers;
2 (4) Minimum security requirements for manufacturers; and
3 (5) Procedures for suspending, revoking, or terminating the license of manufacturers that
4 violate the provisions of this section or the regulations promulgated pursuant to this subsection.
5 (6) Applicable application and license fees.
6 (c) A manufacturer license issued by the department of business regulation shall expire
7 one year after it was issued and the licensed manufacturer may apply for renewal with the
8 department in accordance with its regulations pertaining to licensed manufacturers.
9 (d) The department of business regulation may promulgate regulations that govern how
10 much marijuana a licensed manufacturer may possess. All marijuana possessed by a licensed
11 manufacturer must be catalogued in a seed to sale inventory tracking system in accordance with
12 regulations promulgated by the department of business regulation.
13 (e) Manufacturers shall only sell manufactured marijuana products to compassion centers
14 or another licensed manufacturer. The department may suspend and/or revoke the manufacturer's
15 license and the license of any officer, director, employee, or agent of such manufacturer and/or
16 impose an administrative penalty in accordance with such regulations promulgated by the
17 department for any violation of this section or the regulations. In addition, any violation of this
18 section or the regulations promulgated pursuant to this subsection and subsection (d) shall cause a
19 licensed manufacturer to lose the protections described in subsection (m) and may subject the
20 licensed manufacturer to arrest and prosecution under Chapter 28 of title 21 (the Rhode Island
21 Controlled Substances Act).
22 (f) manufacturers shall be subject to any regulations promulgated by the department of
23 health or department of business regulation that specify how marijuana must be tested for items,
24 including, but not limited to, potency, cannabinoid profile, and contaminants;
25 (g) manufacturers shall be subject to any product labeling requirements promulgated by
26 the department of business regulation and the department of health;
27 (i) manufacturers shall only be licensed to manufacture marijuana at a single location,
28 registered with the department of business regulation and the department of public safety unless
29 the manufacturer license is held by a compassion center which was approved by the department
30 of health or renewed by the department of business regulation prior to July 1, 2018. The
31 department of business regulation may promulgate regulations governing where manufacturers
32 are allowed to grow. Manufacturers must abide by all local ordinances, including zoning
33 ordinances.
34 (j) Inspection. Manufacturers shall be subject to reasonable inspection by the department

1 of business regulation or the department of health for the purposes of enforcing regulations
2 promulgated pursuant to this chapter and all applicable Rhode Island general laws.

3 (k) The manufacturer applicant shall apply to the bureau of criminal identification of the
4 department of attorney general, department of public safety division of state police, or local
5 police department for a national criminal records check that shall include fingerprints submitted
6 to the Federal Bureau of Investigation. Upon the discovery of any disqualifying information as
7 defined in subdivision (k)(2), and in accordance with the rules promulgated by the director of the
8 department of business regulation, the bureau of criminal identification of the department of
9 attorney general, department of public safety division of state police, or the local police
10 department shall inform the applicant, in writing, of the nature of the disqualifying information;
11 and, without disclosing the nature of the disqualifying information, shall notify the department of
12 business regulation, in writing, that disqualifying information has been discovered.

13 (1) In those situations in which no disqualifying information has been found, the bureau
14 of criminal identification of the department of attorney general, department of public safety
15 division of state police, or the local police department shall inform the applicant and the
16 department of business regulation, in writing, of this fact.

17 (2) Information produced by a national criminal records check pertaining to a conviction
18 for a felony drug offense or a plea of nolo contendere for a felony drug offense and received a
19 sentence of probation shall result in a letter to the applicant and the department of business
20 regulation disqualifying the applicant.

21 (3) The manufacturer applicant shall be responsible for any expense associated with the
22 national criminal records check.

23 (l) Persons issued manufacturer licenses or registration card shall be subject to the
24 following:

25 (1) A licensed manufacturer cardholder shall notify and request approval from the
26 department of business regulation of any change in his or her name or address within ten (10)
27 days of such change. A manufacturer cardholder who fails to notify the department of business
28 regulation of any of these changes is responsible for a civil infraction, punishable by a fine of no
29 more than one hundred fifty dollars (\$150).

30 (2) When a licensed manufacturer cardholder notifies the department of business
31 regulation of any changes listed in this subsection, the department of business regulation shall
32 issue the manufacturer cardholder a new license or registry identification card after the
33 department approves the changes and receives from the licensee payment of a fee specified in
34 regulation.

1 (3) If a licensed manufacturer cardholder loses his or her registry identification card, he
2 or she shall notify the department of business regulation and submit a fee specified in regulation
3 within ten (10) days of losing the registry identification card. The department of business
4 regulation shall issue a new registry identification card with a new random identification number.

5 (4) A licensed manufacturer cardholder shall notify the department of business regulation
6 of any disqualifying criminal convictions as defined in subdivision (k)(2). The department of
7 business regulation may choose to suspend and/or revoke his or her card after such notification.

8 (5) If a licensed manufacturer or manufacturer cardholder violates any provision of this
9 chapter or regulations promulgated hereunder as determined by the department of business
10 regulation, his or her card or the issued license may be suspended and/or revoked.

11 (m) Immunity:

12 (1) No licensed manufacturer shall be subject to prosecution; search, except by the
13 departments pursuant to subsection (j); seizure; or penalty in any manner, or denied any right or
14 privilege, including, but not limited to, civil penalty or disciplinary action by a business,
15 occupational, or professional licensing board or entity, solely for acting in accordance with this
16 chapter;

17 (2) No licensed manufacturer shall be subject to prosecution, seizure, or penalty in any
18 manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary
19 action by a business, occupational, or professional licensing board or entity, for selling, giving, or
20 distributing marijuana in whatever form and within the limits established by the department of
21 business regulation to another licensed manufacturer or registered compassion center;

22 (3) No principal officers, board members, agents, volunteers, or employees of a licensed
23 manufacturer shall be subject to arrest, prosecution, search, seizure, or penalty in any manner, or
24 denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a
25 business, occupational, or professional licensing board or entity, solely for working for or with a
26 licensed manufacturer to engage in acts permitted by this section.

27 (4) No state employee shall be subject to arrest, prosecution, or penalty in any manner, or
28 denied any right or privilege, including, but not limited to, civil penalty, disciplinary action,
29 termination, or loss of employee or pension benefits, for any and all conduct that occurs within
30 the scope of his or her employment regarding the administration, execution, and/or enforcement
31 of this act, and the provisions of §§ 9-31-8 and 9-31-9 shall be applicable to this section.

32 **21-28.6-16.2. Other Supporting Medical Marijuana Licenses.**

33 (a) The department of business regulation shall have the authority to promulgate
34 regulations to create and implement additional types and classes of commercial medical

1 marijuana licenses, including but not limited to, licenses for businesses to engage in marijuana
2 destruction, delivery, disposal, research and development, transportation or any other commercial
3 activity needed to support licensed cultivators, licensed manufacturers, compassion centers,
4 licensed testing facilities, and patient need; provided no license created by the department shall
5 allow for the retail sale of medical marijuana to registered cardholders.

6 (b) The department of business regulation shall promulgate regulations governing the
7 manner in which it shall consider applications for issuing additional medical marijuana licenses,
8 including but not limited to, regulations governing:

9 (1) The form and content of licensing and renewal applications;

10 (2) Minimum oversight requirements for additional medical marijuana license holders;

11 (3) Minimum record-keeping requirements for additional medical marijuana license
12 holders;

13 (4) Minimum security requirements for additional medical marijuana license holders;

14 (5) Procedures for suspending, revoking, or terminating the licenses of licensees that
15 violate the provisions of this chapter or the regulations promulgated pursuant to this chapter; and

16 (6) Applicable application and license fees.

17 (c) Any applicant, or employee, officer, director, manager, member or agent of a holder
18 of a license issued by the department of business regulation pursuant to this section and the
19 regulations shall be required to obtain a registry identification card from the division subject to
20 the requirements and fees set by the department pursuant to the regulations.

21 (d) With respect to any licenses and registrations issued by the department of business
22 regulation pursuant to this chapter, the department of business regulation shall be entitled to
23 charge application, license and registration fees as set by the department of business regulation
24 and set forth in regulations promulgated here under.

25 SECTION 3. Section 21-28.6-6.1 of the General Laws in Chapter 21-28.6 entitled "The
26 Edward O. Hawkins and Thomas C. Slater Medical Marijuana Act" is hereby repealed.

27 ~~**21-28.6-6.1. Administration of regulations.**~~

28 ~~(a) The department of health shall issue registry identification cards to qualifying patients~~
29 ~~who submit the following, in accordance with the department's regulations:~~

30 ~~(1) Written certification as defined in § 21-28.6-3(24) of this chapter;~~

31 ~~(2) Application or renewal fee;~~

32 ~~(3) Name, address, and date of birth of the qualifying patient; provided, however, that if~~
33 ~~the patient is homeless, no address is required;~~

34 ~~(4) Name, address, and telephone number of the qualifying patient's practitioner;~~

1 ~~(5) Name, address, and date of birth of each primary caregiver of the qualifying patient, if~~
2 ~~any.~~

3 ~~(b) The department of health shall not issue a registry identification card to a qualifying~~
4 ~~patient under the age of eighteen (18) unless:~~

5 ~~(1) The qualifying patient's practitioner has explained the potential risks and benefits of~~
6 ~~the medical use of marijuana to the qualifying patient and to a parent, guardian, or person having~~
7 ~~legal custody of the qualifying patient; and~~

8 ~~(2) A parent, guardian, or person having legal custody consents in writing to:~~

9 ~~(i) Allow the qualifying patient's medical use of marijuana;~~

10 ~~(ii) Serve as one of the qualifying patient's primary caregivers; and~~

11 ~~(iii) Control the acquisition of the marijuana, the dosage, and the frequency of the~~
12 ~~medical use of marijuana by the qualifying patient.~~

13 ~~(c) The department shall not issue a registry identification card to a qualifying patient~~
14 ~~seeking treatment for post-traumatic stress disorder (PTSD) under the age of eighteen (18).~~

15 ~~(d) The department shall verify the information contained in an application or renewal~~
16 ~~submitted pursuant to this section, and shall approve or deny an application or renewal within~~
17 ~~fifteen (15) days of receiving it. The department may deny an application or renewal only if the~~
18 ~~applicant did not provide the information required pursuant to this section, or if the department~~
19 ~~determines that the information provided was falsified. Rejection of an application or renewal is~~
20 ~~considered a final department action, subject to judicial review. Jurisdiction and venue for~~
21 ~~judicial review are vested in the superior court.~~

22 ~~(e) If the qualifying patient's practitioner notifies the department in a written statement~~
23 ~~that the qualifying patient is eligible for hospice care, the department shall verify the application~~
24 ~~information in accordance with subsection (d) and issue a registry identification card to the~~
25 ~~qualifying patient and primary caregivers named in the patient's application within seventy two~~
26 ~~(72) hours of receipt of the completed application. The department shall not charge a registration~~
27 ~~fee to the patient or caregivers named in the application.~~

28 ~~(f) The department shall issue a registry identification card to each primary caregiver, if~~
29 ~~any, who is named in a qualifying patient's approved application, up to a maximum of two (2)~~
30 ~~primary caregivers per qualifying patient.~~

31 ~~(1) The primary caregiver applicant shall apply to the bureau of criminal identification of~~
32 ~~the department of attorney general, state police, or local police department for a national criminal~~
33 ~~records check that shall include fingerprints submitted to the Federal Bureau of Investigation.~~
34 ~~Upon the discovery of any disqualifying information as defined in subdivision (f)(4), and in~~

1 ~~accordance with the rules promulgated by the director, the bureau of criminal identification of the~~
2 ~~department of attorney general, state police, or the local police department shall inform the~~
3 ~~applicant, in writing, of the nature of the disqualifying information; and, without disclosing the~~
4 ~~nature of the disqualifying information, shall notify the department, in writing, that disqualifying~~
5 ~~information has been discovered.~~

6 ~~(2) In those situations in which no disqualifying information has been found, the bureau~~
7 ~~of criminal identification of the department of attorney general, state police, or the local police~~
8 ~~shall inform the applicant and the department, in writing, of this fact.~~

9 ~~(3) The department shall maintain on file evidence that a criminal records check has been~~
10 ~~initiated on all applicants seeking a primary caregiver registry identification card and the results~~
11 ~~of the checks. The primary caregiver cardholder shall not be required to apply for a national~~
12 ~~criminal records check for each patient he or she is connected to through the department's~~
13 ~~registration process, provided that he or she has applied for a national criminal records check~~
14 ~~within the previous two (2) years in accordance with this chapter. The department shall not~~
15 ~~require a primary caregiver cardholder to apply for a national criminal records check more than~~
16 ~~once every two (2) years.~~

17 ~~(4) Information produced by a national criminal records check pertaining to a conviction~~
18 ~~for any felony offense under chapter 28 of title 21 ("Rhode Island Controlled Substances Act"),~~
19 ~~murder, manslaughter, rape, first degree sexual assault, second degree sexual assault, first degree~~
20 ~~child molestation, second degree child molestation, kidnapping, first degree arson, second degree~~
21 ~~arson, mayhem, robbery, burglary, breaking and entering, assault with a dangerous weapon,~~
22 ~~assault or battery involving grave bodily injury, and/or assault with intent to commit any offense~~
23 ~~punishable as a felony or a similar offense from any other jurisdiction shall result in a letter to the~~
24 ~~applicant and the department disqualifying the applicant. If disqualifying information has been~~
25 ~~found, the department may use its discretion to issue a primary caregiver registry identification~~
26 ~~card if the applicant's connected patient is an immediate family member and the card is restricted~~
27 ~~to that patient only.~~

28 ~~(5) The primary caregiver applicant shall be responsible for any expense associated with~~
29 ~~the national criminal records check.~~

30 ~~(6) For purposes of this section "conviction" means, in addition to judgments of~~
31 ~~conviction entered by a court subsequent to a finding of guilty or a plea of guilty, those instances~~
32 ~~where the defendant has entered a plea of nolo contendere and has received a sentence of~~
33 ~~probation and those instances where a defendant has entered into a deferred sentence agreement~~
34 ~~with the attorney general.~~

1 ~~(g) The department shall issue registry identification cards within five (5) days of~~
2 ~~approving an application or renewal that shall expire two (2) years after the date of issuance.~~

3 ~~Registry identification cards shall contain:~~

4 ~~(1) The date of issuance and expiration date of the registry identification card;~~

5 ~~(2) A random registry identification number;~~

6 ~~(3) A photograph; and~~

7 ~~(4) Any additional information as required by regulation or the department.~~

8 ~~(h) Persons issued registry identification cards shall be subject to the following:~~

9 ~~(1) A patient cardholder shall notify the department of any change in the patient~~
10 ~~cardholder's name, address, or primary caregiver; or if he or she ceases to have his or her~~
11 ~~debilitating medical condition, within ten (10) days of such change.~~

12 ~~(2) A patient cardholder who fails to notify the department of any of these changes is~~
13 ~~responsible for a civil infraction, punishable by a fine of no more than one hundred fifty dollars~~
14 ~~(\$150). If the patient cardholder has ceased to suffer from a debilitating medical condition, the~~
15 ~~card shall be deemed null and void and the person shall be liable for any other penalties that may~~
16 ~~apply to the person's nonmedical use of marijuana.~~

17 ~~(3) A primary caregiver cardholder or compassion center cardholder shall notify the~~
18 ~~department of any change in his or her name or address within ten (10) days of such change. A~~
19 ~~primary caregiver cardholder or compassion center cardholder who fails to notify the department~~
20 ~~of any of these changes is responsible for a civil infraction, punishable by a fine of no more than~~
21 ~~one hundred fifty dollars (\$150).~~

22 ~~(4) When a patient cardholder or primary caregiver cardholder notifies the department of~~
23 ~~any changes listed in this subsection, the department shall issue the patient cardholder and each~~
24 ~~primary caregiver cardholder a new registry identification card within ten (10) days of receiving~~
25 ~~the updated information and a ten dollar (\$10.00) fee. When a compassion center cardholder~~
26 ~~notifies the department of any changes listed in this subsection, the department shall issue the~~
27 ~~cardholder a new registry identification card within ten (10) days of receiving the updated~~
28 ~~information and a ten dollar (\$10.00) fee.~~

29 ~~(5) When a patient cardholder changes his or her primary caregiver, the department shall~~
30 ~~notify the primary caregiver cardholder within ten (10) days. The primary caregiver cardholder's~~
31 ~~protections, as provided in this chapter as to that patient, shall expire ten (10) days after~~
32 ~~notification by the department. If the primary caregiver cardholder is connected to no other~~
33 ~~patient cardholders in the program, he or she must return his or her registry identification card to~~
34 ~~the department.~~

1 ~~(6) If a cardholder loses his or her registry identification card, he or she shall notify the~~
2 ~~department and submit a ten-dollar (\$10.00) fee within ten (10) days of losing the card. Within~~
3 ~~five (5) days, the department shall issue a new registry identification card with new, random~~
4 ~~identification number.~~

5 ~~(7) If a cardholder willfully violates any provision of this chapter as determined by the~~
6 ~~department, his or her registry identification card may be revoked.~~

7 ~~(i) Possession of, or application for, a registry identification card shall not constitute~~
8 ~~probable cause or reasonable suspicion, nor shall it be used to support the search of the person or~~
9 ~~property of the person possessing or applying for the registry identification card, or otherwise~~
10 ~~subject the person or property of the person to inspection by any governmental agency.~~

11 ~~(j)(1) Applications and supporting information submitted by qualifying patients,~~
12 ~~including information regarding their primary caregivers and practitioners, are confidential and~~
13 ~~protected under the federal Health Insurance Portability and Accountability Act of 1996, and shall~~
14 ~~be exempt from the provisions of chapter 2 of title 38 et seq. (Rhode Island access to public~~
15 ~~records act) and not subject to disclosure, except to authorized employees of the department as~~
16 ~~necessary to perform official duties of the department, and pursuant to subsection (k) of this~~
17 ~~section.~~

18 ~~(2) The application for qualifying patient's registry identification card shall include a~~
19 ~~question asking whether the patient would like the department to notify him or her of any clinical~~
20 ~~studies about marijuana's risk or efficacy. The department shall inform those patients who answer~~
21 ~~in the affirmative of any such studies it is notified of that will be conducted in Rhode Island. The~~
22 ~~department may also notify those patients of medical studies conducted outside of Rhode Island.~~

23 ~~(3) The department shall maintain a confidential list of the persons to whom the~~
24 ~~department has issued registry identification cards. Individual names and other identifying~~
25 ~~information on the list shall be confidential, exempt from the provisions of Rhode Island access to~~
26 ~~public information, chapter 2 of title 38, and not subject to disclosure, except to authorized~~
27 ~~employees of the department as necessary to perform official duties of the department.~~

28 ~~(k) Notwithstanding subsection (j) of this section, the department shall verify to law~~
29 ~~enforcement personnel whether a registry identification card is valid solely by confirming the~~
30 ~~random registry identification number or name.~~

31 ~~(l) It shall be a crime, punishable by up to one hundred eighty (180) days in jail and a one~~
32 ~~thousand dollar (\$1,000) fine, for any person, including an employee or official of the department~~
33 ~~or another state agency or local government, to breach the confidentiality of information obtained~~
34 ~~pursuant to this chapter. Notwithstanding this provision, the department employees may notify~~

1 ~~law enforcement about falsified or fraudulent information submitted to the department.~~

2 ~~(m) On or before January 1 of each odd-numbered year, the department shall report to the~~
3 ~~house committee on health, education and welfare and to the senate committee on health and~~
4 ~~human services on the use of marijuana for symptom relief. The report shall provide:~~

5 ~~(1) The number of applications for registry identification cards, the number of qualifying~~
6 ~~patients and primary caregivers approved, the nature of the debilitating medical conditions of the~~
7 ~~qualifying patients, the number of registry identification cards revoked, and the number of~~
8 ~~practitioners providing written certification for qualifying patients;~~

9 ~~(2) An evaluation of the costs permitting the use of marijuana for symptom relief,~~
10 ~~including any costs to law enforcement agencies and costs of any litigation;~~

11 ~~(3) Statistics regarding the number of marijuana-related prosecutions against registered~~
12 ~~patients and caregivers, and an analysis of the facts underlying those prosecutions;~~

13 ~~(4) Statistics regarding the number of prosecutions against physicians for violations of~~
14 ~~this chapter; and~~

15 ~~(5) Whether the United States Food and Drug Administration has altered its position~~
16 ~~regarding the use of marijuana for medical purposes or has approved alternative delivery systems~~
17 ~~for marijuana.~~

18 SECTION 4. This Article shall take effect upon passage.

19 **ARTICLE 18**

20 **RELATING TO EFFECTIVE DATE**

21 SECTION 1. This Act shall take effect as of July 1, 2018, except as otherwise provided
22 herein.

23 SECTION 2. This Article shall take effect upon passage.

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LC003937
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR THE FISCAL
YEAR ENDING JUNE 30, 2019

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ARTICLE 1

RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2019

This article makes appropriations from general revenue and authorizes expenditure of federal funds, restricted receipts, and other funds for FY 2019. This article also identifies the FTE position authorizations for each agency and department for fiscal year 2019; provides multi-year appropriations for Rhode Island Capital Plan Fund projects; provides for the reappropriation of unexpended and unencumbered funds from the Rhode Island Capital Plan Fund project appropriations in the ensuing fiscal year; provides expenditure limits for internal service funds; provides appropriations for all Temporary Disability Insurance funds, Employment Security funds, University and College funds, and Lottery Division funds.

ARTICLE 2

RELATING TO STATE FUNDS

This article adds Municipal Police Training Tuition and Fees, School for the Deaf – School Breakfast and Lunch Program, and School Construction Services to the list of indirect cost recovery restricted receipt accounts to be exempt from transferring 10% of cash receipts to the general fund. Additionally, this article allows the State Budget Officer to implement an indirect cost for the purpose of funding direct project management costs of state employees. This article also expands the Westerly Higher Education Center’s restricted receipt account to allow for revenues collected from future, additional Higher Education Centers to be deposited in the account to allow for the Westerly Center and future Centers to be self-sustaining. Additionally, this article creates a restricted receipt account for the atomic energy commission reactor fees generated from use of the reactor facilities and related services. This article also shifts the date for the approval of reappropriations by the Governor from August 15th to September 1st to coincide with the issuance of the preliminary closing by the State Controller. Lastly, this article establishes the Government Performance Improvement Fund, dedicated to purpose funding “pay for success contracts” throughout state government.

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ARTICLE 3

RELATING TO GOVERNMENT REFORM

This article moves the State Building Code Commission, the Fire Safety Code Board Appeal and Review, and the Contractor’s Registration and Licensing Board from the Department of Administration to the Department of Business Regulation. The article also moves the Office of the Fire Marshal from the Department of Public Safety to the Department of Business Regulation. Additionally, the article requires application for accidental disability benefits by Injured on Duty (IOD) recipients to be governed by the IOD statute; and provides for IOD benefits to be terminated upon final ruling of the State Retirement Board, the Worker’s Compensation Court, or any court of competent jurisdiction. The article also transfers the responsibilities of the Water Resources Board from the Department of Administration’s Division of Planning to the Division of Public Utilities. Furthermore, this article makes several membership changes to the Tobacco Settlement Finance Corporation Board. This article also clarifies a section of law to reflect a 2015 legislative change that moved the Film Office out of the Department of Administration. Lastly, this article amends the law to allow the state to withhold state aid from cities and towns that owe funds to the state.

ARTICLE 4

RELATING TO TAXES AND REVENUE

This article requires the lottery to: (1) study, evaluate and, where appropriate, implement new lottery-related initiatives; (2) beginning in fiscal year 2018, for the purpose of determining revenues remaining to be transferred to the state general fund, to reflect actuarially determined expenses for employer contributions to the State Employees and Electing Teachers’ OPEB System as expenses incurred by the Lottery in the operation of the Lottery; and (3) to operate legalized sports wagering in the state at the Twin River Casino in Lincoln and Twin River Casino in Tiverton provided sports-wagering is allowed under federal law; authorizes the Director of the Department of Revenue to establish a collections unit for the purpose of assisting state agencies with the collection of debts. Additionally, the article imposes sales tax on vendor-hosted prewritten computer software also referred to as software as a service; repeal a technical error related to exemption of certain seeds and plants from sales tax which is already codified in 44-18-30; and imposes sales tax on certain investigation, guard, and armored car services; imposes the other tobacco products tax on electronic cigarettes, requires other tobacco products be purchased from licensed manufacturers, importers, distributors; increases the maximum per cigar tax by thirty cents (\$.30); and, increases the cigarette tax by twenty-five cents (\$.25); and imposes a floor tax on existing inventory of cigarettes.

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ARTICLE 5

RELATING TO CAPITAL DEVELOPMENT PROGRAM

This article submits to the voters of Rhode Island in November 2018, for their approval or rejection, three capital development referenda totaling \$368,500,000. This consists of one five-year school construction referendum, one higher education referendum consisting of two projects, and one environmental and recreation referendum consisting of ten components. The proposition would authorize the issuance of bonds, refunding bonds, or temporary notes of the State for capital projects.

ARTICLE 6

RELATING TO LICENSING

This article is a modern economy omnibus package that includes amendments to existing legislation that simplify the process of doing business in Rhode Island and promote the modernization of the State’s economy through the: (1) elimination of unnecessary and duplicative licenses; (2) removal of small fees for filing complaints or business applications; (3) consolidation or elimination of fees for secondary business activities; (4) amendment of documentation requirements to enable the digital submission of application materials; (5) elimination of unnecessary notarization and oath requirements for business owners and professionals; and (6) alignment of various certification and permit renewal periods. Lastly, this article transfers oversight for nine licenses from the RI Department of Health to the Department of Business Regulation.

ARTICLE 7

RELATING TO FEES

This article makes adjustments to fees collected from companies that sell mutual funds and insurance claims adjustors to make Rhode Island more competitive. This article authorizes the State to continue its collection of the Hospital Licensing Fee for one additional fiscal year. Lastly, this article authorizes municipal police training school to collect tuition and fees and deposit funds into a newly created restricted receipt account for the purposes of supporting the operations of the training school.

ARTICLE 8

RELATING TO MOTOR VEHICLES

This article delays the requirement that the Division of Motor Vehicles (DMV) issue a new fully reflective license plate from January 1, 2019 to January 1, 2020 and merges the update fee and duplicate license fee into one category. This article also exempts the update and duplicate license fee from the transfer to the Highway Maintenance Fund to provide the DMV with additional resources to implement the federal requirements of REAL-ID. Finally, it changes the

1 percentage of the transfer to the Highway Maintenance Fund in FY 2018 from eighty percent to
2 sixty percent.

3 **ARTICLE 9**

4 **RELATING TO SCHOOL CONSTRUCTION AND EDUCATION**

5 This article proposes to improve the condition of school buildings in Rhode Island
6 consistent with the recommendations made by the Governor’s School Building Task Force. This
7 article proposes to temporarily expand the incentives to the school housing aid ratio to encourage
8 school construction projects that address health and safety deficiencies, provide educational and
9 technological enhancements, and utilize school buildings efficiently. The expansion of the school
10 construction program requires additional responsibilities and oversight by the school building
11 authority and therefore, this proposal creates additional roles and responsibilities for the school
12 building authority. To further support school construction projects, the financing for energy and
13 environmental projects funded by the Rhode Island Infrastructure Bank are made eligible for state
14 school housing aid reimbursement. To ensure that school building projects are conducted in an
15 efficient and cost-effective manner, owners program managers and commissioning agents will be
16 assigned to projects exceeding \$1,500,000, and state certification of prime contractors will be
17 required for projects exceeding \$10,000,000. Finally, to ensure that school buildings are properly
18 maintained into the future, the article requires the introduction of maintenance requirements and
19 minimum facility standards for school buildings statewide.

20 **ARTICLE 10**

21 **RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2018**

22 This article makes revised appropriations from general revenue and authorizes
23 expenditure of federal funds, restricted receipts, and other funds for FY 2018. This article also
24 provides that each line in Section 10 constitutes an appropriation; provides expenditures limits for
25 internal service funds; identifies revised FTE position authorizations for each agency and
26 department for fiscal year 2018; and provides for an effective date of “upon passage”.

27 **ARTICLE 11**

28 **RELATING TO WORKFORCE DEVELOPMENT**

29 This article amends Chapter 42-102 to codify the Real Jobs RI program into law –
30 establishing a permanent presence for the administration’s sector driven workforce strategy.
31 Amends Section 28-43-8 to establish additional funding for the Real Jobs RI program by
32 adjusting the JDF assessment and Unemployment Insurance (UI) tax rates annually via formula to
33 capture any interest earned by the UI Trust Fund. Amends Section 28-43-8.5 to sunset the Jobs
34 Training Tax Credit program, which would eliminate duplicative incentives and align investments

1 with the administration’s priorities. Amends Section 42-102-11 to provide flexibility around the
2 administration of the Governor’s Workforce Board’s Work Immersion program. This article also
3 establishes a restricted receipt account for the misclassification task force and workplace fraud
4 unit.

5 **ARTICLE 12**

6 **RELATING TO COMMERCE CORPORATION AND ECONOMIC DEVELOPMENT**

7 This article authorizes new programs and funds intended to promote economic
8 development. Each program contains program integrity requirements to ensure proper use of
9 public funds. The article amends and extends existing programs to better promote economic
10 growth, manufacturing, and small business activity. The article also contains new reporting
11 requirements for the Commerce Corporation to provide information regarding the use and effect
12 of the disbursed tax credits/funds from incentive programs.

13 **ARTICLE 13**

14 **RELATING TO MEDICAL ASSISTANCE**

15 This article implements several changes to the organization, financing and delivery of the
16 Medicaid program that build on the foundation of the Reinventing Medicaid Act. Toward this
17 end, the Article seeks to adjust provider payment levels and leverage funding opportunities to
18 ensure continued access to high quality, coordinated health care services and promote better
19 health outcomes through performance-based payment incentives and reforms.

20 **ARTICLE 14**

21 **RELATING TO MEDICAID REFORM ACT OF 2008**

22 This article establishes the legal authority for the Secretary of the Executive Office of
23 Health and Human Services to review and coordinate any Medicaid section 1115 demonstration
24 waiver requests and renewals, as well as any initiatives and proposals requiring amendments to
25 the Medicaid state plan or category II or III changes as described in the demonstration, with “the
26 potential to affect the scope, amount, or duration of publicly-funded health care services, provider
27 payments or reimbursements, or access to or the availability of benefits and services provided by
28 Rhode Island general and public laws and cost-effective consumer choice system of care that is
29 fiscally sound and sustainable”.

30 **ARTICLE 15**

31 **RELATING TO CHILDREN AND FAMILIES**

32 This article contains changes to the powers and duties of the Department of Children, Youth
33 and Families, the regulation of childcare facilities and the administration of the childcare assistance
34 program.

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ARTICLE 16

RELATING TO DEBT MANAGEMENT

This article contains four sections that pertain to the issuance of revenue bonds by the Rhode Island Health and Educational Building (RIHEBC) as a conduit issuer on behalf of the University of Rhode Island. There are three RIHEBC debt-financed capital projects scheduled to begin in FY 2019 at the University, thus requiring legislative authorization pursuant to RIGL 35-18-1 et seq, the Rhode Island Public Corporation Debt Management Act.

ARTICLE 17

RELATING TO THE EDWARD O. HAWKINS AND THOMAS C. SLATER MEDICAL MARIJUANA ACT

This article expands the number of compassion centers from three to fifteen and restructures compassion center licenses to increase competition in the medical marijuana industry and increase patient access to regulated medical marijuana. It also creates a new commercial manufacturing license for the manufacturing and processing of medical marijuana products. The article consolidates the registration and oversight of caregivers and authorized purchasers under the department of business regulation, which already enforces regulations for the cultivation of medical marijuana and the use of marijuana plant tags.

ARTICLE 18

RELATING TO EFFECTIVE DATE

This article provides that the act shall take effect as of July 1, 2018, except as otherwise provided herein.

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