

2009 -- H 5983 SUBSTITUTE A AS AMENDED

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LC02189/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2009

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A N A C T

MAKING APPROPRIATIONS FOR THE SUPPORT OF THE STATE FOR THE FISCAL
YEAR ENDING JUNE 30, 2010

Introduced By: Representatives Watson, Loughlin, Savage, Ehrhardt, and Newberry

Date Introduced: March 12, 2009

Referred To: House Finance

It is enacted by the General Assembly as follows:

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| 1 | ARTICLE 1 | RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2010 |
| 2 | ARTICLE 2 | RELATING TO BORROWING IN ANTICIPATION OF RECEIPTS FROM |
| 3 | | TAXES AND INTERFUND BORROWING |
| 4 | ARTICLE 3 | RELATING TO EDUCATION AID |
| 5 | ARTICLE 4 | RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF |
| 6 | | FY 2009 |
| 7 | ARTICLE 5 | RELATING TO GOVERNMENTAL ORGANIZATION |
| 8 | ARTICLE 6 | RELATING TO COMMUNITY SUPPORT OF SCHOOLS AND |
| 9 | | LIBRARIES AND STATE AID |
| 10 | ARTICLE 7 | RELATING TO PENSIONS |
| 11 | ARTICLE 8 | RELATING TO EMPLOYMENT SECURITY TRUST FUND AND |
| 12 | | CONTRIBUTIONS |
| 13 | ARTICLE 9 | RELATING TO MUNICIPAL TIPPING FEES |
| 14 | ARTICLE 10 | RELATING TO JUDICIAL ARBITRATION FEES |
| 15 | ARTICLE 11 | RELATING TO CRIMINAL RECORDS EXPUNGEMENT FEES |
| 16 | ARTICLE 12 | RELATING TO LICENSES AND FEES |
| 17 | ARTICLE 13 | RELATING TO BUDGET STABILIZATION ACCOUNT |
| 18 | ARTICLE 14 | RELATING TO DEPARTMENT OF HEALTH LEGAL FEES |

- 1 ARTICLE 15 RELATING TO PUBLIC UTILITY REGULATORY ASSESSMENT
- 2 ARTICLE 16 RELATING TO REVENUES
- 3 ARTICLE 17 RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS
- 4 ARTICLE 18 RELATING TO PUBLIC ASSISTANCE ACT
- 5 ARTICLE 19 RELATING TO HOSPITAL UNCOMPENSATED CARE
- 6 ARTICLE 20 RELATING TO CASH ASSISTANCE
- 7 ARTICLE 21 RELATING TO GENERAL PUBLIC ASSISTANCE – HARDSHIP
- 8 CONTINGENCY FUND
- 9 ARTICLE 22 RELATING TO CENTERS FOR MEDICARE AND MEDICAID SERVICES
- 10 WAIVER AND EXPENDITURE AUTHORITY
- 11 ARTICLE 23 RELATING TO MEDICAL ASSISTANCE
- 12 ARTICLE 24 RELATING TO THE EFFECTIVE DATE

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LC02189/SUB A
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ARTICLE 1 SUBSTITUTE A AS AMENDED

RELATING TO MAKING APPROPRIATIONS IN SUPPORT OF FY 2010

SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this act, the following general revenue amounts are hereby appropriated out of any money in the treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2010. The amounts identified for federal funds and restricted receipts shall be made available pursuant to section 35-4-22 and Chapter 41 of Title 42 of the Rhode Island General Laws. For the purposes and functions hereinafter mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the general treasurer for the payment of such sums or such portions thereof as may be required from time to time upon receipt by him or her of properly authenticated vouchers.

Administration

Central Management

General Revenues	1,653,123
Federal Funds	41,246
Total - Central Management	1,694,369

Legal Services

General Revenues	1,088,274
Other Funds	
Legal Support/DOT	25,595
Total – Legal Services	1,113,869

Accounts and Control

General Revenues	3,814,166
Stimulus – Accounts and Control	140,000
Total – Accounts and Control	3,954,166

Budgeting General Revenues

Purchasing

General Revenues	2,050,754
Stimulus – Purchasing	570,000
Total – Purchasing	2,620,754

1	<i>Auditing</i>	
2	General Revenues	1,465,588
3	Stimulus – Auditing	70,000
4	Total – Auditing	1,535,588
5	<i>Human Resources</i>	
6	General Revenues	9,872,296
7	Federal Funds	726,665
8	Restricted Receipts	437,675
9	Other Funds	1,379,919
10	Total - Human Resources	12,416,555
11	<i>Personnel Appeal Board</i> General Revenues	84,090
12	<i>Facilities Management</i>	
13	General Revenues	37,680,174
14	Federal Funds	1,214,588
15	Restricted Receipts	1,038,271
16	Other Funds	4,443,003
17	Total – Facilities Management	44,376,036
18	<i>Capital Projects and Property Management</i>	
19	General Revenues	2,613,613
20	Restricted Receipts	1,113,397
21	Stimulus – Capital Projects and Property Management	80,000
22	Total – Capital Projects and Property Management	3,807,010
23	<i>Information Technology</i>	
24	General Revenues	18,637,302
25	Federal Funds	6,458,209
26	Stimulus – Information Technology	390,000
27	Restricted Receipts	985,163
28	Other Funds	1,698,714
29	Total – Information Technology	28,169,388
30	<i>Library and Information Services</i>	
31	General Revenues	884,607
32	Federal Funds	1,025,116
33	Restricted Receipts	6,000
34	Total – Library and Information Services	1,915,723

1	<i>Planning</i>	
2	General Revenues	3,466,719
3	Federal Funds	
4	Federal Funds	14,196,840
5	Federal Funds – Stimulus	3,681,730
6	Federal Highway - PL Systems Planning	2,002,192
7	Air Quality Modeling	10,000
8	Total - Planning	23,357,481
9	<i>General</i>	
10	General Revenues	
11	Economic Development Corporation	5,500,807
12	EDC-RI Airport Corporation Impact Aid	1,025,000
13	Sixty percent (60%) of the first \$1,000,000 appropriated funds shall be distributed to	
14	each airport serving more than 1,000,000 passengers based upon its percentage of the total	
15	passengers served by all airports serving more than 1,000,000 passengers. Forty percent (40%) of	
16	the first \$1,000,000 shall be distributed to North Central Airport, Newport-Middletown Airport,	
17	Block Island Airport, Quonset Airport, TF Green Airport, and Westerly Airport based on the	
18	share of landings during the calendar year 2006, respectively. No airport shall receive less than	
19	\$25,000. Each airport receiving any portion of the amount appropriated shall make an impact	
20	payment to the towns or cities in which the airport is located in the full amounts received from the	
21	Corporation within thirty (30) days of the payment from the Corporation.	
22	Each community upon which any parts of the above airports are located shall receive at	
23	least \$25,000.	
24	EDC EPScore (Research Alliance)	1,500,000
25	Miscellaneous Grants	395,956
26	Slater Centers of Excellence	2,000,000
27	Torts – Court	400,000
28	Transfer to the RI Capital Plan Fund	22,000,000
29	State Employees/Teachers Retiree Health Subsidy	2,344,502
30	Motor Vehicle Excise Tax Payment	135,306,888
31	Property Valuation	1,843,500
32	Payment in Lieu of Tax Exempt Properties	27,580,409
33	Distressed Communities Relief Program	10,384,458
34	Station Fire	10,000,000

1	Resource Sharing and State Library Aid	8,773,398
2	Library Construction Aid	2,844,547
3	Federal Funds - Stimulus	
4	Restricted Receipts	1,378,997
5	Rhode Island Capital Plan Funds	
6	Statehouse Renovations	2,500,000
7	Lead Mitigation Group Homes	85,338
8	Cranston Street Armory	300,000
9	Cannon Building	275,000
10	Pastore Center Rehab. DOA	800,000
11	Zambarano Building Rehabilitation	900,000
12	Old State House	250,000
13	State Office Building	1,350,000
14	Old Colony House	270,000
15	Neighborhood Opportunities Program	2,500,000
16	William Powers Building	500,000
17	Fire Code Compliance State Buildings	400,000
18	Pastore Center Fire Code Compliance	550,000
19	Pastore Center Utility System	415,000
20	Ladd Center Water System	350,000
21	Pastore Center Power Plant	1,000,000
22	Replacement of Fueling Tanks	725,000
23	Environmental Compliance	250,000
24	Pastore Utilities Upgrade	1,500,000
25	Pastore Center Building Demolition	200,000
26	McCoy Stadium	407,500
27	Washington County Government Center	75,000
28	Hazard Building Renovations	650,000
29	DoIT Computer Center	3,968,224
30	Total - General	253,499,524
31	<i>Debt Service Payments</i>	
32	General Revenues	157,553,100
33	Federal Funds	809,471
34	Restricted Receipts	6,309,696

1	Other Funds	
2	RIPTA Debt Service	826,370
3	Transportation Debt Service	41,350,022
4	Investment Receipts – Bond Funds	100,000
5	RIRBA - DLT – Temporary Disability Insurance	45,586
6	COPS - DLT Building – TDI	279,166
7	Total - Debt Service Payments	207,273,411
8	<i>Energy Resources</i>	
9	Federal Funds	
10	Federal Funds	41,107,828
11	Federal Funds – Stimulus	6,800,000
12	Restricted Receipts	
13	Overcharge Interest Earnings	222,040
14	Energy Efficiency and Resources Mgmt. Council	58,801
15	Regional Greenhouse Gas Initiative	4,900,000
16	Renewable Energy Fund Administration	123,804
17	Demand Side Management Grants	2,026,726
18	Total – Energy Resources	55,239,199
19	<i>Sheriffs</i> General Revenues	17,240,788
20	<i>Undistributed Statewide Savings</i> General Revenue	(67,881,345)
21	<i>Pension Changes</i>	
22	General Revenues	5,474,761
23	Federal Funds	2,862,204
24	Restricted Receipts	337,944
25	Other Funds	769,799
26	Total – Pension Changes	9,444,708
27	Grand Total - Administration	601,864,659
28	Business Regulation	
29	<i>Central Management</i> General Revenues	1,084,422
30	<i>Banking Division</i>	
31	General Revenues	1,749,677
32	Restricted Receipts	125,000
33	Total – Banking Division	1,874,677
34	<i>Securities Division</i>	

1	General Revenues	823,110
2	Restricted Receipts	15,000
3	Total – Securities Division	838,110
4	<i>Commercial Licensing, Racing and Athletics</i>	
5	General Revenues	795,557
6	Restricted Receipts	449,196
7	Total - Commercial Licensing, Racing and Athletics	1,244,753
8	<i>Insurance Regulation</i>	
9	General Revenues	4,645,367
10	Restricted Receipts	1,165,615
11	Total - Insurance Regulation	5,810,982
12	<i>Board of Accountancy General Revenues</i>	164,526
13	<i>Boards for Design Professionals General Revenues</i>	314,575
14	Grand Total - Business Regulation	11,332,045
15	Labor and Training	
16	<i>Central Management</i>	
17	General Revenues	310,311
18	Restricted Receipts	832,687
19	Rhode Island Capital Plan Funds	
20	Center General Roof	793,001
21	Total - Central Management	1,935,999
22	<i>Workforce Development Services</i>	
23	General Revenues	95,409
24	Federal Funds	
25	Federal Funds	18,189,313
26	Federal Funds - Stimulus	12,836,684
27	Restricted Receipts	11,793,736
28	Total - Workforce Development Services	42,915,142
29	<i>Workforce Regulation and Safety General Revenues</i>	2,254,033
30	<i>Income Support</i>	
31	General Revenues	3,581,636
32	Federal Funds	
33	Federal Funds	19,170,615
34	Federal Funds – Stimulus	164,170,000

1	Restricted Receipts	1,301,331
2	Other Funds	
3	Temporary Disability Insurance Fund	182,191,509
4	Employment Security Fund	500,700,000
5	Total - Income Support	871,115,091
6	<i>Injured Workers Services</i> Restricted Receipts	11,387,196
7	<i>Labor Relations Board</i> General Revenues	426,605
8	Grand Total - Labor and Training	930,034,066
9	Department of Revenue	
10	<i>Director of Revenue Office</i> General Revenues	562,988
11	<i>Office of Revenue Analysis</i> General Revenues	598,055
12	<i>Lottery Division</i> Lottery Funds	187,710,749
13	<i>Municipal Finance</i> General Revenues	1,173,544
14	<i>Taxation</i>	
15	General Revenues	17,028,276
16	Federal Funds	1,292,658
17	Restricted Receipts	830,192
18	Motor Fuel Tax Evasion	105,149
19	Temporary Disability Insurance	948,004
20	Total - Taxation	20,204,279
21	<i>Registry of Motor Vehicles</i>	
22	General Revenues	16,828,201
23	Federal Funds	1,312,271
24	Restricted Receipts	15,100
25	Rhode Island Capital Plan Funds – Registry	11,400,000
26	Total – Registry of Motor Vehicles	29,555,572
27	Grand Total – Revenue	239,805,187
28	Legislature	
29	General Revenues	35,874,012
30	Restricted Receipts	1,556,712
31	Grand Total - Legislature	37,430,724
32	Lieutenant Governor General Revenues	973,262
33	Secretary of State	
34	<i>Administration</i> General Revenues	1,904,137

1	<i>Corporations</i> General Revenues	1,782,133
2	<i>State Archives</i>	
3	General Revenues	80,084
4	Restricted Receipts	474,338
5	Total - State Archives	554,422
6	<i>Elections</i>	
7	General Revenues	878,262
8	Federal Funds	500,000
9	Total – Elections	1,378,262
10	<i>State Library</i> General Revenues	575,937
11	<i>Office of Civics and Public Information</i> General Revenues	300,688
12	Grand Total - State	6,495,579
13	General Treasurer	
14	<i>Treasury</i>	
15	General Revenues	2,367,841
16	Federal Funds	249,523
17	Temporary Disability Insurance Fund	202,290
18	Total – Treasury	2,819,654
19	<i>State Retirement System</i>	
20	Restricted Receipts	
21	Administrative Expenses - State Retirement System	9,097,737
22	Retirement - Treasury Investment Operations	1,109,132
23	Total - State Retirement System	10,206,869
24	<i>Unclaimed Property</i> Restricted Receipts	15,051,045
25	<i>RI Refunding Bond Authority</i> General Revenues	41,641
26	<i>Crime Victim Compensation Program</i>	
27	General Revenues	90,817
28	Federal Funds	
29	Federal Funds	858,017
30	Federal Funds – Stimulus	186,000
31	Restricted Receipts	1,482,589
32	Total - Crime Victim Compensation Program	2,617,423
33	Grand Total - General Treasurer	30,736,632
34	Board of Elections	

1	General Revenues	1,600,141
2	Federal Funds	250,000
3	Grand Total – Board of Elections	1,850,141
4	Rhode Island Ethics Commission General Revenues	1,437,730
5	Office of Governor	
6	General Revenues	4,856,754
7	Contingency Fund	250,000
8	Federal Funds – Stimulus Office of Economic	
9	Recovery & Reinvestment	630,630
10	Grand Total – Office of Governor	5,737,384
11	From the appropriation for contingency shall be paid such sums as may be required at the	
12	discretion of the Governor to fund expenses for which appropriations may not exist. Such	
13	contingency funds may also be used for expenditures in departments and agencies where	
14	appropriations are insufficient, or where such requirements are due to unforeseen conditions or	
15	are non-recurring items of an unusual nature. Said appropriation may also be used for the	
16	payment of bills incurred due to emergencies or to any offense against public peace and property,	
17	in accordance with the provisions of Titles 11 and 45 of the General Laws of 1956, as amended.	
18	All expenditures and transfers from this account shall be approved by the Governor.	
19	Commission for Human Rights	
20	General Revenues	1,016,242
21	Federal Funds	408,505
22	Grand Total – Commission for Human Rights	1,424,747
23	Public Utilities Commission	
24	Federal Funds	103,600
25	Restricted Receipts	7,308,931
26	Grand Total - Public Utilities Commission	7,412,531
27	Rhode Island Commission on Women General Revenues	109,462
28	Office of Health and Human Services	
29	General Revenues	3,621,896
30	Federal Funds	4,484,003
31	Restricted Receipts	1,284,790
32	Total – Health and Human Services	9,390,689
33	Children, Youth, and Families	
34	<i>Central Management</i>	

1	General Revenues	5,077,434
2	Federal Funds	2,274,715
3	Total - Central Management	7,352,149
4	<i>Children's Behavioral Health Services</i>	
5	General Revenues	10,687,390
6	Federal Funds	
7	Federal Funds	9,494,176
8	Federal Funds – Stimulus	758,871
9	Rhode Island Capital Plan Funds	
10	Groden Center Mt. Hope	50,000
11	NAFI Center	584,224
12	Total - Children's Behavioral Health Services	21,574,661
13	<i>Juvenile Correctional Services</i>	
14	General Revenues	34,117,789
15	Federal Funds	
16	Federal Funds	1,706,512
17	Federal Funds – Stimulus	310,257
18	Restricted Receipts	23,059
19	Total - Juvenile Correctional Services	36,157,617
20	<i>Child Welfare</i>	
21	General Revenues	
22	General Revenues	99,526,633
23	18 to 21 Year Olds	9,213,181
24	Federal Funds	
25	Federal Funds	60,445,770
26	18 to 21 Year Olds	3,095,672
27	Federal Funds – Stimulus	7,418,972
28	Restricted Receipts	2,180,000
29	Rhode Island Capital Plan Funds	
30	Camp E-Hun-Tee	85,000
31	Youth Group Home	500,000
32	Total - Child Welfare	182,465,228
33	<i>Higher Education Incentive Grants</i> General Revenues	200,000
34	Grand Total - Children, Youth, and Families	247,749,655

1	Elderly Affairs	
2	General Revenues	
3	General Revenues	8,776,624
4	RIPAE	1,142,763
5	Safety and Care of the Elderly	1,300
6	Federal Funds	
7	Federal Funds	13,842,956
8	Federal Funds – Stimulus	1,367,408
9	Restricted Receipts	392,115
10	Total - Elderly Affairs	25,523,166
11	Health	
12	<i>Central Management</i>	
13	General Revenues	1,811,914
14	Federal Funds	9,260,272
15	Restricted Receipts	2,504,304
16	Total - Central Management	13,576,490
17	<i>State Medical Examiner</i>	
18	General Revenues	2,439,972
19	Federal Funds	135,017
20	Total - State Medical Examiner	2,574,989
21	<i>Environmental and Health Services Regulation</i>	
22	General Revenues	8,914,730
23	Federal Funds	3,811,915
24	Restricted Receipts	3,332,067
25	Total - Environmental and Health Services Regulation	16,058,712
26	<i>Health Laboratories</i>	
27	General Revenues	7,079,007
28	Federal Funds	900,905
29	Total - Health Laboratories	7,979,912
30	<i>Public Health Information</i>	
31	General Revenues	1,945,787
32	Federal Funds	2,348,236
33	Total – Public Health Information	4,294,023
34	<i>Community and Family Health & Equity</i>	

1	General Revenues	5,089,737
2	Federal Funds	
3	Federal Funds	56,830,511
4	Federal Funds – Stimulus	2,343,752
5	Restricted Receipts	18,857,066
6	Walkable Communities Initiative	46,263
7	RI Airport Corporation Funds	185,149
8	Total – Community and Family Health & Equity	83,352,478
9	<i>Infectious Disease and Epidemiology</i>	
10	General Revenues	2,273,425
11	Federal Funds	2,200,762
12	Total – Infectious Disease and Epidemiology	4,474,187
13	Grand Total - Health	132,310,791
14	Human Services	
15	<i>Central Management</i>	
16	General Revenues	5,980,973
17	Federal Funds	
18	Federal Funds	5,255,506
19	Federal Funds – Stimulus	3,176,247
20	Restricted Receipts	601,715
21	Total - Central Management	15,014,441
22	<i>Child Support Enforcement</i>	
23	General Revenues	2,373,898
24	Federal Funds	
25	Federal Funds	5,924,700
26	Federal Funds – Stimulus	2,300,000
27	Total – Child Support Enforcement	10,598,598
28	<i>Individual and Family Support</i>	
29	General Revenues	22,152,850
30	Federal Funds	
31	Federal Funds	57,876,042
32	Federal Funds – Stimulus	2,350,000
33	Restricted Receipts	134,150
34	Rhode Island Capital Plan Funds-Blind Vending Facilities	125,000

1	Intermodal Surface Transportation Fund	4,400,000
2	Total - Individual and Family Support	87,038,042
3	<i>Veterans' Affairs</i>	
4	General Revenues	17,852,470
5	Federal Funds	5,933,514
6	Restricted Receipts	2,273,637
7	Total - Veterans' Affairs	26,059,621
8	<i>Health Care Quality, Financing and Purchasing</i>	
9	General Revenues	21,771,668
10	Federal Funds	44,871,085
11	Restricted Receipts	60,000
12	Total - Health Care Quality, Financing & Purchasing	66,702,753
13	<i>Medical Benefits</i>	
14	General Revenues	
15	Managed Care	205,075,368
16	Hospitals	97,221,709
17	Long Term Care	
18	Nursing Facilities	105,152,488
19	Home and Community Based Services	24,491,324
20	Other	28,303,764
21	Pharmacy	48,704,880
22	Rhody Health	53,398,400
23	Federal Funds	
24	Managed Care	307,580,071
25	Hospitals	117,144,752
26	Long Term Care	
27	Nursing Facilities	153,952,160
28	Home and Community Based Services	35,718,777
29	Other	47,823,829
30	Pharmacy	5,840,820
31	Rhody Health	77,877,600
32	Special Education	20,733,240
33	Federal Funds – Stimulus	138,618,537
34	Restricted Receipts	5,246,911

1	Total - Medical Benefits	1,472,884,630
2	<i>Supplemental Security Income Program</i> General Revenues	20,706,354
3	<i>Family Independence Program</i>	
4	General Revenues	
5	Child Care	6,500,000
6	Federal Funds	
7	Federal Funds	85,172,800
8	Federal Funds – Stimulus	4,700,000
9	Total - Family Independence Program	96,372,800
10	<i>State Funded Programs</i>	
11	General Revenues	
12	General Public Assistance	2,395,456
13	Federal Funds	
14	Federal Funds	130,737,444
15	Federal Funds – Stimulus	35,000,000
16	Total - State Funded Programs	168,132,900
17	Grand Total - Human Services	1,963,510,139
18	Mental Health, Retardation, and Hospitals	
19	<i>Central Management</i>	
20	General Revenues	1,035,453
21	Federal Funds	131,287
22	Total - Central Management	1,166,740
23	<i>Hospital and Community System Support</i>	
24	General Revenues	2,655,402
25	Federal Funds	
26	Federal Funds	849,939
27	Federal Funds – Stimulus	182,290
28	Rhode Island Capital Plan Funds	
29	Medical Center Rehabilitation	1,000,000
30	Community Facilities Fire Code	1,050,000
31	DD Private Waiver Community Facility/Fire Code	965,669
32	Total - Hospital and Community System Support	6,703,300
33	<i>Services for the Developmentally Disabled</i>	
34	General Revenues	80,278,072

1	Federal Funds	
2	Federal Funds	118,998,274
3	Federal Funds – Stimulus	25,799,627
4	Restricted Receipts	2,813,044
5	Rhode Island Capital Plan Funds	
6	Regional Center Repair/Rehabilitation	500,000
7	MR Community Facilities/Access to Independence	770,000
8	Developmental Disability Group Homes	860,000
9	Total - Services for the Developmentally Disabled	230,019,017
10	<i>Integrated Mental Health Services</i>	
11	General Revenues	28,312,837
12	Federal Funds	
13	Federal Funds	45,139,838
14	Federal Funds – Stimulus	8,200,103
15	Rhode Island Capital Plan Funds	
16	MH Community Facilities Repairs	200,000
17	MH Housing Development-Thresholds	500,000
18	MH Residences Furniture	26,000
19	Total - Integrated Mental Health Services	82,378,778
20	<i>Hospital and Community Rehabilitation Services</i>	
21	General Revenues	40,770,397
22	Federal Funds	
23	Federal Funds	50,477,112
24	Federal Funds – Stimulus	10,798,682
25	Restricted Receipts	2,300,000
26	Rhode Island Capital Plan Funds	
27	Zambarano Buildings and Utilities	500,000
28	Hospital Consolidation	4,470,000
29	Eleanor Slater HVAC/Elevators	555,000
30	Total - Hospital and Community Rehabilitation Services	109,871,191
31	<i>Substance Abuse</i>	
32	General Revenues	12,963,619
33	Federal Funds	
34	Federal Funds	18,807,689

1	Federal Funds – Stimulus	673,397
2	Restricted Receipts	90,000
3	Rhode Island Capital Plan Funds	
4	Asset Protection	200,000
5	Total - Substance Abuse	32,734,705
6	Grand Total - Mental Health, Retardation, and Hospitals	462,873,731
7	Office of the Child Advocate	
8	General Revenues	547,048
9	Federal Funds	41,100
10	Grand Total – Office of the Child Advocate	588,148
11	Commission on the Deaf and Hard of Hearing General Revenues	370,146
12	Governor's Commission on Disabilities	
13	General Revenues	366,450
14	Federal Funds	174,949
15	Restricted Receipts	10,001
16	Rhode Island Capital Plan Funds-Facility Renovation - Handicapped Accessibility	175,000
17	Total - Governor's Commission on Disabilities	726,400
18	Mental Health Advocate General Revenues	448,423
19	Elementary and Secondary Education	
20	<i>Administration of the Comprehensive Education Strategy</i>	
21	General Revenues	20,387,006
22	Federal Funds	
23	Federal Funds	192,228,874
24	Federal Funds – Stimulus	47,202,040
25	Restricted Receipts	
26	Restricted Receipts	878,114
27	HRIC Adult Education Grants	4,640,000
28	Rhode Island Capital Plan Funds	
29	State Owned Schools – Chariho Repairs	200,000
30	Total – Administration of the Comprehensive	
31	Education Strategy	265,536,034
32	<i>Davies Career and Technical School</i>	
33	General Revenues	14,056,193
34	Federal Funds	

1	Federal Funds	1,379,313
2	Federal Funds – Stimulus	718,226
3	Rhode Island Capital Plan Funds	
4	Davies HVAC	925,000
5	Davies Asset Protection	125,000
6	Davies Roof Repair	1,000,000
7	Total - Davies Career and Technical School	18,203,732
8	<i>RI School for the Deaf</i>	
9	General Revenues	5,947,646
10	Federal Funds	
11	Federal Funds	319,863
12	Federal Funds – Stimulus	348,107
13	Restricted Receipts	603,540
14	Total - RI School for the Deaf	7,219,156
15	<i>Metropolitan Career and Technical School</i>	
16	General Revenues	12,187,381
17	Federal Funds – Stimulus	571,386
18	Rhode Island Capital Plan Funds	
19	MET School East Bay	4,000,000
20	Total - Metropolitan Career and Technical School	16,758,767
21	<i>Education Aid</i>	
22	General Revenues	623,428,385
23	<u>Provided that \$1.5 million dollars shall be expended for new Charter Schools and</u>	
24	<u>Mayoral Academy</u>	
25	Federal Funds - Stimulus	33,410,743
26	Restricted Receipts	1,379,423
27	Total – Education Aid	658,218,551
28	<i>Central Falls School District</i>	
29	General Revenues	42,428,937
30	Federal Funds – Stimulus	2,167,539
31	Permanent School Fund – Central Falls	183,624
32	Total - Central Falls School District	44,780,100
33	<i>Housing Aid</i> General Revenues	61,538,663
34	<i>Teachers' Retirement</i> General Revenues	77,752,559

1	Grand Total - Elementary and Secondary Education	1,150,007,562
2	Public Higher Education	
3	<i>Board of Governors/Office of Higher Education</i>	
4	General Revenues	7,364,037
5	Federal Funds	3,757,508
6	Total – Board of Governors/Office of Higher Education	11,121,545
7	<i>University of Rhode Island</i>	
8	General Revenues	
9	General Revenues	61,485,106
10	Debt Service	14,299,321
11	Federal Funds	
12	RI Developmental Disabilities Council	474,013
13	Stabilization Funds – Fire Safety	7,171,090
14	University and College Funds	
15	University and College Funds	478,515,279
16	Debt - Dining Services	1,141,724
17	Debt - Educational and General	5,136,539
18	Debt - Health Services	130,411
19	Debt - Housing Loan Funds	7,605,889
20	Debt - Memorial Union	150,716
21	Debt - Ryan Center	2,797,945
22	Debt - Alton Jones Services	149,425
23	Debt - Parking Authority	1,257,596
24	Debt - Sponsored Research	100,589
25	Debt - URI Vehicle Lease Payments	71,080
26	Debt - URI Energy Conservation	2,133,127
27	Rhode Island Capital Plan Funds	
28	Asset Protection	4,444,640
29	Total – University of Rhode Island	587,064,490
30	Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpected or	
31	unencumbered balances as of June 30, 2010 relating to the University of Rhode Island are hereby	
32	reappropriated to fiscal year 2011.	
33	<i>Rhode Island College</i>	
34	General Revenues	

1	General Revenues	40,818,151
2	Debt Service	1,368,648
3	Federal Stabilization Funds – Fire Safety	5,695,093
4	University and College Funds	
5	University and College Funds	101,997,361
6	Debt - Education and General	295,196
7	Debt - Housing	3,629,430
8	Debt - Student Center and Dining	172,639
9	Debt - Student Union	231,856
10	Debt – RIC Vehicle Lease Payments	12,002
11	Rhode Island Capital Plan Funds-Asset Protection	1,929,910
12	Total – Rhode Island College	156,150,286

13 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpected or
14 unencumbered balances as of June 30, 2010 relating to the Rhode Island College are hereby
15 reappropriated to fiscal year 2011.

16 *Community College of Rhode Island*

17	General Revenues	
18	General Revenues	46,527,444
19	Debt Service	1,444,137
20	Federal Stabilization Funds – Fire Safety	3,240,712
21	Restricted Receipts	667,543
22	University and College Funds	
23	University and College Funds	77,374,247
24	Debt – Bookstore	102,718
25	Rhode Island Capital Plan Funds	
26	Asset Protection	1,228,125
27	Fire Code and HVAC	1,848,485
28	Total – Community College of Rhode Island	132,433,411

29 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpected or
30 unencumbered balances as of June 30, 2010 relating to the Community College of Rhode Island
31 are hereby reappropriated to fiscal year 2011.

32	Grand Total – Public Higher Education	886,769,732
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33 **RI State Council on the Arts**

34	General Revenues	
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1	Operating Support	663,261
2	Grants	1,320,725
3	Federal Funds	
4	Federal Funds	855,840
5	Arts for Public Facilities	435,000
6	Grand Total - RI State Council on the Arts	3,274,826
7	RI Atomic Energy Commission	
8	General Revenues	775,346
9	Federal Funds	107,000
10	URI Sponsored Research	284,769
11	Rhode Island Capital Plan Funds-RINSC Asset Protection	50,000
12	Grand Total - RI Atomic Energy Commission	1,217,115
13	RI Higher Education Assistance Authority	
14	General Revenues	
15	Needs Based Grants and Work Opportunities	6,382,700
16	Authority Operations and Other Grants	923,041
17	Federal Funds	14,575,320
18	Tuition Savings Program – Needs Based Grants & Work Op.	6,750,277
19	Grand Total – RI Higher Education Assistance Authority	28,631,338
20	RI Historical Preservation and Heritage Commission	
21	General Revenues	1,285,100
22	Federal Funds	819,367
23	Restricted Receipts	509,037
24	Grand Total - RI Historical Pres. and Heritage Comm.	2,613,504
25	RI Public Telecommunications Authority	
26	General Revenues	1,142,702
27	Corporation for Public Broadcasting	765,656
28	Grand Total – RI Public Telecommunications Authority	1,908,358
29	Attorney General	
30	<i>Criminal</i>	
31	General Revenues	13,010,243
32	Federal Funds	1,218,040
33	Restricted Receipts	344,298
34	Total - Criminal	14,572,581

1	<i>Civil</i>	
2	General Revenues	4,385,190
3	Restricted Receipts	588,632
4	Total - Civil	4,973,822
5	<i>Bureau of Criminal Identification</i>	
6	General Revenues	1,000,244
7	Federal Funds	56,500
8	Total – Bureau of Criminal Identification	1,056,744
9	<i>General</i>	
10	General Revenues	2,704,066
11	Rhode Island Capital Plan Funds Building-Renovations and Repairs	200,000
12	Total - General	2,904,066
13	Grand Total - Attorney General	23,507,213
14	Corrections	
15	<i>Central Management</i> General Revenues	8,021,430
16	<i>Parole Board</i>	
17	General Revenues	1,269,396
18	Federal Funds	24,300
19	Total - Parole Board	1,293,696
20	<i>Institutional Corrections</i>	
21	General Revenues	153,293,213
22	Federal Funds	1,948,122
23	Rhode Island Capital Plan Funds	
24	General Renovations – Maximum	434,705
25	Women’s Bathroom Renovations	650,000
26	Bernadette Guay Building Roof	1,290,000
27	Asset Protection	2,500,000
28	Reintegration Center Match	188,571
29	General Renovations – Women’s	705,000
30	Total - Institutional Corrections	161,009,611
31	<i>Community Corrections</i>	
32	General Revenues	14,806,523
33	Federal Funds	224,246
34	Total – Community Corrections	15,030,769

1	Grand Total - Corrections	185,355,506
2	Judiciary	
3	<i>Supreme Court</i>	
4	General Revenues	
5	General Revenues	24,678,116
6	Defense of Indigents	3,365,689
7	Federal Funds	102,440
8	Restricted Receipts	1,302,005
9	Rhode Island Capital Plan Funds	
10	Judicial HVAC	300,000
11	Judicial Complexes Asset Protection	525,000
12	Total - Supreme Court	30,273,250
13	<i>Superior Court</i>	
14	General Revenues	19,861,308
15	Federal Funds	90,000
16	Restricted Receipts	287,000
17	Total - Superior Court	20,238,308
18	<i>Family Court</i>	
19	General Revenues	18,151,560
20	Federal Funds	1,253,012
21	Total - Family Court	19,404,572
22	<i>District Court</i>	
23	General Revenues	10,175,958
24	Restricted Receipts	639,193
25	Total - District Court	10,815,151
26	<i>Traffic Tribunal</i> General Revenues	7,545,676
27	<i>Workers' Compensation Court</i> Restricted Receipts	7,578,922
28	<i>Judicial Tenure and Discipline</i> General Revenues	128,922
29	Grand Total - Judiciary	95,984,801
30	Military Staff	
31	<i>National Guard</i>	
32	General Revenues	1,517,828
33	Federal Funds	11,008,369
34	Restricted Funds	190,000

1	Rhode Island Capital Plan Funds	
2	AMC Roof Replacement	1,100,000
3	State Armories Fire Code Comp.	50,000
4	Federal Armories Fire Code	12,500
5	Asset Protection	250,000
6	Logistics/Maintenance Fac. Fire Code	6,250
7	Woonsocket Building Demolition	63,340
8	Total - National Guard	14,198,287
9	<i>Emergency Management</i>	
10	General Revenues	1,762,151
11	Federal Funds	10,933,246
12	Restricted Receipts	147,449
13	Total - Emergency Management	12,842,846
14	Grand Total - Military Staff	27,041,133
15	Public Safety	
16	<i>Central Management</i>	
17	General Revenues	770,605
18	Federal Funds	
19	Federal Funds	4,531,428
20	Restricted Receipts	133,000
21	Total – Central Management	5,435,033
22	<i>E-911 Emergency Telephone System</i>	
23	General Revenues	4,831,572
24	Rhode Island Capital Plan Funds-E-911 PSAP Building Renovations	55,000
25	Grand Total - E-911 Emergency Telephone System	4,886,572
26	<i>State Fire Marshal</i>	
27	General Revenues	2,631,162
28	Federal Funds	376,000
29	Grand Total - State Fire Marshal	3,007,162
30	<i>Capitol Police</i> General Revenues	3,310,591
31	<i>Municipal Police Training Academy</i>	
32	General Revenues	349,696
33	Federal Funds	186,505
34	Grand Total - Municipal Police Training Academy	536,201

1	<i>State Police</i>	
2	General Revenues	42,852,283
3	Federal Funds	12,133,313
4	Restricted Receipts	476,000
5	Rhode Island Capital Plan Funds	
6	Barracks and Training	750,000
7	State Police New Headquarters	13,000,000
8	State Microwave Upgrade	2,300,000
9	Headquarters Repairs/Rehabilitation	50,000
10	Parking Area Improvements	225,000
11	Traffic Enforcement - Municipal Training	107,150
12	Lottery Commission Assistance	170,708
13	Airport Corporation	167,171
14	Road Construction Reimbursement	2,020,300
15	Grand Total - State Police	74,251,925
16	Grand Total – Public Safety	91,427,484
17	Office of Public Defender	
18	General Revenues	9,583,189
19	Federal Funds	225,898
20	Grand Total - Office of Public Defender	9,809,087
21	Environmental Management	
22	<i>Office of the Director</i>	
23	General Revenues	5,185,950
24	Federal Funds	791,315
25	Restricted Receipts	2,668,020
26	Total – Office of the Director	8,645,285
27	<i>Natural Resources</i>	
28	General Revenues	18,222,294
29	Federal Funds	18,203,843
30	Restricted Receipts	3,586,240
31	DOT Recreational Projects	71,354
32	Blackstone Bikepath Design	980,601
33	Rhode Island Capital Plan Funds	
34	Dam Repair	1,910,000

1	Recreational Facilities Improvements	1,100,000
2	Fort Adams Rehabilitation	250,000
3	Galilee Piers Upgrade	750,000
4	Newport Piers	500,000
5	Total - Natural Resources	45,574,332
6	<i>Environmental Protection</i>	
7	General Revenues	12,076,125
8	Federal Funds	
9	Federal Funds	12,660,714
10	Federal Funds – Stimulus	2,025,000
11	Retrofit Heavy-Duty Diesel Vehicles	1,000,000
12	Restricted Receipts	8,991,789
13	Total - Environmental Protection	36,753,628
14	Grand Total - Environmental Management	90,973,245
15	Coastal Resources Management Council	
16	General Revenues	2,027,574
17	Federal Funds	1,608,438
18	Restricted Receipts	250,000
19	Rhode Island Capital Plan Funds	
20	Providence River Dredging	1,655,509
21	Grand Total – Coastal Resources Management Council	5,541,521
22	Water Resources Board	
23	General Revenues	1,370,785
24	Rhode Island Capital Plan Funds	
25	Big River Management Area	103,000
26	Grand Total – Water Resources Board	1,473,785
27	Transportation	
28	<i>Central Management</i>	
29	Federal Funds	17,203,537
30	Gasoline Tax	1,905,734
31	Total - Central Management	19,109,271
32	<i>Management and Budget Gasoline Tax</i>	1,186,330
33	<i>Infrastructure – Engineering – Garvee/Motor Fuel Tax Bonds</i>	
34	Federal Funds	

1	Federal Funds	266,742,846
2	Federal Funds – Stimulus	97,402,000
3	Restricted Receipts	1,500,000
4	Gasoline Tax	56,395,537
5	State Infrastructure Bank	1,387,984
6	Land Sale Revenue	3,199,768
7	Highway Logo Program	100,000
8	Rhode Island Capital Plan Funds	
9	RIPTA Land and Buildings	2,602,609
10	Pawtucket/Central Falls Train Station	40,267
11	Total - Infrastructure – Engineering – Garvee/Motor	
12	Fuel Tax Bonds	429,371,011
13	<i>Infrastructure Maintenance</i>	
14	Gasoline Tax	36,749,879
15	Non-land Surplus Property	25,000
16	Outdoor Advertising	200,000
17	Rhode Island Capital Plan Funds	
18	Cherry Hill/Lincoln Facility	950,000
19	Maintenance Facility Improvements	325,000
20	Salt Storage Facilities	1,000,000
21	DOT Maintenance Facilities – Fire Alarms	150,000
22	Total - Infrastructure Maintenance	39,399,879
23	Grand Total - Transportation	489,066,491
24	Statewide Totals	
25	General Revenues	3,000,341,114
26	Federal Funds	2,828,214,952
27	Restricted Receipts	162,397,115
28	Other Funds	1,823,784,957
29	Statewide Grand Total	7,814,738,138

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

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

1 thereby.

2 SECTION 4. Notwithstanding any provisions of Chapter 38 in Title 45 of the Rhode
3 Island General Laws, the Rhode Island Health and Educational Building Corporation shall
4 transfer to the State Controller the sum of one million dollars (\$1,000,000) on June 30, 2010.

5 SECTION 5. **Extension of previous authorizations.** -- The general assembly, pursuant
6 to the provisions of section 35-8-25 of the general laws, hereby extends to the termination date
7 contained herein the authority to issue the following general obligation bond authorization in the
8 amount stated. The original authorization enacted by public law and approved by the people that
9 remains unissued as of March 1, 2009 is as follows:

10 Purpose	11 Statutory Reference	12 Unissued Amt 13 to be Extended	14 Termination Date
15 Preservation, Recreation and 16 Heritage	17 Ch. 65-P.L. of 2002	18 \$1,200,000	19 June 30, 2011

20 SECTION 6. The general assembly authorizes the state controller to establish the
21 internal service accounts shown below, and no other, to finance and account for the operations of
22 state agencies that provide services to other agencies, institutions and other governmental units on
23 a cost reimbursed basis. The purpose of these accounts is to ensure that certain activities are
24 managed in a businesslike manner, promote efficient use of services by making agencies pay the
25 full costs associated with providing the services, and allocate the costs of central administrative
26 services across all fund types, so that federal and other non-general fund programs share in the
27 costs of general government support. The controller is authorized to reimburse these accounts
28 for the cost of work or services performed for any other department or agency subject to the
29 following expenditure limitations:

30 Account	31 Expenditure Limit
32 State Assessed Fringe Benefit Internal Service Fund	33 31,824,722
34 Administration Central Utilities Internal Service Fund	24,525,696
State Central Mail Internal Service Fund	82,779
State Telecommunications Internal Service Fund	3,508,119
State Automotive Fleet Internal Service Fund	14,408,646
State Fleet Replacement Revolving Loan Fund	2,500,000
Capital Police Internal Service Fund	763,874
Health Insurance Internal Service Fund	306,132,044
Corrections General Services & Warehouse Internal Service Fund	6,766,198
Correctional Industries Internal Service Fund	7,205,297

1 Secretary of State Record Center Internal Service Fund 814,696

2 SECTION 7. The General Assembly may provide a written "statement of legislative
3 intent" signed by the chairperson of the House Finance Committee and by the chairperson of the
4 Senate Finance Committee to show the intended purpose of the appropriations contained in
5 Section 1 of this Article. The statement of legislative intent shall be kept on file in the House
6 Finance Committee and in the Senate Finance Committee.

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

12 SECTION 8. *Appropriation of Temporary Disability Insurance Funds* -- There is hereby
13 appropriated pursuant to sections 28-39-5 and 28-39-8 of the Rhode Island General Laws all
14 funds required to be disbursed for the benefit payments from the Temporary Disability Insurance
15 Fund and Temporary Disability Insurance Reserve Fund for the fiscal year ending June 30, 2010.

16 SECTION 9. *Appropriation of Employment Security Funds* -- There is hereby
17 appropriated pursuant to section 28-42-19 of the Rhode Island General Laws all funds required to
18 be disbursed for benefit payments from the Employment Security Fund for the fiscal year ending
19 June 30, 2010.

20 SECTION 10. *Appropriation of Lottery Division Funds* -- There is hereby appropriated to
21 the Lottery Division any funds required to be disbursed by the Lottery Division for the purposes
22 of paying commissions or transfers to the prize fund for the fiscal year ending June 30, 2010.

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

1 Senate Fiscal Advisor.

2 No agency or department may employ contracted employees or employee services where
3 the contracted employees would work under state employee supervisors without determination of
4 need by the Director of Administration acting upon the positive recommendations of the Budget
5 Officer and the Personnel Administrator and 15 days after a public hearing.

6 Nor may any agency or department contract for services replacing work done by state
7 employees at that time without determination of need by the Director of Administration acting
8 upon the positive recommendations of the Budget Officer and the Personnel Administrator and 30
9 days after a public hearing.

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

13 FTE POSITION AUTHORIZATION

14 <u>Departments and Agencies</u>	<u>Full-Time Equivalent</u>
15 Administration	895.6
16 Business Regulation	91.0
17 Labor and Training	436.3
18 Revenue	424.0
19 Legislature	297.9
20 Office of the Lieutenant Governor	8.0
21 Office of the Secretary of State	57.0
22 Office of the General Treasurer	83.0
23 Board of Elections	12.0
24 Rhode Island Ethics Commission	12.0
25 Office of the Governor	43.0
26 Commission for Human Rights	14.5
27 Public Utilities Commission	44.0
28 Rhode Island Commission on Women	1.0
29 Office of Health and Human Services	74.1
30 Children, Youth, and Families	700.0
31 Elderly Affairs and Advocacy	31.0
32 Health	414.6
33 Human Services	954.6
34 Mental Health, Retardation, and Hospitals	1,398.4

1	Office of the Child Advocate	5.7
2	Commission on Deaf and Hard of Hearing	3.0
3	Governor's Commission on Disabilities	4.0
4	Office of the Mental Health Advocate	3.7
5	Elementary and Secondary Education	134.4
6	School for the Deaf	60.0
7	Davies Career and Technical School	133.0
8	Office of Higher Education	20.4
9	Provided that 1.0 of the total authorization would be available only for a position that is	
10	supported by third-party funds.	
11	University of Rhode Island	2,453.5
12	Provided that 602.0 of the total authorization would be available only for positions that	
13	are supported by third-party funds.	
14	Rhode Island College	895.1
15	Provided that 82.0 of the total authorization would be available only for positions that are	
16	supported by third-party funds.	
17	Community College of Rhode Island	813.1
18	Provided that 100.0 of the total authorization would be available only for positions that	
19	are supported by third-party funds.	
20	Rhode Island State Council on the Arts	8.6
21	RI Atomic Energy Commission	8.6
22	Higher Education Assistance Authority	42.6
23	Historical Preservation and Heritage Commission	16.6
24	Public Telecommunications Authority	18.0
25	Office of the Attorney General	231.1
26	Corrections	1,423.0
27	Judiciary	729.3
28	Military Staff	111.0
29	Public Safety	432.1
30	Office of the Public Defender	91.0
31	Environmental Management	417.0
32	Coastal Resources Management Council	30.0
33	Water Resources Board	6.0
34	Transportation	780.2

1	Flanagan Campus Addition	-	-	-	2,000,000
2	Higher Ed- RIC				
3	Campus Entrance	-	8,525,000	-	
4	Higher Ed-RIC Infra-				
5	structure Modernization	-	-	-	5,000,00
6	Higher Ed-URI Nursing				
7	Program Building	-	-	-	3,000,000
8	Higher Ed-URI				
9	Chemistry Building	-	4,550,000	16,925,000	43,125,000
10	Higher Ed-URI Fine Arts				
11	Center Renovation	-	-	-	6,000,000
12	DOC- Corrections Asset				
13	Protection	2,625,000	2,750,000	2,900,000	3,050,000
14	Judiciary-Judicial				
15	Complexes Asset				
16	Protection	550,000	600,000	625,000	650,000
17	Military Staff-Asset				
18	Protection	260,000	270,000	280,000	300,000
19	DEM-Dam Repairs	250,000	1,350,000	750,000	-
20	DEM-Recreational				
21	Facilities				
22	Improvements	1,200,000	1,260,000	1,325,000	1,390,000
23	State Police-HQ/Training				
24	Facility	4,750,000	-	-	-
25	State Police-Microwave/IT				
26	Upgrade	2,300,000	-	-	-

27 SECTION 13. Reappropriation of Funding for Rhode Island Capital Plan Fund Projects. -
28 Any unexpended and unencumbered funds from Rhode Island Capital Plan Fund project
29 appropriations shall be reappropriated in the ensuing fiscal year and made available for the same
30 purpose. Any unexpended funds of less than five hundred dollars (\$500) shall be reappropriated
31 at the discretion of the State Budget Officer.

32 SECTION 14. There is hereby appropriated \$22,000,000 from the Budget Reserve and
33 Cash Stabilization Account for FY 2009.

34 SECTION 15. Notwithstanding any provisions of Chapter 102 in Title 42 of the Rhode

1 Island General Laws, the Human Resource Investment Council shall transfer to the State
2 Controller the sum of one million five hundred thousand dollars (\$1,500,000) on June 30, 2010.

3 SECTION 16. Section 14 shall take effect on June 30, 2009. The remainder of the article
4 shall take effect on July 1, 2009.

ARTICLE 2 SUBSTITUTE A

RELATING TO BORROWING IN ANTICIPATION OF RECEIPTS FROM TAXES AND INTERFUND BORROWING

SECTION 1. (a) The State of Rhode Island is hereby authorized to borrow during its fiscal year ending June 30, 2010, in anticipation of receipts from taxes such sum or sums, at such time or times and upon such terms and conditions not inconsistent with the provisions and limitations of Section 17 of Article VI of the constitution of Rhode Island, as the general treasurer, with the advise of the Governor, shall deem for the best interests of the state, provided that the amounts so borrowed shall not exceed three hundred and fifty million dollars (\$350,000,000), at any time outstanding. The state is hereby further authorized to give its promissory note or notes signed by the general treasurer and counter-signed by the secretary of state for the payment of any sum so borrowed. Any such proceeds shall be invested by the general treasurer until such time as they are needed. The interest income earned from such investments shall be used to pay the interest on the promissory note or notes, or other forms of obligations, and any expense of issuing the promissory note or notes, or other forms of obligations, with the balance remaining at the end of said fiscal year, if any, shall be used toward the payment of long-term debt service of the state, unless prohibited by federal law or regulation.

(b) Notwithstanding any other authority to the contrary, duly authorized bonds or notes of the state issued during the fiscal year ending June 30, 2010 may be issued in the form of commercial paper, so-called. In connection herewith, the state, acting through the general treasurer, may enter into agreements with banks, trust companies or other financial institutions within or outside the state, whether in the form of letters or lines of credit, liquidity facilities, insurance or other support arrangements. Any notes issued as commercial paper shall be in such amounts and bear such terms as the general treasurer, with the advice of the governor, shall determine, which may include provisions for prepayment at any time with or without premium at the option of the state. Such notes may be sold at a premium or discount, and may bear interest or not and, if interest bearing, may bear interest at such rate or rates variable from time to time as determined by the Federal Reserve Bank Composite Index of Commercial Paper, or the Municipal Market Data General Market Index or other similar commercial paper offerings, or other method specified in any agreement with brokers for the placement or marketing of any such notes issued as commercial paper, or other like agreements. Any such agreement may also

1 include such other covenants and provisions for protecting the rights, security and remedies of the
2 lenders as may, in the discretion of the general treasurer, be reasonable, legal and proper. The
3 general treasurer may also enter into agreements with brokers for the placement or marketing of
4 any such notes of the state issued as commercial paper. Any notes to the state issued as
5 commercial paper in anticipation of receipts from taxes in any fiscal year must also be issued in
6 accordance with the provisions of Section 17 of Article VI of the constitution of Rhode Island and
7 within the limitations set forth in Subsection (a) of Section 1 of this Article.

8 (c) Notwithstanding any other authority to the contrary, other forms of obligations of the
9 state not to exceed twenty million dollars (\$20,000,000) of the three hundred fifty million dollar
10 (\$350,000,000) amount authorized in Section 1 may be issued during the fiscal year ending June
11 30, 2010 in the form of a commercial or business credit account, at any time outstanding, with
12 banks, trust companies or other financial institutions within or outside the state in order to finance
13 a payables incentive program for the state with its vendors. Any such forms of obligations entered
14 into pursuant to this subsection shall be in such amounts and bear such terms as the general
15 treasurer, with the advice of the governor, shall determine, which may include provisions for
16 prepayment at any time with or without premium at the option of the state. Any such forms of
17 obligations entered into pursuant to this subsection may also include such other covenants and
18 provisions for protecting the rights, security and remedies of the lenders as may, in the discretion
19 of the general treasurer, be reasonable, legal and proper. Any such forms of obligations entered
20 into pursuant to this subsection must also be issued in accordance with the provisions of Section
21 17 of Article VI of the Constitution of Rhode Island and within the limitations set forth in
22 Subsection (a) of Section 1 of this Article.

23 SECTION 2. Section 35-3-23 of the General Laws in Chapter 35-3 entitled "State
24 Budget" is hereby amended to read as follows:

25 **35-3-23. Interfund transfers.** -- ~~(a)~~ The governor may make an interfund transfer ~~to the~~
26 ~~general fund~~. Prior to making an interfund transfer the governor shall give five (5) days written
27 notification of the proposed interfund transfer to the speaker of the house, the president of the
28 senate, the chairperson of the house finance committee, the chairperson of the senate finance
29 committee, the minority leader of the senate, and the minority leader of the house.

30 An interfund transfer must comply with this section. An interfund transfer can be made
31 under the following circumstances and on the following conditions:

32 (1) The governor must make the findings that:

33 (i) All cash in the general fund, including the payroll clearing account, has been or is
34 about to be exhausted;

- 1 (ii) The anticipated cash expenditures exceed the anticipated cash available.
- 2 (2) The governor may make an interfund transfer to the general fund from the:
- 3 (i) Temporary disability fund created in § 28-39-4; ~~and/or~~
- 4 (ii) Intermodal surface transportation fund created in § 35-4-11-; and/or
- 5 (iii) Tobacco settlement financing trust fund created in § 42-133-9.
- 6 (3) Once in each fiscal quarter from each fund the governor may make an interfund
- 7 transfer. The fund(s) from which money is transferred must be made whole by June 30th in the
- 8 same fiscal year as the transfer is made. ~~September 30th of the following fiscal year. A subsequent~~
- 9 ~~transfer from a fund shall not be made until at least six (6) months after the fund has been made~~
- 10 ~~whole from the previous transfer.~~
- 11 (4) The interfund transfer may be made notwithstanding the provisions of §§ 28-37-3 and
- 12 28-39-4.

13 SECTION 3. Section 1 of this article shall take effect upon passage. Section 2 of this

14 article shall take effect on April 10, 2009.

1 districts to improve reading instruction and enhance the integration of reading throughout the
2 curriculum with the goal of improving student performance to high standards;

3 (3) Support for the design and implementation of leadership development for the
4 teacher to assume leadership roles or ultimately prepare for administrator;

5 (4) Development of a plan for formal training of school leaders in standards based
6 instruction, school improvement planning, effective use of data in the decision-making process,
7 community involvement and creation of governance structures;

8 (5) Support for national board certification of teachers, application fees for a certificate
9 of clinical competence issued by the American speech-language hearing association, and grants
10 for coordination and support of school based teacher professional development; and

11 (6) The practice of scientific research based reading instruction to improve reading
12 performance.

13 (b) In FY 2003, the additional funds allocated to the department of elementary and
14 secondary education pursuant to this section shall be used only to support the activities described
15 in subdivisions (a)(2) and (a)(5) of this section.

16 (c) Out of the funds appropriated by the general assembly for professional development
17 in subsection (a) of this section, twenty-five percent (25%) shall be set aside for district-wide
18 professional development activities. The expenditure of this district-wide professional
19 development set-aside shall be determined by a committee in each district consisting of the
20 superintendent or his or her designee, three (3) teachers appointed by the collective bargaining
21 agent, and one member of the Rhode Island department of elementary and secondary education
22 field service team servicing that school district designated by the commissioner of elementary and
23 secondary education. The expenditure must be aligned with the district strategic plan as well as
24 ongoing professional development programs approved by the department of elementary and
25 secondary education. Collaborative programs between school districts are permissible.

26 (d) Beginning in FY 2006, professional development funds shall only be spent with the
27 prior approval of the commissioner of elementary and secondary education upon submission of a
28 district level plan which incorporates the school level plans and which details the use of the
29 funds. These plans shall to the extent possible call for professional development activities that are
30 embedded or do not otherwise encroach upon student instruction time. The requirements of this
31 paragraph shall apply to both district-wide professional development activities and professional
32 development activities determined by the school-level committees.

33 (e) In FY 2009 payments from the professional development investment fund are hereby
34 suspended through June 30, 2009. Notwithstanding, school districts may continue to maintain

1 professional development programs and may reduce other education programs to achieve savings.

2 [\(f\) In FY 2010 payments from the professional development investment fund are hereby](#)
3 [suspended through June 30, 2010. Notwithstanding, school districts may continue to maintain](#)
4 [professional development programs and may reduce other education programs to achieve savings.](#)

5 **16-7.1-15. The Paul W. Crowley Rhode Island student investment initiative.** – (a)

6 Each locally or regionally operated school district shall receive as a base the same amount of
7 school aid as each district received in fiscal year 1997-1998, adjusted to reflect the increases or
8 decreases in aid enacted to meet the minimum and maximum funding levels established for FY
9 2000 through FY 2008. Each school district shall also receive school aid through each investment
10 fund for which that district qualifies pursuant to sections 16-7.1-8, 16-7.1-9, 16-7.1-10, 16-7.1-11,
11 16-7.1-12, 16-7.1-16 and 16-7.1-19. These sums shall be in addition to the base amount described
12 in this section. For FY 2009 [and FY 2010](#), the reference year for the data used in the calculation
13 of aid pursuant to section 16-7.1-8, section 16-7.1-9, section 16-7.1-10, section 16-7.1-11, section
14 16-7.1-11.1, section 16-7.1-12, section 16-7.1-16, section 16-7.1-19 and 16-77.1-2(b) shall be FY
15 2004. Calculation and distribution of education aid under sections 16-5-31, 16-5-32, 16-7-20, 16-
16 7-20.5, 16-7-34.2, 16-7-34.3, 16-24-6, 16-54-4, and 16-67-4 is hereby suspended. Provided,
17 however, calculation and distribution of education aid under §16-7.1-10 is suspended for FY
18 2009 [and FY 2010](#). School districts may continue to maintain professional development programs
19 and may reduce other education programs to achieve savings during FY 2009 [and FY 2010](#). The
20 funding of the purposes and activities of chapter 67 of this title, the Rhode Island Literacy and
21 Dropout Prevention Act of 1967, shall be the same amount of the base amount of each district
22 funded for that purpose in fiscal year 1997-1998. In addition each district shall expend three
23 percent (3%) of its student equity and early childhood funds under the provisions of chapter 67 of
24 this title.

25 (b) Funding for full day kindergarten programs in accordance with section 16-7.1-11.1
26 shall be in addition to funding received under this section.

27 (c) Funding distributed under sections 16-77.1-2(b) and 16-64-1.1 shall be in addition to
28 funding distributed under this section.

29 (d) For FY 2009, aid to school districts shall be reduced by the equivalent savings that are
30 realized due to a reduction of payments to the teachers' retirement system. The reduction for the
31 Chariho regional school district shall be prorated among the member communities. In addition,
32 for FY 2009 aid to school districts shall be reduced by any amount of previously appropriated
33 school housing aid determined to be ineligible for reimbursement in accordance with section 16-
34 7-44.2. For FY 2009 aid shall also be reduced by the amount of projected revenue for the period

1 December 1, 2008 through June 30, 2009 from the permanent school fund. The projected revenue
 2 shall be determined by annualizing actual earnings from the period May 12, 2008 through
 3 November 30, 2008. The department of elementary and secondary education shall reduce aid in
 4 two equal installments, payable in May and June; provided however, that East Providence shall
 5 receive one payment of reduced aid in May.

6 For FY 2009, aid to school districts shall include thirty eight million, three hundred
 7 twenty-four thousand, eight hundred twenty-two dollars (\$38,324,822) from federal fiscal
 8 stabilization funds offset by a like reduction from general revenues. The distribution shall be in
 9 the same proportion as general operating aid.

10 (e) For FY 2010, aid to school districts shall be reduced by the equivalent savings that are
 11 realized due to a reduction of payments to the teachers' retirement system. The reduction for the
 12 Chariho regional school district shall be prorated among the member communities. For FY 2010,
 13 aid to school districts shall be reduced by thirty-three million nine hundred twenty-eight thousand
 14 two hundred sixteen dollars (\$33,928,216) based on the school district's share of total FY 2009
 15 enacted education aid, including state schools and charter schools. For FY 2010, a distribution of
 16 stabilization funds per the American Recovery and Reinvestment Act (ARRA) totaling thirty-four
 17 million one hundred seven thousand one hundred ninety-five dollars (\$34,107,195) shall be
 18 allocated to school districts proportionately based on their share of total FY 2009 enacted
 19 education aid, including state schools and charter schools. Districts shall comply with the
 20 assurances and reporting requirements provided in the federal guidance for the (ARRA)
 21 allocation and by the commissioner of elementary and secondary education.

22 ~~(e)~~(f) There shall be an appropriation to ensure that total aid distributed to communities in
 23 FY ~~2009~~ 2010 under this section and sections 16-7.1-11.1, 16-64-1.1 and 16-77.1-2(b) shall be as
 24 follows:

	<u>General Revenues</u>	<u>Stimulus Fiscal Stabilization</u>
Barrington	1,277,920 <u>1,863,090</u>	251,083 <u>128,427</u>
Burrillville	12,416,932 <u>12,928,167</u>	751,100 <u>684,478</u>
Charlestown	1,667,853 <u>1,697,497</u>	135,786 <u>98,948</u>
Coventry	16,998,821 <u>18,056,601</u>	1,166,987 <u>991,787</u>
Cranston	29,591,104 <u>31,662,364</u>	2,090,303 <u>1,752,647</u>
Cumberland	11,038,431 <u>11,829,002</u>	823,601 <u>654,948</u>
East Greenwich	992,445 <u>1,503,975</u>	185,222 <u>96,326</u>
East Providence	23,380,338 <u>24,499,858</u>	1,497,450 <u>1,328,384</u>
Foster	1,223,700 <u>1,286,565</u>	80,345 <u>69,979</u>

1	Glocester	2,793,626 <u>2,927,940</u>	180,413 <u>158,776</u>
2	Hopkinton	5,346,048 <u>5,677,786</u>	346,643 <u>308,347</u>
3	Jamestown	295,372 <u>398,901</u>	54,277 <u>26,278</u>
4	Johnston	8,990,856 <u>9,596,568</u>	632,253 <u>531,110</u>
5	Lincoln	5,697,378 <u>6,363,969</u>	483,059 <u>365,750</u>
6	Little Compton	218,957 <u>296,650</u>	34,414 <u>18,221</u>
7	Middletown	9,010,090 <u>9,533,084</u>	597,011 <u>518,598</u>
8	Narragansett	1,141,871 <u>1,467,137</u>	154,558 <u>93,727</u>
9	Newport	10,327,939 <u>10,744,683</u>	665,740 <u>586,477</u>
10	New Shoreham	10,061 <u>64,987</u>	10,457 <u>5,254</u>
11	North Kingstown	9,857,889 <u>10,631,113</u>	733,791 <u>592,155</u>
12	North Providence	11,404,679 <u>12,081,507</u>	761,356 <u>661,166</u>
13	North Smithfield	3,964,895 <u>4,344,329</u>	301,153 <u>238,830</u>
14	Pawtucket	60,456,639 <u>62,176,676</u>	3,533,129 <u>3,311,223</u>
15	Portsmouth	5,429,639 <u>5,923,071</u>	427,374 <u>331,008</u>
16	Providence	173,513,330 <u>178,309,944</u>	10,213,530 <u>9,577,917</u>
17	Richmond	5,305,023 <u>5,652,344</u>	341,512 <u>305,742</u>
18	Scituate	2,616,104 <u>2,926,243</u>	228,213 <u>168,328</u>
19	Smithfield	4,526,164 <u>4,992,643</u>	373,470 <u>283,754</u>
20	South Kingstown	8,420,480 <u>9,224,287</u>	656,514 <u>521,147</u>
21	Tiverton	4,898,786 <u>5,271,861</u>	363,307 <u>293,067</u>
22	Warwick	31,136,499 <u>33,468,879</u>	2,224,260 <u>1,858,870</u>
23	Westerly	5,056,525 <u>5,774,932</u>	467,083 <u>338,074</u>
24	West Warwick	17,994,252 <u>18,738,108</u>	1,109,170 <u>1,009,842</u>
25	Woonsocket	42,914,456 <u>44,074,702</u>	2,490,378 <u>2,342,811</u>
26	Bristol-Warren	18,047,696 <u>18,764,456</u>	1,101,467 <u>1,009,726</u>
27	Exeter-West Greenwich	6,406,468 <u>6,814,331</u>	438,869 <u>374,779</u>
28	Chariho	369,091 <u>378,758</u>	18,752 <u>19,679</u>
29	Foster-Glocester	4,930,835 <u>5,194,804</u>	335,529 <u>283,077</u>
30	Central Falls	40,523,665 <u>42,507,399</u>	2,065,263 <u>2,167,539</u>

31 In addition to the amounts listed above, the department of elementary and secondary
32 education shall allocate monthly to each school district all funds received into the permanent
33 school fund pursuant to section 42-61.2-7, as amended by chapter 13 of the 2008 Public Laws
34 entitled "An Act Relating to State Affairs and Government", up to \$14.1 million, in the same

1 proportion as the aid distribution in the FY 2009 enacted appropriations act.

2 This special provision shall not limit entitlements as determined by application of other
3 formula provisions in this section.

4 ~~(g)~~ For FY 2009 payments to charter public schools shall be reduced by the equivalent
5 savings that are realized due to a reduction of payments to the teachers' retirement system. The
6 reduction for district sponsored charter schools shall be incorporated in the sponsoring school
7 district's aid as noted in subsection ~~(e)~~(f). Aid to charter public schools shall be reduced in the
8 April quarterly payment. For FY 2009, charter public school funding is as follows:

- 9 Beacon Charter School 1,512,785
- 10 Blackstone Academy 1,469,349
- 11 Compass 614,485
- 12 Paul Cuffee 4,449,006
- 13 CVS Highlander 2,596,782
- 14 International 2,863,818
- 15 Kingston Hill Academy 736,784
- 16 Learning Community 3,669,529
- 17 NE Laborer's 1,508,866
- 18 Textron 2,361,370
- 19 Times 2 Academy 6,870,410

20 (h) For FY 2010, payments to charter public schools shall be reduced by the equivalent
21 savings that are realized due to a deferment of payments to the teachers' retirement system. The
22 reduction for district sponsored charter schools shall be incorporated in the sponsoring schools
23 district's aid as noted in subsection (f). For FY 2010, payments to charter public schools shall be
24 reduced by one million four hundred sixty-three thousand three hundred sixty seven dollars
25 (\$1,463,367) based on the charter schools' share of total FY 2009 enacted education aid,
26 including school districts and state schools. For FY 2010, a distribution of stabilization funds per
27 the American Recovery and Reinvestment Act (ARRA) totaling one million four hundred
28 seventy-one thousand eighty seven dollars (\$1,471,087) shall be allocated to charter public
29 schools proportionately based on their share of total FY 2009 enacted education aid, including
30 school districts and state schools. Public charter schools shall comply with the assurances and
31 reporting requirements provided in the federal guidance for the (ARRA) allocation and by the
32 commissioner of elementary and secondary education.

33 ~~(g)~~(i) *Children with disabilities.* (1) Based on its review of special education within the
34 context of Rhode Island school reform, the general assembly recommends addressing the needs of

1 all children and preventing disability through scientific research based, as described in the No
2 Child Left Behind Act of 2001, Title 1, Part B, Section 1208 [20 U.S.C. § 6368], reading
3 instruction and the development of Personal Literacy Programs for students in the early grades
4 performing below grade level in reading and implement a system of student accountability that
5 will enable the state to track individual students over time. Additionally, the department of
6 elementary and secondary education must provide districts with rigorous criteria and procedures
7 for identifying students with learning disabilities and speech/language impairments. Additional
8 study is required of factors that influence programming for students with low incidence
9 disabilities; those with disabilities that severely compromise life functions; and programming for
10 students with disabilities through urban special education. Alternatives for funding special
11 education require examination.

12 (2) All departments and agencies of the state shall furnish any advice and information,
13 documentary and otherwise, to the general assembly and its agents that is deemed necessary or
14 desirable by the study to facilitate the purposes of this section.

15 SECTION 2. This article shall take effect on July 1, 2009.

ARTICLE 4 SUBSTITUTE A AS AMENDED

RELATING TO MAKING REVISED APPROPRIATIONS IN SUPPORT OF FY 2009

SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in this article, the following general revenue amounts are hereby appropriated out of any money in the treasury not otherwise appropriated to be expended during the fiscal year ending June 30, 2009. The amounts identified for federal funds and restricted receipts shall be made available pursuant to Section 35-4-22 and Chapter 42-41 of the Rhode Island General Laws. For the purposes and functions hereinafter mentioned, the state controller is hereby authorized and directed to draw his or her orders upon the general treasurer for the payment of such sums or such portions thereof as may be required from time to time upon receipt by him or her of properly authenticated vouchers.

	FY 2009	FY 2009	FY 2009
	Enacted	Change	Final
Administration			
<i>Central Management</i>			
General Revenues	1,561,123	(34,489)	1,526,634
Federal Funds	136,609	0	136,609
Restricted Receipts	77,610	0	77,610
Total - Central Management	1,775,342	(34,489)	1,740,853
<i>Legal Services</i>			
General Revenues	1,119,971	(7,343)	1,112,628
Legal Support/DOT	25,223	0	25,223
Total - Legal Services	1,145,194	(7,343)	1,137,851
<i>Accounts and Control</i>			
General Revenues	3,769,295	(161,101)	3,608,194
<i>Budgeting</i>			
General Revenues	1,954,054	(15,634)	1,938,420
<i>Purchasing</i>			
General Revenues	1,998,685	(29,505)	1,969,180
<i>Auditing</i>			

1	General Revenues	1,340,038	(22,182)	1,317,856
2	<i>Human Resources</i>			
3	General Revenues	10,080,455	(184,765)	9,895,690
4	Federal Funds	707,529	0	707,529
5	Restricted Receipts	411,395	0	411,395
6	Other Funds	1,186,439	0	1,186,439
7	Total - Human Resources	12,385,818	(184,765)	12,201,053
8	<i>Personnel Appeal Board</i>			
9	General Revenues	90,973	0	90,973
10	<i>Facilities Management</i>			
11	General Revenues	36,669,513	(1,383,175)	35,286,338
12	Federal Funds	1,065,812	116,152	1,181,964
13	Restricted Receipts	915,530	99,774	1,015,304
14	Other Funds	3,819,283	416,223	4,235,506
15	Total – Facilities Management	42,470,138	(751,026)	41,719,112
16	<i>Capital Projects and Property Management</i>			
17	General Revenues	2,590,240	(354,606)	2,235,634
18	Restricted Receipts	929,303	0	929,303
19	Total – Capital Projects and Property Management	3,519,543	(354,606)	3,164,937
20	<i>Information Technology</i>			
21	General Revenues	19,213,160	(424,339)	18,788,821
22	Federal Funds	5,862,341	100,000	5,962,341
23	Restricted Receipts	951,696	0	951,696
24	Other Funds	1,686,150	0	1,686,150
25	Total – Information Technology	27,713,347	(324,339)	27,389,008
26	<i>Library and Information Services</i>			
27	General Revenues	885,826	(19,082)	866,744
28	Federal Funds	930,004	0	930,004
29	Restricted Receipts	6,000	0	6,000
30	Total - Library and Information Services	1,821,830	(19,082)	1,802,748
31	<i>Planning</i>			
32	General Revenues	3,737,901	(24,903)	3,712,998
33	Federal Funds	12,517,652	0	12,517,652
34	Federal Highway - PL Systems Planning	1,997,508	3,500	2,001,008

1	Air Quality Modeling	10,000	0	10,000
2	Total - Planning	18,263,061	(21,403)	18,241,658
3	<i>General</i>			
4	General Revenues			
5	Economic Development Corporation	6,028,807	0	6,028,807
6	EDC – RI Airport Corporation Impact Aid	1,000,754	0	1,000,754
7	Sixty percent (60%) of the first \$1,000,000 appropriated funds shall be distributed to each			
8	airport serving more than 1,000,000 passengers based upon its percentage of the total passengers			
9	served by all airports serving more than 1,000,000 passengers. Forty percent (40%) of the first			
10	\$1,000,000 shall be distributed to North Central Airport, Newport-Middletown Airport, Block			
11	Island Airport, Quonset Airport, TF Green Airport, and Westerly Airport based on the share of			
12	landings during the calendar year 2006, respectively. No airport shall receive less than \$25,000.			
13	East <u>Each</u> airport receiving any portion of the amount appropriated shall make an impact			
14	payment to the towns or cities in which the airport is located in the full amounts received from the			
15	Corporation within thirty (30) days of the payment from the Corporation.			
16	Each community upon which any parts of the above airports are located shall receive at			
17	least \$25,000.			
18	EDC – EPScore (Research Alliance)	1,500,000	0	1,500,000
19	Miscellaneous Grants	400,456	0	400,456
20	Slater Centers of Excellence	3,000,000	0	3,000,000
21	Torts – Courts	400,000	0	400,000
22	Convention Center	4,100,000	0	4,100,000
23	State Employees/Teachers Retiree Health Subsidy	1,579,502	600,000	2,179,502
24	Motor Vehicle Excise Tax Payment	135,370,317	0	135,370,317
25	Property Valuation	1,132,000	0	1,132,000
26	General Revenue Sharing Program	25,000,000	0	25,000,000
27	Payment in Lieu of Tax Exempt Properties	27,580,409	0	27,580,409
28	Distressed Communities Relief Program	10,384,458	0	10,384,458
29	Resource Sharing and State Library Aid	8,773,398	0	8,773,398
30	Library Construction Aid	2,587,447	0	2,587,447
31	Restricted Receipts	1,378,997	0	1,378,997
32	Rhode Island Capital Plan Funds			
33	Statehouse Renovations	600,000	0	600,000
34	Lead Mitigation Group Homes	128,007	0	128,007

1	Cranston Street Armory	1,150,722	0	1,150,722
2	Cannon Building	80,000	0	80,000
3	Pastore Center Rehab. DOA	450,000	0	450,000
4	Zambarano Building Rehabilitation	800,000	(81,230)	718,770
5	Pastore Center Master Plan	450,000	0	450,000
6	Old State House	200,000	0	200,000
7	State Office Building	600,000	0	600,000
8	Old Colony House	160,000	0	160,000
9	William Powers Building	1,050,000	0	1,050,000
10	Fire Code Compliance State Buildings	490,362	0	490,362
11	Pastore Center Fire Code Compliance	500,000	0	500,000
12	Pastore Center Water Tanks	350,000	0	350,000
13	Ladd Center Water System	50,000	0	50,000
14	Pastore Center Power Plant	300,000	0	300,000
15	Replacement of Fueling Tanks	550,000	0	550,000
16	Environmental Compliance	250,000	0	250,000
17	Pastore Utilities Upgrade	381,470	0	381,470
18	Pastore Center Building Demolition	125,000	0	125,000
19	Health Laboratory Feasibility Study	500	0	500
20	Neighborhood Opportunities Program	5,000,000	0	5,000,000
21	McCoy Stadium	1,016,308	0	1,016,308
22	Washington County Government Center	94,472	0	94,472
23	Virks Building Renovations	300,000	0	300,000
24	DOIT Computer Center	8,972,500	(3,968,224)	5,004,276
25	Forand Building Exterior Shell	1,082,655	0	1,082,655
26	Hazard Building Relocation	0	150,000	150,000
27	OHHS Relocation	1,274	0	1,274
28	Business Regulation Relocation	10,000	0	10,000
29	Total – General	255,359,815	(3,299,454)	252,060,361
30	<i>Debt Service Payments</i>			
31	General Revenues	133,402,384	4,835,000	138,237,384
32	Federal Funds	650,077	0	650,077
33	Restricted Receipts	4,040,732	0	4,040,732
34	RIPTA Debt Service	759,878	0	759,878

1	Transportation Debt Service	36,426,624	0	36,426,624
2	Investment Receipts Bond Funds	100,000	0	100,000
3	RIRBA - DLT – Temporary Disability Insurance	45,586	0	45,586
4	COPS - DLT Building – TDI	217,679	0	217,679
5	Total - Debt Service Payments	175,642,960	4,835,000	180,477,960
6	<i>Energy Resources</i>			
7	Federal Funds	49,447,555	(657,500)	48,790,055
8	American Electric Power – Weatherization Grant	240,000	0	240,000
9	Overcharge Interest Earnings	179,762	0	179,762
10	Energy Efficiency and Resources Mgmt. Council	75,435	0	75,435
11	Regional Greenhouse Gas Initiative	3,700,000	722,603	4,422,603
12	Renewable Energy Fund Administration	297,057	0	297,057
13	Demand Side Management Grants	2,216,299	0	2,216,299
14	Total – Energy Resources	56,156,108	65,103	56,221,211
15	<u>Undistributed Pension Changes</u>			
16	<u>General Revenues</u>	<u>0</u>	<u>1,542,447</u>	<u>1,542,447</u>
17	<u>Federal Funds</u>	<u>0</u>	<u>749,782</u>	<u>749,782</u>
18	<u>Restricted Receipts</u>	<u>0</u>	<u>92,501</u>	<u>92,501</u>
19	<u>Other Funds</u>	<u>0</u>	<u>434,240</u>	<u>434,240</u>
20	<u>Total – Undistributed Pension Changes</u>	<u>0</u>	<u>2,818,970</u>	<u>2,818,970</u>
21	<i>Sheriffs</i>			
22	General Revenues	16,433,982	(197,437)	16,236,545
23	<i>Fire Safety Code Board of Appeal and Review</i>			
24	General Revenues	308,105	0	308,105
25	Undistributed Statewide Savings	(8,309,000)	8,309,000	0
26	Grand Total – Administration	613,839,288	7,786,737	621,626,025
27	<u>Grand Total – Administration</u>	<u>613,839,288</u>	<u>10,605,707</u>	<u>624,444,995</u>
28	Business Regulation			
29	<i>Central Management</i>			
30	General Revenues	1,063,601	(9,082)	1,054,519
31	<i>Banking and Securities Regulation</i>			
32	General Revenues	2,514,475	(33,392)	2,481,083
33	Restricted Receipts	140,000	0	140,000
34	Total - Banking and Securities Regulation	2,654,475	(33,392)	2,621,083

1	<i>Commercial Licensing and Racing & Athletics</i>			
2	General Revenues	777,499	(9,963)	767,536
3	Restricted Receipts	423,288	0	423,288
4	Total - Commercial Licensing and Racing and			
5	Athletics	1,200,787	(9,963)	1,190,824
6	<i>Insurance Regulation</i>			
7	General Revenues	4,475,236	(67,776)	4,407,460
8	Federal Funds	87,641	0	87,641
9	Restricted Receipts	1,144,667	0	1,144,667
10	Total - Insurance Regulation			
11	<i>Board of Accountancy</i>			
12	General Revenues	160,862	(6,542)	154,320
13	<i>Board for Design Professionals</i>			
14	General Revenues	315,572	(14,738)	300,834
15	Grand Total - Business Regulation			
16	Labor and Training			
17	<i>Central Management</i>			
18	General Revenues	288,992	(80,279)	208,713
19	Restricted Receipts	550,106	0	550,106
20	Total - Central Management			
21	<i>Workforce Development Services</i>			
22	General Revenues	95,589	(35,256)	60,333
23	Federal Funds	21,571,056	395,801	21,966,857
24	Restricted Receipts	10,709,049	0	10,709,049
25	Reed Act – Workforce Development	3,517,027	0	3,517,027
26	All of the \$3.5 million appropriated from Reed Act funds, may be for the administration of			
27	this state’s employment compensation law and public employment services offices.			
28	Total - Workforce Development Services			
29	<i>Workforce Regulation and Safety</i>			
30	General Revenues	2,136,258	(32,199)	2,104,059
31	<i>Income Support</i>			
32	General Revenues	3,749,035	(618)	3,748,417
33	Federal Funds	35,006,138	2,000,000	37,006,138
34	Restricted Receipts	1,338,870	0	1,338,870

1	Temporary Disability Insurance Fund	182,440,340	(8,000,000)	174,440,340
2	Employment Security Fund	374,350,000	155,750,000	530,100,000
3	Total - Income Support	596,884,383	149,749,382	746,633,765
4	<i>Injured Workers Services</i>			
5	Restricted Receipts	12,103,696	0	12,103,696
6	<i>Labor Relations Board</i>			
7	General Revenues	426,206	(21,909)	404,297
8	Grand Total - Labor and Training	648,282,362	149,975,540	798,257,902
9	Department of Revenue			
10	<i>Director of Revenue</i>			
11	General Revenues	621,950	(29,708)	592,242
12	<i>Office of Revenue Analysis</i>			
13	General Revenues	498,067	(3,585)	494,482
14	<i>Lottery Division</i>			
15	Lottery Funds	192,756,761	0	192,756,761
16	<i>Property Valuation</i>			
17	General Revenues	773,229	(7,563)	765,666
18	<i>Taxation</i>			
19	General Revenues	14,937,496	(211,771)	14,725,725
20	Federal Funds	1,227,210	0	1,227,210
21	Restricted Receipts	784,383	0	784,383
22	Other Funds			
23	Motor Fuel Tax Invasion	147,600	0	147,600
24	Temporary Disability Insurance	882,471	0	882,471
25	Total – Taxation	17,979,160	(211,771)	17,767,389
26	<i>Registry of Motor Vehicles</i>			
27	General Revenues	16,424,074	(207,261)	16,216,813
28	Federal Funds	1,471,387	0	1,471,387
29	Restricted Receipts	15,100	0	15,100
30	Rhode Island Capital Plan Funds –Registry	1,200,000	0	1,200,000
31	Total – Registry of Motor Vehicles	19,110,561	(207,261)	18,903,300
32	Grand Total – Revenue	231,739,728	(459,888)	231,279,840
33	Legislature			
34	General Revenues	33,451,335	(463,273)	32,988,062

1	Restricted Receipts	1,508,333	0	1,508,333
2	Grand Total – Legislature	34,959,668	(463,273)	34,496,395
3	Lieutenant Governor			
4	General Revenues	860,771	(13,390)	847,381
5	State			
6	<i>Administration</i>			
7	General Revenues	1,739,803	(26,604)	1,713,199
8	<i>Corporations</i>			
9	General Revenues	1,791,419	(25,401)	1,766,018
10	<i>State Archives</i>			
11	General Revenues	155,000	(1,317)	153,683
12	Federal Funds	9,871	0	9,871
13	Restricted Receipts	393,838	0	393,838
14	Total - State Archives	558,709	(1,317)	557,392
15	<i>Elections</i>			
16	General Revenues	1,835,703	(19,482)	1,816,221
17	Federal Funds	286,416	0	286,416
18	Total – Elections	2,122,119	(19,482)	2,102,637
19	<i>State Library</i>			
20	General Revenues	567,046	(6,215)	560,831
21	<i>Office of Civics and Public Information</i>			
22	General Revenues	318,556	(4,767)	313,789
23	Grand Total – State	7,097,652	(83,786)	7,013,866
24	General Treasurer			
25	<i>Treasury</i>			
26	General Revenues	2,335,968	(33,291)	2,302,677
27	Federal Funds	239,347	0	239,347
28	Temporary Disability Insurance Fund	196,194	0	196,194
29	Total – Treasury	2,771,509	(33,291)	2,738,218
30	<i>State Retirement System</i>			
31	Restricted Receipts			
32	Admin Expenses - State Retirement System	6,859,770	0	6,859,770
33	Retirement - Treasury Investment Operations	1,088,280	0	1,088,280
34	Total - State Retirement System	7,948,050	0	7,948,050

1	<i>Unclaimed Property</i>			
2	Restricted Receipts	15,063,114	(583,367)	14,479,747
3	<i>RI Refunding Bond Authority</i>			
4	General Revenues	41,105	(587)	40,518
5	<i>Crime Victim Compensation Program</i>			
6	General Revenues	88,861	(1,130)	87,731
7	Federal Funds	861,142	0	861,142
8	Restricted Receipts	1,475,285	0	1,475,285
9	Total - Crime Victim Compensation Program	2,425,288	(1,130)	2,424,158
10	Grand Total – General Treasurer	28,249,066	(618,375)	27,630,691
11	Board of Elections			
12	General Revenues	1,552,690	(22,153)	1,530,537
13	Federal Funds	495,270	0	495,270
14	Grand Total - Board of Elections	2,047,960	(22,153)	2,025,807
15	Rhode Island Ethics Commission			
16	General Revenues	1,409,450	(21,148)	1,388,302
17	Office of Governor			
18	General Revenues	4,498,679	(68,980)	4,429,699
19	Contingency Fund	200,000	0	200,000
20	Federal Stimulus – Office of Economic	0	581,484	581,484
21	Recovery and Reinvestment			
22	Grand Total – Office of			
23	the Governor	4,698,679	512,504	5,211,183
24	From the appropriation for contingency shall be paid such sums as may be required at the			
25	discretion of the Governor to fund expenses for which appropriations may not exist. Such			
26	contingency funds may also be used for expenditures in departments and agencies where			
27	appropriations are insufficient, or where such requirements are due to unforeseen conditions or			
28	are non-recurring items of an unusual nature. Said appropriation may also be used for the			
29	payment of bills incurred due to emergencies or to any offense against public peace and property,			
30	in accordance with the provisions of Titles 11 and 45 of the General Laws of 1956, as amended.			
31	All expenditures and transfers from this account shall be approved by the Governor.			
32	Commission for Human Rights			
33	General Revenues	932,418	(13,946)	918,472
34	Federal Funds	472,455	0	472,455

1	Grand Total - Commission for Human Rights	1,404,873	(13,946)	1,390,927
2	Public Utilities Commission			
3	Federal Funds	102,659	0	102,659
4	Restricted Receipts	6,746,035	0	6,746,035
5	Grand Total - Public Utilities Commission	6,848,694	0	6,848,694
6	Rhode Island Commission on Women			
7	General Revenues	108,377	(1,654)	106,723
8	Office of Health and Human Services			
9	General Revenues	3,836,576	(235,383)	3,601,193
10	Federal Funds	4,324,922	(20,465)	4,304,457
11	Restricted Receipts	672,162	0	672,162
12	Grand Total – Health and Human Services	8,833,660	(255,848)	8,577,812
13	Children, Youth, and Families			
14	<i>Central Management</i>			
15	General Revenues	5,277,833	(71,663)	5,206,170
16	Federal Funds	2,331,944	0	2,331,944
17	Total - Central Management	7,609,777	(71,663)	7,538,114
18	<i>Children's Behavioral Health Services</i>			
19	General Revenues	11,559,319	(384,324)	11,174,995
20	Federal Funds	11,110,389	0	11,110,389
21	Federal Funds – Stimulus	570,200	0	570,200
22	Rhode Island Capital Plan Funds			
23	Groden Center Mt. Hope	16,445	0	16,445
24	Total - Children's Behavioral Health Services	23,256,353	(384,324)	22,872,029
25	<i>Juvenile Correctional Services</i>			
26	General Revenues	34,028,882	(1,443,694)	32,585,188
27	Federal Funds	1,749,311	0	1,749,311
28	Federal Funds – Stimulus	237,878	0	237,878
29	Restricted Receipts	23,059	0	23,059
30	Total - Juvenile Correctional Services	36,039,130	(1,443,694)	34,595,436
31	<i>Child Welfare</i>			
32	General Revenues			
33	General Revenues	103,589,601	(1,264,518)	102,325,083
34	18 to 21 Year Olds	7,396,152	2,500,000	9,896,152

1	Federal Funds			
2	Federal Funds	57,583,049	(2,266,000)	55,317,049
3	<u>Federal Funds</u>	<u>57,583,049</u>	<u>234,000</u>	<u>57,817,049</u>
4	18 to 21 Year Olds	5,454,766	0	5,454,766
5	<u>18 to 21 Year Olds</u>	<u>5,454,766</u>	<u>(2,500,000)</u>	<u>2,954,766</u>
6	Federal Stimulus – Medicaid	5,486,453	0	5,486,453
7	Restricted Receipts	2,261,000	0	2,261,000
8	Rhode Island Capital Plan Funds			
9	Camp E-Hun-Tee	65,000	0	65,000
10	Fire Code Upgrades	561,287	0	561,287
11	Total - Child Welfare	182,397,308	(1,030,518)	181,366,790
12	<i>Higher Education Incentive Grants</i>			
13	General Revenues	200,000	0	200,000
14	Grand Total - Children, Youth, and Families	249,502,568	(2,930,199)	246,572,369
15	Elderly Affairs			
16	General Revenues			
17	General Revenues	12,875,540	258,111	13,133,651
18	RIPAE	1,081,654	(150,000)	931,654
19	Safety and Care of the Elderly	600	0	600
20	Federal Funds	14,015,014	(959,965)	13,055,049
21	Federal Funds – Stimulus	663,022	0	663,022
22	Restricted Receipts	970,000	150,000	1,120,000
23	Other Funds			
24	Intermodal Surface Transportation Fund	4,630,000	(230,000)	4,400,000
25	Grand Total - Elderly Affairs	34,235,830	(931,854)	33,303,976
26	Health			
27	<i>Central Management</i>			
28	General Revenues	2,343,745	(29,349)	2,314,396
29	Federal Funds	10,855,271	1,230,436	12,085,707
30	Restricted Receipts	2,674,765	1,000,000	3,674,765
31	Total - Central Management	15,873,781	2,201,087	18,074,868
32	<i>State Medical Examiner</i>			
33	General Revenues	2,783,220	(241,546)	2,541,674
34	Federal Funds	164,817	0	164,817

1	Total - State Medical Examiner	2,948,037	(241,546)	2,706,491
2	<i>Environmental and Health Services Regulation</i>			
3	General Revenues	9,208,798	(909,744)	8,299,054
4	Federal Funds	4,756,923	0	4,756,923
5	Restricted Receipts	3,177,670	0	3,177,670
6	RI Airport Corporation Funds	0	0	0
7	Total - Environmental and Health Services			
8	Regulation	17,143,391	(909,744)	16,233,647
9	<i>Health Laboratories</i>			
10	General Revenues	6,528,770	(573,204)	5,955,566
11	Federal Funds	1,182,972	0	1,182,972
12	Total - Health Laboratories	7,711,742	(573,204)	7,138,538
13	<i>Public Health Information</i>			
14	General Revenues	1,923,763	(192,998)	1,730,765
15	Federal Funds	2,382,450	0	2,382,450
16	Total – Public Health Information	4,306,213	(192,998)	4,113,215
17	<i>Community and Family Health and Equity</i>			
18	General Revenues			
19	General Revenues	6,063,460	(649,255)	5,414,205
20	Federal Funds			
21	Federal Funds	56,470,446	715,997	57,186,443
22	Federal Stimulus – Medicaid	93,743	0	93,743
23	Restricted Receipts	18,864,979	0	18,864,979
24	Walkable Communities Initiative	46,263	0	46,263
25	RI Airport Corporation Funds	185,162	0	185,162
26	Total - Family Health	81,724,053	66,742	81,790,795
27	<i>Infectious Disease and Epidemiology</i>			
28	General Revenues	1,902,220	(121,372)	1,780,848
29	Federal Funds	2,314,708	0	2,314,708
30	Total – Infectious Disease and Epidemiology	4,216,928	(121,372)	4,095,556
31	Grand Total – Health	133,924,145	228,965	134,153,110
32	Human Services			
33	<i>Central Management</i>			
34	General Revenues	4,537,647	(5,337)	4,532,310

1	Federal Funds	4,503,933	0	4,503,933
2	Federal Funds – Stimulus	1,540,000	0	1,540,000
3	Restricted Receipts	1,001,267	0	1,001,267
4	Total - Central Management	11,582,847	(5,337)	11,577,510
5	<i>Child Support Enforcement</i>			
6	General Revenues	2,379,255	(37,202)	2,342,053
7	Federal Funds	5,935,109	0	5,935,109
8	Federal Funds – Stimulus	792,000	0	792,000
9	Total – Child Support Enforcement	9,106,364	(37,202)	9,069,162
10	<i>Individual and Family Support</i>			
11	General Revenues	20,412,792	(245,503)	20,167,289
12	Federal Funds	57,663,973	0	57,663,973
13	Federal Funds – Stimulus	250,000	0	250,000
14	Restricted Receipts	180,000	0	180,000
15	Food Stamp Bonus Funding	195,000	0	195,000
16	Rhode Island Capital Plan Funds			
17	Blind Vending Facilities	32,500	0	32,500
18	Total - Individual and Family Support	78,734,265	(245,503)	78,488,762
19	<i>Veterans' Affairs</i>			
20	General Revenues	17,219,495	(241,097)	16,978,398
21	Federal Funds	10,689,027	0	10,689,027
22	Restricted Receipts	1,452,284	0	1,452,284
23	Total - Veterans' Affairs	29,360,806	(241,097)	29,119,709
24	<i>Health Care Quality, Financing and Purchasing</i>			
25	General Revenues	19,756,831	(301,520)	19,455,311
26	Federal Funds	43,309,179	0	43,309,179
27	Restricted Receipts	60,000	0	60,000
28	Total - Health Care Quality,			
29	Financing & Purchasing	63,126,010	(301,520)	62,824,490
30	<i>Medical Benefits</i>			
31	General Revenues			
32	Hospitals	88,897,118	16,529,766	105,426,884
33	Nursing Facilities	108,215,997	1,831,878	110,047,875
34	Managed Care	207,753,553	(10,516,803)	197,236,750

1	Pharmacy	42,652,126	5,687,089	48,339,215
2	Other	29,866,880	4,407,397	34,274,277
3	Home and Community Based Services	24,094,440	525,120	24,619,560
4	Rhody Health	39,956,296	(1,235,026)	38,721,270
5	Federal Funds			
6	Hospitals	109,611,630	5,684,794	115,296,424
7	Nursing Facilities	157,262,940	(8,752,690)	148,510,250
8	Managed Care	274,202,338	(2,944,436)	271,257,902
9	Home and Community Based Services	26,705,560	6,518,680	33,224,240
10	Other	41,314,890	11,611,499	52,926,389
11	Pharmacy	9,672,880	(578,270)	9,094,610
12	Rhody Health	53,916,668	(1,662,088)	52,254,580
13	Special Education	20,733,240	(4,886,864)	15,846,376
14	Federal Stimulus – Medicaid	90,977,102	3,304,564	94,281,666
15	Restricted Receipts	5,246,911	(9,025)	5,237,886
16	Total - Medical Benefits	1,331,080,569	25,515,585	1,356,596,154
17	<i>Supplemental Security Income Program</i>			
18	General Revenues	25,094,748	(43,449)	25,051,299
19	<i>Family Independence Program</i>			
20	General Revenues			
21	Child Care	10,272,921	(3,772,921)	6,500,000
22	TANF/Family Independence Program	8,005,369	(4,605,369)	3,400,000
23	Federal Funds	82,007,910	15,298,050	97,305,960
24	Federal Funds – Stimulus	500,000	0	500,000
25	Total - Family Independence Program	100,786,200	6,919,760	107,705,960
26	<i>State Funded Programs</i>			
27	General Revenues			
28	General Public Assistance	2,767,680	(67,322)	2,700,358
29	Federal Funds	118,585,000	(40,431)	118,544,569
30	Federal Funds – Stimulus	8,000,000	0	8,000,000
31	Total - State Funded Programs	129,352,680	(107,753)	129,244,927
32	Grand Total - Human Services	1,778,224,489	31,453,484	1,809,677,973
33	Mental Health, Retardation, and Hospitals			
34	<i>Central Management</i>			

1	General Revenues	1,026,262	(13,103)	1,013,159
2	Federal Funds	67,081	0	67,081
3	Total - Central Management	1,093,343	(13,103)	1,080,240
4	<i>Hospital and Community System Support</i>			
5	General Revenues	2,666,857	(36,956)	2,629,901
6	Federal Funds	849,939	0	849,939
7	Federal Funds – Stimulus	0	136,969	136,969
8	Rhode Island Capital Plan Funds			
9	Medical Center Rehabilitation	261,385	0	261,385
10	Community Facilities Fire Code	714,991	(300,000)	414,991
11	DD Private Waiver Com Facilities-Fire Code	634,837	(136,969)	497,868
12	Total - Hospital and Community System Support	5,128,009	(336,956)	4,791,053
13	<i>Services for the Developmentally Disabled</i>			
14	General Revenues			
15	General Revenues	92,585,274	(188,487)	92,396,787
16	Federal Funds			
17	Federal Funds	129,570,290	0	129,570,290
18	Federal Funds Stimulus	19,337,809	0	19,337,809
19	Restricted Receipts	2,868,101	0	2,868,101
20	Rhode Island Capital Plan Funds			
21	Regional Center Repair/Rehabilitation	500,000	0	500,000
22	MR Community Facilities	874,430	330,000	1,204,430
23	Developmental Disability Group Homes	1,100,000	240,000	1,340,000
24	Total - Services for the Developmentally			
25	Disabled	246,835,904	381,513	247,217,417
26	<i>Integrated Mental Health Services</i>			
27	General Revenues	32,449,535	(92,113)	32,357,422
28	Federal Funds	40,692,204	0	40,692,204
29	Federal Funds Stimulus	6,412,829	0	6,412,829
30	Rhode Island Capital Plan Funds			
31	MH Community Facilities Repair	160,000	50,000	210,000
32	MH Housing Development-Thresholds	400,000	0	400,000
33	Total - Integrated Mental Health Services	80,114,568	(42,113)	80,072,455
34	<i>Hospital and Community Rehabilitation Services</i>			

1	General Revenues	41,187,329	224,449	41,411,778
2	Federal Funds	49,245,050	486,352	49,731,402
3	Federal Funds Stimulus	7,933,157	0	7,933,157
4	Restricted Receipts	2,300,000	200,000	2,500,000
5	Rhode Island Capital Plan Funds			
6	Zambarano Buildings and Utilities	1,000,000	(320,000)	680,000
7	Hospital Consolidation	320,000	0	320,000
8	Total - Hospital and Community			
9	Rehabilitative Services	101,985,536	590,801	102,576,337
10	<i>Substance Abuse</i>			
11	General Revenues	13,011,273	(24,314)	12,986,959
12	Federal Funds	18,230,102	600,000	18,830,102
13	Federal Funds Stimulus	382,212	0	382,212
14	Restricted Receipts	90,000	0	90,000
15	Rhode Island Capital Plan Funds			
16	Asset Protection	100,000	0	100,000
17	Total - Substance Abuse	31,813,587	575,686	32,389,273
18	Grand Total - Mental Health, Retardation,			
19	and Hospitals	466,970,947	1,155,828	468,126,775
20	Office of the Child Advocate			
21	General Revenues	514,442	(7,942)	506,500
22	Federal Funds	40,555	0	40,555
23	Grand Total – Office of the Child Advocate	554,997	(7,942)	547,055
24	Commission on the Deaf and Hard of Hearing			
25	General Revenues	371,300	(15,750)	355,550
26	Governor's Commission on Disabilities			
27	General Revenues	387,862	(5,879)	381,983
28	Federal Funds	135,851	0	135,851
29	Restricted Receipts	11,127	0	11,127
30	Other Funds	166,551	0	166,551
31	Grand Total - Governor's Commission on			
32	Disabilities	701,391	(5,879)	695,512
33	Mental Health Advocate			
34	General Revenues	440,483	(6,858)	433,625

1 **Elementary and Secondary Education**

2 *Administration of the Comprehensive Education Strategy*

3	General Revenues	20,149,790	(564,957)	19,584,833
4	Federal Funds	193,780,980	1,056,914	194,837,894
5	Stimulus – Special Education	18,900,437	0	18,900,437
6	Stimulus – Title I	15,259,321	0	15,259,321
7	Restricted Receipts			
8	Restricted Receipts	851,239	0	851,239
9	HRIC Adult Education Grants	4,640,000	0	4,640,000
10	Rhode Island Capital Plan Funds			
11	Shepard Building Air Quality	275,250	0	275,250
12	Met School East Bay	0	0	0
13	Total – Administration of the Comprehensive			
14	Education Strategy	253,857,017	491,957	254,348,974

15 *Davies Career and Technical School*

16	General Revenues	14,473,335	(230,876)	14,242,459
17	Federal Funds	1,508,491	0	1,508,491
18	Stimulus – Special Education	103,932	0	103,932
19	Stimulus – Title I	133,048	0	133,048
20	Rhode Island Capital Plan Funds			
21	Davies HVAC	100,000	0	100,000
22	Davies Asset Protection	100,000	0	100,000
23	Davies Roof Repair	907,850	0	907,850
24	Total - Davies Career and Technical School	17,326,656	(230,876)	17,095,780

25 *RI School for the Deaf*

26	General Revenues	6,608,662	(678,939)	5,929,723
27	Federal Funds	320,012	0	320,012
28	Stimulus – Medicaid	15,641	0	15,641
29	Stimulus – Special Education	42,610	0	42,610
30	Stimulus – Title 1	13,158	0	13,158
31	Restricted Receipts	1,418	0	1,418
32	Rhode Island Capital Funds			
33	School for the Deaf	280,851	0	280,851
34	Total - RI School for the Deaf	7,282,352	(678,939)	6,603,413

1	<i>Metropolitan Career and Technical School</i>			
2	General Revenues	11,565,603	0	11,565,603
3	Stimulus – Special Education	66,889	0	66,889
4	Stimulus – Title I	197,811	0	197,811
5	Rhode Island Capital Plan Funds			
6	Met School East Bay	100,000	0	100,000
7	Total – Metropolitan Career and			
8	Technical School	11,930,303	0	11,930,303
9	<i>Education Aid</i>			
10	General Revenues	591,111,006	0	591,111,006
11	Local Pension Savings	41,100,000	(21,800,000)	19,300,000
12	<u>Local Pension Savings</u>	<u>41,100,000</u>	<u>(27,500,000)</u>	<u>13,600,000</u>
13	Federal Funds	67,046	0	67,046
14	Stimulus – Fiscal Stabilization	36,259,559	0	36,259,559
15	Stimulus – Special Education	185,668	0	185,668
16	Stimulus – Title I	441,875	0	441,875
17	Restricted Receipts	1,758,183	0	1,758,183
18	Permanent School Fund	13,600,000	0	13,600,000
19	Total – Education Aid	684,523,337	(21,800,000)	662,723,337
20	<u>Total – Education Aid</u>	<u>684,523,337</u>	<u>(27,500,000)</u>	<u>657,023,337</u>
21	<i>Central Falls School District</i>			
22	General Revenues	41,456,004	0	41,456,004
23	Stimulus – Fiscal Stabilization	2,065,263	0	2,065,263
24	Stimulus – Special Education	495,314	0	495,314
25	Stimulus – Title I	976,367	0	976,367
26	Permanent School Fund – Central Falls	183,624	0	183,624
27	Total - Central Falls School District	45,176,572	0	45,176,572
28	<i>Housing Aid</i>			
29	General Revenues	54,140,052	0	54,140,052
30	<i>Teachers' Retirement</i>			
31	General Revenues	66,586,018	0	66,586,018
32	Pension Savings	28,200,000	(14,500,000)	13,700,000
33	<u>Pension Savings</u>	<u>28,200,000</u>	<u>(18,500,000)</u>	<u>9,700,000</u>
34	Total – Teachers' Retirement	94,786,018	(14,500,000)	80,286,018

1	<u>Total – Teachers' Retirement</u>	<u>94,786,018</u>	<u>(18,500,000)</u>	<u>76,286,018</u>
2	Grand Total – Elementary and Secondary	1,169,022,307	(36,717,858)	1,132,304,449
3	<u>Grand Total - Elementary and Secondary</u>	<u>1,169,022,307</u>	<u>(46,417,858)</u>	<u>1,122,604,449</u>
4	Public Higher Education			
5	<i>Board of Governors/Office of Higher Education</i>			
6	General Revenues	6,748,278	(136,987)	6,611,291
7	Federal Funds	4,026,276	0	4,026,276
8	Restricted Receipts	0	0	0
9	Total - Board of Governors/Office of			
10	Higher Education	10,774,554	(136,987)	10,637,567
11	<i>University of Rhode Island</i>			
12	General Revenues			
13	General Revenues	62,889,820	(697,089)	62,192,731
14	Debt Service	12,590,080	0	12,590,080
15	Federal Funds			
16	RI Developmental Disabilities Council	462,315	0	462,315
17	University and College Funds			
18	University and College Funds	459,870,853	0	459,870,853
19	Debt – Dining Services	1,138,025	0	1,138,025
20	Debt – Education and General	2,531,872	0	2,531,872
21	Debt – Health Services	130,274	0	130,274
22	Debt – Housing Loan Funds	6,058,490	0	6,058,490
23	Debt – Memorial Union	125,982	0	125,982
24	Debt – Ryan Center	2,795,988	0	2,795,988
25	Debt – Alton Jones Services	149,303	0	149,303
26	Debt - Parking Authority	761,990	0	761,990
27	Debt – Sponsored Research	99,370	0	99,370
28	Debt – Energy Conservation	734,925	0	734,925
29	Debt – Lease Payment – Vehicles	88,897	0	88,897
30	Rhode Island Capital Plan Funds			
31	Asset Protection	4,315,185	0	4,315,185
32	Lippitt Hall	1,798,798	0	1,798,798
33	New Chemistry Building	300,000	0	300,000
34	Nursing & Assoc. Health Building	300,000	0	300,000

1	Superfund Site Remediation	768,490	0	768,490
2	URI Biotechnology Center	5,100,000	0	5,100,000
3	Total – University of Rhode Island	563,010,657	(697,089)	562,313,568

4 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
5 unencumbered balances as of June 30, 2009 relating to the University of Rhode Island are hereby
6 reappropriated to fiscal year 2010.

7 *Rhode Island College*

8	General Revenues			
9	General Revenues	40,411,122	(516,078)	39,895,044
10	Debt Service	2,985,082	0	2,985,082
11	RIRBA – Rhode Island College	293,886	0	293,886

12 University and College Funds

13	University and College Funds	90,531,612	0	90,531,612
14	Debt – Education and General	295,196	0	295,196
15	Debt – Housing	2,025,570	0	2,025,570
16	Debt – Student Center and Dining	172,639	0	172,639
17	Debt – Student Union	231,856	0	231,856
18	Debt – Lease Payments – Vehicles	12,573	0	12,573

19 Rhode Island Capital Plan Funds

20	Asset Protection	2,000,000	0	2,000,000
21	Campus Entrance	600,000	0	600,000
22	Total – Rhode Island College	139,559,536	(516,078)	139,043,458

23 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
24 unencumbered balances as of June 30, 2009 relating to Rhode Island College are hereby
25 reappropriated to fiscal year 2010.

26 *Community College of Rhode Island*

27	General Revenues			
28	General Revenues	45,438,415	(629,690)	44,808,725
29	Debt Service	1,504,159	0	1,504,159
30	Restricted Receipts	666,433	0	666,433

31 University and College Funds

32	University and College Funds	70,918,670	0	70,918,670
33	Debt – Bookstore	105,568	0	105,568

34 Rhode Island Capital Plan Funds

1	Knight Campus Nursing Program	0	0	0
2	Asset Protection	1,406,332	0	1,406,332
3	Fire Code and HVAC	1,551,515	0	1,551,515
4	Total – Community College of RI	121,591,092	(629,690)	120,961,402

5 Notwithstanding the provisions of section 35-3-15 of the general laws, all unexpended or
6 unencumbered balances as of June 30, 2009 relating to the Community College of Rhode Island
7 are hereby reappropriated to fiscal year 2010.

8	Grand Total – Public Higher Education	834,935,839	(1,979,844)	832,955,995
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9 **RI State Council on the Arts**

10	General Revenues			
11	Operating Support	658,726	(9,883)	648,843
12	Grants	1,247,070	0	1,247,070
13	Federal Funds	801,429	200,000	1,001,429
14	Restricted Receipts	94,225	0	94,225
15	Other Funds			
16	Arts for Public Facilities	425,000	0	425,000
17	Grand Total - RI State Council on the Arts	3,226,450	190,117	3,416,567

18 **RI Atomic Energy Commission**

19	General Revenues	786,847	(11,974)	774,873
20	Federal Funds	103,116	0	103,116
21	URI Sponsored Research	243,869	0	243,869
22	Rhode Island Capital Plan Funds			
23	RINSC Asset Protection	50,000	0	50,000
24	Grand Total - RI Atomic Energy Commission	1,183,832	(11,974)	1,171,858

25 **RI Higher Education Assistance Authority**

26	General Revenues			
27	Needs Based Grants and Work Opportunities	6,382,700	0	6,382,700
28	Authority Operations and Other Grants	910,284	(9,306)	900,978
29	Federal Funds	18,766,778	0	18,766,778
30	Tuition Savings Pgm. – Needs Based Grants	6,175,000	0	6,175,000
31	Tuition Savings Program – Administration	724,631	0	724,631
32	Grand Total - Higher Education Assistance	32,959,393	(9,306)	32,950,087

33 **RI Historical Preservation and Heritage Commission**

34	General Revenues	1,297,516	(15,894)	1,281,622
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1	Federal Funds	845,462	0	845,462
2	Restricted Receipts	518,013	0	518,013
3	Grand Total – RI Historical Preservation			
4	and Heritage Commission	2,660,991	(15,894)	2,645,097
5	RI Public Telecommunications Authority			
6	General Revenues	1,249,509	(43,176)	1,206,333
7	Corporation for Public Broadcasting	767,060	0	767,060
8	Grand Total – RI Public Telecommunications			
9	Authority	2,016,569	(43,176)	1,973,393
10	Attorney General			
11	<i>Criminal</i>			
12	General Revenues	13,252,171	(203,175)	13,048,996
13	Federal Funds	1,243,744	0	1,243,744
14	Restricted Receipts	339,367	0	339,367
15	Total – Criminal	14,835,282	(203,175)	14,632,107
16	<i>Civil</i>			
17	General Revenues	4,268,789	(65,998)	4,202,791
18	Restricted Receipts	775,066	0	775,066
19	Total – Civil	5,043,855	(65,998)	4,977,857
20	<i>Bureau of Criminal Identification</i>			
21	General Revenues	976,139	(14,531)	961,608
22	Federal Funds	69,550	0	69,550
23	Total - Bureau of Criminal Identification	1,045,689	(14,531)	1,031,158
24	<i>General</i>			
25	General Revenues	2,637,311	(39,127)	2,598,184
26	Rhode Island Capital Plan Funds			
27	Building Renovations and Repairs	747,726	0	747,726
28	Total – General	3,385,037	(39,127)	3,345,910
29	Grand Total - Attorney General	24,309,863	(322,831)	23,987,032
30	Corrections			
31	<i>Central Management</i>			
32	General Revenues	8,525,923	(112,122)	8,413,801
33	Federal Funds	62,000	0	62,000
34	Total - Central Management	8,587,923	(112,122)	8,475,801

1	<i>Parole Board</i>			
2	General Revenues	1,303,376	(18,584)	1,284,792
3	Federal Funds	24,300	15,700	40,000
4	Total - Parole Board	1,327,676	(2,884)	1,324,792
5	<i>Institutional Corrections</i>			
6	General Revenues	154,565,743	(23,187,541)	131,378,202
7	Federal Funds	2,458,701	0	2,458,701
8	Stimulus – State Fiscal Stabilization	0	20,000,000	20,000,000
9	Rhode Island Capital Funds			
10	Maximum General Renovations	418,400	0	418,400
11	Bernadette Guay Bldg. Roof	0	30,600	30,600
12	Asset Protection	2,332,783	0	2,332,783
13	Reintegration Center Match	0	750,506	750,506
14	Total - Institutional Corrections	159,775,627	(2,406,435)	157,369,192
15	<i>Community Corrections</i>			
16	General Revenues	14,287,019	(204,926)	14,082,093
17	Federal Funds	735,873	0	735,873
18	Total – Community Corrections	15,022,892	(204,926)	14,817,966
19	Grand Total – Corrections	184,714,118	(2,726,367)	181,987,751
20	Judiciary			
21	<i>Supreme Court</i>			
22	General Revenues			
23	General Revenues	24,581,046	(489,968)	24,091,078
24	Defense of Indigents	3,065,689	175,000	3,240,689
25	Federal Funds	466,327	0	466,327
26	Restricted Receipts	1,484,366	0	1,484,366
27	Rhode Island Capital Plan Funds			
28	Judicial HVAC	300,000	0	300,000
29	Garrahy Lighting and Ceiling	972,948	0	972,948
30	Asset Protection	435,683	0	435,683
31	Total - Supreme Court	31,306,059	(314,968)	30,991,091
32	<i>Judicial Tenure and Discipline</i>			
33	General Revenues	129,092	(1,878)	127,214
34	<i>Superior Court</i>			

1	General Revenues	19,640,419	(268,811)	19,371,608
2	Federal Funds	130,000	0	130,000
3	Total - Superior Court	19,770,419	(268,811)	19,501,608
4	<i>Family Court</i>			
5	General Revenues	17,685,409	(268,740)	17,416,669
6	Federal Funds	2,110,614	5,000	2,115,614
7	Total - Family Court	19,796,023	(263,740)	19,532,283
8	<i>District Court</i>			
9	General Revenues	10,125,548	(141,915)	9,983,633
10	Restricted Receipts	264,920	0	264,920
11	Total - District Court	10,390,468	(141,915)	10,248,553
12	<i>Traffic Tribunal</i>			
13	General Revenues	7,570,028	(113,890)	7,456,138
14	<i>Workers' Compensation Court</i>			
15	Restricted Receipts	7,574,863	0	7,574,863
16	Grand Total – Judiciary	96,536,952	(1,105,202)	95,431,750
17	Military Staff			
18	<i>National Guard</i>			
19	General Revenues	1,640,993	(47,479)	1,593,514
20	Military Funerals	149,426	0	149,426
21	Federal Funds	10,520,031	0	10,520,031
22	Restricted Receipts	190,000	0	190,000
23	Rhode Island Capital Plan Funds			
24	Federal Armories Fire Code Comp.	71,895	0	71,895
25	AMC – Roof Replacement	1,421,661	0	1,421,661
26	State Armories Fire Code Comp.	209,753	0	209,753
27	Asset Protection	362,402	0	362,402
28	Logistics/Maint Facilities Fire Code	57,500	0	57,500
29	Quonset Point Hangar	501,675	0	501,675
30	Schofield Armory Rehabilitation	10,500	0	10,500
31	Total - National Guard	15,135,836	(47,479)	15,088,357
32	<i>Emergency Management</i>			
33	General Revenues	1,784,841	(100,535)	1,684,306
34	Federal Funds	26,266,897	3,929,747	30,196,644

1	Restricted Receipts	156,833	0	156,833
2	Total - Emergency Management	28,208,571	3,829,212	32,037,783
3	Grand Total - Military Staff	43,344,407	3,781,733	47,126,140
4	Public Safety			
5	<i>Central Management</i>			
6	General Revenues	626,369	(11,495)	614,874
7	Federal Funds	7,230,793	1,225,456	8,456,249
8	Restricted Receipts	133,000	0	133,000
9	Total – Central Management	7,990,162	1,213,961	9,204,123
10	<i>E-911 Emergency Telephone System</i>			
11	General Revenues	5,060,865	(62,330)	4,998,535
12	Federal Funds	737,819	0	737,819
13	Grand Total - E-911 Emergency Telephone System	5,798,684	(62,330)	5,736,354
14	<i>State Fire Marshal</i>			
15	General Revenues	2,533,728	(26,130)	2,507,598
16	Federal Funds	1,571,399	0	1,571,399
17	Grand Total - State Fire Marshal	4,105,127	(26,130)	4,078,997
18	<i>Capitol Police</i>			
19	General Revenues	3,524,634	(38,870)	3,485,764
20	<i>Municipal Police Training Academy</i>			
21	General Revenues	372,714	(5,574)	367,140
22	Federal Funds	173,602	0	173,602
23	Grand Total - Municipal Police Training Academy	546,316	(5,574)	540,742
24	<i>State Police</i>			
25	General Revenues	22,538,628	29,450,763	51,989,391
26	Federal Funds	4,684,000	(313,356)	4,370,644
27	Stimulus – State Fiscal Stabilization	30,000,000	(30,000,000)	0
28	Restricted Receipts	702,000	0	702,000
29	Rhode Island Capital Plan Funds			
30	Barracks & Training	545,673	0	545,673
31	State Police New Headquarters	8,000,000	0	8,000,000
32	Statewide Microwave Upgrade	2,470,000	0	2,470,000
33	Headquarters Sewer Project	300,000	0	300,000
34	Traffic Enforcement - Municipal Training	107,150	0	107,150

1	Lottery Commission Assistance	169,145	0	169,145
2	Airport Corporation	187,465	0	187,465
3	Road Construction Reimbursement	1,867,140	0	1,867,140
4	Grand Total - State Police	71,571,201	(862,593)	70,708,608
5	Grand Total – Public Safety	93,536,124	218,464	93,754,588
6	Office of Public Defender			
7	General Revenues	9,318,047	(245,179)	9,072,868
8	Federal Funds	325,591	0	325,591
9	Grand Total - Office of Public Defender	9,643,638	(245,179)	9,398,459
10	Environmental Management			
11	<i>Office of the Director</i>			
12	General Revenues	4,746,927	(61,249)	4,685,678
13	Federal Funds	521,513	0	521,513
14	Restricted Receipts	2,600,152	0	2,600,152
15	Total – Office of the Director	7,868,592	(61,249)	7,807,343
16	<i>Natural Resources</i>			
17	General Revenues	18,208,794	(236,422)	17,972,372
18	Federal Funds	20,872,596	0	20,872,596
19	Restricted Receipts	3,666,658	0	3,666,658
20	DOT Recreational Projects	71,448	0	71,448
21	Blackstone Bikepath Design	1,105,674	0	1,105,674
22	Rhode Island Capital Plan Funds			
23	Dam Repair	76,458	0	76,458
24	Recreational Facilities Improvement	1,895,639	0	1,895,639
25	Fort Adams Rehabilitation	322,218	0	322,218
26	Jamestown Fishing Pier	2,648	0	2,648
27	Galilee Piers Upgrade	458,564	0	458,564
28	Newport Piers	650,000	0	650,000
29	Total - Natural Resources	47,330,697	(236,422)	47,094,275
30	<i>Environmental Protection</i>			
31	General Revenues	11,055,641	(158,028)	10,897,613
32	Federal Funds	13,114,295	0	13,114,295
33	Restricted Receipts	7,247,327	100,000	7,347,327
34	Rhode Island Capital Plan Funds			

1	Rose Hill Superfund Site	151,851	0	151,851
2	Retrofit Heavy Duty Diesel Vehicle	400,000	0	400,000
3	Total - Environmental Protection	31,969,114	(58,028)	31,911,086
4	Grand Total - Environmental Management	87,168,403	(355,699)	86,812,704
5	Coastal Resources Management Council			
6	General Revenues	2,034,354	(32,141)	2,002,213
7	Federal Funds	1,659,109	0	1,659,109
8	Restricted Receipts	395,000	0	395,000
9	Rhode Island Capital Plan Funds			
10	Grand Total - Coastal Resources Mgmt. Council	4,088,463	(32,141)	4,056,322
11	State Water Resources Board			
12	General Revenues	1,352,046	(264,986)	1,087,060
13	Restricted Receipts	109,817	0	109,817
14	Rhode Island Capital Plan Funds			
15	Big River Management Area	100,000	0	100,000
16	Grand Total - State Water Resources Board	1,561,863	(264,986)	1,296,877
17	Transportation			
18	<i>Central Management</i>			
19	Federal Funds	12,705,548	0	12,705,548
20	Other Funds			
21	Gasoline Tax	1,910,622	0	1,910,622
22	Total - Central Management	14,616,170	0	14,616,170
23	<i>Management and Budget Gasoline Tax</i>	1,351,936	0	1,351,936
24	<i>Infrastructure Engineering</i>			
25	Federal Funds	273,363,928	0	273,363,928
26	Restricted Receipts	1,450,000	0	1,450,000
27	Gasoline Tax	47,313,700	(693,750)	46,619,950
28	Land Sale Revenue	2,000,000	0	2,000,000
29	Highway Logo Program	100,000	0	100,000
30	State Infrastructure Bank	1,387,984	0	1,387,984
31	Rhode Island Capital Plan Funds			
32	RIPTA - Land and Buildings	4,774,023	0	4,774,023
33	Pawtucket – Central Falls Train Station	0	0	0
34	Total - Infrastructure Engineering	330,389,635	(693,750)	329,695,885

1	<i>Infrastructure Maintenance</i>			
2	Gasoline Tax	44,307,241	(1,406,250)	42,900,991
3	Non-Land Surplus Property	15,000	0	15,000
4	Outdoor Advertising	500,000	0	500,000
5	Utility Permit Applications	0	0	0
6	Radio System Upgrade	335,000	0	335,000
7	Rhode Island Capital Plan Funds			
8	Cherry Hill/Lincoln Facility	625,000	0	625,000
9	Maintenance Facilities Improvements	200,000	0	200,000
10	East Providence Facility	0	0	0
11	Salt Storage Facilities	625,000	0	625,000
12	Total - Infrastructure Maintenance	46,607,241	(1,406,250)	45,200,991
13	Grand Total – Transportation	392,964,982	(2,100,000)	390,864,982

14 **Statewide Totals**

15	General Revenues	3,032,299,146	(23,016,442)	3,009,282,704
16	<u>General Revenues</u>	<u>3,032,299,146</u>	<u>(31,173,995)</u>	<u>3,001,125,151</u>
17	Federal Funds	2,412,853,935	22,131,530	2,434,985,465
18	<u>Federal Funds</u>	<u>2,412,853,935</u>	<u>22,881,312</u>	<u>2,435,735,247</u>
19	Restricted Receipts	153,235,835	1,679,985	154,915,820
20	<u>Restricted Receipts</u>	<u>153,235,835</u>	<u>1,772,486</u>	<u>155,008,321</u>
21	Other Funds	1,651,894,497	142,584,406	1,794,478,903
22	<u>Other Funds</u>	<u>1,651,894,497</u>	<u>143,018,646</u>	<u>1,794,913,143</u>
23	Statewide Grand Total	7,250,283,413	143,379,479	7,393,662,892
24	<u>Statewide Grand Total</u>	<u>7,250,283,413</u>	<u>136,498,449</u>	<u>7,386,781,862</u>

25 SECTION 2. This article shall take effect upon passage and shall be retroactive to April
26 10, 2009.

27

1 approved from time to time by the secretary with respect to the foregoing federal and state
2 programs.

3 **42-7.2-5. Duties of the secretary.** -- The secretary shall be subject to the direction and
4 supervision of the governor for the oversight, coordination and cohesive direction of state
5 administered health and human services and in ensuring the laws are faithfully executed, not
6 withstanding any law to the contrary. In this capacity, the Secretary of Health and Human
7 Services shall be authorized to:

8 (1) Coordinate the administration and financing of health care benefits, human services
9 and programs including those authorized by the [Global Consumer Choice Compact Waiver and,](#)
10 [as applicable, the](#) Medicaid State Plan under Title XIX of the US Social Security Act. However,
11 nothing in this section shall be construed as transferring to the secretary the powers, duties or
12 functions conferred upon the departments by Rhode Island public and general laws for the
13 administration of federal/state programs financed in whole or in part with Medicaid funds or the
14 administrative responsibility for the preparation and submission of any state plans, state plan
15 amendments, or authorized federal waiver applications.

16 (2) Serve as the governor's chief advisor and liaison to federal policymakers on
17 Medicaid reform issues as well as the principal point of contact in the state on any such related
18 matters.

19 (3) Review and ensure the coordination of any ~~new departmental waiver~~ [Global](#)
20 [Consumer Choice Compact Waiver](#) requests and renewals as well as any initiatives and proposals
21 requiring amendments to the Medicaid state plan [or category one \(I\) or two \(II\) changes, as](#)
22 [described in the special terms and conditions of the Global Consumer Choice Compact Waiver](#)
23 with the potential to affect the scope, amount or duration of publicly-funded health care services,
24 provider payments or reimbursements, or access to or the availability of benefits and services as
25 provided by Rhode Island general and public laws. The secretary shall consider whether any such
26 ~~waivers or amendments~~ [changes](#) are legally and fiscally sound and consistent with the state's
27 policy and budget priorities. The secretary shall also assess whether a proposed ~~waiver or~~
28 ~~amendment~~ [change](#) is capable of obtaining the necessary approvals from federal officials and
29 achieving the expected positive consumer outcomes. Department directors shall, within the
30 timelines specified, provide any information and resources the secretary deems necessary in order
31 to perform the reviews authorized in this section;

32 (4) Beginning in 2006, prepare and submit to the governor, the chairpersons of the
33 house and senate finance committees, the caseload estimating conference, and to the joint
34 legislative committee for health care oversight, by no later than ~~February 1~~ [March 15](#) of each

1 year, a comprehensive overview of all Medicaid expenditures outcomes, and utilization rates. The
2 overview shall include, but not be limited to, the following information:

3 (i) Expenditures under Titles XIX and XXI of the Social Security Act, as amended;

4 (ii) Expenditures, outcomes and utilization rates by population and sub-population
5 served (e.g. families with children, children with disabilities, children in foster care, children
6 receiving adoption assistance, adults with disabilities, and the elderly);

7 (iii) Expenditures, outcomes and utilization rates by each state department or other
8 municipal or public entity receiving federal reimbursement under Titles XIX and XXI of the
9 Social Security Act, as amended; and

10 (iv) Expenditures, outcomes and utilization rates by type of service and/or service
11 provider. The directors of the departments, as well as local governments and school departments,
12 shall assist and cooperate with the secretary in fulfilling this responsibility by providing whatever
13 resources, information and support shall be necessary.

14 (5) Resolve administrative, jurisdictional, operational, program, or policy conflicts
15 among departments and their executive staffs and make necessary recommendations to the
16 governor.

17 (6) Assure continued progress toward improving the quality, the economy, the
18 accountability and the efficiency of state-administered health and human services. In this
19 capacity, the secretary shall:

20 (i) Direct implementation of reforms in the human resources practices of the
21 departments that streamline and upgrade services, achieve greater economies of scale and
22 establish the coordinated system of the staff education, cross- training, and career development
23 services necessary to recruit and retain a highly-skilled, responsive, and engaged health and
24 human services workforce;

25 (ii) Encourage the departments to utilize consumer-centered approaches to service
26 design and delivery that expand their capacity to respond efficiently and responsibly to the
27 diverse and changing needs of the people and communities they serve;

28 (iii) Develop all opportunities to maximize resources by leveraging the state's
29 purchasing power, centralizing fiscal service functions related to budget, finance, and
30 procurement, centralizing communication, policy analysis and planning, and information systems
31 and data management, pursuing alternative funding sources through grants, awards and
32 partnerships and securing all available federal financial participation for programs and services
33 provided through the departments; ~~and~~

34 (iv) Improve the coordination and efficiency of health and human services legal

1 functions by centralizing adjudicative and legal services and overseeing their timely and judicious
2 administration ;

3 (v) Facilitate the rebalancing of the long term system by creating an assessment and
4 coordination organization or unit for the expressed purpose of developing and implementing
5 procedures across departments that ensure that the appropriate publicly-funded health services are
6 provided at the right time and in the most appropriate and least restrictive setting; and

7 (vi) Strengthen health and human services program integrity, quality control and
8 collections, and recovery activities by consolidating functions within the office in a single unit
9 that ensures all affected parties pay their fair share of the cost of services and are aware of
10 alternative financing.

11 (vii) Broaden access to publicly funded food and nutrition services by consolidating
12 agency programs and initiatives to eliminate duplication and overlap and improve the availability
13 and quality of services; and

14 (viii) Assure protective services are available to vulnerable elders and adults with
15 developmental and other disabilities by reorganizing existing services, establishing new services
16 where gaps exist and centralizing administrative responsibility for oversight of all related
17 initiatives and programs.

18 (7) Prepare and integrate comprehensive budgets for the health and human services
19 departments and any other functions and duties assigned to the office. The budgets shall be
20 submitted to the state budget office by the secretary, for consideration by the governor, on behalf
21 of the state's health and human services in accordance with the provisions set forth in § 35-3-4 of
22 the Rhode Island general laws.

23 (8) Utilize objective data to evaluate health and human services policy goals, resource
24 use and outcome evaluation and to perform short and long-term policy planning and
25 development.

26 (9) Establishment of an integrated approach to interdepartmental information and data
27 management that complements and furthers the goals of the CHOICES initiative and that will
28 facilitate the transition to consumer-centered system of state administered health and human
29 services.

30 (10) At the direction of the governor or the general assembly, conduct independent
31 reviews of state-administered health and human services programs, policies and related agency
32 actions and activities and assist the department directors in identifying strategies to address any
33 issues or areas of concern that may emerge thereof. The department directors shall provide any
34 information and assistance deemed necessary by the secretary when undertaking such

1 independent reviews.

2 (11) Provide regular and timely reports to the governor and make recommendations with
3 respect to the state's health and human services agenda.

4 (12) Employ such personnel and contract for such consulting services as may be
5 required to perform the powers and duties lawfully conferred upon the secretary.

6 (13) Implement the provisions of any general or public law or regulation related to the
7 disclosure, confidentiality and privacy of any information or records, in the possession or under
8 the control of the executive office or the departments assigned to the executive office, that may be
9 developed or acquired for purposes directly connected with the secretary's duties set forth herein.

10 (14) Hold the director of each health and human services department accountable for
11 their administrative, fiscal and program actions in the conduct of the respective powers and duties
12 of their agencies.

13 **42-7.2-6.1. Transfer of powers and functions.** -- (a) There are hereby transferred to the
14 executive office of health and human services the powers and functions of the departments with
15 respect to the following:

16 (1) By July 1, 2007, fiscal services including budget preparation and review, financial
17 management, purchasing and accounting and any related functions and duties deemed necessary
18 by the secretary;

19 (2) By July 1, 2007, legal services including applying and interpreting the law,
20 oversight to the rule-making process, and administrative adjudication duties and any related
21 functions and duties deemed necessary by the secretary;

22 (3) By September 1, 2007, communications including those functions and services
23 related to government relations, public education and outreach and media relations and any
24 related functions and duties deemed necessary by the secretary;

25 (4) By March 1, 2008, policy analysis and planning including those functions and
26 services related to the policy development, planning and evaluation and any related functions and
27 duties deemed necessary by the secretary; **and**

28 (5) By June 30, 2008, information systems and data management including the
29 financing, development and maintenance of all data-bases and information systems and platforms
30 as well as any related operations deemed necessary by the secretary;

31 (6) By October 1, 2009, assessment and coordination for long-term care including those
32 functions related to determining level of care or need for services, development of individual
33 service/care plans and planning, identification of service options, the pricing of service options
34 and choice counseling; and

1 (7) By October 1, 2009, program integrity, quality control and collection and recovery
2 functions including any that detect fraud and abuse or assure that beneficiaries, providers, and
3 third-parties pay their fair share of the cost of services, as well as any that promote alternatives to
4 publicly financed services, such as the long-term care health insurance partnership.

5 (8) By January 1, 2011, client protective services including any such services provided to
6 children, elders and adults with developmental and other disabilities;

7 (9) By March 1, 2010, administrative management of food and nutritional services
8 including food stamps, WIC and any other such programs or initiatives in which operational
9 efficiencies that improve access may be achieved through greater consolidation or coordination of
10 functions.

11 (b) The secretary shall determine in collaboration with the department directors whether
12 the officers, employees, agencies, advisory councils, committees, commissions, and task forces of
13 the departments who were performing such functions shall be transferred to the office. ~~Duties that~~
14 ~~are incidental to the performance of the functions transferred to the office in subpart (a) shall~~
15 ~~remain with the departments providing that the employees responsible thereof are performing~~
16 ~~functions that have not been transferred.~~

17 (c) In the transference of such functions, the secretary shall be responsible for ensuring:

18 (1) Minimal disruption of services to consumers;

19 (2) Elimination of duplication of functions and operations;

20 (3) Services are coordinated and functions are consolidated where appropriate;

21 (4) Clear lines of authority are delineated and followed;

22 (5) Cost-savings are achieved whenever feasible;

23 (6) Program application and eligibility determination processes are coordinated and,
24 where feasible, integrated; and

25 (7) State and federal funds available to the office and the entities therein are allocated
26 and utilized for service delivery to the fullest extent possible.

27 (d) Except as provided herein, no provision of this chapter or application thereof shall
28 be construed to limit or otherwise restrict the departments of children, youth and families, human
29 services, elderly affairs, health, and mental health, retardation, and hospitals from fulfilling any
30 statutory requirement or complying with any regulation deemed otherwise valid.

31 (e) The secretary shall prepare and submit to the leadership of the house and senate
32 finance committees, by no later than January 1, 2010, a plan for restructuring functional
33 responsibilities across the departments to establish a consumer centered integrated system of
34 health and human services that provides high quality and cost-effective services at the right time

1 [and in the right setting across the life-cycle.](#)

2 SECTION 2. Section 23-1-8 of the General Laws in Chapter 21-1 is entitled “Department
3 of Health” is hereby amended to read as follows:

4 **23-1-8. Toxicologist Forensic Scientist – Crime detection.** – The director of health
5 shall appoint in accordance with law a suitable and qualified ~~toxicologist~~ [forensic scientist](#) to
6 conduct examinations of evidence in connection with scientific crime detection, and for that
7 purpose the director shall cooperate with the Rhode Island state police, the department of the
8 attorney general, and other law enforcement agencies in the matter of scientific crime detection.

9 SECTION 3. Section 31-27-2 of the General Laws in Chapter is 12-5 entitled “Motor
10 Vehicle Offenses” is hereby amended to read as follows:

11 **31-27-2. Driving under influence of liquor or drugs.** – (a) Whoever drives or
12 otherwise operates any vehicle in the state while under the influence of any intoxicating liquor,
13 drugs, toluene, or any controlled substance as defined in chapter 28 of title 21, or any
14 combination of these, shall be guilty of a misdemeanor except as provided in subdivision (d)(3)
15 and shall be punished as provided in subsection (d) of this section.

16 (b) Any person charged under subsection (a) of this section whose blood alcohol
17 concentration is eight one-hundredths of one percent (.08%) or more by weight as shown by a
18 chemical analysis of a blood, breath, or urine sample shall be guilty of violating subsection (a) of
19 this section. This provision shall not preclude a conviction based on other admissible evidence.
20 Proof of guilt under this section may also be based on evidence that the person charged was under
21 the influence of intoxicating liquor, drugs, toluene, or any controlled substance defined in chapter
22 28 of title 21, or any combination of these, to a degree which rendered the person incapable of
23 safely operating a vehicle. The fact that any person charged with violating this section is or has
24 been legally entitled to use alcohol or a drug shall not constitute a defense against any charge of
25 violating this section.

26 (2) Whoever drives or otherwise operates any vehicle in the state with a blood presence
27 of any scheduled controlled substance as defined within chapter 28 of title 21, as shown by
28 analysis of a blood or urine sample, shall be guilty of a misdemeanor and shall be punished as
29 provided in subsection (d) of this section.

30 (c) In any criminal prosecution for a violation of subsection (a) of this section, evidence
31 as to the amount of intoxicating liquor, toluene, or any controlled substance as defined in chapter
32 28 of title 21, or any combination of these, in the defendant's blood at the time alleged as shown
33 by a chemical analysis of the defendant's breath, blood, or urine or other bodily substance shall be
34 admissible and competent, provided that evidence is presented that the following conditions have

1 been complied with:

2 (1) The defendant has consented to the taking of the test upon which the analysis is
3 made. Evidence that the defendant had refused to submit to the test shall not be admissible unless
4 the defendant elects to testify.

5 (2) A true copy of the report of the test result was mailed within seventy-two (72) hours
6 of the taking of the test to the person submitting to a breath test.

7 (3) Any person submitting to a chemical test of blood, urine, or other body fluids shall
8 have a true copy of the report of the test result mailed to him or her within thirty (30) days
9 following the taking of the test.

10 (4) The test was performed according to methods and with equipment approved by the
11 director of the department of health of the state of Rhode Island and by an authorized individual.

12 (5) Equipment used for the conduct of the tests by means of breath analysis had been
13 tested for accuracy within thirty (30) days preceding the test by personnel qualified as
14 hereinbefore provided, and breathalyzer operators shall be qualified and certified by the
15 department of health within three hundred sixty-five (365) days of the test.

16 (6) The person arrested and charged with operating a motor vehicle while under the
17 influence of intoxicating liquor, toluene, or any controlled substance as defined in chapter 28 of
18 title 21, or, any combination of these in violation of subsection (a) of this section was afforded the
19 opportunity to have an additional chemical test. The officer arresting or so charging the person
20 shall have informed the person of this right and afforded him or her a reasonable opportunity to
21 exercise this right, and a notation to this effect is made in the official records of the case in the
22 police department. Refusal to permit an additional chemical test shall render incompetent and
23 inadmissible in evidence the original report.

24 (d) Every person found to have violated subdivision (b)(1) of this section shall be
25 sentenced as follows: for a first violation whose blood alcohol concentration is eight one-
26 hundredths of one percent (.08%) but less than one-tenth of one percent (.1%) by weight or who
27 has a blood presence of any scheduled controlled substance as defined in subdivision (b)(2) shall
28 be subject to a fine of not less than one hundred dollars (\$100) nor more than three hundred
29 dollars (\$300), shall be required to perform ten (10) to sixty (60) hours of public community
30 restitution, and/or shall be imprisoned for up to one year. The sentence may be served in any unit
31 of the adult correctional institutions in the discretion of the sentencing judge and/or shall be
32 required to attend a special course on driving while intoxicated or under the influence of a
33 controlled substance, and his or her driver's license shall be suspended for thirty (30) days up to
34 one hundred eighty (180) days.

1 (ii) Every person convicted of a first violation whose blood alcohol concentration is one-
2 tenth of one percent (.1%) by weight or above but less than fifteen hundredths of one percent
3 (.15%) or whose blood alcohol concentration is unknown shall be subject to a fine of not less than
4 one hundred (\$100) dollars nor more than four hundred dollars (\$400) and shall be required to
5 perform ten (10) to sixty (60) hours of public community restitution and/or shall be imprisoned
6 for up to one year. The sentence may be served in any unit of the adult correctional institutions in
7 the discretion of the sentencing judge. The person's driving license shall be suspended for a
8 period of three (3) months to twelve (12) months. The sentencing judge shall require attendance
9 at a special course on driving while intoxicated or under the influence of a controlled substance
10 and/or alcoholic or drug treatment for the individual.

11 (iii) Every person convicted of a first offense whose blood alcohol concentration is
12 fifteen hundredths of one percent (.15%) or above, or who is under the influence of a drug,
13 toluene, or any controlled substance as defined in subdivision (b)(1) shall be subject to a fine of
14 five hundred dollars (\$500) and shall be required to perform twenty (20) to sixty (60) hours of
15 public community restitution and/or shall be imprisoned for up to one year. The sentence may be
16 served in any unit of the adult correctional institutions in the discretion of the sentencing judge.
17 The person's driving license shall be suspended for a period of three (3) months to eighteen (18)
18 months. The sentencing judge shall require attendance at a special course on driving while
19 intoxicated or under the influence of a controlled substance and/or alcohol or drug treatment for
20 the individual.

21 (2) Every person convicted of a second violation within a five (5) year period with a
22 blood alcohol concentration of eight one-hundredths of one percent (.08%) or above but less than
23 fifteen hundredths of one percent (.15%) or whose blood alcohol concentration is unknown or
24 who has a blood presence of any controlled substance as defined in subdivision (b)(2), and every
25 person convicted of a second violation within a five (5) year period regardless of whether the
26 prior violation and subsequent conviction was a violation and subsequent conviction under this
27 statute or under the driving under the influence of liquor or drugs statute of any other state, shall
28 be subject to a mandatory fine of four hundred dollars (\$400). The person's driving license shall
29 be suspended for a period of one year to two (2) years, and the individual shall be sentenced to
30 not less than ten (10) days nor more than one year in jail. The sentence may be served in any unit
31 of the adult correctional institutions in the discretion of the sentencing judge; however, not less
32 than forty-eight (48) hours of imprisonment shall be served consecutively. The sentencing judge
33 shall require alcohol or drug treatment for the individual, and may prohibit that person from
34 operating a motor vehicle that is not equipped with an ignition interlock system for a period of

1 one year to two (2) years following the completion of the sentence as provided in § 31-27-2.8.

2 (ii) Every person convicted of a second violation within a five (5) year period whose
3 blood alcohol concentration is fifteen hundredths of one percent (.15%) or above by weight as
4 shown by a chemical analysis of a blood, breath, or urine sample or who is under the influence of
5 a drug, toluene, or any controlled substance as defined in subdivision (b)(1) shall be subject to
6 mandatory imprisonment of not less than six (6) months nor more than one year, a mandatory fine
7 of not less than one thousand dollars (\$1,000) and a mandatory license suspension for a period of
8 two (2) years from the date of completion of the sentence imposed under this subsection.

9 (3) Every person convicted of a third or subsequent violation within a five (5) year period
10 with a blood alcohol concentration of eight one-hundredths of one percent (.08%) or above but
11 less than fifteen hundredths of one percent (.15%) or whose blood alcohol concentration is
12 unknown or who has a blood presence of any scheduled controlled substance as defined in
13 subdivision (b)(2) regardless of whether any prior violation and subsequent conviction was a
14 violation and subsequent conviction under this statute or under the driving under the influence of
15 liquor or drugs statute of any other state, shall be guilty of a felony and be subject to a mandatory
16 fine of four hundred (\$400) dollars. The person's driving license shall be suspended for a period
17 of two (2) years to three (3) years, and the individual shall be sentenced to not less than one year
18 and not more than three (3) years in jail. The sentence may be served in any unit of the adult
19 correctional institutions in the discretion of the sentencing judge; however, not less than forty-
20 eight (48) hours of imprisonment shall be served consecutively. The sentencing judge shall
21 require alcohol or drug treatment for the individual, and may prohibit that person from operating
22 a motor vehicle that is not equipped with an ignition interlock system for a period of two (2) years
23 following the completion of the sentence as provided in § 31-27-2.8.

24 (ii) Every person convicted of a third or subsequent violation within a five (5) year period
25 whose blood alcohol concentration is fifteen hundredths of one percent (.15%) above by weight
26 as shown by a chemical analysis of a blood, breath, or urine sample or who is under the influence
27 of a drug, toluene or any controlled substance as defined in subdivision (b)(1) shall be subject to
28 mandatory imprisonment of not less than three (3) years nor more than five (5) years, a
29 mandatory fine of not less than one thousand dollars (\$1,000) nor more than five thousand dollars
30 (\$5,000) and a mandatory license suspension for a period of three (3) years from the date of
31 completion of the sentence imposed under this subsection.

32 (iii) In addition to the foregoing penalties, every person convicted of a third or
33 subsequent violation within a five (5) year period regardless of whether any prior violation and
34 subsequent conviction was a violation and subsequent conviction under this statute or under the

1 driving under the influence of liquor or drugs statute of any other state shall be subject, in the
2 discretion of the sentencing judge, to having the vehicle owned and operated by the violator
3 seized and sold by the state of Rhode Island, with all funds obtained by the sale to be transferred
4 to the general fund.

5 (4) For purposes of determining the period of license suspension, a prior violation shall
6 constitute any charge brought and sustained under the provisions of this section or § 31-27-2.1.

7 (ii) Any person over the age of eighteen (18) who is convicted under this section for
8 operating a motor vehicle while under the influence of alcohol, other drugs, or a combination of
9 these, while a child under the age of thirteen (13) years was present as a passenger in the motor
10 vehicle when the offense was committed may be sentenced to a term of imprisonment of not more
11 than one year and further shall not be entitled to the benefit of suspension or deferment of this
12 sentence. The sentence imposed under this section may be served in any unit of the adult
13 correctional institutions in the discretion of the sentencing judge.

14 (5) Any person convicted of a violation under this section shall pay a highway
15 assessment fine of five hundred dollars (\$500) which shall be deposited into the general fund. The
16 assessment provided for by this subsection shall be collected from a violator before any other
17 fines authorized by this section.

18 (ii) Any person convicted of a violation under this section shall be assessed a fee. The
19 fee shall be as follows:

20	FISCAL YEAR	FISCAL YEAR	FISCAL YEAR
21	1993-1995	1996-1999	2000-2010
22	\$147	\$173	\$86

23 (6) If the person convicted of violating this section is under the age of eighteen (18)
24 years, for the first violation he or she shall be required to perform ten (10) to sixty (60) hours of
25 public community restitution, and the juvenile's driving license shall be suspended for a period of
26 six (6) months, and may be suspended for a period up to eighteen (18) months. The sentencing
27 judge shall also require attendance at a special course on driving while intoxicated or under the
28 influence of a controlled substance and alcohol or drug education and/or treatment for the
29 juvenile. The juvenile may also be required to pay a highway assessment fine of no more than
30 five hundred dollars (\$500), and the assessment imposed shall be deposited into the general fund.

31 (ii) If the person convicted of violating this section is under the age of eighteen (18)
32 years, for a second or subsequent violation regardless of whether any prior violation and
33 subsequent conviction was a violation and subsequent under this statute or under the driving
34 under the influence of liquor or drugs statute of any other state, he or she shall be subject to a

1 mandatory suspension of his or her driving license until such time as he or she is twenty-one (21)
2 years of age and may, in the discretion of the sentencing judge, also be sentenced to the Rhode
3 Island training school for a period of not more than one year and/or a fine of not more than five
4 hundred dollars (\$500).

5 (7) Any person convicted of a violation under this section may undergo a clinical
6 assessment at a facility approved by the department of ~~health~~ [mental health retardation and](#)
7 [hospitals](#). Should this clinical assessment determine problems of alcohol, drug abuse, or
8 psychological problems associated with alcoholic or drug abuse, this person shall be referred to
9 the T.A.S.C. (treatment alternatives to street crime) program for treatment placement, case
10 management, and monitoring.

11 (e) Percent by weight of alcohol in the blood shall be based upon milligrams of alcohol
12 per one hundred (100) cubic centimeters of blood.

13 (f) There is established an alcohol and drug safety unit within the division of motor
14 vehicles to administer an alcohol safety action program. The program shall provide for placement
15 and follow-up for persons who are required to pay the highway safety assessment. The alcohol
16 and drug safety action program will be administered in conjunction with alcohol and drug
17 programs within the department of ~~health~~ [mental health retardation and hospitals](#).

18 (2) Persons convicted under the provisions of this chapter shall be required to attend a
19 special course on driving while intoxicated or under the influence of a controlled substance,
20 and/or participate in an alcohol or drug treatment program. The course shall take into
21 consideration any language barrier which may exist as to any person ordered to attend, and shall
22 provide for instruction reasonably calculated to communicate the purposes of the course in
23 accordance with the requirements of the subsection. Any costs reasonably incurred in connection
24 with the provision of this accommodation shall be borne by the person being retrained. A copy of
25 any violation under this section shall be forwarded by the court to the alcohol and drug safety
26 unit. In the event that persons convicted under the provisions of this chapter fail to attend and
27 complete the above course or treatment program, as ordered by the judge, then the person may be
28 brought before the court, and after a hearing as to why the order of the court was not followed,
29 may be sentenced to jail for a period not exceeding one year.

30 (3) The alcohol and drug safety action program within the division of motor vehicles
31 shall be funded by general revenue appropriations.

32 (g) The directors of the health department of the state of Rhode Island is empowered to
33 make and file with the secretary of state regulations which prescribe the techniques and methods
34 of chemical analysis of the person's body fluids or breath, and the qualifications and certification

1 of individuals authorized to administer this testing and analysis.

2 (h) Jurisdiction for misdemeanor violations of this section shall be with the district court
3 for persons eighteen (18) years of age or older and to the family court for persons under the age
4 of eighteen (18) years. The courts shall have full authority to impose any sentence authorized and
5 to order the suspension of any license for violations of this section. All trials in the district court
6 and family court of violations of the section shall be scheduled within thirty (30) days of the
7 arraignment date. No continuance or postponement shall be granted except for good cause shown.
8 Any continuances that are necessary shall be granted for the shortest practicable time. Trials in
9 superior court are not required to be scheduled within thirty (30) days of the arraignment date.

10 (i) No fines, suspensions, assessments, alcohol or drug treatment programs, course on
11 driving while intoxicated or under the influence of a controlled substance, public community
12 restitution, or jail provided for under this section can be suspended.

13 (j) An order to attend a special course on driving while intoxicated that shall be
14 administered in cooperation with a college or university accredited by the state, shall include a
15 provision to pay a reasonable tuition for the course in an amount not less than twenty-five dollars
16 (\$25.00), and a fee of one hundred seventy-five dollars (\$175), which fee shall be deposited into
17 the general fund.

18 (k) For the purposes of this section, any test of a sample of blood, breath, or urine for the
19 presence of alcohol, which relies in whole or in part upon the principle of infrared light
20 absorption is considered a chemical test.

21 (l) If any provision of this section or the application of any provision shall for any reason
22 be judged invalid, such a judgment shall not affect, impair, or invalidate the remainder of the
23 section, but shall be confined in this effect to the provision or application directly involved in the
24 controversy giving rise to the judgment.

25 SECTION 4. Section 12-1.2-4 of the General Laws in Chapter 12-1.2 entitled "State
26 Crime Laboratory" is hereby amended to read as follows:

27 **12-1.2-4. Funding.** -- The state crime laboratory shall be funded through the budget of
28 the ~~office of the attorney general~~ [department of health](#).

29 SECTION 5. Section 46-12.2-4 of the General Laws in Chapter 46-12.2 entitled "Rhode
30 Island Clean Water Finance Agency" is hereby amended to read as follows:

31 **46-12.2-4. General powers and duties of agency.** -- (a) The agency shall have all
32 powers necessary or convenient to carry out and effectuate the purposes and provisions of this
33 chapter, including without limiting the generality of the foregoing, the powers and duties:

34 (1) To adopt and amend bylaws, rules, regulations, and procedures for the governance of

- 1 its affairs, the administration of its financial assistance programs, and the conduct of its business;
- 2 (2) To adopt an official seal;
- 3 (3) To maintain an office at such place or places as it may determine;
- 4 (4) To adopt a fiscal year;
- 5 (5) To adopt and enforce procedures and regulations in connection with the performance
6 of its functions and duties;
- 7 (6) To sue and be sued;
- 8 (7) To employ personnel as provided in section 46-12.2-5, and to engage accounting,
9 management, legal, financial, consulting and other professional services;
- 10 (8) Except as provided in this chapter, to receive and apply its revenues to the purposes
11 of this chapter without appropriation or allotment by the state or any political subdivision thereof;
- 12 (9) To borrow money, issue bonds, and apply the proceeds thereof, as provided in this
13 chapter, and to pledge or assign or create security interests in revenues, funds, and other property
14 of the agency and otherwise as provided in this chapter, to pay or secure the bonds; and to invest
15 any funds held in reserves or in the water pollution control revolving fund, the Rhode Island
16 water pollution control revolving fund, or the local interest subsidy trust fund, or any revenues or
17 funds not required for immediate disbursement, in such investments as may be legal investments
18 for funds of the state;
- 19 (10) To obtain insurance and to enter into agreements of indemnification necessary or
20 convenient to the exercise of its powers under this chapter;
- 21 (11) To apply for, receive, administer, and comply with the conditions and requirements
22 respecting any grant, gift, or appropriation of property, services, or moneys;
- 23 (12) To enter into contracts, arrangements, and agreements with other persons, and
24 execute and deliver all instruments necessary or convenient to the exercise of its powers under
25 this chapter; such contracts and agreements may include without limitation, loan agreements with
26 local governmental units, capitalization grant agreements, intended use plans, operating plans,
27 and other agreements and instruments contemplated by title VI of the Clean Water Act, 33 U.S.C.
28 section 1381 et seq., or this chapter, grant agreements, contracts for financial assistance or other
29 forms of assistance from the state or the United States, and trust agreements and other financing
30 agreements and instruments pertaining to bonds;
- 31 (13) To authorize a representative to appear on its own behalf before other public bodies,
32 including, without limiting the generality of the foregoing, the congress of the United States, in
33 all matters relating to its powers and purposes;
- 34 (14) To provide financial assistance to local governmental units to finance costs of

1 approved projects, and to acquire and hold local governmental obligations at such prices and in
2 such manner as the agency shall deem advisable, and sell local governmental obligations acquired
3 or held by it at prices without relation to cost and in such manner as the agency shall deem
4 advisable, and to secure its own bonds with such obligations all as provided in this chapter;

5 (15) To establish and collect such fees and charges as the agency shall determine to be
6 reasonable;

7 (16) To acquire, own, lease as tenant, or hold real, personal or mixed property or any
8 interest therein for its own use; and to improve, rehabilitate, sell, assign, exchange, lease as
9 landlord, mortgage, or otherwise dispose of or encumber the same;

10 (17) To do all things necessary, convenient, or desirable for carrying out the purposes of
11 this chapter or the powers expressly granted or necessarily implied by this chapter;

12 (18) To conduct a training course for newly appointed and qualified members and new
13 designees of ex-officio members within six (6) months of their qualification or designation. The
14 course shall be developed by the executive director, approved by the board of directors, and
15 conducted by the executive director. The board of directors may approve the use of any board of
16 directors or staff members or other individuals to assist with training. The training course shall
17 include instruction in the following areas: the provisions of chapters 46-12.2, 42-46, 36-14, and
18 38-2; and the agency's rules and regulations. The director of the department of administration
19 shall, within ninety (90) days of the effective date of this act [July 15, 2005] prepare and
20 disseminate, training materials relating to the provisions of chapters 42-46, 36-14 and 38-2; and

21 (19) Upon the dissolution of the water resources board (corporate) pursuant to section 46-
22 15.1-22, to have all the powers and duties previously vested with the water resources board
23 (corporate), as provided pursuant to chapter 46-15.1.

24 ~~(19)~~(20) To meet at the call of the chair at least eight (8) times per year. All meetings
25 shall be held consistent with chapters 42-46.

26 (b) Notwithstanding any other provision of this chapter, the agency shall not be
27 authorized or empowered:

28 (1) To be or to constitute a bank or trust company within the jurisdiction or under the
29 control of the department of banking and insurance of the state, or the commissioner thereof, the
30 comptroller of the currency of the United States of America, or the Treasury Department thereof;
31 or

32 (2) To be or constitute a bank, banker or dealer in securities within the meaning of, or
33 subject to the provisions of, any securities, securities exchange, or securities dealers' law of the
34 United States or the state.

1 SECTION 6. Chapter 46-15.1 of the General Laws entitled "Water Supply Facilities" is
2 hereby amended by adding thereto the following section:

3 **46-15.1-22. Discontinuation of borrowing authority and abolishment of water**
4 **resources board (corporate).** -- (a) Notwithstanding any law to the contrary, including, but not
5 limited to, section 46-15.1-10, upon the effective date of this section, the water resources board
6 (corporate), established as a body politic and corporate and public instrumentality pursuant to this
7 chapter, shall be prohibited from borrowing money or issuing bonds for any purpose.

8 (b) The water resources board (corporate) shall continue to repay existing debt until all
9 such debt is fully repaid. Upon the repayment by the water resources board (corporate) of all such
10 existing obligations, the water resources board (corporate) shall be dissolved and all existing
11 functions and duties of the water resources board (corporate) shall be transferred to the Rhode
12 Island clean water finance agency, a body politic and corporate and public instrumentality of the
13 state established pursuant to chapter 46-12.2.

14 SECTION 7. Chapter 46-15.3 of the General Laws entitled "Public Drinking Water
15 Supply System Protection" is hereby amended by adding thereto the following section:

16 **46-15.3-25. Transfer of charges to Rhode Island clean water finance agency.** --
17 Notwithstanding any law, rule or regulation to the contrary, upon the dissolution of the water
18 resources board (corporate) pursuant to section 46-15.1-22, any charges remitted to the water
19 resources board (corporate) pursuant to this chapter shall be remitted to the Rhode Island clean
20 water finance agency, a body politic and corporate and public instrumentality of the state
21 established pursuant to chapter 46-12-2.

22 SECTION 8. Section 40-8.9-4 of the General Laws in Chapter 40-8.9 entitled "Medical
23 Assistance - Long-Term Care Service and Finance Reform" is hereby amended to read as
24 follows:

25 **40-8.9-4. Unified long-term care budget.** -- Beginning on July 1, 2007, a unified long-
26 term care budget shall combine in a single line-item appropriation within the department of
27 human services budget, annual department of human services Medicaid appropriations for
28 nursing facility and community-based long-term care services for elderly sixty-five (65) years and
29 older and younger persons at risk of nursing home admissions (including adult day care, home
30 health, and personal care in assisted living settings). Beginning on July 1, 2007, the total system
31 savings attributable to the value of the reduction in nursing home days including hospice nursing
32 home days paid for by Medicaid shall be allocated in the budget enacted by the general assembly
33 for the ensuing fiscal year for the express purpose of promoting and strengthening community-
34 based alternatives; provided, further, beginning July 1, 2009, said savings shall be allocated

1 [within the budgets of the department of human services and the department of elderly affairs.](#)
2 Beginning on January 1, 2008, the allocation shall include, but not be limited to, the
3 establishment of presumptive eligibility criteria for the purposes of accessing home and
4 community care. The home and community care service presumptive eligibility criteria shall be
5 developed through rule or regulation on or before September 30, 2007.

6 The caseload estimating conference pursuant to section 35-17-1 shall determine the
7 amount of general revenues to be added to the current service estimate of community based long-
8 term care services for elderly sixty-five (65) and older and younger persons at risk of nursing
9 home admissions for the ensuing budget year by multiplying the combined cost per day of
10 nursing home and hospice nursing home days estimated at the caseload conference for that year
11 by the reduction in nursing home and hospice nursing home days from those in the second fiscal
12 year prior to the current fiscal year to those in the first fiscal year prior to the current fiscal year.

13 SECTION 9. Section 31-36-20 of the General Laws in Chapter 31-36 entitled "Motor
14 Fuel Tax" is hereby amended to read as follows:

15 **31-36-20. Disposition of proceeds.** -- (a) Notwithstanding any other provision of law to
16 the contrary, all moneys paid into the general treasury under the provisions of this chapter or
17 chapter 37 of this title, and title 46 shall be applied to and held in a separate fund and be
18 deposited in any depositories that may be selected by the general treasurer to the credit of the
19 fund, which fund shall be known as the Intermodal Surface Transportation Fund; provided, that in
20 fiscal year 2004 for the months of July through April six and eighty-five hundredth cents
21 (\$0.0685) per gallon of the tax imposed and accruing for the liability under the provisions of §
22 31-36-7, less refunds and credits, shall be transferred to the Rhode Island public transit authority
23 as provided under § 39-18-21. For the months of May and June in fiscal year 2004, the allocation
24 shall be five and five hundredth cents (\$0.0505). Thereafter, until fiscal year 2006, the allocation
25 shall be six and twenty-five hundredth cents (\$0.0625). For fiscal year 2006 through FY 2008, the
26 allocation shall be seven and twenty-five hundredth cents (\$0.0725); provided, that expenditures
27 shall include the costs of a market survey of non-transit users and a management study of the
28 agency to include the feasibility of moving the Authority into the Department of Transportation,
29 both to be conducted under the auspices of the state budget officer. The state budget officer shall
30 hire necessary consultants to perform the studies, and shall direct payment by the Authority. Both
31 studies shall be transmitted by the Budget Officer to the 2006 session of the General Assembly,
32 with comments from the Authority. For fiscal year 2009 and thereafter, the allocation shall be
33 seven and seventy-five hundredth cents (\$0.775), of which one-half cent (\$0.005) shall be derived
34 from the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-11. One

1 cent (\$0.01) per gallon shall be transferred to the Elderly/Disabled Transportation Program of the
2 department of ~~elderly affairs~~ [human services](#), and the remaining cents per gallon shall be
3 available for general revenue as determined by the following schedule:

4 (i) For the fiscal year 2000, three and one fourth cents (\$0.0325) shall be available for
5 general revenue.

6 (ii) For the fiscal year 2001, one and three-fourth cents (\$0.0175) shall be available for
7 general revenue.

8 (iii) For the fiscal year 2002, one-fourth cent (\$0.0025) shall be available for general
9 revenue.

10 (iv) For the fiscal year 2003, two and one-fourth cent (\$0.0225) shall be available for
11 general revenue.

12 (v) For the months of July through April in fiscal year 2004, one and four-tenths cents
13 (\$0.014) shall be available for general revenue. For the months of May through June in fiscal year
14 2004, three and two-tenths cents (\$0.032) shall be available for general revenue, and thereafter,
15 until fiscal year 2006, two cents (\$0.02) shall be available for general revenue. For fiscal year
16 2006 and thereafter one cent (\$0.01) shall be available for general revenue.

17 (2) All deposits and transfers of funds made by the tax administrator under this section,
18 including those to the Rhode Island public transit authority, the department of ~~elderly affairs~~
19 [human services](#) and the general fund, shall be made within twenty-four (24) hours of receipt or
20 previous deposit of the funds in question.

21 (3) Commencing in fiscal year 2004, the Director of the Rhode Island Department of
22 Transportation is authorized to remit, on a monthly or less frequent basis as shall be determined
23 by the Director of the Rhode Island Department of Transportation, or his or her designee, or at the
24 election of the Director of the Rhode Island Department of Transportation, with the approval of
25 the Director of the Department of Administration, to an indenture trustee, administrator, or other
26 third party fiduciary, in an amount not to exceed two cents (\$0.02) per gallon of the gas tax
27 imposed, in order to satisfy debt service payments on aggregate bonds issued pursuant to a Joint
28 Resolution and Enactment Approving the Financing of Various Department of Transportation
29 Projects adopted during the 2003 session of the General Assembly, and approved by the
30 Governor.

31 (b) Notwithstanding any other provision of law to the contrary, all other funds in the
32 fund shall be dedicated to the department of transportation, subject to annual appropriation by the
33 general assembly. The director of transportation shall submit to the general assembly, budget
34 office and office of the governor annually an accounting of all amounts deposited in and credited

1 to the fund together with a budget for proposed expenditures for the succeeding fiscal year in
2 compliance with §§ 35-3-1 and 35-3-4. On order of the director of transportation, the state
3 controller is authorized and directed to draw his or her orders upon the general treasurer for the
4 payments of any sum or portion of the sum that may be required from time to time upon receipt
5 of properly authenticated vouchers.

6 (c) At any time the amount of the fund is insufficient to fund the expenditures of the
7 department of transportation, not to exceed the amount authorized by the general assembly, the
8 general treasurer is authorized, with the approval of the governor and the director of
9 administration, in anticipation of the receipts of monies enumerated in § 31-36-20 to advance
10 sums to the fund, for the purposes specified in § 31-36-20, any funds of the state not specifically
11 held for any particular purpose. However, all the advances made to the fund shall be returned to
12 the general fund immediately upon the receipt by the fund of proceeds resulting from the receipt
13 of monies to the extent of the advances.

14 SECTION 10. Chapter 42-12 of the General Laws entitled "Department of Human
15 Services" is hereby amended by adding thereto the following section:

16 **42-12-1.3. Transfer of functions from the department of elderly affairs. --** [There is](#)
17 [hereby transferred from the department of elderly affairs to the department of human services the](#)
18 [following function: to provide and coordinate the "elderly/disabled transportation" program](#)
19 [including a passenger cost sharing program as defined and provided for under rules and](#)
20 [regulations promulgated by the department.](#)

21 SECTION 11. Section 42-66-4 of the General Laws in Chapter 42-66 entitled "Elderly
22 Affairs Department" is hereby amended to read as follows:

23 **42-66-4. Duties of the department. --** (a) The department shall be the principal agency
24 of the state to mobilize the human, physical, and financial resources available to plan, develop,
25 and implement innovative programs to insure the dignity and independence of elderly persons,
26 including the planning, development, and implementation of a home and long-term care program
27 for the elderly in the communities of the state.

28 (b) (1) The department shall serve as an advocate for the needs of the adult with a
29 disability as these needs and services overlap the needs and services of elderly persons.

30 (2) The department shall serve as the state's central agency for the administration and
31 coordination of a long term care entry system, using community-based access points, that will
32 provide the following services related to long term care: information and referral, initial screening
33 for service and benefits eligibility, and a uniform assessment program for state supported long
34 term care.

1 (3) The department shall investigate reports of elder abuse, neglect, exploitation, or self-
2 neglect and shall provide and/or coordinate protective services.

3 (c) To accomplish these objectives, the director is authorized:

4 (1) To provide assistance to communities in solving local problems with regard to
5 elderly persons including, but not limited to, problems in identifying and coordinating local
6 resources to serve the needs of elderly persons;

7 (2) To facilitate communications and the free flow of information between communities
8 and the offices, agencies and employees of the state;

9 (3) To encourage and assist communities, agencies, and state departments to plan,
10 develop, and implement home and long-term care programs;

11 (4) To provide and act as a clearinghouse for information, data, and other materials
12 relative to elderly persons;

13 (5) To initiate and carry out studies and analyses which will aid in solving local,
14 regional, and statewide problems concerning elderly persons;

15 (6) To coordinate those programs of other state agencies designed to assist in the
16 solution of local, regional, and statewide problems concerning elderly persons;

17 (7) To advise and inform the governor on the affairs and problems of elderly persons in
18 the state;

19 (8) To exercise the powers and discharge the duties assigned to the director in the fields
20 of health care, nutrition, homemaker services, geriatric day care, economic opportunity, local and
21 regional planning, transportation, and education and pre-retirement programs;

22 (9) To further the cooperation of local, state, federal and private agencies and institutions
23 providing for services or having responsibility for elderly persons;

24 (10) To represent and act on behalf of the state in connection with federal grant programs
25 applicable to programs for elderly persons in the functional areas described in this chapter;

26 (11) To seek, accept, and otherwise take advantage of all federal aid available to the
27 department, and to assist other agencies of the state, local agencies, and community groups in
28 taking advantage of all federal grants and subventions available for elderly persons and to accept
29 other sources of funds with the approval of the director of administration which shall be deposited
30 as general revenues;

31 (12) To render advice and assistance to communities and other groups in the preparation
32 and submission of grant applications to state and federal agencies relative to programs for elderly
33 persons;

34 (13) To review and coordinate those activities of agencies of the state and of any

1 political subdivision of the state at the request of the subdivision, which affect the full and fair
2 utilization of community resources for programs for elderly persons, and initiate programs that
3 will help assure such utilization;

4 (14) To encourage the formation of councils on aging and to assist local communities in
5 the development of the councils;

6 (15) To promote, and coordinate day care facilities for the frail elderly who are in need
7 of supportive care and supervision during the daytime;

8 (16) To provide and coordinate the delivery of in-home services to the elderly, as defined
9 under the rules and regulations adopted by the department of elderly affairs;

10 (17) To advise and inform the public of the risks of accidental hypothermia;

11 (18) To establish a clearinghouse for information and education of the elderly citizens of
12 the state;

13 (19) To establish and operate in collaboration with community and aging service
14 agencies a statewide family-caregiver resource network to provide and coordinate family-
15 caregiver training and support services to include counseling and respite services;

16 ~~(20) To provide and coordinate the "elderly/disabled transportation" program including a~~
17 ~~passenger cost sharing program as defined and provided for under rules and regulations~~
18 ~~promulgated by the department; and~~

19 ~~(21)~~(20) To supervise the citizens' commission for the safety and care of the elderly
20 created pursuant to the provisions of chapter 1.4 of title 12.

21 (d) In order to assist in the discharge of the duties of the department, the director may
22 request from any agency of the state information pertinent to the affairs and problems of elderly
23 persons.

24 SECTION 12. Section 42-14.5-3 of the General Laws in Chapter 42-14.5 entitled "The
25 Rhode Island Health Care Reform Act of 2004 - Health Insurance Oversight" is hereby amended
26 to read as follows:

27 **42-14.5-3. Powers and duties. [Contingent effective date; see notes under section 42-**
28 **14.5-1.] --** The health insurance commissioner shall have the following powers and duties:

29 (a) To conduct ~~an annual~~ quarterly public ~~meeting or~~ meetings throughout the state,
30 separate and distinct from rate hearings pursuant to section 42-62-13, regarding the rates, services
31 and operations of insurers licensed to provide health insurance in the state the effects of such
32 rates, services and operations on consumers, medical care providers, ~~and~~ patients, and the market
33 environment in which such insurers operate and efforts to bring new health insurers into the
34 Rhode Island market. Notice of not less than ten (10) days of said hearing(s) shall go to the

1 general assembly, the governor, the Rhode Island Medical Society, the Hospital Association of
2 Rhode Island, the director of health, ~~and~~ the attorney general and the chambers of commerce.
3 Public notice shall be posted on the department's web site and given in the newspaper of general
4 circulation, and to any entity in writing requesting notice.

5 (b) To make recommendations to the governor and the ~~joint legislative committee on~~
6 ~~health care oversight~~ house of representatives and senate finance committees regarding health
7 care insurance and the regulations, rates, services, administrative expenses, reserve requirements,
8 and operations of insurers providing health insurance in the state, and to prepare or comment on,
9 ~~upon the request of the co-chairs of the joint committee on health care oversight or~~ upon the
10 request of the governor, or chairpersons of the house or senate finance committees, draft
11 legislation to improve the regulation of health insurance. In making such recommendations, the
12 commissioner shall recognize that it is the intent of the legislature that the maximum disclosure
13 be provided regarding the reasonableness of individual administrative expenditures as well as
14 total administrative costs. The commissioner shall also make recommendations on the levels of
15 reserves including consideration of: targeted reserve levels; trends in the increase or decrease of
16 reserve levels; and insurer plans for distributing excess reserves.

17 (c) To establish a consumer/business/labor/medical advisory council to obtain
18 information and present concerns of consumers, business and medical providers affected by
19 health insurance decisions. The council shall develop proposals to allow the market for small
20 business health insurance to be affordable and fairer. The council shall be involved in the
21 planning and conduct of the quarterly public ~~meeting~~ meetings in accordance with subsection (a)
22 above. The advisory council shall ~~assist in the design~~ develop measures to inform small
23 businesses of an insurance complaint process to ensure that small businesses that experience
24 ~~extraordinary~~ rate increases in a given year ~~could~~ may request and receive a formal review by the
25 department. The advisory council shall assess views of the health provider community relative to
26 insurance rates of reimbursement, billing and reimbursement procedures, and the insurers' role in
27 promoting efficient and high quality health care. The advisory council shall issue an annual report
28 of findings and recommendations to the governor and the ~~joint legislative committee on health~~
29 ~~care oversight~~ general assembly and present their findings at hearings before the house and senate
30 finance committees. The advisory council is to be diverse in interests and shall include
31 representatives of community consumer organizations; small businesses, other than those
32 involved in the sale of insurance products; and hospital, medical, and other health provider
33 organizations. Such representatives shall be nominated by their respective organizations. The
34 advisory council shall be co-chaired by the health insurance commissioner and a community

1 consumer organization or small business member to be elected by the full advisory council.

2 (d) To establish and provide guidance and assistance to a subcommittee ("The
3 Professional Provider-Health Plan Work Group") of the advisory council created pursuant to
4 subsection (c) above, composed of health care providers and Rhode Island licensed health plans.

5 This subcommittee shall ~~develop a plan to implement the following activities~~ include in its annual
6 report and presentation before the house and senate finance committees the following
7 information:

8 (i) ~~By January 1, 2006, a~~ A method whereby health plans shall disclose to contracted
9 providers the fee schedules used to provide payment to those providers for services rendered to
10 covered patients;

11 (ii) ~~By April 1, 2006, a~~ A standardized provider application and credentials verification
12 process, for the purpose of verifying professional qualifications of participating health care
13 providers;

14 (iii) ~~By September 1, 2006, a~~ The uniform health plan claim form ~~to be~~ utilized by
15 participating providers;

16 (iv) ~~By March 15, 2007, a report to the legislature on proposed methods~~ Methods for
17 health maintenance organizations as defined by section 27-41-1, and nonprofit hospital or
18 medical service corporations as defined by chapters 27-19 and 27-20, to make facility-specific
19 data and other medical service-specific data available in reasonably consistent formats to patients
20 regarding quality and costs. This information would help consumers make informed choices
21 regarding the facilities and/or clinicians or physician practices at which to seek care. Among the
22 items considered would be the unique health services and other public goods provided by
23 facilities and/or clinicians or physician practices in establishing the most appropriate cost
24 comparisons.

25 (v) ~~By December 1, 2006,~~ All activities related to contractual disclosure to participating
26 providers of the mechanisms for resolving health plan/provider disputes; and

27 (vi) ~~By February 1, 2007, a~~ The uniform process being utilized for confirming in real
28 time patient insurance enrollment status, benefits coverage, including co-pays and deductibles.

29 (vii) ~~By December 1, 2007, a report to the legislature on the temporary~~ Information
30 related to temporary credentialing of providers seeking to participate in the plan's network and the
31 impact of said activity on health plan accreditation;

32 (viii) ~~By February 1, 2008, a report to the legislature on the~~ The feasibility of ~~occasional~~
33 regular contract renegotiations between plans and the providers in their networks.

34 (ix) ~~By May 1, 2008, a report to the legislature~~ Efforts conducted related to reviewing

1 impact of silent PPOs on physician practices.

2 ~~A report on the work of the subcommittee shall be submitted by the health insurance~~
3 ~~commissioner to the joint legislative committee on health care oversight on March 1, 2006,~~
4 ~~March 1, 2007, and March 1, 2008.~~

5 (e) To enforce the provisions of Title 27 and Title 42 as set forth in section 42-14-5(d).

6 (f) ~~There is hereby established~~ To provide analysis of the Rhode Island Affordable
7 Health Plan Reinsurance Fund. The fund shall be used to effectuate the provisions of sections 27-
8 18.5-8 and 27-50-17.

9 (g) To ~~examine and study~~ analyze the impact of changing the rating guidelines and/or
10 merging the individual health insurance market as defined in chapter 27-18.5 and the small
11 employer health insurance market as defined in chapter 27-50 in accordance with the following:

12 (i) The ~~study~~ analysis shall forecast the likely rate increases required to effect the
13 changes recommended pursuant to the preceding subsection (g) in the direct pay market and small
14 employer health insurance market over the next five (5) years, based on the current rating
15 structure, and current products.

16 (ii) The ~~study~~ analysis shall include examining the impact of merging the individual and
17 small employer markets on premiums charged to individuals and small employer groups.

18 (iii) The ~~study~~ analysis shall include examining the impact on rates in each of the
19 individual and small employer health insurance markets and the number of insureds in the context
20 of possible changes to the rating guidelines used for small employer groups, including:
21 community rating principles; expanding small employer rate bonds beyond the current range;
22 increasing the employer group size in the small group market; and/or adding rating factors for
23 broker and/or tobacco use.

24 (iv) The ~~study~~ analysis shall include examining the adequacy of current statutory and
25 regulatory oversight of the rating process and factors employed by the participants in the
26 proposed new merged market.

27 (v) The ~~study~~ analysis shall include assessment of possible reinsurance mechanisms
28 and/or federal high-risk pool structures and funding to support the health insurance market in
29 Rhode Island by reducing the risk of adverse selection and the incremental insurance premiums
30 charged for this risk, and/or by making health insurance affordable for a selected at-risk
31 population.

32 (vi) The health insurance commissioner shall ~~establish~~ work with an insurance market
33 merger task force to assist with the ~~study~~ analysis. The task force shall be chaired by the health
34 insurance commissioner and shall include, but not be limited to, representatives of the general

1 assembly, the business community, small employer carriers as defined in section 27-50-3, carriers
2 offering coverage in the individual market in Rhode Island, health insurance brokers and
3 members of the general public.

4 (vii) For the purposes of conducting this ~~study~~ analysis, the commissioner may contract
5 with an outside organization with expertise in fiscal analysis of the private insurance market. In
6 conducting its study, the organization shall, to the extent possible, obtain and use actual health
7 plan data. Said data shall be subject to state and federal laws and regulations governing
8 confidentiality of health care and proprietary information.

9 (viii) The task force shall meet ~~no later than October 1, 2007 and the commissioner shall~~
10 ~~file a report with the speaker of the house of representatives and the president of the senate no~~
11 ~~later than January 1, 2008~~ as necessary and include their findings in the annual report and the
12 commissioner shall include the information in the annual presentation before the house and senate
13 finance committees.

14 SECTION 13. This article shall take effect upon passage.

1 **ARTICLE 6 SUBSTITUTE A**

2 RELATING TO COMMUNITY SUPPORT OF SCHOOLS AND LIBRARIES AND STATE
3 AID

4 SECTION 1. Section 29-6-3 of the General Laws in Chapter 29-6 entitled "State Aid to
5 Libraries" is hereby amended to read as follows:

6 **29-6-3. Eligibility requirements – Municipalities.** – (a) To qualify for state aid under §
7 29-6-2, a city or town shall:

8 (1) Appropriate from local tax revenues an amount not less than the amount appropriated
9 the previous year from local tax revenues and expended for library operating expenses, except in
10 the fiscal years ending June 30, 2009 and June 30, 2010, during which the amount appropriated
11 from local tax revenues is not less than eighty percent (80%) of the amount appropriated from the
12 previous year from local tax revenues and expended for library operating systems. The
13 appropriation would exclude any state funds received for public library services. Any funds
14 received from the state shall not be used to supplant funds from local tax revenues;

15 (2) In the case of a city or town having more than one free public library therein, submit
16 or cause to be submitted to the ~~department of state~~ office of library and information services a
17 plan for the allotment or division of the proposed state aid among the free public libraries in the
18 city or town. The plan shall be developed by agreement among the free public libraries of the city
19 or town;

20 (3) Submit or cause to be submitted to the ~~department of state~~ office of library and
21 information services evidence that free public libraries in the city or town meet standards of
22 service as set forth in regulations to be made by the director of state library services pursuant to
23 the provisions of chapter 3.1 of this title or that the regulations are inappropriate for that library;

24 (4) Submit or cause to be submitted a plan describing how the public library or libraries
25 plan to address one or more of the priorities established by the ~~department of state~~ office of
26 library and information services.

27 (b) The director of the ~~department of state~~ office of library and information services upon
28 application and for cause shown may authorize an annual grant-in-aid under § 29-6-2, or a portion
29 thereof, to a city or town not fully meeting the requirements set forth in paragraphs (1) – (3) of
30 this subsection.

31 (c) Decisions as to the eligibility of cities and towns for grants-in-aid under this chapter,

1 and the amounts of the grants-in-aid, shall be made by the director of the ~~department of state~~
2 office of library and information services.

3 (d) The director of the ~~department of state~~ office of library and information services shall
4 require a preservation plan from any public library which receives an appropriation from the state
5 of Rhode Island which states the preservation needs and objectives of the library for the coming
6 fiscal year. The plan shall include, but not be limited to: condition of materials, assessment of
7 building and environmental controls, and preservation measures to be taken.

8 (e) The director of the ~~department of state~~ office of library and information services shall
9 require a disaster preparedness plan from any public library which receives an appropriation from
10 the state of Rhode Island which states the plan of action to be taken in the event of a natural or
11 human made disaster. The plan shall be in accordance with a suggested plan published by the
12 ~~department~~ office. The plan shall be submitted no later than January 1, 1993 and shall be updated
13 yearly.

14 SECTION 2. Section 42-61.2-7 of the General Laws in Chapter 42-61.2 entitled "Video
15 Lottery Terminal" is hereby amended to read as follows:

16 **42-61.2-7. Division of revenue.** -- (a) Notwithstanding the provisions of § 42-61-15, the
17 allocation of net terminal income derived from video lottery games is as follows:

18 (1) For deposit in the general fund and to the state lottery division fund for
19 administrative purposes: Net terminal income not otherwise disbursed in accordance with
20 subdivisions (a)(2) – (a)(6) herein;

21 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one
22 percent (0.19%) up to a maximum of twenty million dollars (\$20,000,000) shall be equally
23 allocated to the distressed communities as defined in § 45-13-12 provided that no eligible
24 community shall receive more than twenty-five percent (25%) of that community's currently
25 enacted municipal budget as its share under this specific subsection. Distributions made under
26 this specific subsection are supplemental to all other distributions made under any portion of
27 general laws § 45-13-12. For the fiscal year ending June 30, 2008 distributions by community
28 shall be identical to the distributions made in the fiscal year ending June 30, 2007 and shall be
29 made from general appropriations. For the fiscal year ending June 30, 2009, the total state
30 distribution shall be the same total amount distributed in the fiscal year ending June 30, 2008 and
31 shall be made from general appropriations. For the fiscal year ending June 30, 2010, the total
32 state distribution shall be the same total amount distributed in the fiscal year ending June 30,
33 2009 and shall be made from general appropriations, provided however that \$784,458 of the total
34 appropriation shall be distributed equally to each qualifying distressed community.

1 (ii) Five one hundredths of one percent (0.05%) up to a maximum of five million
2 dollars (\$5,000,000) shall be appropriated to property tax relief to fully fund the provisions of §
3 44-33-2.1. The maximum credit defined in subdivision 44-33-9(2) shall increase to the maximum
4 amount to the nearest five dollar (\$5.00) increment within the allocation until a maximum credit
5 of five hundred dollars (\$500) is obtained. In no event shall the exemption in any fiscal year be
6 less than the prior fiscal year.

7 (iii) One and twenty-two one hundredths of one percent (1.22%) to fund § 44-34.1-1,
8 entitled "Motor Vehicle and Trailer Excise Tax Elimination Act of 1998", to the maximum
9 amount to the nearest two hundred fifty dollar (\$250) increment within the allocation. In no event
10 shall the exemption in any fiscal year be less than the prior fiscal year.

11 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent
12 (0.10%) to a maximum of ten million dollars (\$10,000,000) for supplemental distribution to
13 communities not included in paragraph (a)(1)(i) above distributed proportionately on the basis of
14 general revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008
15 distributions by community shall be identical to the distributions made in the fiscal year ending
16 June 30, 2007 and shall be made from general appropriations. For the fiscal year ending June 30,
17 2009, no funding shall be disbursed. For the fiscal year ending June 30, 2010 and thereafter,
18 funding shall be determined by appropriation.

19 (2) To the licensed video lottery retailer:

20 (a) Prior to the effective date of the NGJA Master Contract, Newport Jai Ali twenty-six
21 percent (26%) minus three hundred eighty four thousand nine hundred ninety-six dollars
22 (\$384,996);

23 (ii) On and after the effective date of the NGJA Master Contract, to the licensed video
24 lottery retailer who is a party to the NGJA Master Contract, all sums due and payable under said
25 Master Contract minus three hundred eighty four thousand nine hundred ninety-six dollars
26 (\$384,996).

27 (b) Prior to the effective date of the UTGR Master Contract, to the present licensed
28 video lottery retailer at Lincoln Park which is not a party to the UTGR Master Contract, twenty-
29 eight and eighty-five one hundredths percent (28.85%) minus seven hundred sixty-seven
30 thousand six hundred eighty-seven dollars (\$767,687);

31 (ii) On and after the effective date of the UTGR Master Contract, to the licensed video
32 lottery retailer who is a party to the UTGR Master Contract, all sums due and payable under said
33 Master Contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars
34 (\$767,687).

1 (3) To the technology providers who are not a party to the GTECH Master Contract as
2 set forth and referenced in Public Law 2003, Chapter 32, seven percent (7%) of the net terminal
3 income of the provider's terminals;

4 (ii) To contractors who are a party to the Master Contract as set forth and referenced in
5 Public Law 2003, Chapter 32, all sums due and payable under said Master Contract;

6 (iii) Notwithstanding paragraphs (i) and (ii) above, there shall be subtracted
7 proportionately from the payments to technology providers the sum of six hundred twenty-eight
8 thousand seven hundred thirty-seven dollars (\$628,737);

9 (4) To the city of Newport one and one hundredth percent (1.01%) of net terminal
10 income of authorized machines at Newport Grand and to the town of Lincoln one and twenty-six
11 hundredths (1.26%) of net terminal income of authorized machines at Lincoln Park; and

12 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of
13 net terminal income of authorized machines at Lincoln Park up to a maximum of ten million
14 dollars (\$10,000,000) per year, which shall be paid to the Narragansett Indian Tribe for the
15 account of a Tribal Development Fund to be used for the purpose of encouraging and promoting:
16 home ownership and improvement, elderly housing, adult vocational training; health and social
17 services; childcare; natural resource protection; and economic development consistent with state
18 law. Provided, however, such distribution shall terminate upon the opening of any gaming facility
19 in which the Narragansett Indians are entitled to any payments or other incentives; and provided
20 further, any monies distributed hereunder shall not be used for, or spent on previously contracted
21 debts.

22 (6) Unclaimed prizes and credits shall remit to the general fund of the state;

23 (7) Payments into the state's general fund specified in subdivisions (a)(1) and (a)(6)
24 shall be made on an estimated monthly basis. Payment shall be made on the tenth day following
25 the close of the month except for the last month when payment shall be on the last business day.

26 SECTION 3. Section 45-13-1 of the General Laws in Chapter 45-13 entitled "State Aid"
27 is hereby amended to read as follows:

28 **45-13-1. Apportionment of annual appropriation for state aid.** -- (a) As used in this
29 chapter, the following words and terms have the following meanings:

30 (1) "Population" means the most recent estimates of population for each city and town as
31 reported by the United States department of commerce, bureau of the census.

32 (2) "Income" means the most recent estimate of per-capita income for a city, town or
33 county as reported by the United States department of commerce, bureau of the census.

34 (3) "Tax effort" means the total taxes imposed by a city or town for public purposes or

1 the totals of those taxes for the cities or towns within a county (except employee and employer
2 assessments and contributions to finance retirement and social insurance systems and other
3 special assessments for capital outlay) determined by the United States secretary of commerce for
4 general statistical purposes and adjusted to exclude amounts properly allocated to education
5 expenses.

6 (4) "Reference year" means the second fiscal year preceding the beginning of the fiscal
7 year in which the distribution of state aid to cities and towns is made provided however that the
8 reference year for distributions made in fiscal year 2007-2008 shall be the third fiscal year
9 preceding the beginning of the fiscal year 2007-2008 and provided further that the reference year
10 for distributions made in fiscal year 2008-2009 shall be the fourth fiscal year preceding the
11 beginning of the fiscal year 2008-2009.

12 (b) Aid to cities and towns shall be apportioned as follows: For each county, city or
13 town, let R be the tax effort divided by the square of per capita income, i.e., $R = (\text{tax}$
14 $\text{effort})/(\text{income} \times \text{income})$.

15 The amount to be allocated to the counties shall be apportioned in the ratio of the value
16 of R for each county divided by the sum of the values of R for all five (5) counties.

17 The amount to be allocated for all cities and for all towns within a county shall be the
18 allocation for that county apportioned proportionally to the total tax effort of the towns and cities
19 in that county.

20 The amount to be allocated to any city or town is the amount allocated to all cities or all
21 towns within the county apportioned in the ratio of the value of R for that city (or town) divided
22 by the sum of the values of R for all cities (or all towns) in that county; provided, further, that no
23 city or town shall receive an entitlement in excess of one hundred forty-five percent (145%) of
24 that city or town's population multiplied by the average per capita statewide amount of the annual
25 appropriation for state aid to cities and towns. Any excess entitlement shall be allocated to the
26 remainder of the cities and towns in the respective county in accordance with the provisions of
27 this section.

28 For fiscal year 2004, notwithstanding the provisions of subsection (a), aid calculations
29 shall be based on a blended rate of ninety percent (90%) of the data from the 1990 census and ten
30 percent (10%) of the data from the 2000 census. In each of the succeeding nine (9) fiscal years,
31 the calculations shall be based on a blended rate that increases the percentage of data utilized
32 from the 2000 census by ten percent (10%) from the previous year and decreases the percentage
33 of the data utilized from the 1990 census by ten percent (10%) from the previous year.

34 (c) The total amount of aid to be apportioned pursuant to subsection (b) above shall be

1 specified in the annual appropriation act of the state and shall be equal to the following:

2 (1) For fiscal years ending June 30, 1994 through June 30, 1998, the total amount of aid
3 shall be based upon one percent (1%) of total state tax revenues in the reference year.

4 (2) For the fiscal year ending June 30, 1999, the total amount of aid shall be based upon
5 one and three-tenths percent (1.3%) of total state tax revenues in the reference year.

6 (3) For the fiscal year ending June 30, 2000, the total amount of aid shall be based upon
7 one and seven-tenths percent (1.7%) of total state tax revenues in the reference year.

8 (4) For the fiscal year ending June 30, 2001, the total amount of aid shall be based upon
9 two percent (2.0%) of total state tax revenues in the reference year.

10 (5) For the fiscal year ending June 30, 2002, the total amount of aid shall be based upon
11 two and four-tenths percent (2.4%) of total state tax revenues in the reference year.

12 (6) For the fiscal year ending June 30, 2003, the total amount of aid shall be based upon
13 two and four-tenths percent (2.4%) of total state tax revenues in the reference year.

14 (7) For the fiscal year ending June 30, 2004, the total amount of aid shall be based upon
15 two and seven-tenths percent (2.7%) of total state tax revenues in the reference year.

16 (8) For the fiscal year ending June 30, 2005, the total amount of aid shall be fifty-two
17 million four hundred thirty-eight thousand five hundred thirty-two dollars (\$52,438,532).

18 (9) For the fiscal year ending June 30, 2006, the total amount of aid shall be based upon
19 three percent (3.0%) of total state tax revenues in the reference year.

20 (10) For the fiscal year ending June 30, 2007 the total amount of aid shall be sixty-four
21 million six hundred ninety-nine thousand three dollars (\$64,699,003).

22 (11) For the fiscal year ending June 30, 2008, the total amount of aid shall be sixty-four
23 million six hundred ninety-nine thousand three dollars (\$64,699,003).

24 (12) ~~For the fiscal year ending June 30, 2010 and each year thereafter, the total amount
25 of aid shall be based upon three percent (3.0%) of total state tax revenues in the reference year.~~

26 (13) [Deleted by P.L. 2007, ch. 73, art. 25, section 1.]

27 (14) [Deleted by P.L. 2007, ch. 73, art. 25, section 1.]

28 ~~(d) The assent of two thirds (2/3) of the members elected to each house of the general
29 assembly shall be required to repeal or amend this section.~~

30 (e) For the fiscal year ending June 30, 2008 the apportionments of state aid as derived
31 through the calculations as required by subsections (a) through (c) of this section shall be adjusted
32 downward statewide by (\$10,000,000).

33 (f) For the fiscal year ending June 30, 2009, the total amount of aid shall be twenty-five
34 million dollars (\$25,000,000) with such distribution allocated proportionately on the same basis

1 as the original enactment of general revenue sharing of FY 2009.

2 (g) For the fiscal year ending June 30, 2009 and thereafter, funding shall be determined
3 by appropriation.

4 SECTION 4. This article shall take effect upon passage.

5

1 duties or activities, including but not limited to the types of payments listed below:

2 (i) Payments contingent on the employee having terminated or died;

3 (ii) Payments made at termination for unused sick leave, vacation leave, or
4 compensatory time;

5 (iii) Payments contingent on the employee terminating employment at a specified time in
6 the future to secure voluntary retirement or to secure release of an unexpired contract of
7 employment;

8 (iv) Individual salary adjustments which are granted primarily in anticipation of the
9 employee's retirement;

10 (v) Additional payments for performing temporary or extra duties beyond the normal or
11 regular work day or work year.

12 (8) "Employee" shall mean any officer or employee of the state of Rhode Island whose
13 business time is devoted exclusively to the services of the state, but shall not include one whose
14 duties are of a casual or seasonal nature. The retirement board shall determine who are employees
15 within the meaning of this chapter. The governor of the state, the lieutenant governor, the
16 secretary of state, the attorney general, the general treasurer, and the members of the general
17 assembly, ex officio, shall not be deemed to be employees within the meaning of that term unless
18 and until they elect to become members of the system as provided in section 36-9-6, but in no
19 case shall it deem as an employee, for the purposes of this chapter, any individual who devotes
20 less than twenty (20) business hours per week to the service of the state, and who receives less
21 than the equivalent of minimum wage compensation on an hourly basis for his or her services,
22 except as provided in section 36-9-24. Any commissioner of a municipal housing authority or any
23 member of a part-time state board, commission, committee or other public authority shall not be
24 deemed to be an employee within the meaning of this chapter.

25 (9) "Full actuarial costs" or "full actuarial value" shall mean the lump sum payable by a
26 member claiming service credit for certain employment for which that payment is required which
27 is determined according to the age of the member and the employee's annual rate of compensation
28 at the time he or she applies for service credit and which is expressed as a rate percent of the
29 employee's annual rate of compensation to be multiplied by the number of years for which he or
30 she claims service credit as prescribed in a schedule adopted by the retirement board from time to
31 time on the basis of computation by the actuary. [All service credit purchases requested after June](#)
32 [16, 2009, except military credit as provided by section 36-9-31 and 16-16-7.1, shall be at full](#)
33 [actuarial value.](#)

34 (10) "Inactive member" shall mean a member who has withdrawn from service as an

1 employee but who has not received a refund of contributions.

2 (11) "Members" shall mean any person included in the membership of the retirement
3 system as provided in sections 36-9-1 -- 36-9-7.

4 (12) "Prior service" shall mean service as a member rendered before July 1, 1936,
5 certified on his or her prior service certificate and allowable as provided in section 36-9-28.

6 (13) "Regular interest" shall mean interest at the rate of two percent (2%) per annum,
7 compounded annually, or at such other rate determined from the actual experience of the system
8 as may be prescribed from time to time by the board.

9 (14) "Retirement allowance" shall mean annual payments for life made after retirement
10 under and in accordance with chapters 8 to 10 of this title. All allowances shall be paid in equal
11 monthly installments beginning as of the effective date thereof; provided, that a smaller pro rata
12 amount may be paid for part of a month where separation from service occurs during the month
13 in which the application was filed, and when the allowance ceases before the last day of the
14 month.

15 (15) "Retirement board" shall mean the board provided in section 36-8-3 to administer
16 the retirement system.

17 (16) "Retirement system" shall mean the employees' retirement system of the state of
18 Rhode Island as defined in section 36-8-2.

19 (17) "Service" shall mean service as an employee of the state of Rhode Island as
20 described in subdivision (8) of this section.

21 (18) "Total service" shall mean prior service as defined above, plus service rendered as a
22 member on or after July 1, 1936.

23 (19) "Active member" shall mean any employee of the state of Rhode Island as defined
24 in this section for whom the retirement system is currently receiving regular contributions
25 pursuant to sections 36-10-1 and 36-10-1.1.

26 SECTION 2. Sections 36-9-20, 36-9-20.5, 36-9-25.1, 36-9-26 and 36-9-31.1 of the
27 General Laws in Chapter 36-9 entitled "Retirement System-Membership and Service Credits" are
28 hereby amended to read as follows:

29 **36-9-20. Credit for service as a teacher, municipal employee, or legislator.** -- (a) Any
30 state employee who shall have rendered service as a teacher as defined under the provisions of
31 chapters 16 and 17 of title 16 shall be entitled to credit for that service for the various purposes of
32 this system, provided the member shall have been a contributing member of this system for that
33 period. Any state employee who shall have been a contributing member of the municipal system
34 as defined under the provisions of chapter 21 of title 45 shall be given credit for that service for

1 the various purposes of this system, provided the member's contributions are transferred to this
2 system. All contributions made by the member shall be transferred into this system for the periods
3 of service and the retirement system shall calculate the full actuarial value of the accrued benefit
4 with the former employer. If the full actuarial value of the accrued benefit with the former
5 employer is greater than the total employee contributions transferred, the retirement system shall
6 also transfer the difference between the full actuarial value of the accrued benefit with the former
7 employer and the employee's contributions from the account of the former employer to the
8 account of the current employer. In any case in which a member shall have received a refund or
9 refunds of contributions made to the system, the allowance of the aforesaid credit for service shall
10 be conditioned upon the ~~repayment~~ payment ~~of the refund or refunds, including regular interest~~
11 ~~from the date of refund to the date of repayment~~ of the full actuarial cost as defined in subsection
12 36-8-1(9). Any service as defined herein for which no contributions were made may be granted
13 provided the member pays to the retirement system ~~a~~ the full actuarial cost as defined in section
14 36-8-1(9) ~~lump sum amount equal to the amount he or she would have contributed had he or she~~
15 ~~been a member during that period, plus interest as determined by the retirement board~~. Any state
16 employee or teacher as defined under the provisions of chapters 16 and 17 of title 16 who shall
17 have been employed by a municipality which did not elect to accept chapter 21 of title 45 as
18 provided in section 45-21-4 shall be given credit for that service for the various purposes of this
19 system, provided that the employee shall have met the definitional requirements of "employee" as
20 stated in section 45-21-2(5) and provided the member pays to the retirement system ~~a~~ an lump
21 ~~sum~~ amount equal to the full actuarial value of the credit as certified by the retirement board;
22 provided, however, that any state employee who shall have been employed by a municipality
23 which did not elect to accept chapter 21 of title 45 as provided in section 45-21-4 shall be given
24 credit for that service for the various purposes of this system, to a maximum period of four (4)
25 years, provided the member pays to the retirement system ~~the~~ a full actuarial cost as defined in
26 subsection 36-8-1(9) ~~lump sum amount equal to ten percent (10%) of his or her entry level salary~~
27 ~~in the state retirement system multiplied by the number of years in which he or she seeks~~
28 ~~membership service credit prior to December 31, 1986~~. Nothing in this section shall be deemed to
29 allow the purchase of four (4) years of service for credit in more than one retirement system.

30 (b) The retirement board shall fix and determine rules and regulations to govern the
31 provisions of this section.

32 **36-9-20.5. Purchase of service credit -- Inactive status.** -- Notwithstanding any general
33 or public law to the contrary, any state employee or teacher participating in the employees'
34 retirement system who is on workers' compensation may purchase up to four (4) years of service

1 credit for time currently permitted to be purchased under law without the necessity of returning to
2 active status as an employee. The member shall pay to the system the full actuarial cost as defined
3 in subsection 36-8-1(9) ~~in a lump sum the contributions he or she would have paid plus interest~~
4 ~~for the period for which the member seeks membership service credit~~, except as provided in
5 section 36-9-31 for military service credit.

6 **36-9-25.1. Leave service credits.** -- (a) Notwithstanding any other provisions of the
7 retirement law or rulings of the retirement board in accordance with the powers vested therein,
8 state employees with at least one year of service who have been granted by their appointing
9 authority a leave of absence without pay to further their education in the field of their state
10 employment, shall be entitled to credit as service for the various purposes of their retirement
11 system, provided the person, upon completion of his or her educational leave, returns to state
12 service for at least one year; and provided further that the employee makes arrangements to pay
13 into the retirement system on or before the date of retirement and in such manner as the
14 retirement board may prescribe an amount equal to the full actuarial cost as defined in subsection
15 36-8-1(9) ~~contribution he or she would have made to the retirement system~~ based upon his or her
16 expected compensation but for the granting of leave without pay; ~~the contributions plus regular~~
17 ~~interest compounded annually up to the date of payment.~~

18 (b) Any state employee who is granted a leave of absence without pay for illness, injury,
19 or any other reason may receive credit therefor by making the full actuarial cost as defined in
20 subsection 36-8-1(9) ~~contributions to the retirement system an amount equal to the contribution~~
21 ~~he or she would have made to the retirement system based upon his or her expected compensation~~
22 ~~but for the granting of leave without pay, plus regular interest compounded annually to date of~~
23 ~~payment~~; provided the employee returns to state service for at least one year upon completion of
24 the leave. Credit for leaves of absence shall be limited in the aggregate during the total service of
25 an employee to a period of four (4) years.

26 **36-9-26. Credits for layoffs.** -- (a) Members who are laid off for any reason and are not
27 on leave without pay may purchase up to one years' credit for retirement purposes; provided the
28 member did not withdraw his or her retirement contributions while on layoff, and returns to active
29 membership; provided, further, that the member purchases that credit upon his or her return to
30 service from the layoff and pays into the retirement system the full actuarial cost as defined in
31 subsection 36-8-1(9). ~~in a lump sum the amount he or she would have contributed to the system~~
32 ~~but for the layoff plus regular interest.~~

33 (b) The retirement board shall fix and determine rules and regulations to govern the
34 provisions of this section.

1 **36-9-31.1. Peace corps, teacher corps, and volunteers in service to America. --** (a)

2 Any active member who served in the peace corps, teacher corps, or in volunteers in service to
3 America may purchase credit for that service up to a maximum of four (4) years in the aggregate;
4 provided, that any member on an official leave of absence for illness or injury shall be eligible to
5 purchase those credits while on the leave of absence.

6 (b) The cost to purchase these credits shall be the full actuarial cost as defined in
7 subsection 36-8-1(9) ~~ten percent (10%) of the members first year earnings as a member of the~~
8 ~~retirement system multiplied by the number of years and fraction thereof~~ of that service in the
9 peace corps, teacher corps, or VISTA, up to a maximum of four (4) years.

10 ~~(c) There will be no interest charge provided the member makes that purchase during his~~
11 ~~or her first five (5) years of membership in the retirement system, but regular interest will be~~
12 ~~charged to date of purchase from date of enrollment into membership if purchased after~~
13 ~~completing five (5) years of membership; provided, however, any member who was in the~~
14 ~~retirement system prior to July 1, 1980, will not be charged interest whenever he or she purchases~~
15 ~~the credit.~~

16 SECTION 3. Sections 36-10-9, 36-10-9.2, 36-10-9.3, 36-10-10, 36-10-11, 36-10-14, 36-
17 10-15 and 36-10-35 of the General Laws in Chapter 36-10 entitled "Retirement System-
18 Contributions and Benefits" are hereby amended to read as follows:

19 **36-10-9. Retirement on service allowance -- In general. --** Retirement of a member on
20 a service retirement allowance shall be made by the retirement board as follows:

21 (1) (a) (i) Any member may retire upon his or her written application to the retirement
22 board as of the first day of the calendar month in which the application was filed; provided, the
23 member was separated from service prior thereto; and further provided, however, that if
24 separation from service occurs during the month in which application is filed, the effective date
25 shall be the first day following that separation from service; and provided further that the member
26 on his or her retirement date attained the age of sixty (60) and completed at least ten (10) years of
27 contributory service on or before July 1, 2005 or who, regardless of age, has completed twenty-
28 eight (28) years of total service and has completed at least ten (10) years of contributory service
29 on or before July 1, 2005, and who retire before October 1, 2009 or are eligible to retire as of
30 September 30, 2009.

31 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
32 available to members who have attained the age of sixty-two (62) and completed at least ten (10)
33 years of contributory service. For members in service as of October 1, 2009 who were not eligible
34 to retire as of September 30, 2009, the minimum retirement age of sixty-two (62) will be adjusted

1 downward in proportion to the amount of service the member has earned as of September 30,
2 2009. The proportional formula shall work as follows:

3 (1) The formula shall determine the first age of retirement eligibility under the laws in
4 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
5 sixty-two (62).

6 (2) The formula shall then take the member's total service credit as of September 30,
7 2009 as the numerator and the years of service credit determined under (1) as the denominator.

8 (3) The fraction determined in (2) shall then be multiplied by the age difference
9 determined in (1) to apply a reduction in years from age sixty-two (62).

10 (b) (i) Any member, who has not completed at least ten (10) years of contributory
11 service on or before July 1, 2005, may retire upon his or her written application to the retirement
12 board as of the first day of the calendar month in which the application was filed; provided, the
13 member was separated from service prior thereto; and further provided, however, that if
14 separation from service occurs during the month in which application is filed, the effective date
15 shall be the first day following that separation from service; provided, the member or his or her
16 retirement date had attained the age of fifty-nine (59) and had completed at least twenty-nine (29)
17 years of total service or provided that the member on his or her retirement date had attained the
18 age of sixty-five (65) and had completed at least ten (10) years of contributory service; or
19 provided, that the member on his or her retirement date had attained the age of fifty-five (55) and
20 had completed twenty (20) years of total service provided, that the retirement allowance, as
21 determined according to the formula in section 36-10-10 is reduced actuarially for each month
22 that the age of the member is less than sixty-five (65) years, and who retire before October 1,
23 2009 or are eligible to retire as of September 30, 2009.

24 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
25 available to members who have attained the age of sixty-two (62) and completed at least twenty-
26 nine (29) years of total service or have attained the age of sixty-five (65) and completed at least
27 ten (10) years of contributory service. For members in service as of October 1, 2009 who were
28 not eligible to retire as of September 30, 2009, who have a minimum retirement age of sixty-two
29 (62), the retirement age will be adjusted downward in proportion to the amount of service the
30 member has earned as of September 30, 2009. The proportional formula shall work as follows:

31 (1) The formula shall determine the first age of retirement eligibility under the laws in
32 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
33 sixty-two (62).

34 (2) The formula shall then take the member's total service credit as of September 30,

1 2009 as the numerator and the years of service credit determined under (1) as the denominator.

2 (3) The fraction determined in (2) above shall then be multiplied by the age difference
3 determined in (1) to apply a reduction in years from age sixty-two (62).

4 (2) Any faculty employee at a public institution of higher education under the jurisdiction
5 of the board of governors for higher education shall not be involuntarily retired upon attaining the
6 age of seventy (70) years.

7 (3) (i) Except as specifically provided in section 36-10-9.1, sections 36-10-12 -- 36-10-
8 15, and sections 45-21-19 -- 45-21-22, no member shall be eligible for pension benefits under this
9 chapter unless the member shall have been a contributing member of the employee's retirement
10 system for at least ten (10) years.

11 (ii) Provided, however, a person who has ten (10) years service credit on or before June
12 16, 1991, shall be vested.

13 (iii) Furthermore, any past service credits purchased in accordance with section 36-9-38
14 shall be counted towards vesting.

15 (iv) Any person who becomes a member of the employees' retirement system pursuant to
16 section 45-21-4 shall be considered a contributing member for the purpose of chapter 21 of title
17 45 and this chapter.

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

25 (4) No member of the employees' retirement system shall be permitted to purchase
26 service credits for casual or seasonal employment, for employment as a page in the general
27 assembly, or for employment at any state college or university while the employee is a student or
28 graduate assistant of the college or university.

29 (5) Except as specifically provided in sections 16-16-6.2 and 16-16-6.4, a member shall
30 not receive service credit in this retirement system for any year or portion of it, which counts as
31 service credit in any other retirement system in which the member is vested or from which the
32 member is receiving a pension and/or any annual payment for life. This subsection shall not apply
33 to any payments received pursuant to the federal Social Security Act or to payments from a
34 military pension earned prior to participation in state or municipal employment, or to military

1 service credits earned prior to participation in state or municipal employment.

2 (6) A member who seeks to purchase or receive service credit in this retirement system
3 shall have the affirmative duty to disclose to the retirement board whether or not he or she is a
4 vested member in any other retirement system and/or is receiving a pension, retirement
5 allowance, or any annual payment for life. The retirement board shall have the right to investigate
6 as to whether or not the member has utilized the same time of service for credit in any other
7 retirement system. The member has an affirmative duty to cooperate with the retirement board
8 including, by way of illustration and not by way of limitations the duty to furnish or have
9 furnished to the retirement board any relevant information which is protected by any privacy act.

10 (7) A member who fails to cooperate with the retirement board shall not have the time of
11 service counted toward total service credit until such time as the member cooperates with the
12 retirement board and until such time as the retirement board determines the validity of the service
13 credit.

14 (8) A member who knowingly makes a false statement to the retirement board regarding
15 service time or credit shall not be entitled to a retirement allowance and is entitled only to the
16 return of his or her contributions without interest.

17 **36-10-9.2. Retirement on service allowance -- Correctional officers. --** (a) This section
18 shall apply to the retirement of members employed as assistant director (adult services), assistant
19 deputy director, chief of inspection, and associate directors, correctional officer, chief of security,
20 work rehabilitation program supervisor, supervisor of custodial records and reports, and
21 classification counselor within the department of corrections.

22 (b) (i) Any member who has attained the age of fifty (50) years may be retired
23 subsequent to the proper execution and filing of a written application; provided, however, that the
24 member shall have completed twenty (20) years of total service within the department of
25 corrections and who retires before October 1, 2009 or is eligible to retire as of September 30,
26 2009.

27 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
28 available to members who have attained the age of fifty-five (55) and have completed at least
29 twenty-five (25) years of total service within the department of corrections. For members in
30 service as of October 1, 2009 who were not eligible to retire as of September 30, 2009, the
31 minimum retirement age of fifty-five (55) will be adjusted downward in proportion to the amount
32 of service the member has earned as of September 30, 2009. The proportional formula shall work
33 as follows:

34 (1) The formula shall determine the first age of retirement eligibility under the laws in

1 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
2 fifty-five (55).

3 (2) The formula shall then take the member's total service credit as of September 30,
4 2009 as the numerator and the years of service credit determined under (1) as the denominator.

5 (3) The fraction determined in (2) shall then be multiplied by the age difference
6 determined in (1) to apply a reduction in years from age fifty-five (55).

7 **36-10-9.3. Retirement on service allowance -- Registered nurses.** -- (a) This section
8 shall apply to the retirement of members employed as registered nurses within the department of
9 mental health, retardation, and hospitals.

10 (b) Any member who has attained the age of fifty (50) years may be retired subsequent
11 to the proper execution and filing of written application; provided, however, that the member
12 shall have completed twenty-five (25) years of total service within the department of mental
13 health, retardation, and hospitals and who retires before October 1, 2009 or is eligible to retire as
14 of September 30, 2009.

15 (ii) For members who become eligible to retire on or after October 1, 2009, benefits are
16 available to members who have attained the age of fifty-five (55) and have completed at least
17 twenty-five (25) years of total service within the department of mental health, retardation and
18 hospitals. For members in service as of October 1, 2009 who were not eligible to retire as of
19 September 30, 2009, the minimum retirement age of fifty-five (55), the retirement age will be
20 adjusted downward in proportion to the amount of service the member has earned as of
21 September 30, 2009. The proportional formula shall work as follows:

22 (1) The formula shall determine the first age of retirement eligibility under the laws in
23 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
24 fifty-five (55).

25 (2) The formula shall then take the member's total service credit as of September 30,
26 2009 as the numerator and the years of service credit determined under (1) as the denominator.

27 (3) The fraction determined in (2) shall then be multiplied by the age difference
28 determined in (1) to apply a reduction in years from age fifty-five (55).

29 **36-10-10. Amount of service retirement allowance.** -- (a) (1) (i) For employees eligible
30 to retire on or before September 30, 2009, Upon upon retirement for service under section 36-10-
31 9, a member whose membership commenced before July 1, 2005 and who has completed at least
32 ten (10) years of contributory service on or before July 1, 2005 shall receive a retirement
33 allowance which shall be determined in accordance with schedule A below:

34 Schedule A

1 Years of Service Percentage Allowance

2 1st through 10th inclusive 1.7%

3 11th through 20th inclusive 1.9%

4 21st through 34th inclusive 3.0%

5 35th 2.0%

6 (ii) For employees eligible to retire on or after October 1, 2009, who were not eligible to
7 retire on or before September 30, 2009, upon retirement from service under section 36-10-9, a
8 member whose membership commenced before July 1, 2005 and who has completed at least ten
9 (10) years of contributory service on or before July 1, 2005 shall receive a retirement allowance
10 which shall be determined in accordance with schedule A above for service on before September
11 30, 2009, and shall be determined in accordance with schedule B in subsection (a)(2) below for
12 service on or after October 1, 2009.

13 (2) Upon retirement for service under section 36-10-9, a member whose membership
14 commenced after July 1, 2005, or who has not completed at least ten (10) years of contributory
15 service as of July 1, 2005, shall, receive a retirement allowance which shall be determined in
16 accordance with Schedule B below:

17 Schedule B

18 Years of Service Percentage Allowance

19 1st through 10th inclusive 1.60%

20 11th through 20th inclusive 1.80%

21 21st through 25th inclusive 2.0%

22 26th through 30th inclusive 2.25%

23 31st through 37th inclusive 2.50%

24 38th 2.25%

25 (b) The retirement allowance of any member whose membership commenced before July
26 1, 2005 and who has completed at least ten (10) years of contributory service on or before July 1,
27 2005 shall be in an amount equal to the percentage allowance specified in ~~schedule A~~ subsection
28 (a)(1) of his or her average highest three (3) consecutive years of compensation multiplied by the
29 number of years of total service, but in no case to exceed eighty percent (80%) of the
30 compensation payable at completion of thirty-five (35) years of service; provided, however, for
31 employees retiring on or after October 1, 2009 who were not eligible to retire as of September 30,
32 2009 the calculation shall be based on the average highest five (5) consecutive years of
33 compensation. Any member who has in excess of thirty-five (35) years on or before June 2,
34 1985, shall not be entitled to any refund, and any member with thirty-five (35) years or more on

1 or after June 2, 1985, shall contribute from July 1, 1985, until his or her retirement. The
2 retirement allowance of any member whose membership commenced after July 1, 2005 or who
3 had not completed at least ten (10) years of contributory service as of July 1, 2005, shall, be in an
4 amount equal to the percentage allowance specified in Schedule B of his or her average highest
5 three (3) consecutive years of compensation multiplied by the number of years of total service,
6 but in no case to exceed seventy-five percent (75%) of the compensation payable at the
7 completion of thirty-eight (38) years of service; provided, however, for employees retiring on or
8 after October 1, 2009 who were not eligible to retire as of September 30, 2009 the calculation
9 shall be based on the average highest five (5) consecutive years of compensation.

10 (c) Any member with thirty-eight (38) years or more of service prior to December 31,
11 1985, shall not be required to make additional contributions. Contributions made between
12 December 31, 1985, and July 1, 1987, by members with thirty-eight (38) or more years of service
13 prior to December 31, 1985, shall be refunded by the retirement board to the persons, their heirs,
14 administrators, or legal representatives.

15 **36-10-11. Service allowance to member withdrawing from service before retirement**

16 **age.** -- (a) The right of a service retirement allowance under the provisions of this chapter shall
17 vest in a member who shall withdraw from service prior to his or her attainment of the minimum
18 age of retirement specified in sections 36-10-9 -- 36-10-9.3 who shall not have received a refund,
19 provided the member shall have completed at least ten (10) years of contributory service on or
20 before July 1, 2005. The member shall become entitled to a service retirement allowance upon his
21 or her attainment of the age ~~of established in section 36-10-9 of sixty (60) years~~ or at his or her
22 option at any date subsequent thereto. The rate of service retirement allowance payable in the
23 case of any member shall be that provided in section 36-10-10, ~~Schedule A,~~ for the period of total
24 service earned and accrued at the date of withdrawal from service of the member.

25 (b) For a member who shall not have completed at least ten (10) years of contributory
26 service on or before July 1, 2005, the right of a service retirement allowance under the provisions
27 of this chapter shall vest in a member who shall withdraw from service prior to his or her
28 attainment of the minimum age of retirement specified in sections 36-10-9 -- 36-10-9.3 who shall
29 not have received a refund, provided, the member shall have completed at least ten (10) years of
30 contributory service. The member shall become entitled to a service retirement allowance upon
31 his or her attainment of the age of sixty-five (65) years or at his or her option at any date
32 subsequent thereto. The rate of service retirement allowance payable in the case of any member
33 shall be that provided in section 36-10-10, Schedule B, for the period of total service earned and
34 accrued at the date of withdrawal from service of the member.

1 **36-10-14. Retirement for accidental disability.** -- (a) Medical examination of an active
2 member for accidental disability and investigation of all statements and certificates by him or her
3 or in his or her behalf in connection therewith shall be made upon the application of the head of
4 the department in which the member is employed or upon application of the member, or of a
5 person acting in his or her behalf, stating that the member is physically or mentally incapacitated
6 for the performance of service as a natural and proximate result of an accident while in the
7 performance of duty, and certify the definite time, place, and conditions of the duty performed by
8 the member resulting in the alleged disability, and that the alleged disability is not the result of
9 willful negligence or misconduct on the part of the member, and is not the result of age or length
10 of service, and that the member should, therefore, be retired.

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

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

28 (d) The retirement board shall establish uniform eligibility requirements, standards, and
29 criteria for accidental disability which shall apply to all members who make application for
30 accidental disability benefits.

31 **36-10-15. Amount of accidental disability benefit.** – [\(a\) For disability applications](#)
32 [submitted on or before September 30, 2009, Upon upon](#) retirement for accidental disability under
33 section 36-10-14, a member shall receive a benefit which shall be equal to sixty-six and two-
34 thirds percent (66 2/3%) of his or her annual compensation at the time of his or her retirement,

1 subject to the provisions of section 36-10-31.

2 (b) Upon any application for accidental disability submitted on or after October 1, 2009,
3 if the member has been found to be permanently and totally disabled from service but has not
4 been found by the board to be permanently and totally disabled from any employment as a result
5 of his/her accidental disability, a member shall receive a retirement allowance equal to fifty
6 percent (50%) of the rate of the member's compensation at the date of the member's retirement,
7 subject to the provisions of section 36-10-31. The retiree shall, as a condition of continued receipt
8 of a disability retirement allowance, on or before a date fixed by the retirement board, annually
9 under penalties of perjury provide the board with such affidavits and accurate evidence of
10 earnings, employment and gainful activity as the board may require, including, but not limited,
11 joint and/or individual tax returns. Payment of the disability retirement allowance shall continue
12 as long as the individual remains disabled, and regardless of service or age.

13 Upon retirement for accidental disability that has been found by the board to be
14 permanently and totally disabling from any employment, a member shall receive a retirement
15 allowance equal to sixty-six and two-thirds percent (66 2/3%) of the rate of the member's
16 compensation at the date of the member's retirement subject to the provisions of section 36-10-31.
17 The retirement board shall apply the terms of subsection 28-33-17(b) in determining total
18 disability.

19 **36-10-35. Additional benefits payable to retired employees.** -- (a) All state employees
20 and all beneficiaries of state employees receiving any service retirement or ordinary or accidental
21 disability retirement allowance pursuant to the provisions of this title on or before December 31,
22 1967, shall receive a cost of living retirement adjustment equal to one and one-half percent
23 (1.5%) per year of the original retirement allowance, not compounded, for each calendar year the
24 retirement allowance has been in effect. For the purposes of computation, credit shall be given for
25 a full calendar year regardless of the effective date of the retirement allowance. This cost of living
26 adjustment shall be added to the amount of the retirement allowance as of January 1, 1968, and an
27 additional one and one-half percent (1.5%) shall be added to the original retirement allowance in
28 each succeeding year during the month of January, and provided further, that this additional cost
29 of living increase shall be three percent (3%) for the year beginning January 1, 1971, and each
30 year thereafter, through December 31, 1980. Notwithstanding any of the above provisions, no
31 employee receiving any service retirement allowance pursuant to the provisions of this title on or
32 before December 31, 1967, or the employee's beneficiary, shall receive any additional benefit
33 hereunder in an amount less than two hundred dollars (\$200) per year over the service retirement
34 allowance where the employee retired prior to January 1, 1958.

1 (b) All state employees and all beneficiaries of state employees retired on or after
2 January 1, 1968, who are receiving any service retirement or ordinary or accidental disability
3 retirement allowance pursuant to the provisions of this title shall, on the first day of January next
4 following the third anniversary date of the retirement, receive a cost of living retirement
5 adjustment, in addition to his or her retirement allowance, in an amount equal to three percent
6 (3%) of the original retirement allowance. In each succeeding year thereafter through December
7 31, 1980, during the month of January, the retirement allowance shall be increased an additional
8 three percent (3%) of the original retirement allowance, not compounded, to be continued during
9 the lifetime of the employee or beneficiary. For the purposes of computation, credit shall be given
10 for a full calendar year regardless of the effective date of the service retirement allowance.

11 (c) (1) Beginning on January 1, 1981, for all state employees and beneficiaries of the
12 state employees receiving any service retirement and all state employees, and all beneficiaries of
13 state employees, who have completed at least ten (10) years of contributory service on or before
14 July 1, 2005 pursuant to the provisions of this chapter, and for all state employees, and all
15 beneficiaries of state employees who receive a disability retirement allowance pursuant to
16 sections 36-10-12 -- 36-10-15, the cost of living adjustment shall be computed and paid at the rate
17 of three percent (3%) of the original retirement allowance or the retirement allowance as
18 computed in accordance with section 36-10-35.1, compounded annually from the year for which
19 the cost of living adjustment was determined to be payable by the retirement board pursuant to
20 the provisions of subsection (a) or (b) of this section. [Such cost of living adjustments are](#)
21 [available to members who retire before October 1, 2009 or are eligible to retire as of September](#)
22 [30, 2009.](#)

23 (2) The provisions of this subsection shall be deemed to apply prospectively only and no
24 retroactive payment shall be made.

25 (3) The retirement allowance of all state employees and all beneficiaries of state
26 employees who have not completed at least ten (10) years of contributory service on or before
27 July 1, 2005 [or were not eligible to retire as of September 30, 2009](#), shall, on the month following
28 the third anniversary date of retirement, and on the month following the anniversary date of each
29 succeeding year be adjusted and computed by multiplying the retirement allowance by three
30 percent (3%) or the percentage of increase in the Consumer Price Index for all Urban Consumers
31 (CPI-U) as published by the United States Department of Labor Statistics determined as of
32 September 30 of the prior calendar year, whichever is less; the cost of living adjustment shall be
33 compounded annually from the year for which the cost of living adjustment was determined
34 payable by the retirement board; provided, that no adjustment shall cause any retirement

1 allowance to be decreased from the retirement allowance provided immediately before such
2 adjustment. ~~This section shall not apply to all state employees and all beneficiaries of state~~
3 ~~employees, who receive a disability retirement allowance pursuant to sections 36-10-12--36-10-~~
4 ~~15.~~

5 (d) (1) All legislators and all beneficiaries of legislators who are receiving a retirement
6 allowance pursuant to the provisions of section 36-10-9.1 for a period of three (3) or more years,
7 shall, commencing January 1, 1982, receive a cost of living retirement adjustment, in addition to
8 a retirement allowance, in an amount equal to three percent (3%) of the original retirement
9 allowance. In each succeeding year thereafter during the month of January, the retirement
10 allowance shall be increased an additional three percent (3%) of the original retirement
11 allowance, compounded annually, to be continued during the lifetime of the legislator or
12 beneficiary. For the purposes of computation, credit shall be given for a full calendar year
13 regardless of the effective date of the service retirement allowance.

14 (e) The provisions of sections 45-13-7 -- 45-13-10 shall not apply to this section.

15 SECTION 4. Sections 16-16-5, 16-16-7.2, 16-16-8, 16-16-12, 16-16-13, 16-16-16, 16-
16 16-17 and 16-16-40 of the General Laws in Chapter 16-16 entitled "Teachers' Retirement" are
17 hereby amended to read as follows:

18 **16-16-5. Service creditable.** -- (a) In calculating "service", "prior service", or "total
19 service" as defined in section 16-16-1, every teacher shall be given credit for a year of service for
20 each year in which he or she shall have served as a teacher; provided, that any teacher who
21 through illness or leave of absence without pay does not serve a full school year may receive
22 credit for a full school year of service by paying the full actuarial cost as defined in section 36-8-
23 1(9) making contribution to the system upon his or her return to teaching for at least one year the
24 ~~amount he or she would have contributed to the retirement system plus regular interest,~~
25 ~~compounded annually up to the date of payment based upon his or her expected compensation but~~
26 ~~for his or her leave of absence in any case of illness, sabbatical, educational leave, or any other~~
27 ~~reason.~~ Credit for leaves of absence shall be limited, in the aggregate, during the total service of a
28 teacher to a period of four (4) years; provided, however, every teacher who had been required to
29 resign for maternity reasons may receive credit for maternity reasons by making contribution to
30 the system upon her return to teaching the amount she would have contributed to the retirement
31 system, with interest, based upon her expected compensation but for her absence due to maternity
32 reasons.

33 (b) The retirement board shall fix and determine the time when and the conditions under
34 which the payments shall be made.

1 (c) Any teacher who serves or who has served during a school year at least three-quarters
2 (3/4) of the number of days that the public schools are required by law to be in session during the
3 year shall be given credit for a year of service for that year. In determining the number of days
4 served by a substitute teacher the total number of days served in any public school of any city or
5 town in the state may be combined for any one school year. Any teacher shall be entitled to "prior
6 service" credit for service prior to July 1, 1949, provided the teacher shall have been in service
7 during the school year 1949-1950. The teacher shall be entitled to service credit for any year
8 subsequent to July 1, 1949, by making contribution to the retirement system the amount he or she
9 would have contributed to the retirement system had he or she been a member, plus regular
10 interest compounded annually to date of payment, payable at a time or in any manner that may be
11 provided by the rules of the retirement board.

12 (d) Any teacher employed in at least a half (1/2) program including a job share program
13 shall remain a contributing member and shall receive credit for that part-time service.

14 (e) In computing service or in computing compensation, the retirement board shall credit
15 no more than one year of service on account of all service in one calendar year.

16 (f) Notwithstanding any other section of law, no member of the retirement system shall
17 be permitted to purchase service credit for any portion of a year for which he or she is already
18 receiving service credit in this retirement system.

19 **16-16-7.2. Peace corps, teacher corps, and volunteers in service to America -- Credit.**

20 -- (a) Any active teacher who served in the peace corps, teacher corps, or in volunteers in service
21 to America may purchase credit for that service, up to a maximum of four (4) years. Any teacher
22 on an official leave of absence for illness or injury shall be eligible to purchase the credits while
23 on the leave of absence.

24 (b) The cost to purchase these credits shall be the full actuarial cost as defined in section
25 36-8-1(9) ~~ten percent (10%) of the member's first year's earnings as a teacher multiplied by the~~
26 ~~number of years and fraction of the years of his or her service in the peace corps, teacher corps, or~~
27 ~~in volunteers in service to America, up to a maximum of four (4) years.~~

28 ~~(c) There will be no interest charged provided the teacher makes that purchase during his~~
29 ~~or her first five (5) years of membership in the retirement system, but regular interest will be~~
30 ~~charged to the date of purchase from the date of enrollment into membership if purchased after~~
31 ~~completing five (5) years of membership; provided, however, any member who was in the~~
32 ~~retirement system prior to July 1, 1980, will not be charged interest whenever he or she purchases~~
33 ~~the credit.~~

34 **16-16-8. Credit for service as a state or municipal employee. --** Any member who

1 shall have rendered service as a state employee as defined by the provisions of chapter 17 of this
2 title and chapters 8 -- 10 of title 36 or who shall have rendered service as an employee of a
3 participating municipality, as defined by chapter 21 of title 45, shall be entitled to credit for his or
4 her service for the various purposes of this system, provided the member shall have been a
5 contributing member for that period. All contributions made by the member shall be transferred
6 into this system for the periods of service and the retirement system shall calculate the full
7 actuarial value of the accrued benefit with the former employer. If the full actuarial value of the
8 accrued benefit with the former employer is greater than the total employee contributions
9 transferred, the retirement system shall also transfer the difference between full actuarial value of
10 the accrued benefit with the former employer and the employee's contributions from the account
11 of the former employer to the account of the current employer. In any case in which a member
12 shall have received a refund or refunds of contributions made to the system, the allowance of the
13 credit for service shall be conditioned upon the repayment of the full actuarial cost as defined in
14 section 36-8-1(9) ~~refund or refunds, including regular interest from the date of refund to the date~~
15 ~~of repayment~~. Any service as defined in this section for which no contributions were made may
16 be granted provided the member pays to the retirement system ~~a lump sum payment equal to the~~
17 ~~amount he or she would have contributed had he or she been a member during the period, plus~~
18 ~~interest as previously defined in this section~~ the full actuarial cost as defined in section 36-8-1(9).
19 The retirement board shall fix and determine the rules and regulations needed to govern the
20 provisions of this section.

21 **16-16-12. Procedure for service retirement.** -- Retirement of a member on a service
22 retirement allowance shall be made by the retirement board as follows:

23 (1)(i) Any member may retire upon his or her written application to the retirement board
24 as of the first day of the calendar month in which the application was filed, provided the member
25 was separated from service prior to filing the application, and further provided however, that if
26 separation from service occurs during the month in which the application is filed, the effective
27 date shall be the first day following the separation from service, and provided further that the
28 member on retirement date has attained the age of sixty (60) years and has completed at least ten
29 (10) years of contributory service on or before July 1, 2005, or regardless of age has completed
30 twenty-eight (28) years of total service and has completed at least ten (10) years of contributory
31 service on or before July 1, 2005, and who retire before October 1, 2009 or are eligible to retire as
32 of September 30, 2009.

33 (ii) For teachers who become eligible to retire on or after October 1, 2009, benefits are
34 available to teachers who have attained the age of sixty-two (62) and completed at least ten (10)

1 years of contributory service. For teachers in service as of October 1, 2009 who were not eligible
2 to retire as of September 30, 2009, the minimum retirement age of sixty-two (62) will be adjusted
3 downward in proportion to the amount of service the member has earned as of September 30,
4 2009. The proportional formula shall work as follows:

5 (1) The formula shall determine the first age of retirement eligibility under the laws in
6 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
7 sixty-two (62).

8 (2) The formula shall then take the teacher's total service credit as of September 30, 2009
9 as the numerator and the years of service credit determined under (1) as the denominator.

10 (3) The fraction determined in (2) shall then be multiplied by the age difference in (1) to
11 apply a reduction in years from age sixty-two (62).

12 (b)(i) Any member, who has not completed at least ten (10) years of contributory service
13 on or before July 1, 2005, may retire upon his or her written application to the retirement board as
14 of the first day of the calendar month in which the application was filed; provided, the member
15 was separated from service prior thereto; and further provided, however, that if separation from
16 service occurs during the month in which application is filed, the effective date shall be the first
17 day following that separation from service; provided, the member on his or her retirement date
18 had attained the age of fifty-nine (59) and had completed at least twenty-nine (29) years of total
19 service; or provided, that the member on his or her retirement date had attained the age of sixty-
20 five (65) and had completed at least ten (10) years of contributory service; or provided, that the
21 member on his or her retirement date had attained the age of fifty-five (55) and had completed
22 twenty (20) years of total service and provided, that the retirement allowance, as determined
23 according to the formula in section 16-16-13 is reduced actuarially for each month that the age of
24 the member is less than sixty-five (65) years and who retire before October 1, 2009 or are eligible
25 to retire as of September 30, 2009.

26 (ii) For teachers who become eligible to retire on or after October 1, 2009, benefits are
27 available to teachers who have attained the age of sixty-two (62) and have completed at least
28 twenty-nine (29) years of total service or have attained the age of sixty-five (65) and completed at
29 least ten (10) years of contributory service. For teachers in service as of October 1, 2009 who
30 were not eligible to retire as of September 30, 2009, who have a minimum retirement age of
31 sixty-two (62), the retirement age will be adjusted downward in proportion to the amount of
32 service the member has earned as of September 30, 2009. The proportional formula shall work as
33 follows:

34 (1) The formula shall determine the first age of retirement eligibility under the laws in

1 effect on September 30, 2009 which shall then be subtracted from the minimum retirement age of
2 sixty-two (62).

3 (2) The formula shall then take the teacher's total service credit as of September 30, 2009
4 as the numerator and the years of service credit determined under (10 as the denominator.

5 (3) The fraction determined in (2) shall then be multiplied by the age difference
6 determined in (1) to apply a reduction in years from age sixty-two (62).

7 (2) Any member also paying into the retirement system under the provisions of chapter 9
8 of title 36 shall not be disqualified from receiving benefits provided by that chapter and the
9 provisions of this chapter simultaneously.

10 (3) (i) Except as specifically provided in sections 36-10-9.1, 36-10-12 through 36-10-15,
11 and 45-21-19 through 45-21-22, no member shall be eligible for pension benefits under this
12 chapter unless the member shall have been a contributing member of the employees' retirement
13 system for at least ten (10) years.

14 (ii) Provided, however, a person who has ten (10) years service credit shall be vested.

15 (iii) Furthermore, any past service credits purchased in accordance with section 36-9-38
16 shall be counted towards vesting.

17 (iv) Any person who becomes a member of the employees' retirement system pursuant to
18 section 45-21-8 shall be considered a contributing member for the purpose of chapter 21 of title
19 45 and this chapter.

20 (v) Notwithstanding any other provision of law, no more than five (5) years of service
21 credit may be purchased by a member of the system. The five (5) year limit shall not apply to any
22 purchases made prior to January 1, 1995. A member who has purchased more than five (5) years
23 of service credit before January 1, 1995, shall be permitted to apply the purchases towards the
24 member's service retirement. However, no further purchase will be permitted. Repayment, in
25 accordance with applicable law and regulation, of any contribution previously withdrawn from
26 the system shall not be deemed a purchase of service credit.

27 (4) No member of the teachers' retirement system shall be permitted to purchase service
28 credits for casual or seasonal employment, for employment as a page in the general assembly, or
29 for employment at any state college or university while the employee is a student or graduate of
30 the college or university.

31 (5) Except as specifically provided in sections 16-16-6.2 and 16-16-6.4, a member shall
32 not receive service credit in this retirement system for any year or portion of a year which counts
33 as service credit in any other retirement system in which the member is vested or from which the
34 member is receiving a pension and/or any annual payment for life. This subsection shall not apply

1 to any payments received pursuant to the federal Social Security Act, 42 U.S.C. section 301 et
2 seq.

3 (6) A member who seeks to purchase or receive service credit in this retirement system
4 shall have the affirmative duty to disclose to the retirement board whether or not he or she is a
5 vested member in any other retirement system and/or is receiving a pension, retirement
6 allowance, or any annual payment for life. The retirement board shall have the right to investigate
7 as to whether or not the member has utilized the same time of service for credit in any other
8 retirement system. The member has an affirmative duty to cooperate with the retirement board
9 including, by way of illustration and not by way of limitation, the duty to furnish or have
10 furnished to the retirement board any relevant information that is protected by any privacy act.

11 (7) A member who fails to cooperate with the retirement board shall not have the time of
12 service credit counted toward total service credit until the time the member cooperates with the
13 retirement board and until the time the retirement board determines the validity of the service
14 credit.

15 (8) A member who knowingly makes a false statement to the retirement board regarding
16 service time or credit shall not be entitled to a retirement allowance and is entitled only to the
17 return of his or her contributions without interest.

18 **16-16-13. Amount of service retirement allowance.** -- (a) (1) (i) For teachers eligible
19 to retire on or before September 30, 2009, ~~Upon~~ upon retirement from service under section 16-
20 16-12 a teacher whose membership commenced before July 1, 2005 and who has completed at
21 least ten (10) years of contributory service on or before July 1, 2005, shall, receive a retirement
22 allowance which shall be determined in accordance with schedule A:

23 SCHEDULE A

24 YEARS OF SERVICE PERCENTAGE ALLOWANCE

25 1st through 10th inclusive 1.7%

26 11th through 20th inclusive 1.9%

27 21st through 34th inclusive 3.0%

28 35th 2.0%

29 (ii) For teachers eligible to retire on or after October 1, 2009 who were not eligible to
30 retire on or before September 30, 2009, upon retirement for service under section 16-16-12, a
31 teacher whose membership commenced before July 1, 2005 and who has completed at least ten
32 (10) years of contributory service on or before July 1, 2005 shall receive a retirement allowance
33 which shall be determined in accordance with schedule A above for service on before September
34 30, 2009, and shall be determined in accordance with schedule B in subsection (a)(2) below for

1 [service on or after October 1, 2009:](#)

2 (2) Upon retirement from service under section 16-16-12 a teacher whose membership
3 commenced after July 1, 2005 or who has not completed at least ten (10) years of contributory
4 service as of July 1, 2005 shall receive a retirement allowance which shall be determined in
5 accordance with Schedule B.

6 SCHEDULE B

7 YEARS OF SERVICE PERCENTAGE ALLOWANCE

8 1st through 10th inclusive 1.60%

9 11th through 20th inclusive 1.80%

10 21st through 25th inclusive 2.0%

11 26th through 30th inclusive 2.25% 31st through 37th inclusive

12 2.50% 38th 2.25%

13 (b) The retirement allowance of any teacher whose membership commenced before July
14 1, 2005 and who has completed at least ten (10) years of contributory service on or before July 1,
15 2005 shall be in an amount equal to the percentage allowance specified in [subsection \(a\) \(1\)](#)
16 ~~schedule A~~ of his or her average highest three (3) consecutive years of compensation multiplied
17 by the number of years of total service, but in no case to exceed eighty percent (80%) of the
18 compensation, payable at completion of thirty-five (35) years of service; [provided, however, for](#)
19 [teachers retiring on or after October 1, 2009 who were not eligible to retire as of September 30,](#)
20 [2009 the calculation shall be based on the average highest five \(5\) consecutive years of](#)
21 [compensation.](#)

22 The retirement allowance of any teacher whose membership commenced after July 1,
23 2005 or who has not completed at least ten (10) years of contributory service as of July 1, 2005
24 shall be in an amount equal to the percentage allowance specified in Schedule B of his or her
25 average highest three (3) consecutive years of compensation multiplied by the number of years of
26 total service, but in no case to exceed seventy-five percent (75%) of the compensation, payable at
27 completion of thirty-eight (38) years of service; [provided, however, for teachers retiring on or](#)
28 [after October 1, 2009 who were not eligible to retire as of September 30, 2009 the calculation](#)
29 [shall be based on the average highest five \(5\) consecutive years of compensation.](#)

30 Any teacher who has in excess of thirty-five (35) years on or before June 2, 1985 shall
31 not be entitled to any refund, and any teacher with thirty-five (35) years or more on or after June
32 2, 1985 shall contribute from July 1, 1985 until his or her retirement.

33 **16-16-16. Retirement for accidental disability.** -- (a) Medical examination of an active
34 teacher for accidental disability, and investigation of all statements and certificates by him or her

1 or in his or her behalf in connection with the accidental disability, shall be made upon the
2 application of the head of the department in which the teacher is employed or upon application of
3 the teacher, or of a person acting in his or her behalf, stating that the teacher is physically or
4 mentally incapacitated for the performance of service as a natural and proximate result of an
5 accident, while in the performance of duty, and certify the definite time, place, and conditions of
6 the duty performed by the teacher resulting in the alleged disability, and that the alleged disability
7 is not the result of willful negligence or misconduct on the part of the teacher, and is not the result
8 of age or length of service, and that the teacher should, therefore, be retired.

9 (b) The application shall be made within five (5) years of the alleged accident from
10 which the injury has resulted in the teacher's present disability, and shall be accompanied by an
11 accident report and a physician's report certifying to the disability; provided, that, if the teacher
12 was able to return to his or her employment and subsequently reinjures or aggravates the same
13 injury, the application shall be made within the later of five (5) years of the alleged accident or
14 three (3) years of the reinjury or aggravation. [The application may also state that the teacher is](#)
15 [permanently and totally disabled from any employment.](#)

16 (c) If a medical examination conducted by three (3) physicians engaged by the retirement
17 board, and any investigation that the retirement board may desire to make, shall show that the
18 teacher is physically or mentally incapacitated for the performance of service as a natural and
19 proximate result of an accident, while in the performance of duty, and that the disability is not the
20 result of willful negligence or misconduct on the part of the teacher, and is not the result of age or
21 length of service, and that the teacher has not attained the age of sixty-five (65) years, and that the
22 teacher should be retired, the physicians who conducted the examination shall so certify to the
23 retirement board stating the time, place, and conditions of service performed by the teacher
24 resulting in the disability, and the retirement board may grant the teacher an accidental disability
25 benefit.

26 (d) The retirement board shall establish uniform eligibility requirements, standards, and
27 criteria for accidental disability which shall apply to all members who make application for
28 accidental disability benefits.

29 **16-16-17. Amount of accidental disability benefit.** – [\(a\) For disability applications](#)
30 [submitted on or before September 30, 2009, Upon upon](#) retirement for accidental disability under
31 section 16-16-16 a teacher shall receive a benefit that shall be equal to sixty-six and two-thirds
32 percent (66 2/3%) of his or her annual compensation at the time of his or her retirement, subject
33 to the provisions of section 16-16-20. [\(b\) Upon any application for accidental disability submitted](#)
34 [after October 1, 2009, if the teacher has been found to be permanently and totally disabled from](#)

1 service but has not been found by the board to be permanently and totally disabled from any
2 employment as a result of his/her accidental disability, a teacher shall receive a retirement
3 allowance equal to fifty percent (50%) of the rate of the teacher's compensation at the date of the
4 teacher's retirement subject to the provisions of section 16-16-20. The retiree shall, as a condition
5 of continued receipt of a disability retirement allowance, on or before a date fixed by the
6 retirement board, annually under penalties of perjury provide the board with such affidavits and
7 accurate evidence of earnings, employment and gainful activity as the board may require,
8 including, but not limited to, joint and/or individual tax returns. Payment of the disability
9 retirement allowance shall continue as long as the individual remains disabled, and regardless of
10 service or age. Upon retirement for accidental disability that has been found by the board to be
11 permanently and totally disabling from any employment, a teacher shall receive a retirement
12 allowance equal to sixty-six and two-thirds percent (66 2/3%) of the rate of the teacher's
13 compensation at the date of the teacher's retirement subject to the provisions of section 16-16-20.
14 The retirement board shall apply the terms of subsection 28-33-17(b) in determining total
15 disability.

16 **16-16-40. Additional benefits payable to retired teachers.** -- (a) All teachers and all
17 beneficiaries of teachers receiving any service retirement or ordinary disability retirement
18 allowance pursuant to the provisions of this chapter and chapter 17 of this title, on or before
19 December 31, 1967, shall receive a cost of living retirement adjustment equal to one and one-half
20 percent (1.5%) per year of the original retirement allowance, not compounded, for each year the
21 retirement allowance has been in effect. For purposes of computation credit shall be given for a
22 full calendar year regardless of the effective date of the retirement allowance. This cost of living
23 retirement adjustment shall be added to the amount of the service retirement allowance as of
24 January 1, 1970, and payment shall begin as of July 1, 1970. An additional cost of living
25 retirement adjustment shall be added to the original retirement allowance equal to three percent
26 (3%) of the original retirement allowance on the first day of January, 1971, and each year
27 thereafter through December 31, 1980.

28 (b) All teachers and beneficiaries of teachers receiving any service retirement or ordinary
29 disability retirement allowance pursuant to the provisions of this title who retired on or after
30 January 1, 1968, shall, on the first day of January, next following the third (3rd) year on
31 retirement, receive a cost of living adjustment, in addition to his or her retirement allowance, an
32 amount equal to three percent (3%) of the original retirement allowance. In each succeeding year
33 thereafter, on the first day of January, the retirement allowance shall be increased an additional
34 three percent (3%) of the original retirement allowance, not compounded, to be continued through

1 December 31, 1980.

2 (c) (1) Beginning on January 1, 1981, for all teachers and beneficiaries of teachers
3 receiving any service retirement and all teachers and all beneficiaries of teachers who have
4 completed at least ten (10) years of contributory service on or before July 1, 2005, pursuant to the
5 provisions of this chapter, and for all teachers and beneficiaries of teachers who receive a
6 disability retirement allowance pursuant to sections 16-16-14 -- 16-16-17, the cost of living
7 adjustment shall be computed and paid at the rate of three percent (3%) of the original retirement
8 allowance or the retirement allowance as computed in accordance with section 16-16-40.1,
9 compounded annually from the year for which the cost of living adjustment was determined to be
10 payable by the retirement board pursuant to the provisions of subsection (a) or (b) of this section.
11 Such cost of living adjustments are available to teachers who retire before October 1, 2009 or are
12 eligible to retire as of September 30, 2009.

13 (2) The provisions of this subsection shall be deemed to apply prospectively only and no
14 retroactive payment shall be made.

15 (3) The retirement allowance of all teachers and all beneficiaries of teachers who have
16 not completed at least ten (10) years of contributory service on or before July 1, 2005 or were not
17 eligible to retire as of September 30, 2009, shall, on the month following the third anniversary
18 date of the retirement, and on the month following the anniversary date of each succeeding year
19 be adjusted and computed by multiplying the retirement allowance by three percent (3%) or the
20 percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-U) as
21 published by the United States Department of Labor Statistics, determined as of September 30 of
22 the prior calendar year, whichever is less; the cost of living adjustment shall be compounded
23 annually from the year for which the cost of living adjustment was determined payable by the
24 retirement board; provided, that no adjustment shall cause any retirement allowance to be
25 decreased from the retirement allowance provided immediately before such adjustment. ~~This~~
26 ~~section shall not apply to all teachers and beneficiaries of teachers who receive a disability~~
27 ~~retirement allowance pursuant to sections 16-16-14 -- 16-16-17.~~

28 (d) The provisions of sections 45-13-7 -- 45-13-10 shall not apply to this section.

29 SECTION 5. Section 8-3-7, 8-3-8 of the General Laws in Chapter 8-3 entitled "Justices
30 of Supreme, Superior, and Family Courts" is hereby amended to read as follows:

31 **8-3-7. Retirement of justices on reduced pay -- Assignment as associate justices. --(a)**
32 Whenever any person engaged as a judge: (1) on or before [July 2, 1997] has served as a justice
33 of the supreme court, the superior court, the family court, the district court, or any combination
34 thereof for twenty (20) years, or has so served for ten (10) years and has reached the age of sixty-

1 five (65) years, that justice may retire from active service and thereafter the justice shall receive
2 annually during life a sum equal to three-fourths (3/4) of the annual salary that the justice was
3 receiving at the time of retirement;

4 (2) Subsequent to July 2, 1997 and prior to January 1, 2009, has served as a justice of the
5 supreme court, the superior court, the family court, the district court or any combination thereof,
6 for twenty (20) years, or has so served for ten (10) years and has reached the age of sixty-five
7 (65) years, said justice may retire from active service and thereafter said justice shall receive
8 annually during life a sum equal to three-fourths (3/4) of his or her average highest three (3)
9 consecutive years of compensation;

10 (3) On or after January 1, 2009, has served as a justice of the Supreme Court, the superior
11 court, the family court, the district court or any combination thereof, for twenty (20) years, or has
12 so served for ten (10) years and has reached the age of sixty-five (65) years, said justice may
13 retire from active service and thereafter said justice shall receive annually during life a sum equal
14 to seventy percent (70%) of his or her average highest three (3) consecutive years of
15 compensation.

16 (4) On or after July 1, 2009, shall have served as a justice of the supreme court, the
17 superior court, the family court, or any of them for twenty (20) years, or has served for ten (10)
18 years, and reached the age of sixty-five (65) years, said justice may retire from regular active
19 service and thereafter said justice shall receive annually during his or her life a sum equal to
20 sixty-five percent (65%) his or her average highest five (5) consecutive years of compensation.

21 (b) Whenever a justice or magistrate shall be granted a leave of absence without pay,
22 such absence shall not be credited towards active service time for the purposes of retirement.

23 (c) Any justice in any of the courts who shall retire in accordance with the provisions
24 of this section or section 36-9-5 may, at his or her own request and at the direction of the
25 chief justice of the supreme court, subject to the retiree's physical and mental competence, be
26 assigned to perform such services as an associate justice of the superior court, or the family court,
27 or the district court as the presiding justice of the superior court, or the chief judge of the family
28 court, or the district shall prescribe. When so assigned and performing such service, the justice
29 shall have all the powers and authority of an associate justice of the superior court, the family
30 court, or the district court but otherwise shall have no powers nor be authorized to perform any
31 judicial duties. Such a retired justice shall not be counted in the number of judges provided by
32 law for the superior court, the family court, or the district court.

33 (d) Any justice of the supreme court who shall retire in accordance with the provisions of
34 this section shall at the direction of the chief justice of the supreme court, subject to the retiree's

1 physical and mental competence, be assigned to perform such services as an associate justice of
2 the supreme court as the chief justice of the supreme court shall prescribe. When so assigned and
3 performing such services, the retiree shall have all the powers and authority of an associate justice
4 of the supreme court, but otherwise he or she shall have no powers nor be authorized to perform
5 any judicial duties relating to the supreme court, except as authorized under section 8-1-1. Such a
6 retired justice shall not be counted in the number of justices provided by law for the Supreme
7 Court.

8 **8-3-8. Retirement of justices on full pay -- Assignment as associate justices. --** (a)

9 Whenever any person engaged as a judge: (1) on or before [July 2, 1997] shall have served as a
10 justice of the supreme court, the superior court, the family court, the district court, or any of them
11 for twenty (20) years and has reached the age of sixty-five (65) years, or has served for fifteen
12 (15) years, and reached the age of seventy (70) years, that justice may retire from regular active
13 service and thereafter the justice shall receive annually during his or her life a sum equal to the
14 annual salary the justice was receiving at the time of his or her retirement.

15 (2) Subsequent to July 2, 1997 and prior to January 1, 2009, shall have served as a justice
16 of the supreme court, the superior court, the family court, the district court, or any of them for
17 twenty (20) years and has reached the age of sixty-five (65) years, or has served for fifteen (15)
18 years, and reached the age of seventy (70) years, said justice may retire from regular active
19 service and thereafter said justice shall receive annually during his or her life a sum equal to his
20 or her average highest three (3) consecutive years of compensation.

21 (3) On or after January 1, 2009, shall have served as a justice of the supreme court, the
22 superior court, the family court, the district court, or any of them for twenty (20) years and has
23 reached the age of sixty-five (65) years, or has served for fifteen (15) years, and reached the age
24 of seventy (70) years, said justice may retire from regular active service and thereafter said justice
25 shall receive annually during his or her life a sum equal to ninety percent (90%) of his or her
26 average highest three consecutive years of compensation.

27 (4) On or after July 1, 2009, shall have served as a justice of the supreme court, the
28 superior court, the family court, or any of them for twenty (20) years and has reached the age of
29 sixty-five (65) years, or has served for fifteen (15) years, and reached the age of seventy (70)
30 years, said justice may retire from regular active service and thereafter said justice shall receive
31 annually during his or her life a sum equal to eighty percent (80%) his or her average highest five
32 (5) consecutive years of compensation.

33 (b) Whenever a justice or magistrate shall be granted a leave of absence without pay,
34 such absence shall not be credited towards active service time for the purposes of retirement.

1 (c) Any justice of any of the courts who shall retire in accordance with the provisions of
2 this section shall at the direction of the chief justice of the supreme court, subject to the retiree's
3 physical and mental competence, be assigned to perform such services as an associate justice of
4 the superior court, or the family court, or the district court as the presiding justice of the superior
5 court, or the chief judge of the family court, or the district court shall prescribe. When so assigned
6 and performing such service, the retiree shall have all the powers and authority of an associate
7 justice of the superior court, the family court, or the district court but otherwise he or she shall
8 have no powers nor be authorized to perform any judicial duties. Such a retired justice shall not
9 be counted in the number of judges provided by law for the superior court, the family court, or the
10 district court.

11 (d) Any justice of the supreme court who shall retire in accordance with the provisions of
12 this section shall at the direction of the chief justice of the supreme court, subject to the retiree's
13 physical and mental competence, be assigned to perform such services as an associate justice of
14 the supreme court as the chief justice of the supreme court shall prescribe. When so assigned and
15 performing such services, the retiree shall have all the powers and authority of an associate justice
16 of the supreme court, but otherwise he or she shall have no powers nor be authorized to perform
17 any judicial duties relating to the supreme court, except as authorized under section 8-1-1. Such a
18 retired justice shall not be counted in the number of justices provided by law for the supreme
19 court.

20 SECTION 6. Section 8-8-10 of the General Laws in Chapter 8-8 entitled "District Court"
21 is hereby repealed.

22 ~~**8-8-10. Retirement of judges.**—Whenever any person has served as a judge in the court
23 for twenty (20) years and has reached the age of sixty five (65) years or has so served for fifteen
24 (15) years and has reached the age of seventy (70) years, he or she may resign his or her office
25 and thereafter he or she shall receive annually during his or her life a sum equal to (i) three
26 fourths (3/4) of the annual salary that he or she was receiving at the time of resignation or (ii) for
27 justices engaged on or after July 1 2009, three fourths (3/4) of his or her average highest five (5)
28 consecutive years annual compensation. For the purposes of eligibility for retirement under this
29 section, service as a justice on any predecessor district court prior to September 15, 1969 shall be
30 included as if that service had been on the district court created by this chapter.~~

31 SECTION 7. Sections 28-30-15.1 and 28-30-16.2 of the General Laws in Chapter 28-30
32 entitled "Workers' Compensation Court" are hereby amended to read as follows:

33 ~~**28-30-15.1. Retirement of judges engaged after July 2, 1997, on reduced pay.**—~~
34 **Retirement of judges engaged after July 2, 1997.** – (a)

1 Whenever any person first engaged as a judge: (1) subsequent to July 2, 1997 and prior to
2 January 1, 2009, has served as a workers' compensation judge for twenty (20) years, or has so
3 served for ten (10) years and has reached the age of sixty-five (65) years, he or she may retire
4 from active service and subsequently he or she shall receive annually during life a sum equal to
5 three-fourths (3/4) of his or her average highest three (3) consecutive years of compensation; (2)
6 On or after January 1, 2009 and prior to July 1, 2009, has served as a workers' compensation
7 judge for twenty (20) years or has so served for ten (10) years and reached the age of sixty-five
8 (65) years, he or she may retire from active service and subsequently he or she shall receive
9 annually during life a sum equal to seventy percent (70%) of his or her average highest three (3)
10 consecutive years or compensation; (3) On or after July 1, 2009, has served as a workers'
11 compensation judge for twenty (20) years, or has served for ten (10) years, and reached the age of
12 sixty-five (65) years, he or she may retire from regular active service and thereafter said justice
13 shall receive annually during his or her life a sum equal to sixty-five (65%) percent his or her
14 average highest five (5) consecutive years of compensation.

15 (b) In determining eligibility under this section, any judge who has served as a general
16 officer may include that service as if that service had been on the workers' compensation court.
17 Whenever a judge or magistrate shall be granted a leave of absence without pay, such absence
18 shall not be credited towards active service time for the purposes of retirement.

19 (c) Any judge who retires in accordance with the provisions of this section may at his or
20 her own request and at the direction of the chief judge of the court subject to the retiree's physical
21 and mental competence, be assigned to perform those services that a judge on the workers'
22 compensation court as the chief judge prescribes. When so assigned and performing those
23 services, he or she shall have all the powers and authority of a judge. A retired judge shall not be
24 counted in the number of judges provided by law for the workers' compensation court.

25 **28-30-16.2. Retirement of judges engaged after July 2, 1997, on full pay.** -- (a)
26 Whenever any person first engaged as a judge: (1) subsequent to July 2, 1997 and prior to January
27 1, 2009, has served as a workers' compensation judge for twenty (20) years and has reached the
28 age of sixty-five (65) years, or has served for fifteen (15) years and reached the age of seventy
29 (70) years, he or she may retire from regular active service and subsequently he or she shall
30 receive annually during his or her life a sum equal to his or her average highest three (3)
31 consecutive years of compensation; (2) On or after January 1, 2009 and prior to July 1, 2009 has
32 served as a workers' compensation judge for twenty (20) years and has reached the age of sixty-
33 five (65) years, or has served for fifteen (15) years and reached the age of seventy (70) years, he
34 or she may retire from regular active service and subsequently he or she shall receive annually

1 during his or her life a sum equal to ninety percent (90%) of his or her average highest three (3)
2 consecutive years of compensation; (3) On or after July 1, 2009 has served as a workers'
3 compensation judge for twenty (20) years and has reached the age of sixty-five (65) years, or has
4 served for fifteen (15) years and reached the age of seventy (70) years, he or she may retire from
5 regular active service and subsequently he or she shall receive annually during his or her life a
6 sum equal to eighty percent (80%) of his or her average highest five (5) consecutive years of
7 compensation.

8 (b) Whenever a judge or magistrate shall be granted a leave of absence without pay, such
9 absence shall not be credited towards active service time for the purposes of retirement.

10 (c) Any judge who retires in accordance with the provisions of this section shall at the
11 direction of the chief judge of the court, subject to the retiree's physical and mental competence
12 be assigned to perform those services as a judge that the chief judge prescribes. When so assigned
13 and performing that service, the retiree shall have all the powers and authority of a judge. The
14 retired judge shall not be counted in the number of judges provided by law for the workers'
15 compensation court.

16 SECTION 8. Section 36-10-2 of the General Laws in Chapter 36-10 entitled "Retirement
17 System-Contributions and Benefits" is hereby amended to read as follows:

18 **36-10-2. State contributions.** -- (a) The State of Rhode Island shall make its contribution
19 for the maintenance of the system, including the proper and timely payment of benefits in
20 accordance with the provisions of this chapter and chapters 8, 16, 28, 31 and 42 of this title, by
21 annually appropriating an amount equal to a percentage of the total compensation paid to the
22 active membership. The percentage shall be computed by the actuary employed by the retirement
23 system and shall be certified by the retirement board to the director of administration on or before
24 the fifteenth day of October in each year. In arriving at the yearly employer contribution the
25 actuary shall determine the value of:

- 26 (1) The contributions made by the members;
- 27 (2) Income on investments; and
- 28 (3) Other income of the system.

29 (b) The Actuary shall thereupon compute the yearly employer contribution that will:

- 30 (1) Pay the actuarial estimate of the normal cost for the next succeeding fiscal year;
- 31 (2) Amortize the unfunded liability of the system as of June 30, 1999 utilizing a time
32 period not to exceed thirty (30) years.

33 ~~(3) Provided, that the fiscal year 2009, the employer contribution shall be deferred from~~
34 ~~April 2 until June 30, 2009. The amounts that would have been contributed shall be deposited in a~~

1 ~~special fund and not used for any purpose.~~

2 (c) The State of Rhode Island shall remit to the general treasurer the employer's share of
3 the contribution for state employees, state police, and judges on a payroll frequency basis, and for
4 teachers in a manner pursuant to section 16-16-22.

5 (d) (1) In accordance with the intent of section 36-8-20 that the retirement system satisfy
6 the requirements of section 401(a) of the Internal Revenue Code of 1986, the state shall pay to the
7 retirement system:

8 (i) By June 30, 1995, an amount equal to the sum of the benefits paid to state legislators
9 pursuant to section 36-10-10.1 in excess of ten thousand dollars (\$10,000) per member (plus
10 accrued interest on such amount at eight percent (8%)) for all fiscal years beginning July 1, 1991,
11 and ending June 30, 1995, but this amount shall be paid only if section 36-10-10.1(e) becomes
12 effective January 1, 1995; and

13 (ii) By December 31, 1994, twenty million seven hundred eighty eight thousand eight
14 hundred twelve dollars and nineteen cents (\$20,788,812.19) plus accrued interest on that amount
15 at eight percent (8%) compounded monthly beginning March 1, 1991, and ending on the date this
16 payment is completed (reduced by amortized amounts already repaid to the retirement system
17 with respect to the amounts withdrawn by the state during the fiscal year July 1, 1990 -- June 30,
18 1991); and

19 (iii) By June 30, 1995, the sum of the amounts paid by the retirement system for retiree
20 health benefits described in section 36-12-4 for all fiscal years beginning July 1, 1989, and ending
21 June 30, 1994, to the extent that the amounts were not paid from the restricted fund described in
22 subsection (c).

23 (2) Any and all amounts paid to the retirement system under this subsection shall not
24 increase the amount otherwise payable to the system by the state of Rhode Island under
25 subsection (a) for the applicable fiscal year. The actuary shall make such adjustments in the
26 amortization bases and other accounts of the retirement system as he or she deems appropriate to
27 carry out the provisions and intent of this subsection.

28 (e) In addition to the contributions provided for in subsection (a) through (c) and in order
29 to provide supplemental employer contributions to the retirement system, commencing in fiscal
30 year 2006, and each year thereafter:

31 (1) For each fiscal year in which the actuarially determined state contribution rate for
32 state employees is lower than that for the prior fiscal year, the governor shall include an
33 appropriation to that system equivalent to twenty percent (20%) of the rate reduction for the
34 state's contribution rate for state employees to be applied to the actuarial accrued liability of the

1 state employees' retirement system for state employees for each fiscal year;

2 (2) For each fiscal year in which the actuarially determined state contribution rate for
3 teachers is lower than that for the prior fiscal year, the governor shall include an appropriation to
4 that system equivalent to twenty percent (20%) of the rate reduction for the state's share of the
5 contribution rate for teachers to be applied to the actuarial accrued liability of the state employees'
6 retirement system for teachers for each fiscal year;

7 (3) The amounts to be appropriated shall be included in the annual appropriation bill and
8 shall be paid by the general treasurer into the retirement system.

9 (f) While the retirement system's actuary shall not adjust the computation of the annual
10 required contribution for the year in which supplemental contributions are received, such
11 contributions once made may be treated as reducing the actuarial liability remaining for
12 amortization in the next following actuarial valuation to be performed.

13 SECTION 9. Section 16-16-22 of the General Laws in Chapter 16-16 entitled "Teachers'
14 Retirement" is hereby amended to read as follows:

15 **16-16-22. Contributions to state system.** -- (a) Each member shall contribute into the
16 system nine and one-half percent (9.5%) of compensation as his or her share of the cost of
17 annuities, benefits, and allowances. The employer contribution on behalf of teacher members of
18 the system shall be in an amount that will pay a rate percent of the compensation paid to the
19 members, according to the method of financing prescribed in the State Retirement Act in chapters
20 8 -- 10 of title 36. This amount shall be paid by the state, and sixty percent (60%) by the city,
21 town, local educational agency, or any formalized commissioner approved cooperative service
22 arrangement by whom the teacher members are employed, with the exception of teachers who
23 work in federally funded projects. Provided, however, that the rate percent paid shall be rounded
24 to the nearest hundredth of one percent (.01%).

25 (b) The employer contribution on behalf of teacher members of the system who work in
26 fully or partially federally funded programs shall be prorated in accordance with the share of the
27 contribution paid from the funds of the federal, city, town, or local educational agency, or any
28 formalized commissioner approved cooperative service arrangement by whom the teacher
29 members are approved.

30 (c) In case of the failure of any city, town, or local educational agency, or any formalized
31 commissioner approved cooperative service arrangement to pay to the state retirement system the
32 amounts due from it under this section within the time prescribed, the general treasurer is
33 authorized to deduct the amount from any money due the city, town, or local educational agency
34 from the state.

1 (d) The employer's contribution shared by the state shall be paid in the amounts
2 prescribed in this section for the city, town, or local educational agency and under the same
3 payment schedule. Notwithstanding any other provisions of this chapter, the city, town, or local
4 educational agency or any formalized commissioner approved cooperative service arrangement
5 shall remit to the general treasurer of the state the local employer's share of the teacher's
6 retirement payments on a monthly basis, payable by the fifteenth (15th) of the following month,
7 ~~provided that the employer contribution from the effective date of this act shall be deferred until~~
8 ~~June 30, 2009. The amounts that would have been contributed shall be deposited by the state in a~~
9 ~~special fund and not used for any purpose.~~ The general treasurer, upon receipt of the local
10 employer's share, shall effect transfer of a matching amount of money from the state funds
11 appropriated for this purpose by the general assembly into the retirement fund, ~~provided that for~~
12 ~~the period beginning April 2 to June 30 the general treasurer shall not make such transfer.~~

13 ~~Upon reconciliation of the final amount owed to the retirement fund for the employer~~
14 ~~share, the state shall ensure that any local education aid reduction assumed for the FY 2009~~
15 ~~revised budget in excess of the actual savings is restored to the respective local entities.~~

16 (e) This section is not subject to sections 45-13-7 through 45-13-10.

17 SECTION 10. Section 8-3-17 of the General Laws in Chapter 8-3 entitled "Justices of
18 Supreme, Superior, and Family Courts" is hereby amended to read as follows:

19 **8-3-17. State contributions.** -- The state of Rhode Island shall make its contribution for
20 the maintaining of the system established by section 8-3-16 and providing the annuities, benefits,
21 and retirement allowances in accordance with the provisions of this chapter by annually
22 appropriating an amount which will pay a rate percent of the compensation paid after December
23 31, 1989 to judges engaged after December 31, 1989. Such rate percent shall be computed and
24 certified in accordance with the procedures set forth in sections 36-8-13 and 36-10-2 under rules
25 and regulations promulgated by the retirement board pursuant to section 36-8-3. ~~Provided, that~~
26 ~~the employer contribution from the effective date of this act shall be deferred until June 30, 2009.~~
27 ~~The amounts that would have been contributed shall be deposited in a special fund and not used~~
28 ~~for any purpose.~~

29 SECTION 11. Section 42-28-22.2 of the General Laws in Chapter 42-28 entitled "State
30 Police" is hereby amended to read as follows:

31 **42-28-22.2. State contributions.** -- The state of Rhode Island shall make its contribution
32 for the maintaining of the system established by section 42-28-22.1 and providing the annuities,
33 benefits, and retirement allowances in accordance with the provisions of this chapter by annually
34 appropriating an amount which will pay a rate percent of the compensation paid after July 1, 1989

1 to members of the state police hired after July 1, 1987. This rate percent shall be computed and
2 certified in accordance with the procedures set forth in sections 36-8-13 and 36-10-2 under rules
3 and regulations promulgated by the retirement board pursuant to section 36-8-3. ~~Provided, that~~
4 ~~the employer contribution from the effective date of this act shall be deferred until June 30, 2009.~~
5 ~~The amount that would have been contributed shall be deposited in a special fund and not used~~
6 ~~for any purpose.~~

7 SECTION 12. Section 35-6-1 of the General Laws in Chapter 35-6 entitled "Accounts
8 and Control" is hereby amended to read as follows:

9 **35-6-1. Controller -- Duties in general.** -- (a) Within the department of administration
10 there shall be a controller who shall be appointed by the director of administration pursuant to
11 chapter 4 of title 36. The controller shall be responsible for accounting and expenditure control
12 and shall be required to:

13 (1) Administer a comprehensive accounting and recording system which will classify the
14 transactions of the state departments and agencies in accordance with the budget plan;

15 (2) Maintain control accounts for all supplies, materials, and equipment for all
16 departments and agencies except as otherwise provided by law;

17 (3) Prescribe a financial, accounting, and cost accounting system for state departments
18 and agencies;

19 (4) Preaudit all state receipts and expenditures;

20 (5) Prepare financial statements required by the several departments and agencies, by the
21 governor, or by the general assembly;

22 (6) Approve the orders drawn on the general treasurer; provided, that the preaudit of all
23 expenditures under authority of the legislative department and the judicial department by the state
24 controller shall be purely ministerial, concerned only with the legality of the expenditure and
25 availability of the funds, and in no event shall the state controller interpose his or her judgment
26 regarding the wisdom or expediency of any item or items of expenditure;

27 (7) Prepare and timely file, on behalf of the state, any and all reports required by the
28 United States, including, but not limited to, the internal revenue service, or required by any
29 department or agency of the state, with respect to the state payroll; and

30 (8) Prepare a preliminary closing statement for each fiscal year. The controller shall
31 forward the statement to the chairpersons of the house finance committee and the senate finance
32 committee, with copies to the house fiscal advisor and the senate fiscal and policy advisor, by
33 September 1 following the fiscal year ending the prior June 30 or thirty (30) days after enactment
34 of the appropriations act, whichever is later. The report shall include but is not limited to:

1 (i) A report of all revenues received by the state in the completed fiscal year, together
2 with the estimates adopted for that year as contained in the final enacted budget, and together
3 with all deviations between estimated revenues and actual collections. The report shall also
4 include cash collections and accrual adjustments;

5 (ii) A comparison of actual expenditures with each of the actual appropriations,
6 including supplemental appropriations and other adjustments provided for in the Rhode Island
7 General Laws;

8 (iii) A statement of the opening and closing surplus in the general revenue account; and

9 (iv) A statement of the opening surplus, activity, and closing surplus in the state budget
10 reserve and cash stabilization account and the state bond capital fund.

11 (b) The controller shall provide supporting information on revenues, expenditures,
12 capital projects, and debt service upon request of the house finance committee chairperson, senate
13 finance committee chairperson, house fiscal advisor, or senate fiscal and policy advisor.

14 (c) Upon issuance of the audited annual financial statement, the controller shall provide a
15 report of the differences between the preliminary financial report and the final report as contained
16 in the audited annual financial statement.

17 (d) Upon issuance of the audited financial statement, the controller shall transfer all
18 general revenues received in the completed fiscal year net of transfer to the state budget reserve
19 and cash stabilization account as required by section 35-3-20 in excess of those estimates adopted
20 for that year as contained in the final enacted budget to the employees' retirement system of the
21 state of Rhode Island as defined in section 36-8-2.

22 (9) The controller shall create a special fund not part of the general fund and shall deposit
23 amounts equivalent to all deferred contributions under this act into that fund. ~~Any amounts~~
24 ~~remaining in the fund on June 30 shall be transferred to the general treasurer who shall transfer~~
25 ~~such amounts into the retirement fund as appropriate.~~ From the special funds for deferred
26 contributions to the retirement system, the controller shall transfer the amounts due to the
27 retirement system to the general treasurer who shall transfer such amounts into the retirement
28 fund as appropriate.

29 SECTION 13. Section 8-3-11 of the General Laws in Chapter 8-3 entitled "Justices of
30 Supreme, Superior, and Family Courts" is hereby amended to read as follows:

31 **8-3-11. Allowances to surviving spouses, domestic partners or minor children of**
32 **deceased justices.** -- (a) Whenever any justice of the supreme court, the superior court, the family
33 court, or the district court who was engaged as a judge prior to January 1, 2009, dies after
34 retirement or during active service while eligible for retirement, or during active service after

1 having served fifteen (15) years or more in office, his or her surviving spouse or domestic partner
2 shall receive annually thereafter, during his or her lifetime and so long as he or she remains
3 unmarried or not in a domestic partnership, an amount equal to one-half (1/2) of the annual
4 payment that the justice was receiving by way of salary or retirement pay at the time of his or her
5 death. Whenever a justice of any of the courts shall die without having become eligible to retire
6 either under section 8-3-7 or 8-3-8 and has served seven (7) years or more in office, his or her
7 surviving spouse or domestic partner shall receive annually thereafter, during his or her lifetime
8 and so long as he or she remains unmarried or not in a domestic partnership, one-third (1/3) of
9 the annual salary that the justice was receiving at the time of his or her death. Whenever a justice
10 of the courts shall die without having become eligible to retire either under section 8-3-7 or 8-3-8
11 and has not served seven (7) years in office, his or her surviving spouse or domestic partner shall
12 receive annually thereafter, during his or her lifetime and so long as he or she remains unmarried
13 or not in a domestic partnership, one-fourth (1/4) of the annual salary that the justice was
14 receiving at the time of his or her death.

15 (b) Any justice of the courts who is engaged as a judge on or after January 1, 2009, and
16 prior to July 1, 2009 may elect to receive retirement pay that is reduced by an additional ten
17 percent (10%) of the average of the highest three (3) consecutive years annual compensation (i.e.,
18 ninety percent (90%) reduced to eighty percent (80%) or seventy percent (70) reduced to sixty
19 percent (60%)), and where such option is exercised by giving the general treasurer notice in
20 writing thereof within ninety (90) days after the date of his or her retirement his or her surviving
21 spouse or domestic partner or minor children shall receive annually one-half (1/2) of his or her
22 retirement pay during his or her lifetime so long as he or she remains unmarried or not in a
23 domestic partnership, or the children are under twenty-one (21) years of age provided, however,
24 for any justice engaged on or after July 1, 2009, the reduction shall be based on the average of the
25 highest five (5) consecutive years annual compensation.

26 (c) Whenever any justice of the supreme court, the superior court, the family court, or the
27 district court who was engaged as a judge on or after January 1, 2009, dies during active service
28 while eligible for retirement, or during active service after having served fifteen (15) years or
29 more in office, his or her surviving spouse or domestic partner shall receive annually thereafter,
30 during his or her lifetime and so long as he or she remains unmarried or not in a domestic
31 partnership, an amount equal to one-half (1/2) of the annual payment that the justice was
32 receiving by way of salary.

33 (d) Whenever a justice of any of the courts who was engaged as a judge on or after
34 January 1, 2009, shall die without having become eligible to retire either under sections 8-3-7 or

1 8-3-8 and has served seven (7) years or more in office, his or her surviving spouse or domestic
2 partner shall receive annually thereafter, during his or her lifetime and so long as he or she
3 remains unmarried or not in a domestic partnership, one-third (1/3) of the annual salary that the
4 justice was receiving at the time of his or her death.

5 (e) Whenever a justice of the courts who was engaged as a judge on or after January 1,
6 2009, shall die without having become eligible to retire either under sections 8-3-7 or 8-3-8 and
7 has not served seven (7) years or more in office, his or her surviving spouse or domestic partner
8 shall receive annually thereafter, during his or her lifetime and so long as he or she remains
9 unmarried or not in a domestic partnership, one-fourth (1/4) of the annual salary that the justice
10 was receiving at the time of his or her death.

11 ~~(e)(f) In the event the deceased justice shall have no surviving spouse or domestic~~
12 ~~partner, or the surviving spouse or domestic partner should predecease their minor children, then~~
13 ~~the benefits conferred by this section shall be received in equal shares by the minor children, if~~
14 ~~any, until each shall attain the age of twenty-one (21) years. Any justice of the courts who retires~~
15 ~~under the provisions of section 8-3-7, 8-3-8, or 8-3-12 may at his or her option elect to receive~~
16 ~~three-fourths (3/4) of his or her retirement pay, and where such option is exercised by giving the~~
17 ~~general treasurer notice in writing thereof within two (2) years after the date of his or her~~
18 ~~retirement, his or her surviving spouse or domestic partner or minor children shall receive~~
19 ~~annually one-half (1/2) of his or her retirement pay during his or her lifetime so long as he or she~~
20 ~~remains unmarried or not in a domestic partnership, or the children are under twenty one (21)~~
21 ~~years of age.~~

22 SECTION 14. Section 28-30-17 of the General Laws in Chapter 28-30 entitled "Workers'
23 Compensation Court" is hereby amended to read as follows:

24 **28-30-17. Allowance to surviving spouses and domestic partners of deceased judges.**

25 -- (a) Whenever any judge of the workers' compensation court who was engaged as a judge prior
26 to January 1, 2009 dies after retirement or during active service while eligible for retirement or
27 during active service after having served fifteen (15) years or more in office, his or her surviving
28 spouse or domestic partner shall receive annually thereafter during his or her lifetime and so long
29 as he or she remains unmarried or not in a domestic partnership, an amount equal to one-half (
30 1/2) of the annual payment that the judge was receiving by way of salary or retirement pay at the
31 time of his or her death.

32 (b) For those engaged as a judge on or after January 1, 2009, and prior to July 1, 2009,
33 the judge may elect to receive retirement pay that is reduced by an additional ten percent (10%)
34 of the average of the highest three (3) consecutive years annual compensation (i.e., ninety percent

1 (90%) reduced to eighty percent (80%) or seventy percent (70%) reduced to sixty percent (60%))
2 and where such option is exercised by giving the general treasurer notice in writing thereof within
3 ninety (90) days after the date of his or her retirement his or her surviving spouse or domestic
4 partner or minor children shall receive annually one-half (1/2) of his or her retirement pay during
5 his or her lifetime so long as he or she remains unmarried or not in a domestic partnership, or the
6 children are under twenty-one (21) years of age; provided, however, for any judge engaged on or
7 after July 1, 2009, the reduction shall be based upon the average of the highest five (5) years
8 consecutive annual compensation .

9 (c) Whenever a judge of the workers' compensation court dies without having become
10 eligible to retire either under section 28-30-15 or 28-30-16 and has served seven (7) years or more
11 in office, his or her surviving spouse or domestic partner shall receive annually thereafter during
12 his or her lifetime and so long as he or she remains unmarried or not in a domestic partnership
13 one-third (1/3) of the annual salary that the judge was receiving at the time of his or her death.

14 ~~(d) Any judge who retires under the provisions of section 28-30-15 or 28-30-16 may at~~
15 ~~his or her option elect to receive three fourths (3/4) of his or her retirement pay, and where that~~
16 ~~option is exercised by giving the general treasurer notice in writing within two (2) years after the~~
17 ~~date of his or her retirement, his or her surviving spouse or domestic partner or minor children~~
18 ~~shall receive annually one half (1/2) of his or her retirement pay during his or her lifetime so~~
19 ~~long as he or she remains unmarried or not in a domestic partnership or the children are under~~
20 ~~twenty one (21) years of age.~~

21 (d) Whenever any judge of the workers' compensation court who was engaged as a judge
22 on or after January 1, 2009 dies during active service while eligible for retirement or during
23 active service after having served fifteen (15) years or more in office, his or her surviving spouse
24 or domestic partner shall receive annually thereafter during his or her lifetime and so long as he
25 or she remains unmarried or not in a domestic partnership, an amount equal to one-half (1/2) of
26 the annual payment that the judge was receiving by way of salary or retirement pay at the time of
27 his or her death.

28 (e) Whenever a judge of the workers' compensation court dies without having become
29 eligible to retire either under section 28-30-15 or 28-30-16 and has not served seven (7) years in
30 office, his or her surviving spouse or domestic partner shall subsequently receive annually during
31 his or her lifetime and so long as he or she remains unmarried or not in a domestic partnership,
32 one fourth (1/4) of the annual salary that the judge was receiving at the time of his or her death.

33 (f) In the event the deceased judge has no surviving spouse or domestic partner or the
34 surviving spouse or domestic partner predeceases their minor children, the benefits conferred by

1 this section shall be received in equal shares by the minor children, if any, until each attains the
2 age of twenty-one (21) years.

3 SECTION 15. This article shall take effect upon passage.

4

1 **ARTICLE 8 SUBSTITUTE A**

2 RELATING TO EMPLOYMENT SECURITY TRUST FUND AND CONTRIBUTIONS

3 SECTION 1. Section 28-42-33 of the General Laws in Chapter 28-42 entitled
4 "Employment Security - General Provisions" is hereby amended to read as follows:

5 **28-42-33. Modifications to protect fund.** – (a) Whenever the director believes that a
6 change in contribution and/or benefit rates will become necessary to protect the solvency of the
7 fund, he or she shall at once inform the governor and the general assembly and make
8 recommendations accordingly. In that case, the governor may declare an emergency and
9 authorize the director to announce a modified scale of benefits, an increased waiting period, or
10 other changes in rules and regulations regarding eligibility for payment of benefits which the
11 director may deem necessary to assure the solvency of the fund. Those modified regulations are
12 to be in effect until the governor declares the emergency at an end, or until further action is taken
13 by the general assembly.

14 (b) The governor may also request Title XII advances from the federal unemployment
15 account to the account of the State of Rhode Island in the unemployment trust fund in accordance
16 with the provisions of Section 1201 of the Social Security Act. The governor may delegate
17 authority to request funds in this manner to the director, who may request advances in payment as
18 he or she deems necessary, provided that upon making such a request, the director shall notify the
19 governor, the speaker of the house, the senate president, the chairman of the house finance
20 committee and the chairman of the senate finance committee of the action taken.

21 SECTION 2. Section 28-43-34 of the General Laws in Chapter 28-43 entitled
22 "Employment Security - Contributions" is hereby amended to read as follows:

23 **28-43-34. Repayment -- Federal advances.** -- (a) If at any time the amount in the
24 employment security fund exceeds the amount of any outstanding balance of this state due to the
25 federal unemployment account in the unemployment trust fund, the governor may, upon
26 recommendation of the director, in accordance with federal law and regulations in effect, cause to
27 be paid from the employment security fund an amount equal to the outstanding balance to the
28 federal unemployment account.

29 (b) If on June 30, 1985, or on any subsequent June 30, the amount in the employment
30 security fund exceeds the amount of any outstanding balance of this state due to the federal

1 unemployment account in the unemployment trust fund, the governor shall, in accordance with
2 federal law and regulations then in effect, cause to be paid from the employment security fund an
3 amount equal to the outstanding balance to the federal unemployment account; provided, that the
4 remaining balance in the unemployment security fund after that payment will equal or exceed
5 twenty-five percent (25%) of the amount of benefits estimated by the director to be paid in the
6 next succeeding twelve (12) months.

7 (c) In any calendar year beginning on or after January 1, 1983, The governor may, upon
8 recommendation of the director, cause to be paid from the employment security fund to the
9 federal unemployment account, any amount or amounts if, in accordance with federal laws and
10 regulations then in effect, the governor deems that payment to be in the best interest of this state.

11 (d) The governor may delegate his or her authority to make voluntary repayments of Title
12 XII advances from the account of the State of Rhode Island in the unemployment trust fund to the
13 federal unemployment account to the director in accordance with the provisions of Section 1202
14 of the Social Security Act. The director may make voluntary repayments as he or she deems
15 necessary, provided that upon making such a voluntary repayment, the director shall notify the
16 governor, the speaker of the house, the senate president, the chairman of the house finance
17 committee and the chairman of the senate finance committee of the action taken.

18 SECTION 3. Section 28-43-8 of the General Laws in Chapter 28-43 entitled
19 "Employment Security - Contributions" is hereby amended to read as follows:

20 **28-43-8. Experience rates -- Tables.** -- (a) (1) Whenever, as of September 30, 1987, or
21 any subsequent computation date, the amount in the employment security fund available for
22 benefits is six and four tenths percent (6.4%) or more of total payrolls as determined in section
23 28-43-1(9), an experience rate for each eligible employer for the immediately following calendar
24 year shall be determined in accordance with schedule A in this subsection.

25 (2) Whenever, as of September 30, 1987, or any subsequent computation date, the
26 amount in the employment security fund available for benefits is six and one-tenth percent (6.1%)
27 but less than six and four-tenths (6.4%) of total payrolls as determined in section 28-43-1(9), an
28 experience rate for each eligible employer for the immediately following calendar year shall be
29 determined in accordance with schedule B in this subsection.

30 (3) Whenever, as of September 30, 1987, or any subsequent computation date the
31 amount in the employment security fund available for benefits is five and eight-tenths percent
32 (5.8%) but less than six and one-tenth (6.1%) of total payrolls as determined in section 28-43-
33 1(9), an experience rate for each eligible employer for the immediately following calendar year
34 shall be determined in accordance with schedule C in this subsection.

1 (4) Whenever, as of September 30, 1987, or any subsequent computation date the
2 amount in the employment security fund available for benefits is five and three-tenths percent
3 (5.3%) but less than five and eight-tenths (5.8%) of total payrolls as determined in section 28-43-
4 1(9), an experience rate for each eligible employer for the immediately following calendar year
5 shall be determined in accordance with schedule D in this subsection.

6 (5) Whenever, as of September 30, 1987, or any subsequent computation date the
7 amount in the employment security fund available for benefits is four and seven-tenths percent
8 (4.7%) but less than five and three-tenths (5.3%) of total payrolls as determined in section 28-43-
9 1(9), an experience rate for each eligible employer for the immediately following calendar year
10 shall be determined in accordance with schedule E in this subsection.

11 (6) Whenever, as of September 30, 1987, or any subsequent computation date the
12 amount in the employment security fund available for benefits is three and six-tenths percent
13 (3.6%) but less than four and seven-tenths (4.7%) of total payrolls as determined in section 28-
14 43-1(9), an experience rate for each eligible employer for the immediately following calendar
15 year shall be determined in accordance with schedule F in this subsection.

16 (7) Whenever, as of September 30, 1987, or any subsequent computation date the
17 amount in the employment security fund available for benefits is three percent (3%) but less than
18 three and six-tenths (3.6%) of total payrolls as determined in section 28-43-1(9), an experience
19 rate for each eligible employer for the immediately following calendar year shall be determined in
20 accordance with schedule G in this subsection.

21 (8) Whenever, as of September 30, 1987, or any subsequent computation date the
22 amount in the employment security fund available for benefits is two and seventy five hundredths
23 percent (2.75%) but less than 3 percent (3%) of total payrolls as determined in section 28-43-1(9),
24 an experience rate for each eligible employer for the immediately following calendar year shall be
25 determined in accordance with schedule H in this subsection.

26 (9) Whenever, as of September 30, 1987, or any subsequent computation date the
27 amount in the employment security fund available for benefits is less than two and seventy five
28 hundredths percent (2.75%) of total payrolls as determined in section 28-43-1(9), an experience
29 rate for each eligible employer for the immediately following calendar year shall be determined in
30 accordance with schedule I in this subsection.

31 (10) Whenever the amount in the employment security fund available for benefits, net of
32 obligations owed to the federal government, is less than zero at the end of the second month in
33 any calendar quarter, every employer subject to the contribution provisions of this chapter shall
34 be required to pay a surtax of three-tenths of one percent (.3%) of the individual employer's

1 taxable wages for the calendar quarter, in addition to any other contribution which the employer
2 is required to make under any other provision of this chapter; provided, however, that this surtax
3 shall not be imposed during any quarter of calendar years 2009 and 2010 during which the
4 interest on federal Title XII advances under section 1201 of the Social Security Act has been
5 waived.

6 (b) The contribution rate for each employer for a given calendar year shall be determined
7 and the employer notified of it not later than April 1 next succeeding each computation date. That
8 determination shall be binding unless an appeal is taken in accordance with provisions of section
9 28-43-13.

10 SECTION 4. This article shall take effect upon passage.

11

1 **ARTICLE 9 SUBSTITUTE A**

2 RELATING TO MUNICIPAL TIPPING FEES

3 SECTION 1. Section 39-3-11.2 of the General Laws in Chapter 39-3 entitled "Regulatory
4 Powers of Administration" is hereby amended to read as follows:

5 **39-3-11.2. Interim rates.** – Notwithstanding the provisions of titles 23 and 39, the
6 municipal tipping fee charged by the resource recovery corporation shall be as follows:

7 (1) Thirty-two dollars (\$32.00) per ton from ~~July 1, 2008 to June 30, 2009~~ July 1, 2009 to
8 June 30, 2010, for any municipality that recycles between zero percent (0%) and ~~twenty-four~~
9 ~~percent (24%)~~ twenty-three and ninety-nine hundredths percent (23.99%) of its solid waste at the
10 corporation's material recycling facility ("MRF") in Johnston.

11 (2) Thirty-one dollars (\$31.00) per ton from ~~July 1, 2008 to June 30, 2009~~ July 1, 2009 to
12 June 30, 2010, for any municipality that recycles between ~~twenty-five percent (25%)~~ twenty-four
13 percent (24%) and ~~twenty-nine percent (29%)~~ twenty-nine and ninety-nine hundredths percent
14 (29.99%) of its solid waste at the Corporation's ("MRF") in Johnston.

15 (3) Thirty dollars (\$30.00) per ton from ~~July 1, 2008 to June 30, 2009~~ July 1, 2009 to
16 June 30, 2010, for any municipality that recycles between thirty percent (30%) and ~~thirty-four~~
17 ~~percent (34%)~~ thirty-four and ninety-nine hundredths percent (34.99%) of its solid waste at the
18 Corporation's ("MRF") in Johnston.

19 (4) Twenty-nine dollars (\$29.00) per ton from ~~July 1, 2008 to June 30, 2009~~ July 1, 2009
20 to June 30, 2010, for any municipality that recycles thirty-five percent (35%) or more of its solid
21 waste at the Corporation's ("MRF") in Johnston.

22 (5) The corporation shall issue a rebate not later than ~~August 1, 2009~~ September 1, 2010
23 to those municipalities qualifying for a year end tipping fee adjustment according to the
24 municipality's actual recorded tonnage delivered to the MRF in Johnston, and in accordance with
25 the provisions of the municipality's current-year signed solid waste and recycling services
26 agreement with the corporation.

27 SECTION 2. This article shall take effect as of July 1, 2009.

28
29

ARTICLE 10 SUBSTITUTE A

RELATING TO JUDICIAL ARBITRATION FEES

SECTION 1. Section 8-6-5 of the General Laws in Chapter 8-6 entitled “General Powers of Supreme and Superior Courts” is hereby amended to read as follows:

8-6-5. Arbitration of civil actions. – The presiding justice of the superior court may promulgate rules and regulations providing for compulsory and/or noncompulsory nonbinding arbitration of such category or categories of civil actions filed in or appealed to the superior court as he or she shall determine. The matter shall be heard by a single arbitrator who shall be selected by mutual agreement of the plaintiff(s) and defendant(s). If after thirty (30) days the plaintiff(s) and defendant(s) are unable to agree upon the selection of an arbitrator, a justice of the superior court shall select the arbitrator upon request in writing from either party. The costs of arbitration shall be borne by the Rhode Island state court system and a reasonable cost of the arbitration not to exceed three hundred dollars (\$300) per case may be assessed and apportioned to each of the parties by the superior court pursuant to rules and regulations promulgated by the presiding justice of the superior court consistent with § 8-6-6. The assessed costs received from the parties shall be deposited into the general fund. Any party dissatisfied with the decision of the arbitrator may demand a trial by jury if one was timely claimed in the complaint or answer, or a trial by judge if no jury trial was claimed. The decision of the arbitrator shall not be admissible at the trial. The court may require a party who rejects an arbitrator's award and demands a trial to post a two hundred dollar (\$200) filing fee. The filing fee shall be posted with the superior court clerk and deposited into ~~the general fund~~ an arbitration fund restricted receipt account established under the control of the state court director of finance. The arbitration funds shall not be subject to the indirect cost recoveries provisions set forth in § 35-4-27. If more than one party rejects the arbitrator's award and demands a trial, the filing fee shall be apportioned amongst them. Should the verdict at trial be more favorable to the party than the arbitrator's award, the filing fee shall be reimbursed to that party. Should the verdict be equal to or less favorable to the party than the arbitrator's award, the filing fee posted shall be forfeited as a sanction. If forfeited as a sanction the fee shall remain available ~~to the general fund.~~ for program expenses from the arbitration fund restricted receipt account. The presiding justice of the superior court shall be authorized to retain the services of qualified arbitrators and to direct payment for such services and other related

1 [expenses from the arbitration fund restricted receipt account and](#) may appoint an administrator of
2 the arbitration program for a ten (10) year term and until a successor is appointed and qualified.

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

5 **35-4-27. Indirect cost recoveries on restricted receipt accounts.** – Indirect cost
6 recoveries of ten percent (10%) of cash receipts shall be transferred from all restricted receipt
7 accounts, to be recorded as general revenues in the general fund. However, there shall be no
8 transfer from cash receipts with restrictions received exclusively: (1) from contributions from
9 non-profit charitable organizations; (2) from the assessment of indirect cost recovery rates on
10 federal grant funds; or (3) through transfers from state agencies to the department of
11 administration for the payment of debt service. These indirect cost recoveries shall be applied to
12 all accounts, unless prohibited by federal law or regulation, court order, or court settlement. The
13 following restricted receipt accounts shall not be subject to the provisions of this section:

- 14 Department of Human Services
 - 15 Veterans' home – Restricted account
 - 16 Veterans' home – Resident benefits
 - 17 Organ transplant fund
 - 18 Veteran's Cemetery Memorial Fund
- 19 Department of Health
 - 20 Pandemic medications and equipment account
- 21 Department of Mental Health, Retardation and Hospitals
 - 22 Hospital Medicare Part D Receipts
 - 23 RICLAS Group Home Operations
- 24 Department of Environmental Management
 - 25 National heritage revolving fund
 - 26 Environmental response fund II
 - 27 Underground storage tanks
- 28 Rhode Island Council on the Arts
 - 29 Art for public facilities fund
- 30 Rhode Island Historical Preservation and Heritage Commission
 - 31 Historic preservation revolving loan fund
 - 32 Historic Preservation loan fund – Interest revenue
- 33 State Police
 - 34 Forfeited property – Retained

1 Forfeitures – Federal
2 Forfeited property – Gambling
3 Donation – Poly graph and Law Enforcement Training
4 Attorney General
5 Forfeiture of property
6 Federal forfeitures
7 Attorney General multi-state account
8 Department of Administration
9 Restore and replacement – Insurance coverage
10 Convention Center Authority rental payments
11 Investment Receipts – TANS
12 Car Rental Tax/Surcharge-Warwick Share
13 OPEB System Restricted Receipt Account
14 Legislature
15 Audit of federal assisted programs
16 Department of Elderly Affairs
17 Pharmaceutical Rebates Account
18 Department of Children Youth and Families
19 Children's Trust Accounts – SSI
20 Military Staff
21 RI Military Family Relief Fund
22 Treasury
23 Admin. Expenses – State Retirement System
24 Retirement – Treasury Investment Options
25 Business Regulation
26 Banking Division Reimbursement Account
27 Office of the Health Insurance Commissioner Reimbursement Account
28 Securities Division Reimbursement Account
29 Commercial Licensing and Racing and Athletics Division Reimbursement
30 Account
31 Insurance Division Reimbursement Account
32 Historic Preservation Tax Credit Account
33 Judiciary
34 Arbitration Fund Restricted Receipt Account

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SECTION 3. This article shall take effect as of July 1, 2009.

1 (b) The fee for filing an application for initial registration of a franchise under section
2 19-28.1-9 is ~~five hundred dollars (\$500)~~ six hundred dollars (\$600).

3 (c) The fee for filing a notice of exemption under section 19-28.1-6 is ~~three hundred~~
4 ~~dollars (\$300)~~ three hundred sixty dollars (\$360).

5 (d) The fee for filing an application for renewal of a registration under section 19-28.1-9
6 is ~~two hundred fifty dollars (\$250)~~ three hundred dollars (\$300).

7 (e) The fee for filing a request for an amendment to an application under section 19-
8 28.1-11 is ~~one hundred dollars (\$100)~~ one hundred twenty dollars (\$120).

9 (f) The fee for filing a request for an interpretive opinion under section 19-28.1-27(c) is
10 three hundred dollars (\$300).

11 (g) The fee for filing advertising is ten dollars (\$10.00) per item.

12 SECTION 3. Section 7-11-206 of the General Laws in Chapter 7-11 entitled "Rhode
13 Island Uniform Securities Act" is hereby amended to read as follows:

14 **7-11-206. Licensing and notice fees; and filing requirements for federal covered**

15 **advisers.** -- (a) A federal covered adviser or an applicant for licensing shall pay an annual fee as
16 follows:

17 (1) Broker dealer ~~two hundred and fifty dollars (\$250)~~ three hundred dollars (\$300) and
18 for each branch office one hundred dollars (\$100);

19 (2) Sales representative ~~fifty dollars (\$50.00)~~ sixty dollars (\$60);

20 (3) Investment adviser ~~two hundred and fifty dollars (\$250)~~; three hundred dollars
21 (\$300); ~~and~~

22 (4) Investment adviser representative ~~fifty dollars (\$50.00)~~; sixty dollars (\$60); ~~and~~

23 (5) Federal covered adviser two hundred and fifty dollars (\$250).

24 (b) Except with respect to federal covered advisers whose only clients are those
25 described in section 7-11-204(1)(i), a federal covered adviser shall file any documents filed with
26 the U.S. Securities and Exchange Commission with the director, that the director requires by rule
27 or order, together with any notice fee and consent to service of process that the director requires
28 by rule or order. The notice filings under this subsection expire annually on December 31, unless
29 renewed.

30 (c) A notice filing under this section is effective from receipt until the end of the
31 calendar year. A notice filing may be renewed by filing any documents that have been filed with
32 the U.S. Securities and Exchange Commission as required by the director along with a renewal
33 fee of two hundred fifty dollars (\$250).

34 (d) A federal covered adviser may terminate a notice filing upon providing the director

1 notice of the termination, which is effective upon receipt by the director.

2 (e) Notwithstanding the provisions of this section, until October 11, 1999, the director
3 may require the registration as an investment adviser of any federal covered adviser who has
4 failed to promptly pay the fees required by this section after written notification from the director
5 of the non-payment or underpayment of the fees. A federal covered adviser is considered to have
6 promptly paid the fees if they are remitted to the director within fifteen (15) days following the
7 federal covered adviser's receipt of written notice from the director.

8 (f) For purposes of this section, "branch office" means any location where one or more
9 associated persons of a broker-dealer regularly conducts the business of effecting any transactions
10 in, or inducing or attempting to induce the purchase or sale of any security, or is held out as such,
11 excluding:

12 (1) Any location that is established solely for customer service and/or back office type
13 functions where no sales activities are conducted and that is not held out to the public as a branch
14 office;

15 (2) Any location that is the associated person's primary residents; provided that:

16 (i) Only one associated person, or multiple associated persons who reside at that location
17 and are members of the same immediate family, conduct business at the location;

18 (ii) The location is not held out to the public as an office and the associated person does
19 not meet with customers at the location;

20 (iii) Neither customer funds nor securities are handled at that location;

21 (iv) The associated person is assigned to a designated branch office, and such designated
22 branch office is reflected on all business cards, stationery, advertisements and other
23 communications to the public by such associated person;

24 (v) The associated person's correspondence and communications with the public are
25 subject to the firm's supervision in accordance with Rule 3010 of the Financial Industry
26 Regulatory Authority;

27 (vi) Electronic communications are made through the broker-dealer's electronic system;

28 (vii) All orders are entered through the designated branch office or an electronic system
29 established by the broker-dealer that is reviewable at the branch office;

30 (viii) Written supervisory procedures pertaining to supervision of sales activities
31 conducted at the residence are maintained by the broker-dealer; and

32 (ix) A list of the residence locations is maintained by the broker-dealer;

33 (3) Any location, other than a primary residence, that is used for securities business for
34 less than thirty (30) business days in any one calendar year, provided the broker-dealer complies

1 with the provisions of paragraph (f)(2)(i) through (ix) above;

2 (4) Any office of convenience, where associated person occasionally and exclusively by
3 appointment meet with customers, which is not held out to the public as an office.

4 (5) Any location that is used primarily to engage in non-securities activities and from
5 which the associated person(s) effects no more than twenty-five (25) securities transactions in any
6 one calendar year; provided that any advertisement or sales literature identifying such location
7 also sets forth the address and telephone number of the location from which the associated
8 person(s) conducting business at the non-branch locations are directly supervised;

9 (6) The floor of a registered national securities exchange where a broker-dealer conducts
10 a direct access business with public customers.

11 (7) A temporary location established in response to the implementation of a business
12 continuity plan.

13 (8) Notwithstanding the exclusions in paragraph (f), any location that is responsible for
14 supervising the activities of persons associated with the broker-dealer at one or more non-branch
15 locations of the broker-dealer is considered to be a branch office.

16 (9) The term "business day" as used in subsection 7-11-206(f) shall not include any
17 partial business day provided that the associated person spends at least four (4) hours on such
18 business day at his or her designated branch office during the hours that such office is normally
19 open for business.

20 (10) Where such office of convenience is located on bank premises, signage necessary to
21 comply with applicable federal and state laws, rules and regulations and applicable rules and
22 regulations of the New York Stock Exchange, other self-regulatory organizations, and securities
23 and banking regulators may be displayed and shall not be deemed "holding out" for purposes of
24 subdivision 7-11-206(f)(iv).

25 (g) If an application is denied or withdrawn or the license is revoked, suspended, or
26 withdrawn, the director is not required to refund the fee paid.

27 (h) The director may issue a stop order suspending the activities of a federal covered
28 adviser in this state if the director reasonably believes there has been a violation of the provisions
29 of this section.

30 SECTION 4. Sections 553.1-2 and 553.1-8 of the General Laws in Chapter 553.1
31 entitled "Solicitation by Charitable Organizations" are hereby amended to read as follows:

32 **5-53.1-2. Registration of charitable organizations.** -- (a) Every charitable organization,
33 except as otherwise provided in section 5-53.1-3, which acts, operates, transacts business in this
34 state or which intends to solicit contributions from persons in this state by any means whatsoever,

1 shall, prior to any solicitation, file with the director upon forms prescribed by the department, the
2 following information:

3 (1) The name of the charitable organization and the name or names under which it
4 intends to solicit contributions;

5 (2) The names and addresses where each can regularly be found of the officers, directors,
6 trustees, partners and senior level executive employees and, for a limited liability company or
7 limited liability partnership, also the members, partners and managers, for the charitable
8 organization, as the case may be, as well as the person or persons responsible for the day to day
9 operations of the charitable organization;

10 (3) The addresses of the charitable organization and the addresses of any offices in this
11 state. If the charitable organization does not maintain an office, the name and address of the
12 person having custody of its financial records;

13 (4) Where and when the charitable organization was established, the form of its
14 organization and its tax exempt status, if any, issued by the United States Internal Revenue
15 Service;

16 (5) A general description of all the uses for which the contribution to be solicited will be
17 applied;

18 (6) The date on which the fiscal year of the charitable organization ends;

19 (7) Whether the charitable organization is authorized by any other governmental agency
20 to solicit contributions and whether it or any of its present officers, directors, members (if a
21 limited liability company), trustees, partners or the senior level executive employees are or have
22 ever been enjoined by any court from soliciting contributions or have been found by a final
23 judgment to have engaged in unlawful practices regarding solicitation of contributions or
24 administration of charitable assets and whether its registration or license has been suspended or
25 canceled by any governmental agency together with the reasons for the suspension or
26 cancellation;

27 (8) The names and addresses of any professional fund raisers or fund raising counsels
28 who are acting or have agreed to act in this state on behalf of the charitable organization along
29 with a copy of the contract for the services;

30 (9) The charitable organization's most recent annual report, if any, in accordance with the
31 requirements of section 5-53.1-4;

32 (10) The names and addresses of any chapters, branches, affiliates or other organizations
33 that during the immediately preceding fiscal year of the charitable organization share the
34 contributions or other revenue raised in this state. Provided, that any contribution to another

1 organization which is merely transferred by or through a United Way, a federated fund, or an
2 incorporated community appeal, which transferee organization is selected by the donor, does not
3 need to be included;

4 (11) The percentage of contributions received in the immediately preceding fiscal year
5 that was spent for fund raising and for administration;

6 (12) A listing of the names and the compensation of the charitable organization's five (5)
7 most highly compensated individuals in excess of the amount specified as requiring disclosure on
8 United States Internal Revenue Service (IRS) Form 990 (or the appropriate successor form by
9 whatever name or number it may be called or designated), including, without limitation, directors,
10 officers, members (if a limited liability company), trustees, partners, employees or agents, for the
11 immediately preceding fiscal year, and the total number of individuals, including, without
12 limitation, directors, officers, members (if a limited liability company), trustees, partners,
13 employees, and agents of the charitable organization, earning annual compensation in excess of
14 the amount referred to above for the immediately preceding fiscal year;

15 (13) Whether any director, officer, member (if a limited liability company), trustee,
16 partner, employee or agent or senior level executive employee of the charitable organization has
17 been convicted of a felony, or pled nolo contendere to a felony charge, or is held liable in a civil
18 action by final judgment if the felony or civil action involved fraud, embezzlement, fraudulent
19 conversion or misappropriation of property; and

20 (b) A charitable organization shall be deemed to have met the filing requirements in this
21 section by submitting a copy or duplicate original of IRS Form 990 (or the appropriate successor
22 form by whatever name it may be called); provided, that the organization responds to
23 subdivisions (a)(3), (a)(7), (a)(8), (a)(11), and (a)(13) of this section.

24 (c) The registration form shall be signed under penalty of perjury by two (2) authorized
25 officials of the charitable organization, one of whom shall be a director or trustee.

26 (d) For filing the registration, the department shall receive a fee of ~~seventy-five dollars~~
27 ~~(\$75.00)~~, ninety dollars (\$90), to be paid at the time of registration.

28 (e) Registration under this section shall expire one year following the approval of the
29 application by the department, unless the director prescribes a different period by rule or order.
30 Re-registration shall also be for a similar period of one year and may be effected by filing an
31 application on forms prescribed by the director no later than thirty (30) days prior to the
32 expiration of the prior registration.

33 (f) Every registered charitable organization shall notify the director within thirty (30)
34 days of any material change, of which it has actual knowledge, in the information required to be

1 furnished by the charitable organization under this section. For the purposes of this section, the
2 requirement to notify the director of a material change applies only with respect to subdivisions
3 (a)(1), (a)(3), (a)(4), (a)(5), (a)(6), (a)(7), (a)(8), (a)(9) and (a)(13) of this section.

4 (g) Registration statements, financial reports, professional fund raisers' contracts, and all
5 other documents required to be filed pursuant to this chapter shall become public records in the
6 office of the director, except as may be otherwise specifically prohibited by this chapter or by the
7 provisions of chapter 2 of title 38.

8 (h) No charitable organization, professional fund raiser or fund raising counsel shall use
9 or exploit the fact of registration, in any manner whatsoever, so as to lead the public to believe
10 that registration in any manner constitutes an endorsement or approval by the state.

11 (i) The department may enter into reciprocal agreements with the appropriate authorities
12 of any other state or the United States for the purpose of exchanging complaint and investigative
13 information under this chapter.

14 **5-53.1-8. Professional fund raisers and fund raising counsel.** -- (a) No person shall act,
15 operate or transact business as a professional fund raiser or fund raising counsel in this state
16 before he, she or it has registered with the director or after the expiration or cancellation of such
17 registration. Applications for registration and re-registration shall be in writing, under oath and
18 penalty of perjury, in the form prescribed by the director and shall be accompanied by an annual
19 fee in the sum of ~~two hundred dollars (\$200)~~ two hundred forty dollars (\$240). A professional
20 fund raiser who has access or the ability to access or control funds that are being solicited shall at
21 the time of making application for registration or re-registration, file with, and have approved by,
22 the director a bond. In the bond, the filer shall be the principal obligor, in the sum of ten thousand
23 dollars (\$10,000), with one or more sureties whose liability in the aggregate as sureties will at
24 least equal that sum. The bond which may be in the form of a rider to a larger blanket liability
25 bond shall run to the director for the use of the state and to any person who may have a cause of
26 action against the obligor of the bond for any malfeasance or misfeasance in the conduct of the
27 solicitation. Registration or re-registration when effected shall be for a period of one year, or a
28 part thereof, expiring on the thirtieth (30th) day of June. An application for re-registration shall be
29 filed no more than thirty (30) days prior to the expiration of the registration. Applications for
30 registration and re-registration and bonds when filed with the director, shall become public
31 records in the office of the director. If there is any material change in the information provided in
32 any application for registration and re-registration, the applicant or registrant shall notify the
33 director, in writing, within twenty (20) days of the change.

34 (b) A professional fund raiser and fund raising counsel shall maintain accurate and

1 current books and records of all activities while required to be registered under subsection (a) of
2 this section; and, until at least three (3) years shall have elapsed after the end of the effective
3 period of the registration to which they relate, the books and records shall be maintained in an
4 office available for inspection and examination by the director; provided, that any books and
5 records obtained by the director shall not be available to the public for inspection. The
6 professional fund raiser or fund raising counsel shall not be required to make available to the
7 director the names and addresses of members and donors, except with their consent or the consent
8 of the organization or through legal process where good cause has been shown by the director to
9 question compliance with this chapter and access to the information is necessary to determine
10 compliance. Nothing contained in this section shall be construed to limit an organization's ability
11 to challenge the process on constitutional grounds.

12 SECTION 5. Sections 27-2.1-1 and 27-2.1-2 of the General Laws in Chapter 27-2.1
13 entitled "Additional Fees for Foreign Insurance Companies" are hereby amended to read as
14 follows:

15 **27-2.1-1. New application fee.** -- Any foreign insurance company applying for licensure
16 within the state of Rhode Island to transact insurance business must upon filing of an application
17 submit to the insurance commissioner a non-refundable application fee of one thousand dollars
18 (\$1,000). Any foreign insurance company that has previously filed an application for licensure
19 within the state of Rhode Island and whose application is currently pending must also submit a
20 non-refundable filing fee of ~~one thousand dollars (\$1,000)~~ one thousand two hundred dollars
21 (\$1,200) to keep the application current.

22 **27-2.1-2. Review of application fee.** -- Whenever any foreign insurance company has
23 made application to transact insurance business within the state and the application is to be
24 reviewed by the insurance division, as a condition precedent to the review, the company shall pay
25 to the insurance commissioner a non-refundable fee of ~~one thousand five hundred dollars~~
26 ~~(\$1,500)~~ one thousand eight hundred dollars (\$1,800) to cover the costs of the review by the
27 insurance division.

28 SECTION 6. Sections 27-10-3 and 27-10-7 of the General Laws in Chapter 27-10
29 entitled "Claim Adjusters" are hereby amended to read as follows:

30 **27-10-3. Issuance of license.** -- (a) The insurance commissioner may, upon the payment
31 of a license fee ~~established by the commissioner,~~ of one hundred twenty dollars (\$120) plus an
32 application fee established by the commissioner, issue to any person a license to act as an
33 insurance claims adjuster once that person satisfies the reasonable requirements for the issuance
34 of the license, as established by the commissioner.

1 (b) A Rhode Island resident business entity acting as an insurance adjuster may elect to
2 obtain an insurance adjusters license. Application shall be made using the uniform business entity
3 application. Prior to approving the application, the commissioner shall find both of the following:

4 (1) The business entity has paid the appropriate fees.

5 (2) The business entity has designated a licensed adjuster responsible for the business
6 entity's compliance with the insurance laws and rules of this state.

7 **27-10-7. Term of license -- Renewal -- Suspension or revocation.** -- The insurance
8 commissioner shall promulgate rules and regulations mandating the term of licensure for any
9 claim adjuster license. No license shall remain in force for a period in excess of four (4) years.
10 Nothing in this section shall be construed to limit the authority of the insurance commissioner to
11 sooner suspend or revoke any claim adjuster license. Any action for suspension or revocation of
12 any claim adjuster license shall be in accordance with the Administrative Procedures Act, chapter
13 35 of title 42, upon proof that the license was obtained by fraud or misrepresentation, or that the
14 interests of the insurer or the interests of the public are not properly served under the license, or
15 for cause. No claim adjuster license shall be issued by the commissioner to a person whose
16 license has been suspended or revoked within three (3) years from the date of that revocation or
17 suspension. Each license shall be renewed upon payment of a fee assessed at an annual rate of
18 ~~fifty dollars (\$50.00).~~ sixty dollars (\$60). The fee for the total term of licensure shall be payable
19 at the time of renewal.

20 SECTION 7. Section 27-10.1-1 of the General Laws in Chapter 27-10.1 entitled "Motor
21 Vehicle Damage Appraisers" is hereby amended to read as follows:

22 **27-10.1-1. Purpose of chapter -- Issuance of license -- Penalties -- Renewal --**
23 **Revocation or suspension.** -- (a) The purpose of this chapter is to subject certain individuals to
24 the jurisdiction of the insurance commissioner. The legislature declares that it is concerned with
25 the business of appraising damaged automobiles and to this end authorizes the insurance
26 commissioner to regulate that business. No person shall act as an appraiser for motor vehicle
27 physical damage claims on behalf of any insurance company or firm or corporation engaged in
28 the adjustment or appraisal of motor vehicle claims unless that person has first secured a license
29 from the insurance commissioner and has paid a license fee of ~~fifty dollars (\$50.00)~~ sixty dollars
30 (\$60.00) for each fiscal year or fraction of a year. The license shall be issued only upon the
31 successful passage of the examination that shall be administered at the discretion of the insurance
32 commissioner, but in no event less than quarterly. Each person applying for a physical damage
33 appraisers license shall pay an application fee of fifty dollars (\$50.00) to and for the use of the
34 state. The commissioner may prescribe reasonable regulations concerning standards for

1 qualifications, suspension, or revocation, and the methods with which licensees conduct their
2 business, in addition to the requirements specifically delineated within this chapter. The
3 commissioner shall submit an annual report on his or her findings and recommendations to the
4 governor and the general assembly on January 30 of each year.

5 (b) Any person who violates any provision of this chapter shall be fined not more than
6 five hundred dollars (\$500) or imprisoned not more than one year, or both.

7 (c) The insurance commissioner shall promulgate rules and regulations mandating the
8 term of license for each category of license issued pursuant to this chapter; and no license shall
9 remain in force for a period in excess of four (4) years.

10 (d) Any mandated license fee shall be determined by multiplying the number of years of
11 the license by the fee described in subsection (a). A license shall be renewed upon the payment of
12 the appropriate renewal fee. The fee for the total term of the licensure or renewal shall be paid at
13 the time of initial application or renewal.

14 (e) Nothing in this section shall be construed to limit the authority of the insurance
15 commissioner to sooner suspend or revoke any license issued pursuant to this chapter. Any action
16 for suspension or revocation of any license shall be in accordance with Administrative Procedures
17 Act, chapter 35 of title 42, upon proof that the license was obtained by fraud or misrepresentation,
18 or that the interests of the insurer or the interests of the public are not properly served under the
19 license, or for cause.

20 SECTION 8. Section 27-3.2-9 of the General Laws in Chapter 27-3.2 entitled
21 "Continuing Education Requirements" is hereby amended to read as follows:

22 **27-3.2-9. Fees.** -- (a) Notwithstanding any provision of the general laws to the contrary,
23 there is established a fee of fifteen dollars (\$15.00) per annum for the period commencing July 1,
24 2002, and ending on June 30, 2003, which shall be paid by all persons licensed pursuant to
25 chapter 2.4 of this title, and shall be deposited as general revenues.

26 (b) Notwithstanding any provision of the general laws to the contrary, for the period
27 commencing July 1, 2003, the fee shall be five dollars (\$5.00) per annum, which shall be paid by
28 all persons licensed pursuant to chapter 2.4 of this title, and shall be deposited as general
29 revenues.

30 (c) The fee for approval of a course or program to qualify as a course of continuing
31 education shall be sixty dollars (\$60), which shall be paid at the time of application and shall be
32 deposited as general revenues.

33 SECTION 9. Section 23-26-12 and 23-26-31 of the General Laws in Chapter 23-26
34 entitled "Bedding and Upholstered Furniture" are hereby amended to read as follows:

1 **23-26-12. Sterilization permits.** -- Any sterilization process, before being used in
2 connection with this chapter, must receive the approval of the director. Every person, firm, or
3 corporation desiring to operate the sterilization process shall first obtain a numbered permit from
4 the director and shall not operate the process unless the permit is kept conspicuously posted in the
5 establishment. Fee for original permit shall be ~~seventy dollars (\$70.00)~~ eighty-four dollars (\$84).
6 Application for the permit shall be accompanied by specifications in duplicate, in such form as
7 the director shall require. Each permit shall expire one year from date of issue. Fee for annual
8 renewal of a sterilizing permit shall be one-half (1/2) the original fee.

9 **23-26-31. Fees.** -- (a) The per annum fees imposed for licenses issued pursuant to section
10 23-26-30 shall be as follows:

11 (1) Every applicant classified as a manufacturer of articles of bedding for sale at
12 wholesale or retail or as a supply dealer shall pay, prior to the issuance of a general license, a per
13 annum fee of ~~one hundred and seventy five dollars (\$175)~~, two hundred ten dollars (\$210) and
14 the licensee may be engaged in any or all of the following:

- 15 (i) Manufacture of articles of bedding for sale at wholesale;
- 16 (ii) Manufacture of articles of bedding for sale at retail;
- 17 (iii) Supply dealer;
- 18 (iv) Repairer-renovator.

19 (2) Every applicant classified as a repairer-renovator or retailer of second-hand articles of
20 bedding shall pay, prior to the issuance of a limited license, a per annum fee of ~~fifty dollars~~
21 ~~(\$50.00)~~ sixty dollars (\$60), and the licensee may be engaged in any or all of the following:

- 22 (i) Repairer-renovator;
- 23 (ii) Retailer of second-hand articles of bedding; provided, however, that if a license is
24 reclassified from one category to another which calls for a higher license fee, he or she shall pay a
25 pro rate share of the higher license fee for the unexpired period and shall be issued a new license
26 to expire on the expiration date of the original license.

27 (b) If, through error, a licensee has been improperly classified as of the date of issue of
28 his or her current license, the proper fee for the entire period shall be payable. Any overpayment
29 shall be refunded to the licensee. No refunds shall be allowed to any licensee who has
30 discontinued business, or whose license has been revoked or suspended or who has been
31 reclassified to a category calling for a greater or lesser license fee, except as provided herein. The
32 fee shall be paid to the director of business regulation. For reissuing a revoked or expired license
33 the fee shall be the same as for an original license.

34 (c) All payments for registration fees, sterilization process, permits, fines and penalties,

1 and other money received under this chapter shall constitute inspection fees for the purpose of
2 enforcing this chapter.

3 SECTION 10. Sections 5-8-15 and 5-8-24 of the General Laws in Chapter 5-8 entitled
4 "Engineers" are hereby amended to read as follows:

5 **5-8-15. Expiration and renewal of certificates of registration.** -- (a) Certificates of
6 registration shall expire on the last day of the month of June following their issuance and become
7 invalid after that date unless renewed. It is the duty of the board to notify every person registered
8 under this chapter of the date of the expiration of his or her certificate, and the amount of the fee
9 required for its renewal. The notice shall be mailed to the registrant at his or her last known
10 address at least one month in advance of the date of the expiration of the certificate.

11 (b) Renewal may be effected at any time prior to or during the month of June by the
12 payment of a fee set by the board in an amount not less than ~~one hundred twenty five dollars~~
13 ~~(\$125)~~ one hundred fifty dollars (\$150), but not to exceed ~~one hundred fifty dollars (\$150)~~ one
14 hundred eighty dollars (\$180). Renewal of an expired certificate may be effected within a period
15 of three (3) years, provided evidence is submitted to the board attesting to the continued
16 competence and good character of the applicant. In the event renewal is not made before the end
17 of the third year, the board may require any reexamination that it deems appropriate. The amount
18 to be paid for that renewal is the annual fee set by the board in an amount not to exceed ~~one~~
19 ~~hundred fifty dollars (\$150)~~ one hundred eighty dollars (\$180) times the number of years the
20 applicant has been delinquent, plus a penalty of sixty dollars (\$60.00) per delinquent year.

21 **5-8-24. Sole proprietorship, partnership, limited liability partnership, corporate and**
22 **limited liability company.** -- (a) The practice or offer to practice engineering as defined by this
23 chapter by a sole proprietorship, partnership, limited liability partnership, corporation or a limited
24 liability company subsequently referred to as the "firm", through individuals is permitted;
25 provided, that the individuals: (1) are in direct control of the practice; (2) exercise personal
26 supervision of all personnel who act in behalf of the firm in professional and technical matters;
27 and (3) are registered under the provisions of this chapter; and provided, that the firm has been
28 issued a certificate of authorization by the board of engineers.

29 (b) (1) Within one year after enactment of this chapter, every firm must obtain a
30 certificate of authorization from the board and those individuals in direct control of the practice
31 and who exercise direct supervision of all personnel who act in behalf of the firm in professional
32 and technical matters must be registered with the board. The certificate of authorization shall be
33 issued by the board upon satisfaction of the provisions of this chapter and the payment of a fee
34 not to exceed ~~one hundred twenty five dollars (\$125)~~ one hundred fifty dollars (\$150). This fee is

1 waived if the firm consists of only one person who is the person in responsible charge.

2 (2) Every firm desiring a certificate of authorization must file with the board an
3 application for a certificate of authorization on a form to be provided by the board. A separate
4 form provided by the board shall be filed with each renewal of the certificate of authorization and
5 within thirty (30) days of the time any information previously filed with the board has changed, is
6 no longer true or valid, or has been revised for any reason. If, in its judgment, the information
7 contained on the application and renewal form is satisfactory and complete, the board will issue a
8 certificate of authorization for the firm to practice engineering in this state.

9 (3) No firm that has been granted a certificate of authorization by the board shall be
10 relieved of responsibility for modification or derivation of the certificate, unless the board has
11 issued for the applicant a certificate of authorization or a letter indicating the eligibility of the
12 applicant to receive the certificate. The firm applying shall supply the certificate or letter from the
13 board with its application for incorporation, organization or registration as a foreign corporation.

14 SECTION 11. Sections 58.1-11 and 58.1-13 of the General Laws in Chapter 58.1
15 entitled "Land Surveyors" are hereby amended to read as follows:

16 **5-8.1-11. Board of registration for professional land surveyors -- Fees -- Payment**
17 **and disposition.** -- (a) The fees paid by an applicant for filing an application for examination, for
18 renewal, or for issuance of a duplicate certificate shall be determined by the board and shall not
19 exceed ~~one hundred fifty dollars (\$150)~~ one hundred eighty dollars (\$180) per year plus any
20 administrative costs associated with an application for examination, reexamination, annual
21 renewal, or duplicate certificate. The administrative costs shall be determined by the board. All
22 revenues received pursuant to this section shall be deposited as general revenues.

23 (b) The fees paid by an applicant for the examination, for reexamination, or for renewal
24 of any expired certificate shall be determined by the board to cover the direct expenses associated
25 with administering the examination, reexamination, or the renewal of an expired certificate.

26 **5-8.1-13. Board of registration for professional land surveyors -- Permitted**
27 **practices.** -- (a) Exemption clause. - This chapter shall not be construed to prevent or to affect:

28 (1) Employees and subordinates. - The work of an employee or subordinate of a person
29 holding a certificate of registration under this chapter; provided, that the work does not include
30 final land surveying work or decisions and is done under the direct supervision of, or checked by,
31 a person holding a certificate of registration issued under this chapter.

32 (2) Federal employees. - The practice by officers and employees of the government of
33 the United States while engaged within this state in the practice of land surveying for the
34 government on property owned by the federal government; provided, that no right to practice land

1 surveying accrues to those persons as to any other land surveying work. The right to registration
2 after government employment shall not be granted except under the provisions prescribed under
3 section 5-8.1-11.

4 (3) Other professions. - The practice of engineering, architecture, or landscape
5 architecture.

6 (b) Sole proprietorship, partnership, limited liability partnership, corporate and limited
7 liability company practice.

8 (1) The practice or offer to practice land surveying as defined by this chapter by sole
9 proprietorship, partnership, limited liability partnership, corporation or limited liability company,
10 subsequently referred to as the "firm", through individuals is permitted; provided, that the
11 individuals are in direct control of that practice; exercise personal supervision of all personnel
12 who act in behalf of the firm in professional and technical matters; and are registered under the
13 provisions of this chapter; and provided, that the firm has been issued a certificate of
14 authorization by the board of land surveyors.

15 (2) Within one year after the enactment of this chapter [July 12, 1990] every firm must
16 obtain a certificate of authorization from the board and those individuals in direct control of the
17 practice and who exercise direct supervision of all personnel who act in behalf of the firm in
18 professional and technical matters must be registered with the board. The certificate of
19 authorization shall be issued by the board upon satisfaction of the provisions of this chapter and
20 the payment of an annual fee not to exceed ~~fifty dollars (\$50.00)~~ sixty dollars (\$60).

21 (3) It is the intent of the board of registration to establish that the professional land
22 surveyor is responsible for land surveying services.

23 (4) Every firm desiring a certificate of authorization must file with the board an
24 application for the certificate on a form provided by the board. A separate form provided by the
25 board shall be filed with each renewal of the certificate of authorization and within thirty (30)
26 days of the time any information previously filed with the board has changed, is no longer true or
27 valid, or has been revised for any reason. If, in its judgment, the information contained on the
28 application and renewal form is satisfactory and complete, the board shall issue a certificate of
29 authorization for the firm to practice land surveying in this state.

30 (5) No firm that has been granted a certificate of authorization by the board of land
31 surveyors is relieved of responsibility for the conduct or acts of its agents, employees, partners (if
32 a partnership or a limited liability partnership), officers or directors (if a corporation), or members
33 or managers (if a limited liability company) because of its compliance with the provisions of this
34 section. No individual practicing land surveying under the provisions of this chapter is relieved of

1 responsibility for land surveying services performed by reason of his or her employment or other
2 relationship with a firm holding a certificate of authorization as subsequently described. In the
3 event of unexpected death, retirement, dismissal or any other occasion where an entity has one
4 person who is a registered land surveyor, and that person no longer can continue in the operation
5 of the entity, then the board of registration may waive certain requirements for a certificate of
6 authorization, for a period of not longer than forty-five (45) days, provided that the entity retains
7 a person who is a registered professional land surveyor to review and pursue the duties of
8 surveying that are required under this chapter.

9 (6) A land surveyor may not, for the purposes of this section, be designated as being in
10 responsible charge on more than two (2) certificates of authorization.

11 (7) Certificates of authorization shall be treated for all purposes hereunder, including, but
12 not limited to, renewal, expiration and lapsing, as previously provided for certificates of
13 registration in section 58.1-10; provided, however, that renewal may be effected at any time
14 prior to or during the month of June of each even-numbered year (meaning biennially)
15 commencing in year 2004.

16 (8) Limited liability partnerships, corporations and limited liability companies shall
17 submit a copy of their articles of incorporation, articles of organization or certificate of
18 registration in order to obtain a certificate of authorization from the board of land surveyors.

19 (9) Corporations other than those organized under chapter 5.1 of title 7, partnerships and
20 sole proprietorships practicing in this state prior to July 12, 1990, shall fully comply with the
21 provisions of this section within one year of that date.

22 (10) Effective one year from July 1, 1990, the secretary of state shall not issue a
23 certificate of incorporation or certificate of organization or certificate of registration to any
24 applicant, or a registration as a foreign corporation, limited liability partnership or limited liability
25 company, to any firm, which includes among the objectives for which it is being established any
26 of the words "surveyor", "surveying" or any modification or derivation of those words, unless the
27 board of land surveyors has issued for the applicant a certificate of authorization or a letter
28 indicating the eligibility of the applicant to receive the certificate. The firm applying shall supply
29 the certificate or letter from the board with its application for incorporation or registration as a
30 foreign corporation, limited liability partnership or limited liability company.

31 (c) Land surveyor previously registered. - Each land surveyor holding a certificate of
32 registration and each land surveyor-in-training under the laws of this state as previously in effect
33 shall be deemed registered as a land surveyor or land surveyor-in-training as appropriate under
34 this chapter.

1 (d) This section does not exempt the political subdivisions of the state, such as county,
2 city, or town, or legally constituted boards, districts, or commissions, from obtaining a certificate
3 of authorization from the board of registration when applicable.

4 SECTION 12. Section 5-1-11 of the General Laws in Chapter 5-1 entitled "Architects" is
5 hereby amended to read as follows:

6 **5-1-11. Fees -- Payment and disposition.** -- (a) The fees paid by an applicant for filing
7 an application for examination, for the examination, for re-examination, for registration pursuant
8 to section 5-1-9, for annual renewal, for renewal of an expired certificate, or for issuance of a
9 duplicate certificate of registration shall be ~~in accordance with section 12, entitled "Fees", of the~~
10 ~~bylaws of the board, as amended~~ sixty dollars (\$60).

11 (b) All fees or other monies collected under the provisions of this chapter shall be
12 deposited as general revenues. The controller is authorized and directed to draw his or her orders
13 upon the general treasurer for payment from the fund, upon receipt by the controller of vouchers
14 authenticated by the chairperson or secretary of the board.

15 (c) The fees paid by an applicant for a certificate of authorization pursuant to this section
16 for annual renewal, for renewal of an expired certificate of authorization, or for issuance of a
17 duplicate certificate of authorization, shall be ~~in accordance with section 12, entitled "Fees", of~~
18 ~~the bylaws of the board, as amended~~ sixty dollars (\$60).

19 SECTION 13. Section 5-51-14 of the General Laws in Chapter 5-51 entitled "Rhode
20 Island State Board of Examiners of Landscape Architects" is hereby amended to read as follows:

21 **5-51-14. Fees.** -- The following is the schedule of fees to be charged by the board:

22 (1) The fees to be paid by an applicant for examination or reexamination to determine his
23 or her fitness to receive a certificate of registration shall be determined by the board so as to cover
24 expenses associated with administering and evaluating the examination or reexamination.

25 (2) The fee to be paid for the restoration of an expired certificate of registration shall not
26 exceed ~~one hundred twenty five dollars (\$125)~~ one hundred fifty dollars (\$150) for every year or
27 portion of a year the applicant has been delinquent, plus a penalty of twenty-five dollars (\$25.00).

28 (3) The fee to be paid upon the renewal of a certificate of registration shall not exceed
29 ~~one hundred twenty five dollars (\$125)~~ one hundred fifty dollars (\$150).

30 (4) The fee to be paid by an applicant for a certificate of registration who is a landscape
31 architect registered or licensed under the laws of another state under section 5-51-7, shall not
32 exceed ~~one hundred fifty dollars (\$150)~~ one hundred eighty dollars (\$180).

33 (5) The fee to be paid by an applicant for a certificate of registration who qualifies and is
34 a resident of this state is ~~thirty dollars (\$30.00)~~ thirty-six dollars (\$36).

1 (6) The fee to be paid for a duplicate certificate is ~~thirty dollars (\$30.00)~~ thirty-six
2 dollars (\$36).

3 (7) The initial fee for a certificate of authorization shall not exceed ~~one hundred twenty-~~
4 ~~five dollars (\$125)~~ one hundred fifty dollars (\$150).

5 (8) The annual renewal fee for a certificate of authorization is ~~fifty dollars (\$50.00)~~ sixty
6 dollars (\$60).

7 (9) The fee to be paid for the reinstatement of an expired certificate of authorization is
8 ~~fifty dollars (\$50.00)~~ sixty dollars (\$60) for every year or portion of a year the applic ant has been
9 delinquent, plus a penalty of twenty-five dollars (\$25.00).

10 (10) All fees received by the board shall be deposited as general revenues.

11 SECTION 14. This article shall take effect upon passage.

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1 based, but only in the amount of the difference based upon the revenues projected at latest state
2 revenue estimating conference pursuant to chapter 16 of title 35 as reported by the chairperson of
3 that conference. ~~The general assembly shall adopt a resolution stating the amount of the total
4 resources upon which the enacted appropriations were based in order to authorize the controller to
5 make the transfer from the state budget reserve and cash stabilization account to achieve those
6 total resources. The resolution shall be referred in the manner prescribed in section 35-3-9. (2)
7 Once the general assembly has taken final action defining the total resources to be achieved
8 through amounts to be withdrawn from the state budget reserve and cash stabilization account,
9 the state controller shall transfer to the state's general fund balance available the exact amount
10 necessary to achieve the total resources specified in the enacted resolution from the state budget
11 reserve and cash stabilization account based upon the actual difference between the total
12 resources and the original estimates upon which enacted appropriations were based. (e)~~
13 Whenever a transfer has been made pursuant to subsection (d), that transfer shall be considered as
14 estimated general revenues for the purposes of determining the amount to be transferred to the
15 Rhode Island Capital Plan fund for the purposes of subsection 35-3-20.1(b). (f) Whenever a
16 transfer has been made pursuant to subsection (d), the amount of the transfer shall be transferred
17 to the Rhode Island Capital Plan fund from funds payable into the general revenue fund pursuant
18 to section 35-3-20.1 in the fiscal year following the fiscal year in which the transfer was made.
19 SECTION 2. This article shall take effect upon passage.

1 **ARTICLE 14 SUBSTITUTE A**

2 RELATING TO DEPARTMENT OF HEALTH LEGAL FEES

3 SECTION 1. Chapter 23-1 of the General Laws entitled "Department of Health" is
4 hereby amended by adding thereto the following section:

5 **23-1-53. Cost of legal fees.** – (a) The director is hereby authorized and may in his or
6 her discretion recover the reasonable cost of legal services provided to the department of health
7 by attorneys of the office of legal counsel or attorneys under contract to perform attorney
8 functions and activities for the department of health pursuant to RIGL chapters 23-15 and 23-
9 17.14 and RIGL sections 23-17-14.3 and 23-17-14.4. Nothing in this section shall limit the
10 power of the director to retain legal counsel and to recover the costs of such legal counsel
11 pursuant to other provisions of the general laws.

12 (b) There is created within the general fund a restricted receipt account to be known as
13 the "health systems reimbursement account". All funds deposited in the account shall be utilized
14 by the department of health to implement the provisions of this section incurred by the
15 department pursuant to RIGL chapters 23-15 and 23-17.14 and RIGL sections 23-17-14.3 and
16 23-17-14.4. All funds received for the department pursuant to this section shall be deposited in
17 the "health system reimbursement account". The general treasurer is authorized and directed to
18 draw his or her orders on the account upon receipt of properly authenticated vouchers from the
19 department of health.

20 SECTION 2. This article shall take effect upon passage.

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1 **ARTICLE 15 SUBSTITUTE A**

2 RELATING TO PUBLIC UTILITY REGULATORY ASSESSMENT

3 SECTION 1. Section 39-1-26 of the General Laws in Chapter 39-1 entitled "Public
4 Utilities Commission" is hereby amended to read as follows:

5 **39-1-26. Public utilities reserve fund created – Appropriations – Recovery of**
6 **expenses from utility companies.** -- (a) There is hereby created a fund to be known as the public
7 utilities reserve account, an account within the public utilities commission in the general fund.
8 Such account, hereinafter referred to as the "fund", shall be used for the purpose of providing the
9 financial means for the commission and division to purchase materials, and to employ on a
10 contract or other basis, legal counsel, official stenographers, engineers, accountants, economists,
11 and other expert witnesses, and for other necessary expenses of the commission and division in
12 investigations and hearings related to applications and filings made by public utilities, or
13 commission or division initiated investigations into utility operating practices, or appeals to
14 federal courts. The general assembly shall annually appropriate to the fund a sum equal to twenty-
15 five one thousandths of one percent (.00025%) of the gross annual operating revenues of gas,
16 electric, and telephone companies attributable to their conduct of intrastate operations in this state
17 during the year next preceding; provided, however, that if at June 30, in any year the balance in
18 the fund shall be in excess of one hundred thousand dollars (\$100,000), the amount of the excess
19 shall forthwith be transferred to the general fund of the state. Prebilled revenue shall be excluded
20 from an excess balance to be transferred to the general fund. The state controller is authorized and
21 directed to draw his or her orders upon the general treasurer for the payment from the fund of
22 such sums as may be required from time to time upon receipt by him or her of proper vouchers
23 approved by the administrator.

24 (b) The public utility making an application or filing to the commission or division, or
25 subject to a commission or division initiated investigation, or any public utility distributing
26 electricity or gas whose retail rates would be affected by a filing made by the administrator or a
27 federally regulated electric or gas company before an agency of the federal government or a
28 federal court, shall be charged with and shall pay a portion of the expenses reasonably so incurred
29 by the commission and by the division for the purchase of materials and for the employment of
30 legal counsel, official stenographers, engineers, accountants, and expert witnesses, and for travel

1 and other necessary expenses as are reasonably attributable to the investigation or the hearing of
2 the proposal by the commission and the division, or to the administrator's representation of the
3 state before the agency of the federal government. The administrator or the commission
4 chairperson as appropriate, shall ascertain the expenses and shall determine the amount to be paid
5 by the public utility company or companies, and bills shall be rendered therefor either at the
6 conclusion of the investigation or hearing, or from time to time during its progress, and the
7 amount of each bill so rendered shall be paid by the public utility to the administrator or the
8 commission, as appropriate, within thirty (30) days from the date of its rendition unless, within
9 the thirty (30) day time period, the public utility so billed shall request an opportunity to be heard
10 by the commission as to the amount thereof. The commission shall comply with any such request.
11 Any amount of the bill not paid within thirty (30) days from the date of service of the
12 determination upon the hearing, or, if none shall be requested, within thirty (30) days from the
13 date of rendition of the bill, shall draw interest at the rate of twelve percent (12%) per annum. At
14 the discretion of the administrator, or the commission chairperson, as appropriate, utility
15 companies may be prebilled for contractual services utilized by the commission or division. Any
16 revenue received from public utilities not expended upon the completion of the case will be
17 promptly reimbursed to the utility company. The total amount which may be charged to any
18 public utility under authority of this section for proceedings before the commission or division in
19 any calendar year shall not exceed ~~two hundred fifty thousand dollars (\$250,000)~~ five hundred
20 thousand dollars (\$500,000), provided that any indirect cost recovery obligations pursuant to §
21 35-4-27 shall constitute a separate and additional assessment to public utilities to be added to the
22 foregoing expense assessment limit; in addition, the total amount which may be charged against
23 any public utility under authority of this section for the administrator's representation of the state
24 before agencies of the federal government in any calendar year shall not exceed ~~two hundred fifty~~
25 ~~thousand dollars (\$250,000)~~ five hundred thousand dollars (\$500,000). All moneys collected by
26 the administrator or the commission pursuant to this section shall be paid by him or her monthly
27 to the general treasurer to be added to the public utilities reserve fund.

28 (c) The division of public utilities shall adopt by regulation, a fee schedule for all
29 telecommunications filings, including initial applications and annual registrations, by
30 telecommunications providers which are not otherwise subject to the provisions of subsections (a)
31 or (b) of this section. The money assessed and paid shall be paid into the general fund and shall
32 not be a part of the public utilities reserve fund.

33 (d) The general assembly shall annually appropriate such sums as it may deem
34 necessary for the salaries of the commissioners and their expenses incurred in the performance of

1 their duties, and for the operations of the commission and the division and payment of such office
2 expenses and assistance as from time to time may be required. The state controller is authorized
3 and directed to draw his or her orders upon the general treasurer for the payment of such sum, or
4 so much thereof, as may be required from time to time upon receipt by him or her of vouchers
5 approved by the administrator or his or her authorized agent.

6 SECTION 2. This article shall take effect as of July 1, 2009.

ARTICLE 16 SUBSTITUTE A AS AMENDED

RELATING TO REVENUES

SECTION 1. Sections 31-36-7 and 31-36-20 of the General Laws in Chapter 31-36 entitled "Motor Fuel Tax" are hereby amended to read as follows:

31-36-7. Monthly report of distributors -- Payment of tax. -- (a) State requirements. -

Every distributor shall, on or before the twentieth (20th) day of each month, render a report to the tax administrator, upon forms to be obtained from the tax administrator, of the amount (number of gallons) of fuels purchased, sold, or used by the distributor within this state and the amount of fuels sold by the distributor without this state from fuels within this state during the preceding calendar month, and, if required by the tax administrator as to purchases, the name or names of the person or persons from whom purchased and the date and amount of each purchase, and as to sales, the name or names of the person or persons to whom sold and the amount of each sale, and shall pay at the same time to the administrator tax at the rate of ~~thirty cents (\$.30)~~ thirty-two cents (\$0.32) per gallon on all taxable gallons of fuel sold or used in this state.

(b) Federal requirements. - In the event the federal government requires a certain portion of the gasoline tax to be dedicated for highway improvements, then the state controller is directed to establish a restricted receipt account and deposit that portion of gasoline tax receipts which brings the state into federal compliance.

31-36-20. Disposition of proceeds. -- (a) Notwithstanding any other provision of law to

the contrary, all moneys paid into the general treasury under the provisions of this chapter or chapter 37 of this title, and title 46 shall be applied to and held in a separate fund and be deposited in any depositories that may be selected by the general treasurer to the credit of the fund, which fund shall be known as the Intermodal Surface Transportation Fund; provided, that in fiscal year 2004 for the months of July through April six and eighty-five hundredth cents (\$0.0685) per gallon of the tax imposed and accruing for the liability under the provisions of § 31-36-7, less refunds and credits, shall be transferred to the Rhode Island public transit authority as provided under § 39-18-21. For the months of May and June in fiscal year 2004, the allocation shall be five and five hundredth cents (\$0.0505). Thereafter, until fiscal year 2006, the allocation shall be six and twenty-five hundredth cents (\$0.0625). For fiscal year 2006 through FY 2008, the allocation shall be seven and twenty-five hundredth cents (\$0.0725); provided, that expenditures

1 shall include the costs of a market survey of non-transit users and a management study of the
2 agency to include the feasibility of moving the Authority into the Department of Transportation,
3 both to be conducted under the auspices of the state budget officer. The state budget officer shall
4 hire necessary consultants to perform the studies, and shall direct payment by the Authority. Both
5 studies shall be transmitted by the Budget Officer to the 2006 session of the General Assembly,
6 with comments from the Authority. For fiscal year 2009 ~~and thereafter~~, the allocation shall be
7 seven and seventy-five hundredth cents (\$0.0775), of which one-half cent (\$0.005) shall be
8 derived from the one cent (\$0.01) per gallon environmental protection fee pursuant to § 46-12.9-
9 11. For fiscal years 2010 and thereafter, the allocation shall be nine and seventy-five hundredth
10 cents (\$0.0975), of which one-half cent (\$0.005) shall be derived from the one cent (\$0.01) per
11 gallon environmental protection fee pursuant to section 46-12.9-11. One cent (\$0.01) per gallon
12 shall be transferred to the Elderly/Disabled Transportation Program of the department of elderly
13 affairs, and the remaining cents per gallon shall be available for general revenue as determined by
14 the following schedule:

15 (i) For the fiscal year 2000, three and one fourth cents (\$0.0325) shall be available for
16 general revenue.

17 (ii) For the fiscal year 2001, one and three-fourth cents (\$0.0175) shall be available for
18 general revenue.

19 (iii) For the fiscal year 2002, one-fourth cent (\$0.0025) shall be available for general
20 revenue.

21 (iv) For the fiscal year 2003, two and one-fourth cent (\$0.0225) shall be available for
22 general revenue.

23 (v) For the months of July through April in fiscal year 2004, one and four-tenths cents
24 (\$0.014) shall be available for general revenue. For the months of May through June in fiscal year
25 2004, three and two-tenths cents (\$0.032) shall be available for general revenue, and thereafter,
26 until fiscal year 2006, two cents (\$0.02) shall be available for general revenue. For fiscal year
27 2006 ~~and thereafter~~ through fiscal year 2009 one cent (\$0.01) shall be available for general
28 revenue.

29 (2) All deposits and transfers of funds made by the tax administrator under this section,
30 including those to the Rhode Island public transit authority, the department of elderly affairs and
31 the general fund, shall be made within twenty-four (24) hours of receipt or previous deposit of the
32 funds in question.

33 (3) Commencing in fiscal year 2004, the Director of the Rhode Island Department of
34 Transportation is authorized to remit, on a monthly or less frequent basis as shall be determined

1 by the Director of the Rhode Island Department of Transportation, or his or her designee, or at the
2 election of the Director of the Rhode Island Department of Transportation, with the approval of
3 the Director of the Department of Administration, to an indenture trustee, administrator, or other
4 third party fiduciary, in an amount not to exceed two cents (\$0.02) per gallon of the gas tax
5 imposed, in order to satisfy debt service payments on aggregate bonds issued pursuant to a Joint
6 Resolution and Enactment Approving the Financing of Various Department of Transportation
7 Projects adopted during the 2003 session of the General Assembly, and approved by the
8 Governor.

9 (b) Notwithstanding any other provision of law to the contrary, all other funds in the
10 fund shall be dedicated to the department of transportation, subject to annual appropriation by the
11 general assembly. The director of transportation shall submit to the general assembly, budget
12 office and office of the governor annually an accounting of all amounts deposited in and credited
13 to the fund together with a budget for proposed expenditures for the succeeding fiscal year in
14 compliance with §§ 35-3-1 and 35-3-4. On order of the director of transportation, the state
15 controller is authorized and directed to draw his or her orders upon the general treasurer for the
16 payments of any sum or portion of the sum that may be required from time to time upon receipt
17 of properly authenticated vouchers.

18 (c) At any time the amount of the fund is insufficient to fund the expenditures of the
19 department of transportation, not to exceed the amount authorized by the general assembly, the
20 general treasurer is authorized, with the approval of the governor and the director of
21 administration, in anticipation of the receipts of monies enumerated in § 31-36-20 to advance
22 sums to the fund, for the purposes specified in § 31-36-20, any funds of the state not specifically
23 held for any particular purpose. However, all the advances made to the fund shall be returned to
24 the general fund immediately upon the receipt by the fund of proceeds resulting from the receipt
25 of monies to the extent of the advances.

26 SECTION 2. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled
27 "Licensing of Health Care Facilities" is hereby amended to read as follows:

28 **23-17-38.1. Hospitals – Licensing fee.** -- ~~(a) There is imposed a hospital licensing fee at~~
29 ~~the rate of three and forty eight hundredths percent (3.48%) upon the net patient services revenue~~
30 ~~of every hospital for the hospital's first fiscal year ending on or after January 1, 2006. This~~
31 ~~licensing fee shall be administered and collected by the tax administrator, division of taxation~~
32 ~~within the department of administration, and all the administration, collection and other~~
33 ~~provisions of chapters 50 and 51 of title 14 shall apply. Every hospital shall pay the licensing fee~~
34 ~~to the tax administrator on or before July 14, 2008 and payments shall be made by electronic~~

1 ~~transfer of monies to the general treasurer and deposited to the general fund in accordance with §~~
2 ~~44-50-11. Every hospital shall, on or before June 16, 2008, make a return to the tax administrator~~
3 ~~containing the correct computation of net patient services revenue for the hospital fiscal year~~
4 ~~ending September 30, 2006, and the licensing fee due upon that amount. All returns shall be~~
5 ~~signed by the hospital's authorized representative, subject to the pains and penalties of perjury.~~

6 ~~(b)~~(a) There is also imposed a hospital licensing fee at the rate of ~~four and seventy-eight~~
7 ~~hundredths percent (4.78%)~~ five and four hundred seventy-three thousandths percent (5.473%)
8 upon the net patient services revenue of every hospital for the hospital's first fiscal year ending on
9 or after January 1, 2007. This licensing fee shall be administered and collected by the tax
10 administrator, division of taxation within the department of administration, and all the
11 administration, collection and other provisions of chapter 50 and 51 of title 14 shall apply. Every
12 hospital shall pay the licensing fee to the tax administrator on or before July 13, 2009 and
13 payments shall be made by electronic transfer of monies to the general treasurer and deposited to
14 the general fund in accordance with § 44-50-11. Every hospital shall, on or before June 15, 2009,
15 make a return to the tax administrator containing the correct computation of net patient services
16 revenue for the hospital fiscal year ending September 30, 2007, and the licensing fee due upon
17 that amount. All returns shall be signed by the hospital's authorized representative, subject to the
18 pains and penalties of perjury.

19 (b) There is also imposed a hospital licensing fee at the rate of five and two hundred
20 thirty-seven thousandths percent (5.237%) upon the net patient services revenue of every hospital
21 for the hospital's first fiscal year ending on or after January 1, 2008. This licensing fee shall be
22 administered and collected by the tax administrator, division of taxation within the department of
23 administration, and all the administration, collection and other provisions of chapter 50 and 51 of
24 title 14 shall apply. Every hospital shall pay the licensing fee to the tax administrator on or before
25 July 12, 2010 and payments shall be made by electronic transfer of monies to the general
26 treasurer and deposited to the general fund in accordance with § 44-50-11. Every hospital shall,
27 on or before June 14, 2010, make a return to the tax administrator containing the correct
28 computation of net patient services revenue for the hospital fiscal year ending September 30,
29 2007, and the licensing fee due upon that amount. All returns shall be signed by the hospital's
30 authorized representative, subject to the pains and penalties of perjury.

31 (c) For purposes of this section the following words and phrases have the following
32 meanings:

33 (1) "Hospital" means a person or governmental unit duly licensed in accordance with
34 this chapter to establish, maintain, and operate a hospital, except a hospital whose primary service

1 and primary bed inventory are psychiatric.

2 (2) "Gross patient services revenue" means the gross revenue related to patient care
3 services.

4 (3) "Net patient services revenue" means the charges related to patient care services less
5 (i) charges attributable to charity care, (ii) bad debt expenses, and (iii) contractual allowances.

6 (d) The tax administrator shall make and promulgate any rules, regulations, and
7 procedures not inconsistent with state law and fiscal procedures that he or she deems necessary
8 for the proper administration of this section and to carry out the provisions, policy and purposes
9 of this section.

10 (e) The licensing fee imposed by this section shall be in addition to the inspection fee
11 imposed by § 23-17-38 and to any licensing fees previously imposed in accordance with § 23-17-
12 38.1.

13 SECTION 3. Chapter 44-50 of the General Laws entitled "Health Care Provider
14 Assessment Act" is hereby repealed in its entirety.

15 ~~CHAPTER 44-50~~

16 ~~Health Care Provider Assessment Act~~

17 ~~**44-50-1. Short title.** -- This chapter shall be known as "The Health Care Provider
18 Assessment Act".~~

19 ~~**44-50-2. Definitions.** -- Except where the context otherwise requires, the following
20 words and phrases as used in this chapter shall have the following meaning:~~

21 ~~(1) "Administrator" means the tax administrator.~~

22 ~~(2) "Assessment" means the assessment imposed upon gross patient revenue pursuant to
23 this chapter.~~

24 ~~(3) "Gross patient revenue" means the gross amount received on a cash basis by the
25 provider from the provider's provision of twenty four (24) hour residential services for
26 individuals with developmental disabilities.~~

27 ~~(4) "Person" means any individual, corporation, company, association, partnership, joint
28 stock association, and the legal successor thereof.~~

29 ~~(5) "Provider" means a licensed facility or operator, including a government facility or
30 operator, subject to an assessment under this chapter.~~

31 ~~(6) "Residential services" means intermediate care facility services for the mentally
32 retarded and similar twenty four (24) hour residential services funded under a waiver of section
33 1915(c) of the federal Medicaid statute, 42 U.S.C. section 1396n(c), and furnished by providers
34 licensed in accordance with chapter 24 of title 40.1 to provide services to individuals with~~

1 ~~developmental disabilities. Semi-independent apartment programs and supported living~~
2 ~~arrangements are not considered residential services for the purposes of this chapter.~~

3 ~~(7) "Semi-independent apartment program" means a residential program in which~~
4 ~~services are provided on a less than twenty-four (24) hour-a-day basis. Semi-independent~~
5 ~~apartment programs are not licensed pursuant to chapter 24 of title 40.1.~~

6 ~~(8) "Supportive living arrangement" means a residential setting in which an individual or~~
7 ~~individuals with developmental disabilities reside in a private home with a person or persons to~~
8 ~~whom the individual(s) is not related by blood or marriage. Supportive living arrangements are~~
9 ~~not licensed pursuant to chapter 24 of title 40.1.~~

10 ~~**44-50-3. Imposition of assessment --- Residential services for individuals with**~~
11 ~~**developmental disabilities.** --- (a) An assessment is imposed upon the gross patient revenue~~
12 ~~received by every provider for the provision of residential services in each month beginning April~~
13 ~~1, 2003, at a rate of twenty-five percent (25%). Every provider shall pay the monthly assessment~~
14 ~~no later than the twenty-fifth (25th) day of each month following the month of receipt of gross~~
15 ~~patient revenue. Notwithstanding any other provisions of this chapter, no penalty or interest is~~
16 ~~imposed for failure to make timely payments of the assessments due for the months of April, May~~
17 ~~and June 2003; provided, that payment for those months are made within thirty (30) days notice~~
18 ~~from the tax administrator.~~

19 ~~(b) The tax administrator is directed to insure that the assessment rate established in~~
20 ~~subsection (a) of this section does not exceed the maximum rate of assessment that the laws of the~~
21 ~~United States and/or any rules, regulations, or standards issued under those laws, relating to~~
22 ~~health care provider assessments will allow without reduction in federal financial participation. In~~
23 ~~order to make that determination, the tax administrator shall apply the appropriate federal law~~
24 ~~and/or any rules, regulations, or standards relating to health care provider assessments.~~

25 ~~(c) If, after applying the applicable federal law and/or rules, regulations, or standards, the~~
26 ~~tax administrator determines that the assessment rate established in subsection (a) of this section~~
27 ~~exceeds the maximum rate of assessment that the federal law will allow without reduction in~~
28 ~~federal financial participation, then the tax administrator is directed to lower the assessment rate~~
29 ~~to a rate which is equal to the maximum rate which the federal law will allow without reduction~~
30 ~~in federal participation. The authority of the tax administrator to lower the assessment rate~~
31 ~~established in subsection (a) of this section shall be limited solely to a determination that the~~
32 ~~assessment rate in subsection (a) of this section exceeds that which is allowed without reduction~~
33 ~~in federal financial participation, under the laws of the United States and/or any rules, regulations,~~
34 ~~or standards issued under this law, relating to health care provider assessments.~~

1 ~~-(d) In order that the tax administrator may properly carry out the duties under this~~
2 ~~section, the director of the department of human services is directed to keep the tax administrator~~
3 ~~informed of any changes in federal law and/or any rules, regulations, or standards issued under~~
4 ~~this law that affect rates under health care provider assessments.~~

5 ~~**44-50-4. Returns.** -- (a) Every provider shall on or before the twenty fifth (25th) day of~~
6 ~~the month following the month of receipt of gross patient revenue make a return to the tax~~
7 ~~administrator.~~

8 ~~-(b) The tax administrator shall adopt rules, pursuant to this chapter, relative to the form~~
9 ~~of the return and the data which it must contain for the correct computation of gross patient~~
10 ~~revenue and the assessment upon such amount. All returns shall be signed by the provider or by~~
11 ~~its authorized representative, subject to the pains and penalties of perjury. If the return shows an~~
12 ~~overpayment of the assessment due, the tax administrator shall refund or credit the overpayment~~
13 ~~to the provider.~~

14 ~~-(c) For good cause, the tax administrator may extend the time within which a provider is~~
15 ~~required to file a return, and if the return is filed during the period of extension no penalty or late~~
16 ~~filing charge may be imposed for failure to file the return at the time required by this chapter, but~~
17 ~~the provider shall be liable for interest from the date on which the assessment would have been~~
18 ~~due without extension until the date of payment. Failure to file the return during the period for the~~
19 ~~extension shall void the extension.~~

20 ~~**44-50-5. Setoff for delinquent assessments.** -- If a provider shall fail to pay an~~
21 ~~assessment within thirty (30) days of its due date, the tax administrator may request any agency~~
22 ~~of state government making payments to the provider to set off the amount of the delinquency~~
23 ~~against any payment due the provider from the agency of state government and remit that sum to~~
24 ~~the tax administrator. Upon receipt of the setoff request from the tax administrator, any agency of~~
25 ~~state government is authorized and empowered to set off the amount of the delinquency against~~
26 ~~any payment or amounts due the provider. The amount of setoff is credited against the assessment~~
27 ~~due from the provider.~~

28 ~~**44-50-6. Assessment on available information -- Interest on delinquencies --**~~
29 ~~**Penalties -- Collection powers.** -- If any provider shall fail to file a return within the time~~
30 ~~required by this chapter, or shall file an insufficient or incorrect return, or shall not pay the~~
31 ~~assessment imposed by this chapter when it is due, the tax administrator shall assess upon the~~
32 ~~information as may be available, which shall be payable upon demand and shall bear interest at~~
33 ~~the annual rate provided by section 44-1-7 from the date when the assessment should have been~~
34 ~~paid. If any part of the assessment made is due to negligence or intentional disregard of the~~

1 ~~provisions of this chapter, a penalty of ten percent (10%) of the amount of the determination shall~~
2 ~~be added to the assessment. The tax administrator shall collect the assessment with interest in the~~
3 ~~same manner and with the same powers as are prescribed for collection of taxes in this title.~~

4 ~~**44-50-7. Claims for refund -- Hearing upon denial.** (a) Any provider, subject to the~~
5 ~~provisions of this chapter, may file a claim for refund with the tax administrator at any time~~
6 ~~within two (2) years after the assessment has been paid. If the tax administrator shall determine~~
7 ~~that the assessment has been overpaid, he or she shall make a refund with interest from the date of~~
8 ~~overpayment.~~

9 ~~(b) Any provider whose claim for refund has been denied may, within thirty (30) days~~
10 ~~from the date of the mailing by the tax administrator of the notice of the tax refund claim denial~~
11 ~~file a written request for hearing with the tax administrator and the tax administrator shall, as~~
12 ~~soon as practicable, set a time and place for the hearing and shall notify the provider. After~~
13 ~~hearing, the tax administrator shall issue a decision as to the correctness of the tax, interest and~~
14 ~~penalty.~~

15 ~~**44-50-8. Hearing by tax administrator on application.** Any provider aggrieved by~~
16 ~~the action of the tax administrator in determining the amount of any assessment or penalty~~
17 ~~imposed under the provisions of this chapter may apply to the tax administrator, in writing, within~~
18 ~~thirty (30) days after the notice of the action is mailed to it, for a hearing relative to the~~
19 ~~assessment or penalty. The tax administrator shall fix a time and place for the hearing and shall~~
20 ~~notify the provider. Upon the hearing the tax administrator shall correct manifest errors, if any,~~
21 ~~disclosed at the hearing and thereupon assess and collect the amount lawfully due together with~~
22 ~~any penalty or interest.~~

23 ~~**44-50-9. Appeals.** Appeals from administrative orders or decisions made pursuant to~~
24 ~~any provisions of this chapter shall be to the sixth division district court pursuant to chapter 8 of~~
25 ~~title 8. The provider's right to appeal under this section shall be expressly made conditional upon~~
26 ~~prepayment of all assessments, interest, and penalties unless the provider moves for and is~~
27 ~~granted an exemption from the prepayment requirement pursuant to section 8-8-26. If the court,~~
28 ~~after appeal, holds that the provider is entitled to a refund, the provider shall also be paid interest~~
29 ~~on the amount at the rate provided in section 44-1-7.1.~~

30 ~~**44-50-10. Provider records.** Every provider shall:~~

31 ~~(1) Keep such records as may be necessary to determine the amount of its liability under~~
32 ~~this chapter;~~

33 ~~(2) Preserve the records for the period of three (3) years following the date of filing of~~
34 ~~any return required by this chapter, or until any litigation or prosecution under this chapter is~~

1 ~~finally determined; and~~

2 ~~-(3) Make the records available for inspection by the tax administrator or his or her~~
3 ~~authorized agents, upon demand, at reasonable times during regular business hours.~~

4 ~~**44-50-11. Method of payment and deposit of assessment.** -- (a) The payments required~~
5 ~~by this chapter may be made by electronic transfer of money to the general treasurer and~~
6 ~~deposited to the general fund.~~

7 ~~-(b) The general treasurer is authorized to establish an account or accounts and to take all~~
8 ~~steps necessary to facilitate the electronic transfer of money. The general treasurer shall provide~~
9 ~~the tax administrator a record of any money transferred and deposited.~~

10 ~~**44-50-12. Rules and regulations.** -- The tax administrator shall make and promulgate~~
11 ~~rules, regulations, and procedures not inconsistent with state law and fiscal procedures as he or~~
12 ~~she deems necessary for the proper administration of this chapter and to carry out the provisions,~~
13 ~~policy, and purposes of this chapter.~~

14 ~~**44-50-13. Release of assessment information.** -- Notwithstanding any other provisions~~
15 ~~of the general laws, the tax administrator shall not be prohibited from providing assessment~~
16 ~~information to the director of the department of human services or his or her designee, with~~
17 ~~respect to the assessment imposed by this chapter; provided, that the director of the department of~~
18 ~~human services and his or her agents and employees may use or disclose the information only for~~
19 ~~purposes directly connected with the administration of the duties and programs of the department~~
20 ~~of human services.~~

21 ~~**44-50-14. Severability.** -- If any provision of this chapter or the application of this~~
22 ~~chapter to any person or circumstances is held invalid, that invalidity shall not affect other~~
23 ~~provisions or applications of the chapter, which can be given effect without the invalid provision~~
24 ~~or application, and to this end the provisions of this chapter are declared to be severable.~~

25 SECTION 4. Chapter 44-11 of the General Laws entitled "Business Corporation Tax" is
26 hereby amended by adding thereto the following section:

27 ~~**44-11-44. Annual Rhode Island corporate income and tax data report.**-- No later than~~
28 ~~March 15, 2010 and every March 15th thereafter, the division of taxation shall annually submit a~~
29 ~~report for the previous calendar year of Rhode Island corporate income and tax data by size of~~
30 ~~federal taxable income to the chairpersons of the house finance committee and senate finance~~
31 ~~committee, and the house fiscal advisor and the senate fiscal advisor. The report should be as~~
32 ~~similar as practical to the business and income tax data for Rhode Island federal taxpayers issued~~
33 ~~by the Statistics of Income Division of the Internal Revenue Service.~~

34 SECTION 5. Section 28-42-38 of the General Laws in Chapter 28-42 entitled

1 "Employment Security - General Provisions" is hereby amended to read as follows:

2 **28-42-38. Records and reports -- Confidentiality of information.** -- (a) Every
3 employer and every employing unit employing any person in employment in this state shall keep
4 true and accurate employment records of all persons employed by him or her, and of the weekly
5 hours worked for him or her by each, and of the weekly wages paid by him or her to each person;
6 and every employer and employing unit shall keep records containing any other information that
7 the director may prescribe. Those records shall at all times be available within this state and shall
8 be open to inspection by the director or his or her authorized representatives at any reasonable
9 time and as often as the director shall deem necessary.

10 (b) The director may require from any employer, or employing unit, employing any
11 person in this state, any reports covering persons employed by him or her, on employment,
12 wages, hours, unemployment, and related matters which the director deems necessary to the
13 effective administration of chapters 42 -- 44 of this title.

14 (c) (1) Information obtained, or information contained in other records of the department
15 obtained from any individual pursuant to the administration of those chapters, shall be held
16 confidential by the director and shall not be published or be open to public inspection in any
17 manner revealing the individual's or employing unit's identity, but any claimant at a hearing
18 provided for in those chapters shall be supplied with information from those records of the extent
19 necessary for the proper presentation of his or her claim. Any department employee guilty of
20 violating this provision shall be subject to the penalties provided in chapters 42 -- 44 of this title;
21 provided, that nothing contained in this subsection shall be construed to prevent:

22 (i) The director, or any qualified attorney whom the director has designated to represent
23 him or her in any court of this state, or the attorney general, from making any record, report, or
24 other information referred to in this section, available in any proceeding before any court of this
25 state in any action to which the director is a party;

26 (ii) The director from making any record, report, or other information referred to in this
27 section, available to any agency of this state or any agency of a political subdivision of this state
28 charged with the administration of public assistance within this state, or any of its political
29 subdivisions;

30 (iii) The director from making any record, report, or other information referred to in this
31 section available to the railroad retirement board or to employees of the Internal Revenue Service
32 in the performance of their public duties, and the director shall furnish, at the expense of the
33 railroad retirement board or the Internal Revenue Service, copies of those records, reports, or
34 other information referred to in this section;

1 (iv) The director from making available upon request and on a reimbursable basis, any
2 record, report, or other information referred to in this section to the federal Department of Health
3 and Human Services in accordance with the provisions of United States P.L. 100-485, Family
4 Support Act of 1988, or to the federal Department of Housing and Urban Development and to
5 authorized representatives of public housing agencies in accordance with the Stewart B.
6 McKinney Homeless Assistance Act, 42 U.S.C. section 11301 et seq.;

7 (v) The director from making available to the Division of Taxation upon request of the
8 tax administrator any record, report, or other information referred to in Title 28, Chapter 42 for
9 the purposes of compiling the annual unified economic development budget report and
10 performing the requirements under subsection 42-142-3(e); enforcing the provisions of Title 28,
11 Chapter 42; and/or performing any of its obligations under Title 44. The information received by
12 the Division of Taxation from the department of labor and training pursuant hereto pertaining to
13 an individual employer shall be held confidential and shall not be open to public inspection.
14 Nothing herein shall prohibit the disclosure of statistics and/or statistical data that do not disclose
15 the identity of individual employers and/or the contents of specific returns.

16 ~~(v)~~(vi) The director from making, and the director shall make, reports in the form and
17 containing any information that the federal Social Security Administration may from time to time
18 require, and complying with any provisions that the federal Social Security Administration may
19 from time to time find necessary to assure the correctness and verification of those reports. The
20 director shall make available, upon request, to any agency of the United States charged with the
21 administration of public works or assistance through public employment, the name, address,
22 ordinary occupation, and employment status of each recipient of unemployment compensation
23 and a statement of that recipient's rights to further compensation under that law;

24 ~~(vi)~~(vii) The director from conducting any investigations he or she deems relevant in
25 connection with these provisions;

26 ~~(vii)~~(viii) The director from conducting any investigations he or she deems relevant in
27 connection with the performance of his or her duties pursuant to the administration of the
28 chapters 29, 32, 33, 34, 36, 37 and 41 of this title, or from making any record, report, or other
29 information referred to in this section available to the Workers' Compensation Fraud Prevention
30 Unit for use in the performance of its duties under section 42-16.1-12; or

31 ~~(viii)~~(ix) The director from forwarding, and the director shall forward to the jury
32 commissioner, the names and addresses of all individuals who are receiving unemployment
33 compensation on a yearly basis in accordance with section 9-9-1(e).

34 (2) The director may publish in statistical form the results of any investigations without

1 disclosing the identity of the individuals involved.

2 SECTION 6. Sections 44-30.1-1, 44-30.1-3 and 44-30.1-4 of the General Laws in
3 Chapter 44-30.1 entitled "Setoff of Refund of Personal Income Tax" are hereby amended to read
4 as follows:

5 **44-30.1-1. Definitions.** -- (a) "Benefit overpayments and interest owed" means any
6 amount in excess of five hundred dollars (\$500) determined to be recoverable under the
7 provisions of chapters 39 – 44 of title 28.

8 (b) "Cash assistance benefit overpayments" means any amount of cash assistance
9 benefits which constitutes an overpayment of benefits under the provisions of ~~the Family~~
10 ~~Independence Act, chapter 5.1 of~~ the Rhode Island Works Program as previously established by
11 chapter 5.2 of title 40, and/or the predecessor family assistance programs, formerly known as the
12 Family Independence Program, as previously established by chapter 5.1 of title 40, and the Aid
13 to Families With Dependent Children program, as previously established by § 40-6-4, which
14 overpayment amount has been established by court order, by administrative hearing conducted by
15 the department of human services, or by written agreement between the department of human
16 services and the individual.

17 (c) "Claimant agency" means either:

18 (1) The department of human services, with respect (1) to past-due support which has
19 been assigned to the department of human services by public assistance and medical assistance
20 recipients or by the department for children, youth and families, (2) past-due support which it is
21 attempting to collect on behalf of any individual not eligible as a public assistance recipient, and
22 (3) cash assistance benefit overpayments or medical assistance benefit overpayments, as defined
23 herein; or

24 (2) The Rhode Island higher education assistance authority (RIHEAA), with respect to
25 obligations owed to that agency or to the state of Rhode Island by reason of default or failure to
26 pay student loans, health professions contract advances or scholarships or grant over-awards, or

27 (ii) The Rhode Island higher education assistance authority (RIHEAA), acting as agent
28 for the United States Department of Education or other student loan guarantee agencies in other
29 states which have negotiated a reciprocal arrangement with the RIHEAA for the setoff of refunds
30 of personal income taxes against defaulted loan obligations.

31 (3) The Rhode Island court administrative office, with respect to court costs, fines, and
32 restitution owed; or

33 (4) The department of labor and training with respect to benefit overpayments and
34 interest owed in excess of five hundred dollars (\$500).

1 (d) "Court costs owed" means any fines, fees, and/or court costs which have been
2 assessed pursuant to a criminal disposition by a judge of the district, family and superior courts,
3 including, but not limited to, those amounts assessed pursuant to chapters 20 and 25 of title 12
4 and those amounts assessed pursuant to title 31, including also those fines, fees, and/or court costs
5 assessed by the traffic tribunal or municipal court associated with motor vehicle violations which
6 have not been paid and which have been declared delinquent by the administrative judge of the
7 court making the assessment.

8 (e) "Debtor" means:

9 (1) Any individual who owes past-due support which has been assigned to the
10 department of human services by public assistance and medical assistance recipients or by the
11 department of children, youth and families, or owes past due support to any individual not
12 eligible as a public assistance recipient;

13 (2) Any individual who has obligations owed to RIHEAA or the state of Rhode Island,
14 the United States Department of Education or other states and agencies that have negotiated
15 reciprocal agreements with RIHEAA;

16 (3) Any individual who owes fines, fees, and/or court costs to the superior, family,
17 district courts and the traffic tribunal and municipal court associated with motor vehicle
18 violations;

19 (4) Any individual who owes restitution to any victim of any offense which has been
20 ordered by a judge of the district, family and superior courts pursuant to a disposition in a
21 criminal case and which has been made payable through the administrative office of state courts
22 pursuant to § 12-19-34 except that obligations discharged in bankruptcy shall not be included;

23 (5) Any individual who owes any sum in excess of five hundred dollars (\$500) for
24 benefit overpayments and interest to the department of labor and training determined to be
25 recoverable under the provisions of chapters 39-44 of title 28.

26 (6) Any individual who owes any sum of cash assistance benefit overpayments to the
27 department of human services.

28 (f) "Division" means the department of revenue, division of taxation.

29 (g) "Fines owed" means any fines, fees, and/or court costs which have been ordered
30 paid as a penalty in a criminal case by a judge of the district, family and superior courts and those
31 fines, fees, and/or court costs ordered paid by the traffic tribunal or municipal court for motor
32 vehicle violations as described in § 31-41.1-4 which have not been paid and which have been
33 declared delinquent by the administrative judge of the court making the assessment.

34 (h) "Medical assistance benefit overpayment" means any amount of medical assistance

1 benefits which constitutes an overpayment of medical assistance benefits. The department is
2 authorized to promulgate rules and regulations to provide for notice and hearing prior to the
3 income tax intercept by the department for income tax intercept for medical assistance benefits
4 overpaid to the recipient. The amount of overpayment of benefits may include the overpayment
5 of benefits due to the fact that the Medicaid recipient failed to pay the cost share obligation
6 lawfully imposed in accordance with Rhode Island law.

7 (i) "Medical assistance cost share arrearage" means any amount due and owing to the
8 department of human services as a result of a Medicaid recipient's failure to pay their cost share
9 obligation, including any amount due for a cost sharing obligation or medical assistance premium
10 obligation, imposed in accordance with Title 40, Chapter 8.4 of the Rhode Island General Laws.

11 ~~(h)~~(j) "Obligation owed" means the total amount owed by any individual on:

12 (1) Any guaranteed student loan or parent loan for undergraduate students for which
13 RIHEAA has had to pay the guarantee, or for which RIHEAA is acting as agent on behalf of the
14 United States Department of Education or other state cooperating agencies which have had to pay
15 a guarantee,

16 (2) Any contract fee advanced by either RIHEAA or the state of Rhode Island on behalf
17 of any individual participating in a health professions educational program for which payment has
18 not been made according to the terms of the contract, and

19 (3) Any amount of scholarship or grant funds which constitutes an over-award, whether
20 due to error or to the submission of false information, and for which repayment has been
21 demanded by the agency, but which has not been paid.

22 ~~(h)~~(k) "Past-due support" means the amount of court-ordered child support or
23 maintenance, child medical support or a spousal support order for a custodial parent having
24 custody of a minor child, which is overdue or otherwise in arrears, regardless of whether there is
25 an outstanding judgment for that amount, and whether the order for the support or maintenance
26 has been established by a court or by an administrative process authorized under the laws of any
27 state.

28 ~~(h)~~(l) "Refund" means the Rhode Island income tax refund which the division of taxation
29 determines to be due to a taxpayer.

30 ~~(h)~~(m) "Restitution owed" means any amount which has been ordered paid pursuant to
31 a criminal case disposition by a judge of the district, family and superior courts pursuant to
32 chapter 19 of title 12, which has not been paid and which has been declared delinquent by the
33 administrative judge of the court making the assessment.

34 **44-30.1-3. Collection of debts by setoff.** -- Within a time frame established by the

1 division of taxation, the claimant agency shall supply the information necessary relative to each
2 debtor owing the state money, and further, shall certify the amount of debt or debts owed to the
3 state by each debtor. Upon receiving notice from the claimant agency that a named debtor owes
4 past-due support, delinquent court costs, fines, or restitution or benefit overpayments and interest
5 owed, has obligations owed as described in § 44-30.1-1(g), ~~or~~ cash assistance benefit
6 overpayments, medical assistance benefit overpayments, or medical assistance cost share
7 arrearsages, the division of taxation shall determine whether any amount, as a refund of taxes paid,
8 is payable to the debtor, regardless of whether the debtor filed an income tax return as a married
9 or unmarried individual. If the division of taxation determines that any refund is payable, the
10 division of taxation shall set off the past-due support, delinquent court costs, fines or restitution or
11 benefit overpayments and interest owed, the obligation owed, ~~or~~ cash assistance benefit
12 overpayments, medical assistance benefit overpayments, or medical assistance cost share
13 arrearsages, the division of taxation shall against the debtor's refund and shall reduce the debtor's
14 refund by the amount so determined. The division of taxation shall transfer the amount of past-
15 due support, delinquent court costs, fines or restitution, or benefit overpayments and interest
16 owed, obligation owed, ~~or~~ cash assistance benefit overpayments, medical assistance benefit
17 overpayments, or medical assistance cost share arrearsages, set off against the debtor's refund to
18 the claimant agency or in the case of the United States Department of Education or other out-of-
19 state agencies, to Rhode Island higher education assistance authority (RIHEAA) as its agent. The
20 pendency of judicial proceedings to contest the setoff shall not stay nor delay the setoff and
21 transfer of refunds to the claimant agency. If the amount of the debtor's refund exceeds the
22 amount of the past-due support, delinquent court costs, fines, or restitution or benefit
23 overpayments and interest owed, obligation owed, ~~or~~ cash assistance benefit overpayments,
24 medical assistance benefit overpayments, or medical assistance cost share arrearsages, the division
25 of taxation shall refund the excess amount to the debtor. If in any instance with regard to the
26 debtor the division of taxation has received notice from more than one claimant agency, the claim
27 by the bureau of child support shall receive first priority, the obligations owed shall have second
28 priority, and the delinquent court costs, fines or restitution shall have third priority, the benefit
29 overpayments and interest owed the fourth priority and the cash assistance benefit overpayments
30 the fifth priority, and medical assistance benefit overpayments, or medical assistance cost share
31 arrearsages the sixth priority.

32 **44-30.1-4. Procedures for setoff and notification of a debtor.** -- (a) The division of
33 taxation shall prescribe the time or times at which the claimant agency must submit notices of
34 past-due support, the manner in which the notices must be submitted, and the necessary

1 information that must be contained in or accompany the notices. The division of taxation shall,
2 from time to time, determine the minimum amount of claim to which the setoff procedure may be
3 applied.

4 (b) Prior to submitting information relating to a debtor for purposes of setoff of the
5 debtor's income tax refund, the claimant agency shall provide written notice to each debtor, the
6 amount of past-due support, delinquent court costs, fines or restitution, or benefit overpayments
7 and interest owed, other obligation owed, ~~or~~ cash assistance benefit overpayments, medical
8 assistance benefit overpayments, or medical assistance cost share arrearages, the intention to set
9 off the amount owed against the refund, the debtor's right to an administrative hearing to contest
10 the setoff upon written request made within thirty (30) days of the mailing of the notice to the
11 debtor, the debtor's right to judicial review of the administrative hearing decision, the general
12 nature of the potential defenses available to the debtor, and, in general terms, the rights of non-
13 obligated spouses with respect to income tax refunds in the event a joint return is filed.

14 (c) At the time of the transfer of funds to a claimant agency as provided in this chapter,
15 the division of taxation shall notify the debtor whose refund is sought to be set off that the
16 transfer has been made. The notice shall state the name of the debtor, the amount of the past-due
17 support being claimed, the transfer of funds to the claimant agency, the amount of the refund in
18 excess of the amount claimed, if any. In the case of a joint refund, the notice shall also state the
19 name of a taxpayer-spouse named in the return, if any, against whom no past-due support,
20 delinquent court costs, fines or restitution, or benefit overpayments and interest owed, obligation
21 owed, ~~or~~ cash assistance benefit overpayments, medical assistance benefit overpayments, or
22 medical assistance cost share arrearages is claimed, the opportunity to request that the refund be
23 divided between the spouses by filing an amended income tax return in conformance with § 44-
24 30-11 showing each spouse's share of the tax and the contribution to the overpayment of tax
25 resulting in the refund.

26 (d) Upon receipt of funds transferred from the division of taxation, the claimant agency
27 deposits and holds the funds in an escrow account until final determination of setoff. Upon final
28 determination of the amount of the claim to be set off by: (1) default for failure to apply for a
29 hearing pursuant to subsection (b) of this section, or (2) decision of the hearing officer pursuant to
30 § 44-30.1-5, the claimant agency shall remove the account of the claim payment from the escrow
31 account, and credit the amount to the debtor's obligation. The pendency of judicial proceedings
32 pursuant to § 42-35-15 to review the administrative decision shall not stay nor delay the setoff,
33 transfer, and disbursement of the tax refund in question.

34 (e) With respect to setoff for past-due support, ~~or~~ cash assistance benefit overpayments,

1 [medical assistance benefit overpayments, or medical assistance cost share arrearages](#), the division
2 of taxation shall provide the debtor's address and social security number to the department of
3 human services.

4 (f) With respect to setoff for past-due support, the department of human services must
5 inform a non-public assistance custodial parent in advance if it will first apply any setoff amount
6 to be received from the division of taxation to satisfy past-due support assigned to it.

7 SECTION 7. Section 44-30-85 of the General Laws in Chapter 44-30 entitled "Personal
8 Income Tax" is hereby amended to read as follows:

9 **44-30-85. Additions to tax and civil penalties.** -- (a) *Failure to file tax returns or to*
10 *pay tax.* In the case of failure:

11 (1) To file the Rhode Island personal income tax return or the employer's withheld tax
12 return on or before the prescribed date, unless it is shown that the failure is due to reasonable
13 cause and not due to willful neglect, an addition to tax shall be made equal to five percent (5%) of
14 the tax required to be reported if the failure is for not more than one month, with an additional
15 five percent (5%) for each additional month or fraction thereof during which the failure
16 continues, not exceeding twenty-five percent (25%) in the aggregate. For this purpose, the
17 amount of tax required to be reported shall be reduced by an amount of the tax paid on or before
18 the date prescribed for payment and by the amount of any credit against the tax which may
19 properly be claimed upon the return;

20 (2) To pay the amount shown as tax on the personal income tax return [or the employer's](#)
21 [withheld tax return](#) on or before the prescribed date for payment of the tax (determined with
22 regard to any extension of time for payment) unless it is shown that the failure is due to
23 reasonable cause and not due to willful neglect, there shall be added to the amount shown as tax
24 on the return five-tenths percent (0.5%) of the amount of the tax if the failure is for not more than
25 one month, with an additional five-tenths percent (0.5%) for each additional month or fraction
26 thereof during which the failure continues, not exceeding twenty-five percent (25%) in the
27 aggregate; or

28 (3) To pay any amount in respect of any tax required to be shown on a return which is
29 not so shown, including an assessment made as a result of mathematical error, within ten (10)
30 days of the date of the notice and demand therefor, unless it is shown that the failure is due to
31 reasonable cause and not due to willful neglect, there shall be added to the amount of tax stated in
32 the notice and demand five-tenths percent (0.5%) of the amount of the tax if the failure is for not
33 more than one month, with an additional five-tenths percent (0.5%) for each additional month or
34 fraction thereof during which the failure continues, not exceeding twenty-five percent (25%) in

1 the aggregate.

2 (b) *Negligence.* If any part of a deficiency is due to negligence or intentional disregard
3 of the Rhode Island personal income tax law or rules or regulations under this section (but
4 without intent to defraud), five percent (5%) of that part of the deficiency shall be added to the
5 tax.

6 (c) *Fraud.* If any part of a deficiency is due to fraud, fifty percent (50%) of that part of
7 the deficiency shall be added to the tax. This amount shall be in lieu of any other additional
8 amounts imposed by subsections (a) and (b) of this section.

9 (d) *Determination of deficiency.* For purposes of subsections (b) and (c) of this section,
10 the amount shown as the tax by the taxpayer upon his or her return shall be taken into account in
11 determining the amount of the deficiency only if the return was filed on or before the last day
12 prescribed for the filing of the return, determined with regard to any extension of time for the
13 filing.

14 (e) *Failure to collect and pay over tax.* Any person required to collect, truthfully
15 account for, and pay over the Rhode Island personal income tax who willfully fails to collect the
16 tax or truthfully account for and pay over the tax or willfully attempts in any manner to evade or
17 defeat the tax or the payment thereof, shall, in addition to other penalties provided by law, be
18 liable to a civil penalty equal to the total amount of the tax evaded, or not collected, or not
19 accounted for and paid over.

20 (f) *Failure to file certain information returns.* In case of each failure to file an
21 information statement as required under authority of § 44-30-58(c) in respect of payments to
22 another person, unless it is shown that the failure is due to reasonable cause and not to willful
23 neglect, the person failing to file the required statement shall, upon notice and demand by the tax
24 administrator made in the same manner as for tax, pay a civil penalty of one dollar (\$1.00) for
25 each statement not so filed, but the total amount imposed on the delinquent person for all the
26 failures during any calendar year shall not exceed one thousand dollars (\$1,000).

27 (g) *Additions and penalties treated as tax.* The additions to the tax and civil penalties
28 provided by this section shall be paid upon notice and demand and shall be assessed, collected,
29 and paid in the same manner as taxes, except that any additional amount under subsection (a) of
30 this section, not attributable to a deficiency, may be assessed without regard to the restrictions of
31 § 44-30-81.

32 (h) *Bad checks.* If any check or money order in payment of any amount receivable
33 under this title is not duly paid, in addition to any other penalties provided by law, there shall be
34 paid as a penalty by the person who tendered the check, upon notice and demand by the tax

1 administrator or his or her delegate, in the same manner as tax, an amount equal to one percent
2 (1%) of the amount of the check, except that if the amount of the check is less than five hundred
3 dollars (\$500), the penalty under this section shall be five dollars (\$5.00). This subsection shall
4 not apply if the person tendered the check in good faith and with reasonable cause to believe that
5 it would be duly paid.

6 (i) "Person" defined. As used in this section, the term "person" includes an officer or
7 employee of a corporation, including a dissolved corporation, or a member or employee of a
8 partnership, who as an officer, employee, or member is under a duty to perform the act in respect
9 of which the violation occurs.

10 SECTION 8. Section 44-18-15 of the General Laws in Chapter 44-18 entitled "Sales and
11 Use Taxes - Liability and Computation" is hereby amended to read as follows:

12 **44-18-15. "Retailer" defined.** -- (a) "Retailer" includes:

13 (1) Every person engaged in the business of making sales at retail, including sales at
14 auction of tangible personal property owned by the person or others.

15 (2) Every person making sales of tangible personal property through an independent
16 contractor or other representative, if the retailer enters into an agreement with a resident of this
17 state, under which the resident, for a commission or other consideration, directly or indirectly
18 refers potential customers, whether by a link on an Internet website or otherwise, to the retailer,
19 provided the cumulative gross receipts from sales by the retailer to customers in the state who are
20 referred to the retailer by all residents with this type of an agreement with the retailer, is in excess
21 of five thousand dollars (\$5,000) during the preceding four (4) quarterly periods ending on the
22 last day of March, June, September and December. Such retailer shall be presumed to be
23 soliciting business through such independent contractor or other representative, which
24 presumption may be rebutted by proof that the resident with whom the retailer has an agreement
25 did not engage in any solicitation in the state on behalf of the retailer that would satisfy the nexus
26 requirement of the United States Constitution during such four (4) quarterly periods.

27 ~~(2)~~(3) Every person engaged in the business of making sales for storage, use, or other
28 consumption, or the business of making sales at auction of tangible personal property owned by
29 the person or others for storage, use, or other consumption.

30 ~~(3)~~(4) A person conducting a horse race meeting with respect to horses, which are
31 claimed during the meeting.

32 ~~(4)~~(5) Every person engaged in the business of renting any living quarters in any hotel,
33 rooming house, or tourist camp.

34 ~~(5)~~(6) Every person maintaining a business within or outside of this state who engages in

1 the regular or systematic solicitation of sales of tangible personal property in this state by means
2 of:

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

10 (ii) Telephone;

11 (iii) Computer assisted shopping networks; and

12 (iv) Television, radio or any other electronic media, which is intended to be broadcast to
13 consumers located in this state.

14 (b) When the tax administrator determines that it is necessary for the proper
15 administration of chapters 18 and 19 of this title to regard any salespersons, representatives,
16 truckers, peddlers, or canvassers as the agents of the dealers, distributors, supervisors, employers,
17 or persons under whom they operate or from whom they obtain the tangible personal property
18 sold by them, irrespective of whether they are making sales on their own behalf or on behalf of
19 the dealers, distributors, supervisors, or employers, the tax administrator may so regard them and
20 may regard the dealers, distributors, supervisors, or employers as retailers for purposes of
21 chapters 18 and 19 of this title.

22 SECTION 9. Chapter 44-19 of the General Laws entitled "Sales and Use Taxes -
23 Enforcement and Collection" is hereby amended by adding thereto the following section:

24 **44-19-10.3. Electronic filing of sales tax returns. -- (a) Beginning on January 1, 2010,**
25 **any person required to collect and remit sales and use tax to the state of Rhode Island who had an**
26 **average monthly sales and use tax liability of two hundred dollars (\$200) or more per month for**
27 **the previous calendar year, shall remit said payments by electronic funds transfer or other**
28 **electronic means defined by the tax administrator. The tax administrator shall adopt rules**
29 **necessary to administer a program of electronic funds transfer or other electronic filing system.**

30 **(b) If any person fails to remit said taxes by electronic funds transfer or other electronic**
31 **means defined by the tax administrator as required hereunder, the amount of tax required to have**
32 **been electronically transferred shall be increased by the lesser of five percent (5%) of the amount**
33 **that was not so transferred or five hundred dollars (\$500), whichever is less, unless there was**
34 **reasonable cause for the failure and such failure was not due to negligence or willful neglect.**

1 [\(c\) The tax administrator is authorized to waive the electronic filing requirement in a](#)
2 [given year a person who can show that filing electronically will cause undue hardship.](#)

3 SECTION 10. Section 44-30-71 of the General Laws in Chapter 44-30 entitled "Personal
4 Income Tax" is hereby amended to read as follows:

5 **44-30-71. Requirement of withholding tax from wages.** -- (a) General. - Every
6 employer maintaining an office or transacting business within this state and making payment of
7 any wages subject to Rhode Island personal income tax to a resident or nonresident individual
8 shall deduct and withhold from the wages for each payroll period a tax computed in such manner
9 as to result, so far as practicable, in withholding from the employee's wages during each calendar
10 year an amount substantially equivalent to the tax reasonably estimated to be due resulting from
11 the inclusion in the employee's Rhode Island income of his or her wages received during the
12 calendar year. The method of determining the amount to be withheld shall be prescribed by
13 regulations of the tax administrator, with due regard to the withholding exemptions of the
14 employee.

15 (b) Withholding exemptions. - For purposes of this section:

16 (1) An employee shall be entitled to the equivalent of the same number of Rhode Island
17 withholding exemptions as the number of withholding exemptions to which he or she is entitled
18 for federal income tax withholding purposes. An employer may rely upon the number of federal
19 withholding exemptions claimed by the employee.

20 (2) The amount of the equivalent of each Rhode Island withholding exemption shall be
21 equal to and correspond to those set forth in 26 U.S.C. section 3402(b).

22 [\(c\) Electronic filing. Any person required to withhold and remit tax under this section](#)
23 [with ten \(10\) or more employees must make the payments by electronic funds transfer or other](#)
24 [electronic means defined by the tax administrator. The tax administrator shall adopt rules](#)
25 [necessary to administer a program of electronic funds transfer or other electronic filing system.](#)

26 [\(1\) In the case of failure of a person required to deposit taxes by electronic funds transfer](#)
27 [or other electronic means defined by the tax administrator under the provisions of this section,](#)
28 [unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there](#)
29 [shall be added to the amount shown as tax required to have electronically transferred five percent](#)
30 [\(5%\) of the amount or five hundred dollars \(\\$500\) per required payment, whichever is less.](#)

31 [\(2\) The tax administrator is authorized to waive the electronic filing requirement in a](#)
32 [given year for persons who can show that filing electronically will cause undue hardship.](#)

33 SECTION 11. Title 44 of the General Laws entitled "Taxation" is hereby amended by
34 adding thereto the following chapter:

1 CHAPTER 67

2 RECOGNITION OF INCOME FROM DISCHARGE OF BUSINESS INDEBTEDNESS

3 44-67-1. Recognition of income from discharge of business indebtedness. -- For
4 purposes of Rhode Island taxable income under Chapters 11, 14 and 30 of this title, the
5 recognition of income from the discharge of business indebtedness deferred under the American
6 Recovery and Reinvestment Act of 2009 for federal tax purposes, must be reported as a
7 modification increasing federal income for Rhode Island tax purposes in the year it occurred.
8 When claimed as income on a future federal tax return it may be reported as a modification
9 decreasing federal income for Rhode Island tax purposes to the extent it had been added back.

10 SECTION 12. Section 42-64.5-2 of the General Laws in Chapter 42-64.5 entitled "Jobs
11 Development Act" is hereby amended to read as follows:

12 42-64.5-2. Definitions. -- As used in this chapter, unless the context clearly indicates
13 otherwise:

14 (1) "Adjusted current employment" means, for any taxable year ending on or after July 1,
15 1995, the aggregate of the average daily number of full-time equivalent active employees
16 employed within the State by an eligible company and its eligible subsidiaries during each taxable
17 year.

18 (2) "Affiliated entity" means any corporation owned or controlled by the same persons or
19 shareholders who own or control an eligible company.

20 (3) "Base employment" means, except as otherwise provided in section 42-64.5-7, the
21 aggregate number of full-time equivalent active employees employed within the State by an
22 eligible company and its eligible subsidiaries on July 1, 1994, or at the election of the eligible
23 company, on an alternative date as provided by section 42-64.5-5. In the case of a manufacturing
24 company which is ruined by disaster, the aggregate number of full-time equivalent active
25 employees employed at the destroyed facility would be zero, under which circumstance the base
26 employment date shall be July 1 of the calendar year in which the disaster occurred. Only one
27 base employment period can be elected for purposes of a rate reduction by an eligible company.

28 (4) "Disaster" means an occurrence, natural or otherwise, which results in the destruction
29 of sixty percent (60%) or more of an operating manufacturing business facility in this state,
30 thereby making the production of products by the eligible company impossible and as a result
31 active employees of the facility are without employment in that facility. However, disaster does
32 not include any damage resulting from the willful act of the owner(s) of the manufacturing
33 business facility.

34 (5) "Eligible company" means any corporation, state bank, federal savings bank, trust

1 company, national banking association, bank holding company, loan and investment company,
2 mutual savings bank, credit union, building and loan association, insurance company, investment
3 company, broker-dealer company, manufacturing company, telecommunications company or
4 surety company or an eligible subsidiary of any of the foregoing. An eligible company does not
5 have to be in existence, be qualified to do business in the state or have any employees in this state
6 at the time its base employment is determined.

7 (6) "Eligible subsidiary" means each corporation eighty percent (80%) or more of the
8 outstanding common stock of which is owned by an eligible company.

9 (7) "Full-time equivalent active employee" means any employee of an eligible company
10 who: (1) works a minimum of thirty (30) hours per week within the State, or two (2) or more part-
11 time employees whose combined weekly hours equal or exceed thirty (30) hours per week within
12 the State; and (2) earns no less than one hundred fifty percent (150%) of the hourly minimum
13 wage prescribed by Rhode Island law; provided, however, for tax years ending after the later of
14 July 1, 2003 and the first tax year that an eligible company qualifies for a rate reduction pursuant
15 to section 42-64.5-3, for purposes of this section, one hundred fifty percent (150%) of the hourly
16 minimum wage prescribed by Rhode Island law shall mean one hundred fifty percent (150%) of
17 the hourly minimum wage prescribed by Rhode Island law at: (a) the time the employee was first
18 treated as a full-time equivalent active employee during a tax year that the eligible company
19 qualified for a rate reduction pursuant to section 42-64.5-3, or, if later, (b) the time the employee
20 first earned at least one hundred fifty percent (150%) of the hourly minimum wage prescribed by
21 Rhode Island law as an employee of the eligible company. For eligible companies qualifying on
22 or after July 1, 2009 for a rate reduction pursuant to section 42-64.5-3, the term "full-time
23 equivalent active employee" means any employee of an eligible company who: (1) works a
24 minimum of thirty (30) hours per week within the state; (2) earns healthcare insurance benefits,
25 and retirement benefits; and (3) earns no less than two hundred fifty percent (250%) of the hourly
26 minimum wage prescribed by Rhode Island law at the later of : (i) the time the employee was first
27 treated as a full-time equivalent active employee during a tax year that the eligible company
28 qualified for a rate reduction pursuant to section 42-64.5-3; or (ii) the time the employee first
29 earned at least two hundred fifty percent (250%) of the hourly minimum wage prescribed by
30 Rhode Island law as an employee of the eligible company. For eligible companies qualifying
31 before July 1, 2009 for a rate reduction pursuant to section 42-64.5-3, any new "full-time
32 equivalent active employee", who replaces an existing "full-time equivalent active employee",
33 shall meet the following standards to remain eligible: (1) works a minimum of thirty (30) hours
34 per week within the state; (2) earns healthcare insurance benefits, and retirement benefits; and (3)

1 earns no less than two hundred fifty percent (250%) of the hourly minimum wage prescribed by
2 Rhode Island law at the later of: (i) the time the employee was first treated as a full-time
3 equivalent active employee during a tax year that the eligible company qualified for a rate
4 reduction pursuant to section 42-64.5-3; or (ii) the time the employee first earned at least two
5 hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law as an
6 employee of the eligible company.

7 (8) "Initial new employment level" means the number of units of new employment
8 reported by an eligible company in 1997, or, if applicable, the third taxable year following the
9 base employment period election set forth in section 42-64.5-5.

10 (9) (i) "New employment" means for each taxable year the amount of adjusted current
11 employment for each taxable year minus the amount of base employment, but in no event less
12 than zero; provided, however, no eligible company is permitted to transfer, assign or hire
13 employees who are already employed within the State by such eligible company from itself or
14 any affiliated entity or utilize any other artifice or device for the purpose of artificially creating
15 new employees in order to qualify for the rate reduction provided for in this chapter.

16 (ii) Except as provided in section 42-64.5-7, "new employment" shall not include
17 employees already employed in this state who become employees of an eligible company as a
18 result of an acquisition of an existing company by purchase, merger, or otherwise, if the existing
19 company was eligible for a rate reduction. In the case of a manufacturing company that suffers a
20 disaster, it shall mean any employment retained or added as the result of reconstruction of the
21 manufacturing facility.

22 (10) "Rate reduction" means the reduction in tax rate specified in section 42-64.5-4.

23 (11) "Small business concern" means, except as otherwise provided in section 42-64.5-7,
24 any eligible company which has a base employment level of less than one hundred (100);
25 provided, however, that a telecommunications company may not qualify as a small business
26 concern.

27 (12) "State" means the State of Rhode Island and Providence Plantations.

28 (13) "Telecommunications company" means any public service company or corporation
29 whose rate of taxation is determined under section 44-13-4(4).

30 (14) "Total employment" for an eligible company as of any date means the total number
31 of full-time equivalent active employees employed within the State by the eligible company and
32 its eligible subsidiaries on such date.

33 (15) "Units of new employment" means: (i) for eligible companies which are not small
34 business concerns, the amount of new employment divided by fifty (50), rounded down to the

1 nearest multiple of fifty (50), and (ii) for eligible companies which are small business concerns
2 the amount of new employment divided by ten (10), rounded down to the nearest multiple of ten
3 (10); provided, however, that an eligible company (other than an eligible company that is a
4 telecommunications company) with adjusted current employment of one hundred (100) or more
5 employees in its first year of operation or in any other period following the date its base
6 employment is determined shall determine its units of new employment by dividing the first one
7 hundred (100) employees less its base employment by ten (10), rounded down to the nearest
8 multiple of ten (10), and by dividing the number of additional employees in excess of one
9 hundred (100) by fifty (50), rounded down to the nearest multiple of fifty (50).

10 SECTION 13. Chapter 42-64.5 of the General Laws entitled "Jobs Development Act" is
11 hereby amended by adding thereto the following section:

12 **42-64.5-8. Reporting requirement.** – On or before September 1, 2009, and every
13 September 1 thereafter, all eligible companies qualifying for a rate reduction pursuant to section
14 42-64.5-3 shall file an annual report with the tax administrator. Said report shall contain each full-
15 time equivalent active employee's name, social security number, date of hire, and hourly wage as
16 of the immediately preceding July 1 and such other information deemed necessary by the tax
17 administrator. The report shall be filed on a form and in a manner prescribed by the tax
18 administrator.

19 SECTION 14. Section 44-22-1.1 of the General Laws in Chapter 44-22 entitled "Estate
20 and Transfer Taxes - Liability and Computation" is hereby amended to read as follows:

21 **44-22-1.1. Tax on net estate of decedent.** -- (a) (1) For decedents whose death occurs on
22 or after January 1, 1992, but prior to January 1, 2002, a tax is imposed upon the transfer of the net
23 estate of every resident or nonresident decedent as a tax upon the right to transfer. The tax is a
24 sum equal to the maximum credit for state death taxes allowed by 26 U.S.C. § 2011.

25 (2) For decedents whose death occurs on or after January 1, 2002, but prior to January 1,
26 2010 a tax is imposed upon the transfer of the net estate of every resident or nonresident decedent
27 as a tax upon the right to transfer. The tax is a sum equal to the maximum credit for state death
28 taxes allowed by 26 U.S.C. § 2011 as it was in effect as of January 1, 2001- ; provided, however,
29 that the tax shall be imposed only if the net taxable estate shall exceed six hundred seventy-five
30 thousand dollars (\$675,000). Any scheduled increase in the unified credit provided in 26 U.S.C. §
31 2010 in effect on January 1, 2001, or thereafter, shall not apply.

32 (3) For decedents whose death occurs on or after January 1, 2010, a tax is imposed upon
33 the transfer of the net estate of every resident or nonresident decedent as a tax upon the right to
34 transfer. The tax is a sum equal to the maximum credit for state death taxes allowed by 26 U.S.C.

1 section 2011 as it was in effect as of January 1, 2001; provided, however, that the tax shall be
2 imposed only if the net taxable estate shall exceed eight hundred and fifty thousand dollars
3 (\$850,000); provided, further, beginning on January 1, 2011 and each January 1 thereafter, said
4 amount shall be adjusted by the percentage of increase in the Consumer Price Index for all Urban
5 Consumers (CPI-U) as published by the United States Department of Labor Statistics determined
6 as of September 30 of the prior calendar year; said adjustment shall be compounded annually and
7 shall be rounded up to the nearest five dollar (\$5.00) increment. Any scheduled increase in the
8 unified credit provided in 26 U.S.C. section 2010 in effect on January 1, 2003, or thereafter, shall
9 not apply.

10 (b) If the decedent's estate contains property having a tax situs not within the state, then
11 the tax determined by this section is reduced to an amount determined by multiplying the tax by a
12 fraction whose numerator is the gross estate excluding all property having a tax situs not within
13 the state at the decedent's death and whose denominator is the gross estate. In determining the
14 fraction, no deductions are considered and the gross estate is not reduced by a mortgage or other
15 indebtedness for which the decedent's estate is not liable.

16 (c) The ~~term~~ terms "gross taxable estate", ~~or~~ "federal gross estate" or "net taxable estate"
17 used in this chapter or chapter 23 of this title has the same meaning as when used in a comparable
18 context in the laws of the United States, unless a different meaning is clearly required by the
19 provisions of this chapter or chapter 23 of this title. Any reference in this chapter or chapter 23 of
20 this title to the Internal Revenue Code or other laws of the United States means the Internal
21 Revenue Code of 1954, 26 U.S.C. § 1 et seq.

22 (2) For decedents whose death occurs on or after January 1, 2002, the ~~term~~ terms "gross
23 taxable estate" ~~or~~ "federal gross estate" or "net taxable estate" used in this chapter or chapter 23
24 of this title has the same meaning as when used in a comparable context in the laws of the United
25 States, unless a different meaning is clearly required by the provisions of this chapter or chapter
26 23 of this title. Any reference in this chapter or chapter 23 of this title to the Internal Revenue
27 Code or other laws of the United States means the Internal Revenue Code of 1954, 26 U.S.C.
28 section 1 et seq., as they were in effect as of January 1, 2001, unless otherwise provided.

29 (d) All values are as finally determined for federal estate tax purposes.

30 (e) Property has a tax situs within the state of Rhode Island:

31 (1) If it is real estate or tangible personal property and has actual situs within the state of
32 Rhode Island; or

33 (2) If it is intangible personal property and the decedent was a resident.

34 SECTION 15. Section 44-30-2.6 of the General Laws in Chapter 44-30 entitled "Personal

1 Income Tax" is hereby amended to read as follows:

2 **44-30-2.6. Rhode Island taxable income -- Rate of tax.** -- (a) "Rhode Island taxable
3 income" means federal taxable income as determined under the Internal Revenue Code, 26 U.S.C.
4 section 1 et seq., not including the increase in the basic standard deduction amount for married
5 couples filing joint returns as provided in the Jobs and Growth Tax Relief Reconciliation Act of
6 2003 and the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), and as
7 modified by the modifications in section 44-30-12.

8 (b) Notwithstanding the provisions of sections 44-30-1 and 44-30-2, for tax years
9 beginning on or after January 1, 2001, a Rhode Island personal income tax is imposed upon the
10 Rhode Island taxable income of residents and nonresidents, including estates and trusts, at the rate
11 of twenty-five and one-half percent (25.5%) for tax year 2001, and twenty-five percent (25%) for
12 tax year 2002 and thereafter of the federal income tax rates, including capital gains rates and any
13 other special rates for other types of income, except as provided in section 44-30-2.7, which were
14 in effect immediately prior to enactment of the Economic Growth and Tax Relief Reconciliation
15 Act of 2001 (EGTRRA); provided, rate schedules shall be adjusted for inflation by the tax
16 administrator beginning in taxable year 2002 and thereafter in the manner prescribed for
17 adjustment by the commissioner of Internal Revenue in 26 U.S.C. section 1(f). However, for tax
18 years beginning on or after January 1, 2006, a taxpayer may elect to use the alternative flat tax
19 rate provided in section 44-30-2.10 to calculate his or her personal income tax liability.

20 (c) For tax years beginning on or after January 1, 2001, if a taxpayer has an alternative
21 minimum tax for federal tax purposes, the taxpayer shall determine if he or she has a Rhode
22 Island alternative minimum tax. The Rhode Island alternative minimum tax shall be computed by
23 multiplying the federal tentative minimum tax without allowing for the increased exemptions
24 under the Jobs and Growth Tax Relief Reconciliation Act of 2003 (as redetermined on federal
25 form 6251 Alternative Minimum Tax-Individuals) by twenty-five and one-half percent (25.5%)
26 for tax year 2001, and twenty-five percent (25%) for tax year 2002 and thereafter, and comparing
27 the product to the Rhode Island tax as computed otherwise under this section. The excess shall be
28 the taxpayer's Rhode Island alternative minimum tax.

29 (1) For tax years beginning on or after January 1, 2005 and thereafter the exemption
30 amount for alternative minimum tax, for Rhode Island purposes, shall be adjusted for inflation by
31 the tax administrator in the manner prescribed for adjustment by the commissioner of Internal
32 Revenue in 26 U.S.C. section 1(f).

33 (2) For the period January 1, 2007 through December 31, 2007, and thereafter, Rhode
34 Island taxable income shall be determined by deducting from federal adjusted gross income as

1 defined in 26 U.S.C. section 62 as modified by the modifications in section 44-30-12 the Rhode
2 Island itemized deduction amount and the Rhode Island exemption amount as determined in this
3 section.

4 (A) Tax imposed.

5 (1) There is hereby imposed on the taxable income of married individuals filing joint
6 returns and surviving spouses a tax determined in accordance with the following table:

7 If taxable income is:	The tax is:
8 Not over \$53,150	3.75% of taxable income
9 Over \$53,150 but not over \$128,500	\$1,993.13 plus 7.00% of the 10 excess over \$53,150
11 Over \$128,500 but not over \$195,850	\$7,267.63 plus 7.75% of the 12 excess over \$128,500
13 Over \$195,850 but not over \$349,700	\$12,487.25 plus 9.00% of the 14 excess over \$195,850
15 Over \$349,700	\$26,333.75 plus 9.90% of the 16 excess over \$349,700

17 (2) There is hereby imposed on the taxable income of every head of household a tax
18 determined in accordance with the following table:

19 If taxable income is:	The tax is:
20 Not over \$42,650	3.75% of taxable income
21 Over \$42,650 but not over \$110,100	\$1,599.38 plus 7.00% of the 22 excess over \$42,650
23 Over \$110,100 but not over \$178,350	\$6,320.88 plus 7.75% of the 24 excess over \$110,100
25 Over \$178,350 but not over \$349,700	\$11,610.25 plus 9.00% of the 26 excess over \$178,350
27 Over \$349,700	\$27,031.75 plus 9.90% of the 28 excess over \$349,700

29 (3) There is hereby imposed on the taxable income of unmarried individuals (other than
30 surviving spouses and heads of households) a tax determined in accordance with the following
31 table:

32 If taxable income is:	The tax is:
33 Not over \$31,850	3.75% of taxable income
34 Over \$31,850 but not over \$77,100	\$1,194.38 plus 7.00% of the

1		excess over \$31,850
2	Over \$77,100 but not over \$160,850	\$4,361.88 plus 7.75% of the
3		excess over \$77,100
4	Over \$160,850 but not over \$349,700	\$10,852.50 plus 9.00% of the
5		excess over \$160,850
6	Over \$349,700	\$27,849.00 plus 9.90% of the
7		excess over \$349,700

8 (4) There is hereby imposed on the taxable income of married individuals filing separate
9 returns and bankruptcy estates a tax determined in accordance with the following table:

10	If taxable income is:	The tax is:
11	Not over \$26,575	3.75% of taxable income
12	Over \$26,575 but not over \$64,250	\$996.56 plus 7.00% of the
13		excess over \$26,575
14	Over \$64,250 but not over \$97,925	\$3,633.81 plus 7.75% of the
15		excess over \$64,250
16	Over \$97,925 but not over \$174,850	\$6,243.63 plus 9.00% of the
17		excess over \$97,925
18	Over \$174,850	\$13,166.88 plus 9.90% of the
19		excess over \$174,850

20 (5) There is hereby imposed a taxable income of an estate or trust a tax determined in
21 accordance with the following table:

22	If taxable income is:	The tax is:
23	Not over \$2,150	3.75% of taxable income
24	Over \$2,150 but not over \$5,000	\$80.63 plus 7.00% of the excess
25		over \$2,150
26	Over \$5,000 but not over \$7,650	\$280.13 plus 7.75% of the
27		excess over \$5,000
28	Over \$7,650 but not over \$10,450	\$485.50 plus 9.00% of the
29		excess over \$7,650
30	Over \$10,450	\$737.50 plus 9.90% of the
31		excess over \$10,450

32 (6) Adjustments for inflation.
33 The dollars amount contained in paragraph (A) shall be increased by an amount equal to:
34 (a) Such dollar amount contained in paragraph (A) in the year 1993, multiplied by;

1 (b) The cost-of-living adjustment determined under section (J) with a base year of 1993;
2 (c) The cost-of-living adjustment referred to in subparagraph (a) and (b) used in making
3 adjustments to the nine percent (9%) and nine and nine tenths percent (9.9%) dollar amounts shall
4 be determined under section (J) by substituting "1994" for "1993."

5 (B) Maximum capital gains rates

6 (1) In general

7 If a taxpayer has a net capital gain for ~~any taxable year~~ tax years ending prior to January
8 1, 2010, the tax imposed by this section for such taxable year shall not exceed the sum of: (a) 2.5
9 % of the net capital gain as reported for federal income tax purposes under section 26 U.S.C.
10 1(h)(1)(a) and 26 U.S.C. 1(h)(1)(b).

11 (b) 5% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
12 1(h)(1)(c).

13 (c) 6.25% of the net capital gain as reported for federal income tax purposes under 26
14 U.S.C. 1(h)(1)(d).

15 (d) 7% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
16 1(h)(1)(e).

17 (2) For tax years beginning on or after January 1, 2010 the tax imposed on net capital
18 gain shall be determined under subdivision 44-30-2.6(c)(2)(A).

19 (C) Itemized deductions.

20 (1) In general

21 For the purposes of section (2) "itemized deductions" means the amount of federal
22 itemized deductions as modified by the modifications in section 44-30-12.

23 (2) Individuals who do not itemize their deductions In the case of an individual who does
24 not elect to itemize his deductions for the taxable year, they may elect to take a standard
25 deduction.

26 (3) Basic standard deduction. The Rhode Island standard deduction shall be allowed in
27 accordance with the following table:

28	Filing status	Amount
29	Single	\$5,350
30	Married filing jointly or qualifying widow(er)	\$8,900
31	Married filing separately	\$4,450
32	Head of Household	\$7,850

33 (4) Additional standard deduction for the aged and blind. An additional standard
34 deduction shall be allowed for individuals age sixty-five (65) or older or blind in the amount of

1 \$1,300 for individuals who are not married and \$1,050 for individuals who are married.

2 (5) Limitation on basic standard deduction in the case of certain dependents. In the case
3 of an individual to whom a deduction under section (E) is allowable to another taxpayer, the basic
4 standard deduction applicable to such individual shall not exceed the greater of:

- 5 (a) \$850;
- 6 (b) The sum of \$300 and such individual's earned income;
- 7 (c) Certain individuals not eligible for standard deduction.

8 In the case of:

- 9 (a) A married individual filing a separate return where either spouse itemizes deductions;
- 10 (b) Nonresident alien individual;
- 11 (c) An estate or trust;

12 The standard deduction shall be zero.

13 (7) Adjustments for inflation.

14 Each dollars amount contained in paragraphs (3), (4) and (5) shall be increased by an
15 amount equal to:

- 16 (a) Such dollar amount contained in paragraphs (3), (4) and (5) in the year 1988,
17 multiplied by
- 18 (b) The cost-of-living adjustment determined under section (J) with a base year of 1988.

19 (D) Overall Limitation on Itemized Deductions

20 (1) General rule.

21 In the case of an individual whose adjusted gross income as modified by section 44-30-12
22 exceeds the applicable amount, the amount of the itemized deductions otherwise allowable for the
23 taxable year shall be reduced by the lesser of:

24 (a) Three percent (3%) of the excess of adjusted gross income as modified by section 44-
25 30-12 over the applicable amount; or

26 (b) Eighty percent (80%) of the amount of the itemized deductions otherwise allowable
27 for such taxable year.

28 (2) Applicable amount.

29 (a) In general.

30 For purposes of this section, the term "applicable amount" means \$156,400 (\$78,200 in
31 the case of a separate return by a married individual)

32 (b) Adjustments for inflation.

33 Each dollar amount contained in paragraph (a) shall be increased by an amount equal to:

34 (i) Such dollar amount contained in paragraph (a) in the year 1991, multiplied by

1 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

2 (3) Phase-out of Limitation.

3 (a) In general.

4 In the case of taxable year beginning after December 31, 2005, and before January 1,
5 2010, the reduction under section (1) shall be equal to the applicable fraction of the amount which
6 would be the amount of such reduction.

7 (b) Applicable fraction.

8 For purposes of paragraph (a), the applicable fraction shall be determined in accordance
9 with the following table:

10 For taxable years beginning in calendar year The applicable fraction is

11 2006 and 2007 $\frac{2}{3}$

12 2008 and 2009 $\frac{1}{3}$

13 (E) Exemption Amount

14 (1) In general.

15 Except as otherwise provided in this subsection, the term "exemption amount" mean
16 \$3,400.

17 (2) Exemption amount disallowed in case of certain dependents.

18 In the case of an individual with respect to whom a deduction under this section is
19 allowable to another taxpayer for the same taxable year, the exemption amount applicable to such
20 individual for such individual's taxable year shall be zero.

21 (3) Adjustments for inflation.

22 The dollar amount contained in paragraph (1) shall be increased by an amount equal to:

23 (a) Such dollar amount contained in paragraph (1) in the year 1989, multiplied by

24 (b) The cost-of-living adjustment determined under section (J) with a base year of 1989.

25 (4) Limitation.

26 (a) In general.

27 In the case of any taxpayer whose adjusted gross income as modified for the taxable year
28 exceeds the threshold amount shall be reduced by the applicable percentage.

29 (b) Applicable percentage.

30 In the case of any taxpayer whose adjusted gross income for the taxable year exceeds the
31 threshold amount, the exemption amount shall be reduced by two (2) percentage points for each
32 \$2,500 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year
33 exceeds the threshold amount. In the case of a married individual filing a separate return, the
34 preceding sentence shall be applied by substituting "\$1,250" for "\$2,500." In no event shall the

1 applicable percentage exceed one hundred percent (100%).

2 (c) Threshold Amount. For the purposes of this paragraph, the term "threshold amount"
3 shall be determined with the following table:

4	Filing status Amount
5	Single \$156,400
6	Married filing jointly of qualifying widow(er) \$234,600
7	Married filing separately \$117,300
8	Head of Household \$195,500

9 (d) Adjustments for inflation.

10 Each dollars amount contain in paragraph (b) shall be increased by an amount equal to:

11 (i) Such dollar amount contained in paragraph (b) in the year 1991, multiplied by

12 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

13 (5) Phase-out of Limitation.

14 (a) In general.

15 In the case of taxable years beginning after December 31, 2005, and before January 1,
16 2010, the reduction under section 4 shall be equal to the applicable fraction of the amount which
17 would be the amount of such reduction.

18 (b) Applicable fraction.

19 For the purposes of paragraph (a), the applicable fraction shall be determined in
20 accordance with the following table:

21 For taxable years beginning in calendar year The applicable fraction is

22 2006 and 2007 $\frac{2}{3}$

23 2008 and 2009 $\frac{1}{3}$

24 (F) Alternative Minimum Tax

25 (1) General rule. - There is hereby imposed (in addition to any other tax imposed by this
26 subtitle) a tax equal to the excess (if any) of:

27 (a) The tentative minimum tax for the taxable year, over

28 (b) The regular tax for the taxable year.

29 (2) The tentative minimum tax for the taxable year is the sum of:

30 (a) 6.5 percent of so much of the taxable excess as does not exceed \$175,000, plus

31 (b) 7.0 percent of so much of the taxable excess above \$175,000.

32 (3) The amount determined under the preceding sentence shall be reduced by the
33 alternative minimum tax foreign tax credit for the taxable year.

34 (4) Taxable excess. - For the purposes of this subsection the term "taxable excess" means

1 so much of the federal alternative minimum taxable income as modified by the modifications in
2 section 44-30-12 as exceeds the exemption amount.

3 (5) In the case of a married individual filing a separate return, subparagraph (2) shall be
4 applied by substituting "\$87,500" for \$175,000 each place it appears.

5 (6) Exemption amount.

6 For purposes of this section "exemption amount" means:

7 Filing status Amount

8 Single \$39,150

9 Married filing jointly or qualifying widow(er) \$53,700

10 Married filing separately \$26,850

11 Head of Household \$39,150

12 Estate or trust \$24,650

13 (7) Treatment of unearned income of minor children

14 (a) In general.

15 In the case of a minor child, the exemption amount for purposes of section (6) shall not
16 exceed the sum of:

17 (i) Such child's earned income, plus

18 (ii) \$6,000.

19 (8) Adjustments for inflation.

20 The dollar amount contained in paragraphs (6) and (7) shall be increased by an amount
21 equal to:

22 (a) Such dollar amount contained in paragraphs (6) and (7) in the year 2004, multiplied
23 by

24 (b) The cost-of-living adjustment determined under section (J) with a base year of 2004.

25 (9) Phase-out.

26 (a) In general.

27 The exemption amount of any taxpayer shall be reduced (but not below zero) by an
28 amount equal to twenty-five percent (25%) of the amount by which alternative minimum taxable
29 income of the taxpayer exceeds the threshold amount.

30 (b) Threshold amount.

31 For purposes of this paragraph, the term "threshold amount" shall be determined with the
32 following table:

33 Filing status Amount

34 Single \$123,250

1 Married filing jointly or qualifying widow(er) \$164,350

2 Married filing separately \$82,175

3 Head of Household \$123,250

4 Estate or Trust \$82,150

5 (c) Adjustments for inflation

6 Each dollar amount contained in paragraph (9) shall be increased by an amount equal to:

7 (i) Such dollar amount contained in paragraph (9) in the year 2004, multiplied by

8 (ii) The cost-of-living adjustment determined under section (J) with a base year of 2004.

9 (G) Other Rhode Island Taxes

10 (1) General rule. - There is hereby imposed (in addition to any other tax imposed by this
11 subtitle) a tax equal to twenty-five percent (25%) of:

12 (a) The Federal income tax on lump-sum distributions.

13 (b) The Federal income tax on parents' election to report child's interest and dividends.

14 (c) The recapture of Federal tax credits that were previously claimed on Rhode Island
15 return.

16 (H) Tax for children under 18 with investment income

17 (1) General rule. - There is hereby imposed a tax equal to twenty-five percent (25%) of:

18 (a) The Federal tax for children under the age of 18 with investment income.

19 (I) Averaging of farm income

20 (1) General rule. - At the election of an individual engaged in a farming business or
21 fishing business, the tax imposed in section 2 shall be equal to twenty-five percent (25%) of:

22 (a) The Federal averaging of farm income as determined in IRC section 1301. (J) Cost-
23 of-Living Adjustment

24 (1) In general.

25 The cost-of-living adjustment for any calendar year is the percentage (if any) by which:

26 (a) The CPI for the preceding calendar year exceeds

27 (b) The CPI for the base year.

28 (2) CPI for any calendar year.

29 For purposes of paragraph (1), the CPI for any calendar year is the average of the
30 Consumer Price Index as of the close of the twelve (12) month period ending on August 31 of
31 such calendar year.

32 (3) Consumer Price Index

33 For purposes of paragraph (2), the term "consumer price index" means the last consumer
34 price index for all urban consumers published by the department of labor. For purposes of the

1 preceding sentence, the revision of the consumer price index which is most consistent with the
2 consumer price index for calendar year 1986 shall be used.

3 (4) Rounding.

4 (a) In general.

5 If any increase determined under paragraph (1) is not a multiple of \$50, such increase
6 shall be rounded to the next lowest multiple of \$50.

7 (b) In the case of a married individual filing a separate return, subparagraph (a) shall be
8 applied by substituting "\$25" for \$50 each place it appears.

9 (K) Credits against tax. - For tax years beginning on or after January 1, 2001, a taxpayer
10 entitled to any of the following federal credits enacted prior to January 1, 1996 shall be entitled to
11 a credit against the Rhode Island tax imposed under this section:

12 (1) [Deleted by P.L. 2007, ch. 73, art. 7, section 5].

13 (2) Child and dependent care credit;

14 (3) General business credits;

15 (4) Credit for elderly or the disabled;

16 (5) Credit for prior year minimum tax;

17 (6) Mortgage interest credit;

18 (7) Empowerment zone employment credit;

19 (8) Qualified electric vehicle credit.

20 (L) Credit Against Tax for Adoption. - For tax years beginning on or after January 1,
21 2006, a taxpayer entitled to the federal adoption credit shall be entitled to a credit against the
22 Rhode Island tax imposed under this section if the adopted child was under the care, custody, or
23 supervision of the Rhode Island department of children, youth and families prior to the adoption.

24 (M) The credit shall be twenty-five percent (25%) of the aforementioned federal credits
25 provided there shall be no deduction based on any federal credits enacted after January 1, 1996,
26 including the rate reduction credit provided by the federal Economic Growth and Tax
27 Reconciliation Act of 2001 (EGTRRA). In no event shall the tax imposed under this section be
28 reduced to less than zero. A taxpayer required to recapture any of the above credits for federal tax
29 purposes shall determine the Rhode Island amount to be recaptured in the same manner as
30 prescribed in this subsection.

31 (N) Rhode Island Earned Income Credit

32 (1) In general.

33 A taxpayer entitled to a federal earned income credit shall be allowed a Rhode Island
34 earned income credit equal to twenty-five percent (25%) of the federal earned income credit.

1 Such credit shall not exceed the amount of the Rhode Island income tax.

2 (2) Refundable portion. In the event the Rhode Island earned income credit allowed
3 under section (J) exceeds the amount of Rhode Island income tax, a refundable earned income
4 credit shall be allowed.

5 (a) For purposes of paragraph (2) refundable earned income credit means fifteen percent
6 (15%) of the amount by which the Rhode Island earned income credit exceeds the Rhode Island
7 income tax.

8 (O) The tax administrator shall recalculate and submit necessary revisions to paragraphs
9 (A) through (J) to the general assembly no later than February 1, 2010 and every three (3) years
10 thereafter for inclusion in the statute.

11 SECTION 16. Section 44-30-2.7 of the General Laws in Chapter 44-30 entitled "Personal
12 Income Tax" is hereby amended to read as follows:

13 **44-30-2.7. Capital gains rates for assets held more than five (5) years.** -- (a) All
14 capital assets purchased prior to January 1, 2002 and sold on or after January 1, 2007, shall be
15 deemed to have a holding period beginning January 1, 2002. For tax years beginning in 2007 and
16 ending prior to January 1, 2010, the capital gains rate for assets held more than five (5) years shall
17 be as follows:

18 (i) 0.83% of the net capital gain as reported for federal income tax purposes under 26
19 U.S.C. section 1(h)(1)(a) and 26 U.S.C. section 1(h)(1)(b).

20 (ii) 1.67% of the net capital gain as reported for federal income tax purposes under 26
21 U.S.C. section 1(h)(1)(c).

22 (iii) 2.08% of the net capital gain as reported for federal income tax purposes under 26
23 U.S.C. section 1(h)(1)(d).

24 (iv) 2.33% of the net capital gain as reported for federal income tax purposes under 26
25 U.S.C. section 1(h)(1)(e).

26 SECTION 17. Sections 1, 12, and 13 shall take effect on July 1, 2009. Section 2 shall take effect
27 on July 1, 2009 and shall apply to hospitals, as defined in Section 2, which are duly licensed on
28 July 1, 2009. The licensing fee imposed by Section 2 shall be in addition to the inspection fee
29 imposed by Section 23-17-38 and to any licensing fees previously imposed in accordance with
30 section 23-17-38.1. Section 3 shall take effect upon passage and apply to provider tax assessment
31 of gross patient revenues related to services provided after June 30, 2009, but shall not apply to
32 assessments of gross patient revenue due and payable to the State for services provided prior to
33 July 1, 2009. Section 10 shall take effect on January 1, 2010. Section 15 thru 17 shall take effect
34 upon passage and apply to tax years beginning on or after January 1, 2010. The remainder of the
35 article shall take effect upon passage.

ARTICLE 17 SUBSTITUTE A AS AMENDED

RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS

SECTION 1. Sections 2 through 7 of this article consist of Joint Resolutions that are submitted pursuant to Rhode Island General Laws §§ 35-18-1, et seq.

SECTION 2. Rhode Island College Recreation Center Project.

WHEREAS, the Board of Governors for Higher Education and Rhode Island College are proposing a project to renovate the existing recreation center on the Rhode Island College campus; and

WHEREAS, the recreation center, completed in 1989, is old and outdated, and requires significant upgrades in order to remain a viable facility; and

WHEREAS, the retention and growth of student enrollment is critical to the fiscal health of the College; and

WHEREAS, the ability to offer potential undergraduates a renovated, state-of-the-art recreation center is seen as a major determining factor in the decision of students to attend the College; and

WHEREAS, the recreation center would be renovated and turned into a state-of-the art facility as a result of the project; and

WHEREAS, the Rhode Island Public Corporation Debt Management Act requires the general assembly to provide its consent to the issuance or incurring by the State of Rhode Island and other public agencies of certain obligations including financing guarantees or other agreements; and

WHEREAS, the funding of the project will be financed through Rhode Island Health and Education Building Corporation revenue bonds, with an expected amortization period of thirty (30) years; and

WHEREAS, the proposed debt issuance for the project is eleven million three hundred ten thousand dollars (\$11,310,000), including renovation costs of ten million dollars (\$10,000,000), cost of issuance and surety premium estimated at four hundred twenty-six thousand fifty dollars (\$426,050), and a debt service reserve fund of eight hundred eighty-three thousand nine hundred fifty dollars (\$883,950). Debt service payments would be supported by recreation fee revenues generated at Rhode Island College. Total debt service on the bonds is not

1 expected to exceed eight hundred eighty four thousand dollars (\$884,000) annually and twenty
2 six million five hundred thousand (\$26,500,000) in the aggregate, based on an average interest
3 rate of six and one half percent (6.50%) over thirty years; now, therefore be it

4 RESOLVED, that this general assembly hereby approves financing in an amount not to
5 exceed eleven million three hundred ten thousand dollars (\$11,310,000) for the renovation of the
6 recreation center on the Rhode Island College campus; and be it further

7 RESOLVED, that this Joint Resolution shall apply to bonds issued on or before June 30,
8 2010.

9 SECTION 3. URI Repaving and Road Construction Project.

10 WHEREAS, The Board of Governors for Higher Education and the University of Rhode
11 Island are proposing a project which involves the re-pavement and reconstruction of major
12 parking facilities, internal roadways, and walkways and associated drainage infrastructure on the
13 University's Kingston, Narragansett Bay, and W. Alton Jones Campuses and the construction of
14 an important new roadway extension and two roadway connections on the Kingston Campus; and

15 WHEREAS, the University has made some progress in the improvement of its extensive
16 inventory of paved surfaces on its Campuses, the scope of repaving and reconstruction is
17 substantial and ongoing; and

18 WHEREAS, the roadway extension is a key feature of the University's Kingston Campus
19 Master Plan that will provide better traffic flow to and from perimeter parking lots and Campus
20 destinations day to day as well as for special events via the increasingly important Plains Road
21 Entrance to the Kingston Campus; and

22 WHEREAS, the road extension's direct connection to the western terminus of Flagg Road
23 will also facilitate vehicle traffic moving to and from the future research and technology park
24 planned for portions of a 300-acre undeveloped parcel of University land immediately north of
25 Flagg Road; and

26 WHEREAS, the minimization of traffic congestion and improved traffic flow patterns are
27 mutual objectives of both the University and the Kingston area community; and

28 WHEREAS, the design and execution of this Master Plan recommended road extension
29 is planned for a period when the University and the Town of South Kingstown are interacting
30 with the Rhode Island Department of Transportation on the final design of a major project to
31 enhance design and traffic management features on Route 138, the main State roadway serving
32 the Kingston area; and

33 WHEREAS, these timely road project commitments serve the objectives of both the
34 University and the local community; and

1 WHEREAS, a new roadway connection between Fraternity Circle and Baird Hill Road
2 will enable direct vehicle and emergency response access between the fraternity and sorority area
3 and the core of the Campus and will allow for the curb cut onto Route 138 to be closed as part of
4 an upcoming RIDOT project, which is a favorable traffic flow and traffic safety measure on busy
5 Route 138, and

6 WHEREAS, an access road into the University's property north of Flagg Road is also
7 contemplated, consistent with plans for the initial phase of the Research Technology Park; and

8 WHEREAS, the Rhode Island Public Corporation Debt Management Act requires the
9 General Assembly to provide its consent to the issuance or incurring by the State of Rhode Island
10 and other public agencies of certain obligations including financing guarantees or other
11 agreements; and

12 WHEREAS, the design and paving work will be financed through Rhode Island Health
13 and Education Building Corporation revenue bonds, with an expected term of twenty (20) years
14 in the amount of fifteen million two hundred thousand dollars (\$15,200,000); and

15 WHEREAS, the project costs associated with completion of the project and proposed
16 financing method is fifteen million two hundred thousand dollars (\$15,200,000), with
17 approximately thirteen million four hundred sixty thousand dollars (\$13,460,000) deposited in the
18 project fund, approximately one million three hundred thousand (\$1,300,000) deposited in a debt
19 service reserve fund and approximately four hundred forty thousand dollars (\$440,000) available
20 to pay the associated costs of financing. Debt Service payments would be supported by both
21 University's unrestricted general revenues and enterprise funding from the University of Rhode
22 Island Parking Services operation. Total debt service on the bonds is not expected to exceed one
23 million three hundred sixteen thousand dollars (\$1,316,000) annually and twenty six million three
24 hundred twenty thousand dollars (\$26,320,000) in the aggregate based on an average interest rate
25 of six percent (6%); now, therefore be it

26 RESOLVED, that this general assembly hereby approves financing in an amount not to
27 exceed fifteen million two hundred thousand dollars (\$15,200,000) for the repavement and
28 reconstruction of major parking facilities, internal roadways, and walkways and associated
29 drainage infrastructure on the University of Rhode Island's Kingston, Narragansett Bay and W.
30 Alton Jones campuses and the construction of a new roadway extension and two roadway
31 connections on the Kingston Campus; and be it further

32 RESOLVED, that this Joint Resolution shall apply to bonds issued on or before June 30,
33 2010.

34 SECTION 4. URI Purchase of Fraternity House for the International Engineering

1 Program.

2 WHEREAS, The Board of Governors for Higher Education and the University of Rhode
3 Island are proposing a project which involves an installment purchase of the former Sigma Alpha
4 Epsilon Fraternity House at 67 Upper College Road, on the Kingston Campus of the University of
5 Rhode Island from the Rhode Island Alpha Chapter of Sigma Alpha Epsilon Building Fund, Inc.,
6 which has been leased by the University for the International Engineering Program (IEP) during
7 the last ten years; and

8 WHEREAS, the International Engineering Program has prospered and grown in
9 enrollment and stature during the period of the building lease, which enabled the Program to
10 house its administrative offices and provide convenient and attractive on-campus housing and
11 dining to Rhode Island and out-of-state students, pursuing the Program's dual majors in
12 engineering and foreign languages; and

13 WHEREAS, the building has been maintained in good physical condition and has
14 operated effectively, with the support of room and board revenues derived from the resident
15 students; and

16 WHEREAS, the Board of Governors has, per its Agreement with the fraternal
17 organization, the right to exercise an option to purchase the building in the event that the Board
18 deems that it is in its interest to do so; and

19 WHEREAS, the fraternal organization has expressed a willingness to sell the subject
20 building to the Board and the University in accordance with the terms of the referenced
21 Agreement; and

22 WHEREAS, the Rhode Island Public Corporation Debt Management Act requires the
23 General Assembly to provide its consent to the issuance or incurring by the State of Rhode Island
24 and other public agencies of certain obligations including financing guarantees or other
25 agreements; and

26 WHEREAS, the building acquisition will be financed through an installment purchase
27 transaction or a financing vehicle of similar or more favorable terms; and

28 WHEREAS, the total purchase price of the building is one million one hundred thousand
29 dollars (\$1,100,000), but the portion of the building purchase that would be subject to the
30 installment purchase or similar financing vehicle is eight hundred fifty thousand dollars
31 (\$850,000), with a one-time down payment in FY 2010 of two hundred fifty thousand dollars
32 (\$250,000). Installment Purchase or Debt Service payments would be supported by revenues
33 derived from IEP student residents and/or support from other revenues of the University of Rhode
34 Island. Annual installment purchase or debt service payments are not expected to exceed eighty

1 seven thousand dollars (\$87,000) annually and one million two hundred ninety one thousand
2 dollars (\$1,291,000) in the aggregate based on an average interest rate of six percent (6.0%) over
3 a term of fifteen (15) years; now, therefore be it

4 RESOLVED, that this general assembly hereby approves financing in an amount not to
5 exceed eight hundred fifty thousand dollars (\$850,000) for installment purchase of the forma
6 Sigma Alpha Epsilon Fraternity House at 67 Upper College Road on the Kingston Campus of the
7 University of Rhode Island for use by the International Engineering Program; and be it further

8 RESOLVED, that this Joint Resolution shall apply to financing completed on or before
9 June 30, 2010.

10 SECTION 5. Division of Motor Vehicles Computer System. Section 3 of Article 5 of
11 Chapter 073 of the 2007 Public Laws is hereby amended to read as follows:

12 WHEREAS, The computer systems that currently support the Division of Motor Vehicles
13 are outdated and put the operations of driver licenses and registrations systems at risk of
14 operation; and

15 WHEREAS, The enterprise infrastructure of the state's wide and local area networks need
16 upgrades to protect them from cyber security attack; and

17 WHEREAS, An integrated professional licensing software platform would increase the
18 regulatory compliance of licenses and increase access and convenience to the public of licensing
19 rules, regulations, and application processing; and

20 WHEREAS, Public education would benefit from outfitting teachers with skills in the use
21 of information systems; and

22 WHEREAS, The state would benefit from a taxation database to enhance tax policy
23 analysis, audits and tax collections; and

24 WHEREAS, The court system requires timely and integrated data systems capable of
25 interacting with other state systems; and

26 WHEREAS, The project costs associated with the Innovative Technology Initiative is
27 \$49.3 million. The total financing obligation of the State of Rhode Island would be approximately
28 \$46.9 million, with \$49.3 million deposited in the construction fund, and \$0.6 million available to
29 pay the associated costs of financing. Total payments on the State's obligation over ten (10) years
30 on the \$49.3 million issuance are projected to be \$63.1 million, assuming an average effective
31 interest rate of 4.5%. The payments would be financed within the Department of Administration
32 from general revenue appropriations and Division of Motor Vehicles transaction fees; now,
33 therefore be it

34 RESOLVED, That this General Assembly hereby approves financing in an amount not to

1 exceed \$37.0 million for the provision of funds for Innovative Technology including \$0.5 million
2 to pay costs of financing; provided, that \$3,900,000 be made available from the construction fund
3 for the enterprise infrastructure of the state's wide and local area network; and provided, further,
4 that \$1,010,234 be made available from the construction fund for an integrated professional
5 licensing software platform; and provided, further, that \$15,195,154 be made available from the
6 construction fund for comprehensive education information systems in the department of
7 elementary and secondary education; and provided, further, that \$2,500,000 be available from the
8 construction fund to develop a taxation data base; and provided, further, that \$13,900,000 be
9 available from the construction fund to develop integrated data systems for the judiciary; and be it
10 further

11 RESOLVED, There is hereby established a restricted receipt account within the
12 Department of Administration to be called the Division of Motor Vehicles Registry Technology
13 account to be used exclusively for debt service [and/or project-related](#) payments for the registry
14 computer system. Notwithstanding the provision of Rhode Island General Law 35-4-27 indirect
15 cost recoveries on restricted receipt accounts, no transfer or expenditure may be made for any
16 purpose other than debt service [or project-related costs](#).

17 RESOLVED, That the General Assembly hereby authorizes financing in an amount not
18 to exceed \$13,000,000 to develop computer systems to support the division of motor vehicles,
19 including \$12,795,000 for the project and \$205,000 for associated cost of financing; provided that
20 costs of financing would be borne by a surcharge on all transactions over the ten year period;
21 which shall be deposited into the Division of Motor Vehicles Registry Technology account; and
22 provided further that the department of administration shall develop and adopt by rule and
23 regulation pursuant to this section that surcharge and structure not to exceed ~~(seven-97)~~ [ten \(10\)](#)
24 years and that all revenues from that surcharge be used exclusively for the payment of the
25 principal, interest, ~~and~~ issuance [and project](#) costs associated with the ~~\$13,000,000~~ cost of the
26 system.

27 SECTION 6. Section 35-18-3 of the General Laws in Chapter 35-18 entitled "Public
28 Corporation Debt Management" is hereby amended to read as follows:

29 **35-18-3. Approval by the general assembly.** -- (a) No elected or appointed state official
30 may enter into any financing lease or into any guarantee with any person without the prior
31 approval of the general assembly unless:

32 (1) [Deleted by P.L. 2005, ch. 117, art. 6, section 1.]

33 (2) [Expired pursuant to P.L. 1994, ch. 148, section 2.]

34 (3) The governor certifies that federal funds will be available to make all of the payments

1 which the state is or could be obligated to make under the financing lease or guarantee; or

2 (4) The general assembly has adjourned for the year with the expectation that it will not
3 meet again until the following year and the governor certifies that action is necessary, because of
4 events occurring after the general assembly has adjourned, to protect the physical integrity of an
5 essential public facility, to ensure the continued delivery of essential public services, or to
6 maintain the credit worthiness of the state in the financial markets.

7 (b) No bonds may be issued or other obligation incurred by any public corporation to
8 finance, in whole or in part, the construction, acquisition, or improvement of any essential public
9 facility without the prior approval of the general assembly, unless:

10 (1) [Deleted by P.L. 2005, ch. 117, art. 6, section 1.]

11 (2) [Expired pursuant to P.L. 1994, ch. 148, section 2.]

12 (3) The governor certifies that federal funds will be available to make all of the payments
13 required to be made by the public corporation in connection with the bond or obligation. The
14 certification shall be transmitted to the speaker of the house and the president of the senate with
15 copies to the chairpersons of the respective finance committees and fiscal advisors; or

16 (4) The general assembly has adjourned for the year with the expectation that it will not
17 meet again until the following year and the governor certifies that action is necessary, because of
18 events occurring after the general assembly has adjourned, to protect the physical integrity of an
19 essential public facility, to ensure the continued delivery of essential public services, or to
20 maintain the credit worthiness of the state in the financial markets. The certification shall be
21 transmitted to the speaker of the house and the president of the senate, with copies to the
22 chairpersons of the respective finance committees and fiscal advisors.

23 (c) In addition to, and not by way of limitation on, the exemptions provided in
24 subsections (a) and (b), prior approval by the general assembly shall not be required under this
25 chapter for bonds or other obligations issued by, or financing leases or guarantee agreements
26 entered into by:

27 (1) The Rhode Island Industrial Facilities Corporation; provided financing leases, bonds
28 or other obligations are being issued for an economic development project;

29 (2) The Rhode Island clean water finance agency;

30 (3) The Rhode Island housing and mortgage finance corporation;

31 (4) The Rhode Island student loan authority;

32 (5) Any public corporation to refund any bond or other obligation issued by the public
33 corporation to finance the acquisition, construction, or improvement of an essential public facility
34 provided that the governor certifies to the speaker of the house and the president of the senate,

1 with copies to the chairpersons of the respective finance committees and fiscal advisors that the
2 refunding shall provide a net benefit to the issuer; provided, however, obligations of the Rhode
3 Island resource recovery corporation outstanding on July 31, 1999, may be refunded by the
4 issuance of obligations on or before August 1, 1999 ~~and the state through appropriate state and~~
5 ~~elected officials, including, but not limited to, the attorney general, the director of the department~~
6 ~~of administration and the chairman of the state properties committee, and the Rhode Island~~
7 ~~resource recovery corporation may enter into, approve, or extend, any financing lease, guarantee,~~
8 ~~or guarantee lease similar to the existing lease arrangements between the state and the Rhode~~
9 ~~Island resource recovery corporation in effect on August 1, 1997, and any financing lease,~~
10 ~~guarantee, or guarantee lease, or extension thereof, shall be exempt from the provisions of this~~
11 ~~chapter;~~

12 (6) The Narragansett Bay water quality management district commission; and

13 (7) The Rhode Island health and educational building corporation, except bonds or other
14 obligations issued in connection with the acquisition, construction, or improvement of any facility
15 used by any state agency, department, board, or commission, including the board of governors for
16 higher education, to provide services to the public pursuant to the requirements of state or federal
17 law, and all fixtures for any of those facilities.

18 (d) Nothing contained in this section applies to any loan authorized to be borrowed under
19 Article VI, section 16 or 17 of the Rhode Island Constitution.

20 (e) Nothing in this section is intended to expand in any way the borrowing authority of
21 any public corporation under its charter.

22 (f) (1) Any certification made by the governor under subsection (a), (b), or (c) of this
23 section may be relied upon by any person, including without limitation, bond counsel.

24 (2) The certifications shall be transmitted to the speaker of the house and the president of
25 the senate with copies to the chairpersons of the respective finance committees and fiscal
26 advisors.

27 (g) Except as provided for in this chapter, the requirements of this chapter supersede any
28 other special or general provision of law, including any provision which purports to exempt sales
29 or leases between the state and a public corporation from the operation of any law.

30 SECTION 7. Rhode Island Turnpike and Bridge Authority.

31 WHEREAS, the Rhode Island Turnpike and Bridge Authority (the "Authority") is a
32 public corporation of the State of Rhode Island (the "State"), constituting a public instrumentality
33 and agency exercising public and essential governmental functions of the State, created by the
34 General Assembly pursuant to Rhode Island General Laws Sections 24-12-1, et seq. as enacted,

1 reenacted and amended (the “Act”); and

2 WHEREAS, the State recognizes that the Pell Bridge and other facilities of the Authority
3 are an essential part of the State’s transportation system and facilitates the tourism industry; and it
4 is the policy of the State that the public welfare and the further economic development and the
5 prosperity of the State requires the maintenance of such facilities and the financing thereof; and

6 WHEREAS, the Act provides that the Authority shall have the power to charge and
7 collect tolls for the use of its facilities; and

8 WHEREAS, the Act also provides that the Authority shall have the power to acquire,
9 hold and dispose of real and personal property in the exercise of its powers and performance of its
10 duties; and

11 WHEREAS, the Act authorizes the Authority to make and enter into all contracts and
12 agreements necessary or incidental to the performance of its duties and the execution of its
13 powers under the Act, issue revenue bonds of the Authority for any of its purposes and to refund
14 its bonds, borrow money in anticipation of the issuance of its bonds, and secure its bonds by the
15 pledge of its tolls and other revenues; and

16 WHEREAS, in furtherance of its corporate purposes, the Authority is authorized to issue
17 from time to time its negotiable revenue bonds and notes in one or more series in such principal
18 amounts for the purpose of paying all or a part of the costs of any one or more projects authorized
19 by the Act, making provision for working capital and a reserve for interest; and

20 WHEREAS, pursuant to Rhode Island General Laws Sections 35-18-3 and 35-18-4 of the
21 Rhode Island Public Corporation Debt Management Act as enacted, reenacted and amended (the
22 “Debt Management Act”), the Authority hereby requests the approval of the General Assembly of
23 the Authority’s issuance of not more than fifty million dollars (\$50,000,000) Rhode Island
24 Turnpike and Bridge Authority Revenue Bonds (the “Bonds”) to be secured by toll and other
25 revenues, for the purpose of providing funds to finance the renovation, renewal, repair,
26 rehabilitation, retrofitting, upgrading and improvement of the Pell Bridge, the Mount Hope
27 Bridge and other projects authorized under the Act, replacement of the components thereof,
28 working capital, a reserve for interest and the costs of issuing and insuring the Bonds (the
29 “Project”); and

30 WHEREAS, the Project constitutes essential public facilities directly benefiting the State;
31 and

32 WHEREAS, the Authority is authorized pursuant to Section 24-12-28 of the Act to
33 secure its bonds by a pledge of the tolls and other revenues derived from the projects in
34 connection with which bonds shall have been issued; and

1 WHEREAS, the State shall directly benefit economically from the Project by the repair,
2 maintenance and improvement of the transportation system; and

3 WHEREAS, in the event that not all of the Bond proceeds are used to carry out the
4 specified Project, the Authority will use any remaining funds to pay debt service on the Bonds

5 WHEREAS, when setting tolls to pay for the Bonds, the Authority shall give
6 consideration to a reduced toll structure for local area residents, but no failure to establish such a
7 reduced toll structure shall affect the validity or due authorization of the Bonds; now, therefore,
8 be it

9 RESOLVED, that this General Assembly finds that the Project is an essential public
10 facility and is of a type and nature consistent with the purposes and within the powers of the
11 Authority to undertake, and hereby approves the Authority's issuance of not more than fifty
12 million dollars (\$50,000,000) in Bonds; and be it further

13 RESOLVED, that the Bonds will be special obligations of the Authority payable from
14 funds received by the Authority from the tolls and other revenues of its facilities. The
15 Authority's maximum liability will be the total debt service on the Bonds, estimated to be
16 approximately four million four hundred thousand dollars (\$4,400,000) per year or approximately
17 one hundred thirty-two million dollars (\$132,000,000) in the aggregate based on level debt
18 service, an average interest rate of 8.00% and a 30 year maturity; and be it further

19 RESOLVED, that the Bonds will not constitute indebtedness of the State or any of its
20 subdivisions or a debt for which the full faith and credit of the State or any of its subdivisions is
21 pledged.

22 SECTION 8. Rhode Island Public Rail Corporation and South Couth Commuter Rail Service.

23 WHEREAS, the State of Rhode Island and Providence Plantations (the "State") has
24 delegated to the Rhode Island Department of Transportation (the "Department") the responsibility
25 for preparing short-range plans, project plans, and implementation programs for transportation
26 and for maintaining an adequate level of rail passenger and freight services, including the
27 administration of any financial or technical assistance which may be made available to operators
28 of railroad transportation facilities; and

29 WHEREAS, the Department now seeks to extend commuter rail service south from the
30 National Railroad Passenger Corporation ("Amtrak") Providence Station in Providence, Rhode
31 Island (the "Providence Station") with stops at the proposed Warwick Intermodal Station at T.F.
32 Green Airport in Warwick, Rhode Island (the "Intermodal Station") and Wickford Junction in
33 North Kingstown, Rhode Island (the "Wickford Station") (collectively, the "South County
34 Commuter Rail Service"); and

1 WHEREAS, the Department intends to appoint the Massachusetts Bay Transportation
2 Authority (the “MBTA”) as the operator of the South County Commuter Rail Service (the
3 “Designated Operator”) upon execution of that certain Access Agreement (the “Access
4 Agreement”) entered into by and between the Department and the National Railroad Passenger
5 Corporation (“Amtrak”); and

6 WHEREAS, Amtrak owns the right-of-way on which the South County Commuter Rail
7 Service would operate; and

8 WHEREAS, Amtrak required the Department to provide certain risk-management and
9 financial assurances and indemnification covenants and obligations as a condition precedent to
10 the Access Agreement, that certain Assignment and Assumption Agreement entered into for the
11 benefit of Amtrak by and between the Department and the Rhode Island Public Rail Corporation
12 (“Rail Corp”), a public instrumentality of the Sate established by Section 42-64.2 *et seq.* of the
13 General Laws of Rhode Island (the “Act”), that certain Master Force Account Agreement for
14 improvements between Warwick and Providence entered into by and between Amtrak, the Rhode
15 Island Airport Corporation (“RIAC”), a governmental agency of the State established by the
16 Rhode Island Economic Development Corporation and Rail Corp, that certain Temporary
17 Easement Agreement entered into by and between Amtrak, RIAC and Rail Corp, and that certain
18 Permanent Easement Agreement entered into by and between Amtrak, RIAC and Rail Corp, and
19 that certain Master Force Account Agreement for improvements between Warwick and North
20 Kingstown to be entered into by and between Amtrak and the Department or its designee, that
21 certain Temporary Easement Agreement to be entered into by and between Amtrak and Rail
22 Corp, and that certain Permanent Easement Agreement entered into by and between Amtrak and
23 Rail Corp (collectively, the “South County Commuter Rail Service Agreements”); and

24 WHEREAS, the above-referenced assurances and indemnification covenants and
25 obligations include, without limitation, the (1) The Department secure and maintain a liability
26 insurance policy covering the liability of the State and Amtrak for property damage, personal
27 injury, bodily injury and death arising out of the South County Commuter Rail Service, with
28 policy limits of Two Hundred Million United States Dollars (\$200,000,000.00), naming the
29 Department, Rail Corp, Amtrak and the MBTA as primary insureds, all subject to a self-insured
30 retention of Seven Million Five Hundred Thousand United States Dollars (\$7,500,000.00) (the
31 “Retention”), (2) The Department defend, indemnify and save harmless such third parties,
32 irrespective of negligence or fault of Amtrak or such third parties, for all damage or liability for
33 personal injury or property damage which would not have occurred or would not have been
34 incurred but for the existence of the South County Commuter Rail Service or the presence on the

1 Northeast Properties (as such term is defined in the Access Agreement) of any trains, passengers,
2 employees, contractors, or invitees of the State or the State’s Designated Operator (the “Amtrak
3 Access Indemnification”), (3) Rail Corp and RIAC defend, indemnify and save harmless Amtrak
4 and third parties to the extent that Amtrak is obligated to defend, indemnify or save harmless
5 such third parties, irrespective of negligence or fault of Amtrak or such third parties, for all
6 damage or liability for personal injury or property damage which would not have occurred but for
7 the improvements undertaken pursuant to the Master Force Account Agreements, the Temporary
8 Easements and Permanent Easements with respect to the Intermodal Station and the Wickford
9 Station (the “Amtrak Indemnification”), and (4) The Department defend, indemnify and save
10 harmless the MBTA for all damage or liability for personal injury or property damages which
11 would not have occurred or would not have been incurred but for the MBTA’s activities as the
12 Designated Operator under the Access Agreement except for damages or liability attributable
13 directly to the MBTA’s own negligence or misconduct (the “MBTA Indemnification”); and

14 WHEREAS, the Department may be constitutionally prohibited from providing the
15 financial assurances and the indemnification covenants and obligations and therefore has
16 designated Rail Corp as the responsible party for providing Amtrak and MBTA with the
17 foregoing assurances, covenants and obligations on behalf of the Department; and

18 WHEREAS, RIAC is unable to provide the financial assurances and the indemnification
19 covenants and obligations and therefore has also designated Rail Corp as the responsible party for
20 providing Amtrak with the foregoing assurances, covenants and obligations on behalf of RIAC;
21 and

22 WHEREAS, Amtrak has agreed to accept Rail Corp’s financial assurances and
23 indemnification covenants and obligations on behalf of the Department and RIAC; provided,
24 however, that Rail Corp first secure either a line or evergreen letter of credit in the amount of
25 Seven Million Five Hundred Thousand United States Dollars (\$7,500,000.00) issued by a bank
26 authorized to do business in Rhode Island with a surplus of not less than One Hundred Million
27 United States Dollars (\$100,000,000.00) in favor of Amtrak to secure Rail Corp's performance of
28 its obligations arising under any South County Commuter Rail Service Agreements, specifically
29 the payment of any amounts arising from time to time under the Retention or any amounts that
30 are uninsured; and

31 WHEREAS, pursuant to the Act, Rail Corp is authorized, created, and established for the
32 purpose of enhancing and preserving the viability of commuter transit and railroad freight
33 operations in Rhode Island and has the power to make contracts and guarantees and incur
34 liabilities, borrow money at any rates of interest that it may determine, and to make and execute

1 any other contracts and instruments necessary or convenient in the exercise of the powers,
2 purposes and functions of the Act; and

3 WHEREAS, Rail Corp, at the present time, has no source of funds to discharge the
4 obligations it has assumed to Amtrak other than the funds appropriated to the department in the
5 annual budget and transferred to Rail Corp; and

6 WHEREAS, a financial institution may not provide a line or evergreen letter of credit to
7 Rail Corp without some assurances that funds would be appropriated to the department and
8 transferred to Rail Corp; and

9 WHEREAS, pursuant to the Assignment and Assumption Agreement, the department has
10 covenanted on behalf of the state to support Rail Corp and to include such financial support in the
11 Governor's printed budget submitted to the general assembly each year; and

12 WHEREAS, the obligations undertaken by the department on behalf of the State and Rail
13 Corp as outlined herein, and the approval and authority for Rail Corp to secure and maintain the
14 letter or evergreen line of credit are subject to Chapter 18 of Title 35 of the Rhode Island General
15 Laws; and

16 WHEREAS, pursuant to Sections 35-18-3 and 35-18-4 of the Rhode Island General
17 Laws, Rail Corp has requested the approval and authority of the General Assembly to enter into
18 agreements and execute documents reasonably necessary from time to time to secure and
19 maintain the above-referenced line or evergreen letter of credit to support payment obligations of
20 the Retention, for the payment of any costs and fees reasonably incurred in connection with
21 securing and maintaining such line or evergreen letter of credit, and for the extension of both the
22 risk-management and financial assurances, Amtrak Access Indemnification and Amtrak
23 Indemnification and the risk-management and financial assurances, and MBTA Indemnification;
24 now, therefore be it

25 RESOLVED, that the General Assembly hereby approves and authorizes Rail Corp to
26 secure and maintain, and hereby approves and authorizes the department's support of Rail Corp
27 and the use by Rail Corp of the department's funding as covenanted in the Assignment and
28 Assumption Agreement to secure and maintain a line or evergreen letter of credit in the amount of
29 Seven Million Five Hundred Thousand United States Dollars (\$7,500,000.00) issued by a bank
30 authorized to do business in Rhode Island with a surplus of not less than One Hundred Million
31 United States Dollars (\$100,000,000.00) in favor of Amtrak to secure Rail Corp's performance of
32 its obligations arising under any South County Commuter Rail Service Agreements, specifically
33 the payment of any amounts arising from time to time under the Retention, and for the payment
34 of any costs and fees reasonably incurred in connection with securing and maintaining such line

1 or evergreen letter of credit; and be it further

2 RESOLVED, that the per passenger cost of the extended commuter rail service shall not
3 be subsidized with any state funds.

4 SECTION 9. This article shall take effect upon passage.

ARTICLE 18 SUBSTITUTE A

RELATING TO PUBLIC ASSISTANCE ACT

SECTION 1. Section 40-6-27 of the General Laws in Chapter 40-6 entitled "Public Assistance Act" is hereby amended to read as follows:

40-6-27. Supplemental security income. -- (a)(1) The director of the department is hereby authorized to enter into agreements on behalf of the state with the secretary of the Department of Health and Human Services or other appropriate federal officials, under the supplementary and security income (SSI) program established by title XVI of the Social Security Act, 42 U.S.C. § 1381 et seq., concerning the administration and determination of eligibility for SSI benefits for residents of this state, except as otherwise provided in this section. The state's monthly share of supplementary assistance to the supplementary security income program effective January 1, 2003, shall be as follows:

(i) Individual living alone: \$57.35

(ii) Individual living with others: \$69.94

(iii) Couple living alone: \$108.50

(iv) Couple living with others: \$128.50

(v) Individual living in state licensed ~~residential care and~~ assisted living ~~facilities~~ residence: \$ 575.00

(vi) Individual living in state licensed supportive residential care settings that, depending on the population served, meet the standards set by the department of human services in conjunction with the department(s) of children, youth and families, elderly affairs and/or mental health, retardation and hospitals: \$300.00.

Provided, however, that the department of human services shall by regulation reduce, effective January 1, 2009, the state's monthly share of supplementary assistance to the supplementary security income program for each of the above listed payment levels, by the same value as the annual federal cost of living adjustment to be published by the federal social security administration in October 2008 and becoming effective on January 1, 2009, as determined under the provisions of title XVI of the federal social security act [42 U.S.C. § 1381 et seq.]; and provided further, that it is the intent of the general assembly that the January 1, 2009 reduction in the state's monthly share shall not cause a reduction in the combined federal and state payment

1 level for each category of recipients in effect in the month of December 2008; ~~and~~ provided
2 further, that the department of human services is authorized and directed to provide for payments
3 to recipients in accordance with the above directives beginning January 1, 2009 pending formal
4 revisions to the above table of payment levels by the general assembly during the 2009 session of
5 the general assembly-; and provided, further, for individuals receiving residential services through
6 the Division of Developmental Disabilities, the Department of Mental Health, Retardation and
7 Hospitals shall provide the state supplement to the residential services provider.

8 (2) Individuals living in institutions shall receive a twenty dollar (\$20.00) per month
9 personal needs allowance from the state which shall be in addition to the personal needs
10 allowance allowed by the Social Security Act, 42 U.S.C. § 301 et seq.

11 (3) Individuals living in state licensed supportive residential care settings and assisted
12 living ~~facilities~~ residences who are receiving SSI shall be allowed to retain a minimum personal
13 needs allowance of fifty-five dollars (\$55.00) per month from their SSI monthly benefit prior to
14 payment of ~~the residential care and assisted living facility~~ any monthly ~~fee~~ fees.

15 (4) To ensure that supportive residential care or an assisted living residence is a safe and
16 appropriate service setting, ~~The~~ the department is authorized and directed to ~~establish rules for~~
17 make a determination of the medical need and whether a setting provides the appropriate services
18 ~~screening and assessment procedures and eligibility criteria~~ for those persons who:

19 (i) Have applied for or are receiving SSI, and who apply for admission to supportive
20 residential care setting and assisted living ~~facilities~~ residences on or after October 1, 1998; or

21 (ii) Who are residing in supportive residential care settings and assisted living ~~facilities~~
22 residences, and who apply for or begin to receive SSI on or after October 1, 1998.

23 (5) ~~The department shall collaborate with the department of elderly affairs to design~~
24 ~~and implement the screening and assessment procedures as required in the above section.~~ The
25 process for determining medical need required by subsection (4) of this section shall be
26 developed by the office of health and human services in collaboration with the departments of
27 that office and shall be implemented in a manner that furthers the goals of establishing a
28 statewide coordinated long-term care entry system as required pursuant to the Global Consumer
29 Choice Compact Waiver.

30 (6) To assure access to high quality coordinated services, the department is further
31 authorized and directed to establish rules specifying the payment certification standards that must
32 be met by those state licensed supportive residential care settings and assisted living residences
33 admitting or serving any persons eligible for state-funded supplementary assistance under this
34 section. Such payment certification standards shall define:

1 (i) The scope and frequency of resident assessments, the development and
2 implementation of individualized service plans, staffing levels and qualifications, resident
3 monitoring, service coordination, safety risk management and disclosure, and any other related
4 areas;

5 (ii) The procedures for determining whether the payment certifications standards have
6 been met; and

7 (iii) The criteria and process for granting a one time, short-term good cause exemption
8 from the payment certification standards to a licensed supportive residential care setting or
9 assisted living residence that provides documented evidence indicating that meeting or failing to
10 meet said standards poses an undue hardship on any person eligible under this section who is a
11 prospective or current resident.

12 (7) The payment certification standards required by this section shall be developed in
13 collaboration by the departments, under the direction of the executive office of health and human
14 services, so as to ensure that they comply with applicable licensure regulations either in effect or
15 in development.

16 (b) The department is authorized and directed to provide additional assistance to
17 individuals eligible for SSI benefits for:

18 (1) Moving costs or other expenses as a result of an emergency of a catastrophic nature
19 which is defined as a fire or natural disaster; and

20 (2) Lost or stolen SSI benefit checks or proceeds of them; and

21 (3) Assistance payments to SSI eligible individuals in need because of the application of
22 federal SSI regulations regarding estranged spouses; and the department shall provide such
23 assistance in a form and amount, which the department shall by regulation determine.

24 SECTION 2. This article shall take effect upon passage.

25
26

1 that the uncompensated care index for the payment year ending September 30, 2008 shall be
2 deemed to be five and forty-seven hundredths percent (5.47%), and that the uncompensated care
3 index for the payment year ending September 30, 2009 shall be deemed to be five and thirty-eight
4 hundredths percent (5.38%) , and that the uncompensated care index for the payment year ending
5 September 30, 2010 shall be deemed to be five and thirty hundredths percent (5.30%).

6 **40-8.3-3. Implementation.** -- (a) For the fiscal year commencing on October 1, 2007
7 and ending September 30, 2008, the department of human services shall submit to the Secretary
8 of the U.S. Department of Health and Human Services a state plan amendment to the Rhode
9 Island Medicaid state plan for disproportionate share hospital payments (DSH Plan) to provide:

10 (1) Disproportionate share hospital payments to all participating hospitals not to exceed
11 an aggregate limit of ~~\$105.6~~ \$99.5 million, to be allocated by the department to the Pool A, Pool
12 C and Pool D components of the DSH Plan;

13 (2) That the Pool D allotment shall be distributed among the participating hospitals in
14 direct proportion to the individual participating hospitals uncompensated care costs for the base
15 year inflated by the uncompensated care index to the total uncompensated care costs for the base
16 year inflated by uncompensated care index for all participating hospitals. The disproportionate
17 share payments shall be made on or before July 14, 2008 and are expressly conditioned upon
18 approval on or before July 7, 2008 the Secretary of the U.S. Department of Health and Human
19 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary
20 to secure for the state the benefit of federal financial participation in federal fiscal year 2008 for
21 the disproportionate share payments.

22 ~~(a)~~(b) For the fiscal year commencing on October 1, 2008 and ending September 30,
23 2009, the department of human services shall submit to the Secretary of the U.S. Department of
24 Health and Human Services a state plan amendment to the Rhode Island Medicaid state plan for
25 disproportionate share hospital payments (DSH Plan) to provide:

26 (1) That the disproportionate share hospital payments to all participating hospitals not
27 to exceed an aggregate limit of ~~\$105.5~~ \$114.7 million, to be allocated by the department to the
28 Pool A, Pool C and Pool D components of the DSH Plan;

29 (2) That the Pool D allotment shall be distributed among the participating hospitals in
30 direct proportion to the individual participating hospital's uncompensated care costs for the base
31 year, inflated by the uncompensated care index to the total uncompensated care costs for the base
32 year inflated by uncompensated care index for all participating hospitals. The disproportionate
33 share payments shall be made on or before July 13, 2009 and are expressly conditioned upon
34 approval on or before July 6, 2009 by the Secretary of the U.S. Department of Health and Human

1 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary
2 to secure for the state the benefit of federal financial participation in federal fiscal year 2009 for
3 the disproportionate share payments.

4 (c) For the fiscal year commencing on October 1, 2009 and ending September 30, 2010,
5 the department of human services shall submit to the Secretary of the U.S. Department of Health
6 and Human Services a state plan amendment to the Rhode Island Medicaid state plan for
7 disproportionate share hospital payments (DSH Plan) to provide:

8 (1) That the disproportionate share hospital payments to all participating hospitals not to
9 exceed an aggregate limit of \$117.8 million, to be allocated by the department to the Pool A, Pool
10 C and Pool D components of the DSH Plan;

11 (2) That the Pool D allotment shall be distributed among the participating hospitals in
12 direct proportion to the individual participating hospital's uncompensated care costs for the base
13 year, inflated by the uncompensated care index to the total uncompensated care costs for the base
14 year inflated by uncompensated care index for all participating hospitals. The disproportionate
15 share payments shall be made on or before July 12, 2010 and are expressly conditioned upon
16 approval on or before July 5, 2010 by the Secretary of the U.S. Department of Health and Human
17 Services, or his or her authorized representative, of all Medicaid state plan amendments necessary
18 to secure for the state the benefit of federal financial participation in federal fiscal year 2010 for
19 the disproportionate share payments.

20 ~~(e)-(d)~~ No provision is made pursuant to this chapter for disproportionate share hospital
21 payments to participating hospitals for uncompensated care costs related to graduate medical
22 education programs.

23 SECTION 2. Chapter 40-8.3 of the General Laws entitled "Uncompensated Care" is
24 hereby amended by adding thereto the following sections:

25 **40-8.3-5. Hospital payments. --** Due to the high ratio of unqualified uncompensated care
26 expenses to qualified uncompensated care expenses, the department of human services is hereby
27 authorized and directed to pay during state fiscal years 2009 and 2010 from revenues derived
28 from taxes imposed in accordance with section 44-17-1: (1) acute care hospitals in Washington
29 County the amount of five hundred thousand dollars (\$500,000) to South County Hospital, and
30 seven hundred and fifty thousand dollars (\$750,000) to The Westerly Hospital; (2) any acute care
31 hospital in Kent County the amount of eight hundred thousand dollars (\$800,000); and (3)
32 Miriam Hospital the amount of one million six hundred thousand dollars (\$1,600,000).

33 **40-8.3-6. Outpatient adjustment payments for fiscal year 2009. --** Effective July 1,
34 2008, the department of human services is hereby authorized and directed to amend its

1 regulations and the Rhode Island State Plan for Medical Assistance pursuant to Title XIX of the
2 Social Security Act for reimbursement to hospitals for outpatient service as follows:

3 Hospitals -- Outpatient adjustment payments.

4 (a) Each hospital in the state of Rhode Island, as defined in subdivision 23-17-38.1(b)(1),
5 shall receive an adjustment payment during state fiscal year 2009 of an amount determined as
6 follows:

7 (1) Determine the percent of the state's total Medicaid outpatient and emergency
8 department services (exclusive of physician services) provided by each hospital during the
9 hospital's fiscal year ending during 2007;

10 (2) Determine the sum of all Medicaid payments to hospitals made for outpatient and
11 emergency department services (exclusive of physician services) provided during each hospital's
12 fiscal year ending during 2007;

13 (3) Multiply the sum of all Medicaid payments as determined in subdivision (2) by fifty-
14 six and five hundredths percent (56.05%) and then multiply that result by each hospital's
15 percentage of the state's total Medicaid outpatient and emergency department services as
16 determined in subdivision (1) to obtain the total outpatient adjustment for each hospital to be paid
17 in SFY 2009;

18 (4) Pay each hospital on its total outpatient adjustment as determined in subdivision (3)
19 above.

20 (b) The amounts determined in subsection (a) are in addition to Medicaid outpatient
21 payments and emergency services payments (exclusive of physician services) paid to hospitals in
22 accordance with current state regulation and the Rhode Island Plan for Medicaid assistance
23 pursuant to Title XIX of the Social Security Act and are not subject to recoupment or settlement.

24 (c) The payments are expressly conditioned upon approval by the secretary of the United
25 States Department of Health and Human Services, or his or her authorized representative, of any
26 Medicaid state plan amendment necessary to secure for the state the benefit of federal financial
27 participation in federal fiscal year 2009 for such payments, such amendment to be filed not later
28 than July 9, 2008.

29 **40-8.3-7. Outpatient adjustment payments for fiscal year 2010.** -- Effective July 1,
30 2009, the department of human services is hereby authorized and directed to amend its
31 regulations and the Rhode Island State Plan for Medical Assistance pursuant to Title XIX of the
32 Social Security Act for reimbursement to hospitals for outpatient services as follows:

33 Hospitals -- Outpatient adjustment payments.

34 (a) Each hospital in the state of Rhode Island, as defined in subdivision 23-17-38.1(b)(1),

1 shall receive a quarterly adjustment payment during state fiscal year 2010 of an amount
2 determined as follows:

3 (1) Determine the percent of the state's total Medicaid outpatient and emergency
4 department services (exclusive of physician services) provided by each hospital during the
5 hospital's fiscal year ending during 2008;

6 (2) Determine the sum of all Medicaid payments to hospitals made for outpatient and
7 emergency department services (exclusive of physician services) provided during each hospital's
8 fiscal year ending during 2008;

9 (3) Multiply the sum of all Medicaid payments as determined in subdivision (2) by
10 seventy-seven and forty-one hundredths percent (77.41%) 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 in SFY 2010;

14 (4) Pay each hospital on or about July 20, 2009, October 20, 2009, January 20, 2010, and
15 April 20, 2010 one-quarter (.25) of its total outpatient adjustment as determined in subdivision (3)
16 above.

17 (b) The amounts determined in subsection (a) are in addition to Medicaid outpatient
18 payments and emergency services payments (exclusive of physician services) paid to hospitals in
19 accordance with current state regulation and the Rhode Island Plan for Medicaid Assistance
20 pursuant to Title XIX of the Social Security Act and are not subject to recoupment or settlement.

21 SECTION 3. This article shall take effect upon passage.

22

1 eligibility determination. If a parent or non parent caretaker relative is unemployed or under-
2 employed, the department shall conduct an initial assessment, taking into account: (A) the
3 physical capacity, skills, education, work experience, health, safety, family responsibilities and
4 place of residence of the individual; and (B) the child care and supportive services required by the
5 applicant to avail himself or herself of employment opportunities and/or work readiness
6 programs.

7 (2) On the basis of such assessment, the department of human services, in consultation
8 with the applicant, shall develop an individual employment plan for the family which requires the
9 individual to participate in the intensive employment services provided by the department of
10 labor and training.

11 (3) The director, or his/her designee, may assign a case manager to an
12 applicant/participant, as appropriate.

13 (4) The department of labor and training and the department of human services in
14 conjunction with the participant shall develop a revised individual employment plan which shall
15 identify employment objectives, taking into consideration factors above, and shall include a
16 strategy for immediate employment and for preparing for, finding, and retaining employment
17 consistent, to the extent practicable, with the individual's career objectives.

18 (5) The individual employment plan must include the provision for the participant to
19 engage in work requirements as outlined in section 40-5.2-12 of this chapter.

20 (6) (A) The participant shall attend and participate immediately in intensive assessment
21 and employment services as the first step in the individual employment plan at the Rhode Island
22 department of labor and training, unless temporarily exempt from this requirement in accordance
23 with this chapter.

24 (B) Parents under age twenty (20) without a high school diploma or General Equivalency
25 Diploma (GED) shall be referred to special teen parent programs which will provide intensive
26 services designed to assist teen parent to complete high school education or GED, and to continue
27 approved work plan activities in accord with Works program requirements.

28 (7) The applicant shall become a participant in accordance with this chapter at the time
29 the individual employment plan is signed and entered into.

30 (8) Applicants and participants of the Rhode Island Work Program shall agree to comply
31 with the terms of the individual employment plan, and shall cooperate fully with the steps
32 established in the individual employment plan, including the work requirements.

33 (9) The department of human services has the authority under the chapter to require
34 attendance by the applicant/participant, either at the department of human services or at the

1 department of labor and training, at appointments deemed necessary for the purpose of having the
2 applicant enter into and become eligible for assistance through the Rhode Island Work Program.
3 Said appointments include, but are not limited to, the initial interview, orientation and
4 assessment; job readiness and job search. Attendance is required as a condition of eligibility for
5 cash assistance in accordance with rules and regulations established by the department.

6 (10) As a condition of eligibility for assistance pursuant to this chapter, the
7 applicant/participant shall be obligated to keep appointments, attend orientation meetings at the
8 department of human services and/or the Rhode Island department of labor and training,
9 participate in any initial assessments or appraisals and comply with all the terms of the individual
10 employment plan in accordance with department of human service rules and regulations.

11 (11) A participant, including a parent or non-parent caretaker relative included in the
12 cash assistance payment, shall not voluntarily quit a job or refuse a job unless there is good cause
13 as defined in this chapter or the department's rules and regulations.

14 (12) A participant who voluntarily quits or refuses a job without good cause, as defined
15 in subsection 40-5.2-12(1), while receiving cash assistance in accordance with this chapter, shall
16 be sanctioned in accordance with rules and regulations promulgated by the department.

17 (f) Resources.

18 (1) The Family or assistance unit's countable resources shall be less than the allowable
19 resource limit established by the department in accordance with this chapter.

20 (2) No family or assistance unit shall be eligible for assistance payments if the combined
21 value of its available resources (reduced by any obligations or debts with respect to such
22 resources) exceeds one thousand dollars (\$1,000).

23 (3) For purposes of this subsection, the following shall not be counted as resources of the
24 family/assistance unit in the determination of eligibility for the works program:

25 (A) The home owned and occupied by a child, parent, relative or other individual;

26 (B) Real property owned by a husband and wife as tenants by the entirety, if the property
27 is not the home of the family and if the spouse of the applicant refuses to sell his or her interest in
28 the property;

29 (C) Real property which the family is making a good faith effort to dispose of, however,
30 any cash assistance payable to the family for any such period shall be conditioned upon such
31 disposal of the real property within six (6) months of the date of application and any payments of
32 assistance for that period shall (at the time of disposal) be considered overpayments to the extent
33 that they would not have occurred at the beginning of the period for which the payments were
34 made. All overpayments are debts subject to recovery in accordance with the provisions of the

1 chapter;

2 (D) Income producing property other than real estate including, but not limited to,
3 equipment such as farm tools, carpenter's tools and vehicles used in the production of goods or
4 Services which the department determines are necessary for the family to earn a living;

5 (E) One vehicle for each adult household member, but not to exceed two (2) vehicles per
6 household, and in addition, a vehicle used primarily for income producing purposes such as, but
7 not limited to, a taxi, truck or fishing boat; a vehicle used as a family's home; a vehicle which
8 annually produces income consistent with its fair market value, even if only used on a seasonal
9 basis; a vehicle necessary to transport a family member with a disability where the vehicle is
10 specially equipped to meet the specific needs of the person with a disability or if the vehicle is a
11 special type of vehicle that makes it possible to transport the person with a disability;

12 (F) Household furnishings and appliances, clothing, personal effects and keepsakes of
13 limited value;

14 (G) Burial plots (one for each child, relative, and other individual in the assistance unit),
15 and funeral arrangements;

16 (H) For the month of receipt and the following month, any refund of federal income
17 taxes made to the family by reason of section 32 of the Internal Revenue Code of 1986, 26 U.S.C.
18 section 32 (relating to earned income tax credit), and any payment made to the family by an
19 employer under section 3507 of the Internal Revenue Code of 1986, 26 U.S.C. section 3507
20 (relating to advance payment of such earned income credit);

21 (I) The resources of any family member receiving supplementary security income
22 assistance under the Social Security Act, 42 U.S.C. section 301 et seq.

23 (g) Income.

24 (1) Except as otherwise provided for herein, in determining eligibility for and the amount
25 of cash assistance to which a family is entitled under this chapter, the income of a family includes
26 all of the money, goods, and services received or actually available to any member of the family.

27 (2) In determining the eligibility for and the amount of cash assistance to which a
28 family/assistance unit is entitled under this chapter, income in any month shall not include the
29 first one hundred seventy dollars (\$170) of gross earnings plus fifty percent (50%) of the gross
30 earnings of the family in excess of one hundred seventy dollars (\$170) earned during the month.

31 (3) The income of a family shall not include:

32 (A) The first fifty dollars (\$50.00) in child support received in any month from each non-
33 custodial parent of a child plus any arrearages in child support (to the extent of the first fifty
34 dollars (\$50.00) per month multiplied by the number of months in which the support has been in

1 arrears) which are paid in any month by a non-custodial parent of a child;

2 (B) Earned income of any child;

3 (C) Income received by a family member who is receiving supplemental security income
4 (SSI) assistance under Title XVI of the Social Security Act, 42 U.S.C. section 1381 et seq.;

5 (D) The value of assistance provided by state or federal government or private agencies
6 to meet nutritional needs, including: value of USDA donated foods; value of supplemental food
7 assistance received under the Child Nutrition Act of 1966, as amended and the special food
8 service program for children under Title VII, nutrition program for the elderly, of the Older
9 Americans Act of 1965 as amended, and the value of food stamps;

10 (E) Value of certain assistance provided to undergraduate students, including any grant
11 or loan for an undergraduate student for educational purposes made or insured under any loan
12 program administered by the U.S. Commissioner of Education (or the Rhode Island board of
13 governors for higher education or the Rhode Island higher educational assistance authority);

14 (F) Foster Care Payments;

15 (G) Home energy assistance funded by state or federal government or by a nonprofit
16 organization;

17 (H) Payments for supportive services or reimbursement of out-of-pocket expenses made
18 to foster grandparents, senior health aides or senior companions and to persons serving in SCORE
19 and ACE and any other program under Title II and Title III of the Domestic Volunteer Service
20 Act of 1973, 42 U.S.C. section 5000 et seq.;

21 (I) Payments to volunteers under AmeriCorps VISTA as defined in the department's
22 rules and regulations;

23 (J) Certain payments to native Americans; payments distributed per capita to, or held in
24 trust for, members of any Indian Tribe under P.L. 92-254, 25 U.S.C. section 1261 et seq., P.L. 93-
25 134, 25 U.S.C. section 1401 et seq., or P.L. 94-540; receipts distributed to members of certain
26 Indian tribes which are referred to in section 5 of P.L. 94-114, 25 U.S.C. section 459d, that
27 became effective October 17, 1975;

28 (K) Refund from the federal and state earned income tax credit;

29 (L) The value of any state, local, or federal government rent or housing subsidy,
30 provided that this exclusion shall not limit the reduction in benefits provided for in the payment
31 standard section of this chapter.

32 (4) The receipt of a lump sum of income shall affect participants for cash assistance in
33 accordance with rules and regulations promulgated by the department.

34 (h) Time limit on the receipt of cash assistance.

1 (1) No cash assistance shall be provided, pursuant to this chapter, to a family or
2 assistance unit which includes an adult member who has received cash assistance, either for
3 him/herself or on behalf of his/her children, for a total of twenty-four (24) months, (whether or
4 not consecutive) within any sixty (60) continuous months [after July 1, 2008](#) to include any time
5 receiving any type of cash assistance in any other state or territory of the United States of
6 America as defined herein. Provided further, in no circumstances other than provided for in
7 section (3) below with respect to certain minor children, shall cash assistance be provided
8 pursuant to this chapter to a family or assistance unit which includes an adult member who has
9 received cash assistance for a total of a lifetime limit of forty-eight (48) months.

10 (2) Cash benefits received by a minor dependent child shall not be counted toward their
11 lifetime time limit for receiving benefits under this chapter should that minor child apply for cash
12 benefits as an adult.

13 (3) Certain minor children not subject to time limit. This section regarding the lifetime
14 time limit for the receipt of cash assistance, shall not apply only in the instances of a minor
15 child(ren) living with a parent who receives SSI benefits and a minor child(ren) living with a
16 responsible adult non-parent caretaker relative who is not in the case assistance payment.

17 (4) Receipt of family cash assistance in any other state or territory of the United States of
18 America shall be determined by the department of human services and shall include family cash
19 assistance funded in whole or in part by Temporary Assistance for Needy Families (TANF) funds
20 [Title IV-A of the Federal Social Security Act 42 U.S.C. section 601 et seq.]and/or family cash
21 assistance provided under a program similar to the Rhode Island Families Work and Opportunity
22 Program or the federal TANF program.

23 (5) (A) The department of human service shall mail a notice to each assistance unit when
24 the assistance unit has six (6) months of cash assistance remaining and each month thereafter
25 until the time limit has expired. The notice must be developed by the department of human
26 services and must contain information about the lifetime time limit. the number of months the
27 participant has remaining, the hardship extension policy, the availability of a post-employment-
28 and-closure bonus, and any other information pertinent to a family or an assistance unit nearing
29 either the twenty-four (24) month or forty-eight (48) month lifetime time limit.

30 (B) For applicants who have less than six (6) months remaining in either the twenty-four
31 (24) month or forty-eight (48) month lifetime time limit because the family or assistance unit
32 previously received cash assistance in Rhode Island or in another state, the department shall
33 notify the applicant of the number of months remaining when the application is approved and
34 begin the process required in paragraph (A) above.

1 (6) If a cash assistance recipient family closed pursuant to Rhode Island's Temporary
2 Assistance for Needy Families Program, (federal TANF described in Title IV A of the Federal
3 Social Security Act, 42 U.S.C. 601 et seq.) formerly entitled the Rhode Island Family
4 Independence Program, more specifically under subdivision 40-5.1-9(2)(c), due to sanction
5 because of failure to comply with the cash assistance program requirements; and that recipients
6 family received forty-eight (48) months of cash benefits in accordance with the Family
7 Independence Program, than that recipient family is not able to receive further cash assistance for
8 his/her family, under this chapter, except under hardship exceptions.

9 (7) The months of state or federally funded cash assistance received by a recipient family
10 since May 1, 1997 under Rhode Island's Temporary Assistance for Needy Families Program,
11 (federal TANF described in Title IV A of the Federal Social Security Act, 42 U.S.C. section 601
12 et seq.) formerly entitled the Rhode Island Family Independence Program, shall be countable
13 toward the time limited cash assistance described in this chapter.

14 (i) Time limit on the receipt of cash assistance.

15 (1) (A) No cash assistance shall be provided, pursuant to this chapter, to a family
16 assistance unit in which an adult member has received cash assistance for a total of sixty (60)
17 months (whether or not consecutive) to include any time receiving any type of cash assistance in
18 any other state or territory of the United States as defined herein effective August 1, 2008.
19 Provided further, that no cash assistance shall be provided to a family in which an adult member
20 has received assistance for twenty-four (24) consecutive months unless the adult member has a
21 rehabilitation employment plan as provided in subsection 40-5.2-12(g)(5).

22 (B) Effective August 1, 2008 no cash assistance shall be provided pursuant to this
23 chapter to a family in which a child has received cash assistance for a total of sixty (60) months
24 (whether or not consecutive) if the parent is ineligible for assistance under this chapter pursuant
25 to subdivision 40-5.2(a) (2) to include any time received any type of cash assistance in any other
26 state or territory of the United States as defined herein.

27 (j) Hardship Exceptions.

28 (1) The department may extend an assistance unit's or family's cash assistance beyond
29 the time limit, by reason of hardship; provided, however, that the number of such families to be
30 exempted by the department with respect to their time limit under this subsection shall not exceed
31 twenty percent (20%) of the average monthly number of families to which assistance is provided
32 for under this chapter in a fiscal year; provided, however, that to the extent now or hereafter
33 permitted by federal law, any waiver granted under section 40-5.2-35, for domestic violence,
34 shall not be counted in determining the twenty percent (20%) maximum under this section.

1 (2) Parents who receive extensions to the time limit due to hardship must have and
2 comply with employment plans designed to remove or ameliorate the conditions that warranted
3 the extension.

4 (k) Parents under eighteen (18) years of age.

5 (1) A family consisting of a parent who is under the age of eighteen (18), and who has
6 never been married, and who has a child; or a family which consists of a woman under the age of
7 eighteen (18) who is at least six (6) months pregnant, shall be eligible for cash assistance only if
8 such family resides in the home of an adult parent, legal guardian or other adult relative. Such
9 assistance shall be provided to the adult parent, legal guardian, or other adult relative on behalf of
10 the individual and child unless otherwise authorized by the department.

11 (2) This subsection shall not apply if the minor parent or pregnant minor has no parent,
12 legal guardian or other adult relative who is living and/or whose whereabouts are unknown; or the
13 department determines that the physical or emotional health or safety of the minor parent, or his
14 or her child, or the pregnant minor, would be jeopardized if he or she was required to live in the
15 same residence as his or her parent, legal guardian or other adult relative (refusal of a parent,
16 legal guardian or other adult relative to allow the minor parent or his or her child, or a pregnant
17 minor, to live in his or her home shall constitute a presumption that the health or safety would be
18 so jeopardized); or the minor parent or pregnant minor has lived apart from his or her own parent
19 or legal guardian for a period of at least one year before either the birth of any child to a minor
20 parent or the onset of the pregnant minor's pregnancy; or there is good cause, under departmental
21 regulations, for waiving the subsection; and the individual resides in supervised supportive living
22 arrangement to the extent available.

23 (3) For purposes of this section "supervised supportive living arrangement" means an
24 arrangement which requires minor parents to enroll and make satisfactory progress in a program
25 leading to a high school diploma or a general education development certificate, and requires
26 minor parents to participate in the adolescent parenting program designated by the department, to
27 the extent the program is available; and provides rules and regulations which ensure regular adult
28 supervision.

29 (l) Assignment and Cooperation. - As a condition of eligibility for cash and medical
30 assistance under this chapter, each adult member, parent or caretaker relative of the
31 family/assistance unit must:

32 (1) Assign to the state any rights to support for children within the family from any
33 person which the family member has at the time the assignment is executed or may have while
34 receiving assistance under this chapter;

1 (2) Consent to and cooperate with the state in establishing the paternity and in
2 establishing and/or enforcing child support and medical support orders for all children in the
3 family or assistance unit in accordance with Title 15 of the general laws, as amended, unless the
4 parent or caretaker relative is found to have good cause for refusing to comply with the
5 requirements of this subsection.

6 (3) Absent good cause, as defined by the department of human services through the rule
7 making process, for refusing to comply with the requirements of (1) and (2) above, cash
8 assistance to the family shall be reduced by twenty-five percent (25%) until the adult member of
9 the family who has refused to comply with the requirements of this subsection consents to and
10 cooperates with the state in accordance with the requirements of this subsection.

11 (4) As a condition of eligibility for cash and medical assistance under this chapter, each
12 adult member, parent or caretaker relative of the family/assistance unit must consent to and
13 cooperate with the state in identifying and providing information to assist the state in pursuing
14 any third-party who may be liable to pay for care and services under Title XIX of the Social
15 Security Act, 42 U.S.C. section 1396 et seq.

16 SECTION 2. This article shall take effect upon passage.

17

ARTICLE 21 SUBSTITUTE A

RELATING TO GENERAL PUBLIC ASSISTANCE -- HARDSHIP CONTINGENCY FUND

SECTION 1. [Hardship Contingency Fund – FY 2010](#) – Out of the general revenue sum appropriated to the department of human services in Article 1 for general public assistance, the sum of four hundred seventy eight thousand dollars (\$478,000) may be used as a hardship contingency fund for the purposes and subject to the limitations hereinafter provided. The state controller is hereby authorized and directed to draw his or her order upon the general treasurer for the payment of such sums or such portions thereof as may be required from time to time upon receipt by him or her of duly authenticated vouchers. From the aforesaid appropriation for hardship contingency, the director of the department of human services, in his or her sole discretion, may authorize payments of cash assistance benefits up to two hundred dollars (\$200) per month upon a showing of hardship by an individual who is eligible for general public assistance medical benefits under §40-6-3.1; provided, however, that individuals who are determined eligible for medical assistance (“Medicaid”) under Title XIX of the Social Security Act, 42 U.S.C. §1396 et seq., or who are determined eligible to receive an interim cash assistance payment for the disabled pursuant to §40-6-28, shall not be eligible for assistance under this section. The director shall not be required to promulgate any new, additional or separate rules or regulations in connection with his or her disbursement of the contingency fund created hereby.

SECTION 2. This article shall take effect as of July 1, 2009.

1 a member of the community who is knowledgeable about the Medicaid program and the
2 populations and services it funds in Rhode Island as well as with the provisions of the
3 demonstration.

4 (c) Taskforce composition. There are distinct populations that receive services funded
5 through the Medicaid program including: children and youth with special health care needs,
6 adults and children with developmental disabilities, adults with serious and persistent mental
7 illness and/or addiction disorders and children with severe emotional disturbance, adults with
8 disabilities, adults age sixty-five (65) and older and low-income children and families. It is the
9 intent of the general assembly that the taskforce includes members who are knowledgeable about
10 the needs of these populations and the services currently provided to them.

11 Members of the taskforce shall be appointed by director of the department of human
12 services. The membership shall include: for each distinct population two (2) consumers or family
13 members of consumers, one member of an advocacy organization and one member of a policy
14 organization; a representative from organizations that either provide or represent entities that
15 provide services to Medicaid beneficiaries including, but not limited to, health plans, hospitals
16 community health centers, community mental health organizations, licensed substance abuse
17 treatment providers, licensed health care practitioners, nursing facilities, and home and
18 community-based service providers.

19 Total membership shall not exceed forty-five (45) individuals. The executive office of
20 health and human services/department of human services shall provide necessary staff support to
21 effectively operate the taskforce.

22 (d) Duration. The taskforce shall remain in effect so long as the demonstration is in
23 effect.

24 (e) Meeting frequency and relationship to the permanent joint committee of the
25 demonstration compact:

26 The taskforce shall meet no less than monthly and shall report on its activities to the
27 permanent joint committee of the global waiver compact established pursuant to section 42-12.4-
28 5. The permanent joint committee of the global waiver compact shall appoint a member to serve
29 as a liaison to the taskforce.

30 SECTION 2. Section 40-8.4-19 of the General Laws in Chapter 40-8.4 entitled "Health
31 Care For Families" is hereby amended to read as follows:

32 **40-8.4-19. Managed health care delivery systems for families.** -- (a) Notwithstanding
33 any other provision of state law, the delivery and financing of the health care services provided
34 under this chapter shall be provided through a system of managed care. "Managed care" is

1 defined as systems that: integrate an efficient financing mechanism with quality service delivery;
2 provide a "medical home" to assure appropriate care and deter unnecessary services; and place
3 emphasis on preventive and primary care. ~~For the purposes of Medical Assistance, managed care~~
4 ~~systems are defined to include a primary care case management model in which ancillary services~~
5 ~~are provided under the direction of a physician in a practice that meets standards established by~~
6 ~~the department of human services, including standards pertaining to certification as an "advanced~~
7 ~~medical home".~~

8 (b) Enrollment in managed care health delivery systems is mandatory for individuals
9 eligible for medical assistance under this chapter. This includes children in substitute care,
10 children receiving Medical Assistance through an adoption subsidy, and children eligible for
11 medical assistance based on their disability. Beneficiaries with third-party medical coverage or
12 insurance may be exempt from mandatory managed care in accordance with rules and regulations
13 promulgated by the department of human services for such purposes.

14 (c) Individuals who can afford to contribute shall share in the cost. - The department of
15 human services is authorized and directed to apply for and obtain any necessary waivers and/or
16 state plan amendments from the secretary of the U.S. department of health and human services,
17 including, but not limited to, a waiver of the appropriate sections of Title XIX, 42 U.S.C. section
18 1396 et seq., to require that beneficiaries eligible under this chapter or chapter 12.3 of title 42,
19 with incomes equal to or greater than ~~one hundred thirty three percent (133%)~~ one hundred fifty
20 percent (150%) of the federal poverty level, pay a share of the costs of health coverage based on
21 the ability to pay. The department of human services shall implement this cost-sharing obligation
22 by regulation, and shall consider co-payments, premium shares, or other reasonable means to do
23 so in accordance with approved provisions of appropriate waivers and/or state plan amendments
24 approved by the secretary of the United States department of health and human services.

25 ~~(d) All children and families receiving Medical Assistance under title 40 of the Rhode~~
26 ~~Island general laws shall also be subject to co-payments for certain medical services as approved~~
27 ~~in the waiver and/or the applicable state plan amendment, and in accordance with rules and~~
28 ~~regulations promulgated by the department.~~

29 ~~(e) The department of human services may provide health benefits, similar to those~~
30 ~~available through commercial health plans, to parents or relative caretakers with an income above~~
31 ~~one hundred percent (100%) of the federal poverty level who are not receiving cash assistance~~
32 ~~under the Rhode Island Temporary Assistance to Needy Families (TANF program).~~

33 ~~(f) The department of human services is authorized to create consumer directed health~~
34 ~~care accounts, including but not limited to health opportunity accounts or health savings accounts,~~

1 ~~in order to increase and encourage personal responsibility, wellness and healthy decision making,~~
2 ~~disease management, and to provide tangible incentives for beneficiaries who meet designated~~
3 ~~wellness initiatives.~~

4 SECTION 3. Section 40-8.5-1.1 of the General Laws in Chapter 40-8.5 entitled "Health
5 Care for Elderly and Disabled Residents Act" is hereby amended to read as follows:

6 **40-8.5-1.1. Managed health care delivery systems.** -- (a) To ensure that all medical
7 assistance beneficiaries, including the elderly and all individuals with disabilities, have access to
8 quality and affordable health care, the department of human services is authorized to implement
9 mandatory managed care health systems.

10 (b) "Managed care" is defined as systems that: integrate an efficient financing
11 mechanism with quality service delivery; provides a "medical home" to assure appropriate care
12 and deter unnecessary services; and place emphasis on preventive and primary care. For purposes
13 of Medical Assistance, managed care systems are also defined to include a primary care case
14 management model in which ancillary services are provided under the direction of a physician in
15 a practice that meets standards established by the department of human services. Those medical
16 assistance recipients who have third-party medical coverage or insurance may be exempt from
17 mandatory managed care in accordance with rules and regulations promulgated by the department
18 of human services. The department is further authorized to redesign benefit packages for medical
19 assistance beneficiaries subject to appropriate federal approval.

20 (c) The department is authorized to obtain any approval through waiver(s) and/or state
21 plan amendments, from the secretary of the United States department of health and human
22 services, that are necessary to implement mandatory managed health care delivery systems for all
23 medical assistance recipients, including the primary case management model in which ancillary
24 services are provided under the direction of a physician in a practice that meets standards
25 established by the department of human services. The waiver(s) and/or state plan amendments
26 shall include the authorization to exempt beneficiaries with third-party medical coverage or
27 insurance from mandatory managed care in accordance with rules and regulations promulgated by
28 the department of human services. ~~The department may also redesign benefit packages for~~
29 ~~medical assistance beneficiaries in accordance with rules and regulations promulgated by the~~
30 ~~department.~~

31 (d) To ensure the delivery of timely and appropriate services to persons who become
32 eligible for Medicaid by virtue of their eligibility for a U.S. social security administration
33 program, the department of human services is authorized to seek any and all data sharing
34 agreements or other agreements with the social security administration as may be necessary to

1 receive timely and accurate diagnostic data and clinical assessments. Such information shall be
2 used exclusively for the purpose of service planning, and shall be held and exchanged in
3 accordance with all applicable state and federal medical record confidentiality laws and
4 regulations.

5 ~~(e) The department of human services and/or the executive office of health and human
6 services is authorized and directed to apply for and obtain any necessary waiver(s) and/or state
7 plan amendments from the secretary of the United States department of health and human
8 services, including, but not limited to, a waiver of the appropriate sections of law for the purpose
9 of administering and implementing the goals of the Medicaid Reform Act 2008 as described in
10 section 42-7.2-16 of the Rhode Island general laws, specifically using competitive value based
11 purchasing to maximize the available service options and to promote accountability and
12 transparency in the delivery of services for all Medical Assistance beneficiaries.~~

13 SECTION 4. Section 40-8-29 of the General Laws in Chapter 40-8 entitled "Medical
14 Assistance" is hereby amended to read as follows:

15 **40-8-29. Selective contracting.** -- (a) Notwithstanding any other provision of state law,
16 the department of human services is authorized to utilize selective contracting with prior general
17 assembly approval to assure that all service expenditures under this chapter have the maximum
18 benefit of competition, and afford Rhode Islanders the overall best value, optimal quality, and the
19 most cost-effective care possible. Beneficiaries will be limited to using the services/products of
20 only those providers determined in a competitive bidding process to meet the standards for best
21 quality, performance and price set by the department in accordance with applicable federal and
22 state laws.

23 ~~(b) Any approved medical assistance provider who declines to participate in contracting
24 for benefits in any one of the department's medical assistance programs, including, but not limited
25 to any and all managed care programs, may be suspended as a participating provider and denied
26 participation in all state operated medical assistance programs at the discretion of the department.~~

27 (b) For purposes of this section "selective contracting" shall mean the process for
28 choosing providers to serve Medicaid beneficiaries based on their ability to deliver the best
29 quality products or services, at the best value or price.

30 (c) To ensure all services allowable for Medicare reimbursement for beneficiaries who
31 are dually eligible, selective contractors must be willing and able to accept Medicare.

32 SECTION 5. Chapter 40-8 of the General Laws entitled "Medical Assistance" is hereby
33 amended by adding thereto the following section:

34 **40-8-30. Suspension of participating providers.** -- Any approved medical assistance

1 provider who declines to participate in contracting for benefits in any one of the department's
2 medical assistance programs, including, but not limited to, any and all managed care programs,
3 may be suspended as a participating provider and denied participation in all state operated
4 medical assistance programs at the discretion of the department. Prior to suspension, a
5 participating provider shall have the right to appeal such suspension to a state administrative
6 hearing officer, in accordance with the rules of the department of human services.

7 SECTION 6. Section 40-8.9-9 of the General Laws in Chapter 40-8.9 entitled "Medical
8 Assistance - Long-Term Care Service and Finance Reform" is hereby amended to read as
9 follows:

10 **40-8.9-9. Long-term care re-balancing system reform goal.** -- (a) Notwithstanding any
11 other provision of state law, the department of human services is authorized and directed to apply
12 for and obtain any necessary waiver(s), waiver amendment(s) and/or state plan amendments from
13 the secretary of the United States department of health and human services, and to promulgate
14 rules necessary to adopt an affirmative plan of program design and implementation that addresses
15 the goal of allocating a minimum of fifty percent (50%) of Medicaid long-term care funding for
16 persons aged sixty-five (65) and over and adults with disabilities in addition to services for
17 persons with developmental disabilities and mental disabilities to home and community-based
18 care on or before December 31, ~~2012~~ 2013; provided, further, the executive office of health and
19 human services shall report annually as part of its budget submission, the percentage distribution
20 between institutional care and home and community-based care by population and shall report
21 current and projected waiting lists for long-term care and home and community-based care
22 services. The department is further authorized and directed to prioritize investments in home and
23 community-based care and to maintain the integrity and financial viability of all current long-
24 term care services while pursuing this goal.

25 (b) The long-term care re-balancing goal is person-centered and encourages individual
26 self-determination, family involvement, interagency collaboration, and individual choice through
27 the provision of highly specialized and individually tailored home-based services. Additionally,
28 individuals with severe behavioral, physical, or developmental disabilities must have the
29 opportunity to live safe and healthful lives through access to a wide range of supportive services
30 in an array of community-based settings, regardless of the complexity of their medical condition,
31 the severity of their disability, or the challenges of their behavior. Delivery of services and
32 supports in less costly and less restrictive community settings, will enable children, adolescents
33 and adults to be able to curtail, delay or avoid lengthy stays in residential treatment facilities,
34 juvenile detention centers, psychiatric facilities, and/or intermediate care or skilled nursing

1 facilities.

2 (c) Pursuant to federal authority procured under section 42-7.2-16 of the general laws,
3 the department of human services is directed and authorized to adopt a tiered set of criteria to be
4 used to determine eligibility for services. Such criteria shall be developed in collaboration with
5 the state's health and human services departments and shall encompass eligibility determinations
6 for services in nursing facilities, hospitals, and intermediate care facilities for the mentally
7 retarded as well as home and community-based alternatives, and shall provide a common
8 standard of income eligibility for both institutional and home and community-based care. The
9 department is, subject to prior approval of the general assembly, authorized to adopt criteria for
10 admission to a nursing facility, hospital, or intermediate care facility for the mentally retarded that
11 are more stringent than those employed for access to home and community-based services. The
12 department is also authorized to promulgate rules that define the frequency of re-assessments for
13 services provided for under this section. Legislatively approved levels of care may be applied in
14 accordance with the following:

15 (1) Any Medicaid recipient deemed eligible for nursing facility, hospital, or intermediate
16 care facility for the mentally retarded as of January 15, 2009, shall continue, throughout that
17 individual's life, to be assessed utilizing the level of care criteria in place for that care as of
18 January 15, 2009;

19 (2) Any Medicaid recipient deemed eligible for home and community services prior to
20 January 15, 2009, shall continue to be assessed for that care utilizing the level of care criteria in
21 place as of January 15, 2009;

22 (3) Persons meeting or who would have met the level of care criteria for nursing facility
23 care as of January 15, 2009, shall continue to be deemed to meet the institutional level of care and
24 shall only be transitioned to home and community services on a voluntary basis, and shall not be
25 subject to any wait list for home and community services; and

26 (4) No resident of a nursing facility, hospital, or intermediate care facility for the
27 mentally retarded shall be removed involuntarily from said facility even if the condition of the
28 resident improves.

29 (5) No nursing home, hospital, or intermediate care facility for the mentally retarded shall
30 be denied payment for services rendered to a Medicaid recipient on the grounds that the recipient
31 does not meet level of care criteria unless and until the department of human services has: (i)
32 performed an individual assessment of the recipient at issue and provided written notice to the
33 nursing home, hospital, or intermediate care facility for the mentally retarded that the recipient
34 does not meet level of care criteria; and (ii) the recipient has either appealed that level of care

1 [determination and been unsuccessful, or any appeal period available to the recipient regarding](#)
2 [that level of care determination has expired.](#)

3 (d) The department of human services is further authorized and directed to consolidate
4 all home and community-based services currently provided pursuant to section 1915(c) of title
5 XIX of the ~~Untied~~ [United](#) States Code into a single program of home and community-based
6 services that include options for consumer direction and shared living. The resulting single home
7 and community-based services program shall replace and supersede all section 1915(c) programs
8 when fully implemented. Notwithstanding the foregoing, the resulting single program home and
9 community-based services program shall include the continued funding of assisted living services
10 at any assisted living facility financed by the Rhode Island housing and mortgage finance
11 corporation prior to January 1, 2006, and shall be in accordance with chapter 66.8 of title 42 of
12 the general laws as long as assisted living services are a covered Medicaid benefit.

13 (e) The department of human services is authorized to promulgate rules that permit
14 certain optional services including, but not limited to, homemaker services, home modifications,
15 respite, and physical therapy evaluations to be offered subject to availability of state-appropriated
16 funding for these purposes.

17 (f) To promote the expansion of home and community-based service capacity, the
18 department of human services is authorized and directed to pursue rate reform for homemaker,
19 personal care (home health aide) and adult day care services, as follows:

20 (1) A prospective base adjustment effective, not later than July 1, 2008, across all
21 departments and programs, of ten percent (10%) of the existing standard or average rate,
22 contingent upon a demonstrated increase in the state-funded or Medicaid caseload by June 30,
23 2009;

24 (2) Development, not later than September 30, 2008, of certification standards
25 supporting and defining targeted rate increments to encourage service specialization and
26 scheduling accommodations including, but not limited to, medication and pain management,
27 wound management, certified Alzheimer's Syndrome treatment and support programs, and shift
28 differentials for night and week-end services; and

29 (3) Development and submission to the governor and the general assembly, not later than
30 December 31, 2008, of a proposed rate-setting methodology for home and community-based
31 services to assure coverage of the base cost of service delivery as well as reasonable coverage of
32 changes in cost caused by wage inflation.

33 (h) The department of human services is also authorized, subject to availability of
34 appropriation of funding, to pay for certain non-Medicaid reimbursable expenses necessary to

1 transition residents back to the community; provided, however, payments shall not exceed an
2 annual or per person amount.

3 (i) To assure the continued financial viability of nursing facilities, the department of
4 human services is authorized and directed to develop a proposal for revisions to section 40-8-19
5 that reflect the changes in cost and resident acuity that result from implementation of this re-
6 balancing goal. Said proposal shall be submitted to the governor and the general assembly on or
7 before January 1, 2010.

8 SECTION 7. This article shall take effect upon passage.

9

1 (4) A ceiling maximum for allowable costs in the direct labor cost center to be
2 established by the department between one hundred ten percent (110%) and one hundred twenty-
3 five percent (125%) of the median for all facilities for the most recent array year.

4 (5) A ceiling maximum for allowable costs in the other operating cost center to be
5 established by the department between ninety percent (90%) and one hundred fifteen percent
6 (115%) of the median for all facilities for the most recent array year;

7 (6) Adjustment of costs and ceiling maximums by the increase in the National Nursing
8 Home Price Index ("NNHPI") for the direct labor cost center and the other operating cost center
9 for year between array years; such adjustments to be applied on October 1st of each year
10 beginning October 1, 2003 for the direct labor cost center and October 1, 2005 for the other
11 operating cost center, except for the fiscal year beginning July 1, 2006 for which the price index
12 shall be applied on February 1, 2007 and for the fiscal year beginning October 1, 2007 for which
13 the adjustment of costs and ceiling maximums shall be one and one-tenth percent (1.1%). For the
14 fiscal year beginning July 1, 2008, the price index shall be applied on April 1, 2009.

15 (7) Application of a fair rental value system to be developed by the department for
16 calculating allowable reimbursement for the property cost center;

17 (8) Such quality of care and cost containment incentives as may be established by
18 departmental regulations.

19 (c) *Phase I Implementation.* The department shall file a state plan amendment with the
20 U.S. Department of Health and Human Services on or before August 1, 2003 to modify the
21 principles of reimbursement for nursing facilities, to be effective on October 1, 2003, or as soon
22 thereafter as is authorized by an approved state plan amendment, to establish the direct labor cost
23 center and the pass through items cost center utilizing calendar year 2002 cost data, and to apply
24 the ceiling maximums in subsections (b)(4) and (b)(5). Nursing facilities whose allowable 2002
25 direct labor costs are below the median in the direct labor cost center may make application to the
26 department for a direct labor cost interim payment adjustment equal to twenty-five percent (25%)
27 of the amount such allowable 2002 direct labor costs are below the median in the direct labor cost
28 center, provided that the interim payment adjustment granted by the department on or after
29 October 1, 2003 must be expended by the facility on expenses allowable within the direct labor
30 cost center, and any portion of the interim payment not expended on allowable direct labor cost
31 center expenses shall be subject to retroactive adjustment and recoupment by the department
32 upon the department's determination of a final direct labor payment adjustment after review of the
33 facility's actual direct labor expenditures. The final direct labor payment adjustment will be
34 included in the facility's October 1, 2004 rate until the facility's next base year.

1 (d) *Phase II Implementation.* The department shall file a state plan amendment with the
2 U.S. Department of Health and Human Services to modify the principles of reimbursement for
3 nursing facilities, to be effective on September 1, 2004, or as soon thereafter as is authorized by
4 an approved state plan amendment, to establish a fair rental value system for calculating
5 allowable reimbursement for the property cost center in accordance with subsection (b)(7);
6 provided, however, that no facility shall receive a payment as of September 1, 2004 for property-
7 related expenses pursuant to the fair rental value system that is less than the property-related
8 payment they would have received for the other property-related ("OPR") cost center system in
9 effect as of June 30, 2004.

10 SECTION 2. Section 40-8-29 of the General Laws in Chapter 40-8 entitled "Medical
11 Assistance" is hereby amended to read as follows:

12 **40-8-29. Selective contracting.** -- (a) Notwithstanding any other provision of state law,
13 the department of human services is authorized to utilize selective contracting with prior general
14 assembly approval for the purpose of purchasing for Medicaid recipients shared living provider
15 services, durable medical equipment and supplies, and any other Medicaid services, when
16 appropriate, in order to assure that all service expenditures under this chapter have the maximum
17 benefit of competition, and afford Rhode Islanders the overall best value, optimal quality, and the
18 most cost-effective care possible. Beneficiaries will be limited to using the services/products of
19 only those providers determined in a competitive bidding process to meet the standards for best
20 quality, performance and price set by the department in accordance with applicable federal and
21 state laws.

22 ~~(b) Any approved medical assistance provider who declines to participate in contracting~~
23 ~~for benefits in any one of the department's medical assistance programs, including, but not limited~~
24 ~~to any and all managed care programs, may be suspended as a participating provider and denied~~
25 ~~participation in all state-operated medical assistance programs at the discretion of the department.~~

26 (b) For purposes of this section "selective contracting" shall mean the process for
27 choosing providers to serve Medicaid beneficiaries based on their ability to deliver the best
28 quality products or services, at the best value or price.

29 (c) To ensure all services allowable for Medicare reimbursement for beneficiaries who
30 are dually eligible, selective contractors must be willing and able to accept Medicare.

31 SECTION 3. Section 40-8-1 of the General Laws in Chapter 40-8 entitled "Medical
32 Assistance" is hereby amended to read as follows:

33 **40-8-1. Declaration of policy.** -- (a) Whereas, in the state of Rhode Island there are
34 many persons who do not have sufficient income and resources to meet the cost of medical care

1 and who, except for income and resource requirements, would be eligible for aid or assistance
2 under § 40-5.1-9 or § 40-6-27; and

3 (b) Whereas, it is in the best interest of all the citizens of this state to promote the
4 welfare of persons with the characteristics of persons eligible to receive public assistance and
5 ensure that they will receive adequate medical care and treatment in time of need;

6 (c) Now, therefore, it is declared to be the policy of this state to provide medical
7 assistance for those persons in this state who possess the characteristics of persons receiving
8 public assistance under the provisions of § 40-5.1-9 or § 40-6-27, and who do not have the
9 income and resources to provide it for themselves or who can do so only at great financial
10 sacrifice. Provided, further, that such medical assistance, must qualify for federal financial
11 participation pursuant to the provisions of Title XIX of the federal Social Security Act, 42 U.S.C.
12 § 1396 et seq., as such provisions apply to medically needy only applicants and recipients.

13 (d) Medical assistance shall be provided under this chapter without regard to the
14 availability of federal financial participation: (1) to a person who does not meet the citizenship or
15 alienage criteria under Title XIX of the Social Security Act, 42 U.S.C. § 1396 et seq., and who
16 was lawfully residing in the United States before August 22, 1996 and who was a resident of this
17 state prior to July 1, 1997; and provided, however, that such person meets all other eligibility
18 requirements under this chapter or under Title XIX or Title XXI of the Social Security Act.

19 (e) Medical assistance shall also be provided under this chapter to a non citizen child
20 who was lawfully admitted for permanent residence on or after August 22, 1996 or who first
21 becomes otherwise entitled to reside in the United States on or after August 22, 1996; provided,
22 however, that such person meets all other eligibility requirements under this chapter or under
23 Title XIX or Title XXI of the Social Security Act.

24 SECTION 4. Sections 40-8.4-2, 40-8.4-4, and 40-8.4-12 of the General Laws in
25 Chapter 40-8.4 entitled "Health Care for Families" are hereby amended to read as follows:

26 **40-8.4-2. Purpose. --** It is the intent of the general assembly to continue to meet the goal
27 established in 1993 pursuant to § 42-12.3-1 to assure access to comprehensive health care by
28 providing or creating access to health insurance to all Rhode Islanders who are uninsured. Over
29 the course of several years, health insurance through the RIte Care program has been extended to
30 pregnant women and children living in families whose income is less than two hundred fifty
31 percent (250%) of the federal poverty level. Many of the parents of these children are uninsured
32 and without the means to purchase health insurance. Federal funds are available to help pay for
33 health insurance for low-income families through the medical assistance program under § 1931 of
34 Title XIX of the Social Security Act, 42 U.S.C. § 1396u-1, which de-links medical assistance

1 from cash assistance and allows for expanded income and resource methodologies. It is the intent
2 of the general assembly, therefore, to implement § 1931 of Title XIX of the Social Security Act
3 and in addition to provide expanded access to health insurance for eligible families. Federal funds
4 for some children and ~~their parents~~ pregnant women may also be available under Title XXI of the
5 Social Security Act, 42 U.S.C. § 1397 aa et seq., and it is further the intent of the general
6 assembly to access these funds as appropriate and as authorized in accordance with the legal
7 authority provided by the Children’s Health Insurance Program Reauthorization Act of 2009
8 (CHIPRA), and Title XXI of the Social Security Act, 42 U.S.C. § 1397 et seq.

9 **40-8.4-4. Eligibility.** -- (a) *Medical assistance for families.* There is hereby established a
10 category of medical assistance eligibility pursuant to § 1931 of Title XIX of the Social Security
11 Act, 42 U.S.C. § 1396u-1, for families whose income and resources are no greater than the
12 standards in effect in the aid to families with dependent children program on July 16, 1996 or
13 such increased standards as the department may determine. The department of human services is
14 directed to amend the medical assistance Title XIX state plan and to submit to the U.S.
15 Department of Health and Human Services an amendment to the RIte Care waiver project to
16 provide for medical assistance coverage to families under this chapter in the same amount, scope
17 and duration as coverage provided to comparable groups under the waiver. The department is
18 further authorized and directed to submit such amendments and/or requests for waivers to the
19 Title XXI state plan as may be necessary to maximize federal contribution for provision of
20 medical assistance coverage ~~under this chapter~~ provided pursuant to this chapter, including
21 providing medical coverage as a “qualified state” in accordance with Title XXI of the Social
22 Security Act, 42 U.S.C. § 1397 et seq. ~~However, implementation~~ Implementation of expanded
23 coverage under this chapter shall not be delayed pending federal review of any Title XXI
24 amendment or waiver.

25 (b) *Income.* The director of the department of human services is authorized and directed
26 to amend the medical assistance Title XIX state plan or RIte Care waiver to provide medical
27 assistance coverage through expanded income disregards or other methodology for parents or
28 relative caretakers whose income levels are below one hundred seventy-five percent (175%) of
29 the federal poverty level.

30 (c) *Waiver.* The department of human services is authorized and directed to apply for and
31 obtain appropriate waivers from the Secretary of the U.S. Department of Health and Human
32 Services, including, but not limited to, a waiver of the appropriate provisions of Title XIX, to
33 require that individuals with incomes equal to or greater than ~~one hundred thirty three percent~~
34 ~~(133%)~~ one hundred fifty percent (150%) of the federal poverty level pay a share of the costs of

1 their medical assistance coverage provided through enrollment in either the RItE Care Program or
2 under the premium assistance program under § 40-8.4-12, in a manner and at an amount
3 consistent with comparable cost-sharing provisions under § 40-8.4-12, provided that such cost
4 sharing shall not exceed five percent (5%) of annual income for those with annual income in
5 excess of ~~one hundred thirty three percent (133%)~~ one hundred fifty percent (150%); and
6 provided, further, that cost-sharing shall not be required for pregnant women or children under
7 age one.

8 **40-8.4-12. RItE Share Health Insurance Premium Assistance Program.** -- (1) The
9 department of human services is authorized and directed to amend the medical assistance Title
10 XIX state plan to implement the provisions of § 1906 of Title XIX of the Social Security Act, 42
11 U.S.C. § 1396e, and establish the Rhode Island health insurance premium assistance program for
12 RItE Care eligible parents with incomes up to one hundred seventy-five percent (175%) of the
13 federal poverty level who have access to employer-based health insurance. The state plan
14 amendment shall require eligible individuals with access to employer-based health insurance to
15 enroll themselves and/or their family in the employer-based health insurance plan as a condition
16 of participation in the RItE Share program under this chapter and as a condition of retaining
17 eligibility for medical assistance under chapters 5.1 and 8.4 of this title and/or chapter 12.3 of title
18 42 and/or premium assistance under this chapter, provided that doing so meets the criteria
19 established in § 1906 of Title XIX for obtaining federal matching funds and the department has
20 determined that the individual's and/or the family's enrollment in the employer-based health
21 insurance plan is cost-effective and the department has determined that the employer-based health
22 insurance plan meets the criteria set forth in subsection (d). The department shall provide
23 premium assistance by paying all or a portion of the employee's cost for covering the eligible
24 individual or his or her family under the employer-based health insurance plan, subject to the cost
25 sharing provisions in subsection (b), and provided that the premium assistance is cost-effective in
26 accordance with Title XIX, 42 U.S.C. § 1396 et seq.

27 *(b) Individuals who can afford it shall share in the cost.* The department of human
28 services is authorized and directed to apply for and obtain any necessary waivers from the
29 secretary of the United States Department of Health and Human Services, including, but not
30 limited to, a waiver of the appropriate sections of Title XIX, 42 U.S.C. § 1396 et seq., to require
31 that individuals eligible for RItE Care under this chapter or chapter 12.3 of title 42 with incomes
32 equal to or greater than ~~one hundred thirty three percent (133%)~~ one hundred fifty percent
33 (150%) of the federal poverty level pay a share of the costs of health insurance based on the
34 individual's ability to pay, provided that the cost sharing shall not exceed five percent (5%) of the

1 individual's annual income. The department of human services shall implement the cost-sharing
2 by regulation, and shall consider co-payments, premium shares or other reasonable means to do
3 so.

4 *(c) Current RIte Care enrollees with access to employer-based health insurance.* The
5 department of human services shall require any individual who receives RIte Care or whose
6 family receives RIte Care on the effective date of the applicable regulations adopted in
7 accordance with subsection (f) to enroll in an employer-based health insurance plan at the
8 individual's eligibility redetermination date or at an earlier date determined by the department,
9 provided that doing so meets the criteria established in the applicable sections of Title XIX, 42
10 U.S.C. § 1396 et seq., for obtaining federal matching funds and the department has determined
11 that the individual's and/or the family's enrollment in the employer-based health insurance plan is
12 cost-effective and has determined that the health insurance plan meets the criteria in subsection
13 (d). The insurer shall accept the enrollment of the individual and/or the family in the employer-
14 based health insurance plan without regard to any enrollment season restrictions.

15 *(d) Approval of health insurance plans for premium assistance.* The department of
16 human services shall adopt regulations providing for the approval of employer-based health
17 insurance plans for premium assistance and shall approve employer-based health insurance plans
18 based on these regulations. In order for an employer-based health insurance plan to gain approval,
19 the department must determine that the benefits offered by the employer-based health insurance
20 plan are substantially similar in amount, scope, and duration to the benefits provided to RIte Care
21 eligible persons by the RIte Care program, when the plan is evaluated in conjunction with
22 available supplemental benefits provided by the department. The department shall obtain and
23 make available to persons otherwise eligible for RIte Care as supplemental benefits those benefits
24 not reasonably available under employer-based health insurance plans which are required for RIte
25 Care eligible persons by state law or federal law or regulation.

26 *(e) Maximization of federal contribution.* The department of human services is
27 authorized and directed to apply for and obtain federal approvals and waivers necessary to
28 maximize the federal contribution for provision of medical assistance coverage under this section,
29 including the authorization to amend the Title XXI state plan and to obtain any waivers
30 necessary to reduce barriers to provide premium assistance to recipients as provided for in Title
31 XXI of the Social Security Act, 42 U.S.C. § 1397 et seq.

32 *(f) Implementation by regulation.* The department of human services is authorized and
33 directed to adopt regulations to ensure the establishment and implementation of the premium
34 assistance program in accordance with the intent and purpose of this section, the requirements of

1 Title XIX, [Title XXI](#) and any approved federal waivers.

2 SECTION 5. Sections 42-12.3-3, 42-12.3-4 and 42-12.3-15 of the General Laws in
3 Chapter 42-12 entitled “Health Care for Children and Pregnant Women” are hereby amended to
4 read as follows:

5 **42-12.3-3. Medical assistance expansion for pregnant women/RItE Start.** -- (a) The
6 director of the department of human services is authorized to amend its title XIX state plan
7 pursuant to title XIX of the Social Security Act to provide Medicaid coverage [and to amend its](#)
8 [title XXI state plan pursuant to Title XXI of the Social Security Act to provide medical assistance](#)
9 [coverage](#) through expanded family income disregards for pregnant women whose family income
10 levels are between one hundred eighty-five percent (185%) and two hundred fifty percent (250%)
11 of the federal poverty level. The department is further authorized to promulgate any regulations
12 necessary and in accord with title XIX [42 U.S.C. § 1396 et seq.] [and title XXI \[42 U.S.C. § 1397](#)
13 [et seq.\]](#) of the Social Security Act [necessary in order](#) to implement said state plan amendment.
14 The services [provided](#) shall be in accord with title XIX [42 U.S.C. § 1396 et seq.] [and title XXI](#)
15 [\[42 U.S.C. § 1397 et seq.\]](#) of the Social Security Act.

16 (b) The director of the department of human services is authorized and directed to
17 establish a payor of last resort program to cover prenatal, delivery and postpartum care. The
18 program shall cover the cost of maternity care for any woman who lacks health insurance
19 coverage for maternity care and who is not eligible for medical assistance under title XIX [42
20 U.S.C. § 1396 et seq.] [and title XXI \[42 U.S.C. § 1397 et seq.\]](#) of the Social Security Act
21 including, but not limited to, a non-citizen pregnant woman lawfully admitted for permanent
22 residence on or after August 22, 1996, without regard to the availability of federal financial
23 participation, provided such pregnant woman satisfies all other eligibility requirements. The
24 director shall promulgate regulations to implement this program. Such regulations shall include
25 specific eligibility criteria; the scope of services to be covered; procedures for administration and
26 service delivery; referrals for non-covered services; outreach; and public education. Excluded
27 services under this paragraph will include, but not be limited to, induced abortion except to
28 prevent the death of the mother.

29 (c) The department of human services may enter into cooperative agreements with the
30 department of health and/or other state agencies to provide services to individuals eligible for
31 services under subsections (a) and (b) above.

32 (d) The following services shall be provided through the program:

33 (1) Ante-partum and postpartum care;

34 (2) Delivery;

1 (3) Cesarean section;
2 (4) Newborn hospital care;

3 (5) Inpatient transportation from one hospital to another when authorized by a medical
4 provider;

5 (6) Prescription medications and laboratory tests;

6 (e) The department of human services shall provide enhanced services, as appropriate,
7 to pregnant women as defined in subsections (a) and (b), as well as to other pregnant women
8 eligible for medical assistance. These services shall include: care coordination, nutrition and
9 social service counseling, high risk obstetrical care, childbirth and parenting preparation
10 programs, smoking cessation programs, outpatient counseling for drug-alcohol use, interpreter
11 services, mental health services, and home visitation. The provision of enhanced services is
12 subject to available appropriations. In the event that appropriations are not adequate for the
13 provision of these services, the department has the authority to limit the amount, scope and
14 duration of these enhanced services.

15 (f) The department of human services shall provide for extended family planning
16 services for up to twenty-four (24) months postpartum. These services shall be available to
17 women who have been determined eligible for RIte Start or for medical assistance under title XIX
18 [42 U.S.C. § 1396 et seq.] [or title XXI \[42 U.S.C. §1397 et seq.\]](#) of the Social Security Act.

19 **42-12.3-4. "RIte track" program.** -- There is hereby established a payor of last resort
20 program for comprehensive health care for children until they reach nineteen (19) years of age, to
21 be known as "RIte track". The department of human services is hereby authorized to amend its
22 title XIX state plan pursuant to title XIX [42 U.S.C. § 1396 et seq.] [and title XXI \[42 U.S.C.](#)
23 [§1397 et seq.\]](#) of the Social Security Act [as necessary](#) to provide for expanded Medicaid coverage
24 through expanded family income disregards for children, until they reach nineteen (19) years of
25 age, whose family income levels are up to two hundred fifty percent (250%) of the federal
26 poverty level. [Provided, however, that health care coverage provided under this section shall also](#)
27 [be provided in accordance to Title XIX of the Social Security Act, 42 U.S.C. § 1396 et seq., to a](#)
28 [non citizen child who is lawfully residing in the United States, and who is otherwise eligible for](#)
29 [such assistance.](#) The department is further authorized to promulgate any regulations necessary,
30 and in accord with title XIX [42 U.S.C. § 1396 et seq.] [and title XXI \[42 U.S.C. §1397 et seq.\]](#) of
31 the Social Security Act [as necessary in order](#) to implement the state plan amendment. For those
32 children who lack health insurance, and whose family incomes are in excess of two hundred fifty
33 percent (250%) of the federal poverty level, the department of human services shall promulgate
34 necessary regulations to implement the program. The department of human services is further

1 directed to ascertain and promulgate the scope of services that will be available to those children
2 whose family income exceeds the maximum family income specified in the approved title XIX
3 [42 U.S.C. § 1396 et seq.] [and title XXI \[42 U.S.C. §1397 et seq.\]](#) state plan amendment.

4 **42-12.3-15. Expansion of RIte track program.** -- The Department of Human Services
5 is hereby authorized and directed to submit to the United States Department of Health and Human
6 Services an amendment to the "RIte Care" waiver project number 11-W-0004/1-01 to provide for
7 expanded Medicaid coverage for children until they reach eight (8) years of age, whose family
8 income levels are to two hundred fifty percent (250%) of the federal poverty level. Expansion of
9 the RIte track program from the age of six (6) until they reach eighteen (18) years of age in
10 accordance with this chapter shall be subject to the approval of the amended waiver by the United
11 States Department of Health and Human Services. [Health care coverage under this section shall](#)
12 [also be provided to a non-citizen child lawfully residing in the United States, and who is](#)
13 [otherwise eligible for such assistance under title XIX \[42 U.S.C. § 1396 et seq.\] or title XXI \[42](#)
14 [U.S.C. §1397 et seq.\]](#)

15 SECTION 6. Sections 40-8-13.1 and 40-8-13.2 of the General Laws in Charter 40-8
16 entitled "Medical Assistance" are hereby amended to read as follows:

17 **40-8-13.1. Reimbursement for out-of-state hospital services.** -- (a) The department of
18 human services is hereby authorized and directed to amend, effective July 1, 1995, its regulations,
19 fee schedules and the Rhode Island state plan for medical assistance (Medicaid) pursuant to Title
20 XIX of the federal Social Security Act to provide for reimbursement to out-of-state hospitals for
21 services provided to eligible recipients in accordance with this section.

22 (b) Authorized inpatient hospital services shall be reimbursed at a rate equal to fifty
23 percent (50%) of the out-of-state hospital's customary charge(s) for such services to Title XIX
24 recipients in that state; provided, however, that in-patient hospital organ transplant services shall
25 be reimbursed at sixty-one percent (61%) of the out-of-state hospital's customary charge(s) for
26 such organ transplant services to Title XIX recipients in that state. Authorized outpatient hospital
27 services (other than laboratory services) shall be reimbursed at a rate equal to fifty-three percent
28 (53%) of the out-of-state hospital's customary charge(s) for such services to Title XIX recipients
29 in that state; outpatient laboratory services shall be reimbursed at the Medicare allowable rate.

30 (c) The department may periodically adjust the inpatient and/or outpatient service
31 reimbursement rate(s) based upon a medical care cost index to be determined by the department.

32 [\(d\) The provisions of this section shall be repealed upon the promulgation of](#)
33 [amendments and new methodology pursuant to sections 40-8-13.3 and 40-8-13.4, but in any](#)
34 [event no later than March 30, 2010.](#)

1 **40-8-13.2. Prospective rate methodology for in-state hospital services.** -- As a
2 condition of participation in the established prospective rate methodology for reimbursement of
3 in-state hospital services, every hospital shall submit year-end settlement reports to the
4 department within one year from the close of a hospital's fiscal year. In the event that a
5 participating hospital fails to timely submit a year-end settlement report as required, the
6 department shall withhold financial cycle payments due by any state agency with respect to this
7 hospital by not more than ten percent (10%) until the report is received. The provisions of this
8 section shall be repealed upon the promulgation of amendments and new methodology pursuant
9 to sections 40-8-13.3 and 40-8-13.4, but in any event no later than March 30, 2010.

10 SECTION 7. Chapter 40-8 of the General Laws entitled "Medical Assistance" is hereby
11 amended by adding thereto the following sections:

12 **40-8-13.3. Payment for Services provided by in state and out of state hospitals.--** (a)
13 The department of human services and/or the secretary of executive office of health and human
14 services is hereby authorized and directed to amend its rules and regulations and amend the
15 Rhode Island state plan for medical assistance (Medicaid) pursuant to Title XIX of the federal
16 Social Security Act in order to provide for payment to hospitals for services provided to eligible
17 recipients in accordance with this chapter. The provisions of this section shall be effective upon
18 the promulgation of the amendments and new payment methodology pursuant to this section and
19 section 40-8-13.4, which shall in any event be no later than March 30, 2010, at which time the
20 provisions of sections 40-8-13.2, 27-19-14, 27-19-15 and 27-19-16 shall be repealed in their
21 entirety.

22 **40-8-13.4. Rate methodology for payment for in state and out of state hospital**
23 **services.--**

24 (a) The department of human services shall implement a new methodology for payment
25 for in state and out of state hospital services in order to ensure access to and the provision of high
26 quality and cost-effective hospital care to its eligible recipients.

27 (b) In order to improve efficiency and cost effectiveness, the department of human
28 services shall:

29 (1) With respect to inpatient services: Implement a new payment methodology for
30 inpatient services utilizing the Diagnosis Related Groups (DRG) method of payment, which is, a
31 patient classification method which provides a means of relating payment to the hospitals to the
32 type of patients cared for by the hospitals. It is understood that a payment method based on
33 Diagnosis Related Groups may include cost outlier payments and other specific exceptions.

34 (2) With respect to outpatient services. Notwithstanding any provisions of the law to the

1 contrary, the department will reimburse hospitals for outpatient services using a rate methodology
2 determined by the department and in accordance with federal regulations.

3 (c) It is intended that payment utilizing the Diagnosis Related Groups method shall
4 reward hospitals for providing the most efficient care, and provide the department the opportunity
5 to conduct value based purchasing of inpatient care.

6 (d) The director of the department of human services and/or the secretary of executive
7 office of health and human services is hereby authorized to promulgate such rules and regulations
8 consistent with this chapter, and to establish fiscal procedures he or she deems necessary for the
9 proper implementation and administration of this chapter in order to provide payment to hospitals
10 using the Diagnosis Related Group payment methodology. Furthermore, amendment of the
11 Rhode Island state plan for medical assistance (Medicaid) pursuant to Title XIX of the federal
12 Social Security Act is hereby authorized to provide for payment to hospitals for services provided
13 to eligible recipients in accordance with this chapter.

14 (e) The department shall comply with all public notice requirements necessary to
15 implement these rate changes.

16 (f) As a condition of participation in the DRG methodology for payment of hospital
17 services, every hospital shall submit year-end settlement reports to the department within one
18 year from the close of a hospital's fiscal year. Should a participating hospital fail to timely submit
19 a year-end settlement report as required by this section, the department shall withhold financial
20 cycle payments due by any state agency with respect to this hospital by not more than ten percent
21 (10%) until said report is submitted.

22 (g) The provisions of this section shall be effective upon implementation of the
23 amendments and new payment methodology pursuant to this section and section 40-8-13.3,
24 which shall in any event be no later than March 30, 2010, at which time the provisions of sections
25 40-8-13.2, 27-19-14, 27-19-15 and 27-19-16 shall be repealed in their entirety.

26 SECTION 8. Sections 27-19-14, 27-19-15 and 27-19-16 of the General Laws in Chapter
27 27-19 entitled "Nonprofit Hospital Service Corporations" are hereby amended to read as follows:

28 **27-19-14. Negotiation of hospital cost.--** The state, acting through the budget officer
29 or his or her designated representative, hospitals, and hospital service corporations incorporated
30 under this chapter shall be parties to annual budget negotiations held for the purpose of
31 determining payment rates for hospital costs by the state and those corporations. The parties to
32 the negotiations shall know the total operating expenses for hospitals. The negotiations shall
33 commence no later than one hundred eighty (180) days prior to the beginning of each hospital
34 fiscal year. The negotiations, which shall be considered collective bargaining for the purposes of

1 § 42-46-5(a)(2), shall be held for each hospital fiscal year and individual budget negotiations
2 shall commence not later than ninety (90) days prior to the beginning of each hospital fiscal year.
3 The parties shall employ mediation and arbitration services—as an aid to the negotiations. [The](#)
4 [provisions of this section shall be repealed upon the implementation of amendments and new](#)
5 [methodology pursuant to sections 40-8-13.3 and 40-8-13.4, but in any event no later than March](#)
6 [30, 2010.](#)

7 **27-19-15. Agreement on budgets.** -- (a) The budgets and/or each hospital's projected
8 expenses and related statistics shall be agreed upon not later than thirty (30) days prior to the
9 beginning of each hospital fiscal year. The agreement shall be prima facie evidence that the
10 budgets and related statistics are:

11 (1) Consistent with the proper conduct of the business of the corporations and the
12 interest of the public to the extent that the budgets constitute in the aggregate a component of
13 hospital service rates filed for approval in any rate hearing; and

14 (2) Reasonable as a component of rates paid by the state as a purchaser of hospital
15 services.

16 (b) Each hospital shall file its proposed budget to the state budget office which shall
17 include projected expenses for the current fiscal year and planned expenses for the next fiscal
18 year. Each hospital will also file with the state budget office a copy of its audited financial
19 statements with rates within thirty (30) days of acceptance by the hospital's board of trustees. [The](#)
20 [provisions of this section shall not apply and shall be repealed upon the implementation of](#)
21 [amendments and new methodology pursuant to sections 40-8-13.3 and 40-8-13.4, but in any](#)
22 [event no later than March 30, 2010.](#)

23 **27-19-16. Severability.** -- If a court of competent jurisdiction shall adjudge that the
24 requirement in § 27-19-14 that the state be a party to negotiations in which the United States is a
25 party or otherwise interested is invalid or unconstitutional, that judgment shall not impair or
26 invalidate § 27-19-14 insofar as it requires the state to be a party to negotiations between
27 hospitals and hospital service corporations; and if any other clause, sentence, or section of §§ 27-
28 19-14, 27-19-15, or this section is adjudged invalid or unconstitutional by a court of competent
29 jurisdiction, the remaining provisions of the sections will not be impaired or invalidated by that
30 invalidity, but the effect of the judgment shall be confined to the clause, sentence, or section so
31 adjudged to be invalid or unconstitutional. If the United States or any of its departments or
32 agencies requires that funds supplied by it to the state for the purchase or reimbursement of
33 hospital services be disbursed in a manner inconsistent with any agreement reached by the parties
34 pursuant to §§ 27-19-14 and 27-19-15, that requirement shall not affect any agreement as to other

1 funds to be paid by the state or by hospital service corporations. The provisions of this section
2 shall be repealed upon the implementation of amendments and new methodology pursuant to
3 sections 40-8-13.3 and 40-8-13.4, but in any event no later than March 30, 2010.

4 SECTION 9. Title 40 of the General Laws entitled ‘HUMAN SERVICES’ is hereby
5 amended by adding thereto the following chapter:

6 CHAPTER 40-8.10

7 LONG TERM CARE SERVICE REFORM FOR MEDICAID ELIGIBLE INDIVIDUALS

8 **40-8.10-1. Purpose.** -- (a) In order to ensure that all Medicaid recipients eligible for long-
9 term care have access to the full continuum of services they need, the secretary of the executive
10 office of health and human services, in collaboration with the director of the department of human
11 services and the directors of the departments of children youth and families, elderly affairs,
12 health, and mental health, retardation and hospitals, shall offer eligible Medicaid recipients the
13 full range of services as allowed under the terms and conditions of the Rhode Island Global
14 Consumer Choice Compact 1115a Demonstration Waiver, including institutional services and the
15 home and community based services provided for under the previous Medicaid Section 1915 (c)
16 waivers, as well as additional services for medication management, transition services and other
17 authorized services as defined in this chapter, in order to meet the individual needs of the
18 Medicaid recipient.

19 **40-8.10-2. Definitions.**-- As used in this chapter,

20 (a) “Core services” mean homemaker services, environmental modifications (home
21 accessibility adaptations, special medical equipment (minor assistive devices), meals on wheels (
22 home delivered meals), personal emergency response (PERS), licensed practical nurse services,
23 community transition services, residential supports, day supports, supported employment,
24 supported living arrangements, private duty nursing, supports for consumer direction (supports
25 facilitation), participant directed goods and services, case management, senior companion
26 services, assisted living, personal care assistance services and respite.

27 (b) “Preventive services” mean homemaker services, minor environmental modifications,
28 physical therapy evaluation and services and respite services.

29 **40-8.10-3. Levels of Care.**-- (a) The secretary of the executive office of health and
30 human services shall coordinate responsibilities for long-term care assessment in accordance with
31 the provisions of this chapter within the department of human services, and with the cooperation
32 of the directors of the department of elderly affairs, the department of children, youth and
33 families , and the department of mental health, retardation and hospitals. Assessments conducted
34 by each department’s staff shall be coordinated through the Assessment Coordination Unit

1 (ACU). Members of each department's staff responsible for assessing level of care, developing
2 care plans, and determining budgets will meet on a regular basis in order to ensure that services
3 are provided in a uniform and consistent manner. Importance shall be placed upon the proper and
4 consistent determination of levels of care across the state departments for each long-term care
5 setting, including behavioral health residential treatment facilities, long-term care hospitals,
6 intermediate care facilities, and/or skilled nursing facilities. Three (3) appropriate plans of care
7 that meet the needs of the individual Medicaid recipients shall be coordinated and consistent
8 across all state departments. The development of care plans shall be person-centered and shall
9 support individual self-determination, family involvement, when appropriate, individual choice
10 and interdepartmental collaboration.

11 (b) Levels of care for long-term care institutions (behavioral health residential treatment
12 facilities, long-term care hospitals, intermediate care facilities and /or skilled nursing facilities),
13 for which alternative community-based services and supports are available, shall be established
14 pursuant to the section 40-8.9-9. The structure of the three (3) levels of care is as follows:

15 (i) *Highest level of care.* Individuals who are determined, based on medical need, to
16 require the institutional level of care will have the choice to receive services in a long-term care
17 institution or in a home and community-based setting.

18 (ii) *High level of care.* Individuals who are determined, based on medical need, to benefit
19 from home and community-based services.

20 (iii) *Preventive level of care.* Individuals who do not presently need an institutional level
21 of care but who need services targeted at preventing admission, re-admissions or reducing lengths
22 of stay in an institution.

23 (c) Determinations of levels of care and the provision of long term care health services
24 shall be determined in accordance with this section and shall be in accordance with the applicable
25 provisions of section 40-8.9-9.

26 **40-8.10-4. Assessment and Coordination Unit (ACU).** -- (a) The department of human
27 services, in collaboration with the executive office of health and human services, shall implement
28 a long-term care options counseling program to provide individuals or their representative, or
29 both, with long-term care consultations that shall include, at a minimum, information about long-
30 term care options, sources and methods of both public and private payment for long term care
31 services, and an assessment of an individual's functional capabilities and opportunities for
32 maximizing independence. Each individual admitted to or seeking admission to a long-term
33 care facility, regardless of the payment source, shall be informed by the facility of the availability
34 of the long-term care options counseling program and shall be provided with a long-term care

1 options consultation, if he or she so requests. Each individual who applies for Medicaid long-term
2 care services shall be provided with a long-term care consultation.

3 (b) Core and preventative home and community based services defined and delineated in
4 section 40-8.10-2 shall be provided only to those individuals who meet one of the levels of care
5 provided for in this chapter. Other long term care services authorized by the federal government,
6 such as medication management, may also be provided to Medicaid eligible recipients who have
7 established the requisite need as determined by the Assessment and Coordination Unit (ACU).
8 Access to institutional and community based supports and services shall be through the
9 Assessment and Coordination Unit (ACU). The provision of Medicaid-funded long-term care
10 services and supports shall be based upon a comprehensive assessment that shall include, but not
11 be limited to, an evaluation of the medical, social and environmental needs of each applicant for
12 these services or programs. The assessment shall serve as the basis for the development and
13 provision of an appropriate plan of care for the applicant.

14 (c) The ACU shall assess the financial eligibility of beneficiaries to receive long-term
15 care services and supports in accordance with the applicable provisions of section 40-8.9-9.

16 (d) The ACU shall be responsible for conducting assessments; determining a level of care
17 for applicants for medical assistance; developing service plans; pricing a service budget and
18 developing a voucher when appropriate; making referrals to appropriate settings; maintaining a
19 component of the unit that will provide training to and will educate consumers, discharge
20 planners and providers; tracking utilization; monitoring outcomes; and reviewing service/care
21 plan changes. The ACU shall provide interdisciplinary high cost case reviews and choice
22 counseling for eligible recipients.

23 (e) The assessments for individuals conducted in accordance with this section shall serve
24 as the basis for individual budgets for those medical assistance recipients eligible to receive
25 services utilizing a self-directed delivery system.

26 (f) Nothing in this section shall prohibit the secretary of the executive office of health and
27 human services, or the directors of that office's departments from utilizing community agencies
28 or contractors when appropriate to perform assessment functions outlined in this chapter.

29 **40-8.10-5. Payments.--** The department of human services shall not make payment for a
30 person receiving a long-term home health care program, while payments are being made for that
31 person for inpatient care in a skilled nursing and/or intermediate care facility or hospital.

32 **40-8.10-6. Rules and Regulations.--** The secretary of the executive office of health and
33 human services, the directors of the department of human services, the department of elderly
34 affairs, the department of children youth and families and the department of mental health

1 retardation and hospitals are hereby authorized to promulgate rules and regulations necessary to
2 implement all provisions of this chapter and to seek necessary federal approvals in accordance
3 with the provisions of the Global Compact Waiver.

4 SECTION 10. Section 40-8.9-9 of the General Laws in Chapter 40-8.9 entitled "Medical
5 Assistance - Long-Term Care Service and Finance Reform" is hereby amended to read as
6 follows:

7 **40-8.9-9. Long-term care re-balancing system reform goal.** -- (a) Notwithstanding any
8 other provision of state law, the department of human services is authorized and directed to apply
9 for and obtain any necessary waiver(s), waiver amendment(s) and/or state plan amendments from
10 the secretary of the United States department of health and human services, and to promulgate
11 rules necessary to adopt an affirmative plan of program design and implementation that addresses
12 the goal of allocating a minimum of fifty percent (50%) of Medicaid long-term care funding for
13 persons aged sixty-five (65) and over and adults with disabilities in addition to services for
14 persons with developmental disabilities and mental disabilities to home and community-based
15 care on or before December 31, ~~2012~~ 2013; provided, further, the executive office of health and
16 human services shall report annually as part of its budget submission, the percentage distribution
17 between institutional care and home and community-based care by population and shall report
18 current and projected waiting lists for long-term care and home and community-based care
19 services. The department is further authorized and directed to prioritize investments in home and
20 community-based care and to maintain the integrity and financial viability of all current long-
21 term care services while pursuing this goal.

22 (b) The long-term care re-balancing goal is person-centered and encourages individual
23 self-determination, family involvement, interagency collaboration, and individual choice through
24 the provision of highly specialized and individually tailored home-based services. Additionally,
25 individuals with severe behavioral, physical, or developmental disabilities must have the
26 opportunity to live safe and healthful lives through access to a wide range of supportive services
27 in an array of community-based settings, regardless of the complexity of their medical condition,
28 the severity of their disability, or the challenges of their behavior. Delivery of services and
29 supports in less costly and less restrictive community settings, will enable children, adolescents
30 and adults to be able to curtail, delay or avoid lengthy stays in long-term care institutions, such as
31 behavioral health residential treatment facilities, ~~juvenile detention centers, psychiatric facilities,~~
32 ~~and/or~~ long-term care hospitals, intermediate care facilities and/or skilled nursing facilities.

33 (c) (1) Pursuant to federal authority procured under § 42-7.2-16 of the general laws, the
34 department of human services is directed and authorized to adopt a tiered set of criteria to be used

1 to determine eligibility for services. Such criteria shall be developed in collaboration with the
2 state's health and human services departments and shall encompass need based eligibility
3 determinations for services in ~~nursing facilities, hospitals, and intermediate care facilities for the~~
4 ~~mentally retarded as well as home~~ institutions for long-term care and community-based
5 alternatives. Separate needs based criteria may be established taking into account the long-term
6 care institution for which alternative community-based services and supports are available. The
7 department is authorized to adopt criteria for admission to long-term care institutions that are
8 more stringent than those employed for access to home and community-based services. The
9 department is also authorized to promulgate rules that define the frequency of re-assessments for
10 services provided for under this section.

11 (2) The department is authorized, subject to prior approval of the general assembly, to
12 ~~and shall~~ provide a common standard of ~~income~~ financial eligibility for both institutional and
13 home and community-based care. The department is authorized to adopt criteria for admission to
14 a nursing facility, hospital, or intermediate care facility for the mentally retarded that are more
15 stringent than those employed for access to home and community-based services. The department
16 is also authorized to promulgate rules that define the frequency of re-assessments for services
17 provided for under this section. Legislatively approved levels of care may be applied in
18 accordance with the following:

19 (i) Any Medicaid recipient deemed eligible for nursing facility, hospital, or intermediate
20 care facility for the mentally retarded as of January 15, 2009, shall continue, throughout that
21 individual's life, to be assessed utilizing the level of care criteria in place for that care as of
22 January 15, 2009;

23 (ii) Any Medicaid recipient deemed eligible for home and community services prior to
24 January 15, 2009, shall continue to be assessed for that care utilizing the level of care criteria in
25 place as of January 15, 2009;

26 (iii) Persons meeting or who would have met the level of care criteria for nursing facility
27 care as of January 15, 2009, shall continue to be deemed to meet the institutional level of care and
28 shall only be transitioned to home and community services on a voluntary basis, and shall not be
29 subject to any wait list for home and community services; and

30 (iv) No resident of a nursing facility, hospital, or intermediate care facility for the
31 mentally retarded shall be removed involuntarily from said facility even if the condition of the
32 resident improves.

33 (v) No nursing home, hospital, or intermediate care facility for the mentally retarded shall
34 be denied payment for services rendered to a Medicaid recipient on the grounds that the recipient

1 does not meet level of care criteria unless and until the department of human services has: (i)
2 Performed an individual assessment of the recipient at issue and provided written notice to the
3 nursing home, hospital, or intermediate care facility for the mentally retarded that the recipient
4 does not meet level of care criteria; and (ii) The recipient has either appealed that level of care
5 determination and been unsuccessful, or any appeal period available to the recipient regarding
6 that level of care determination has expired.

7 (d) The department of human services is further authorized and directed to consolidate all
8 home and community-based services currently provided pursuant to § 1915(c) of title XIX of the
9 ~~United~~ United States Code into a single program of home and community-based services that
10 include options for consumer direction and shared living. The resulting single home and
11 community-based services program shall replace and supersede all § 1915(c) programs when
12 fully implemented. Notwithstanding the foregoing, the resulting single program home and
13 community-based services program shall include the continued funding of assisted living services
14 at any assisted living facility financed by the Rhode Island housing and mortgage finance
15 corporation prior to January 1, 2006, and shall be in accordance with chapter 66.8 of title 42 of
16 the general laws as long as assisted living services are a covered Medicaid benefit.

17 (e) The department of human services is authorized to promulgate rules that permit
18 certain optional services including, but not limited to, homemaker services, home modifications,
19 respite, and physical therapy evaluations to be offered subject to availability of state-appropriated
20 funding for these purposes.

21 (f) To promote the expansion of home and community-based service capacity, the
22 department of human services is authorized and directed to pursue rate reform for providers of
23 homemaker, personal care (home health aide) and adult day care services, as follows: (1) A
24 prospective base adjustment effective, not later than July 1, 2008, across all departments and
25 programs, of ten percent (10%) of the existing standard or average rate, contingent upon a
26 demonstrated increase in the state-funded or Medicaid caseload by June 30, 2009;

27 (2) Development, not later than September 30, 2008, of certification standards
28 supporting and defining targeted rate increments to encourage service specialization and
29 scheduling accommodations including, but not limited to, medication and pain management,
30 wound management, certified Alzheimer's Syndrome treatment and support programs, and shift
31 differentials for night and week-end services; and

32 (3) Development and submission to the governor and the general assembly, not later
33 than December 31, 2008, of a proposed rate-setting methodology for home and community-based
34 services to assure coverage of the base cost of service delivery as well as reasonable coverage of

1 changes in cost caused by wage inflation.

2 (h) The department of human services is also authorized, subject to availability of
3 appropriation of funding, to pay for certain ~~non-Medicaid-reimbursable~~ expenses necessary to
4 transition residents back to the community; provided, however, payments shall not exceed an
5 annual or per person amount.

6 (i) To assure the continued financial viability of nursing facilities, the department of
7 human services is authorized and directed to develop a proposal for revisions to § 40-8-19 that
8 reflect the changes in cost and resident acuity that result from implementation of this re-balancing
9 goal. Said proposal shall be submitted to the governor and the general assembly on or before
10 January 1, 2010

11 SECTION 11. Section 40-8-17 of the General Laws in Chapter 40-8 entitled “Medical
12 Assistance” is hereby amended to read as follows:

13 **40-8-17. Waiver request – ~~Formulation.~~** -- (a) *Formation.* The department of human
14 services, in conjunction with the executive office of health and human services, is directed and
15 authorized to apply for and obtain any necessary waiver(s), waiver amendment(s) and/or state
16 plan amendments from the secretary of the United States department of health and human
17 services, including, but not limited to, a § 1115(a) global demonstration waiver that provides
18 program flexibility in exchange for federal budgetary certainty and under which Rhode Island
19 will operate all facets of the state's Medicaid program, except as may be explicitly exempted
20 under any applicable public or general laws.

21 (b) Effective July 1, 2009, any provision presently in effect in the Rhode Island General
22 Laws where the department of human services, in conjunction with the executive office of health
23 and human services, is authorized to apply for and obtain any necessary waiver(s), waiver
24 amendment(s) and/or state plan amendment(s) for the purpose of providing medical assistance to
25 recipients, shall authorize the department of human services, in conjunction with the executive
26 office of health and human services, to proceed with appropriate category changes in accordance
27 with the special terms and conditions of the Rhode Island Global Consumer Choice Compact
28 section 1115(a) Demonstration Waiver, which became effective January 16, 2009.

29 SECTION 12. Chapter 40-8 of the General Laws entitled “Medical Assistance” is hereby
30 amended by adding thereto the following section:

31 **40-8-4.1. Lowest Price.** -- (a) Notwithstanding any provision of law to the contrary, no
32 medical assistance provider shall bill or charge the department of human services more than the
33 provider's usual and customary charge, as defined within.

34 (b) The term “usual and customary” means the lowest charge, fee, or rate charged by a

1 provider for any product or service at the time such product or service was provided. For the
2 purpose of determining the lowest charge, fee, or rate:

3 (1) If the provider offers discounts or rebates, the amount after applying discounts or
4 rebates shall be utilized;

5 (2) If the provider offers a sale for a limited period of time on any good or service, the
6 sale price shall be utilized during the sale period;

7 (3) If the provider regularly accepts less than its full charge from any customer, that
8 amount accepted shall be utilized;

9 (4) If any good or service is offered free of charge by the provider, no charge shall be
10 made to the department for the provision of the product or service to the department or a client of
11 the department who satisfies the terms of the offer;

12 (5) If any good or service is covered under any warranty or guarantee offered by the
13 provider, the amount charged to the department shall not exceed the amount which would
14 otherwise be payable solely by the customer; and

15 (6) If a provider structures or packages its goods or services in a manner which is
16 exclusively or primarily used for Medicaid, Medicare, or other third-party payors, the charge for
17 the most similar good or service offered to any other consumer shall be utilized.

18 (c) The following items shall not be utilized in determining the “usual and customary” or
19 lowest charge, fee, or rate:

20 (1) Discounts offered solely to bona fide employees or family members of employees;

21 (2) Discounts offered solely on the basis of age shall be utilized in determining the usual
22 and customary charge only when the client of the department satisfies the age requirement;

23 (3) Free goods or services or discounts provided to a limited number of persons on the
24 basis of financial hardship;

25 (4) Charges by an organization on a sliding fee scale for a good or service where the
26 organization's charge is based on ability to pay;

27 (5) Charges not collected as a result of bad debts incurred by the provider. A bad debt
28 exists where sound business judgment indicates that there is no reasonable likelihood of recovery
29 of the amount owed; and

30 (6) Charges for educational-related services governed by 42 U.S.C. 1396b(c).

31 (d) The department may waive the application of this section, if the department
32 determines such action is necessary to ensure a continuum of care and service to persons served
33 by community mental health centers, or to avert serious economic hardships to mental health
34 centers.

1 SECTION 13. Sections 40-8.4-4 and 40-8.4-12 of the General Laws in Chapter 40-8.4
2 entitled "Health Care For Families" are hereby amended to read as follows:

3 **40-8.4-4. Eligibility.** -- (a) Medical assistance for families. - There is hereby established
4 a category of medical assistance eligibility pursuant to section 1931 of Title XIX of the Social
5 Security Act, 42 U.S.C. section 1396u-1, for families whose income and resources are no greater
6 than the standards in effect in the aid to families with dependent children program on July 16,
7 1996 or such increased standards as the department may determine. The department of human
8 services is directed to amend the medical assistance Title XIX state plan and to submit to the U.S.
9 Department of Health and Human Services an amendment to the RItE Care waiver project to
10 provide for medical assistance coverage to families under this chapter in the same amount, scope
11 and duration as coverage provided to comparable groups under the waiver. The department is
12 further authorized and directed to submit such amendments and/or requests for waivers to the
13 Title XXI state plan as may be necessary to maximize federal contribution for provision of
14 medical assistance coverage under this chapter. However, implementation of expanded coverage
15 under this chapter shall not be delayed pending federal review of any Title XXI amendment or
16 waiver.

17 (b) Income. - The director of the department of human services is authorized and
18 directed to amend the medical assistance Title XIX state plan or RItE Care waiver to provide
19 medical assistance coverage through expanded income disregards or other methodology for
20 parents or relative caretakers whose income levels are below one hundred seventy-five percent
21 (175%) of the federal poverty level.

22 (c) Waiver. - The department of human services is authorized and directed to apply for
23 and obtain appropriate waivers from the Secretary of the U.S. Department of Health and Human
24 Services, including, but not limited to, a waiver of the appropriate provisions of Title XIX, to
25 require that individuals with incomes equal to or greater than ~~one hundred thirty three percent~~
26 ~~(133%)~~ one hundred fifty percent (150%) of the federal poverty level pay a share of the costs of
27 their medical assistance coverage provided through enrollment in either the RItE Care Program or
28 under the premium assistance program under section 40-8.4-12, in a manner and at an amount
29 consistent with comparable cost-sharing provisions under section 40-8.4-12, provided that such
30 cost sharing shall not exceed five percent (5%) of annual income for those with annual income in
31 excess of ~~one hundred thirty three percent (133%)~~ one hundred fifty percent (150%); and
32 provided, further, that cost-sharing shall not be required for pregnant women or children under
33 age one.

34 **40-8.4-12. RItE Share Health Insurance Premium Assistance Program.** -- (1) The

1 department of human services is authorized and directed to amend the medical assistance Title
2 XIX state plan to implement the provisions of section 1906 of Title XIX of the Social Security
3 Act, 42 U.S.C. section 1396e, and establish the Rhode Island health insurance premium assistance
4 program for RIte Care eligible parents with incomes up to one hundred seventy-five percent
5 (175%) of the federal poverty level who have access to employer-based health insurance. The
6 state plan amendment shall require eligible individuals with access to employer-based health
7 insurance to enroll themselves and/or their family in the employer-based health insurance plan as
8 a condition of participation in the RIte Share program under this chapter and as a condition of
9 retaining eligibility for medical assistance under chapters 5.1 and 8.4 of this title and/or chapter
10 12.3 of title 42 and/or premium assistance under this chapter, provided that doing so meets the
11 criteria established in section 1906 of Title XIX for obtaining federal matching funds and the
12 department has determined that the individual's and/or the family's enrollment in the employer-
13 based health insurance plan is cost-effective and the department has determined that the
14 employer-based health insurance plan meets the criteria set forth in subsection (d). The
15 department shall provide premium assistance by paying all or a portion of the employee's cost for
16 covering the eligible individual or his or her family under the employer-based health insurance
17 plan, subject to the cost sharing provisions in subsection (b), and provided that the premium
18 assistance is cost-effective in accordance with Title XIX, 42 U.S.C. section 1396 et seq.

19 (b) Individuals who can afford it shall share in the cost. - The department of human
20 services is authorized and directed to apply for and obtain any necessary waivers from the
21 secretary of the United States Department of Health and Human Services, including, but not
22 limited to, a waiver of the appropriate sections of Title XIX, 42 U.S.C. section 1396 et seq., to
23 require that individuals eligible for RIte Care under this chapter or chapter 12.3 of title 42 with
24 incomes equal to or greater than ~~one hundred thirty three percent (133%)~~ one hundred fifty
25 percent (150%) of the federal poverty level pay a share of the costs of health insurance based on
26 the individual's ability to pay, provided that the cost sharing shall not exceed five percent (5%) of
27 the individual's annual income. The department of human services shall implement the cost-
28 sharing by regulation, and shall consider co-payments, premium shares or other reasonable means
29 to do so.

30 (c) Current RIte Care enrollees with access to employer-based health insurance. - The
31 department of human services shall require any individual who receives RIte Care or whose
32 family receives RIte Care on the effective date of the applicable regulations adopted in
33 accordance with subsection (f) to enroll in an employer-based health insurance plan at the
34 individual's eligibility redetermination date or at an earlier date determined by the department,

1 provided that doing so meets the criteria established in the applicable sections of Title XIX, 42
2 U.S.C. section 1396 et seq., for obtaining federal matching funds and the department has
3 determined that the individual's and/or the family's enrollment in the employer-based health
4 insurance plan is cost-effective and has determined that the health insurance plan meets the
5 criteria in subsection (d). The insurer shall accept the enrollment of the individual and/or the
6 family in the employer-based health insurance plan without regard to any enrollment season
7 restrictions.

8 (d) Approval of health insurance plans for premium assistance. - The department of
9 human services shall adopt regulations providing for the approval of employer-based health
10 insurance plans for premium assistance and shall approve employer-based health insurance plans
11 based on these regulations. In order for an employer-based health insurance plan to gain approval,
12 the department must determine that the benefits offered by the employer-based health insurance
13 plan are substantially similar in amount, scope, and duration to the benefits provided to RIte Care
14 eligible persons by the RIte Care program, when the plan is evaluated in conjunction with
15 available supplemental benefits provided by the department. The department shall obtain and
16 make available to persons otherwise eligible for RIte Care as supplemental benefits those benefits
17 not reasonably available under employer-based health insurance plans which are required for RIte
18 Care eligible persons by state law or federal law or regulation.

19 (e) Maximization of federal contribution. - The department of human services is
20 authorized and directed to apply for and obtain federal approvals and waivers necessary to
21 maximize the federal contribution for provision of medical assistance coverage under this section.

22 (f) Implementation by regulation. - The department of human services is authorized and
23 directed to adopt regulations to ensure the establishment and implementation of the premium
24 assistance program in accordance with the intent and purpose of this section, the requirements of
25 Title XIX and any approved federal waivers.

26 SECTION 14. Section 13 shall take effect on May 31, 2009. The remainder of the article
27 shall take effect upon passage. Any rules or regulations necessary or advisable to implement the
28 provisions of section 1 this article shall be effective immediately as an emergency rule upon the
29 department's filing thereof with the secretary of state as it is hereby found that the current fiscal
30 crisis in this state has caused an imminent peril to public health, safety and welfare, and the
31 department is hereby exempted from the requirements of sections 42-35-3(b) and 42-35-4(b)(2)
32 relating to agency findings of imminent peril to public health, safety and welfare and the filing of
33 statements of the agency's reasons thereof.

34
35

ARTICLE 24 SUBSTITUTE A

RELATING TO THE EFFECTIVE DATE

SECTION 1. This act shall take effect July 1, 2009, except as otherwise provided herein.

In Articles where it is provided that the effective date shall be either "July 1, 2009", or "upon passage", and no provision is made for retroactive or prospective application, the effective date shall be July 1, 2009, and if the article is approved after July 1, 2009, the article shall be retroactive to July 1, 2009.

In articles where it is provided that the effective date shall be either "July 1, 2009" or "upon passage" and provision is made within the article for retroactive or prospective application, the article shall take effect on July 1, 2009 and its application made retroactive or prospective as set forth in the article.

SECTION 2. This article shall take effect upon passage.