

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

ARTICLE 2

RELATING TO STATE FUNDS

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

16-59-9. Educational budget and appropriations.

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

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

(c) Any tuition or fee increase schedules in effect for the institutions of public higher education shall be received by the council on postsecondary education for allocation for the fiscal year for which state appropriations are made to the council by the general assembly; provided that no further increases may be made by the board of education or the council on postsecondary education for the year for which appropriations are made. Except that these provisions shall not apply to the revenues of housing, dining, and other auxiliary facilities at the university of Rhode Island, Rhode Island college, and the community colleges including student fees as described in P.L. 1962, ch. 257 pledged to secure indebtedness issued at any time pursuant to P.L. 1962, ch. 257 as amended.

(d) All housing, dining, and other auxiliary facilities at all public institutions of higher learning shall be self-supporting and no funds shall be appropriated by the general assembly to pay operating expenses, including principal and interest on debt services, and overhead expenses for the facilities, with the exception of the mandatory fees covered by the Rhode Island promise scholarship program as established by § 16-107-3. Any debt-service costs on general obligation

1 bonds presented to the voters in November 2000 and November 2004 or appropriated funds from
2 the Rhode Island capital plan for the housing auxiliaries at the university of Rhode Island and
3 Rhode Island college shall not be subject to this self-supporting requirement in order to provide
4 funds for the building construction and rehabilitation program. The institutions of public higher
5 education will establish policies and procedures that enhance the opportunity for auxiliary facilities
6 to be self-supporting, including that all faculty provide timely and accurate copies of booklists for
7 required textbooks to the public higher educational institution's bookstore.

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

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

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

19 **35-3-15. Unexpended and unencumbered balances of revenue appropriations.**

20 (a) All unexpended or unencumbered balances of general revenue appropriations, whether
21 regular or special appropriations, at the end of any fiscal year, shall revert to the surplus account in
22 the general fund, and may be reappropriated by the governor to the ensuing fiscal year and made
23 immediately available for the same purposes as the former appropriations; provided, that the
24 disposition of unexpended or unencumbered appropriations for the general assembly and legislative
25 agencies shall be determined by the joint committee on legislative affairs, and written notification
26 given thereof to the state controller within twenty (20) days after the end of the fiscal year; and
27 furthermore that the disposition of unexpended or unencumbered appropriations for the judiciary,
28 shall be determined by the state court administrator, and written notification given thereof to the
29 state controller within twenty (20) days after the end of the fiscal year.

30 (b) The governor shall submit a report of such reappropriations to the chairperson of the
31 house finance committee and the chairperson of the senate finance committee of each
32 reappropriation stating the general revenue appropriation, the unexpended or unencumbered
33 balance, the amount reappropriated, and an explanation of the reappropriation and the reason for
34 the reappropriation by August ~~15~~ 20 of each year.

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

3 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

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

- 12 Executive Office of Health and Human Services
- 13 Organ Transplant Fund
- 14 HIV Care Grant Drug Rebates
- 15 Department of Human Services
- 16 Veterans' home – Restricted account
- 17 Veterans' home – Resident benefits
- 18 Pharmaceutical Rebates Account
- 19 Demand Side Management Grants
- 20 Veteran's Cemetery Memorial Fund
- 21 Donations – New Veterans' Home Construction
- 22 Department of Health
- 23 Pandemic medications and equipment account
- 24 Miscellaneous Donations/Grants from Non-Profits
- 25 State Loan Repayment Match
- 26 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
- 27 Eleanor Slater non-Medicaid third-party payor account
- 28 Hospital Medicare Part D Receipts
- 29 RICLAS Group Home Operations
- 30 Commission on the Deaf and Hard of Hearing
- 31 Emergency and public communication access account
- 32 Department of Environmental Management
- 33 National heritage revolving fund
- 34 Environmental response fund II

1 Underground storage tanks registration fees
2 Rhode Island Historical Preservation and Heritage Commission
3 Historic preservation revolving loan fund
4 Historic Preservation loan fund – Interest revenue
5 Department of Public Safety
6 Forfeited property – Retained
7 Forfeitures – Federal
8 Forfeited property – Gambling
9 Donation – Polygraph and Law Enforcement Training
10 Rhode Island State Firefighter's League Training Account
11 Fire Academy Training Fees Account
12 Attorney General
13 Forfeiture of property
14 Federal forfeitures
15 Attorney General multi-state account
16 Forfeited property – Gambling
17 Department of Administration
18 OER Reconciliation Funding
19 RI Health Benefits Exchange
20 Information Technology Investment Fund
21 Restore and replacement – Insurance coverage
22 Convention Center Authority rental payments
23 Investment Receipts – TANS
24 OPEB System Restricted Receipt Account
25 Car Rental Tax/Surcharge-Warwick Share
26 Executive Office of Commerce
27 Housing Resources Commission Restricted Account
28 Department of Revenue
29 DMV Modernization Project
30 Jobs Tax Credit Redemption Fund
31 Legislature
32 Audit of federal assisted programs
33 Department of Children, Youth and Families
34 Children's Trust Accounts – SSI

1 Military Staff
2 RI Military Family Relief Fund
3 RI National Guard Counterdrug Program
4 Treasury
5 Admin. Expenses – State Retirement System
6 Retirement – Treasury Investment Options
7 Defined Contribution – Administration - RR
8 Violent Crimes Compensation – Refunds
9 Treasury Research Fellowship
10 Business Regulation
11 Banking Division Reimbursement Account
12 Office of the Health Insurance Commissioner Reimbursement Account
13 Securities Division Reimbursement Account
14 Commercial Licensing and Racing and Athletics Division Reimbursement Account
15 Insurance Division Reimbursement Account
16 Historic Preservation Tax Credit Account
17 Judiciary
18 Arbitration Fund Restricted Receipt Account
19 Third-Party Grants
20 RI Judiciary Technology Surcharge Account
21 Department of Elementary and Secondary Education
22 Statewide Student Transportation Services Account
23 School for the Deaf Fee-for-Service Account
24 [School for the Deaf – School Breakfast and Lunch Program](#)
25 Davies Career and Technical School Local Education Aid Account
26 Davies – National School Breakfast & Lunch Program
27 [School Construction Services](#)
28 Office of the Postsecondary Commissioner
29 ~~Westerly~~ Higher Education and Industry Centers
30 Department of Labor and Training
31 Job Development Fund
32 SECTION 4. Chapter 40-1 of the General Laws entitled "Department of Human Services"
33 is hereby amended by adding thereto the following section:
34 **40-1-17. Receipt and use of funds.**

1 To carry out the purposes of this chapter, the department of human services, with the
2 approval of the governor, shall have the authority to receive and expend monies from any other
3 sources, public or private, including, but not limited to, legislative enactments, bond issues, gifts,
4 devises, grants, bequests, or donations. The department of human services, with the approval of the
5 governor, is authorized to enter into any contracts necessary to obtain and expend those funds.

6 SECTION 5. Section 42-27-6 of the General Laws in Chapter 42-27 entitled "Atomic
7 Energy Commission" is hereby amended to read as follows:

8 **42-27-6. Reactor usage charges.**

9 (a) Effective July 1, 2018, All fees collected by the atomic energy commission for use of
10 the reactor facilities and related services shall be deposited ~~as general revenues.~~ in a restricted
11 receipt account to support the technical operation and maintenance of the agency's equipment.

12 (b) All revenues remaining in the restricted receipt account, after expenditures authorized
13 in subdivision (a) of this section, above two hundred thousand dollars (\$200,000) shall be paid into
14 the state's general fund. These payments shall be made annually on the last business day of the
15 fiscal year.

16 (c) A charge of up to forty percent (40%), adjusted annually as of July 1, shall be assessed
17 against all University of Rhode Island (URI) sponsored research activity allocations. The charge
18 shall be applied to the existing URI sponsored research expenditures within the atomic energy
19 commission.

20 SECTION 6. Section 16-57-10 of the General Laws in Chapter 16-57 entitled "Rhode
21 Island Higher Education Assistance Act [See Title 16 Chapter 97 - The Rhode Island Board of
22 Education Act]" is hereby amended to read as follows:

23 **16-57-10. Reserve funds.**

24 (a) To ensure the continued operation and solvency of the guaranteed student loan program,
25 the office of the postsecondary commissioner shall create and establish reserve funds, and may pay
26 into the funds any money appropriated and made available by the state or any other source for the
27 purpose of the funds, and any money collected by the division as fees for the guaranty of eligible
28 loans.

29 (b) Furthermore, it is the intent of the general assembly that these funds ~~eventually~~ be used
30 to increase financial assistance to Rhode Island students in the form of scholarships and grants as
31 approved by the commissioner of postsecondary education and as directed by the U.S. Department
32 of Education and in accordance with federal statutes and regulations governing the use of funds in
33 the guaranty agency's operating fund pursuant to the provisions and restrictions of the 1998
34 reauthorization of the federal Higher Education Act.

1 (c) [Deleted by P.L. 2015, ch. 141, art. 7, § 6].

2 (d) In the fiscal year beginning July 1, 2018, and for subsequent fiscal years, only costs
3 associated with the management of the scholarship and grant programs funded with reserve funds
4 may be financed with the reserve funds. No more than five (5) percent of the amount of reserve
5 funds appropriated for scholarships and grants in the previous fiscal year may be set aside to fund
6 personnel and operating costs.

7 SECTION 7. This Article shall take effect upon passage.

8